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**REQUEST FOR EXPRESSION OF INTEREST  
(For Providing Statutory Auditor – CA Firm Selection)**

**Assignment Title: “Engagement of a CA Firm for conducting Statutory Audit of SUDA”**

Sealed proposals are invited by the State Urban Development Agency (SUDA) from the CA firms having office at Bhubaneswar and empanelled with CAG, Odisha **to conduct Statutory Audit of SUDA for the FY 2020-21. The said contract is likely to be extended for another period of two years subject to satisfactory discharge of the assignment for the previous year.** The CA firm will be selected on Quality Based Selection (QBS) process. The bidders have to submit technical proposal in the format prescribed at TOR.

1. Complete technical Proposal for the work in prescribed format shall be received up to 13<sup>th</sup> August, 2021 up to 2.00 PM.
2. The sealed proposals can be sent well in advance by registered post or speed post or in person to **The Administrative Officer, State Urban Development Agency (SUDA), Vivekananda Marg, Near Bhubaneswar Municipal Corporation (BMC), Bhubaneswar - 751 014.**
3. The Proposal received shall be opened on 13<sup>th</sup> August, 2021 at 4.00 P.M. in the presence of representatives of bidders. Bidders are requested to ensure presence of their representative at the time of opening of the bid, who must submit an authorization letter from the bidder.
4. This RFP includes the Terms of Reference (ToR) (see Annexure – 1)
5. While all information / data given in the EOI are, to the best of the Client's knowledge accurate within the consideration of scope of the proposed contract, the Client holds no responsibility for accuracy of information and it is the responsibility of the Bidder to check the validity of information / data included in this document.
6. The Client reserves the right to cancel the entire bid process or part of it, at any stage without assigning any reason thereof.

Interested Bidders may obtain further information from the office of the State Urban Development Agency (SUDA), Odisha via Tel No - 0674-2432317, and e-mail: sudaodisha1990@gmail.com.

## Instructions to Bidders

### 1.1 Definitions

- i. "Applicable Laws" means all laws, promulgated or brought into force and effected by the Government of Odisha or the Government of India including rules and regulations made there under, and judgments, decrees, injunctions, writs and orders of any court of record, as may be in force and effect during the subsistence of this Agreement
- ii. "C & A G" means Comptroller and Auditor of General of India.
- iii. "Department" means Housing & Urban Development Department
- iv. "SUDA" means State Urban development Agency
- v. "DAY-NULM" means DeendayalAntyodayaYojana - National Urban Livelihoods Missionscheme
- vi. "DEABAS" means Double Entry Accrual Based Accounting System
- vii. "GoO" means Government of Odisha
- viii. "GoI" means Government of India
- ix. "UC" means Utilisation Certificate
- x. "Firm" means Chartered Accountant Firm
- xi. "ULB" means Urban Local Body (Corporation/ Municipal Corporation/Notified Area Council)
- xii. "SMMU" means State Mission Management Unit
- xiii. "CMMU" means City Mission Management Unit
- xiv. "SJSRY" means SwarnaJayantiShahariRozgarYojana
- xv. "DPMU" means District Programme Management Unit

### 1.2 Eligibility Criteria/Evaluation criteria

The bidder must possess the following eligibility criteria and to this effect must produce supported documents for the following along with the other documents/ information as specified below.

1. A Chartered Accountant firm should have office at Bhubaneswar, Odisha (Detail address to be submitted);
2. The firm must be on the approved panel of Comptroller and Auditor General of India (CAG of India) for the year 2020-21 (Copy of CAG empanelled certificate to be submitted);
3. The firm must be a Partnership or LLP having minimum 15 years of existence (Copy of registration of CA firm to be submitted);
4. The firm should have 10 full time partners out of which minimum 5 partners should have minimum association of 5 years with the Firm as on 01.01.2021 (Details to be given in Form-1 with firm constitution certificate);
5. Average annual turnover of the firm during last three years (2017-18, 2018-19 and 2019-20) should not be less than Rs.100 Lakhs (Proof of turnover i.e. Audited P&L Account & Balance Sheet to be submitted);
6. The firm or any partner of the firm should not have been black listed by or any other organization in respect of any assignment or behavior. Authorized signatory(s) of the firm shall submit an undertaking to this effect.
7. The firm must have conducted at least 10 nos. Internal audit/ statutory audit/ Concurrent audit/ financial advisory assignment in Government sector and PSU during 2017-18, 2018-19 and 2019-20 (Form - 3).

8. The firm shall submit relevant documents duly signed by the authorized signatory, in support of the eligible criteria given above.
9. Joint venture firm shall not be considered for the assignment.

The Firm shall meet all above criteria otherwise their proposal shall not be considered for further evaluation.

### **1.3 Disqualification**

The authority may at its sole discretion and at any time during the evaluation of the Proposal disqualify any Bidder if the bidder has:

- i. Made misleading or false representations in the forms, statements and attachments submitted in proof of the eligibility requirements
- ii. Exhibited a record of poor performance such as abandoning works, not properly completing the contractual obligations, inordinately delaying completion or financial failures in any of the previous undertakings by the concerned bidder.
- iii. Declared as ineligible by Gol / State for corrupt, fraudulent practices or has been blacklisted.
- iv. A Bidders proposal may be rejected if it is determined that the Bidder has engaged in corrupt, fraudulent or unfair trade practices.
- v. Firm shall submit the proposal which does not satisfy each and every condition laid down in the notice and EoI documents, failing which the proposal will be liable for rejection.
- vi. Does not submit the proposal before the stipulated time line to the inviting authority
- vii. Does not attach the required documents along with the proposal.

### **1.4 Amendments and Clarification for RFP**

SUDA, during the process of evaluation of proposals may at its discretion ask bidders for clarifications on their proposals and the bidders shall respond within the time frame as may be mentioned. Further SUDA reserves the right to modify/amend the contents of the EoI before the last date of submission by hosting in web site and bidders are to take note and submit their proposal considering such amendments.

### **1.5 Submission of Proposal**

The technical Proposal shall be submitted in a sealed cover superscripted “**Technical Proposal for conducting Statutory Audit of SUDA**” with the following documents inside:

- a) A covering Letter from the bidder on the bidder’s letter head.
- b) Duly filled in technical proposal formats along with details and supportive documentary evidence with necessary details as laid down in the Annexure -3 of this RFP.
- c) Each page, Form and Annexure of the technical bid must be signed by the authorised signatory of the firm.
- d) SUDA reserves the right to accept or reject any application without giving any explanation and can change the evaluation criteria as per its requirement in the interest of the organisation.

### **1.6 Procedure for Opening of the Proposals and Selection**

- The Sealed Envelope containing “Technical Proposal” shall be opened on the due date and time specified in data sheet in the presence of the bidders wish to participate. The technical proposal furnished by the bidder shall be first evaluated based on eligibility criteria and scored on the basis specified in para 1.9 as under.

- The bidder having highest mark in the technical evaluation will be successful bidder.

### 1.7 Audit Fee

The audit fee shall be Rs. 30,000 (thirty thousand only) plus GST as applicable for one year.

### 1.8 General instructions for the bidders for the submission of proposal:

- The proposal shall be submitted by Registered Post / Speed Post / By Hand within the stipulated time and date and place specified in the Bidder data sheet.
- The same will be opened on date and time specified in the presence of representative of the bidder(s), who may choose to attend.
- Bids received after stipulated time line specified in the bidder data sheet shall not be considered and be out rightly rejected.
- The bid will be rejected out rightly, if it is found that the bidder fails to submit the requisite documents, Statutory Documents as required etc. and the information as per the formats provided in technical proposal under RFP.

### 1.9 Evaluation of Proposal

The CA firm will be selected on technical evaluation on the basis of highest marks scored by the firm as per scoring pattern prescribed below. The CA firm so selected has to do the assigned job with the predetermined fees prescribed by SUDA at para 1.7.

The evaluation / scoring pattern for technical proposal shall be as follows:

Sl. No	Criteria	Max. Marks	Supporting documents required to be furnished along with this form
<b>A. CA Firm</b>			
1	No. of years of existence of the firm 15 years- <b>5 marks</b> , for every additional 1 year 1 mark subject to maximum of <b>10 marks</b>	10	Firm constitution certificate from ICAI as on 01.01.2021.
2	Average Turnover of the CA Firm in last three Financial Years 2017-18, 2018-19 and 2019-20 having turnover of Rs.100.00 lakh - <b>5 marks</b> and for every additional turnover of Rs.15 lakh, 1 mark subject to maximum of <b>10 marks</b>	10	Copies of audited Balance Sheets and P&L Accounts for the financial years 2017-18, 2018-19 and 2019-20.
3	No of partners (FCA with 5 years of association) Min. 5 FCA – <b>5 Marks</b> , and 1 mark each for 1 additional FCA subject to maximum of <b>10 marks</b>	10	Firm constitution certificate from ICAI as on 01.01.2021.
<b>B. Proposed Team*</b>			
4.	Key Professional Staffs Qualification & Competence for the assignment Max :30 Marks	30	Profile& experience proof of him/ her to be enclosed. The firm should submit the CV of the proposed candidate in a format given in Form-4.
<b>C</b>	<b>Firm Experience</b>		

5.	Govt. Sector or PSU Exposure: Internal audit/Statutory audit/ Con-current audit/ financial advisory assignment etc. in last 3 years i.e. 2017-18, 2018-19 & 2019-20. Min. 10 number per year wise assignments - <b>30 marks</b> and for 2 marks each for additional 1 assignment subject to maximum of <b>40 marks</b> .	40	The bidders are required to submit the work order copies of assignments for marking purpose, otherwise it will not be considered. <i>(The information should be furnished in form annexed)</i>
<b>Total</b>		<b>100</b>	

Note: 1. Based on the above technical scoring, the merit list will be prepared and the firm scores highest mark shall be allotted the audit.

Note: If 2 or more bidders get highest equal marks, then the bidders having maximum no of years of audit experience in state level govt. institution will be selected.

\*Weight age for Point 5: Key professional staff qualification & experience for the assignment

Sl. No	Criteria	Maximum Marks
1.	1 no. of qualified CA having minimum 10 years of Experience in Govt. Sector Audit	15 marks
2.	1 no. of Semi qualified CA (C A Inter) having minimum 5 years of Experience in Govt. Sector Audit	10 marks
3.	1 no. of Commerce Graduate having minimum 3 years of Experience in Govt. Sector Audit	5 marks
		30 marks

For Team Composition & Number of Teams, following guidelines are to be considered by a firm:

- The team must be headed by a qualified Chartered Accountant with one semi-qualified C A (C. A. Inter) and one support staff (Junior Auditor).
- The firm shall give an undertaking that the team members are proficient in the state's official language (both oral and written).
- The firm shall ensure that the team members will complete the assignment within the time period are proficient in the state's official language (both oral and written).
- The firm should provide the qualification and experience details of the proposed team members in the prescribed format (Form-4 A&B in Annexure-3).

## Terms of Reference

### **A. Introduction**

**State Urban Development Agency (SUDA)**, Bhubaneswar was set up in the year 1990 by the State Government, Odisha was the pioneering State in establishing an agency like State Urban Development Agency in pursuance of the guidelines of 8th Plan Policy. It is also registered under the Societies Registration Act bearing No. 2972-221 of 1990/91. State Urban Development Agency (**SUDA**) have been assigned to monitor and to co-ordinate planning and implementation of different Urban Anti-Poverty Schemes. Since last few years, **SUDA** is undertaking its responsibilities and has also put forth its best efforts to propagate the community management concept and scientific methodology for Income Generation Programmes. The initiative of the State Government was appreciated on a wider scale by other States.

### **B. Objective of Audit Services.**

The objective of audit of the financial statements-individual financial statement of each implementing agencies as well as the consolidated financial statement of the state as a whole i.e. Balance Sheet, Income & Expenditure and Receipt & Payment, together with relevant accounting policies, notes to accounts and schedules, Bank Reconciliation statement, Statement of funds position, Reconciliation of expenditures as per audited financial statement with the expenditure reported as per the Odisha Govt. Financial Rules (OGFR) to enable the auditor to express as a professional opinion as to whether-

- a) The Financial Statement give a true and fair view of the financial position of the each implementing agencies and consolidated state society are the end of each fiscal year and of the fund received and expenditure incurred for the accounting period ended 31<sup>st</sup>March of the relevant financial year.
- b) The funds were utilised for the purposes for which they were provided.
- c) Where programmes are financed by development partner, the respective programme expenditures are eligible for financing under the relevant grant/ credit agreement.

The books of accounts are maintained by the implementing units shall form the basis for preparation of the individual financial statement as well as the consolidated financial statement for the state as a whole.

### **C. Scope and Coverage.**

In conducting the audit special attention should be paid to the following.

- a) An assessment of adequacy of the project financial systems, including financial controls. This should include aspect such as
  - Adequacy and effectiveness of accounting, financial and operational control.
  - Levels of compliance with established policies, plans and procedures.
  - Reliability of accounting system, data and financial reports.
  - Method of remedying with controls.
  - Verification of assets and liabilities and
  - A specific report on this aspect would be provided by the auditors annually as part of the management letter.
- b) Goods and services finance have been procured in accordance with the relevant procurement guidelines issued by the GOI/GOO.
- c) For extremely funded programmes, audits must be satisfied that the all expenditure, including procurement of goods and services have been carried out as per the procurement manuals of the individuals programmes and guidelines issued by the programme division of GOI and have all the necessary supporting documentation.
- d) Funds have been spent in accordance with the condition laid down by the Department of URBAN Development Dept/GOI,H&UD Dept, Govt. of Odisha, from time to time with due attention to economy and efficiency, and only for the purpose for which the funds was provided Counterpart contribution from state govt. Where required has been provided.

- e) All necessary supporting documents, records and accounts have been kept in respect of the project.

The following financial statements and relevant schedules showing the consolidation of all the programmes shall be submitted.

- a. Audit Opinion.
- b. Balance sheet showing accumulated funds of the project. Assets of the project and liabilities, if any, for the year ending 31<sup>st</sup> March 2021
- c. Income & Expenditure accounts for the year ending on 31<sup>st</sup> March 2021.
- d. Receipt and payment Account for the year ending on 31<sup>st</sup> March 2021.
- e. Other Schedules to the Balance Sheet as appropriate, but which include
  - i. Statement of Fixed Assets in the form of a Schedule,
  - ii. Schedule of Loans and Advances
  - iii. Schedule of all Cash Bank Balances (supported by bank reconciliation statement)
  - iv. Programme wise statement of expenditure
- f. Auditor shall have to specify the significant observations, including internal control
- g. Weaknesses for each programme and also specify the institution to which these relate to enable/facilitate appropriate follow up action
- h. Sanction wise Utilisation Certificates UCs as per Form GFR 19A, OGFR 7 A duly tallied with the Income/Expenditure and expenditure Accounts prepared during the financial year. Attach a statement showing the details of expenditures clubbed in the Utilisation Certificates tallying with the Income Expenditure Account and Schedules forming part of it.

In addition to the audit reports, the auditor will prepare a Management Letter in which the auditor should summarise the observation on the internal control issues [other than those which materially affect his opinion) on the financial statement as under

- a. Give comments and observations on the accounting records systems and internal controls that were examined during the course of the audit
- b. Identify specify specific deficiencies and area of weakness in the system and internal controls and make recommendations for their improvement.
- c. Report on the level of compliances with the financial internal control
- d. Report procurements which have not been carried out as per the procurement manual/guidelines of the state for individual programmes.
- e. Communicate matters that have come to the attention during the audit which might have significant impact on the implementation of the project and
- f. Bring to SUDA's attention any other matter that the auditor considers pertinent.

#### **D. Auditing Standards & Others**

The audit shall be carried out in accordance with the "Standards on Audit" prescribed by the Institute of Chartered Accountants of India. Besides, the instructions & directions of the State Government, GOI, Funding Agencies, C&AG, Governing Body/ Executive Body of SUDA & last but not least the compliances of Statutory Acts are to be adhered to while discharging the responsibilities. The auditor should accordingly consider materiality when planning and performing (except where a certain minimum coverage of implementing units is specified) the audit to reduce the risk to an acceptable low level that is consistent with the objective of the audit. In addition the auditor should specifically consider the risk of material misstatements in the financial statements resulting from fraud.

#### **E. Deliverables and reporting:**

The final Audit Report should be submitted within two months from the date of receiving the audit assignment to SUDA (3 copies in spiral binding) and also soft copy in MS Excel/ Ms word and scanned (Both) is also to be submitted in mail or CD of the audited financial statement.

## F. Additional Instruction of Auditors:

Audit Report of SUDA shall include audit of all the transactions at the State level

Audit for the financial year will include all the components and schemes.

The auditor will specifically mention in the audit report about the coverage of audit on these components and also will ensure that the release and expenditure are duly separately reflected in each programme financial statement

### Bidders Data Sheet

Annexure - 2

1.	<b>Name of the Assignment:</b> "Engagement of a CA Firm for conducting Statutory Audit of SUDA"
2.	<b>Name of the Client :</b> The Administrative Officer, State Urban Development Agency (SUDA), Housing & Urban Development Department, Govt. of Odisha
3.	<b>Method of selection:</b> Quality Based Selection (QBS) Method
4	<b>Language of documentation:</b> English
5.	<b>Selection of consultancy firm/agency:</b> The bidders have to submit the technical Proposal giving their credentials, experience, financial status as per technical proposal form given at Annexure – III. The evaluation shall be made as per evaluation criteria specified at Clause-1.9)
6.	<b>Technical proposal to be submitted:</b> YES, as per the form given at Annexure –III along with all supporting documents.
7.	<b>Address for submission of Proposals:</b> The Administrative officer, State Urban Development Agency (SUDA), Vivekananda Marg, Near Bhubaneswar Municipal Corporation (BMC), Bhubaneswar - 751 014.
8	<b>Contact person:</b> The Administrative officer, State Urban Development Agency (SUDA),
9	Clarifications may be requested not later 11 <sup>th</sup> August, 2021 All requests for clarifications will be directed to the Client's representative. The Client shall respond to requests for clarifications by hosting in web site of SUDA within seven (7) days.



10	<b>Bidders Eligibility Criteria</b> –Applicable As specified at clause –1.2
11	<b>Mode of Submission:</b> Proposals complete in all respect should be submitted to the inviting authority through <b>Speed Post / Registered Post / By Hand</b> . Authority will not be responsible for postal delay or any other consequences.
12	While submitting the proposal the bidder has to ensure that the technical Proposal in original to be kept in sealed envelope with superscription “Technical Proposal for <b>Engagement</b> of a CA Firm to provide Statutory Auditor for conducting Statutory Audit of SUDA”
13	The outer envelope must be labeled with: a) Title: “Proposal for <b>Engagement</b> of a CA Firm to provide Statutory Auditor for conducting Statutory Audit of SUDA” b) EOI Number; c) Last date of bid Submission ; d) Full address of bid submission authority with contact no and email on the right; e) Full address of the Bidder with contact no and email on the left. f) On the envelope clearly write/print in bold capital letters “DO NOT OPEN EXCEPT IN THE PRESENCE OF THE CLIENT’S REPRESENTATIVE AND PRIOR To13 <sup>th</sup> August,2021
14	If any envelope is not sealed and marked as instructed, the Client will assume no responsibility for the misplacement or premature opening of envelopes leading to disqualification of the Bidder from the bidding process.
15	<ul style="list-style-type: none"> <li>• <b>Document Fee to be submitted:</b> NO</li> <li>• <b>Earnest Money Deposit (EMD) to be submitted:</b>NO</li> </ul>
16	Proposals must be submitted no later than the following date and time: 13 <sup>th</sup> August,2021 up to 14.00 hours (2.00 PM).
17	<b>Date and time for public opening of the Technical Proposals received:</b> 13 <sup>th</sup> August, 2021 at 16.00 hours (4.00 PM).
18	<b>Expected date/month for commencement of consulting services:</b> 25th August, 2021
19	<b>Expected date/month for completion of consulting services:</b> 15 <sup>th</sup> September, 2021

**TECHNICAL PROPOSAL**

## LETTER OF TRANSMITTAL

To

Date

The Administrative Officer,  
SUDA, Bhubaneswar.

Dear Sir,

We, the undersigned, offer for providing Statutory Audit services to SUDA in accordance with your request for expression of interest no....., dated..... . We are hereby submitting our Proposal, having details about the firm.

We hereby declare that all the information and statements made in this Proposal are true and accept that any misinterpretation contained in it may lead to our disqualification.

We agree to bear all costs incurred by us in connection with the deployment of statutory auditor for undertaking audit and submission of the statutory audit reports.

We understand that SUDA is not bound to accept any proposal or to give any reason for award, or for the rejection of any proposal.

I confirm that I have authority of all partners of my firm to submit this proposal.

Yours faithfully,

Chartered Accountants,

**FORM - 1**

**FORM FOR TECHNICAL PROPOSAL**

Sl. No.	PARTICULARS	Supporting Documents (self-attested) required to be submitted along with this form
1.	<b>Details of the CA Firm</b>	
1.1	Name of the Firm	:
1.2	Address of the Firm	:
1.3	Phone No. Mobile no. of contact person	:
1.4	Contact Person (Office Address and Contact No)	: :
1.5	Address of Head / Branch Office in Bhubaneswar.	:
2.	i. Date of establishment of the firm	:
	ii. Date since H.O & B.O are functioning at the existing station.	:
3.	Firm's Income Tax PAN No.	:
4.	Firm's GST registration No.	:
5.	Firm's Registration no. with ICAI	:
6.	CAG empanelment no.	:
7.	No. of years of firm's existence & date of establishment	:
8.	Turnover of the firm for the last three years (in Rs.) 2017-18 2018-19 2019-20	: : : :
9.	<b>Audit Experience of the firm</b>	
9.1	Number and details of assignments in audit of Govt. Sector (Excluding Banks and Financial Institution)	: As per Form annexed
9.2	Number & details of assignments in audit & accounts of Odisha Govt. PSUs / Agency / Institution.	: As per Form annexed
10.	<b>Details of Partners</b>	
10.1	No. of full time partners associated with the firm as on 01.01.2021	(Provide self-declaration certificate having no of full time FCA. ACA)

11	<b>Details of statutory Auditor to be proposed</b>		
11.1	Name of the partner to be engaged by the Firm		
11.2	<ul style="list-style-type: none"> <li>- Qualification</li> <li>- Date of association with the Firm</li> <li>- Experience (in years)</li> <li>- Whether served in Govt. Sector (Yes/No)</li> <li>- If yes, Year of experience in Govt. sector</li> <li>- Experience as Statutory Auditor (in years)</li> <li>- Contact details</li> </ul>		
12	<b>Details of Others</b>	:	
12.1	<b>Whether the agency was ever blacklisted: Y/N</b> If yes whether that blacklisting was not cancelled: Y/N (If yes, attach copy of same and the affidavit)	:	
12.2	<b>Confirm to carry assignment as per TOR</b>	:	YES
12.3	<b>Confirm to accept all term &amp; conditions specified in EoI documents</b>	:	YES

(Copy of supporting documents of the above all should be attached with the proposal)

Seal & Signature of Partner

Membership No

**FORM - 2**

**Financial Turnover of the CA Firm during the last three years**

Sl. No.	Year	Turn Over in INR
1	2017 - 18	
2	2018 - 19	
3	2019 - 20	
Average Annual Turnover for the last three years (INR)		

*(Please provide the copies of the Balance Sheet and Profit Loss Statement for the corresponding period)*

Authorized Signatory [*In full and initials*]: \_\_\_\_\_  
With Seal and date

**FORM -3**

**Similar Assignment Undertaken during last 3 years (FY 2017-18, 2018-19 & 2019-20)only  
in each category**

**A. Central / State Govt. /Govt. agency/ PSUs Experience:**

<b>Sl. No.</b>	<b>Name of the Assignment</b>	<b>Name of the Client</b>	<b>Nature of Assignment (Please Specify the Work involved as detailed in scope of work)</b>	<b>Copy of work order /client certificate placed at page no.</b>
1				
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**FORM -4**

Sl .No	Name	Position of the Team Member	Educational Qualification	Years of Experience	Audit Experience in Govt. Sector	Association with the Firm(Mention the period	Number of Man days estimated for task completion