

BID DOCUMENT

**SELECTION OF CAG EMPANELLED CHARTERED ACCOUNTANT FIRMS FOR
CONDUCTING EXTERNAL AUDIT OF ODISHA RURAL DEVELOPMENT AND
MARKETING SOCIETY (SKILLS)**



**ODISHA RURAL DEVELOPMENT AND MARKETING SOCIETY
PANCHAYATI RAJ AND DRINKING WATER DEPARTMENT
GOVT. OF ODISHA
June, 2018**

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SECTION 1

SCOPE OF WORK AND TERMS OF REFERENCE

**Selection of CAG Empanelled Chartered Accountant Firms for Conducting
External Audit of ORMAS (Skills)**

1. Background

ORMAS is an autonomous professional body under the aegis of Panchayati Raj and Drinking Water Department, Government of Odisha. ORMAS was constituted under the Societies Registration, Act of 1860, in the year 1991, engaged in Livelihood promotion, Marketing of Rural Products, Skill Development & Placement and Mahila Kishan Sashaktikaran Pari Yojana (MKSP) and operating in 30 districts of Odisha.

Ever since inception, ORMAS (Odisha Rural Development and Marketing Society) is the first and only organization of its type, under the Panchayati Raj and Drinking Water Department, Government of Odisha, facilitating sustainable livelihoods for rural producers, under different poverty alleviation programs. In the process, providing training, capacity building, value addition, adopting key activity approach and adopting clusters, thus bringing economic hope and promise to rural Odisha and India.

2. Objective

2.1. DDU-GKY & ORMAS's role in its implementation

Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY), is a flagship program of the Ministry of Rural Development (MoRD), Government of India (GoI). The program is aimed at alleviation of rural poverty through career promoting skills and placements through its unique focus under the National Rural Livelihood Mission (NRLM). The key focus area of DDU-GKY are the poor rural youth; the priority it gives to disadvantaged groups such as the SC/ ST / women and minorities and its attention to market-led training programs to ensure employability and its emphasis on partnership based skilling and placement delivery. Odisha Rural development and Marketing Society, under the Panchayati Raj and Drinking Water Department, Government of Odisha is a State level nodal unit for implementation of DDU-GKY.

DDU-GKY follows a three-tier implementation architecture with the DDU-GKY National Unit (DDU-GKY-NU), MoRD as the apex unit setting policy, providing technical facilitation to states, providing major part of funding to the program, monitoring & evaluation as well as undertaking coordination with key stakeholders in the sector, nationally and internationally; the DDU-GKY State Skill Missions (Primarily under State Project Management Unit of Dept. Of RD) as the state level nodal implementation support agency and implementation undertaken in partnership with Project Implementation Agencies (PIAs) – in general private sector agencies, NGOs, government and semi-government agencies with experience in skilling and placement) that serve as the skill imparting and placement partners under the program. NABCONs is the Central Technical Support Agency (CTSA) for DDUGKY in the State of Odisha.

2.2 The Key Stakeholders of DDU-GKY are:

Rural youth from poor families in the age group of 18 to 35 years (upper age limit is 45 years in case of Particularly Vulnerable Tribal Groups, widows, freed bonded labour etc.) are at the center of the program objectives. The other stakeholders are:

- Families, communities and peer group of rural youth.
- Ministry of Rural Development, GoI as the funding and sponsor agency of DDU-GKY
- Panchayati Raj and Water Supply Department, Government of Odisha
- State Project Management Unit.
- Line Departments involved in skilling.
- Local government bodies at District Level, Block Level and Gram Panchayat level.

- PIAs who are the skilling and placement implementation partners.
- Corporate entities in public and private sector who could be both PIAs for captive skilling and placement as well as potential employers of the rural youth.
- The companies where candidates are placed.
- Migration Center and Alumni Support Centers.
- National Skill Development Agency as the apex policy and coordinating agency on skills
- National Skill Development Corporation and other Ministries of GOI as peers in the skill sector.
- Sector Skill Councils and National Council for Vocational Technical Educations with whom DDU-GKY aligns for its curriculum and certification of trainees, trainers and other assessment.
- Common Service Centers, e-chouplas, NGOs, Media and other agencies / channels that provide outreach for IEC and branding.

2.3 Special Projects under DDU-GKY:

a. ROSHNI: ROSHI is a special project under umbrella programme of DDU-GKY targeted at training the youth in left-wing extremism affected districts in the country. In Odisha, ROSHNI programme is running across 6 LWE districts viz. Koraput, Malkangiri, Nuapada, Rayagada, Gajapati and Kandhamal. Under this, all the projects are residential in nature. Moreover, 10% of the total project cost, over and above the project cost, is solemnly dedicated towards the establishment of centres in the concerned LWE districts.

b. SAGARMALA: To implement the skill training based on the need of the industry and youth aspiration, the Ministry of Shipping is collaborating with different Ministries and agencies who have been involved in skills training for a long time. Sagarmala is collaborating with the Ministry of Rural Development's flagship programme Deen Dayal Upadhyay Grameen Kaushalya Yojana (DDU GKY). Representatives of Ministry of Rural Development, Government of India, Ministry of Shipping, Government of India and Odisha Rural Development and Marketing Society (ORMAS), Panchayati Raj and Drinking Water Department, Government of Odisha have started training batches of Sagarmala DDU GKY convergence project in Bhubaneswar, Odisha. The overarching goal of the Skills and Livelihoods in Sagarmala is to meet the exact skill needs of industries in the port and maritime sector and provide the coastal communities right skills for better opportunities emanating from the large scale impact of Sagarmala projects. It is expected that the close involvement of the coastal communities in Sagarmala will make them contributors, direct & indirect beneficiaries and will ensure inclusive growth of the coastal districts of the country. These projects are funded jointly by the central and state governments and are being monitored by National level agencies.

2.4 DDU-GKY: Progress so far:

In the DDU-GKY Odisha, there are nearly 90 PIAs, about 100 projects and 110 Skill Training Centers across 30 districts of Odisha. There are various categories of training institutions ranging from academic institutions, technical institutions like Industrial Training Institutions (ITIs), Engineering Colleges, Manufacturing Industries, Services Industries, Foundations etc. The skill training has been imparted in both the technical and services related trades. Till date, there are more than 82,000 youth trained. There are different training program duration that are allowable in the current format of DDU-GKY as per the Standard Operating Procedure (SoP). The duration of the training program ranges from 90 days, 180 days, 270 days and 360 days which covers domain as well as non-domain course hours. The

assessment and certification of the trained youths are conducted by SSCs (Sector Skill Councils) formed for respective sectors and NCVT (National Council of Vocational Education).

3. Objectives and Scope of Work for Audit

3.1 Objectives of Audit

- i. To appraise the client on meeting the objectives of the Accounting in ORMAS (skills).
- ii. The auditors are to provide a professional opinion on the annual financial statements of ORMAS; these would include Receipt and Payments, Income and Expenditure, Balance Sheet, comparative variance analysis for actual expenditure vis-à-vis component wise sanctions, bank reconciliation statement, statement of expenditure and utilization certificate of the individual projects etc.
- iii. To make specific observations on the effectiveness of the overall financial management arrangements including the system of internal controls as documented in the fund management guideline, MOU's and various guidelines for specific funding. (For ORMAS)
- iv. Specific assertion that the grants from the project have been used for intended purpose and to bring to project's attention any fraud-related issues and activities including the diversion of funds from intended purpose or misuse of funds.
- v. Report on deviations if any with reference to the terms and conditions of the grants released for the projects.
- vi. Report whether the applicable accounting standards and GAAP have been followed in preparation of the Financial Statements.

3.2 Audit Standards:

The audit will be carried out in accordance with the Auditing Standards promulgated by the Institute of Chartered Accountants of India. The auditor should accordingly consider materiality when planning and performing the audit to reduce audit risk to an acceptable level that is consistent with the objective of the audit. Although the responsibility for preventing irregularity, fraud, or the use of credit/loan proceeds for intended purposes remains with the management, the audit should be planned so as to have a reasonable expectation of detecting material misstatements in the mission financial statements

3.3 Scope of Work (ORMAS- Skills and Project Implementation Agencies):

The Chartered Accountant Firms selected for audit of ORMAS shall take into consideration the following aspects and report on any non-compliance in addition to the attest function with respect to the financial year under review:

- i. All the required books of accounts and necessary supporting documents (vouchers, bills, receipt and registers), minute books, have been kept in respect of all transactions & that clear synchronizations exists between accounting records, accounts books and the financial reports.-ORMAS
- ii. Whether the books of accounts and financial reports comply with the prescribed Accounting Standards and GAAP by ORMAS & PIAs
- iii. The financial reports and Utilization Certificates (UCs) submitted under different projects to the Government of Odisha/GoI/ORMAS are in agreement with the MoU

and books of accounts.-ORMAS

- iv. The expenditure made by PIA is as per the budget approved in the sanction. A variance analysis should be made showing the actual expenditure with budget figures. PIA
- v. Verification of all vouchers and supporting documents with respect to the proper sanction and approval by the competent authority according to the delegation of financial powers and compliance to laws and prescribed guidelines.-ORMAS
- vi. Examination of Books of Account and Financial Records (such as cash book, journal, ledger etc.)-ORMAS & PIA
- vii. Verification of bill vouchers and all supporting documents in respect of payment-ORMAS & PIA
- viii. Trace out of all funds included in ORMAS/PIA Account (including all current liabilities).
- ix. Verification of all advances (i.e. all pending and settlement).
- x. Verification and reporting if any supporting documents are not present related to the receipt and utilization of Funds recorded in books of account.
- xi. Verification of fixed asset register & Procurement process on a sample basis.
- xii. Verification of final accounts (Receipt & payment account, Income expenditure account, Balance Sheet) duly prepared by ORMAS.
- xiii. Preparation of Audit observation and report for discussion with client /Management.
- xiv. Reporting on the compliance of prior audit observations
- xv. Verification of entries in the books of accounts (Cash book, General Ledger, Advance Ledger, Miscellaneous Receipt Books, Journal Book, Salary Register, Attendance Register, Cheque issue register, Grants/Funds Received Register etc.) in respect of receipts and expenditure. Where ever required the auditor may suggest ORMAS, finance team to pass the rectification entries, if any.
- xvi. Examination of Bank Reconciliation Statement with respect to the entries in the cash book and bank statement -ORMAS &PIA
- xvii. To provide recommendations for strengthening of internal controls and other financial accounting and reporting practices in accordance with best practices.
- xviii. Verification of utilization of funds received from Government of Odisha/GoI under the SGSY/DDU-GKY projects for the financial year 2017-18
- xix. Verification of utilization of funds received from ORMAS under the DDU-GKY/Sagamala/Roshni projects for the financial year 2017-18
- xx. Examination of category wise income accrued, income received and receivables reconciliation, confirmation of balances if any.
- xxi. Verification of advances given and adjusted / recovered from staff and others.
- xxii. Audit trails and reporting on the accounting software|ERP|SAP of the PIA for the ORMAS project.PIA
- xxiii. Audit trails and reporting on the accounting software -ORMAS
- xxiv. Examination of statutory payments whether made within the scheduled period, returns filed, reconciliations and other compliances.
- xxv. Tax deducted at source with appropriate rate on payments made by ORMAS and deposit of the deducted amount within the scheduled period in Government account.
- xxvi. Compliance of applicable statutes including income tax, GST or other indirect taxes
- xxvii. Filing of quarterly TDS/GST Returns/ statements within the due dates.

- xxviii. Examine whether there is any outstanding demands from any statutory authority.
- xxix. Physical verification report on Cash, Stores, consumables and fixed assets. (Physical verification report should form part of the report).
- xxx. Examination of Books of Account and Financial Records (such as cash book, journal, ledger etc.)
- xxxi. Verification of bill vouchers and all supporting documents in respect of payment.
- xxxii. Trace out of all funds included in ORMAS Account (including all current liabilities).
- xxxiii. Verification of all advances (i.e. all pending and settlement).
- xxxiv. Ensuring that all supporting documents are present for receipt and utilization of govt. Fund.
- xxxv. Verification of fixed asset register & Procurement process on a sample basis.
- xxxvi. Preparation of Audit observation and report for discussion with client /Management
Follow up on the compliance of audit observations of the previous year

4. Deliverables, Timelines and Payment Scheduling:

Deliverable/output	Fees Payable	Time line from the date of work order (Cumulative)
1. Audited Financial Statement of the PIAs for the financial year 2017-18 2. Audit Report based on the Scope of the work	PIA's Project cost up to Rs.10 Crore- Rs 7,500 P.U	120 days from the date of LOI
1. Audited Financial Statement of the PIAs for the financial year 2017-18 2. Audit Report based on the Scope of the work	PIA's Project cost above Rs.10 Crore- Rs 12,000 P.U	

- **Details of estimated man-days requirement mentioned in ANNEXURE –II**
- ***ORMAS reserves the right to extend the period of audit up to two financial years at the same prices, terms and conditions.***
- A default / delay of 30 days from the due date to deliver the outputs as specified above shall attract a penalty of 1.0% of the remuneration / fees payable for the respective deliverable for the delay. Such penalty shall be levied at 1% per month or part thereof up to a maximum of 5 %. If it is observed that the delay is not due attributable to the CA firm then such penalty will not be levied.
- The Bidder is required to submit the following audited reports:
 - i. Bank Reconciliation Statements for all the bank accounts.
 - ii. Trial Balance for the year
 - iii. Receipts and Payment Statement
 - iv. Income and Expenditure account.
 - v. Balance Sheet.

- vi. Relevant Schedules & Annexure as per the requirement of ORMAS
- vii. Report on Updated Fixed Assets Register
- viii. Utilization Certificates for submission to Government authorities in the prescribed formats.

4.1. Submission of Report:

The bidder is required to submit the complete set of audited financial statements for the financial year 2017-18. The Audit firm shall complete the audit for the F.Y 2017-18 within a period of 60 days from the date of LOI as mentioned in the table at Para 9 above

4.2 Reporting

The firms will submit its report to the Executive Director, ORMAS, Panchayati Raj and Drinking Water Department, Government of Odisha. Further, the bidder is required to submit the soft copy of the report written in a CD to ORMAS.

4.3 Payment Schedule

Final Report Submission in prescribed format	100% (within 30 days after submission of the deliverables and approval by the competent authority)
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SECTION 2

Request for Proposal (RFP)

Selection of CAG Empanelled Chartered Accountant Firms for Conducting External Audit of ORMAS (Skills)

5. Request for Proposal (RFP)

5.1 Invitation for Requests for Proposal (RFP)

ORMAS proposes to hire services of CAG Empanelled Chartered Accountant (CA) firms for Conducting External Audit of ORMAS (Skills) and the PIAs the details of which are available in this RFP. Under this assignment, ORMAS now invites proposals in the prescribed format from the eligible CA firms to accomplish the above assignment.

5.2 Bidders Data Sheet

i	Name of the Assignment	Selection of Chartered Accountant Firms for Conducting External Audit of ORMAS (Skills) and 90 PIAs with about 100 projects. Actual number of projects for audit may vary depending on the projects in operation
ii	Descriptions and the objectives of the Assignments	The auditor to appraise the client on meeting the objectives of projects and the End use utilization of the grants.
iii	Language of documentation	English
iv	Method of Selection	Least Cost Basis among the technically qualified bidders.
v	No of Copies of Technical and Financial Proposal	1 copy each of Technical and Financial proposals
vi	Address for submission of bid	The Executive Director ORMAS, SIRD Campus, UNIT-VIII, Bhubaneswar-751021
vii	Contact person	Finance Specialist, TSA-ORMAS Mail id- finance.ormas1@gmail.com
viii	Date of Issue of RFP	27.06.2018
ix	Last date & time of submission of written queries for clarifications on RFP document to ORMAS(finance.ormas1@gmail.com)	18.07.2018 up to 11:00 AM
x	Mode of Submission	Proposals complete in all respect should be submitted to the inviting authority through Speed Post / Registered Post or by drop in the tender box of ORMAS up to the stipulated time. ORMAS will not be responsible for postal delay or any other consequences.
xi	Cost of RFP Document	N/A
xii	EMD	N/A

xiii	Last date and time for submission of Bid	19.07.2018 up to 3:00 PM. The bids received beyond the stipulated time line will be rejected.
xiv	Date and time for opening of pre-qualification and technical proposal	19.07.2018 at 03:30 PM in Conference Hall of ORMAS, Bhubaneswar.
xv	Opening of Financial proposal	The exact date will be intimated to the successful bidders through official email / letter and web hosted in the website of ORMAS. www.ormas.org

5.3 General Instructions to the Bidder:

- i. This enquiry is in the nature of Request for Proposal intended to hire services of CAG empanelled Chartered Accountant firms for conducting the external audit of ORMAS (skills) and the PIAs in the State of Odisha.
- ii. The Chartered Accountant Firm shall be required to undertake the assignments as mentioned in the Scope of Work of this RFP
- iii. The costs of preparing the proposal and of negotiating the contract if any including visits to the Client etc are not reimbursable.
- iv. The Firm shall be deemed to have full knowledge of the role and responsibilities of the work, where works to be carried out, whether it inspects them physically or not.
- v. The Bidder is expected to carefully examine all the instructions, guidelines, terms and conditions and formats in the RFP. Failure to furnish all the necessary information as required by the RFP or submission of a proposal not substantially responsive to all the requirements of the RFP shall be at Bidders own risk and is liable for rejection.
- vi. The proposal and all the associated correspondence shall be written in English and shall conform to the prescribed formats.
- vii. The proposal shall be typed or written in indelible ink (if required) and shall be signed by the Bidder or duly authorized persons to bind the Bidder to the contract. The Letter of authorization shall be indicated by written power of attorney and shall accompany the proposal.
- viii. In addition to the identification the envelopes containing the proposals shall mention the name and address of the Bidder.
- ix. Proposals received by facsimile/email shall be treated as defective, invalid and rejected. Only detailed, complete proposals in the formats indicated in Annexure –I of this RFP shall be taken as valid.
- x. No bidder is allowed to modify, substitute or withdraw the proposal after its submission.
- xi. The firm shall have to depute appropriate number of audit teams for timely submission of Audit Report and to attain quality of audit. Each audit team shall have to be headed by a qualified CA.

5.4 Disqualification:

ORMAS 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. Withdrawal of Proposal by the Bidder after the Proposal Due Date will lead to black listing and debarring the bidder in all the future assignments.
- iv. Declared as ineligible by GoI/State/UT for corrupt, fraudulent practices or has been blacklisted.
- v. A Bidder's proposal may be rejected if it is determined that the Bidder has engaged in corrupt, fraudulent or unfair trade practices.
- vi. Firm proposes any alteration in the work specified or any conditions or corrections made in this RFP.
- vii. Any eraser made in the RFP is unauthenticated or any page or a page is/are removed or replaced.
- viii. Firm shall submit the RFP which does not satisfy each and every condition laid down in the notice and RFP documents, failing which the RFP will be liable for rejection.
- ix. Firm's RFP containing conditions shall be liable for rejection out rightly without assigning any reason for the same.
- x. Stipulates the bid validity period less than what is stated in the form or tender.
- xi. Stipulates its own conditions.
- xii. Does not fill in and sign the Bid form as well as annexure, specifications etc.
- xiii. Does not submit the bid before the stipulated time line to the inviting authority
- xiv. Does not attach the required documents along with the RFP.
- xv. Canvassing in any manner to influence the Authority will be summarily rejected.

5.5 Conflict of Interest:

The Chartered Accountant Firm at all times shall hold the ORMAS's interests paramount and shall avoid conflicts with its other assignments.

5.6 Right to Accept or Reject Proposals:

ORMAS reserves the right to annul the RFP process, or to accept or reject any proposal, in whole or part without assigning reasons and without any obligation to inform and without incurring any liability to any of the bidders.

5.7 Validity of Bid:

The Bid submitted by the bidders shall remain valid for a period of **90 days** from the technical bid opening date.

5.8 Amendments and Clarification for RFP:

ORMAS 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 ORMAS reserves the right to modify/amend the contents of the RFP before the last date of submission under due intimation to the bidders to whom this RFP is issued and the bidders may be asked to amend their proposal due to such amendments. In order to provide the prospective bidders reasonable time to take the amendment into account in preparing the bids, ORMAS may, at its discretion extend the last date for receipt of Bid. Any such amendments will be uploaded on its web.

5.9 Preparation of Proposal:

At the time of preparation of proposal, following points to be taken into consideration:

- i. A bidder is allowed to quote only one quote for the selection process.
- ii. CA Firm is required to offer the rates in lump sum for the activities to be undertaken as mentioned in the Scope of Work of this RFP and taxes and duties for the assignment To be stated separately.

5.10 Submission of Proposal:

Bidders shall submit their proposals at the address and within the time frame as specified in the data sheet of this RFP.

The bidder shall submit the proposal as per the following sections:

PART- I (Pre-Qualification and Technical Proposal)

A. Prequalification proposal

The pre-qualification proposal shall be submitted in a sealed cover superscripted “**Pre-qualification proposal for audit of ORMAS.**” with the following documents inside:

- i. A covering Letter from the bidder on the bidder’s letter head.
- ii. Duly filled Pre-qualification Proposal Formats by the bidder and supportive documentary evidence with necessary details as specified in Para5.2 of this RFP.

iii. The proposal and the supporting documents shall be signed by partner of the firm.

B. Technical Proposal:

The technical Proposal shall be submitted in a sealed cover superscripted “**Technical Proposal for audit of ORMAS**” with the following documents inside:

- Duly Filled technical proposal formats along with details and supportive documentary evidence as laid down in the Annexure I of this RFP.

PART- II (Financial Proposal)

The Bidder shall submit the financial Proposal in a sealed cover superscripted “**Financial Bid for audit of ORMAS**” in the duly filled in Financial Proposal as per Formats as laid down with the necessary details in **FORM-9, Section 4** of this RFP.

- The bidders are requested to submit their financial proposal as per the prescribed format in a separate sealed envelope superscripted “ **Financial Bid for audit of ORMAS (Skills)**. Any deviation to the prescribed format for submission, liable to rejection of the bids.
- The sealed and super scribed covers of Prequalification and Technical Bid(s) shall be kept in a sealed envelope superscripted “**Pre-qualification and Technical proposal for audit of ORMAS (Skills)**”.

The above mentioned two separate sealed covers of shall be kept in an envelope of bigger Size and shall be properly sealed and super-scribed with the name of Firm, its address, RFP number, name of the work as given in the data sheet of this RFP.

5.11 General instructions for the bidders for the submission of proposal:

- i. Submission of a proposal by a bidder shall mean that he/she has read this notice and RFP documents and has made himself/herself aware of the scope of work and terms and conditions of the work to be done, material to be supplied etc. that may be required by firm in carrying out the work, local conditions, laws and by laws of the Government, ORMAS and other factors bearing influence on the execution of the service so proposed.
- ii. The proposal shall be submitted by **Registered Post / Speed Post (not through private courier)/ drop in the tender box of ORMAS within** the stipulated time and date and place specified in the Bidder data sheet.
- iii. The same will be opened on date and time specified in the presence of representative of the bidder(s), who may choose to attend. One representative from each bidder with necessary authorization will be allowed to attend the opening of the pre-qualification and technical proposal.
- iv. Bids received after stipulated time line specified in the bidder data sheet shall not be considered and out rightly rejected.
- v. The successful Firm(s) shall be required to enter into agreement with ORMAS after the work order issued for the said work.

- vi. ORMAS reserves the right to cancel / alter the bid requirement without assigning any reasons thereof.
- vii. ORMAS reserves the right to open or not to open any or all RFP document without assigning any reason thereof.

6. Evaluation of Proposals

6.1. Evaluation of Pre-qualification Proposal – Eligibility Criteria

The bidder must possess the following eligibility criteria and to this effect must produce supportive documents for the following along with other documents/information as specified below. Technical bids of only those bidders who qualify in the pre-qualification criteria given below will be considered.

Sl no.	Eligibility Criteria	Documents to be furnished along with the pre-qualification proposal
1.	The bidder must be registered with The Institute of Chartered Accountants of India (ICAI) having certificate of practice to work as Chartered Accountant and is in existence for a minimum period of 10 years.	Copy of Certificate for practice / Registration certificate of ICAI / Firm Constitution Certificate
2.	The bidders must be empanelled with Comptroller & Auditor General(CAG) of India	Copy of the latest CAG empanelment Certificate
3 .	The bidder should have its head office or branch office in Odisha.	Copy of Registration Certificate issued by ICAI as on 31.03.2018
4.	The average annual turnover of last three financial years of the bidder i.e. 2014-15, 2015-16 and 2016-17 should not be less than Rs. 20 Lakh. (Rs. Twenty lakh)	Details to be furnished in FORM-8 with copies of audited Balance Sheet / Profit Loss Statement for the concerned period.

5.	The eligible bidder should have at least 5 nos. of Fellow CA members within the team of professionals in the firm and 8 nos. including qualified or semi qualified (CA/CMA) staff	Details to be furnished in FORM-6 & 7 Copies of Fellow Membership Certificate of the Partners should be furnished & Constitution Certificate of firm mentioning no of partners should be submitted. The staff strength of Firm with qualification & experience should be mentioned.
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ii. In addition to the above, the bidders have to furnish the following documents along with the pre qualification proposal:

- GST Registration Certificate
- PAN Number Registration
- Anti-collusion Certificate (FORM-2)
- Covering letter (FORM-1)
- Registration with ICAI / Firm Constitution Certificate ((FORM-3)
- Format for Letter of Undertaking (FORM-4)
- Undertaking that the staff / other personal deputed for the assignments are proficient in the State language both oral and written.

iii. Non-submission of any one of the above document along with pre-qualification proposal, leads to outright rejection of the proposal.

iv. CA firms who conducted the audit of ORMAS (Skills)/ORMAS (M&L) for any of the FY 2014-15/2015-16/2016-17 are not eligible to bid since ORMAS intend to rotate the engagement of auditors.

6.2 Evaluation of Technical and Financial Proposal:

- i. The technical bids of only those bidders who qualify in the prequalification stage shall be considered. Formats and necessary details for the technical proposal are provided in **Annexure- 1** of this RFP. The evaluation / scoring pattern for technical proposal shall be as follows:

SL NO	Criteria	Maximum Marks	Supporting documents required to be furnished along with this form
1	No. of years of experience of the firm Up to 10 years-5 marks. For More than 10 years-for every additional 2 years 1 mark subject to maximum of 5 marks	10	Firm constitution certificate from ICAI as on 31,03,2018

2	Average Turnover of the CA Firm in last three years 2014-15, 2015-16 and 2016-17- turnover up to Rs.20 lakh -10 Marks.	10	Copies of audited Balance Sheets and P&L Accounts for the financial years 2014-15, 2015-16 and 2016-17
3	No of partners (FCA) FCA @ 2 Marks	10	Firm constitution certificate from ICAI as on 31.03.2018
4	Average Years of Partners Association With the Firm >1Yr – 0 Mark 1 to 5 Yrs – 3 Marks 6 to 10 Yrs – 7 Marks 11 to 15 Yrs-10Marks	10	Firm constitution certificate from ICAI as on 31.03.2018
5	Number of Staff		
(i)	Qualified (C.A / Cost Accountant) – 2 Marks per Staff	10	Certificate from the concerned Institute
(ii)	Semi Qualified (Inter CA / Cost Accountant 1 to 5 Staff - 5 Marks 6 to 10 Staff - 8 Marks >10 Staff -10 Marks	10	Certificate from the concerned Institute
6	Nature of Experience Turn Over/ Project Cost / Years of Experience & Project Audited		
(i)	ORMAS/OLM/ Any Panchayati Raj Department audit (Statutory)	10	Mandate/letter of engagement / certificate of completion issued by the organization.
(ii)	Social Sector (Govt. / funded by international agencies)projects in last 3 years (2014-15, 2015-16 & 2016-17) of not less than Rs.100 lakh each 1 to 3 Nos. - = 6 Marks 3 to 5 Nos. - = 8 Marks More than 5 nos.=10 Marks	10	Copies of Mandate/letter of engagement/ certificate of completion issued by the organization duly self-attested by a partner of the CA Firm
(iii)	Public Sector in Last 3 Years (2014-15,2015-16 and 2016-17) The turnover of the audited organization (Other than Audit of banking organization / finance companies) should not be less than Rs.25.00 crore in each year of audit) 1 to 2 nos. - 4 Marks 3 to 4 nos. - 6 Marks 5 to 6 nos. - 8 Marks >6 nos. - 10Marks	10	Copies of Mandate/letter of engagement and certificate of completion issued by the organization. Copies of the Auditors' Report for the respective financial years duly self-attested by a partner of the CA Firm
7	Head Office in Odisha	5	Certificate from ICAI as on 31.03.2018
8	Head office or Branch Office in Bhubaneswar	5	Certificate from ICAI as on 31.03.2018
	Total	100	

- **The bidders, whose proposal secures minimum qualifying technical score of 70 Marks under the above evaluation matrix in the technical evaluation stage, will be eligible for opening of the financial proposal.**
- **The bidder shall ensure that the audit team members are proficient in the state's official language (both Oral and Written)**

ii. Financial bid

- A firm has to secure at least 70 % of marks out of 100 in Technical bid to qualify for opening the financial bid. Financial Bid of only those Bidders will be opened who score a minimum of 70 marks.
- In the case of Project implementation Agency (PIA), the minimum audit fee will be **@ Rs. 7,500/- and @ Rs. 12,000/-** per PIA in respect of project cost of PIAs (details in Annexure-II) excluding GST as given below.

Project Cost	Estimated Cost Per unit (Rs.)
PIA's Project Cost Up to ₹10crore	7,500
PIA's Project Cost Above ₹10crore	12,000

The financial bids with quoted value less than the above fees will be out rightly rejected.

- **Opening of Financial Proposal**

- a) The exact place, date and time for opening of the Financial bid will be intimated to the technically qualified bidders through official email / letter.
- b) The financial proposal should be submitted in the format mentioned in the RFP; submission of financial proposal in any other format is liable for rejection.

6.3 Method of selection:

On over all Least Cost Basis among the technically qualified bidders

- i. Firms applying for audit of PIA-ORMAS (skills) shall have to submit the financial bid in a separately sealed envelope and in the Financial Bid stating the cost per PIA. Financial evaluation will be made on total fees including for the PIAs as per details given in the bid document.
- ii. The audit fees pertaining to an audit shall be released only after successful completion of the assignment.
- iii. Firms belonging to outside the district or the firms having office not within the District Head Quarters shall be paid TA/DA and accommodation cost as per norms of ORMAS.
- iv. The Financial Proposals shall be opened in the presence of the committee members and bidders' representatives who choose to attend. The name of the firm along with the secured technical scores, and the prices quoted shall be read and recorded accordingly.
- v. Technically acceptable financial bids with over all lowest quoted price for the assignment will be considered for negotiations if required and award of contract. However where there is tie between bidders in prices, the person having higher score in technical evaluation will be considered as successful bidder.

6.3 Award of Contract:

ORMAS will notify the successful bidder in writing for finalizing the contract conditions. The successful bidders will be requested to sign the Agreement within 7 days of the notification. After signing of the Agreement, no variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties. The selected bidders have to start the work within 7 days or within such time as advised by ORMAS from the date of award of the contract.

6.4 Legal Jurisdiction:

All legal disputes are subject to the jurisdiction of civil court of Bhubaneswar only.

6.5 Confidentiality

Undue use by any of the bidder of any confidential information related to the process may result in rejection of the proposal. Confidential Information shall mean and include any and all confidential or proprietary information furnished in whatever form or medium or disclosed verbally or otherwise by the bidder or the Department to each other including, but not limited to, financial data, personal statistics, and plans whether or not marked as confidential or proprietary by the Bidder(s)/ Department.

6.6 General Terms and Conditions

- i. Following the issue of the letter of acceptance, the successful firm shall be required to enter into Agreement with the ORMAS within 7 days.
- ii. Committee or Designated Officer of ORMAS reserves the right to accept one or to reject all bids without assigning any reason thereof and which shall be binding on the firm(s). No dispute whatsoever in this regard shall be entertained.
- iii. Dispute if any shall be discussed and mutually settled and in case of disagreement the same shall be referred to Executive Committee or Designated Officer of ORMAS. After referring to Executive Committee or Designated Officer if the said dispute is not solved, the same maybe referred to the court subject to Bhubaneswar Jurisdiction only.
- iv. Firm shall indemnify ORMAS against all actions, suits, claims, demands and proceedings and any loss or damage or cost or expense that may be suffered by them on account of anything done by the firm in connection with the performance of its obligations under this contract.
- v. Tenure of work: The work shall be commencing within 7 days from date of work order after the allotment of work has been finalized as elucidated in this RFP.
- vi. ORMAS reserves the right to extend the period of audit up to 2 (two) financial years at the same prices, terms and conditions.
- vii. ORMAS or Authority Designated in this behalf reserves exclusive rights to modify/ increase scope of the selected firm and will be informed accordingly to the selected firm.
- viii. The successful firm shall be notified of the award by ORMAS/Designated Authority by registered letter/speed post or by e-mail. The Firm shall acknowledge in writing, the receipt

of the Letter (This letter hereinafter called the "Letter of Acceptance") and shall send its acceptance to enter into the agreement within Seven (7) days by registered letter /speed post or by email from the receipt.

- ix. Pursuant to the Firm acknowledging the Letter of Acceptance, the Firm, ORMAS/Designated Authority shall promptly and in no event later than 7(seven) days from the date of acknowledgement of the Letter of Acceptance, sign the agreement. Executive Committee or Authority Designated in this behalf shall have the right and authority to negotiate certain terms if necessary, with the successful Firm before signing of the agreement. The signing of the agreement shall amount to award of the work and the Firm shall initiate the execution of the work as specified in the ToR.
- x. Expenses for the work: All incidental expenses of the execution of the work shall be borne solely by the successful Firm and such amount shall not be reimbursed to the successful Firm by the concerned ORMAS/Designated Authority.
- xi. Failure to abide by the work order: The conditions stipulated in the work order be strictly adhered to and violation of any of these conditions shall entail immediate termination of the work without prejudice to the rights of ORMAS/Designated Authority with such penalties as specified in the RFP Document and the agreement and the firm will be black listed and debarred from any further bidding process under ORMAS.

6.7 Termination of Agreement

Termination for Default: ORMAS / Designated Authority may, without prejudice, to any other remedy for breach of agreement, by prior written notice of default sent to the Firm, terminate the work in whole without assigning any reason if:

- i. The qualified firm fails to deliver any or all of the obligations within the time period(s) specified in the agreement, or any extension thereof granted by ORMAS or Authority Designated in this behalf.
- ii. The qualified firm fails to perform any other obligation (s) under the agreement.
- iii. If the firm is in material breach of the representations and warranties contained in this agreement
- iv. Termination for Insolvency, Dissolution etc: ORMAS/Designated Authority may at any time terminate the agreement in case of dissolution of firm or winding up of company, provided that such termination will not prejudice or affect any right of action or remedy which has accrued thereafter to ORMAS/Designated Authority
- v. Termination for Convenience: ORMAS/Designated Authority reserves the right to terminate by prior written notice, the whole or part of the agreement at any stage. The notice of termination shall specify that termination be for ORMAS convenience, the extent to which performance of work under the contract is terminated and the date on which such termination becomes effective. Upon termination of this agreement, ORMAS shall have the right to enter into an agreement with any third party.
- vi. If the selected firm will not start the work within 15 days or the within the time stipulated by ORMAS from date of allotment of the work without intimating the reason of delay of work to the client, then the contract may be cancelled and the said work will be allotted to the other rank holder bidders.

SECTION: 3
ANNEXURE - I

PRE-QUALIFICATION and
TECHNICAL PROPOSAL

FORM -1
Format for Covering Letter
(On the letterhead of the Firm)

[Location, Date]

FROM:

[Name of Bidder with Complete Address of Communication]

To,

The Executive Director
ORMAS,
SIRD Campus, Unit-VIII
Bhubaneswar-751001

Sub: RFP Notice No. _____, **Dated:**

Dear Sir,

We refer to your notice no. for engagement of services of Chartered Accountant Firms to audit of Accounts of ORMAS (skills)and Project Implementation Agency (PIAs) for the financial year 2017-18

Having fully studied and understood the tender document and its accompaniments and the details therein, I / We here by submit the application for qualification for the above project.

We hereby confirm that:

- All information provided in the Pre-Qualification Statement and in the attachments is true and correct.
- This statement is made for the explicit purpose of qualifying as Chartered Accountants firm for audit of accounts of ORMAS.

We shall make available to the ORMAS or their authorized agencies any additional information they may find necessary to verify the eligibility criteria/technical evaluation matrix. ORMAS or its authorized representatives are hereby authorized to conduct or to make any inquiries or investigations to verify the statements, document and information submitted with this application and/or in connection therewith and to seek clarification from our bankers, financial institutions and clients regarding the same. This letter shall also serve as authorization to any individual or authorized representative of any institution referred to in the supporting information, to provide such information and particulars or clarification as may be deemed necessary or appropriate by ORMAS to verify the statements and information furnished in this application together with all annexure or with regard to the resources and experience of the Firm.

We understand that the final bids by Firm(s) will be subject to verification of any information submitted in the tender.

We also understand that ORMAS reserve the right to amend, alter or vary the scope and terms of the bid.

We understand that ORMAS shall not in any manner be liable for its actions described above and shall be under no obligation to inform the Firm of the grounds and / or reasons for the same.

We hereby irrevocably waive any right at any stage at law or howsoever otherwise arising to challenge, question or delay in any decision taken by ORMAS in selection process.

Authorized Signatory [*Signature with Date and Seal*]:

Name and Title of the Signatory: _____

Name of the organization with complete address:

FORM -2
Anti-Collusion Certificate

We certify that, this bid is made in good faith and that we have not fixed or adjusted the Bid by or under or in accordance with any agreement or arrangement with any other person. We also certify that we have not, and we undertake that we will not take activities as stated below, before the award of any contract for work:

1. Communicate to any person other than to ORMAS any commercial information.
2. Enter into any agreement or arrangement with any person that they shall restrain from Bidding, that they shall withdraw and Bid once offered or vary the amount of any bid to be submitted.
3. Pay, give or offer to pay or give any sum of money or other valuable consideration directly or indirectly to any person for doing or having done or causing or having caused to be done in relation to any other Bid or proposed Bid.

Authorized Signatory [*Signature with Date and Seal*]:

Name and Title of the Signatory: _____

Name of the organization with complete address:

FORM -3
(On the letterhead of the Organization/ Firm)

(On the Letterhead of the Firm, with full postal address, telephone nos. , email address etc.)

- A. Year of Registration of with ICAI:
- B. CAG registration empanelment number:
- C. Location of HO/Branch in Odisha with Address
- D. GST Registration number.
- E. PAN details

(Copies of Registration Certificate of ICAI as on 31.03.2018, PAN Card of the firm, GST Registration Certificate and Empanelment no with CAG for the year 2018-19 shall be attached)

Authorized Signatory [*Signature with Date and Seal*]:

Name and Title of the Signatory: _____

Name of the organization with complete address:

FORM -4
Letter of Undertaking

(On the Letterhead of the Firm with full postal address, telephone nos.
E-mail address etc.)

To,
The Executive Director
ORMAS,
SIRD Campus, Unit-VIII
Bhubaneswar-751012

Sub: Selection of Chartered Accountant Firm for Audit of ORMAS (Skills).

Sir,

I/We the undersigned offer to execute and complete whole of the said work in a schedule time limit from the date of issue of letter of Acceptance/ Work Order as given in Conditions of the Contract and in conformity with the above set of documents for the Financial Offer in separate sealed Envelope.

If my/our bid is accepted I/we undertake to deliver the works in accordance with the Agreement for the period as specified in the bid from the date of receipt of letter of acceptance issued to me/us.

I/We agree to abide by this bid for a period of (90 days) from the date fixed for opening of the Technical Bid and it shall remain binding upon us and may be accepted at any time before the expiry of that period.

In the event of our bid being accepted, we agree to enter into an Agreement incorporating the conditions of contract annexed but until such agreement is prepared this together with written acceptance to ORMAS shall constitute a binding contract between us.

We understand that we have to follow the instructions/guidelines/SoP of GoO, GoI, and ORMAS during the execution of the work within the contract period.

We understand that you are not bound to accept the lowest or any bid you may receive.

Authorized Signatory [*Signature with Date and Seal*]:

Name and Title of the Signatory: _____

Name of the organization with complete address:

FORM -5
Similar Assignment Undertaken for the last five years.

A. Social Sector Experience (Centrally or State Sponsored/ with External Assistance)

Sl. No.	Name of the Assignment	Year	Name of the Client	Professional Fees	Was the assignment successfully completed	Enclosure at page No.
A	B	C	D	E	F	G

B. Govt./ PSU Experience

Sl. No.	Name of the Assignment	Year	Name of the Client	Professional Fees	Was the assignment successfully completed	Enclosure at page No.
A	B	C	D	E	F	G

Note: Please attach copies of the work order/contract issued by competent authority from the client in support of assignment completed. In absence of the work order/contract the assignment shall not be considered for evaluation of the Bid

Authorized Signatory [Signature with Date and Seal]:

Name and Title of the Signatory: _____

Name of the organization with complete address:

FORM – 6

Staff Strength Certificate

Qualified CA :Nos.

Qualified CMA :Nos.

Semi Qualified CA/CMA :.....Nos.

The following details shall be provided in respect of the staff:

Qualification	Name	Membership/ Registration No	Whether copy of certificate attached(Yes/No)	Date of joining of the firm	Supporting Document enclosed at page No.

Note: Copies of the relevant qualification certificates are to be attached. In absence of the copies of the qualification documents, they shall not be considered for evaluation of the Bid

Authorized Signatory [*Signature with Date and Seal*]:

Name and Title of the Signatory: _____

Name of the organization with complete address:

FORM 7

CA / COST ACCOUNTANT / CA or ICWA (Final qualified)

A. Qualified CA

Qualification	Name	Membership/ Registration No	Whether copy of certificate attached(Yes/No)	Date of joining of the firm	Supporting Document enclosed at page No

B. Qualified CMA

Qualification	Name	Membership/ Registration No	Whether copy of certificate attached(Yes/No)	Date of joining of the firm	Supporting Document enclosed at page No

Note: Copies of the relevant qualification certificates are to be attached. In absence of the copies of the qualification documents, they shall not be considered for evaluation of the Bid

Authorized Signatory [Signature with Date and Seal]:

Name and Title of the Signatory: _____

Name of the organization with complete address:

[A name with Seal]

Organization:

FORM – 8

Financial Turnover of the CA firm during last three years

Sl. No.	Financial Year	Turn Over in INR Excluding Taxes
1	2014-15	
2	2015-16	
3	2016-17	
Average Annual Turnover for the last three financial years (INR)		

Please provide the copies of the Audited Balance Sheet and Profit Loss Statement, IT Return copies, for the corresponding period along with the pre-qualification proposal

Authorized Signatory [*Signature with Date and Seal*]:

Name and Title of the Signatory: _____

Name of the organization with complete address:

SECTION: 4

FINANCIAL PROPOSAL

FORM-9
FINANCIAL PROPOSAL (COVER LETTER)

[Location, Date]

FROM:

[Name and Address of the Firm]

TO:

The Executive Director
ORMAS,
SIRD Campus, Unit-VIII
Bhubaneswar-751012

Subject: RFP for Selection of Chartered Accountant Firm for Audit of ORMAS (Skills)

Dear Sir

I, the undersigned, offer to provide [*Insert title of assignment*] in accordance with your Request for Proposal and our Technical Proposal. Our attached Financial Proposal is for the sum of [*Insert amount(s) in words and figures**]. This amount is exclusive of GST. GST is extra in addition to the fees at the rate as applicable.

Our Financial Proposal shall be binding upon us subject to the modifications resulting from Contract negotiations, up to expiration of the validity period of the proposal of 90 days.

No fees, gratuities, rebates, gifts, commissions or other payments have been given or received in connection with this Proposal.

We understand you are not bound to accept any Proposal you receive.

Yours sincerely,

Authorized Signature [*In full and initials*]:

Name and Title of Signatory:

Name of Firm with Communication Address:

ANNEXURE TO FINANCIAL PROPOSAL

PRICE BID

ANNEXURE-I

In ₹

Description	Rate	Number	Amount (Excluding GST)
Professional Fees for audit of Project Implementing Agencies (PIAs) for the FY 2017-18per each project	100*	
Total			
Total amount in words:			

***Note: The number of projects mentioned above is provisional and actual number may vary based on the operation of the projects. Fee will be paid on the basis of actual number of projects audited.**

Authorized Signatory [*Signature with Date and Seal*]:

Name and Title of the Signatory: _____

Name of the organization with complete address:

ANNEXURE-II

	<u>Eligible Person</u>					
DEPARTMENT/ DIVISION	Assistant			Chartered Accountant		
Skill	Person	Days	Total Man Days	Person	Days	Total Man Days
Project Cost Up to Rs.10 crore	2	3	6	1	1	1
Project Cost Above Rs. 10 crore	2	4	8	1	2	2