

Request for Proposal (RFP)
For
Selection of Chartered Accountant Firms for Engagement as Internal
Auditor and GST Consultant



Indian Highways Management Company Ltd (IHMCL)
RFP Reference: IHMCL/Internal Auditor/2021/01
Published Date: 15th November 2021

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IHMCL may, in its absolute discretion but without being under any obligation to do so, update, amend or supplement the information, assessment or assumptions contained in this RFP.

The issue of this RFP does not imply that IHMCL is bound to select and short-list one of the Applications for Bid Stage or to appoint the selected Bidder or Concessionaire, as the case may be, for the Project and IHMCL reserves the right to reject all or any of the Applications or Bids without assigning any reasons whatsoever.

The Applicant shall bear all its costs associated with or relating to the preparation and submission of its Application including but not limited to preparation, copying, postage, delivery fees, expenses associated with any demonstrations or presentations which may be required by IHMCL or any other costs incurred in connection with or relating to its Application. All such costs and expenses will remain with the Applicant and IHMCL shall not be liable in any manner whatsoever for the same or for any other costs or other expenses incurred by an Applicant in preparation or submission of the Application, regardless of the conduct or outcome of the Bidding Process.

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1. NOTICE INVITING TENDER

1. Bids are invited for the below mentioned work by Indian Highways Management Company Limited (IHMCL):

Name of the Work	Closing date and time for Online bid Submission
Request for Proposal (RFP) for Selection of Internal Auditor and GST Consultant for the Financial Year 2021-22 from Chartered Accountant firms.	See Key Dates

2. The complete Bidding Documents can be viewed / downloaded from e-procurement portal <http://etenders.gov.in>. IHMCL shall not be responsible for any postal delay, or network/system failure at bidder's end, as applicable. Bids submitted after the closing date/time shall be summarily rejected.
3. IHMCL reserves the right to accept or reject any or all bids received without thereby incurring any financial or other liability to the affected Bidders.

Address for communication:

Chief Financial Officer,

Indian Highways Management Company Limited (IHMCL)

Plot Nos. G5 & G6, Sector 10,

Dwarka, New Delhi 110 075

Phone: +91 11 25074100 Ext. 1126; Email: cs@ihmcl.com Website: www.ihmcl.co.in

2. INSTRUCTIONS TO BIDDERS

2.1. Eligibility/Pre-Qualification criteria

2.1.1. The bidder qualifying the following criteria shall be considered eligible to bid for this RFP. The Technical Proposals of the Bidders shall be evaluated for meeting the eligibility/pre-qualification criteria based on the parameters listed below:

Sl #	Requirement Parameter	Eligibility Conditions/Conditions	Supporting Document to be provided
1.	Legal Entity	<p>i. The Bidder must be a Chartered Accountant Firm registered under Regulation 190 of the Institute of Chartered Accountant Regulations 1988 or Limited Liability Partnerships Act, 2008 or Partnership Act, 1932.</p> <p>ii. The Bidder should be registered with GST in India.</p> <p>iii. JV/Consortium are not allowed to participate in the bid.</p>	<ul style="list-style-type: none">▪ Copy of Certificate of Incorporation / Registration under Regulation 190 of the Institute of Chartered Accountant Regulations 1988, LLP Act 2008 or partnership Act 1932 as applicable.▪ GST Registration Certificate.▪ Power of Attorney as per format provided in Annexure 3.
2.	Turnover	<p>The Bidder should have average Annual Turnover of at least Rs. 1 Crore in last 3 consecutive Financial Years ending FY 2020-21.</p>	<ul style="list-style-type: none">▪ Certificate from the Statutory Auditor/Chartered Accountant clearly specifying the annual turnover for the specified years as per Format provided in Annexure -2.▪ Audited and Certified copies of Balance Sheet and Profit/Loss Account for the specified years
3.	Place of Business	<p>The Bidder should have its place of business/ office at Delhi & NCR as on bid due date.</p>	<ul style="list-style-type: none">▪ Relevant supporting documents/ownership of the office space for address probe of the place of business. Undertaking on Annexure -1.
4.	Number of Partners	<p>The Bidder should have at least 10 partners as on bid due date.</p>	<ul style="list-style-type: none">▪ Relevant supporting documents for number of partners issued by ICAI.

Sl #	Requirement Parameter	Eligibility Conditions/Conditions	Supporting Document to be provided
5.	Experience	The Bidder should have minimum three years' experience of working as an Internal Auditor for NHAJ or SPVs of NHAJ or NHIDCL in last 10 FY ending on FY 2020-21.	Copy of documentary proof in the form of copy of contract / work order and / or client's testimonials/ engagement letter.
6.	Undertaking of No-blacklisting/ debarment	The Bidder should not have been blacklisted by any State / Central Government Department or Central /State PSUs as on Bid Due Date.	Undertaking on certifying non-blacklisting as per format given in Annexure 1

2.2. Phase - 1: Pre-Qualification: -

- a) The Technical Bids will be evaluated by an Evaluation Committee. The Bidder shall have to fulfil all the eligibility criteria as specified in the RFP Section 2.1.1. The following documents shall be evaluated as per part of Pre-Qualification stage: -
- i. Power of Attorney, and
 - ii. Other Documents, Certificates and appurtenant Annexures and Undertaking(s) indicating eligibility of the bidder.
- b) The Bidder shall have to submit all the required documents as per various formats provided in Section 5 - Annexures in this RFP document. All these documents will be scrutinized in this phase of evaluation. Those Bidders who do not fulfil the terms and conditions of the eligibility criteria as specified in this tender will not be eligible for further evaluation.
- c) The evaluation of technical bids by the evaluation committee shall not be questioned by any of the bidders. IHMCL may ask Bidder(s) for additional information, visit to Bidder's site and / or arrange discussions with their professional, technical faculties to verify claims made in Technical Bid documentation from the Bidder on the already submitted technical proposal at any point of time before opening of the financial proposal.
- d) Based upon the evaluation of these documents and the conditions specified in the RFP, IHMCL shall announce the names of the Bidders who have qualified for Phase - 2 i.e. Financial Evaluation of the Bid. It is hereby clarified that Financial Evaluation of only the Bidders declared qualified as per the Eligibility Criteria shall be performed.

2.2.1. Phase – 2: Financial Bid Evaluation:

- a) The Financial Bids of bidders who have fulfilled the eligibility criteria and declared responsive will be opened on the prescribed date in the presence of bidder representatives.

- b) If a firm quotes NIL charges / consideration, the bid shall be treated as unresponsive and will not be considered.
- c) The bidder with **Lowest Total Cost (L1) in Financial Bid Form** will be treated as the **preferred bidder / Successful bidder**.
- d) The bid price will include Annual Fees for the Internal Audit and GST Consultancy including out of pocket expenditure except GST.
- e) Any conditional bid would be outright rejected.
- f) Errors & Rectification: Arithmetical errors will be rectified on the following basis: ***“If there is a discrepancy between the unit price and the total price that is obtained by multiplying the unit price and quantity, the unit price shall prevail and the total price shall be corrected. If there is a discrepancy between words and figures, the amount in words will prevail”***. If the bidder does not accept the correction of errors, its Bid shall be rejected.
- g) In the event the financial quotes of two or more qualifying bidders are identical, IHMCL shall declare the bidder having more similar project experience in working with NHAI/NHIDCL/SPVs of NHAI as the Preferred Bidder for award of the Project. It may also take any such measure as may be deemed fit at its sole discretion, including annulment of the bidding process.

2.3. Award Criteria

IHMCL will award the work by issuance of LOA to the successful bidder whose proposal has been determined to be substantially responsive and has quoted the **Lowest Total Cost** as per the process outlined above.

2.4. Notification of Award

- a) Prior to the expiration of the Bid validity, IHMCL will notify the successful bidder that his bid has been accepted. IHMCL will mention the Total Value in the LOA.

2.5. Miscellaneous

- a) The Bidding Process shall be governed by, and construed in accordance with, the laws of India and the Courts at New Delhi shall have exclusive jurisdiction over all disputes arising under, pursuant to and/ or in connection with the Bidding Process.
- b) IHMCL, in its sole discretion and without incurring any obligation or liability, reserves the right, at any time, to;
 - i. suspend and/ or cancel the Bidding Process and/ or amend and/ or supplement the Bidding Process or modify the dates or other terms and conditions relating thereto;
 - ii. consult with any Bidder in order to receive clarification or further information;
 - iii. retain any information and/ or evidence submitted to IHMCL by, on behalf of, and/ or in relation to any Bidder; and/ or

- iv. independently verify, disqualify, reject and/ or accept any or all submissions or other information and/ or evidence submitted by or on behalf of any Bidder.
- c) It shall be deemed that by submitting the Bid, the Bidder agrees and releases IHMCL, its employees, agents and advisers, irrevocably, unconditionally, fully and finally from any and all liability for claims, losses, damages, costs, expenses or liabilities in any way related to or arising from the exercise of any rights and/ or performance of any obligations hereunder, pursuant hereto and/ or in connection with the Bidding Process and waives, to the fullest extent permitted by applicable laws, any and all rights and/ or claims it may have in this respect, whether actual or contingent, whether present or in future.

3. PREPARATION AND SUBMISSION OF APPLICATION

3.1. KEY DATES

Sl. No.	Event Description	Date
1.	Invitation of RFP	15.11.2021
2.	Last date of Submission of queries	17.11.2021
3.	Pre-bid Meeting ¹	18.11.2021 11: 00 HRS IST
4.	Bid Due Date for submission on e-tender portal	25.11.2021 15:00 HRS IST
5.	Bid Due date for physical submission of following documents at IHMCL office: <ul style="list-style-type: none">• Power of Attorney/Letter of Authorization	25.11.2021 15:00 HRS IST
6.	Opening of Technical Bids	26.11.2021 16:00 HRS IST
7.	Validity of Bid	180 days from Bid Due Date

¹ Prebid meeting shall be conducted through VC. Interested participants to send e mail on cs@ihmcl.com for VC link.

4. Scope of Work

4.1. Scope Overview

Indian Highways Management Company Limited (IHMCL) is promoted by NHAI and was incorporated on 26th December, 2012 with equity participation from NHAI, Concessionaries and Financial Institutions primarily to establish, organize, manage, run, conduct, contract, develop, handle, own and operate e-governance activities for Highways and Transportation sector.

Currently, NHAI owns approx. 41% of the equity paid up share capital and remaining balance distributed among concessionaries/Developers/Institutions.

The annual Turnover of the Company as per latest Audited Balance sheet is Rs. 840 Cr.

The objective of this document is for Selection of Internal Auditor and GST Consultant for the Financial Year 2021-22 from Chartered Accountant firms.

Scope of Work of Internal Auditors & GST Consultant:-

1. Examination and evaluation of adequacy and effectiveness of the internal control and risk management system at various operations and activities of the Company.
2. Review of the accuracy and reliability of the Company accounting records and financial reports.
3. Advice remedial measures on the matters observed during the course of audit in line with the accounting policies followed by the company and the Accounting Standards applicable as issued by ICAI.
4. To follow up the last financial year audited annual accounts while conducting the current year internal audit and verify whether compliance of the audit observations, if any, suggested in Auditor's Report has been made by the Company or otherwise.
5. Preparation of Annual Accounts as per applicable schedules, preparation of all schedules, notes on accounts and workings thereof.
6. To attend the audit memos issued by the Statutory Auditor during their audit and furnish necessary replies to the audit observations.
7. To submit Monthly and Quarterly Utilization certificates against funds received from NHAI and its utilization for the F.Y 2021-22.
8. Taxation matters: -
 - a. To discuss Corporate Tax Planning measures of the company and any other tax related matter with the top-level management.
 - b. Review the challans/returns as per the provisions of relevant Act.
 - c. Point out the discrepancies on the point (a) above and suggest the remedial action/measure to rectify the same.

d. Filing of Quarterly TDS returns.

9. Assistance in Assessment and Appeal Proceedings:

- a. Appear before Income tax Authority in connection with the assessment proceedings.
- b. To advise on various notices issued by any Income tax Authority and assisting in drafting a reply to the notices.

10. Internal Control over Financial Reporting (ICFR):

- a. Compliance of Regulatory requirements of Internal Control over Financial Reporting as per Section 143(3) (i) of Companies Act, 2013 to state the adequacy and operating effectiveness of the Company's Internal financial controls.
- b. To submit the relevant reports as per the requirements of Statutory Auditors.

11. To draft and finalize policies as per the requirements of Companies Act, 2013.

- a. Whistle Blower Policy as per Section 177 of Companies Act, 2013.
- b. Policy for prevention of Sexual Harassment of women at workplace as per section 134 of Companies Act, 2013.
- c. Risk Management Policy as per section 134(3)(n) as per Companies Act, 2013.
- d. Policy for formal Annual Evaluation by the Board of its own performance, that of its committees and Individual Directors as per Section 134(3)(p) of Companies Act, 2013.
- e. Device proper systems to ensure compliance with the provisions of applicable laws to the company as per section 134(5)(f) of Companies Act, 2013.
- f. Any other policy as per requirements of Companies Act, 2013.

12. The scope of Work includes of GST Consultants:

a. Advisory Services:

- i. Provide opinions/comment/ clarification on queries raised by the company.
- ii. Provide/guide necessary changes required on account of any changes/modifications that may be brought in GST Law from time to time by the Government.
- iii. Assisting in accounting/payment/ filing of returns and related works of GST.

b. Validation of Tax Liability and Returns:

- i. To Validate / Certify monthly tax liability.
- ii. Review / validate filing of Monthly GST returns to be filed within due date along with the Annual filing of the return (GSTR-9).

c. Assistance in Audit /Assessment / Appeal Proceedings:

- i. To advise on various issues arising during an audit by any GST authority and assisting in drafting a reply to the queries.
- ii. Represent before the GST authority in connection with the assessment proceedings.

Deliverables & Payment

Deliverable	Timeline	Payment
Submission of half yearly Audit Report, half yearly GST Compliance and Utilisation Certificate for two quarters.	Within 60 days from the instruction of commencement of work issued by IHMCL	50% of the total cost as mentioned in Financial bid form.
Submission of Second half yearly Audit Report, half yearly GST Compliance and Utilisation Certificate for two quarters.		Balance 50% of the total Cost as mentioned in Financial bid form.

5. ANNEXURE

5.1. Annexure 1: Bid Covering Letter

(In the letterhead of the Bidder)

To
Chief Financial Officer
Indian Highways Management Co. Ltd. (IHMCL)
G-5&6, Sector 10 Dwarka
New Delhi 110 075

Subject: _____

Ref. No. RFP. No. _____ dated _____ -

Dear Sir,

1. I/We, the undersigned, have carefully examined the contents of the document including amendments/ addendums (if any) thereof and undertake to fully comply and abide by the terms and conditions specified therein and hereby submit our application. Our application is unconditional and unqualified.

2. I/We undertake that, in competing for (and, if the award is made to us), for executing the above work, we will strictly observe the laws against fraud and corruption in force in India.

3. I/We understand that:

- a. this Bid/Proposal, if found incomplete in any respect and/ or if found with conditional compliance and/ or prescribed supporting document shall be summarily rejected.
- b. if at any time, any averments made or information furnished as part of this application is found incorrect, then the application will be rejected
- c. IHMCL is not bound to accept any/ all Bid (s) it will receive.

4. I/We declare that:

- a) I/We understand that you may cancel the Bidding Process at any time and that you are neither bound to accept any Proposal that you may receive nor to invite the Bidders to submit Proposals for RFP Name _____, without incurring any liability to the Bidders, in accordance with relevant clause of the RFP Document
- b) We undertake that in case, due to any change in facts or circumstances during the Bidding Process, we become liable to be disqualified in terms of the provisions of disqualification, we shall intimate IHMCL of the same immediately.

- c) We agree and understand that the Proposal is subject to the provisions of the Bidding Documents. In no case, we shall have any claim or right of whatsoever nature if the LOA is not awarded to us or our Proposal is not opened.
 - d) We undertake that none of the place of business/ office of the firm is in Delhi & NCR.
 - e) **I/We have not been declared ineligible** by IHMCL, NHAI or NHIDCL, Government of India or any other agency for indulging in corrupt or fraudulent practices. I/We also confirm that I/We have not been *declared as non-performing or debarred* by NHAI or Ministry of Road Transport & Highways, Government of India.
 - f) **I/We haven't been blacklisted by a Central/ State Government institution/ Public Sector Undertaking/ Autonomous body** and there has been *no litigation* with any Government Department/ PSU/ Autonomous body on account of similar services.
5. I/We declare that our bid is valid for 180 days.

Name

Email Id

Mobile No.

Designation/ Title of the Authorized Signatory.....

5.2. Annexure 2: Bidders Annual Turnover

RFP Ref _____ (Date)
From, _____ To,
(Name & Address of the Bidder) _____ Chief Operating Officer,
_____ Indian Highways Management Co. Ltd.

Subject: -----

Dear Sir/Madam,

We hereby certify that the average annual turnover of M/s. _____ (name of the bidder) for the last three financial years (ending 31st March 2020) is as given below:

Annual Turnover for the last 3 Financial Years (FYs) in Indian Rupees (INR)			
FY 2020-21	FY 2019-20	FY 2018-19	Average

Yours Sincerely,

(Signature of Statutory Auditor/CA)

Name of the Statutory Auditor/CA:

Name of the Statutory Auditor/CA Firm:

Seal:

5.3. **Annexure 3: Power of Attorney/Letter of Authorization**

Know all men by these presents, we, M/s..... (name of Firm/ Company and address of the registered office) do hereby constitute, nominate, appoint and authorize Mr./ Ms..... son/daughter/wife of..... and presently residing at, who is presently employed with us and holding the position of as our true and lawful attorney (hereinafter referred to as the “**Authorized Signatory or Attorney**”) to do in our name and on our behalf, all such acts, deeds and things as are necessary or required in connection with or incidental to submission of our quotation for empanelment as the agency for -----, proposed by Indian Highways Management Co. Ltd., including but not limited to signing and submission of all applications, proposals and other documents and writings, and providing information/ responses to IHMCL, representing us in all matters before IHMCL, signing and execution of all contracts and undertakings consequent to acceptance of our proposal and generally dealing with IHMCL in all matters in connection with or relating to or arising out of our proposal for the said assignment and/or upon award thereof to us.

AND, we do hereby agree to ratify and confirm all acts, deeds and things lawfully done or caused to be done by our said Authorized Signatory or Attorney pursuant to and in exercise of the powers conferred by this Power of Attorney and that all acts, deeds and things done by our said Authorized Representative in exercise of the powers hereby conferred shall and shall always be deemed to have been done by us.

IN WITNESS WHEREOF WE,THE ABOVE-NAMED PRINCIPAL HAVE PURSUANT TO THE RESOLUTION DATED OF THE BOARD OF DIRECTORS IN THAT BEHALF CAUSED ITS COMMON SEAL, EXECUTED THIS

POWER OF ATTORNEY ON THIS DAY OF, 2021

For
(Signature, name, designation and address)

Witnesses:

1.

2.

Notarized

Accepted

.....

(Signature, name, designation and address of the Attorney)

Notes:

*The mode of execution of the Power of Attorney should be in accordance with the procedure, if any, laid down by the applicable law and the charter documents of the executants(s) and when it is so required the same should be under common seal affixed in accordance with the required procedure. **The Power of Attorney should be executed***

on a non-judicial stamp paper of appropriate denomination and should be registered or duly notarized by a notary public.

Wherever required, the Applicant should submit for verification the extract of the charter documents and other documents such as a resolution/power of attorney in favor of the person executing this Power of Attorney for the delegation of power hereunder on behalf of the Applicant.

For a Power of Attorney executed and issued overseas, the document will also have to be legalized by the Indian Embassy and notarized in the jurisdiction where the Power of Attorney is being issued. However, Applicants from countries that have signed The Hague Legislation Convention 1961 need not get their Power of Attorney legalized by the Indian Embassy if it carries a conforming Apostles certificate.

5.4. Annexure 4: Format for Financial Proposal

(To be submitted on in the excel format uploaded on the website)

Name of the Project: RFP No. IHMCL/INTERNAL AUDIT TEAM/2021	
Name of Bidder:	
RFP Publishing Date	15 November 2021

Parameter	Quoted Value (In Rs.) (Excluding GST)
Annual Fees for the Internal Audit and GST Consultancy Including out of pocket expenditure.	

Bidder Need to fill ONLY the yellow cells.

IHMCL reserves right to increase/decrease the quantity as per requirement.