



**OULGARET MUNICIPALITY
PUDUCHERRY-5**

No.11-1/OM/Accts_AUD/2018-1

Jawahar Nagar, the

**PROCEEDINGS ON THE SELECTION OF CHARTERED ACCOUNTANT FIRM FOR
PREPARATION OF FINANCIAL STATEMENT FOR 5 YEARS IN RESPECT OF OULGARET
MUNICIPALITY**

**PRESENT : Thiru. M. KANDASAMY
COMMISSIONER**

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This Municipality floated tender for selection of Chartered Accountant Firm for preparation of financial statement for last 5 financial years i.e. from 2013-14 to 2017-2018. Request for Proposals were sent to 14 Nos. of CA firms empanelled by CAG (Puducherry - 9 and Cuddalore - 5 CA firms) and they were requested to participate in the tender.

2. In total, 6 CA firms had submitted their bids to this Municipality on 22nd November 2018 at 4.30 P.M and the same were opened at 5.30 P.M. The Authorised persons from 2 firms viz, M/s. A.R.Krishnan & Associates and M/s. Rajaraman & Associates participated in the Tender opening.

3. Out of 6 firms, technical bids of 3 firms viz., (1) M/s.R. Chandrasekar & Co., (2) S. Kalyanasundaram & Co., (3) M/s. Vaithianathan & Co., were rejected due to non submission of proof of experience and the technical bid of M/s. Parameswaran & Co., was rejected due to non submission of proof of experience, affidavit for not being blacklisted and not submitting the financial proposal in separate cover. The other 2 firms namely, M/s. A.R.Krishnan & Associates and M/s. Rajaraman & Associates had submitted qualified technical proposals. Hence, the financial bid of the above said two firms were opened in the presence of Tender Committee Members and the Authorised Persons of CA Firms. The financial bids revealed that M/s. A.R. Krishnan & Associates, Puducherry has quoted an amount of Rs.1,09,150/- and M/s. N. Rajaraman & Associates has quoted Rs.21,00,000/-. Therefore, M/s. A.R. Krishnan & Associates has quoted the lowest and declared as L1 by the Tender Committee.

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4. A letter was received from the firm M/s. A.R. Krishnan & Associates on 23-11-2018, in which it was stated that they had erroneously quoted the amount of Rs.1,09,150/- for five years instead of quoting it for each financial year. And, also they made a request to ignore this inadvertent error and to consider their financial bid at Rs.1,09,150/- per financial year. But, the Committee Members felt that it was not an acceptable claim and hence the said bid is rejected.

5. The request of the L1 i.e. M/s. A.R. Krishnan & Associates to consider the inadvertent error and accept the financial bid of Rs.1,09,150/- per year cannot be accepted. Hence, the bid security given by them shall be forfeited. In view of the above circumstances, the entire process of selecting the CA firm may be taken up again and second call may be issued. The RFP shall be scrutinised by the Tender Committee to eliminate the possibility of frivolous and unreasonable bids. The re-Tender Notice be issued within a week.


08/11/18
M. KANDASAMY
COMMISSIONER

Copy to :

1. The Director, LAD, Puducherry.
2. The Assistant Examiner, LFA, Puducherry.
3. The DEO-I, Oulgaret Municipality. -----
4. Accounts Section, Oulgaret Municipality.
5. File copy.

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