

Request for Proposal (RFP) For Selection of Chartered Accountant Firms for Pilot Studies of Indian Railways



ICAI Accounting Research Foundation

ICAI Bhawan, Indraprastha Marg, Delhi – 110002

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TABLE OF CONTENTS

| S. No. | Items | Page No. |
|--------|---|----------|
| 1. | Section – I : Notice Inviting Bid | 3 |
| 2. | Section – II : Background | 8 |
| 3. | Section – III : Eligibility Criteria | 10 |
| 4. | Section – IV : Scope of Work of RFP | 11 |
| 5. | Section – V : Instructions to Applicants | 14 |
| 6. | Section – VI : General Conditions of Contract | 16 |
| 7. | Annexure I : Form Tech I to V | 25 |
| 8. | Annexure II : Check List | 31 |

I. NOTICE INVITING BID

ICAI Accounting Research Foundation (ICAI ARF) is a Section 25 Company under the Companies Act, 1956 (now a Section 8 Company under the Companies Act, 2013), for promoting research in the areas of accounting, auditing, capital markets, fiscal policies, monetary policies and other related disciplines.

ICAI ARF hereby invites Bids from eligible Chartered Accountant Firms (CA firms) having their Head Office at Delhi/NCR for carrying out the following pilot studies of Indian Railways:

| Reference No. of Proposal | Particulars of Study | Place | Minimum Team Requirement | |
|---------------------------|---|-------|--------------------------|--------|
| | | | Leader | Member |
| Rollout 2/I | Framework on Applicability of Ind AS on Accrual Based Financial Statements of Indian Railways | Delhi | 1 | 3 |
| Rollout 2/II | Pilot Study to reconcile Rolling Stock Data of Northern Railway with Railway Board as on 31 st March 2017 | Delhi | 1 | 2 |
| Rollout 2/III | Pilot Study to develop mechanism for identification of lease assets and owned assets over Northern Railway as on 31 st March, 2017 | Delhi | 1 | 3 |
| Rollout 2/IV | Pilot Study to develop framework for clearance of Capital Work in Progress and transfer to Fixed Assets Register to be undertaken for Northern Railway based on the CWIP data received in FA-13 as on 31 st March 2017 | Delhi | 1 | 3 |
| Rollout 2/V | Study to reconcile investment made by Indian Railways in various Subsidiaries, Associate Companies, Joint Ventures (JVs) & Special Purpose Vehicles (SPVs) as on 31 st March, 2017 | Delhi | 1 | 1 |

To assure about the capacity, the CA firm must satisfy the following eligibility criteria:

- i. The Firm should be registered with The Institute of Chartered Accountants of India (ICAI) and have Permanent Account Number (PAN) and GSTIN.
- ii. The Firm should have been in operation for at least 10 years after its registration;
- iii. The Firm should be empaneled with Comptroller and Auditor General of India;
- iv. Average Annual Receipts (i.e. Average Gross Professional Fees) of the Firm in the last 3 financial years ending on 31st March, 2019 must be minimum of Rs. 1 (One) Crore;
- v. The Applicant shall be declared ineligible if its performance or that of any of its partner(s) in any previous assignment with ICAI/ ICAI ARF has ever been unsatisfactory.
- vi. The firm must not have been debarred or blacklisted by any of the government organizations during last 5 years.
- vii. None of the partners or CA employee of the firm is related / associated with any Member of the Central Council / Regional Council or Managing Committee of any of the Branches of ICAI or Past Central Council Member of ICAI.
- viii. No case of professional or other misconduct is pending / contemplated against any of the partners or CA employees of the firm.

Engagement of Key Personnel by the Chartered Accountants Firms

The CA firm is required to engage qualified, experienced and dedicated staff to handle the entire assignment for a period of minimum four months or completion of the assignment, whichever is later. The team shall be deployed on an exclusive basis. The required profile of the key professionals and their desired experience are given below:

A. Framework on Applicability of Ind AS on Accrual Based Financial Statements of Indian Railways

| Position | Qualification | Experience |
|----------------|--|---|
| Team Leader | FCA with minimum 15 years' post qualification experience | <ul style="list-style-type: none"> • Exposure to Accounting in large organization • Experience of Ind AS application. • Knowledge of Indian Railways' Accounting System / Transport industry will be an added advantage. |
| 3 Team Members | <ul style="list-style-type: none"> • One CA with minimum 10 years' post qualification experience • One CA with minimum 5 years' post qualification experience • One CA with 0-5 year experience | |

B. Pilot Study to reconcile Rolling Stock Data of Northern Railway with Railway Board as on 31st March 2017

| Position | Qualification | Experience |
|----------------|---|---|
| Team Leader | FCA with minimum 15 years' post qualification experience | <ul style="list-style-type: none"> • Exposure to Government Accounting in India • Exposure to reconciliation assignments. • Exposure to Asset reconciliation assignment is preferable. • Good understanding of online applications with various interfaces • Project management experience • Knowledge of Indian Railways' Accounting System is desirable • Experience with Transport industry will be an added advantage. |
| 2 Team Members | <ul style="list-style-type: none"> • One CA with minimum 5 years' post qualification experience • One CA with 0-5 year experience | <ul style="list-style-type: none"> • Extraction of data from online/web applications on different platforms • Knowledge of Indian Railways' Accounting System is desirable • Experience with Transport industry will be an added advantage. |

C. Pilot Study to develop mechanism for identification of lease assets and owned assets over Northern Railway as on 31st March, 2017

| Position | Qualification | Experience |
|-----------------|---|---|
| Team Leader | FCA with minimum 15 years' post qualification experience | <ul style="list-style-type: none"> • Exposure to Government Accounting in India • Exposure to reconciliation assignments. • Exposure to Asset reconciliation assignment is preferable. • Good understanding of online applications with various interfaces • Project management experience • Knowledge of Indian Railways' Accounting System is desirable • Experience with Transport industry will be an added advantage. |
| 3 Team Members | <ul style="list-style-type: none"> • One CA with minimum 5 years' post qualification experience • Two CA with 0-5 year experience | <ul style="list-style-type: none"> • Extraction of data from online/web applications on different platforms • Knowledge of Indian Railways' Accounting System is desirable • Experience with Transport industry will be an added advantage. |

D. Pilot Study to develop framework for clearance of Capital Work in Progress and transfer to Fixed Assets Register to be undertaken for Northern Railway based on the CWIP data received in FA-13 as on 31st March 2017

| Position | Qualification | Experience |
|-----------------|---|--|
| Team Leader | FCA with minimum 15 years' post qualification experience | <ul style="list-style-type: none"> • Exposure to Government Accounting in India • Exposure to reconciliation assignments. • Exposure to Asset reconciliation assignment is preferable. • Understanding of online applications with various interfaces • Project management experience • Knowledge of Indian Railways' Accounting System is desirable • Experience with Infrastructure Development industry will be an added advantage |
| 3 Team Members | <ul style="list-style-type: none"> • One CA with minimum 5 years' post qualification experience • Two CA with 0-5 year experience | <ul style="list-style-type: none"> • Extraction of data from online/web applications on different platforms • Knowledge of Indian Railways' Accounting System is desirable • Experience with Transport industry will be an added advantage. |

E. Study to reconcile investment made by Indian Railways in various Subsidiaries, Associate Companies, Joint Ventures (JVs) & Special Purpose Vehicles (SPVs) as on 31st March, 2017

| Position | Qualification | Experience |
|-----------------|--|---|
| Team Leader | FCA with minimum 15 years' post qualification experience | <ul style="list-style-type: none"> • Exposure to Government Accounting in India • Exposure to reconciliation assignments. • Understanding of online applications with various interfaces • Project management experience • Knowledge of Indian Railways' Accounting System is desirable • Experience with Transport industry will be an added advantage |
| 1 Team Members | One CA with 0-5 year experience | Desirable experience: <ul style="list-style-type: none"> • Exposure to Government Accounting in India |

Note:

- a. The team shall be deployed on an exclusive basis and shall be responsible for carrying out the complete Scope of Work mentioned in this RFP.
- b. It may be noted that no change in team composition would be accepted during the currency of the project.
- c. ICAI ARF may issue direction to increase the staff, if found appropriate to do so, any time during the subsistence of the contract.

Other Relevant Information

1. There is no fee for the RFP document.
2. The Bid complete in all respect should reach the following address:

The Director,
ICAI Accounting Research Foundation,
'ICAI Bhawan', Indraprastha Marg,
New Delhi – 110002
Email : arf@icai.in

Last date for submission of Bid : 4th May, 2020, 1400 hours.

3. The Bids shall be opened on 4th May, 2020 at 1500 hours. The representative of Chartered Accountant Firms (maximum one from each) may attend the opening in person.
4. The ICAI ARF reserves the right to reject any or all the Bids or part thereof without assigning any reason thereof and to call for any other details or information from any of the Applicants.
5. The ICAI ARF shall not be liable for non-receipt of any Bid.

6. No Chartered Accountant Firm will be allotted more than one Assignment mentioned in Section IV – Scope of Work.

II. BACKGROUND

ICAI Accounting Research Foundation (ICAI ARF) established by the Institute of Chartered Accountants of India in January, 1999, as a Section 25 Company under the Companies Act, 1956 (now a Section 8 Company under the Companies Act, 2013), for promoting research in the areas of accounting, auditing, capital markets, fiscal policies, monetary policies and other related disciplines. ICAI ARF has undertaken and completed many projects involving basic and applied research with an objective of raising the level of corporate governance, management, accounting and financial reporting. High quality research projects based on practical experience with theoretical extrapolations also provide valuable inputs in formulation of policies and implementation thereof at macro and micro levels.

ICAI ARF in recent past has executed/is executing following projects for Indian Railways:

1. Validation of Accounting Reforms Report and Related Pilot Study Project on Migration to Accrual Based Accounting System at North Western Railway head quartered at Jaipur of Indian Railways

ICAI ARF had undertaken this pilot study project in December, 2014. The deliverables of the project were:

- Validation Report on AR report Recommendations
- Formats of Reporting
- Chart of Accounts and Register for Accrual Impact
- Comprehensive Scope Evaluation Report
- Fixed Asset Register
- Opening Balance Sheet as on 31st March 2014
- Periodic Financial Statements as on 31st March 2015 which includes P&L Account, Closing Balance Sheet, Cash Flow statements etc.
- Suggest redundancies in preparation of existing financial/Accounting statements
- Suggest improvements in existing systems and streamlining of existing procedures
- Accrual Accounting Implementation Manual

2. Consultancy work of undertaking a Comprehensive study of the existing Cash based Government Accounting system in a Production Unit of Indian Railways (IR) and a Pilot study for introduction of Accrual Based Accounting at Rail Coach Factory (RCF), Kapurthala as an additional set of Accounts

ICAI ARF was awarded this Project to study the existing Accounting system (Cash based Accounting) to identify the gaps for introduction of Accrual Based Accounting System. To Assess the 'As Is'; and perform gap analysis from 'To Be' perspective including the review of related regulatory / statutory requirements for smooth introduction of Accrual based Double Entry Accounting System. Further, a study of the existing Costing system at the RCF as necessary for an integrated Accounting framework was also conducted to understand all key aspects associated for capturing of cost data for Workshop Manufacturing System (WMS) Accounting, Product Costing at the Production Unit (PU); the methodology being followed/practiced and how best the same can be improved upon to introduce a standardized costing framework at the PU. The deliverables of the project were:

- Comprehensive Scope Evaluation Report
- Fixed Asset Register
- Chart of Accounts

- Report on Upgraded costing System
- Opening Balance Sheet as on 31st March 2014
- Formats of Reporting
- Periodic Financial Statements as on 31st March 2015 which includes P&L Account, Closing Balance Sheet, Cash Flow statements etc.
- Accrual Accounting Implementation Manual
- Cost Accounting Implementation Manual

3. Roll out of Accrual Accounting in all Zonal Railways, Production Units and all other offices over Indian Railways

ICAI ARF was awarded this Project in February, 2017. The deliverables of this project are as under:

- Updation of Comprehensive Scope Evaluation Report in respect of unique aspects each Zonal Railway as found during the course of study at Zonal Railway.
- Construction of Fixed Assets Register in Zonal Railways and production units as on 1st April 2015.
- Preparation of the Opening Balance Sheet of Zonal Railways and production units as on 1st April 2015.
- Preparation of Financial Statements of the Zonal Railways and production units (on grafting methodology) for the year 2015-16 and 2016-17
- Updation of the Accrual Accounting Implementation Manual
- Training and Handholding
- Co-ordination with CRIS to prepare a detailed design for transaction-level accrual accounting in Indian Railways

III. ELIGIBILITY CRITERIA

ICAI ARF hereby invites Bids from eligible Chartered Accountant Firms (having their Head Office at Delhi/NCR) which can provide the services in conducting various studies of Indian Railways. For the purpose, the CA firm must satisfy the following eligibility criteria:

- i. The Firm should be registered with The Institute of Chartered Accountants of India (ICAI) and have Permanent Account Number (PAN) and GSTIN.
- ii. The Firm should have been in operation for at least 10 years after its registration;
- iii. The Firm should be empaneled with Comptroller and Auditor General of India;
- iv. Average Annual Receipts (i.e. Average Gross Professional Fees) of the Firm in the last 3 financial years ending on 31st March, 2019 must be minimum of Rs. 1 (One) Crore;
- v. The Applicant shall be declared ineligible if its performance or that of any of its partner(s) in any previous assignment with ICAI/ ICAI ARF has ever been unsatisfactory.
- vi. The firm must not have been debarred or blacklisted by any of the government organizations during last 5 years.
- vii. None of the partners or CA employee of the firm is related / associated with any Member of the Central Council / Regional Council or Managing Committee of any of the Branches of ICAI or Past Central Council Member of ICAI.
- viii. No case of professional or other misconduct is pending / contemplated against any of the partners or CA employees of the firm.

IV. SCOPE OF WORK

1. Scope of Work

A. Framework on Applicability of Ind AS on Accrual Based Financial Statements of Indian Railways

Ind AS the new set of Accounting Standards was notified by the Ministry of Corporate Affairs (MCA) on February 19, 2015. The application of Ind AS is based on the listing status and net worth of a company. This assignment is intended to study the applicability of Ind AS to Indian Railways by performing inter alia following activities:

- a. Study data requirements for adoption of Ind AS;
- b. Study the current accounting practice followed, and shall perform a gap analysis in the light of requirement of Ind AS;
- c. Study FAR formats as designed for preparation of accrual based financial statements and suggest modification in FAR formats (if any) which will be convergent with Ind AS;
- d. Identify the source of additional data as mentioned in point a.
- e. Suggest necessary records/documents required to be created or modified and maintained to capture additional data in the light of adoption of Ind AS;
- f. Any other step(s) required to achieve the intended object of the study;

B. Pilot Study to reconcile Rolling Stock Data of Northern Railway with Railway Board as on 31st March 2017

During the preparation of accrual based financial statements of Indian Railway, it was noticed that Rolling stock data of Zonal Railways was not reconciled with the data available at the Railway Board. This study is intended to reconcile the data of Northern Railway with the data of Railway Board, while performing inter alia following activities:

- a. Review the data of annual allotment of Rolling stock of Railway Board with reference to data of Northern Railway;
- b. Study the existing methodology being followed by the Indian Railways for compilation of Annual Statistical Statements (only for Rolling stock) in the light of annual allocation by the Railway Board viz a viz data of Zonal Railway;
- c. Provide a study of the process followed for reconciliation of Rolling Stock Data.
- d. Suggest additional records/documents (if any) required to be maintained for prompt reconciliation of Rolling stock data in future.
- e. Any other step(s) required to achieve the intended object of the study.

C. Pilot Study to develop mechanism for identification of lease assets and owned assets over Northern Railway as on 31st March, 2017

Indian Railways take assets primarily rolling stock from the Indian Railway Finance Corporation (IRFC) on finance lease terms. However, no separate records are maintained for the same. Following methodology shall require to be followed by CA firm to identify the lease assets:

- a. Obtain and review the data of assets held by Northern Railway as on 31st March, 2017;
- b. Obtain the data of the lease asset separately from the IRFC on year to year basis since inception.
- c. Based upon unique asset reference number allotted to asset, lease assets shall be identified; Further, there may also be instances, where lease asset initially allotted to one Zonal and subsequently transferred to another Zonal on transfer without financial adjustment (TWFA) basis.
- d. Reconcile owned assets and lease assets of Northern Railway
- e. Suggest subsidiary records/documents which are required to be maintained for earliest possible reconciliation of owned and leased assets.
- f. Any other step(s) required to achieve the intended object of the study.

D. Pilot Study to develop framework for clearance of Capital Work in Progress and transfer to Fixed Assets Register to be undertaken for Northern Railway based on the CWIP data received in FA-13 as on 31st March 2017

In existing system of Indian Railway, there is no mechanism of recording CWIP separately. During the exercise of preparation of accrual based financial statements it is noted that due to non-preparation of completion report (CR), assets are not financially transferred to respective Division/Workshop. However, the same is physically handed over. While preparing accrual based financial statements data was collected from the both, i.e., Division/workshop and construction office which reflected a possibility of duplication of data. Therefore, necessity was felt to reconcile the same. Following methodology shall be followed to reconcile CWIP data:

- a. Obtain complete details of all the capital works which are lying with all the construction offices of Northern Railway and review each work thoroughly;
- b. Identify the projects which have been physically handed over by construction office to Open lines irrespective of the fact whether completion report was drawn or not;
- c. The projects which had been handed over to open lines shall be reconciled with their FAR data; whether it has been provided in FAR, if yes then at what cost. The cost should be in line with the amount spent by the construction office;
- d. After reconciliation of CWIP data of NR, prepare and submit the mechanism/methodology for the clearance of CWIP periodically.
- e. Suggest subsidiary records/documents which are required to be created or modified and maintained to facilitate this.
- f. Any other step(s) required to achieve the intended object of the study.

E. Study to reconcile investment made by Indian Railways in various Subsidiaries, Associate Companies, Joint Ventures (JVs) & Special Purpose Vehicles (SPVs) as on 31st March, 2017

Indian Railways has made investment in its subsidiaries, associates, Joint Ventures (JVs), Special Purpose Vehicles (SPVs), etc. However, the same is not reconciled with investment appearing in the records available in public domain of the respective entity(ies) as noticed during preparation of accrual based financial statements of Indian Railways. This study is intended to reconcile the investment with the investee books:

- a. Study of investment made by Indian Railways in all of subsidiaries, associates, JVs, SPVs as on 31/3/2017.
- b. Reconcile the amount of investment made by Indian Railway with the books of investee since inception.
- c. Study of methodology followed for reconciliation of investment made by the Indian Railways with the books of respective entities.
- d. Suggest additional records/documents (if any) are required to be maintained for prompt reconciliation of investment in future.
- e. Any other step(s) required to achieve the intended object of the study.

2. Approach

- a. The firm shall adopt a consultative approach for the study. The firm shall report to ICAI ARF.
- b. The discussion and meeting in respect of the study will be held at Baroda House/Railway Board/ ICAI Bhawan, New Delhi/Noida. If required, firm's personnel shall also travel to outside Delhi at their own cost.
- c. The whole team for the duration of the project would be required to sit either at ICAI Bhawan, Delhi/Noida office or at Baroda House, Northern Railway or any other designated office for closer co-ordination.

3. Time Period for Completion of Assignment

The selected firm shall be required to complete the assignment awarded to it within four (4) months from the commencement of assignment.

V. INSTRUCTIONS TO APPLICANTS

1. Availability of RFP

The RFP document is available on the website www.icaiarf.org.in

2. Submission of RFP

- 2.1 The Applicant is expected to examine all the instructions, guidelines, terms and condition and formats given in the RFP documents. Failure to furnish all the necessary information as required by the RFP or submission of a Bid not substantially responsive to all the aspects of the RFP shall be at Applicant's own risk and may be liable for rejection.
- 2.2 Every page of the RFP document shall be signed by the Applicant through a person duly authorized by the Applicant.
- 2.3 Applicant should submit letter of authorization, authorizing the person signing the bid document on behalf of the Applicant and the written power of attorney in the name of person who is empowered for making such authorizations.
- 2.4 All changes, alterations, corrections in the bid document shall be signed in full by the person(s) signing the bid document, with date. No eraser and/or over writing without authentications is/are permissible.
- 2.5 The complete bid document along with the documentary evidence should be numbered and cross-referenced/linked with RFP clause no. The Applicant must comply with the Terms and Conditions of the RFP. No deviation shall be entertained.
- 2.6 The Applicant shall submit its bid comprising of Technical Bid in Annexure - I (FORM TECH – II to FORM TECH VI) containing Eligibility / pre-qualification, Compliance statement, covering letter in the prescribed format (FORM TECH- I). Technical Bid should be submitted on the Applicant's letter head.
- 2.7 Bid submitted shall be in the prescribed formats as given herein and shall also have the documents as specified herein. Submission of illegible documents shall lead to disqualification of the Applicant.
- 2.8 The Applicant is requested to duly fill in the check-list as per Annexure - II. The check-list is only a reminder of certain important items, to facilitate the Applicant. This, however, does not relieve the Applicant of his responsibility to make sure that his Bid is otherwise complete in all respect.
- 2.9 Bid is to be sealed in an envelope and super scribed as RFP No. _____ for "Bid for _____ (Name of Study) of Indian Railways"
- 2.10 The bid complete in all respects as specified in this RFP shall be sent/submitted to

The Director
ICAI Accounting Research Foundation

'ICAI Bhawan', Indraprastha Marg
New Delhi – 110002

- 2.11 Last date for submission of Bid : 4th May, 2020, 1400 hours
- 2.12 The complete Bid document should be submitted before due date and time as given at para 2.11. Bid received after the stated time and date would not be considered and are liable for rejection.

3. **Opening of Bid**

The Bids shall be opened by duly authorized committee. The representative of Chartered Accountant Firms (maximum one from each) may attend the bid opening in person.

- 3.1 **Venue** : 'ICAI Bhawan', Indraprastha Marg, New Delhi-110 002
- 3.2 **Date & Time** : 4th May, 2020, 1500 hours

4. **Compliance**

- 4.1 Compliance statement in the form of 'Complied' or 'Not Complied' shall be given against each statement and specification of RFP. The compliance statements should be supported by documentary evidence/ data sheets/ documentation/ undertakings etc. as per specific clause requirements.
- 4.2 It may be noted that any deviation from laid down requirement/specification shall be brought out separately in deviation sheets to be attached with concerned section of the Bid. Failure to comply with this requirement may result in the Bid being invalidated.
- 4.3 The Applicant shall offer his comments about all the requirements indicated in the RFP. The Applicant shall mention whether the options are technically available in the proposed solution or not. The Applicant shall clearly mention about the non-availability of the required options in the offer, if any.

5. **Validity of the RFP**

The Bid shall be valid for a period of 90 (Ninety) days from the last date of Bid submission. It can be further extended with the consent of the applicant.

VI. GENERAL CONDITIONS OF THE CONTRACT (GCC)

1. Application

These general conditions shall apply to the extent that provisions in other parts of the RFP do not supersede them. For interpretation of any clause in the RFP or Contract arising thereunder, the interpretation/clarification of the ICAI ARF shall be final and binding on the Applicant.

2. RFP Clarifications

During technical evaluation of the Bids, ICAI ARF may, at its sole discretion, ask Applicants for clarifications on their Bid. The Applicants shall respond within the time frame prescribed by ICAI ARF. Any word used in singular shall have the connotation of plural as well.

3. Amendments in RFP

At any time prior to deadline for submission of Bid, ICAI ARF may for any reason, modify the RFP. The prospective Applicants shall be notified of the amendments through website and such amendments shall be binding on them.

4. Disqualifications

4.1 ICAI ARF may at its sole discretion and at any time during the evaluation of Bid, disqualify any Applicant, if the Applicant has: (i) Submitted the Bid documents after the response deadline; (ii) Made misleading or false representations in the forms, statements and attachments submitted in proof of the eligibility requirements; (iii) Exhibited a record of poor performance such as abandoning works, not properly completing the contractual obligations, inordinately delaying completion or financial failures, etc. in any project in the preceding three years; (iv) submitted a Bid that is not accompanied by required documentation or is non-responsive; (v) Failed to provide clarifications related thereto, when sought; (vi) Declared ineligible by the Government of India or any other body for corrupt and fraudulent practices or blacklisted and submitted a Bid with price adjustment/variation provision.

4.2 In case it is found during the evaluation or at any time before signing of the Agreement or after its execution and during the period of subsistence thereof, that one or more of the eligibility conditions have not been met by the Applicant or the Applicant has made material misrepresentation or has given any materially incorrect or false information, the Applicant shall be disqualified forthwith if not yet appointed either by issue of the LOA or entering into of the Agreement, and if the Selected Applicant has already been issued the LOA or has entered into the Agreement, as the case may be, the same shall, notwithstanding anything to the contrary contained therein or in this RFP, be liable to be terminated, by a communication in writing by ICAI ARF without ICAI ARF being liable in any manner whatsoever to the Selected Applicant, as the case may be.

In such an event, ICAI ARF shall forfeit and appropriate the Performance Security without prejudice to any other right or remedy that may be available to ICAI ARF.

5. Term of Contract

The Contract shall be co-terminus with the completion of the assignment.

6. **Payment Schedule:**

| Milestone | % of total value of contract |
|---|------------------------------|
| Submission of Final report (as accepted by the office of the Chief Administrative Officer/Accounting Reforms / Northern Railway) corresponding to the study | 100 |

Fees will be paid within 30 days of acceptance of deliverable by the competent authority of the Indian Railways.

7. **MINIMUM TEAM REQUIREMENT & FEES FOR WHOLE ASSIGNMENT**

Minimum team requirement at each of the project site and fee for whole assignment is as under:

| S. No. | Particular of Study | Place | State | Minimum Team Requirement | | Fee for the whole Study* |
|--------|--|-------|-------|--------------------------|-------------|--------------------------|
| | | | | Team Leader | Team Member | |
| 1. | Study on Applicability of IND AS on Indian Railways. | Delhi | Delhi | 1 | 3 | 12,50,000 |
| 2. | Study to reconcile Rolling Stock Data of Northern Railway with Railway Board | Delhi | Delhi | 1 | 2 | 10,00,000 |
| 3. | Study Report on Reconciliation between owned assets and lease assets of Northern Railway | Delhi | Delhi | 1 | 3 | 15,00,000 |
| 4. | Reconciliation of Capital Work in Progress of Northern Railway | Delhi | Delhi | 1 | 3 | 15,00,000 |
| 5. | Study to reconcile investment made by Indian Railways in various subsidiaries, associate companies, JVs & SPVs | Delhi | Delhi | 1 | 1 | 7,50,000 |

* exclusive of GST

8. **Performance Security**

The Applicant shall furnish within 7 days of the receipt of Letter of Acceptance (LOA), a Bank Guarantee in favour of "ICAI Accounting Research Foundation" at Delhi, from any nationalised or scheduled commercial Bank in India for an amount equivalent to 5% of

Contract Value towards Performance Security valid for a period of two (2) months beyond the stipulated date of completion of services i.e. for six (6) months. The Bank Guarantee will be released after three months of successful completion of the assignment.

The Performance Security is intended to secure satisfactory performance of the entire contract. Failure to faithfully perform and carry out the various activities within the time period defined in the contract may result in invoking either whole or part of the Performance Security. However, it is not to be construed as limited any other amount recoverable under the contract. No interest on performance deposit shall be payable by the ICAI ARF.

9. **Validity of the Bid**

The Bid shall remain valid for acceptance by the ICAI ARF for a period of 90 days from the last date of submission of Bids. If needed, ICAI ARF may request the Applicants to extend the period of validity of their Bids on the same terms and conditions.

10. **Confidentiality**

Confidential Information means any information or data, in any form or storage medium whatsoever, of any nature in relation to ICAI ARF that may be provided by ICAI ARF to the Applicant on a restricted and confidential basis in terms of this RFP.

The Applicant shall, at all times, during the continuance of this Agreement or otherwise (i) keep all confidential information confidential and accordingly shall not disclose any such Confidential Information to any third party without prior permission in writing of ICAI ARF; (ii) not use or cause the use of any Confidential Information for any purpose whatsoever other than that contemplated under this RFP; (iii) use all reasonable endeavor to ensure that all persons to whom Confidential Information may be disclosed in furtherance of this RFP, including but not limited to partners, officials as well as employees of the applicant, keep(s) the same confidential and not use the same except for the purposes for which the disclosure is made.

Obligations of the Applicant in terms of this clause, shall not apply to the extent that such Confidential Information (i) is at the date hereof, or hereafter, enters the public domain through no fault of the Applicant; (ii) can be shown by the Applicant, to the reasonable satisfaction of ICAI ARF, to have been known to it prior to being disclosed by ICAI ARF to it; (iii) is required by any Court in India or any other judicial body or authority to be disclosed, published or communicated.

11. **Opening of Bid, Evaluation Process and Selection Procedure**

11.1 Brief details of the procedure are as below:

- i. Last date of submission of Bid: 4th May, 2020 upto 1400 hours at ICAI ARF Office
- ii. Opening of Bid : 4th May, 2020 at 1500 hours

Bids accompanied with incomplete or incorrect document(s) shall be liable for rejection. ICAI ARF reserves the right to accept or reject any or all Bids without incurring any obligation to inform the affected applicant/s of the grounds.

11.2 Brief description of the Selection Process

ICAI ARF shall adopt a Quality Based Selection process in evaluating the Bids. A technical evaluation will be carried out as specified in RFP Documents. Based on this technical evaluation, the firm obtaining highest marks may be awarded the project. In case there is more than one applicant with same highest score for the same RFP, the said firms would be called for a presentation on their approach and methodology. If the selected firm does not accept the project within the stipulated period, the firm scoring the second highest marks will be awarded the project.

11.3 Evaluation of Bids

ICAI ARF reserves the right to reject any Bid which is non-responsive and no request for alteration, modification, substitution or withdrawal shall be entertained by ICAI ARF in respect of such Bids.

After the technical evaluation, ICAI ARF shall prepare a list of pre-qualified Applicants for the Quality Based Selection process. ICAI ARF will not entertain any query or clarification from Applicants who fail to qualify at any stage of the Selection Process.

12. Technical Evaluation Criteria

Technical Bids of all the firms which meet the basic requirements (i.e. timely submission, fee, sealing of application, etc.) will be taken up for detailed evaluation as per the technical evaluation criteria.

Criteria for Evaluation of Technical Bid

| S. No. | Parameters | Max Marks |
|--------|---|-------------------------------|
| 1. | <p>Firm's existence in years after its registration: 10 years – 15 years : 14 Marks 16 years – 20 years : 17 Marks More than 20 years : 20 Marks</p> <p>Average Annual Receipts of the Firm in the last 3 financial years ended on 31st March, 2019: Rs. 1.00 crore - Rs. 1.25 crore : 14 Marks Rs. 1.25 crore - Rs. 1.50 crore : 17 Marks More than Rs. 1.50 crore : 20 Marks</p> <p>For RFP/Roll Out2/I Experience in Implementation of Ind AS [client certificates/ completion certificates to be submitted]: 1 - 2 Projects : 12 Marks 3 - 5 Projects : 14 Marks 6 – 10 Projects : 17 Marks More than 10 Projects : 20 Marks</p> <p>For RFP/Roll Out2/II/III/IV/V Experience of reconciliation assignments [client certificates/ completion certificates to be submitted]:</p> | <p>20</p> <p>20</p> <p>20</p> |

| | | |
|--|---|------------|
| | 1 - 2 Projects : 12 Marks 3 - 5 Projects : 14 Marks 6 – 10 Projects : 17 Marks More than 10 Projects : 20 Marks | |
| | Key experts qualifications & competence Team Leader - 20 marks Rest of the qualified team members - 20 marks Weightage to be applied for marking: General qualification – 40% For RFP/Roll Out2/I Experience of Ind AS application – 30% Experience of working with Railway/Transport Industries – 30% For RFP/Roll Out2/II/III/IV/V Exposure to reconciliation assignments – 30% Experience of working with Railway/Transport Industries – 30% | 40 |
| | Total Score | 100 |

13. Indemnity

The Applicant shall keep ICAI ARF indemnified against all actions, suits and proceedings and all and any costs, charges, expenses, loss or damage incurred, suffered, caused to/sustained by ICAI ARF by reason of any default or breach or lapse or negligence or non-observance of any rules, regulations, laws, byelaws etc. or non- performance or any non- payment by/on behalf of the Applicant.

14. Award of Assignment

The Applicant will accept LOA within 7 days and execute the Agreement.

15. Commencement of Assignment

The firm shall commence the Services within seven days of the issuance of the Letter of Acceptance, or such other date as may be mutually agreed. If the Selected Applicant fails to either accept LOA as specified or commence the assignment as specified herein, ICAI ARF may invite the second ranked Applicant. In such an event, the LOA or the Agreement, as the case may be, may be terminated.

16. Proprietary data

Subject to the applicable provisions, all documents and other information provided by ICAI ARF or submitted by an Applicant to ICAI ARF shall remain or become the property of ICAI ARF.

17. Performance of Contract

Notwithstanding anything contained herein above, ICAI ARF reserves the right to discontinue the services of the firm(s) in the event their services are evaluated as unsatisfactory at any time during the period of contract.

18. Termination of Contract

- 18.1 If at any time the firm or any of its representatives/personnel commits any default in proceeding with the work with due diligence and continues to do so even after the notice in writing is served on him or commits any default in complying with any of the Terms and Conditions even after the notice in writing is given on that behalf by the ICAI ARF, ICAI ARF may, without prejudice to any other right or remedy which shall have accrued or shall accrue thereafter to ICAI ARF by written notice, terminate the contract forthwith as a whole or a part of the Contract.
- 18.2 Where the firm breaches the Agreement arising under this RFP, ICAI ARF may terminate this Contract and forfeit the Performance Security, giving not less than thirty (30) days' written notice of termination to the Applicant/firm.
- 18.3 Further, the Applicant/firm will be debarred from getting, in future, assignments in ICAI ARF in the following cases:
- a) If the firm obtains the appointment on the basis of false information/false statement at the time of submission of application/documents.
 - b) The firm if found to have sub-contracted the work.
 - c) If the firm does not take up the assignment in terms of the LOA.

19. Taxes, Duties, Levies Etc.

The firm should be having valid GSTIN number and shall furnish a copy of the Registration Certificate along with the Bid. ICAI ARF shall deduct income tax at source from all the payments to be made to the firm as applicable from time to time, and deposit the same to the concerned Govt. Authorities. GST at applicable rates will be paid by ICAI.

20. Extension of Time

Extension of time for any delay not attributable to the CA firm may be considered by ICAI ARF.

21. Obligations of the Firm

- 21.1 The firm shall perform the Services set out in the scope of work in accordance with this RFP.
- 21.2 The firm undertakes to perform the services with the highest standards of professional and ethical competence and integrity. The firm shall promptly replace any employee(s) assigned under this Contract whom ICAI ARF considers undesirable.
- 21.3 The firm and its personnel shall not, either during the term or within two (2) years after the expiration of this Contract, disclose any proprietary or confidential information relating to the Project/Services without the prior written consent of ICAI ARF.

22. Obligations of the Firm's Personnel

- 22.1 No other person except firm's authorized personnel shall be allowed into Railway premises and they shall not do any private work other than their normal duties.
- 22.2 The firm shall be directly responsible for any/all disputes arising with its personnel and keep the ICAI ARF/Indian Railways indemnified against all losses, damages and claims thereof.
- 22.3 The personnel engaged by the firm shall be on the duty of the firm and under no circumstances shall be deemed to be on the duty of ICAI ARF/Indian Railways. ICAI ARF/Indian Railways shall have no relationship of Master and Servant or Principal and Agent or nexus of any kind whatsoever with such personnel deployed by the firm. Such staff shall not be entitled to claim any right, privilege or benefit from ICAI ARF/Indian Railways and in the event of any such claim, the firm undertakes to indemnify ICAI ARF/Indian Railways for any loss or damage, financial or otherwise.
- 22.4 The personnel engaged by the firm shall be subject to security check by Railway security staff while entering/leaving the premises. Such personnel shall have to adhere to the instructions of the security staff and other officers of Railway authorized in this regard. Failure to faithfully follow instructions would be deemed infringement of tender conditions.

23. Payments to the Firm

The Applicant's/firm's total remuneration shall not exceed the fees mentioned in clause 7 hereof which will be released in accordance with the clause 6 hereof and there shall be no other payment.

24. Statutory Compliances

That the Applicant shall be wholly and exclusively responsible for payment of wages/salary to the employees engaged by it in compliance of statutory obligations under all related legislations as applicable to it from time to time. The Applicant shall timely disburse the wages/salary to its personnel without any further deductions/recovery whatsoever for any reasons. The Applicant shall submit a certificate on its letterhead each month certifying that it has paid to its employee's wages/salary for the previous month as per latest Govt. Laws/ regulations and met all the statutory obligations and other statutory remittances/contribution accordingly.

The Applicant shall at its own cost and initiative fully comply with all applicable laws of the land and with all applicable byelaws, rules, regulations and any other provisions having the force of law, made or promulgated or deemed to be made or promulgated by any government, government agency or department, municipal board or any other government or regulatory body etc. and shall provide all certificates of compliance therewith as may be required by such applicable laws, bye-laws, rules, regulations and orders, etc.

25. No Liability

That in any event, the ICAI ARF shall owe no responsibility or liability of any kind arising out of or incidental to the performance of duties by the employees of the Firm/Applicant or otherwise, at the said offices of the Project(s) or outside the said offices, including any liability due to any accident or injury or death caused to or suffered by any employee of Firm/Applicant or any other health or medical liability or compensation all of which shall be the sole responsibility of Firm/ Applicant.

In case of any loss that might be caused to ICAI ARF due to any lapse on the part of Firm/Applicant or its employees discharging assigned duties and responsibilities, the same shall be borne by Firm/Applicant and in this connection, the ICAI ARF shall have the right to deduct appropriate amount from the bills of Firm/Applicant to make good such loss to ICAI ARF. In case of frequent lapses on the part of Firm/Applicant or the employees deployed by Firm/Applicant, the ICAI ARF shall be within its right to terminate the Contract forthwith without assigning any reason whatsoever and/or take such other action, as it may deem fit.

26. Relationship

In performing the terms and conditions of the RFP/ Contract, Firm/Applicant shall at all times act as an Independent Contractor. The Contract does not in any way create a relationship of principal and an agent between ICAI ARF and Firm/Applicant. Firm/Applicant shall not act or attempt or represent itself as an agent of ICAI ARF.

The Contract does not in any way create a master and servant relationship between the employees of Firm/Applicant and ICAI ARF. Under no circumstances, the Firm/Applicant's employees shall be considered as employees of ICAI ARF or shall such relationship be considered to exist.

27. Assignment

Firm/Applicant shall not assign the contract or all or any of its rights or obligations herein to any person without the prior written consent of ICAI ARF.

28. Conflict of Interest

The firm and its affiliates shall not engage in consulting activities that conflict with the interest of ICAI ARF under the contract.

29. Defence of Suits

If any action in court is brought by a third party against ICAI ARF or any of its representative /officers for the failure or neglect on the part of the firm to perform any acts, matter, covenants or things under the Contract, or any damage or injury caused by the alleged omission or negligence on the part of the firm, his agents/representatives or employees, the firm shall in all such cases be responsible and indemnify and keep ICAI ARF and/ or his representative harmless from all losses, damages, expenses or decrees arising out of such action.

30. Arbitration

In case of any dispute or difference in relation to the meaning or interpretation of any of the terms and conditions of the RFP/Agreement arising thereunder, the same shall be referred to the sole arbitrator to be appointed mutually by the parties. The arbitration proceedings shall be conducted in accordance with the provisions of The Arbitration and Conciliation Act, 1996. The seat of arbitration shall be at New Delhi. The award of the arbitrator shall be final and binding. The expense of arbitration proceedings shall be borne equally by the parties.

31. Jurisdiction

Subject to the arbitration clause, any dispute between the parties arising out of this tender/Agreement shall be subject to the jurisdiction of the Courts at New Delhi only.

32. Representations/ Grievances

The Firm/Applicant shall comply with all representations, grievances of the employees deployed by it for the project. The Firm/Applicant shall be solely responsible for all the claims of its employees and shall ensure that its employees do not make any claims whatsoever against ICAI ARF. ICAI ARF shall have no liability in this regard.

33. Service of Notices

All notices and other communications required or permitted to be given under Contract shall be in writing and shall be delivered or sent by personal delivery, electronic mail, facsimile transmission or registered or certified mail (return receipt requested) postage prepaid to the relevant Party addressed as herein below or as may from time to time be notified in writing by such Party to the other no less than 15 days' in advance. The notices and communications sent in such manner shall, unless the contrary is proven, be deemed to have been duly received on the date of personal delivery, two business days following delivery upon confirmation of transmission by the sender's electronic mail device or ten business days following mailing by registered or certified mail (return receipt requested postage prepaid).

| | |
|--|------------------|
| For ICAI ARF: The Director, ICAI Accounting Research Foundation 'ICAI Bhawan', Indraprastha Marg, New Delhi – 110002 Email : arf@icai.in | For Firm: |
|--|------------------|

ANNEXURE - I

Form Tech-I: Covering Letter for submission of the Bid

FORM TECH I

(To be placed in the sealed cover containing the Bid) [Location, Date]

The Director,
ICAI Accounting Research Foundation
Delhi.

Dear Sir,

We, the undersigned, offer to provide the services of our firm for _____
_____ [Insert title of Study] in accordance with
your Request for Proposal No. _____.

We are submitting the Bid in our own individual capacity without entering into any association/ as a Joint Venture. We hereby declare that all the information and statements made in this Bid are true and accept that any misinterpretation contained in it may lead to our disqualification.

If presentations are held during the period of validity of the Bid, we undertake to interact on the basis of the proposed personnel. Our Bid is binding upon us and subject to the modifications resulting from Contract negotiations.

We undertake, if our Bid is accepted, to initiate the consulting services related to the assignment within seven days of the issuance of the Letter of Acceptance, or such other date as may be mutually agreed.

We agree to keep the Bid open for acceptance for a period of 90 days from the last date of submission of Bid. We hereby further undertake that during the said period we shall not vary/ alter or revoke our Bid.

Should this Bid be accepted, we agree to adhere to fulfil the terms and conditions and provisions of the abovementioned RFP. A copy of the RFP with each page stamped and signed is enclosed.

We understand that you are not bound to accept any Bid you receive. We remain.

Yours sincerely,

Signature:

Name of Authorised Signatory:

Designation of Signatory:

Name of Firm:

Address:

FORM TECH II

FORM TECH IIA: Brief Description about background of the firm covering ownership details, date of registration, number of employees, geographical experiences etc. It must cover the following:

| Criteria | | Supporting Documentation |
|--|--|--|
| The Chartered Accountant Firm should be registered with The Institute of Chartered Accountants of India (ICAI) and have PAN and GST Registration | ICAI Registration – [Yes/No] PAN – [Yes/No] GSTIN – [Yes/No] | Provide copy of all Certificates of Registration |
| The Firm should have been in operation for at least 10 years after its registration | Year of Registration / start of Operations..... | Provide necessary evidence(s) |
| The Firm should be empaneled with Comptroller and Auditor General (C&AG) of India | Empaneled with C&AG [Yes/No] | Provide necessary detail and Undertaking for the same |
| Average Annual Receipts (i.e. Average Gross Professional Fees) of the Firm in the last 3 financial years ended on March 31 st , 2019 must be equal to or more than Rs. 1 crore. | Average Annual Receipts (i.e. Average Gross Professional Fees) of the Firm in the last 3 financial years ended on 31 st March, 2019 is Rs. (Rupeesin words) | Provide copies of audited Financial Statements for all the 3 years |

Form Tech- III: Firm’s Experiences of Similar Services

Form Tech III (A)–Summary of Firm’s Experience, if any

Firm experience in Implementation of Ind AS
(For RFP/Roll Out2/I)

OR

Firm experience in reconciliation assignments, preferably asset reconciliation assignments
(For RFP/Roll Out2/II/III/IV/V)

[Using the format below, provide the summary of information on each Assignment/job for which your firm was legally contracted for providing similar services (The firm shall specify exact assignment/ job for which experience details may be submitted)]

| S.N. | Name of Project | Name of Client & Sector | Nature of Project | Name and reference of supporting document produced |
|-------------|------------------------|------------------------------------|--------------------------|---|
| | | | | |
| | | | | |

[Client certificates / completion certificates to be submitted]

Form Tech III (B)–Detailed description of Firm’s Experience, if any

[Using the format below, provide information on each Assignment/job for which your firm was legally contracted for providing similar services (Please specify exact assignment /job for which experience details may be submitted). Each citation should not exceed more than 2 pages].

| |
|--|
| Assignment Name: |
| Approx. value of the contract: |
| Country: |
| Duration of Assignment: |
| Name of Client/Sponsoring Authority: |
| Start Date(Month/Year): |
| Completion Date(Month/Year): |
| Total No. of Staff-Months provided: |
| Name of Senior Staff involved and functions performed: |
| Address/Client Contact: |
| Approx. value of services provided by your firm: |
| Narrative Description of Assignment: |
| Description of Actual Services Provided by Your Staff: |

Form Tech-IV: Format for Submission of CVs

Form Tech IV(A) : Summary of Curriculum Vitae of Proposed Team Leader/Member

[Using the format below, provide the summary of curriculum vitae of the proposed team]

| S. No. | Name of Experts | Proposed position | Employment type | Basic Qualifications | No. of years of relevant Experience | Area of expertise | No. of assignments in Government |
|--------|-----------------|-------------------|-----------------|----------------------|-------------------------------------|-------------------|----------------------------------|
|--------|-----------------|-------------------|-----------------|----------------------|-------------------------------------|-------------------|----------------------------------|

Form Tech IV(B)-Detailed Curriculum Vitae

[Using the format below, provide the detailed description of the curriculum vitae of the proposed Team as per para 2.1 of chapter 2]

1. Proposed Position
2. Name Of Firm
3. Name
4. Date Of Birth
5. Citizenship
6. Education

| Degree Obtained | Name of Institute | Year |
|-----------------|-------------------|------|
| | | |

7. Membership In Professional Associations
8. Other Trainings
9. Languages
10. Employment Record

| From | To | Employer | Position held |
|------|----|----------|---------------|
| | | | |

11. Detailed Task Assigned
12. Work Undertaken That Best Illustrates Capability To Handle The Tasks Assigned (Add project experience against your eligibility criteria)

Project
 Name:
 Year:
 Location:
 Client:
 Main project features:
 Positions held:

Activities performed:

13. Certification

I understand that any willful misstatement described herein may lead to my disqualification or dismissal, if engaged. I, the undersigned, certify to the best of my knowledge and belief-

- a. This CV correctly describes my qualifications and my experience.
- b. I am willing to work fulltime as a part of proposed team.
- c. I will not provide any other consultancy services to Indian Railways during the contract period.

[Signature of authorised representative of the firm]

Full name of authorised representative:

Date: _____

Form Tech - V: Firm's Professional Receipts

[Using the format below, provide the firm's Average Annual Receipts in the last 3 financial years ended on 31st March 2019]

| Particulars | Year 1 | Year 2 | Year 3 | Average Annual Receipts |
|----------------------------------|---------------|---------------|---------------|--------------------------------|
| Annual Receipts* (Rs.in Lakh) | | | | |

*i.e. Gross Professional Fees earned during the year

ANNEXURE – II

CHECK LIST

Applicant's Name:

| SN | Items Description | Reference | Enclosed | Page No. |
|----|---|--|----------|----------|
| 1. | Bid document in original (duly stamped & signed) | Form Tech I | Yes/No | |
| 2. | Details of Applicant in Form II | Form Tech II | Yes/No | |
| 3. | Duly filled and signed Form III | Form Tech III | Yes/No | |
| 4. | Duly filled and signed Form IV | Form Tech IV | Yes/No | |
| 5. | Duly filled and signed Form V | Form Tech V | Yes/No | |
| 6. | Authorization letter in favor of person signing the Bid documents | Clause 2.2 (Instruction to applicants) | Yes/No | |
| 7. | Complete Bid document duly signed by Applicant | Clause 2.1 (Instruction to applicants) | Yes/No | |

* The Bid documents should be serially numbered and properly indexed.