



**REQUEST FOR PROPOSAL (RFP)**

**FOR ENGAGEMENT OF CA FIRM FOR AUDIT OF ANNUAL  
GOODS AND SERVICES TAX (GST) RETURNS**

**RFP REFERENCE NO. FRT/GST/1/2018  
DATED: 01/12/2018**

**STATE BANK OF INDIA,  
FRT DEPARTMENT,  
3<sup>rd</sup> Floor, STATE BANK BHAWAN,  
MADAME CAMA ROAD, NARIMAN POINT,  
MUMBAI – 400 021**

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**REQUEST FOR PROPOSAL (RFP)**  
**FOR APPOINTMENT OF AUDITOR FOR SERVICE TAX AND GOODS AND SERVICE TAX**

**1. BID DETAILS**

1	Date and time of commencement of Bidding Process (i.e Posting of Tender Document on Web Site)	Date: 01/12/2018
2	Last date and time for receipt of written queries for clarification from bidders	Date: 04/12/2018 Time: 05:00 PM
3	Last date and time for reply to queries by the Bank	Date: 07/12/2018 Time: 05:00 PM
4	Last date and Time for submission of Technical and Commercial Bid by the bidders	Date: 13/12/2018 Time: 02:00 PM
5	Date and Time of opening of the Technical Bids	Date: 13/12/2018 Time: 03:00 PM
6	Date of Presentation	Date of presentation will be advised on SBI website along with list of eligible firms meeting criteria as per Part (a) Annexure A.
7	Date and Time of opening of the Commercial Bids	Date and time for opening of commercial bids will be advised at the time of presentation with Appointed internal committee
8	Place of opening of Technical Bids and Financial Bids	FRT Department, Corporate Centre, 3 <sup>rd</sup> Floor, State Bank Bhavan, Mumbai. Representatives of bidders may be present during opening of the Bid. However, Bids would be opened even in the absence of any or all of the bidders' representatives.
9	<p>The Bank reserves the right to limit the number of bidders. Those bidders who qualify as per mandatory eligibility criteria mentioned in Annexure A Part (a), to be called for presentation with the Bank's appointed internal committee on the basis of marks obtained (As per part (a) of Annexure B) by respective bidders.</p> <p>The list of such firms would be displayed on the Bank's website by 18/12/2018.</p>	
10	Address for communication (Bank)	<p>Name: Tilak Kumar Dhar</p> <p>Designation: Deputy General Manager (Taxation)</p> <p>State Bank of India, Corporate Centre, FRT Deptt., 3<sup>rd</sup> floor, State Bank Bhavan, Madam Cama Road, Mumbai - 400021</p> <p>Contact Number: 22740369, 22740322, 22740386</p> <p>Fax: 022-22023487</p> <p>Email: <a href="mailto:servicetax.frt@sbi.co.in">servicetax.frt@sbi.co.in</a>, <a href="mailto:dgm.tax2@sbi.co.in">dgm.tax2@sbi.co.in</a></p>
11	Earnest Money Deposit	Rs. 50,000/- (Rupees Fifty thousand only) in the form of Demand Draft in favour of 'State Bank of India' payable at Mumbai. <b>EMD should be enclosed with Technical Bid.</b>

## 2. **Overview**

State Bank of India is India's largest bank having its branches spread across India. The Bank also has presence in 35 countries across the globe. The Bank offers wide range of products and services to both Corporate and Retail Customers. The Bank also has one of the largest networks of ATMs spread across all geographical locations. The Bank also provides services to its customers through alternate channels such as Internet Banking, Debit Cards, Mobile Banking, etc.

To expand its reach further, the Bank is also forging ahead with cutting edge technologies and innovative new banking models.

## 3. **Purpose**

GST Act has made it mandatory to get the accounts audited by a chartered accountant or a cost accountant and shall submit a copy of the audited annual accounts, the reconciliation statement under sub-section (2) of section 44 of CGST Act and such other documents in such form and manner as may be prescribed. The Bank Invites Request for Proposal (RFP) from audit firms for carrying out GST audit for FY 2017-18 as prescribed in GST Provisions.

As per the requirement of Goods and Services Tax (GST) Acts/laws, at present, State Bank of India has obtained 59 registrations (i.e. 36 registrations for normal banking business in each State/UT, 22 registrations for bullion business and one registration for Gift City, Gujarat branch). Entire audit activities are to be carried out centrally at Corporate Office, Mumbai as the Bank is having centralized mechanism for compliance under GST.

Detailed activities/functions that the selected auditor is expected to perform is given in Terms of Reference (TOR) given in Annexure F. In case, more registrations (due to merger, expansion of activities or any other reasons) are obtained, during the term of assignment, selected firm will be expected to conduct GST audit and file annual returns of additional registrations also without any additional cost.

## 4. **Invitation**

The Bank invites Proposals (the "Proposals") for selection of audit firm to conduct GST audit as required under the provisions of sub-section (5) of section 35 of CGST Act.

The bidders desirous of taking up the project are invited to submit their technical and commercial proposal in response to this RFP in a manner as mentioned in Para 12 of this document. The criteria and the actual process of evaluation of the response to the RFP and subsequent selection of the successful applicant as per criteria laid down. The applicants should have necessary experience, capability and expertise to perform, as per the scope of work and to meet the Bank's requirements/terms and conditions outlined in the RFP. The RFP is not an offer by State Bank of India, but an invitation to receive responses from the Bidders. No contractual obligation whatsoever shall arise from the RFP process unless and until a formal contract is signed and executed by duly authorized official(s) of State Bank of India with the selected Auditor.

## 5. **Definitions**

- a. "SBI" or "Bank" means State Bank of India, constituted under the State Bank of India Act 1955, which has invited the bids for the purpose mentioned in para 3 above.
- b. "Bidder" means a CA firm/LLP who is submitting its proposal for providing services to SBI.
- c. "Chartered Accountant Firm" or "CA Firm" means any entity or firm or an association of persons or Limited Liability Partnership (LLP) submitting its proposal for providing audit services to SBI in accordance with the term and condition specified herein and eligible for being appointed as Tax Auditor under Income Tax Act, 1961 and Chartered Accountant Act, 1949.
- d. "Contract" or "Agreement" or "Engagement Letter" means the offer & acceptance / contract signed by the parties and all the attached documents and the appendices.
- e. "Day" means calendar day.
- f. "Personnel" means professionals and support staff provided by the Auditor to perform the services or any part thereof.
- g. "Proposal" means the technical proposal and the commercial proposal.
- h. "RFP" means this "Request For Proposal" prepared by SBI for the selection of audit firm.
- i. "Assignment/job" means the work to be performed by the Chartered Accountant Firm. pursuant to the contract.
- j. "SCA" means Statutory Central Auditor.
- k. "Terms of Reference (TOR)" means the document included in the RFP which explains the scope of work, activities, tasks to be performed, etc.
- l. "Balance Sheet size" means the total of assets side of the balance sheet.

The term Chartered Accountant Firm, applicant and bidder have been used interchangeably in the RFP document.

## 6. **Eligibility Criteria:**

- 6.1. Applicants must read carefully the minimum conditions of eligibility criteria provided herein. Proposals of only those Applicants who satisfy these conditions will be considered for evaluation process. To be eligible for evaluation of its proposal, the Applicant shall fulfill the eligibility criteria given in Annexure A Part (a).
- 6.2. An Applicant should have, during the last three years, neither failed to perform on any agreement, as evidenced by imposition of a penalty by an arbitral or a judicial pronouncement or arbitration awarded against the Applicant or its Affiliates, nor been expelled from any project or agreement nor had any agreement terminated for breach by such Applicant or its Affiliates.

### 6.3. **Conflict of interest**

6.3.1. SBI requires that the auditor should be eligible to perform GST audit satisfying the conditions as mentioned under Section 288 of the Income Tax Act 1961. Selected Auditor is also expected to provide professional, objective, and impartial advice, strictly avoid conflicts with other assignment(s)/job(s) or their own corporate interests, and act without any expectation/consideration for award of any future assignment(s) from SBI.

6.3.2. Without limitation on the generality of the foregoing, the Auditors, and any of their affiliates, shall be considered to have a conflict of interest (and shall not be engaged under any of the circumstances) as set forth below:

- i. **Conflicting assignment/job:** The auditor (including its personnel) shall not be hired for any assignment/job that, by its nature, may be in conflict with another assignment/job of consultancy to be executed for the same and/or for another organisation.
- ii. **Conflicting relationships:** The auditor (including its personnel) having a business or family relationship with a member of SBI's staff who is directly or indirectly involved in any part of (i) the preparation of the terms of reference of the assignment/job, (ii) the selection process for such assignment/job, or (iii) supervision of the contract, may not be awarded a contract, unless the conflict stemming from such a relationship has been resolved in a manner acceptable to SBI throughout the selection process and the execution of the contract.

The auditor has an obligation to disclose any situation of actual or potential conflict that impacts its capacity to serve the best interests of SBI, or that may reasonably be perceived as having this effect. If the auditor fails to disclose such conflicts of interest and if SBI comes to know of such a situation at any time, then SBI reserves the right to disqualify the auditor during the bidding process or to terminate its contract during the tenure of assignment.

6.4. Employees of SBI shall not work as, for or be a part of, the auditor.

## 7. **Terms of Reference: As given in Annexure F.**

## 8. **Earnest Money Deposit (EMD)**

- i. The Bidder shall submit the EMD of Rs. 50,000/- (Rs. Fifty thousand only) by way of demand draft favouring 'State Bank of India' payable at Mumbai. EMD may be forfeited in the event of withdrawal of bid after the date for submission of bids or in case the selected Auditor fails to sign the contract within the period mentioned herein.
- ii. EMD should be submitted along with the application, given in Annexure E. Any application not accompanied by the requisite EMD shall be treated as non-responsive and is liable to be rejected.

- iii. The EMD of the unsuccessful bidders will be returned as early as possible, after completion of process of selection of the applicant. The EMD of the selected applicant shall be refunded only after successful completion of one year of contract or expiry of the contract whichever is earlier.
- iv. No interest is payable on the amount of EMD.
- v. If EMD is forfeited for any reason, the concerned bidder will be debarred from further participation in future three RFPs floated by the Bank.

## **9. Clarification and amendment of RFP documents**

- 9.1. The Bidder may request a clarification on any clause of the RFP documents within the timelines mentioned as per Sr. No. 2 of Table given in Para 1 of the RFP documents. Any request for clarification must be sent by e-mail to [servicetax.frt@sbi.co.in](mailto:servicetax.frt@sbi.co.in), [dgm.tax2@sbi.co.in](mailto:dgm.tax2@sbi.co.in). SBI will respond by e-mail. The responses of the Bank will be published on SBI's website without identifying the source of the query. Should SBI deem it necessary to amend the RFP as a result of a clarification, it shall do so in accordance with the procedure stated under paragraph 9.2 below.
- 9.2. At any time prior to the deadline for submission of proposal, SBI may modify the bidding document by amendment. Any clarification issued by SBI will be in the form of an addendum/ corrigendum and will be available in SBI's website - <https://bank.sbi/>. The amendment will be binding on all bidders. SBI, at its discretion may extend the deadline for submission of bids in order to allow prospective bidders a reasonable time to take the amendment into account. Interested applicants are advised to frequently visit the web sites for updating themselves about changes, if any, made in the RFP before the bid submission date.

## **10. Bidding Document:**

- 10.1. Detailed description of the objectives, scope of services, and other requirements relating to this audit are specified in Annexure F of this RFP. Interested applicants eligible as per Annexure "A" may participate in the selection process by submitting the bids as expected in this document.
- 10.2. Applicants are advised that the selection of auditor shall be on the basis of an evaluation/selection process specified in this RFP. Applicants shall be deemed to have understood and agreed that no explanation or justification for any aspect of the selection process will be given and that the Bank's decisions are without any right of appeal whatsoever.



- 10.3. No Bidder / Applicant shall submit more than one Application for selection of GST auditor. If an applicant submits or participates in more than one proposal, all such proposals shall be disqualified.

#### 11. Validity period of the Proposed Bid

- 11.1. The proposal must be valid for 90 days after the last date for submission of proposal. During this period, the applicant shall maintain the availability of professional staff nominated in the proposal and also the commercial proposal shall remain unchanged.

#### 12. Preparation of proposals/Bid

- 12.1. The proposal as well as all related correspondence exchanged by the applicant with SBI, shall be written in the English language. bidder who fulfil the criteria specified in Annexure A Part (a) should send their Application (i.e. Technical and Commercial Proposal) in the format enclosed as Annexure E together with annexures E1 to E4 and other supporting documents to the Deputy General Manager (Taxation), Financial Reporting & Taxation Department, State Bank of India, Corporate Centre, 3<sup>rd</sup> Floor, Madame Cama Road, Mumbai – 400 021 so as to reach him by **02:00 PM on 13/12/2018**.
- 12.2. The name of the assignment/job/project shall be 'GST Auditor to SBI'. Detailed scope of the assignment/job has been described in the Terms of Reference Annexure F.
- 12.3. In preparing their technical proposal, applicants are expected to examine in detail the documents comprising the RFP. Material deficiencies in providing the information requested may result in rejection of a technical proposal.
- 12.4. The bids shall be in two parts viz. Technical Proposal and Commercial Proposal. Both the Technical and Commercial Proposals should be submitted in separate sealed envelopes super-scribing **"TECHNICAL PROPOSAL FOR APPOINTMENT OF GST AUDITOR: TENDER REFERENCE NO. FRT/GST/1/2018"** on top of the envelope containing technical bid and **"COMMERCIAL PROPOSAL FOR APPOINTMENT OF GST AUDITOR: TENDER REFERENCE NO.FRT/GST/1/2018"** on top of the envelope containing commercial bid.
- 12.5. These two separate sealed envelopes should be put together in the sealed master envelope super subscribing **"PROPOSAL FOR APPOINTMENT OF GST AUDITOR: TENDER REFERENCE NO.FRT/GST/1/2018"**
- 12.6. The Technical Proposal shall contain the required documents, duly signed by the Applicant's Authorized Representative, in support of details mentioned in **Annexure A, E-1 to E-4**. A copy of the Commercial Proposal is to be submitted in a separate

sealed envelope along with the Technical Proposal. **The Demand Draft for EMD of Rs. 50,000/- should also be kept in the envelope containing the technical proposal.**

- 12.7. The Technical Proposal will be evaluated for technical suitability as per mandatory eligibility criteria given in Annexure A Part (a).
- 12.8. The Bank shall rank the technical proposals received. The parameters used in scoring the applicant are as per Annexure B Part (a) and as per the presentation i.e. as per Annexure B Part b (1). The individual firm with a separate firm registration number is to be considered for eligibility and scoring.
- 12.9. The Bank reserves the right to limit the number of bidders, who qualify as per mandatory eligibility criteria mentioned in Annexure A Part (a), to be called for presentation with the Bank's appointed internal committee on the basis of marks obtained (As per part (a) of Annexure B) by respective bidders.
- 12.10. After presentation, commercial bids will be opened for selected bidders based on marks obtained (as per part a and part b(1) of Annexure B).
- 12.11. The technical proposal (both Part (a) and Part (b) together) shall have 70 percentage weightage. The commercial bid will be having 30 percent weightage in final selection of the Tax Auditor.
- 12.12. SBI will select a CA firm from among the shortlisted firms displayed on the Bank's Website, to perform the assignment detailed in the TOR given in Annexure F. In case, more registrations (due to merger, expansion of activities or any other reasons) are obtained, during the term of assignment, selected firm will be expected to carry out GST audit and file annual returns and other activities required as per TOR, of additional registrations also without any additional cost. The bidder has to make their own evaluation in quantifying the financial bid and no further negotiation shall be permitted thereafter for whatsoever reason.
- 12.13. The Terms & Conditions as mentioned in the proposal will be the basis for contract/assignment/letter of appointment to be signed/accepted by the selected CA firm.
- 12.14. The applicant shall bear all costs associated with the preparation and submission of proposal and contract negotiation. SBI is not bound to accept any proposal, and reserves the right to annul the selection process without assigning any reason(s), at any time prior to signing of contract, without incurring any liability towards the applicant.

### 13. **Commercial proposals**

- 13.1. The Firms are required to submit commercial proposal as detailed in Para 12.4 above in a separate envelope along with the technical proposal.

- 13.2. The date of opening of the commercial bid shall be communicated separately. The commercial proposal shall clearly indicate the gross fee for completing the GST audit and filing GST annual returns for each financial year for all registrations.
- 13.3. Amount as stated in para 13.2 above should be mentioned both in figures and words, in Indian Rupees, and signed by the Applicant's Authorized Representative. In the event of any difference between figures and words, the amount indicated in words shall prevail. In the event of a difference between the arithmetic total and the total shown in the commercial proposal, the lower of the two shall prevail.
- 13.4. A minimum fee of Rs.15 lakhs per annum for a CA firm, plus applicable taxes. and out of pocket including boarding/lodging expenses against actual payment receipts, subject to maximum of 20% of basic audit fee, shall be payable.
- 13.5. The cost quoted by the bidder shall separately state the basic audit fee (exclusive of out of pocket expenses) and applicable taxes (applicable taxes will be paid as per the tax rate prevailing at the time of actual payment). The commercial proposal shall not include any conditions attached to it. Any such conditional commercial proposal shall be liable for rejection. Payment will be made after deducting tax deductible at source or any other statutory applicable deductions as per applicable tax laws. Draft for submission of commercial bid is given as under:

Audit Fee per financial year

Particulars	Amount (In Rs./p.a.)
Basic Audit Fee (excluding out of pocket expenses)	XXXXXXXX.XX
<b>Applicable tax (GST)</b>	<b>XXXXXXXX.XX</b>
<b>Total Audit Fee</b>	<b>XXXXXXXX.XX</b>
<b>Amount in Words</b> _____	
_____	

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**out of pocket including boarding/lodging expenses against actual payment receipts, subject to maximum of 20% of basic audit fee, shall be paid separately.**

- 13.6. Only single commercial bid should be quoted as basic audit fee which will be applicable for each financial year during assignment. In case multiple bids (for each year or for different years) are submitted, the bid will be considered as invalid and proposal shall not be considered for further evaluation.
- 13.7. The engagement will come into effect after finalisation of the bidder and engagement will end after completion of audit of annual return for three years from the commencement i.e. if engagement started from December 2018, the assignment will end with completion of GST audit & and filing of GST annual returns for FY ended March 2020.
- 13.8. Appointment will be renewed on yearly basis on submission of necessary declaration regarding fulfilling the following eligibility criteria.
- eligible for being appointed as Tax Auditor under Income Tax Act,1961 and Chartered Accountant Act,1949

- b. conditions to conflict of interest as mentioned in para 6.3 of this RFP document
- c. The firm is not banned / declared ineligible for corrupt and fraudulent practices by the Govt. of India / State Governments / RBI / ICAI /or any other regulator and should not have any disciplinary proceedings pending against the applicant firm or any of the partners with ICAI/RBI or any other regulator.

13.9. During this period applicant will conduct the (as per the terms of reference given in Annexure F) GST Audit as required under section 35(5) of CGST Act, 2017 and amended from time to time. The payments shall be made yearly, after completion of audit and online uploading of audit reports, based on production of proper bill. Further, before submitting the bill, it should be ensured that the same is also duly uploaded in GST Network to enable the Bank to take input credit of the same.

13.10. The reasons like non-familiarity with the GST site conditions and/ or existing IT infrastructure will not be considered as a reason for any delay or extra claims whatsoever.

13.11. After the expiry of the three years, the Bank may consider at its own discretion to extend the tenure of the Auditor by a period not more than three years on same terms and conditions.

#### 14. **Submission, receipt and opening of proposal**

14.1. The original proposals, both technical and commercial, shall contain no interlineations or overwriting.

14.2. An authorised representative of the applicant shall sign all pages of the RFP document, original technical and commercial proposals as well as the Annexures. The authorisation shall be in the form of a letter or in any other form demonstrating that the representative has been duly authorised to sign and such authorisation shall be enclosed with the proposal. The signed technical and Commercial proposals shall be marked "original".

14.3. Both the Technical and Commercial proposals shall be submitted in separate sealed envelopes as per para 12 above.

14.4. Two separate sealed envelopes (Commercial and Technical) should be put together in the sealed master envelope (as per Para 12 above) super scribing "PROPOSAL FOR APPOINTMENT OF GST AUDITOR: TENDER REFERENCE NO.FRT/GST/1/2018" and should be addressed to

Deputy General Manager (Taxation)  
FRT Department  
State Bank of India  
Corporate Centre, 3<sup>rd</sup> Floor, State Bank Bhavan,  
Madame Cama Road, Mumbai – 400 021.

- 14.5. SBI shall not be responsible for postal delay, misplacement, loss or premature opening if the outer envelope is not sealed and/or marked as stipulated. This circumstance may be a cause for proposal rejection.
- 14.6. The sealed master envelope containing the technical and commercial proposals should be submitted at the address given in paragraph 14.4 not later than **02:00 PM on 13/12/2018**. Any proposal received by SBI after the deadline for submission shall be returned unopened. No further correspondence in this regard shall be entertained.
- 14.7. The Bidder may modify or withdraw its Bid after the submission of the Bid, provided that SBI receives written notice of the modification or withdrawal, before the expiry of deadline prescribed for submission of Bids i.e. last date of receipt of the Bid.
- 14.8. The Bidder's modification or withdrawal notice shall be prepared, sealed, marked and delivered in accordance with the procedure set-out for submission of Bids and shall be placed in an envelope marked as "MODIFICATION" or "WITHDRAWAL" as appropriate. A duly signed withdrawal notice may also be sent by fax or post, so as to reach the designated office, before the expiry of deadline for submission of Bids i.e. last date of receipt of the Bid.
- 14.9. No modification in the Bid shall be allowed, after the deadline for submission of Bids.
- 14.10. No Bid shall be withdrawn in the interval between the deadline for submission of Bid and the expiration of the period of Bid validity specified by the Bidder on the Bid Form. Withdrawal of a Bid during this interval may result in the forfeiture of EMD submitted by the Bidder.
- 14.11. Withdrawn Bids, if any, will be returned unopened to the Bidders
- 14.12. The sealed master envelope containing the technical and commercial proposals shall be opened on **03:00 PM on 13/12/2018**. The sealed envelope of technical proposal shall be opened while the commercial proposal shall be kept in the sealed envelope for opening at a later date. Representatives of Bidders may be present during opening of the Technical proposals. However, Technical Proposals would be opened even in the absence of any or all of the bidders' representatives.

## **15. Proposal evaluation**

- 15.1. From the time the proposals are opened to the time the assignment is awarded, the applicant should not contact SBI, unless called for. The applicant should also not contact any of the officers/employees or representatives of the bank on any matter related to its technical proposal and/or commercial proposal with a view to influencing SBI in the examination, evaluation, ranking of proposals, and recommendation for award of contract. Such an effort shall result in the rejection of the applicants' proposals. Canvassing in any form would lead to disqualification of the proposal.
- 15.2. The Bank reserves the right to limit the number of bidders. Those bidders who qualify as per mandatory eligibility criteria mentioned in Annexure A Part (a), to be called

for presentation with the Bank's appointed internal committee on the basis of marks obtained (As per part (a) of Annexure B) by respective bidders.

- 15.3. After presentation, commercial bids will be opened for selected bidders based on marks obtained (as per part a and part b(1) of Annexure B).
- 15.4. The envelope containing commercial proposal (for qualified applicants as per Para 15.3 above) will be opened and would be evaluated according to a scoring system for final ranking as stated in the scoring sheet attached. (Annexure C).
- 15.5. In case of a discrepancy between amount in words and figures, the former will prevail.
- 15.6. SBI reserves the right
  - I. to accept or reject any or all the proposals without assigning any reason and
  - II. to engage an audit firm for the entire Assignment/ Job only for one or more segments of the project.

#### **16. Disclaimer**

- 16.1. The information contained in this Request for Proposal (RFP) document or information provided subsequently to Bidder(s) or applicants whether verbally or in documentary form/email by or on behalf of State Bank of India (Bank), is subject to the terms and conditions set out in this RFP document and all other terms and conditions subject to which such information is provided.
- 16.2. This RFP is neither an agreement nor an offer and is only an invitation by the Bank to the interested parties for submission of bids. The purpose of this RFP is to provide the Bidder(s) with information to assist the formulation of their proposals. This RFP does not claim to contain all the information each Bidder may require. Each Bidder should conduct its own investigations and analysis and should check the accuracy, reliability and completeness of the information in this RFP and where necessary, obtain independent advices/clarifications. Bank may, in its absolute discretion, but without being under any obligation to do so, update, amend or supplement the information in this RFP. No contractual obligation whatsoever shall arise from the RFP process until a formal contract is signed and executed by duly authorized officers of the Bank with the Selected Bidder (SB).
- 16.3. The Bank, its employees and advisors make no representation or warranty and shall have no liability to any person, including any Applicant or Bidder under any law, statute, rules or regulations or tort, principles of restitution or unjust enrichment or otherwise for any loss, damages, cost or expense which may arise from or be incurred or suffered on account of anything contained in this RFP or otherwise, including the accuracy, adequacy, correctness, completeness or reliability of the RFP and any assessment, assumption, statement or information contained therein or deemed to form part of this RFP or arising in any way for participation in this Bid Stage.
- 16.4. The Bank also accepts no liability of any nature whether resulting from negligence or otherwise, howsoever caused arising from reliance of any Bidder upon the statements contained in this RFP.
- 16.5. The issue of this RFP does not imply that the Bank is bound to select a Bidder or to appoint the Selected Bidder (SB), as the case may be, for the Project and the Bank

reserves the right to reject all or any of the Bidders or Bids without assigning any reason whatsoever.

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

## 17. **Contract finalisation**

- 17.1. The acceptance of the bid, will be communicated in writing/email/fax to the successful bidder by means of Offer of Contract / letter of appointment at the address given by the bidder in the tender response. The Offer of Contract /letter of appointment need to be accepted unconditionally and such accepted letter shall be delivered by the bidder in writing within 7 days from the date of issue of the offer. The failure, delay or evasion by the successful bidder to accept the offer will result in cancellation of the offer and Bank retains its right to issue offer to the next highest bidder.
- 17.2. As per scope of the RFP, subcontracting is prohibited. Accordingly, selected Firm is required to all its activities as mention in TOR during the term of assignment.
- 17.3. The contract/ agreement shall be executed only at Mumbai and the selected Auditor shall bear the cost of stamp duty for the contract/ agreement as applicable in the state of Maharashtra.
18. **Confidentiality Agreement/Undertaking:** As the successful firm will have access to the data of the Bank, the Bank will require the firm to sign a confidentiality agreement/undertaking indemnity for not disclosing or part with any information relating to the Bank and its data to any person or persons or authorities, without written consent of the Bank. Breach of the same will result in cancellation of the agreement apart from other remedies which shall be available to the Bank against the Auditor.
19. **Indemnification:** The GST Auditor shall agree to indemnify the Bank against any loss on claims due to loss of data /damage to data of the Bank arising as a consequence of breach of any clause in terms and conditions of the agreement.
20. **Termination of Agreement:** A suitable clause for termination by giving suitable notice will be incorporated in the final agreement. The agreement with the selected firm may be cancelled at the Bank's discretion on account of following or without assigning any reason:
- a. On refusal to take up the allotted Assignment;
  - b. If the firm stands dissolved /reconstituted under the name/style of the firm is changed;

- c. On not abiding by the terms and conditions stipulated in the agreement;
- d. If the performance of the firm is not found satisfactory (viewed as such by the Bank's appropriate authority);
- e. If the GST Audit Report and GST Annual return is not finalised/uploaded for all registrations at GST Network within reasonable time period.
- f. not meeting the conditions mentioned in para 13.7 of this RFP document
- g. Any other reason at the discretion of the Bank.

21. **Disciplinary action for professional misconduct:** In case of any professional misconduct observed on the part of the selected firm, in addition to the remedies such as to debar such firm from any future service to the Bank, intimation of such misconduct to the authorities such as RBI/IBA/GOI, etc., the Bank will also be entitled to approach any Court of law or Governing authority such as RBI/IBA/GOI/ICAI.

22. **Liquidated Damage/Penalty:**

- 22.1. If the Successful Bidder fails to deliver or perform the Services as stipulated in the Contract, SBI shall, without prejudice to its other remedies available under the RFP/Contract, deduct as liquidated damages a sum equivalent to 1% of the fees, for each week of delay until satisfactory performance is ensured. SBI reserves all the rights to levy the penalties under the Contract in case satisfactory Services are not restored.
- 22.2. SBI is entitled to withhold the payment or deduct liquidated damages from the price under the Contract or any other amount, which is due to Bidder from this Contract, or any other contract.
- 22.3. Any loss caused to SBI or claims made against SBI owing to non-performance of the Services by the Successful Bidder as per the Contract, or non-compliance of regulatory guidelines, will attract liquidated damages to the extent that the claim is made against the Bank. The Bank reserves the right to recover this amount from any dues payable or accrue to the Successful Bidder in future in any form.
- 22.4. Any financial loss to SBI on account of fraud taking place due to Successful Bidder, its employees or their service provider's negligence shall be recoverable from the Successful Bidder along with damages if any with regard to SBI's reputation and goodwill.

23. **Governing Law & Jurisdiction of Courts**

- 23.1. The Contract and any non-contractual obligations arising out of or in connection with the Contract/RFP shall be governed by the laws of Republic of India.
- 23.2. The courts at Mumbai shall have non-exclusive jurisdiction to determine any proceeding in relation to the Contract/this RFP. The provisions shall survive the Contract.

24. **Miscellaneous Terms & Conditions**

- 24.1. Until a formal contract is prepared and executed, this offer together with Bank's written acceptance and notification of award shall constitute a binding contract with the auditor.



- 24.2. State Bank of India is not responsible for non-receipt of bids within the specified date and time due to any reason including postal delays or holidays.
- 24.3. The Bank also reserves the right to alter/ modify any/ some/ all of the requirements, as it may deem necessary, and notify the same on its websites <http://www.sbi.co.in> before the last date for submission of response under this RFP. The Bidders should be agreeable for the same.
- 24.4. Bids not conforming to the requirements of the RFP may not be considered by SBI. However, SBI reserves the right, at any time before last date of submission of Technical & Financial proposal, to waive any of the requirements of the RFP, if in the sole discretion of SBI, the best interests of SBI would be served by such waiver.
- 24.5. SBI shall have the right to cancel the RFP process at any time prior to award of contract, without thereby incurring any liabilities to the affected Bidder(s). Reasons for cancellation, as determined by SBI, in its sole discretion, may include but are not limited to, the following:
- (i) Services contemplated are no longer required;
  - (ii) Scope of work were not adequately or clearly defined due to unforeseen circumstance and/or factors and/or new developments;
  - (iii) Proposed fees are unacceptable to the Work;
  - (iv) The Project is not in the best interests of SBI;
  - (v) Any other reason.
- 24.6. The Applicants shall be responsible for all of costs associated with the preparation of their Proposals and their participation in the Selection Process including subsequent negotiation, visits to the Bank, etc. The Bank will not be responsible or in any way liable for such costs, regardless of the conduct or outcome of the Selection Process.
- 24.7. SBI reserves the right to verify the validity of bid information and to reject any bid where the contents appear to be incorrect, inaccurate or inappropriate at any time during the process of RFP or even after award of contract.
- 24.8. All pages of RFP should be stamped and signed by Authorized Signatory of the Bidder and to be submitted with the bids.
- 24.9. Bank may choose to take an undertaking from employees of the audit firm to maintain confidentiality of the Bank's information/documents etc. Bank may seek details / confirmation on background verification of auditor's employees, worked/working on Bank's project as may have been undertaken / executed by the auditor. auditor should be agreeable for any such undertaking/verification.

**Eligibility Criteria**

Bidders meeting the following criteria are eligible to submit their Bids along with supporting documents. If the Bid is not accompanied by the required documents supporting eligibility criteria, the same would be rejected.

**Part (a)**

Sr.No.	Mandatory Eligibility Criteria	Documents Required
1	The Applicant firm should have been registered with ICAI and practicing continuously in India for the last 15 years as on 01.04.2018.	Constitution Certificate issued by ICAI Certified copy of registration Certificate issued by Registrar in case of LLP.
2	Firm should have minimum 8 partners. In addition, firm should have at least 30 professional staff i.e C.A. or Partly Qualified C.A. as employees on its payroll or audit or articulated clerks (as on 01.04.2018) At least 2 DISA/CISA qualified partner/staff on its payroll (as on 01.04.2018)	Self -declaration in format E-1
3	Firms should have been one of the Statutory Central Auditor (SCA) of a Public Sector Bank (having balance sheet size of Rs. 5 lakhs crore or more as per audited financials as on 31.03.2018) during any of the last 5 years (i.e. for period ended 31 <sup>st</sup> March 2014, 2015, 2016, 2017 and 2018)*.	Copy of signed Final accounts of the relevant financial year/s of the respective bank/s, along with details in format E-2
4	Experience of whole organization level tax audit of any institution engaged in financial services having balance sheet size of Rs.5,000 crore or more during last five years	Self -declaration in format E-3 along with copy of signed Form 3CA /Letter from the respective organisation certifying completion of tax audit.
5	The firm should not have been banned / declared ineligible for corrupt and fraudulent practices by the Govt. of India / State Governments / RBI / ICAI /or any other regulator and should not have any disciplinary proceedings pending against the applicant firm or any of the partners with ICAI/RBI or any other regulator.	Undertaking by the applicant Firm/ Self declaration
6	The firm should be eligible for being appointed as Tax Auditor under Income Tax Act.	Undertaking by the applicant Firm/ Self declaration

\* Appointment of SCA firms which ceases to exist during F.Y. 2018-19 from SBI, will be subject to RBI circular no. DBS.ARS.No.BC./7.08.91.001/2006-07 dated 24<sup>th</sup> April 2007.

- Wherever, "Firm/s" have been used in this document, unless otherwise mentioned, means partnership firm or Limited Liability Partnership (LLP).

**Part (b)**

Sr. No.	Desirable Eligibility Criteria	Documents Required
1	Income-Tax/Service Tax/ Goods and Service Tax consultancy at whole organization level of an institution	Client Certificate along with details as per Annexure E-4

## Parameters for evaluation of Proposal

<b>Part (a)</b>			
<b>Sr.No</b>	<b>PARAMETERS</b>	<b>Maximum Marks</b>	<b>Basis of Marking</b>
1	No of years of practicing in India as on 01.04.2018	10	5 Marks for minimum 35 years and 1 mark for each completed additional year.
2	Domain knowledge in Banking	10	Number of Public Sector Banks in which Annual Statutory Central Audit completed in last 10 years upto 31.03.2018. One Public Sector Bank - 7 marks and More than one Public Sector Bank – additional 3 marks
3	Experience in Tax Audit	10	Final Consolidating tax auditor of Bank/ Financial Institutions (other than RRB / Co-operative Bank) (having balance sheet size of Rs.5,000 crore or more as per audited financials as on 31.03.2018) during any of the last 5 years (i.e. period ended 31 <sup>st</sup> March 2014, 2015, 2016, 2017 and 2018)
4a	Manpower and qualifications. (as on 01.04.2018)	5	Minimum 8 Partners– 2 marks,  1 mark each for additional partner
4b		5	No. of professional staffs, including audit and articled clerks 31 - 1 mark,  1 mark each for such additional professional staff
5	Regular consultancy to Bank/ Financial Institutions (other than RRB / Co-operative Bank) for advisory services with respect to Income-Tax/Service Tax/ Goods and Service Tax (at organization level having balance sheet size of more than Rs.5,000 crores as on 31.03.2018) (01.04.2013 onwards). (At least one-year continuous engagement (till 31 <sup>st</sup> Mar., 2018) will be required for eligibility)	10	2 marks for each completed year of consultancy of each institution.
Total Part I		<b>50</b>	

<b>Part (b)</b>			
1	Presentation	20	Shall be evaluated by the committee identified for the purpose.
2	Financial	30	
	Grand Total of Part (I+II)	<b>100</b>	

**Parameter for selection of Auditor.**

Sr. No	Parameters	Weightage
1	Technical Parameter	70
	Presentation	
2	Financial Bid	30

For example:

Three Auditors namely A, B and C participated in the bid process and their technical score are as under:

A=49, B=63 C= 56

After converting them into percentile, we get

A=  $(49/63)*100 = 77.77$

B=  $(63/63)*100= 100$

C=  $(56/63)*100=88.89$

The quoted prices for Auditors are as under:

A= Rs 8000, B=Rs 9000, C=Rs10000

The final cost (lower cost quoted in price bid, in this case it Rs 8000) quoted by the bidders converted into percentile score shall be as under:

A =  $(8000/8000)*100 = 100$

B=  $(8000/9000)*100 = 89$

C=  $(8000/10000)*100 = 80$

As the weightage for technical parameter and cost are 70% and 30% respectively, the final scores shall be calculated as under:

A=  $(77.77*0.7) + (100*0.3) = 84.439$

B=  $(100*0.7) + (89*0.3) = 96.7$

C=  $(88.89*0.7) + (80*0.3) = 86.223$

Hence, the offer of 'B' (being highest score) would be considered

#### **Annexure : D**

Penalty Clause: Bank will reserve the right to deduct penalty from the fee to be paid to the Auditor as mentioned in para 22 of this RFP document.

**PROFORMA OF APPLICATION  
FOR BANK'S GST AUDITOR  
(ON OFFICIAL LETTER HEAD)**

The Deputy General Manager  
(Taxation)  
State Bank of India  
Corporate centre, 3<sup>rd</sup> floor  
State Bank Bhavan  
Madame Cama Road,  
Mumbai-400 021

Dear Sir,

**APPLICATION FOR APPOINTMENT AS GST AUDITOR OF THE BANK.**

Please find enclosed information in Annexure (E-1 to E-4) concerning us for consideration of our firm to be appointed as GST Auditor of the Bank.

2. We agree to undertake the project, if allotted by you, as per the scope of work (Terms of Reference).
3. We hereby declare that our firm does not have any pecuniary liability or any claim/disciplinary/legal proceeding pending against us/ our partners or any other cause which could hamper our ability to render the services as envisaged.
4. We hereby declare that our firm eligible for being appointed as Tax Auditor under Income Tax Act, 1961
5. We also declare that our firm has not been banned / declared ineligible for corrupt and fraudulent practices by the Govt. of India / State Governments / RBI / ICAI and does not have any disciplinary proceedings pending against it or any of the partners with ICAI/RBI. If the aforesaid representation /declaration or information in the annexures is found to be incorrect, we agree that the Bank shall be entitled to terminate the agreement, if allotted, or initiate suitable action as deemed fit and appropriate by the Bank, without reference to us. We or our affiliates have, during the last three years, neither failed to perform on any agreement, as evidenced by imposition of a penalty by an arbitral or a judicial pronouncement or arbitration awarded against us or our Affiliates, nor been expelled from any project or agreement nor had any agreement terminated for breach by us or our affiliates.

Date:

Authorised Signatory

Place:

(Name:)

List of Document Enclosed

1. EMD –DD particulars
2. Annexures E1 to E4
3. Other documents please specify

**PARTICULARS TO BE FURNISHED FOR THE PURPOSE OF APPOINTMENT OF THE GST AUDITOR**

Sl. No	Description	
1	Name of the firm	
2	Firm No. allotted by ICAI*	
3	Address	
4	Email	
5	Contact number/s (Tel/Mobile)	
6	Office address of Mumbai (if different from 3 above)	
7	Presence in how many towns in India. (Provide Address)	
8	Year of establishment	
9	No. of completed years for which practicing in India as on 31.03.2018	
10	Name/s of partners * (membership certificates issued by ICAI should be enclosed)	
11	Name of Partners Stationed at Mumbai	
12	Person(s) proposed to be assigned for the services and his/their profiles	
13	PAN of the firm *	
14	GST registration number of the firm *	
15	Number of professional staff (including audit & articled clerks) as on 01.04.2018*	
16	Number of C.A. employees in the firm as on 01.04.2018*	
17	Number of Partners/Employees who have done DISA/CISA as on 01.04.2018 *	
18	Any other information considered relevant.	

(Please attach separate sheets if space is not sufficient in any row, duly mentioning the row number and description)

Place:

Authorised Signatory

Date:

(Name)

Seal

\* Self attested copies in support of the information should be submitted

**PARTICULARS IN RESPECT OF SCAs of PSBs (FROM 01.04.2013 ONWARDS) HAVING BALANCE SHEET SIZE OF  
Rs.5,00,000 CRORE OR MORE**

<b>SR.NO</b>	<b>NAME OF THE BANK</b>	<b>PERIOD OF AUDIT (FROM DD/MM/YY TO DD/MM/YY)</b>	<b>PERSON IN CHARGE FROM CLIENT SIDE WITH CONTACT NUMBER AND EMAIL ID.</b>



**PARTICULARS IN RESPECT OF TAX AUDIT AT WHOLE ORGANIZATION LEVEL FOR INSTITUTIONS ENGAGED IN  
FINANCIAL SERVICES (FROM 01.04.2013 ONWARDS) HAVING BALANCE SHEET SIZE OF RS.5,000 CRORE OR MORE**

<b>SR.NO</b>	<b>NAME OF THE ORGANISATION</b>	<b>PERIOD OF AUDIT (FROM DD/MM/YY TO DD/MM/YY)</b>	<b>PERSON IN CHARGE FROM CLIENT SIDE WITH CONTACT NUMBER AND EMAIL ID.</b>

**PARTICULARS IN RESPECT OF INCOME TAX CONSULTANCY AT WHOLE ORGANIZATION LEVEL FOR INSTITUTIONS  
ENGAGED IN FINANCIAL SERVICES (FROM 01.04.2013 ONWARDS)**

<b>SR.NO</b>	<b>NAME OF THE ORGANISATION</b>	<b>PERIOD OF ASSIGNMENT  (FROM DD/MM/YY TO DD/MM/YY)</b>	<b>SCOPE OF WORK</b>	<b>BALANCE SHEET SIZE OF THE INSTITUTIONS (AS ON 31.03.2018)</b>	<b>PERSON IN CHARGE FROM CLIENT SIDE WITH CONTACT NUMBER AND EMAIL ID.</b>

**Terms of Reference**

1. The auditor will be required to carry out audit for FY 2017-18 under section 35(5) of CGST Act, 2017 read with Rule 80 for all registrations and to issue separate audit report (including filing of annual returns, reconciliations or any other statements/report/certificate required for annual returns) required under existing GST Act or GST Act amended from time to time.
2. Entire audit activities will be required to be carried out centrally at Corporate Office, Mumbai as the Bank is having centralized mechanism for compliance under GST. However, if required, the auditor may visit the branches / offices of the Bank in connection with the audit.
3. Auditor will also be required to issue Audit report, Certificates as per the requirements of the GST legislation (existing or amended from time to time) as per the timelines fixed by the Bank for timely compliance of the GST legislations. Necessary input in the statutory forms and its filing / uploading on the GSTN portal shall be carried out by the Auditors.
4. Further, if any new requirements are provided in the GST Act, Rules, Provisions, legislation etc., then the selected firm will be required to comply with those requirements also and issue necessary reports/certificates/statements and complete the audit and annual return filing activity to comply with amended requirements.
5. The engagement will come into effect after finalisation of the bidder and engagement will end after completion of audit of annual return for three years from the commencement i.e. if engagement starts from December 2018, the assignment will end with completion of GST audit & and filing of GST annual returns for FY ended March 2020.
6. Appointment will be renewed on yearly basis on submission of necessary declaration regarding fulfilling the following eligibility criteria.
  - a) eligible for being appointed as Tax Auditor under Income Tax Act, 1961 and Chartered Accountant Act, 1949
  - b) conditions to conflict of interest as mentioned in para 6.3 of this RFP document
  - c) The firm is not banned / declared ineligible for corrupt and fraudulent practices by the Govt. of India / State Governments / RBI / ICAI /or any other regulator and should not have any disciplinary proceedings pending against the applicant firm or any of the partners with ICAI/RBI or any other regulator.
7. After the expiry of the three years, the Bank may consider at its own discretion to extend the tenure of the Auditor by a period not more than three years on same terms and conditions.

**(The above list is inclusive and not exhaustive i.e. Terms of reference shall include providing professional assistance for all activities required for due compliance with GST provisions)**