

WEST BENGAL STATE ELECTRICITY DISTRIBUTION COMPANY LIMITED

**Office of the General Manager (F&A)-Internal Audit.
Bidyut Bhawan (3rd floor, Block-B):: Bidhannagar :: Kolkata-700091
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WBSEDCL

(A Government of West Bengal Enterprise)

NOTICE INVITING REQUEST FOR PROPOSAL

RFP DOCUMENT

For Empanelment of Internal Auditor

RFP Notice No: GM(F&A)/IA/DCL/1886. Dated: 11.01.2021

GM (F&A) – IA

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Section - 1

NOTICE INVITING REQUEST FOR PROPOSAL FOR EMPANELMENT AS INTERNAL AUDITOR

West Bengal State Electricity Distribution Company Limited (WBSEDCL), a Government Company incorporated under Companies Act, 1956 and referred as Licensee under Electricity Act, 2003, mainly engaged in Distribution and Hydel Generation of power in West Bengal and having over 850 Auditable locations all over the state with the approximate annual turnover of Rs 21000 Crore (FY 2018-19), invites Request for Proposal (RFP), in sealed envelope, from experienced, reputed professional firms of Chartered Accountants, Cost Accountants, Engineers and Information Technology professionals & L.L.P. with specialization in Internal Audit preferably in Power & Energy Sector for empanelment & conducting Internal Audit in WBSEDCL. Interested firms after ensuring fulfillment of all the qualification and other criteria as specified in this RFP documents may submit duly filled in proposal in sealed envelope only as per the prescribed format and addressed to "The General Manager (F&A) - Internal Audit, WBSEDCL, Vidyut Bhavan, Block-B, 3rd Floor, Salt Lake City, Sector-II, DJ-Block, Kolkata-700091" so as to reach within due date & time of 08th February 2021.

1.0 Key Dates

1.1 The schedule of issue, submission and opening of RFP documents are given hereunder

Sl No	Action	Date & time
1	Issue of RFP document.	RFP documents to be downloaded from the company website at www.wbsedcl.in
2	Pre-RFP Queries from intending Bidder.	That should be sent to email I.D.: ciadcl@rediffmail.com within 25 th January 2021 up to 16:00 Hrs.
3	Last Date & Time of submitting completed RFP, i.e. only Technical Bid (Part-1 of the RFP) together with documents as stated in this notice.	At the office of "The General Manager (F&A) - Internal Audit, WBSEDCL, Vidyut Bhavan, Block-B, 3 rd Floor, Salt Lake City, Sector-II, DJ-Block, Kolkata-700091" within due date of 08 th February 2021 up to 16:00 Hrs.
4	Opening of Technical Bid (Part-1 of RFP)	At Seminar Hall-1, 7 th Floor, Vidyut Bhavan, WBSEDCL. Salt Lake. Kolkata – 700091 on 09 th February 2021 at 12:00 (Noon).
5	Last Date & Time of submitting Price Bid (Part-2 of the RFP)	The firms who shall qualify in Technical Bid and presentation before Audit Committee/ Senior Management only be invited subsequently for submission of Price Bid.
6	Opening of Professional Fees cum Price Bid (Part-2 of RFP)	Shall be opened subsequently with prior intimation to successful bidder in Technical Bid.

If any 'Strike' or 'Holiday' falls on any of the scheduled date, then the next working day (between mentioned working hours) shall be considered as scheduled date and scheduled time.

2.0 Scope of Work

2.1 The scope of work under this RFP includes inter alia, conducting Internal Audit of the business processes in identifying & testing of design and operating effectiveness of internal controls under Risk based Internal Audit model and management reporting of required risk mitigation and / or control development aspects.

2.2 The objective of the audit shall be strengthening the Internal Control in the company and not only limited to control testing services but extend to such other review, examination, inspection, assessment, evaluation, detection and analysis of various business processes i.r.o power purchase & load dispatch, technical data on energy transformation & distribution, various IT application systems including SAP, recording of financial transactions & reporting assets, liabilities, income & expenditure etc as may be required including any such required procedure to test compliance with the Laws & Regulations.

2.3 Conduct Internal Audit based on audit checklist covering all the audit steps and maintaining evidence of test performance.

2.4 Ensure test of controls to all the risk as per Audit Programme Sign-off Checklists are duly completed and status of results were accurately reflected.

2.5 Review & report implementation status of earlier audit recommendations.

2.6 Review and recommend for incorporation of any control for emerging risks due to change in business process and / or the framework

2.7 Preparation and communication of audit finding with recommendation to Auditee in standardized Issue Summary Sheet.

2.8 The Audit Programme being formed as basis of scope of work for each audit assignment may vary depending upon the different processes to be audited and at different locations. It is expected that prudence shall be exercised by the concerned audit team going beyond such programme for necessary completion of the audit observation wherever the circumstances demand & in consultation with Supervising Officer.

2.9 In course of conducting Internal Audit access to all documents, records, policy & procedures, guidelines, manuals etc including any other information as may deemed necessary shall be made, save & except those which are Company confidential and / or for limited access only.

2.10 The Internal Audit being a dynamic activity and scope of audit depends upon criticality of the processes to be audited, the Rights and Obligation of Auditor & Auditee of each engagement will be guided by the provision of this RFP and the Contract.

2.11 A periodic presentation on process wise broad audit findings and their suggested mitigation to be made before the Directors and CMD, WBSEDCL and if required such presentation may also have to be made before the Board of the Company as when asked for to do so.

3.0 Audit Team

3.1 A dedicated core team consisting of Partner of the firm, Audit Team Leader & Team Member (Audit Assistants) to be deputed. The members of the core team cannot be changed / replaced without prior consent of the Project Administrator.

3.2 Each audit assignment shall be constituted with a team having one Audit Team Leader & two Team Members (Audit Assistants). The formation of the team shall have to be confirmed by the Partner well in advance of the particular assignment and the corresponding credentials / curriculum vitae to be sent to Project Administrator before issuance of work order / Purchase Order.

3.3 It is desired that Partner of the Audit firm may not be the Audit Team Leader.

3.4 Since the scope of work under this RFP is process based Internal Audit in a technology intensive organization carrying business in Distribution of energy & Hydel and Solar Generation, the successful bidder need to deploy resources having corresponding adequate skill sets preferable in SAP environment.

3.5 The Audit Team Leader shall be a qualified personnel & Team Member (Audit Assistants) shall be Semi-Qualified person. In case of non-Finance Audit, the Team Leader must be Graduate Engineer from Electrical/ IT as per the specific requirement of the particular Audit and Masters in HR in case of HR Audit. The qualification criteria & desired experience and skill sets of Audit Team Leader & Team Member (Audit Assistants) are set forth in the 'Part-1: Technical Bid' which need to be complied with.

3.6 An authorization or identity proof duly issued by authorized signatory of the firm engaged for conducting Internal Audit is to be provided in case of Team Leader as well as Team Members at the time of audit.

4.0 Qualifying Criteria (Eligibility conditions)

4.1 Practicing Chartered Accountants, Cost Accountants, Engineers and Information Technology professionals Firms in the nature of Partnership and L.L.P. with adequate Internal Audit experience preferably in Power & Energy Sector and who can provide adequate skilled, qualified and experienced dedicated core teams may submit the RFP.

4.2 Head Office of the firm must be in the state of West Bengal.

4.3 Minimum immediately preceding 5 (five) years experience in conducting Internal Audit / IT/IS / Energy Audit. Details of experience in Internal Audit with particular reference to Power & Energy Sectors, if any, to be submitted enclosing copy of Engagement Letter along with terms of reference, type of audit and Completion Certificate.

4.4 At least 3 (Three) full time working partners in the immediate preceding three financial years and should continued up to 31/12/2020. Copy of Partnership Deed and Certificate of Practice (COP) of all the Partners to be submitted. In case of L.L.P. firm, Registration Certificate and Agreement copy need be submitted.

4.5 The **annual turnover of the professional firm should not be less than Rs 30 (Thirty) lakh per annum** in the immediately in all the preceding three financial years. Copy of Audited Balance Sheet and Profit & Loss A/c along with Income Tax Return with computation for the Financial Years 2016-17, 2017-18 & 2018-19 to be submitted.

4.6 Short-listed technically qualified firm may have to present their experience and technical capability in the form of PPT before Audit committee at their own cost. Appropriate date and time of presentation will be conveyed to the firms in due course.

- 4.7 The firm should have a valid PAN. Copy of valid PAN card to be submitted.
- 4.8 The firm should have a valid GSTIN Registration. Self attested copy of valid GST Registration Certificate to be submitted.
- 4.9 An affidavit (duly notarized in non-judicial stamp paper) to the extent that No Criminal Proceedings are pending w.r.t. to the Firm and/or Partner in any Court of Law in India or before any Disciplinary Committee of ICAI/ICAI(erstwhile ICWAI) / ICSI or any other professional institutes / bodies to be submitted duly.

5.0 Earnest Money Deposit (EMD) to be submitted with the tender bid

- 5.1 **Earnest Money of Rs. 1.00 Lakh** (Rupees One Lakh only) is to be deposited by the intending bidders. The Earnest Money shall be in the form of Crossed Demand Draft/ Pay Order/ Banker's Cheque of scheduled Bank drawn in favour of WBSEDCL payable at Kolkata or by Bank Guarantee as per WBSEDCL format with validity up to 6 (six) months from due date of tender submission and with a claim period of another 3 (three) months. Tenderer shall not claim any interest on Earnest Money Deposit.
- 5.2 Earnest Money will be refunded to the unsuccessful tenderer after finalization of tender and in case of successful tenderer EMD shall be refunded only after submission of Security Deposit. All Security Deposit should be in the form Bank Guarantee from any Scheduled Bank.
- 5.3 Earnest Money submitted will be liable to forfeiture i) if successful tenderer fails to accept Purchase Order/ Letter of Engagement issued within their offered validity period, not below 120 days. ii) For failure to submit specified security deposit with in time limit indicated in Purchase Order/ Letter of Engagement.iii) If any Cartel is formed by the tenderer in their quotation. iv) if successful tenderer after accepting Letter of Engagement refuses to conduct field audit as well as submitting report.

6.0 Security Deposit

- 6.1 All successful tenderers shall have to submit Security Deposit amounting to **Rs. 1.00 lakh** (Rupees one lakh) in the form of Bank Guarantee from any Schedule Bank in the prescribed format of WBSEDCL within 15 days from the date of issuing Engagement letter. The Bank Guarantee should be valid up to three years from the date of issue of Letter of Engagement and further claim period of three months should be given. The Bank Guarantee shall be released after successful completion of the engagement.

7.0 Performance Standards

- 7.1 The Audit firm should perform the Audit with the highest standards of professional and ethical competence and integrity.
- 7.2 It is expected that compliance to different standards of auditing as may have been issued time to time by professional institutes / bodies etc with particular emphasis on Risk Assessment & Internal Control including ITGC shall be harmoniously exercised while carrying the audit work under the engagement.
- 7.3 Regular review of audit performances shall be conducted in assessment of improvement in quality of services and effective utilization.

8.0 Pre-RFP submission Queries

8.1 In order to avoid clarification/confusion after opening of bids, Pre-Bid Queries should be sent to email I.D.: ciadcl@rediffmail.com so as to provide an opportunity to the participating bidders to interact with WBSEDCL with regard to various RFP provisions/specifications, before the RFPs are submitted.

8.2 The Queries should be sent positively by **25th January 2021 up to 16:00 Hrs.** The replies will be forwarded through email within 28/01/2021.

8.3 In case, due to the points/doubts raised by the prospective bidders, any specific terms & conditions (which is not a part of the terms and conditions of tender) needs to be modified, then the same will be considered for modification.

8.4 After Pre-RFP submission Queries, the specifications & other tender conditions will be frozen. No change in specifications and tender conditions will be permissible after bid opening. All the bidders must ensure that their bid is complete in all respects and conforms to tender terms and conditions, and the tender specifications are complied with, failing which their bids are liable to be rejected without seeking any clarifications on any exception/deviation taken by the bidder in their bid.

9.0 Submission of RFP

9.1 The RFP is to be submitted only as per enclosed prescribed format (refer Section-2 of this RFP document) in two parts viz **PART-1: Technical Bid along with Earnest Money & PART-2: Professional Fees cum Price Bid.**

9.2 Sealed cover I will contain Earnest Money Deposit. Sealed Cover II will contain the Technical Bid. Both sealed Cover I containing the Earnest Money and sealed Cover II containing Technical bid shall have to be submitted in a separate sealed cover marked as **“RFP for Internal Audit Empanelment - PART-1”**.

9.3 The Professional fees cum Price bid as per prescribed format (Referred section 2 of this RFP document) shall have to be submitted separately in a sealed cover marked as **“RFP for Internal Audit Empanelment –PART 2”**.

9.4 The firms intending to participate in the Bid initially need to submit only the **Part-1: Earnest Money in Cover I and Technical Bid in a sealed Cover II.**

9.5 First, sealed Cover I containing Earnest Money will be opened. The Cover II containing Technical bid will be opened only if Earnest Money is submitted in accordance with provisions as per clause 3. In case of any discrepancy in Cover I, then Cover II will not be opened.

9.6 Since price bid shall be invited subsequently and only from the firms who qualify in the Technical Bid as per evaluation set forth elsewhere in this RFP document, no Professional Fees cum Price Bid i.e. Part-2 need to be submitted at the initial stage along with PART 1 Technical Bid along with Earnest Money.

9.7 In the event of any RFP found to have submitted with both the Part-1 & Part-2 shall be considered as non responsive and will be rejected summarily.

9.8 The RFP to be submitted in sealed envelope bearing the name & address of the firm submitting the RFP and addressed to "The General Manager (F&A) - Internal Audit, WBSEDCL, Vidyut Bhavan, Block-B, 3rd Floor, Salt Lake City, Sector-II, DJ-Block, Kolkata-700091"

9.9 The RFP once submitted by intending firm cannot be revised, modified or re-submitted.

9.10 More than one RFP from same bidder shall lead to treat both the offers as non-responsive and will summarily be rejected.

9.11 RFP can be submitted in person / courier / registered post so as to reach within the last day & time as mentioned at Sl. No-3 under Clause-1.0. RFP shall however be received at the office of "The General Manager (F&A) - Internal Audit, WBSEDCL, Vidyut Bhavan, Block-B, 3rd Floor, Salt Lake City, Sector-II, DJ-Block, Kolkata-700091" during the working days between 10:00 Hrs to 16:00 Hrs on Monday to Friday. Submission of RFP beyond the stipulated last date & time will not be entertained and summarily rejected. WBSEDCL will neither be responsible nor shall entertain in receiving any RFP intended for submission beyond the stipulated last date and time.

9.12 RFP sent through fax /email will be summarily rejected and disqualify the concerned bidder even the same also sent in person / courier / registered post.

10.0 Signing of RFP documents

10.1 The original RFP only in prescribed format along with the entire set of supporting, documents, papers etc should be signed manually by the authorized signatory (ies) mentioning name & designation under common seal of the firm.

10.2 The complete RFP including both parts must be neatly typed / written by the bidders in indelible ink. RFP written in pencil, irrespective of any part / whole will be summarily rejected.

10.3 Any interlineations, erasures or overwriting shall be valid only if they are initialed by the person or persons signing the bid.

11.0 Professional Fees cum Price Bid

11.1 The bidders who only qualify in the technical bid and presentation before the Audit Committee shall be invited subsequently for submission of PART-2: Professional Fees cum Price Bid within the date and time as will be intimated in due course.

11.2 The bidders shall indicate the net unit prices (wherever applicable) on the appropriate price schedule at PART-2 of the RFP. The Daily allowances are inclusive of lodging, boarding & other incidental expenses to be incurred during audit only where stay at audit location may be required as indicated under Clause 28.0 of this RFP document.

11.3 The quoted rate in PART-2 of RFP shall be inclusive of all applicable taxes and duties except applicable GST. The applicable GST shall be paid at prevailing rules & rates.

11.4 Prices quoted by the bidder shall remain firm during the bidder's performance of the contract and not subject to variation on any account.

11.5 The quoted Professional Fees cum price Bid to be written in figure as well as in word. In the event of any dispute arises, the price written in word shall prevail.

11.6 All the section of price offers to be quoted and should not be left blank. In absence of any quoted offer against any particular section (in figure and / or in word) shall make the Professional Fees cum price Bid non-responsive and be rejected.

12.0 Validity of RFP

12.1 The offered rate shall be valid for acceptance for a period of 120 days from the next day of opening of Professional Fees cum Price Bid (PART-2 of RFP), and shall not be withdrawn or revised on or after the opening of bids till the expiration of the validity period or any extension agreed thereof.

12.2 RFP offer made valid for a period less than the required time as stipulated above would liable to be rejected.

12.3 In exceptional circumstances, prior to expiry of the original bid validity period, the WBSEDCL may request the bidder for a specified extension in the period of validity. The requests and the responses shall be made in writing. The Bidder will undertake not to vary/modify the bid during the validity period or any extension agreed thereof.

13.0 Responsibility of Bidder

13.1 The bidder is expected to examine and conforms to all instructions, forms, terms and specifications in the RFP document before submission of RFP. Failure to furnish and / or not complying with RFP conditions towards all the instructions, forms, terms and specifications in the bidding document will be treated as Non-responsive and may result into rejection of the RFP without seeking any clarification.

13.2 It shall be sole responsibility of the bidder to determine and satisfy themselves by such means as they consider necessary or desirable for all matters pertaining to this RFP including, in

particular, all factors that may affect the cost, duration and execution of the work.

13.3 The bidder shall entirely & exclusively bear all costs and expenses associated with attending Pre-Bid conference, discussions, presentations etc and providing any additional information, development, preparation and submission of RFP Document. WBSEDCL will in no case shall be held liable for those costs and expenses regardless of the outcome of the bid.

14.0 Formation of Cartel & Penal Measures

14.1 Any form of canvassing / lobbying / influence etc by the bidder / participant will result disqualification of such bidder.

14.2 Any evidence of unfair trade practices, including overcharging price fixing, cartelization etc, as defined in various statutes, will automatically disqualify the bidder / participant.

14.3 Occurrence of such evidence shall be viewed seriously by WBSEDCL authority and penal measure as deemed fit, including barring from present & future bidding process, would be imposed upon the relevant bidder / participant.

15.0 Language of RFP

15.1 The RFP prepared by the bidder and all correspondence and documents relating to the bid exchanged by the Bidder and the WBSEDCL shall be written in English language. Supporting documents and printed literature furnished by the Bidder may be in another language provided they are accompanied by an accurate translation of the relevant passages in English duly endorsed by the bidder, in which case, for purposes of interpretation of the bid, the translation shall prevail.

16.0 Currency in RFP

16.1 Bidders should quote firm prices in Indian Rupee only. Prices quoted in any other currency shall not be considered and the bid will be treated as non-responsive.

17.0 Tenure of Engagement

17.1 The tenure of engagement under the RFP shall initially be effective for two financial years of 2021-22 & 2022 -23 and shall be effective from the date of acceptance of engagement letter.

17.2 However the tenure may be extended only once at the same terms and condition for a maximum period of further one financial year subject to satisfactory performance of the firm(s).

17.3 As per company policy, on expiration of the engagement in terms of this RFP further engagement of the same Internal Auditor shall not be made for next three years.

18.0 Termination of Engagement

18.1 The engagement may be terminated without assigning any reason at any point of time & by serving one calendar month's notice from either side.

18.2 In case of any firm fails to commence the stipulated audit within one month from the date of award of the contract, WBSEDCL shall have right to terminate the contract awarded to the concerned firm by giving a notice of termination with forfeiture of Performance Bank Guarantee amount.

19. Holiday Listing

19.1 A firm will be placed in a Holiday List if the firm:

- a) has submitted fake/false or forged documents/certificates
- b) has committed breach of contract or has failed to perform a contract or has abandoned the contract
- c) has revised/withdrawn price bid after opening technical bid until and unless it is sought for
- d) has parted with, leaked or provided confidential/proprietary information of WBSEDCL given to the firm only for its use (in discharge of its obligations against an order) to any third party without prior consent of WBSEDCL
- e) any other ground for which the opinion of WBSEDCL makes it undesirable to deal with the firm.
- f) has failed to mobilize finance/suitable expertise for closing the work as per pre-scheduled program.

20.0 Evaluation & Selection Criteria

20.1 The Technical Bid (Part-1 of RFP) i.e. the sealed envelope marked '**RFP for Internal Audit Empanelment - PART-1**' shall be opened on the due date and time as mentioned at Sl. No-1 under Clause-1.1 of this RFP document and in the presence of firms submitted the RFP. The firms submitted their RFPs may choose to depute their authorized representative, not more than one person from each firm, to be present in the opening.

20.2 The Technical Bid (Part-1 of RFP) which found not in conformity with the required manner and details as mentioned elsewhere in this RFP document would be treated as non-responsive and rejected outright.

20.3 Subsequently examination of required documents as set forth in this RFP document shall be done for assessment of fulfilling the eligibility criteria. The Technical Bid shall be evaluated based on score card methodology. The scoring pattern as defined against each of the attributes of the eligibility criteria shall be summed up against each of the bidder.

20.4 The total score value in Technical Part is 100 for two stage qualification. A bidder has to secure a minimum of 60.00% score out of 90 marks on Qualification and Experience criteria bearing item Nos. 1 to 7. Only the Bidder, who will qualify accordingly, be invited for a presentation in form of PPT before the Audit Committee / Senior Management. In terms of Technical Evaluation & Selection criteria, remaining 10 marks allotted for PPT presentation. If the firm can secure at least 60.00% marks out of 10 marks on Presentation before Audit Committee, the Firm will be qualified for to participate in financial bid on a subsequent date. However the different attribute wise scoring pattern is tabled below:

Sl. No.	Criteria	Sub-criteria	Documents to be submitted	Max Marks	Admissible marks
1	Establishment of the firm and age as on 01/01/2021.	If 5-10 years	Copy of Constitution certificate issued by the concerned Institute.	15	10
		If 11-15 years			12
		If >15 years			15
2	Number of fulltime working partners during each of the last three immediately preceding financial years and continued up to 31/12/2020.	If 3-7	Copy of Firm Registration Certificate and date of Establishment	15	10
		If 8-10			12
		If >10			15
3	Sum of years that all the partners as of 31.12.2020 associated with the current firm in the last three immediately preceding years, i.e. 2017-18, 2018-19, & 2019-20. <u>Example: number of partner as on 31.12.2020 is 7 out of which only 3 continued as partner in all the last three years, then sum will be(3*3)=9</u>	If <=15	Copy of Firm Registration certificate and date of establishment	10	6
		If >15			10
4	Number of fully qualified staff during each of the last three immediately preceding financial years and continued up to 31/12/2020.	2 marks per staff	Copies of engagement / appointment letter and final pass certificate issued by the concerned institute.	10	10

5	Average annual turnover in last three immediately preceding financial years i.e. 2016-17, 2017-18 & 2018-19.	If 30lakh to 50lakh	Copies of audited Financial Statement or Income & Expenditure A/C and Receipts & Payments A/C, whichever is applicable along with Return of Income Tax for the Financial years 2016-17, 2017-18 & 2018-19.	15	10
		If 50lakh to 75lakh			12
		If > 75lakh			15
6	Total experience in Internal Audit	If 5-10 Yrs	Copies of engagement order, terms of reference & completion certificate	15	10
		If 11-15 Yr			12
		If > 15 Yrs			15
7	Total experience in Internal Audit in Power & Energy Generation, Transmission and Distribution Sectors.	Each Internal Audit assignment will carry 5 marks.	Copies of engagement order, terms of reference & Completion certificate.	10	
			TOTAL (A)	90	
8	The Firms who shall qualify in above score by getting at least 60% marks on 90, eligible for presentation before Audit Committee/ Senior Management.	Presentation before Audit Committee		10	
			TOTAL (B)	10	

GRAND TOTAL 100

In technical evaluation & selection criteria, total score value is 100 marks for two stage qualifications. A bidder has to secure a minimum of 60% score out of 90 marks of the total marks (A). Only the bidder who will qualify accordingly be invited for a presentation in form of PPT before the Audit Committee / Senior Management. Audit Firms who can secure at least 60% marks out of 10 marks on presentation before Audit Committee will be qualified for to participate in financial bid on a subsequent date.

Price Bid shall be opened only from technically qualified firms.

20.5 The Professional Fees cum Price Bid(Part-2 of RFP) i.e. the sealed envelope marked as **‘RFP for Internal Audit Empanelment - PART-2’** of only the firms found qualified in the technical bid shall be opened in presence of firm’s representative on any subsequent pre-intimated date.

20.6 The L-1 offers shall be arrived after taking into account both the quoted price of Professional Fees and Daily Allowances.

20.7 As more than one firm shall be shortlisted for empanelment, option to provide services for conducting internal audit by way of matching L-1 price shall be offered to other firms.

20.8 The written confirmation stating acceptance of matching L-1 price of both the Professional Fees and Daily Allowances duly signed by the authorized person of the firm, who has signed the RFP documents, must be submitted at the office of **‘The General Manager (F&A) - Internal Audit, WBSEDCL, Vidyut Bhavan, Block-B, 3rd Floor, Salt Lake City, Sector-II, DJ-Block, Kolkata-700091’** within 7 (seven) working days from the date of finalizing the L-1 price.

20.9 The confirmations so received from the firms, shall only be considered for subsequent selection and empanelment.

21.0 Audit Reports

21.1 The Internal Audit Report in standard format must be submitted in triplicate along with Audit Programme Sign-off Checklists, Issue Summary Sheet, Audit working papers & other documents forming part of the report, within 15 (fifteen) days from the scheduled date of completion of field work of Audit.

21.2 The report to be included with an Executive Summary of the critical issues/ findings that requires attention of the senior management by providing financial involvement, wherever applicable. The report should be structured in a manner giving the observations / weaknesses, the implications, suggestions for improvement and the auditee comments. The status of the actions taken by the management on the recommendations of the previous report should also be provided.

21.3 The Internal Audit report as submitted is subject to review of their intended coverage and focus on the existence, design & operating effectiveness of internal control. In course of review of submitted Audit Reports, if those were found incomplete / deficient / partial and thus forming an opinion on the design / operating effectiveness of control and / or the business process could not be formed for management reporting, those shall not be accepted and returned back for necessary revision / rectification and resubmission. The Company shall not be liable for any cost & expenses as may be incidental for carrying out such revision / rectification and will be borne by the relevant firm only.

22.0 Ownership of Material

22.1 Any study report or other documented material, presentation, graphics, software or otherwise prepared / developed by the Audit firm exclusively for the purpose of conducting internal audit as per engagement under this RFP shall belong to and remain the property of the Company.

22.2 Publication and/or any other form of use by the Audit firm of those documented material, presentation, graphics, software or otherwise prepared / developed cannot be made without written permission of the Company.

23.0 Completion Time

23.1 Timely completion with satisfactory performance of each audit assignment including submission of report is the essence of contract. Internal Audit Report to be submitted within 15 (fifteen) days from the scheduled date of completion of field work of Audit.

23.2 Each of the audit assignment shall be allotted with specified man-days before commencement of audit work. Variation of actual man-days shall be limited to 10% (+/-) from the allotted man-days.

24.0 Penalty

24.1 The Professional Firm should submit the Internal Audit Report within 15 (fifteen) days from the scheduled date of completion field work of Audit. If there is a delay in submission of Internal Audit Report Penalty shall be imposed @ 1/2 % (half percent) per week or part of delay subject to a maximum of 10% (ten percent) of the professional fees w.r.t. each Audit.

25.0 Controlling Officer

25.1 The WBSEDCL designates **General Manager (F&A)-IA as the Project Administrator**. The Project Administrator will co-ordinate all the activities under the engagement viz the acceptance and approval of reports, approving bills for payment and other deliverables.

25.2 The WBSEDCL designates **Additional General Manager (F&A)-IA & Senior Manager (F&A)-IA as the Supervising Officers**. The Supervising Officers will supervise the entire Internal Audit activities including liaison with Auditee, Partner of the Audit firm and / or Audit Team Leaders.

26.0 Confidentiality

26.1 During the tenure of this engagement and within two years after its expiration, professional firm should not disclose any proprietary or confidential information relating to the Services under this engagement or the WBSEDCL's business or operations without the prior written consent from the Authorities of WBSEDCL.

27.0 Assignments

27.1 The firm will not be able to assign any part of the services as contained in the engagement under this RFP to a Third Party and / or any Associates without prior written consent of the Company.

28.0 Terms of Payment

28.1 There will be no scope of paying Mobilisation Advance or Advance in any other form. The Manager (F&A) ~ Establishment Corporate is the Paying Authority. Time lag of payment to the Internal Auditors from submission of invoices fixed at least 60 days.

28.2 The payment is subject to completion of each audit assignment in accordance with respective audit programme followed by submission & acceptance of Audit Report and based on actual

mandays worked.

28.3 Concerned Partner of the Audit firm may visit the Auditee site for supervising the audit work for a period limited to maximum 10% of the total man-days allotted for the concerned audit assignment.

28.4 G.S.Tax at prevailing rules & rates will be paid over and above the Professional Fee subject to furnishing copy of challans i.r.o. payment of G.S.T. to the government account during the last month.

28.5 Daily allowances will be payable only in case of the audit locations (offices of Auditee) are beyond a distance of 50km from the Head Office of Auditor and stay at audit location is required by the audit team.

28.6 Travel entitlements & reimbursements shall be made as per the following rules

28.6.1 Travel beyond 50km. Reimbursement is subject to production of original tickets.

Travelling by Bus is subject to the route is not connected with Rail

	By Train	By Bus
Partner	AC First Class	As per actual
Team Leader	AC Two Tier	As per actual
Team Member	AC Three Tier	As per actual

28.6.2 Travel within 50km. Reimbursement is subject to production of original tickets.

	By Train	By Bus (Non-AC)
Partner	As per actual	As per actual
Team Leader	As per actual	As per actual
Team Member	As per actual	As per actual

29.0 Force Majeure

29.1 In the event of either party to the engagement under this RFP being rendered unable by Force Majeure to perform any obligation required to be performed by them, the relative obligation of the party affected by such Force Majeure shall be suspended for the period during which such cause lasts.

29.2 The term 'Force Majeure' as employed herein shall mean acts of God, War, Civil Riots, Fire directly affecting the performance of the engagement, Flood and Acts & Regulations of respective government of the either party to the engagement.

29.3 Upon the occurrence of such cause and upon its termination, the party alleging that it has been rendered unable as aforesaid thereby, shall notify the other party in writing, the beginning of the cause amounting to Force Majeure as also the ending of the said clause by giving notice to the other party within 72 hours of the ending of the cause respectively. If deliveries are suspended by Force Majeure conditions lasting for more than 2 (two) months, the Company shall have the option of canceling the engagement in whole or part at his discretion without any liability at his part. Time for performance of the relative obligation suspended by Force Majeure shall then stand extended by the period for which such cause lasts.

30.0 Dispute Resolution

30.1 Applicable Law: This engagement shall be governed by and construed in accordance with the relevant and applicable Laws of India.

30.2 Either party may bring a claim to enforce its rights with respect to breach of provisions relating to its (1) intellectual or proprietary information or materials, (2) its trademarks, service marks or logos, any patents before appropriate forums at Kolkata including High Court Calcutta.

30.3 Before resorting to Legal redressal of grievances between parties / bidders, endeavour always be made to resolve any dispute amicably through negotiations.

31.0 General Terms & Conditions

31.1 All the section of both the Part-1: Technical Bid & Part-2: Professional Fees cum Price Bid has to be filled in. Any section left blank would make the offer non-responsive and be rejected. Please write “Not Applicable” wherever necessary.

31.2 Any RFP document submitted in a manner other than as set out at Clause-4 and / or attaching any condition shall not be treated as eligible and rejected in the selection process.

31.3 This Request for Proposal (RFP) document has been prepared solely to enable WBSEDCL for framing Risk Based Internal Audit model for further strengthening Internal Controls in the company. The RFP document is not a recommendation offer or invitation to enter into a contract, agreement or other arrangement in respect of the services.

31.4 As per company policy the firms who have been empanelled / engaged for conducting Internal Audit during FY 2018-19, 2019-20 & 2020-21 or part thereof, are not eligible to participate in the RFP.

31.5 Participation in this RFP in the form of a Consortium and/or Joint Venture is not allowed.

31.6 No binding relationship will exist between any of the Bidders and the Company until constitution of the contract.

31.7 The Internal Auditors engaged under this RFP will not be eligible to take-up any other Job/Services/Work for the Company till the continuance of the engagement.

31.8 No preference based on size and geographical location will be considered for the purpose of selection. All participants to the RFP will be treated with same status.

31.9 The cost of insurance of bidders owned computer and / or any instrument required in course of audit including their storage at site shall be borne by the bidder. The Company will not be responsible for any such cost and / or for any loss or damage of bidders owned computer and / or any instrument.

31.10 The Audit firm to be engaged as the Internal Auditor of the Company will not render an attestation or assurance report or assurance report opinion under the engagement, but may include:

31.10.1 An audit, review or examination of financial statements in accordance with generally accepted accounting standards,

31.10.2 An examination of prospective financial statements in accordance with applicable professional standards,

31.10.3 A review to detect fraud or illegal acts

31.11 Non-solicitation of Personnel: - During the tenure of engagement and for subsequent 12 (twelve) months following its termination for any reason, the Audit firm will not solicit for employment, or hire, any present personnel of the Company involved in the performance of the

Services, except as otherwise agreed in writing by the Company.

31.12 The Audit Firm, including any Partner or other personnel in the firm will not solicit for a position on the Company's Board of Directors, nor hire, any present professional employee of the Company, if such solicitation, hiring or employment may impair the independence of the Company under ANY other law, regulation, rule, listing requirement or professional standards governing the independence of accountants. Without limiting the foregoing, the Internal Auditors agrees not to solicit, hire or employ, without the prior written consent of the Company, any present professionally qualified employee of the Company.

31.13 The Company reserves the right to accept / reject any or all the RFPs without assigning any reason whatsoever.

31.14 The Company also does not bind itself to accept the lowest quotation.

32.0 Risk Purchase: If the agency fails to execute the contract up to the satisfaction of WBSEDCL, as laid down in the contract, WBSEDCL shall be entitled to get the job executed engaging any other agency on that account or to cancel the contract. The agency shall be liable to compensate for any loss / damage which WBSEDCL may sustain by reason of such failure on their part.

33.0 Major Audit Process:

Unit wise various major audit processes are as follows:

Customer Care Center	Operation & Maintenance, Connection Management, Collection Management & Cash Book, Energy Billing and Metering Management.
Divisional Office	Operation & Maintenance, Store Management, Finance & Accounts, Collection Management, Energy Billing and H.R. Management.
Regional Office	Energy Billing, Connection Management, Collection Management, Finance & Accounts and H.R. Management including Safety and Loss Prevention, Civil Work Management.
Zonal Office	Stores management, Finance & Accounts, H.R. Management including Safety and Loss Prevention and Zonal Call Center activity.
Hydro Generation Units	Operation & Maintenance, Store Management, Finance & Accounts and H.R. Management.
Head Quarters	Activity Based Process.

34.0 Work Flow:

Quarter wise Audit Plan preparation,
Audit Schedule to the Firm,
Confirmation of Audit Schedule with Team Members from Firm,
Work Order generation and Issue to the Firm,
Audit work completion and Report Submission by the Firm,
Review of Audit Report. If accepted then Acceptance Letter Submission,
Bill Submission by the Firm,
Bill Process for Payment.

35.0 Penal provision for false declaration of Qualification/ Experience of Team Leader/ Team Members will be as follows:

- (i) If any false declaration of qualification/ experience identified before engagement, then engagement of said team leader / team member may be avoided.
- (ii) If identified after engagement of audit, no fees will be paid in respect of that team leader / member of all audit work carried out by him.
- (iii) If identified after payment of audit fees, above fees may be recovered from Security Deposit of the Audit Firm.

Section: 2
REQUEST FOR PROPSAL- Part-1

TECHNICAL BID

(PLEASE FILL THE FOLLOWING RFP-1 IN BLOCK LETTERS AND PRINT TO SUBMIT)

1. Name of the Firm.					
2. Address of the Firm (Head Office) with contact details.					
3. Address of the Branch Office (if any) with contact details.					
4. Nature of the Firm CA/CMA/Engineers/IT/LLP etc					
5. Total number of Partners (as on 31 st March of respective year)	FY-2017-18	FY-2018-19	FY-2019-20		
6.a. Details of Working Partners as on 31.12.2020					
Name	Qualifications	Experience Details			
6.b. Details of other personnel as on 31.12.2020					
i) Number of Qualified Personnel (Refer Point 12 below)					
ii) No. of Semi-Qualified Personnel (Refer Point 12 below)					
iii) Others					
7. Experience of the firm in Internal Audit (in Years and Months)					
Name of the Organization	Tenure	Overall total Internal Audit Exp.	Power Sector/ Utilities	IT/IS Audit	Others

		2016-17	2017-18	2018-19	
8. Annual Turnover (in Rs)					

9. PAN number of the Firm:

10. GST Registration number of the firm. :

11. Whether any criminal / disciplinary proceedings are pending: YES/NO

Please Tick (√) appropriately

12. List of documents submitted (Refer Clause-4.0 of the RFP) duly signed by the authorized signatory with name & designation under common seal of the Firm.

Please Tick (√) appropriately:

- | | |
|---|--------|
| a) Copy of Partnership Deed of all the Partners. | YES/NO |
| b) Copy of Certificate of Practice (COP) of all the Partners mentioned at 6.a. above | YES/NO |
| c) Copy of Return of Income Tax for the Financial Years 2016-17, 2017-18 & 2018-19. | YES/NO |
| d) Copy of Audited Balance Sheet and Profit & Loss A/c for the financial years 2016-17, 2017-18 & 2018-19. | YES/NO |
| d) Copy of PAN card | YES/NO |
| e) Copy of the GST Registration Certificate. | YES/NO |
| f) Affidavit in original (duly notarized in non-judicial stamp paper) in support of no criminal / disciplinary proceedings. | YES/NO |
| g) Copies of Engagement Letter along with terms of reference and type of audit in support of Internal Audit experience of the firm. Please arrange to provide in sequence to the information filled at 7.0 above. | YES/NO |

13.a) Qualified Person means: Qualified Chartered Accountant/Cost Accountant/Graduate Engineer/Certified Information System Auditor (CISA)/ Diploma in Information System Auditor (DISA)/Certified Internal Auditor (CIA)/Company Secretary(CS)/Graduate in LAW/Post Graduate in HR, etc. having adequate post qualification Audit experience of at least 3 years.

13.b) Semi-Qualified Person means: Inter CA/Inter CMA/Inter CS/ Diploma in Engineering/Graduate in Science/Commerce/ Management etc, having adequate post qualification Audit experience of at least 3 years.

13.c) In case of non-Finance Audit process, the Team Leader must be Graduate Engineer from Electrical/ IT as per the specific requirement of the particular Audit and Masters in HR in case of HR Audit. In case of non-finance audit process the team leader must be Qualified Person as explained in 12.a above having post qualification Audit experience of at least 3 years.

Date:

Place:

(Signature of the authorized signatory with name & designation under common seal of the Firm)

REQUEST FOR PROPSAL- Part-2

PROFESSIONAL FEES CUM PRICE BID

(PLEASE FILL THE FOLLOWING RFP-2 IN BLOCK LETTERS AND PRINT TO SUBMIT)

Sl. No	Key Professionals	Professional Fees per <i>Man- Day</i>	Daily Allowances	TOTAL
1.	Partner	(quote the amount both Rs in figure and in word)	(quote the amount both Rs in figure and in word)	(quote the amount both Rs in figure and in word)
2.	Audit Team Leader	(quote the amount both Rs in figure and in word)	(quote the amount both Rs in figure and in word)	(quote the amount both Rs in figure and in word)
3.	Team member (Audit Assistant)	(quote the amount both Rs in figure and in word)	(quote the amount both Rs in figure and in word)	(quote the amount both Rs in figure and in word)

Date:

Place:

(Signature of the authorized signatory with name & designation under common seal of the Firm)

Section - 3

General Business Profile of WBSEDCL

Background: The Government of West Bengal has restructured the erstwhile WBSEB into two successor entities, namely West Bengal State Electricity Distribution Company Limited (WBSEDCL) and West Bengal State Electricity Transmission Company Limited (WBSETCL), under the ownership of the State Government. The two Companies started functioning from April 1, 2007.

Operational Performance: WBSEDCL provides power to 97% of West Bengal, catering to every sector - from ordinary villages to huge industrial units having a consumer base of more than 195 lakh across the State of West Bengal. The service network spans over 491 Sub-stations having installed transformation capacity of 7391.60mva, 1.65lakh ckm of HT line and 2.91lakh ckm of LT line controlled by 5 Zones, 20 Regional Offices, 76 Distribution Divisions and 535 Customer Care Centers in ensuring reliable and quality power availability, regular O&M work and consumer services. The energy demands are met from own generation and purchase from different sector of power producer. Surplus & deficits are controlled through trading and power banking (SWAP).

Major Projects: Purulia Pumped Storage Project (PPSP) – this state of the art technology based eco-friendly hydroelectric project has been set up to mitigate short term power requirement with an installed capacity of 900 MW Hydel power. Other Hydel projects are Rammam, Jaldhaka Stage-I & Stage-II, Teesta Canal Fall, Masanjore, Mangpoo, Fazi, Rinchington, Little Rangit & Sidrapong. Various Govt. sponsored schemes viz, RGGVY, R-APDRP, BRGF, NEF etc. are taken-up towards intensive work of electrification, development & strengthening of distribution network system with a focus to reduce ATC loss. There are other important projects currently under implementation stage.

Technology Initiative: CRM application has been introduced to address faster connection management, reduce customer grievances culminating into changed work culture and improved mindset. Major initiatives like feeder and DTR metering, preparation of baseline data for consumer indexing, GIS mapping of entire distribution network system, automatic data logging for all the DTRs and feeders, IT applications for meter reading & data acquisition, billing and collection, energy accounting and auditing, management information system reports, establishment of IT enabled consumer service centers etc. have improved distribution efficiency significantly.

SAP Implementation: Across the company the energy billing system has been automated by implementation of SAP-ISU solution. Implementation of SAP in FICO, MM, PMPS & HR modules are already completed and presently live.

Employee Base: The Company has total employee base of 12399 (as on 31.3.19) constituting large number of professionally qualified & skilled manpower having Engineering, Finance, HR, Legal, IT and other backgrounds. The % of women employee is 11% and the average employee age has been lowered. Regular training is imparted for skill up gradation.

Financial Performance: The total revenue stood at Rs 21548.29 Crore as on 31st March 2019 (Rs 19852.27 Crore as on 31st March 2018) contributing to positive increment to cash flow by Rs 10.48 Crore over the last financial year. Assets include Rs. 24588.86 Crores of Generation and Distribution assets and Inventory of Rs 394.99 Crore.

Audit Universe: the different location wise total number of auditable units is tabled below. The allotment of audit in each unit is based on Audit Plan as approved by Audit Committee. There are 15 Mega Processes having 51 Major Processes attached which are subject to modification. A brief business process overview is produced below.

Auditable Location	Total Units
Customer Care Center - Class A	222
Customer Care Center - Class B	201
Customer Care Center - Class C	112
Store units	90
District Computer Centers	78
Generation Units	11
Head Quarters	11
Project Audits	14
Accounting Units	126
Total:-	865

Proforma of Bank Guarantee for Bid Guarantee
(To be stamped in accordance with stamp Act)

Ref No.: _____

Bank Guarantee No.: _____

Date: _____

To
The west Bengal State Electricity Distribution Company Ltd.
Vidyut Bhavan, Salt Lake,
DJ Block, Sector-II,
Kolkata-700091(India)

Dear Sirs,

In accordance with Invitation to Bid as per Inv No.: _____ dated _____ under your Specification No. _____ M/S _____ having its Registered/Head Office at _____ (hereinafter referred to as the 'Bidder'), wish to participate in the said Bid or _____ and you, as a special favour have agreed to accept an irrevocable and unconditional Bank Guarantee for an amount of Rs. One Lakh valid up to _____ on behalf of Bidder in lieu of the Bid deposit required to be made by the Bidder, as a condition precedent for participation in the said Bid.

We _____ (Name and Address) having its Head Office at _____ (hereinafter referred to as the 'Bank') do hereby guarantee and undertake to pay immediately on demand by West Bengal State Electricity Distribution Company Limited the amount of Rs.1,00,000/- (Rupees One Lakh only) without any demur, reservation, contest, recourse or protest and/or without any reference to the Bidder.

Notwithstanding anything contained herein above our liability under this guarantee is restricted to _____ and shall remain in force up to and including _____ (Claim Period shall be another 3 months after the last date for which the Bank Guarantee is valid) and shall be extended from time to time for such period, as may be desired by M/S. _____ to whose behalf this guarantee has been given.

All right of under this guarantee shall be forfeited and the Bank shall be relieved and discharged from all liabilities there under unless the enforce a claim under this guarantee against the bank within six months from the above mentioned date or from the extended date.

Dated this _____ day of _____ 2021 at _____

Witness:

(Signature)

(Signature)

(Name)

(Name)

(Official address)

(Designation with Bank Stamp)

Attorney as per Power of Attorney No. _____

Date _____

Proforma of Bank Guarantee for Contract Performance

(To be stamped in accordance with stamp Act)

Ref No. _____

Bank Guarantee No.: _____

Date: _____

To
The west Bengal State Electricity Distribution Company Ltd.
Vidyut Bhavan, Salt lake,
DJ Block, Sector-II,
Kolkata-700091(India)

Dear Sirs,

In consideration of West Bengal State Electricity Distribution Company Ltd. (hereinafter referred to as the 'Employer' which expression shall unless repugnant to the context or meaning thereof include its successors, administrators and assigns) having awarded to M/S _____ with its Registered/Head Office at _____ (hereinafter referred to as the 'contractor' which expression shall unless repugnant to the context or meaning thereof; include its successors, administrators, executors and assign), a Contract by issue of Letter of Awarded No. _____ dated _____ valued at _____ for _____ (Scope of Contract) and the Contractor having agreed to provide a Contract performance Guaranteed of Rupees One Lakh only for the faithful performance under the entire Contract to.

We _____ (Name and Address) having its Head Office at _____ hereinafter referred to as the 'Bank' which express shall, unless repugnant to the context or meaning thereof include its successors, administrators, executors and assigns) do hereby guarantee and undertake to pay the Employer, on demand any and all moneys payable by the Contractor to the extent of _____ as aforesaid at any time up to (day/month/year) without any demur, reservation, contest, recourse or protest and/or without any reference to the Contractor.

Any such demand made by the Employer on the Bank shall be conclusive and binding notwithstanding any difference between the Employer and the contractor or any dispute pending before any Court, Tribunal, Arbitrator or any other authority. The Bank undertakes not to revoke this guarantee during its currency without previous consent of the Employer and further agrees that the guarantee herein contained shall continue to be enforceable till the Employer discharges this guarantee.

The Employer shall have the fullest liberty without affecting in any way the liability of the Bank under this guarantee, from time to time to extend the time for performance of the Contract by the Contractor. The Bank shall not be released of its obligations under this presents by any exercise by the Employer of its liberty with reference to the matters aforesaid or any other indulgence shown by the Employer or by any

other matter or thing whatsoever which under the law would, but for this provisions have the effect of relieving the bank.

The Bank also agrees that the Employer at its option shall be entitled to enforce this guarantee against the Bank as a Principal debtor, in the first instance without proceeding against the Contractor and not withstanding any security or other guarantee that may have in relation to the contractor's liabilities.

Notwithstanding anything contained hereinabove our liability under this guarantee is restricted to _____ and shall remain in force up to and including _____ (Claim Period shall be another 3 months after the last date for which the Bank Guarantee is valid) and shall be extended from time to time for such period, as may be desired by M/S. _____ to whose behalf this guarantee has been given.

All right of under this guarantee shall be forfeited and the Bank shall be relieved and discharged from all liabilities there under unless the enforce a claim under this guarantee against the bank within six months from the above mentioned date or from the extended date.

Dated this _____ day of _____ 2021 at _____

Witness:

(Signature)

(Signature)

(Name)

(Name)

(Official address)

(Designation with Bank Stamp)

Attorney as per Power of Attorney No. _____

Date _____

Business Process Overview:



