



**Small Industries Development
Bank of India**

**Request for Proposal (RfP) For
Concurrent Audit of Operations of Corporate
Accounts and Payments Vertical_ SIDBI Lucknow**

Small Industries Development Bank of India
Audit Vertical
4th FLOOR, SIDBI TOWER,
15, ASHOK MARG,
LUCKNOW - 226001
Website : www.sidbi.in

Tender No.2022SEP10/T000243844/AV

THE INFORMATION PROVIDED BY THE BIDDERS IN RESPONSE TO THIS TENDER DOCUMENT WILL BECOME THE PROPERTY OF SIDBI AND WILL NOT BE RETURNED. SIDBI RESERVES THE RIGHT TO AMEND, RESCIND OR REISSUE THIS TENDER DOCUMENT AND ALL AMENDMENTS WILL BE ADVISED TO THE BIDDERS AND SUCH AMENDMENTS WILL BE BINDING ON THEM.

*(THIS DOCUMENT SHOULD NOT BE REUSED OR COPIED OR USED
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Critical Information Summary

- 1) The RfP is posted on the SIDBI website www.sidbi.in. SIDBI reserves the sole right for carrying out any amendments/ modifications / changes including any addendum to this RfP. Such amendments / modifications / changes including any addendum to this RfP shall be notified on SIDBI's website www.sidbi.in and these will be binding on the bidders.
- 2) Bidders are advised to study the tender document carefully. Submission of bids shall be deemed to have been done after careful study and examination of the tender document with full understanding of its implications.
- 3) Any clarifications from bidder or any change in requirement will be posted on SIDBI website. Hence, before submitting bids, bidder must ensure that such clarifications / changes have been considered by them. SIDBI will not have any responsibility in case some omission is done by any bidder.
- 4) In case of any clarification required by SIDBI to assist in the examination, evaluation and comparison of bids, SIDBI may, at its discretion, ask the bidder for clarification. The response / Clarification shall be in writing and no change in the price of substance of the bid shall be sought, offered or permitted.
- 5) Please note that all the information required as per the bidding document needs to be provided. Incomplete information in these areas may lead to non-selection.
- 6) Modification And/ Or Withdrawal of Bids:
Bids once submitted will be treated as final and no further correspondence will be entertained. No bid shall be modified after the deadline for submission of bids. No bidder shall be allowed to withdraw the bid, if bidder happens to be the successful bidder.
- 7) SIDBI has the right to reject any or all bids received without assigning any reason whatsoever.

NOTE:

SIDBI SHALL NOT BE RESPONSIBLE FOR NON-RECEIPT / NON-DELIVERY OF THE BID DOCUMENTS DUE TO ANY REASON, WHATSOEVER.

Schedule of events:

Sr. No.	Bid Reference - 2022SEP10/T000243844/AV		
1	Purpose	Concurrent Audit of Operations of Corporate Accounts and Payments Vertical (CAPV), Lucknow	
2	No. of Envelopes (Non window, sealed) to be submitted	One (1) Envelope for 1 Head office Vertical. <i>1 set of Hard copy should be submitted in sealed single envelope for 1 Head office Vertical.</i>	
3	Last date of submission of Bids	October 04, 2021 (Monday) at 2:00 p.m	
4	Venue, Date and Time of opening of Bids.	October 04, 2021 (Monday) at 3:00 p.m at the address given at Sr. No. 8.	
5	Date of Pre-bid meeting	September 27, 2021 (Monday) at 4:00 p.m	
6	Response to clarification/pre-bid meeting	September 28, 2021 (Tuesday) at 4:00 p.m	
7	Bid Validity	6 months from the last date of submission of Bids.	
8	Address for submission of Bids	The General Manager Audit Vertical SIDBI, 4 th Floor SIDBI TOWER, 15, ASHOK MARG, LUCKNOW - 226001 Ph : 0522-2288546-50 E-mail: auditvertical_ho@sidbi.in	
9	Contact Persons:		
	Name & Designation	Phone	e-mail
	Arup Kumar Vishwakarma[M]	0522- 4259788	auditvertical_ho@sidbi.in
Arun Kumar Behera [AGM]	0522-4259753	auditvertical_ho@sidbi.in	

If a holiday is declared on the dates mentioned above, the proposals shall be received / opened on the next working day at the same time specified above and at the same venue unless communicated otherwise.

Introduction and Disclaimers

1.1 Purpose of RfP

The purpose of RfP is to shortlist experienced professional firm/ Limited Liability Partnership (LLP) of Chartered Accountants, for undertaking Concurrent Audit of Operations of Head Office Verticals (HO) of SIDBI at **the following location**.

Table – I

S. No.	Name of the HO Vertical	Head Office	Scope of work
1	Corporate Accounts and Payments Vertical (CAPV)	Lucknow	Appendix-I

1.2 Purpose of RfP

The Request for Proposal document contains statement derived from information that is believed to be relevant at the date but does not purport to provide all the information that may be necessary or desirable to enable an intending contracting party to determine whether or not to enter into a contract or arrangement with SIDBI. Neither SIDBI nor any of its employees, agents, contractors or advisors gives any representation or warranty, express or implied, as to the accuracy or completeness of any information or statement given or made in this document. Neither SIDBI nor any of its employees, agents, contractors, or advisors has carried out or will carry out an independent audit or verification exercise in relation to the contents of any part of the document.

1.3 Disclaimer

Subject to any law to the contrary, and to the maximum extent permitted by law, SIDBI and its officers, employees, contractors, agents and advisors disclaim all liability from any loss or damage (whether foreseeable or not) suffered by any person acting on or refraining from acting because of any information including forecasts, statements, estimates or projections contained in this RfP document or conduct ancillary to it whether or not the loss or damage arises in connection with any negligence, omission, default, lack of care or misrepresentation on the part of SIDBI or any of its officers, employees, contractors, agents, or advisers.

1.4 Costs to be borne by Applicants

All costs and expenses incurred by Applicants in any way associated with the development, preparation, and submission of responses, including but not limited to the attendance at meetings, discussions, demonstrations, etc. and providing any additional information required by SIDBI, will be borne entirely and exclusively by the Applicant

1.5 No Legal Relationship

No binding legal relationship will exist between any of the Applicants and SIDBI until execution of a contractual agreement.

1.6 Applicant Obligation to Inform Itself

The Applicant must conduct its own investigation and analysis regarding any information contained in the RfP document and the meaning and impact of that information.

1.7 Evaluation of Offers

Each applicant acknowledges and accepts that SIDBI may in its absolute discretion apply selection criteria specified in the document for evaluation of proposals for shortlisting / selecting the eligible Concurrent Auditor(s). The RfP document will not form part of any contract or arrangement, which may result from the issue of this document or any investigation or review carried out by a Recipient.

1.8 Maintaining Secrecy and Confidentiality

The applicant shall be liable to maintain secrecy and confidentiality of all the information / data / operations, etc. of SIDBI.

1.9 Errors and Omissions

Each applicant should notify SIDBI of any error, omission, or discrepancy found in this RfP document.

1.10 Acceptance of Terms

An applicant will, by responding to SIDBI for RfP, be deemed to have accepted the terms of this Introduction and Disclaimer.

2. RfP submission:

2.1 RfP document submission is required to be done by **October 04, 2021 (Monday)** as under:-

Hard copy should be submitted at the following address in sealed envelope superscribed at the top of the envelope –

“Request for Proposal (RfP) for Concurrent Audit of Operations of Corporate Accounts and Payments Vertical (CAPV)”, Lucknow.

The General Manager

Audit Vertical

Small Industries Development Bank of India (SIDBI)

SIDBI Tower, 15, Ashok Marg,

Lucknow – 226001 (U. P.)

Telephones: (0522) 2288546-50

Email: auditvertical_ho@sidbi.in

RfP must be submitted on or before the aforementioned closing date and time.

- **Fax / e-mail copies of any submission are not acceptable and will be rejected by the Bank.**
- **Copy of bids and attachments must be provided in a sealed envelope.**

The person(s) signing the bids shall initial all pages of the bid. The bid shall contain no erasures or overwriting except as necessary to correct errors made by the applicant, in which case corrections shall be initialed by the person(s) signing the bid.

If the submission does not include all the information required or is incomplete, the proposal is liable to be rejected.

All submissions, including any accompanying documents, will become the property of SIDBI. Applicants shall be deemed to license, and grant all rights to SIDBI to reproduce the whole or any portion of their submission for the purpose of evaluation, to disclose the contents of the submission to other Respondents and to disclose and / or use the contents of the submission as the basis for any resulting RfP process, notwithstanding any copyright or other intellectual property right that may subsist in the submission or accompanying documents.

2.1 RfP Validity Period

The proposal must remain **valid and open for evaluation according to their terms for a period of at least six (6) months** from the time the RfP closes on the deadline for lodgment of RfP.

2.2 Cost of RfP Document

No cost has been prescribed for the RfP Document.

2.3 One bid / application per applicant

- Applicant can submit application for engagement as concurrent auditor for **Corporate Accounts and Payments Vertical (CAPV)**, at Lucknow where applicant has a regular office set-up, either head office or full-fledged branch office(s).

Firms already engaged with SIDBI:

- SIDBI shall engage the services of a firm / LLP for carrying out Concurrent Audit of only one HO Vertical of SIDBI. Accordingly, in case the applicant has already been engaged as Concurrent Auditor by SIDBI for any of its branches / RO and or HO Verticals, such Firm / LLP will not be eligible to apply under this RfP.
- If the Concurrent Auditor's services are not availed, under such circumstances also, one-year cooling period will be applicable from the date of discontinuation of the assignment for the concurrent audit of the same BO /RO / HO Vertical.
- Any CA firm terminated by SIDBI shall not be eligible to apply under this RfP

2.4 Late Applications

Any RfP / application received after the deadline for submission of the bids / applications will be treated as “**Late Application**” and such late applications shall not be considered at all for competitive consideration.

2.5 Requests for Proposal

SIDBI may, in its absolute discretion, seek additional information or material from any applicants after the RfP closes and all such information and material provided must be taken to form part of that Applicant’s response.

Applicants should provide details of their contact persons, Fax, Telephone, email and full address(s) to ensure that replies to bids could be conveyed promptly.

If SIDBI, in its absolute discretion, deems that the originator of the question will gain an advantage by a response to a question, then SIDBI reserves the right to communicate such response to all Applicants.

SIDBI may, in its absolute discretion, engage in discussion or negotiation with any Applicant (or simultaneously with more than one Applicant) after the RfP closes to improve or clarify any response.

2.6 Notification

SIDBI will notify all short-listed Applicants in writing as soon as practicable about the outcome of their bids. SIDBI is not obliged to provide any reasons for any such acceptance or rejection.

2.7 Disqualification

Any form of canvassing / lobbying / influence / query regarding shortlisting, status, etc. will lead to disqualification.

3 About SIDBI

3.1 Small Industries Development Bank of India (SIDBI), set up on April 2, 1990 under an Act of Indian Parliament, is the Principal Financial Institution for the Promotion, Financing and Development of the Micro, Small and Medium Enterprise (MSME) sector and for Co-ordination of the functions of the institutions engaged in similar activities.

SIDBI provides its services through a network of Branch Offices located all over India. Detailed information on the functions of SIDBI is provided on the website, www.sidbi.in

3.2 SIDBI offers several financial and non-financial products and services for catering the financial and non-financial needs of Micro Small and Medium Enterprises (MSMEs) through its field level offices. These include the following broad areas:

- ◆ Direct Finance
- ◆ Bills Finance
- ◆ Refinance
- ◆ Promotion and Development
- ◆ Micro-finance

4 Project Particulars:

The scope of work for **Corporate Accounts and Payments Vertical (CAPV), Lucknow** is given in **Annexure- I**

5 Fee Structure:

Selected firm for concurrent audit of CAPV, Lucknow two CAs would need to be deployed for, at Lucknow.

The award of contract to CA firms / LLPs to undertake concurrent audit will be as per fee indicated by the Bank from time to time. The present fee is indicated below:

Head Office Vertical	Fee Payable Per Month (excluding applicable service tax, education cess, etc.)
Corporate Accounts and Payments Vertical (CAPV), Lucknow	₹ 1,00,000/-

No out of pocket expenses or traveling allowance / halting allowance would be paid to the concurrent audit firm / LLP for carrying out the audit. However, the service tax, education cess/GST, etc. would be paid by the Bank, as applicable, in addition to the basic fees. The payment to the concurrent auditors would be subject to deduction of tax at source, at applicable rates.

6 Selection process

This RfP will be assessed on the following Selection process: -

Invite Request for Proposal (RfP) wherein Technical Evaluation information is submitted in envelope.

Technical evaluation:

- a) The Applicant is required to submit the details of its proposal in sealed envelope. The envelope should be superscribed:**

Request for Proposal (RfP) for Concurrent Audit of Corporate Accounts and Payments Vertical (CAPV), at Lucknow.

for said Concurrent Audit and should contain detailed statement giving the various technical particulars of the proposal covering aspects of the Applicant like name and location, year of establishment, names of its partners, staff, their qualification/ experience, registration number of the firm / LLP, details of ICAI membership/ Certificate of Practice details, methodology proposed and all other such relevant particulars in the format given in **Para 10**.

- b) After the expiry of last date for submission of bids/ application**, the envelope containing the compliance on the “Technical Evaluation” would be opened in respect of all the applicants to verify the compliance of the applicants with the prescribed Technical Evaluation information requirements.
- c) The Technical Evaluation of Application would be carried out by SIDBI. The technically qualified applicants would be short listed.**

7 Tenure of the contract:

The selected firm/ LLP of Chartered Accountant would initially be assigned the contract for a period of upto **November 30, 2022** extendable for further two more years (extended for one year, at a time), provided the performance is found to be satisfactory on review and on sole discretion of SIDBI, with **NOT MORE THAN 5% increase in professional fee**.

The concurrent audit is likely to start from **December 01, 2021**. The proposed assignment would be subject to periodical review at the discretion of SIDBI and is liable to be terminated at any time, if not found satisfactory, by giving a written notice of 15 days.

8 Terms & Conditions:

- 8.1 The Applicant shall ensure that the audit be carried out in a professional manner and in case of any misconduct & negligence, the Bank may approach the concerned professional bodies with complaints of professional misconduct, if any, on the part of any professional engaged by the Bank.

Accordingly, we may also recommend their name to ICAI/ RBI/ IBA or any other authority, for suitable action thereon by them.

- 8.2 The Applicant shall ensure that it will not sub-contract the audit work assigned to any outside firm / LLP or other persons even though such persons are qualified Chartered Accountants.
- 8.3 The applicant appointed as Concurrent Auditor should nominate and deploy as under:

Corporate Accounts and Payments Vertical (CAPV), Lucknow: Two Chartered Accountants (*Designated Auditors*), one of whom will head the concurrent audit team as the “Lead Designated Auditor” duly authorised by the FCA partner of the CA firm / LLP to act on behalf of the firm for concurrent audit of **CAPV** at Lucknow.

The Designated Auditors would be required to submit their identity proof and address proof together with specimen signatures with a request to be allotted biometric enabled unique login ID for access to the system. The Designated Auditors would require to log in and log out of the system each working day. The Designated Auditors would require to surrender the login ID on completion of the concurrent audit tenure or on any change in the Designated Auditor(s) by the firm / LLP.

- 8.4 The audit team composition for Concurrent Audit and attendance requirements should be specified as under: -
 - a) The FCA partner of the firm / LLP who shall visit the Vertical/s at least 4 days in a month; and
- 8.4.1 **Two Chartered Accountants** (deployed for audit of CAPV at Lucknow), who shall visit the Vertical preferably on all working days but for a minimum of 20 days in a month (provided that the number of working days are more than 20 days in a month).
- 8.5 The concurrent auditors should not undertake any other activities / assignment on behalf of the HO Vertical without obtaining the concurrence of the Audit Vertical at Head Office, in writing.
- 8.6 The concurrent auditors will co-operate with investigative body, regarding processing or execution of the consultancy contract or any matter related with discharge of contractual obligations.
- 8.7 Necessary arrangement would be made for providing space, workstation and access to systems (viewing rights only) to the concurrent auditor for ensuring smooth conduct of the audit. The concurrent auditors shall be granted read only access to the systems of the Vertical.

- 8.8 The concurrent auditors shall not be allowed to carry any mass storage device such as pen drive / flash drive / thumb drive or any laptop inside the HO premises as these devices will not be required for the job. Concurrent auditor shall be provided with computer system with disabled USB ports by the concerned HO Vertical.
- 8.9 The concurrent auditors are required to plan the audit that it results in gradual shortening of the interval between a transaction and its examination by an independent person. The concurrent auditor shall perform substantive checking in key areas and emphasis should be on 'on the spot' rectification of deficiencies. The concurrent auditors shall daily go through all the vouchers and books of the CAPV for the previous day and identify areas to be scrutinized in detail.
- 8.10 Should maintain and keep back up papers in support of observations made.
- 8.11 Any other terms and conditions of the assignment would be decided by the Bank on a case to case basis.

A. Declarations and undertaking

- On appointment, the Applicant shall execute undertaking of fidelity and secrecy on its letterhead in the format prescribed by the Bank.
- A declaration to be furnished by the applicant that credit facilities availed by the firm or partners or firms in which they are partners or directors including any facility availed by a third party for which the firm or its partners are guarantor/s have not turned or are existing as non-performing assets as per the prudential norms of RBI. In case the declaration is found incorrect, the assignment would get terminated besides the firm being liable for any action under ICAI / RBI guidelines.
- The applicant must submit an undertaking that the firm / LLP does not have any professional relationship with any of the borrowers of SIDBI nor will it in future accept professional relationship with any of the borrowers of SIDBI during the period during which the firm / LLP acts as the concurrent auditor for SIDBI.
- Any other terms and conditions of the assignment would be decided by the Bank on a case-to-case basis.

B. Selection Process

- The applications received would be examined by "Applications Opening and Evaluation Committee" which would be constituted at Head Office Level at Lucknow.
- All applicants scoring **65 marks** or more (in Technical Evaluation) will be considered as the Technically Qualified Applicant.

- On the recommendation of the Committee, name of the successful top 3 applicants would be identified for empanelment for concurrent audit of CAPV, Lucknow. Out of these 3 applicants, the Committee will recommend the applicant scoring the highest marks to be appointed as concurrent auditor of CAPV.
- In case the applicant with the highest marks declined the assignment for concurrent Audit the next applicant with second highest marks would be assigned.
- The validity of empanelment of concurrent audit of CAPV Operations is 3 years from the date of issuance of letter of empanelment.

9 Guidelines & Instructions for applying:

SIDBI will endeavour to make available all relevant information in the RfP. In case of need of any further information or clarification during the application period, the applicant must contact only the Contact Officer named above. On no account should the Applicants communicate directly with any other SIDBI personnel. Failure to comply with this requirement may result in the disqualification of the applicant from this competition.

ii. Government Tax

Applicants are responsible for establishing the status of the Services for the purpose of any government tax including GST, cess etc.

iii. Alterations to Application

Any manuscript or other alteration to the RfP / Application must be countersigned and dated by the person submitting the RfP / application.

iv. Letters and Declaration to Accompany Applications

The bid / Application must be accompanied by a letter on Firm / LLP letter head showing the full registered name(s), registered office address of the applicant. It should be signed by a person of suitable authority to commit the applicants to a binding contract.

v. Packaging and Delivery of Applications

- a) The Applicant is required to submit the details of its proposal in a sealed envelope. The envelope should clearly superscribed as under:

“Request for Proposal (RfP) for Concurrent audit of Corporate Accounts and Payments Vertical (CAPV), Lucknow”.

SIDBI accepts no responsibility for the premature opening of any incorrectly marked Applications.

Applications must be received at **Audit Vertical, Small Industries Development Bank of India, 4th Floor, SIDBI Tower, 15, Ashok Marg, Lucknow – 226001 (U. P.) for the attention of The General Manager by 2.00 PM** on the due date.

Late applications will not be accepted under any circumstance. No special pleadings will be accepted. Faxed or e-mailed applications will not be accepted.

vi. **Conflict of Interest**

Applicants must disclose in their application details of any circumstances, including personal, financial and business activities that will, or might, give rise to a conflict of interest; this includes any sub-contractor, if they were awarded this contract. Where applicants identify any potential conflicts, they should state how they intend to avoid such conflicts. SIDBI reserves the right to reject any application which, in SIDBI's opinion, gives rise or could potentially give rise to a conflict of interest.

vii. **Disclosures**

The applicant must disclose:

- a. If they are OR have been the subject of any proceedings or other arrangements relating to bankruptcy, insolvency or the financial standing of the applicant including but not limited to the appointment of any officer such as a receiver in relation to the applicant's personal or business matters or an arrangement with creditors or of any other similar proceedings.
- b. If they are OR any of the applicant's staff have been convicted of, or are the subject of any proceedings, relating to:
 - A criminal offence or other offence, a serious offence involving the activities of a criminal organisation or found by any regulator or professional body to have committed professional misconduct.
 - Corruption including the offer or receipt of any inducement of any kind in relation to obtaining any contract, with SIDBI, or any contracting authority.
 - Failure to fulfill any obligations in any jurisdiction relating to the payment of taxes or social security contributions.

Disclosure extends to any entity in the same group of the applicant (including but not limited to parent subsidiary and sister companies, and companies with common shareholders whether direct or indirect and parties with whom the applicant is associated in respect of this application/ bid).

If an applicant or related entity or any individual discloses details of any previous misconduct or complaint, SIDBI will seek an explanation and background details from them. At the sole discretion of SIDBI and assessment as to whether the Applicant will be allowed to submit an application, decision will then be made by SIDBI.

viii. **Indemnity**

The successful applicant shall exercise reasonable skill, care and diligence in the performance of the assignment and indemnify and keep SIDBI indemnified in respect of any loss, damage or claim howsoever arising out of or related to breach of contract, statutory duty or negligence by the firm/ LLP or its staff, agents or sub-contractors in relation to the performance or otherwise of the services to be provided under this Contract.

ix. **Assigning to Others**

The successful applicant shall not, without the prior written consent of SIDBI, assign or transfer or cause to be assigned or transferred, whether actually or as the result of takeover, merger or other change of identity or character of the CAs, any one of its rights or obligations under the Contract or any part, share or interest therein. Upon any such assignment or transfer, this engagement may forthwith be terminated by SIDBI.

x. **Termination**

SIDBI may, at its sole discretion and at any time terminate the Contract (after giving 15 days of notice) and inform the CAs of SIDBI's decision by written instruction to that effect. In the event of the Contract being so terminated, the firm/ LLP shall take such steps as are necessary to bring the Services to an end, (including terminating any sub-contracts placed by the firm / LLP) in a cost effective, timely and orderly manner. No further correspondence will be entertained in this regard.

Appendix IAdministration Vertical Operations**1. Project Objective and Scope of Operations of Corporate Accounts and Payments Vertical (CAPV) at Lucknow:**

The operation of Administrative Vertical is broadly divided into administrative payments to staff members and payments to third parties. All payments of BOs, ROs and HO Verticals have been centralized at Corporate Accounts and Payments Vertical, Lucknow.

- (i) The administrative payments made to all staff are centrally paid from Lucknow viz. salary, PF / Pension / Gratuity / loans & advances of staff members, leave fare concession, foreign tour bills, medical bills, TA/HA bills, etc.
- (ii) The Bank is also required to make various payments /settlement of bills of its service providers viz. advocates, valuers, car hire agencies, telephone companies, electricity supply companies, AMC contractors, stationers, printers, advertisement agencies etc. This activity is centralized at Lucknow and is being handled by a separate cell viz. **Central Vendor Payment Cell (CVPC)**.

CVPC will make the payment of all third-party vendors in respect of all Branches of the Bank from Lucknow. The selected firm / LLP of Chartered Accountant would undertake the concurrent audit of the payments being made at **CVPC with focus on taxation [TDS, GST and any other applicable taxes as may be introduced by Govt of India in future] and related issues, on daily/ regular basis** and based on their findings suggest measures to improve the functioning of operations of **CVPC**.

The selected firm / LLP of Chartered Accountant would require **engaging two dedicated teams of Chartered Accountants** to undertake the concurrent audit separately for:

- (i) **Payments towards staff members and**
 - (ii) **Payments to third parties.**
- The Concurrent Auditor would be required to check/correct the TDS payment related to salary and returns of the Bank, before the same are paid or filed with Tax Authorities. Concurrent Auditor may suggest further improvement / automation, if any, in the system for smooth and flawless filing of statutory returns of the Bank.
 - The Concurrent Auditor would prepare the data required for GST payment and returns, as required under the law in force / modifications done from time to time. They would also be required to file the returns [presently GSTR3B, GSTR 1, 2 and 3] in this regard, in stipulated time frame. They would also prepare the data for TDS payment and help the Bank to pay the same on or before the stipulated

due date and file TDS returns in terms of the statutory provisions in force. The necessary support would be extended by **CVPC** in this regard.

- The Concurrent Auditors would also check and verify the Bank Reconciliation Statement [BRS] and counter sign the same for onward submission to Corporate Accounts and Payments Vertical [CAPV] as and when required in terms of the guidelines of the Bank. The required support would be extended to the Concurrent Auditor by CAPV.

The Concurrent Auditor would also be required to check/correct the TDS and GST payment and returns of the Bank, before the same are paid or filed with Tax Authorities. Concurrent Auditor may suggest further improvement / automation, if any, in the system for smooth and flawless filing of statutory returns of the Bank.

- The numbers of transactions being handled at Administration Vertical are estimated in the range of 525 -550 per day towards staff payments and in the range of 200 - 210 per day approx. towards third party transactions handled by **Central Vendor Payment Cell (CVPC)**.

The objective and scope of the Concurrent Audit to be undertaken in Administration Vertical is as under:

1.1 Objective of Concurrent Audit for Operation of Administration:

- a. Scrutinizing for completeness of documents submitted for effecting the payment [s].
- b. Detection and arresting the errors while payment of GST and deposit of TDS, if any.
- c. To verify prompt, timely, accurate and regular submission of the periodical and statutory payment and returns.
- d. Any violation of procedure is brought to light.
- e. Reporting any irregularity in working which may result in financial or other loss to the Bank.
- f. Feedback on regulatory compliances.
- g. Assist the Bank in preparation of TDS Reconciliation as required in terms of clause 34A of the Tax Audit Report and also in filing TDS returns.
- h. Any other areas on the above stated operations of the Bank which are vital, in nature.

1.2 Scope for Administrative payments towards staff members:

- a. To verify that the transactions or decisions are within the policy parameters laid down by the Head Office.
- b. To verify that no violation of the instructions or policy prescriptions of the Procurement guidelines of the Bank / other regulators viz. RBI, GOI etc.

- c. To verify that the TDS has been calculated correctly and as per the law in force and paid to tax authorities.
- d. To verify that the statutory payment and return are made as per the law

1.3 The firm/ LLP will have to submit the following reports to the Management:

(A) Reports relating to Operations in Corporate Accounts and Payments Vertical:

- (i) Monthly reports covering day-to-day operations including reimbursement to staff members / third party payments and payment of GST / TDS and deposit on due date. It should also submit the report about filing of TDS returns correctly and on due dates prescribed in the law/Act.
- (ii) Monthly reports covering comments on adherence to regulatory, internal policy, procedure, guidelines, compliance of Delegation of Powers and areas of audit as indicated at para 3.1.
- (iii) Any other related report as may be required by SIDBI from time to time.

The above reports with regard to operations of Administration Vertical in the area of taxation and other day to day operations should be submitted in the following manner to the Head Office. ***The formats would be made available during the course of the Audit period.***

1.4 Project Objective of CVPC Operations:

The objective of the Concurrent Audit to be undertaken in CVPC is as under:

- i. Scrutinizing for completeness of documents submitted for effecting the payment [s].
- j. Detection and arresting the errors while payment of Good & Service Tax and deposit of TDS, if any.
- k. To verify prompt, timely, accurate and regular submission of the periodical and statutory payment and returns.
- l. Any violation of procedure is brought to light.
- m. Reporting any irregularity in working which may result in financial or other loss to the Bank.
- n. Feedback on regulatory compliances.
- o. to prepare the TDS Reconciliation as required in terms of clause 34A of the Tax Audit Report and also help in filling of TDS and GST returns.
- p. Should forward the notification relating to GST / TDS, which the govt changes from time to time relating to SIDBI / Banking and financials.
- q. Any other areas on the above stated operations of the Bank which are vital, in nature.

1.5 Scope of work for operation of CVPC

- i. To verify whether the transactions or decisions are within the policy parameters laid down by the Head Office.

- ii. To verify that no violation of the instructions or policy prescriptions of the Procurement guidelines of the Bank / other regulators viz.RBI, GOI etc.
- iii. To verify whether the TDS and GST has been calculated correctly and as per the law in force and paid to tax authorities.
- iv. To verify whether the statutory payments and return are made as per the law.

1.6 The firm/ LLP will have to submit the following reports to the Management:

(A) Reports relating to Operations in CVPC

- (i) Monthly reports covering day-to-day CVPC operations including its core functions such as payment of GST, TDS and deposit on due date. It should also submit the report about filing of GST and TDS returns correctly and on due dates prescribed in the law/Act.
- (ii) Monthly reports covering comments on adherence to regulatory, internal policy, procedure, guidelines, compliance of Delegation of Powers and areas of audit as indicated at para 3.1.
- (iii) Any other related report as may be required by SIDBI from time to time.

The above reports with regard to operations of CVPC in the area of taxation and other day to day operations should be submitted in the following manner.

S. No.	Name of the Vertical	Name of the Office to whom reports to be submitted	Remarks
1	Corporate Accounts and Payments Vertical (CAPV)	Chief General Corporate Accounts and Payments Vertical and Audit Vertical	Copy of the report should be made available in soft and hard forms within one week of the reporting period for which the report pertains.

- A detailed checklist and other operating guidelines will be provided to the concurrent auditors. They would be made aware of the guidelines and circulars issued subsequent to commencement of assignment and having impact on the concurrent audit, to keep them abreast of the changes in the operational and regulatory guidelines.
- SIDBI will prescribe structured formats for the audit reports and also stipulate the time limits for submission of the reports. The audit formats would be reviewed on annual basis. The firm/ LLP should strictly adhere to the format and the time limit.

1.7 Technical Evaluation Procedure of the applicants:

The technical capabilities of the applicants with regard to audit of the operations of Administration Vertical, HO would be evaluated based on the following criteria and weightage:

1.7.1 Pre-Requisite for Applying:

- *The Applicant should be a Partnership firm/ LLP of Chartered Accountants with minimum 4 numbers of partners/ directors of which 2 number of partners/ directors should be CA(s),*
- *Should have experience of minimum 3 – 5 years in the field of day to day operations specially related to administrative payments viz. salary, PF / Pension / Gratuity / staff payments including various staff loans etc, tax audits of other Financial Institutions / Public Sector Banks mainly in the area of taxation [indirect and direct tax] (with documentary proof).*
- *The details of each partner / director including experience, qualification etc., and their Registration Number with Institute of Chartered Accountants of India (ICAI) to be furnished as documentary proof.*
- *Furnish proof of valid registration / Certificate of Practice from the Institute of Chartered Accountants of India (ICAI).*
- *Without compliance of the above pre-requisites, the firm/ LLP will not be eligible for applying.*

1.7.2 Technical Evaluation of Audit Firm for undertaking concurrent audit of Corporate Accounts and Payments Vertical (CAPV)

(Rating Criteria)

Sl. No.	Criteria	Maximum Marks (Weightage)
i	<ul style="list-style-type: none"> Year of establishment of the Chartered Accountancy firm Knowledge and experience in carrying out tax audit of HO/ Branch Office(s) operations 	30
	Experience – Above 03 year and up to 05 years – 20 marks	
	- More than 05 years – 30 marks	
ii.	<ul style="list-style-type: none"> Be a Partnership firm/ LLP of Chartered Accountants with minimum 4 number of partners/ directors of which 2 number of partners/ directors should be CA(s) and should have experience of 3 – 5 years in the field of tax audit and day to day operations specially related to administrative payments viz. Salary, PF / Pension / Gratuity / staff payments including various staff loans etc. In addition to the above, firm having a retired commercial banker as Partner / Employee – 20 Marks (additional 5 marks) 	20
iii	With experience of 3-5 years of previous track record of carrying out such audits in other Financial Institutions / Public Sector Banks mainly in the area of taxation / day to day operations specially related to administrative payments viz. salary, PF / Pension / Gratuity / staff payments including various staff loans etc. of the Bank (with documentary proof).	30
iv.	Whether the firm/ LLP empanelled with RBI <ul style="list-style-type: none"> Statutory Central Auditor - 10 Marks Statutory Branch Auditor (Category I) – 7 Marks Statutory Branch Auditor (Category – II) – 5 Marks 	10
vi	Regular set-up, with Head Office preferably at Lucknow.	10
	Maximum technical score	100

Information to be provided for Technical Evaluation etc.

(i) Chartered Accountant Firm/ LLP Details:

SI. No.	Requirements	Remarks																								
1	Name of the Chartered Accountant Firm / LLP with year of establishment.																									
2	Registration Number / Certificate of Practice from the Institute of Chartered Accountants of India (furnish documentary proof, Registration should be valid).																									
3	Previous Track Record of carrying out concurrent audit in Financial Institution / Public / Private Sector Banks in the area of financing to NBFCs/ Refinance to banks. In addition to the above, previous track record of carrying out concurrent audit in FIs/ Public/ Private banks in areas: a) Credit dispensation to MSMEs b) Financing of NBFCs / Refinancing to Banks. Details may be given as per Table (A)																									
4	Details of every partner including experience, qualification etc. and their Registration number with ICAI (furnish a detailed list of all the partners) <table border="1" data-bbox="293 1016 1166 1211" style="margin-left: 20px;"> <thead> <tr> <th style="background-color: #c6e0b4;">SI. No.</th> <th style="background-color: #c6e0b4;">Name of the Partner</th> <th style="background-color: #c6e0b4;">Age (completed year as on 31/08/2021)</th> <th style="background-color: #c6e0b4;">Education Qualification</th> <th style="background-color: #c6e0b4;">Experience</th> <th style="background-color: #c6e0b4;">Period of Association with the firm</th> </tr> </thead> <tbody> <tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr> </tbody> </table>	SI. No.	Name of the Partner	Age (completed year as on 31/08/2021)	Education Qualification	Experience	Period of Association with the firm																			
SI. No.	Name of the Partner	Age (completed year as on 31/08/2021)	Education Qualification	Experience	Period of Association with the firm																					
5	Minimum five years of previous track record of carrying out concurrent audits in other Financial Institutions / Public / private Sector Banks (furnish documentary proof)																									
6	Whether the firm / LLP empanelled with RBI (furnish documentary proof).																									
7	Availability of suitable infrastructural facilities including office set up (Branch office / Head office at Mumbai / Navi Mumbai / Thane districts may be specifically indicated), adequate manpower who are specialized in the area of audit in other Financial Institutions / Public / private Sector Banks. Competence and qualification of key professional staff who shall carry out the assignment in a time bound manner (furnish a detailed list of all the skilled / semi-skilled employees / staff).																									
8	Whether the audit firm / LLP or any sister/ associate concern is conducting the statutory audit of SIDBI or Concurrent Audit in any of SIDBI branches / HO Verticals.																									

Note: All the relevant details & documentary evidence, etc. are to be furnished. The above is only a format. Information may be submitted in additional sheet(s) as may be required.

(ii) Details of Concurrent Audit of Treasury Operations done in Banks / FIs:

SI. No.	Name of the Bank	Branch / Head Office	Year of Audit / Period (From - To) [Data required for last 10 years]
1			
2			
3			

(iii) Details of Statutory Central Audits (SCA)/ Statutory Bank Auditor (SCB) of various Banks:

Sr. No.	Name of the Bank/FIs	Branch/HO	Specify SCA/ SCB (Category I/II)	Year of Audit/ Period (From - To) [Data required for the last 10 years of your firm]

- i. **The following declaration/ undertaking shall be furnished by the firm:**
- a) The firm/ LLP shall agree to execute undertaking of fidelity and secrecy on its letter head in the format prescribed by the Bank, if the contract assigned
 - b) That the information submitted is complete in all respect and true to the best of our knowledge.
 - c) A declaration to be furnished by the firm that credit facilities availed by the firm or partners or firms in which they are partners or directors including any facility availed by a third party for which the firm or its partners are guarantor/s have not turned or are existing as non-performing assets as per the prudential norms of RBI. In case the declaration is found incorrect, the assignment would get terminated besides the firm being liable for any action under ICAI/ RBI guidelines.
 - d) The firm / LLP must submit an undertaking that the firm / LLP does not have any professional relationship with any of the borrowers of SIDBI nor will it in future accept professional relationship with any of the borrowers of SIDBI during the period during which the firm / LLP acts as the concurrent auditor for SIDBI.
 - e) Any other terms and conditions of the assignment would be decided by the Bank on a case-to-case basis.

Note: Formats for the above are given in later pages.

Declarations:

All the applicants should submit their bid along with the following declarations and undertaking

(i) Declaration to be furnished in the letter head of the firm/ LLP.

We hereby declare that the information submitted above is complete in all respect and true to the best of our knowledge. We understand that in case any discrepancy or inconsistency or incompleteness is found in the information submitted by us, our application is liable to be rejected.

Date:

Authorised Signatory

(ii) Declaration of Eligibility

I/ We _____ Chartered Accountants hereby declare that I/ We comply with the eligibility conditions specified, established under the Chartered Accountants Act, 1949, and I/ We declare that:

None of the Partners of the firm do not have any disciplinary proceeding under the Chartered Accountants Act, 1949 pending against them or any disciplinary action under the Chartered Accountants Act, 1949/ penal action under any other law taken/ pending against him/ her.

Credit facilities availed by the firm or partners or firms in which partners or directors, including any facility availed by a third party for which the firm or its partners are guarantor/s, have not turned or are existing as Non-Performing Assets as per the prudential norms of RBI.

The firm does not have any professional relationship with any of the borrowers of SIDBI nor will it in future accept professional relationship with any of the borrowers of SIDBI during the period during which the firm acts as the concurrent auditor for SIDBI.

It is further confirmed that the firm is not the Statutory Auditor of Small Industries Development Bank of India (SIDBI).

None of the Partner of the firm hold any shares or other securities (including options or futures) in Small Industries Development Bank of India (SIDBI).

Our Firm has conducted / has not conducted concurrent audit of ____ (BO) / ____ (HO Vertical)/ ____ (other offices of SIDBI) during the period ____ . (Give status since 01/11/2014).

Our Firm will continue to satisfy the eligibility norm for appointment of Chartered Accountants as Concurrent Auditors as prescribed by the Bank from time to time.

I/ We understand that any breach of the provisions regarding eligibility shall be considered as gross negligence and may result in appropriate action under the Chartered Accountants Act, 1949.

For _____
Chartered Accountants

Place: _____

Date: _____

Partner