



GOVERNMENT OF JHARKHAND
STATE URBAN DEVELOPMENT AGENCY(SUDA)
URBAN DEVELOPMENT & HOUSING DEPARTMENT

SELECTION OF CHARTERED ACCOUNTANT /COST ACCOUNTANT
FIRMS FOR INTERNAL AUDIT OF BOOKS & ACCOUNTS IN
41 URBAN LOCAL BODIES(ULBs),JHARKHAND.

REQUEST FOR PROPOSAL

NIT No. :SUDA/AMRUT/Internal Audit-109/2016: 06Date: - 22/08/2016

Sale/Down load of RFP document : From 23/08/2016.
Pre-Bid conference : 31/08/2016, 03 PM
Submission of Proposal document : 01/09/2016, 11 .00 AM to 14/09/2016, 01 PM
Opening of Technical Proposals : 14/09/2016, 03 PM

**SHOWCASING JHARKHAND
THROUGH
PLANNED AND SUSTAINED
URBAN DEVELOPMENT**

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GOVERNMENT OF JHARKHAND
STATE URBAN DEVELOPMENT AGENCY
URBAN DEVELOPMENT AND HOUSING DEPARTMENT

DISCLAIMER

1. Though adequate care has been taken while issuing this RFP, the applicant Chartered Accountant/ Cost Accountant Firm should satisfy himself that the document is complete in all respects. Intimation of any discrepancy shall be given to this office (as mentioned below) immediately. If no intimation is received by this office within 3 days from the date of issue of the RFP, then this office shall consider that the document received by the Applicant Firm is complete in all respects and that the Applicant Firm is satisfied that the RFP is complete in all respect.
2. Urban Development and Housing Department reserves the right to change any or all of the provisions of this RFP before date of submission. Such changes would be intimated to all parties procuring this RFP before date of submission.
3. Urban Development and Housing Department reserves the right to reject any or the entire Proposal without assigning any reasons whatsoever. No correspondence will be entertained on this account.

Sd/-
(Rajesh Kumar Sharma)
Director
State Urban Development Agency

GOVERNMENT OF JHARKHAND
STATE URBAN DEVELOPMENT AGENCY
URBAN DEVELOPMENT AND HOUSING DEPARTMENT

NIT No.: SUDA/AMRUT/Internal Audit-109/2016: 06 Date: 22/08/2016

REQUEST FOR PROPOSAL

1.	Name of the Work	Selection of Chartered Accountant/ Cost Accountant Firms for Internal Audit in 41 Urban Local Bodies (ULBs), Jharkhand.
2.	Descriptions and Objectives of the Assignments	Internal Audit to assist in improving the accountability of use funds and provide a deterrent to malpractice or mismanagement.
3.	Language of Documentation	English
4.	Mode of submission of bids	By Speed /Registered Post/By Hand (Open Tender)
5.	Cost of Tender Document & Processing Fee (In INR)	Cost of Tender Document: 1,000.00 (<i>Rs. One thousand only</i>) for each package Processing Fee: 5,000.00 (<i>Rs. Five Thousand only</i>) for each package.
6.	No. of Package	5 different Packages
7.	Method of Selection	Quality and Cost Based Selection (QCBS) Method. Wherein 70% weightage will be given to the technical proposal and 30% to the financial proposal
8.	Total time Period	3 Years
9.	Date of starting of sale/downloading of Tender.	23/08/2016 from www.jharkhand.gov.in (Tender link)
10.	Last date of submission of pre-bid queries	29/08/2016, Upto 05:00 PM at (ccbpjharkhand@gmail.com)
11.	Date of Pre Bid Conference	31/08/2016 at 03:00 PM
12.	Date of Start of Submission of Bids	01/09/2016 from 11:00 AM
13.	Last Date/Time for submission of Bids	14/09/2016 Up to 01:00 PM
14.	No of Copies of Tech. and Financial Proposal for each package.	1 copy of Technical Proposal 1 copy of Financial proposal
15.	Date of Technical Bid Opening	14/09/2016 at 03:00 PM
16.	Bid Sale/ Submission address	Director, State Urban Development Agency (SUDA), Urban Development and Housing Department, Room No-405, 4th Floor, Project Building, Dhurwa, Ranchi – 834004.
17.	Helpline no.	0651-2446640

Sd/-
(Rajesh Kumar Sharma)
Director

State Urban Development Agency

GOVERNMENT OF JHARKHAND
STATE URBAN DEVELOPMENT AGENCY
URBAN DEVELOPMENT AND HOUSING DEPARTMENT

NIT No.: SUDA/AMRUT/Internal Audit-109/2016: 06 Date: 22/08/2016

Selection of Chartered Accountant/ Cost Accountant Firms for Internal Audit in 41 Urban Local Bodies (ULBs), Jharkhand.

1. The Principal Secretary, Urban Development and Housing Department, Government of Jharkhand (GoJ), provides guidance to Municipal Corporations, Nagar Parishad, Nagar Panchayat and NACs in performing their day to day activities in adherence to the policies, procedures and guidelines provided by the Urban Development and Housing Department, to achieve effective good urban governance.
2. The Department, in its supervisory role, monitors the functioning of the ULBs against key parameters such as the tax collections, project and civic works executed, the implementation of the schemes of the Government, Urban Reform implementation etc. It also includes the supervision of the regulatory and developmental functions of the ULBs.
3. The 74th Constitutional Amendment Act, 1992 (CAA) gave constitutional status to ULBs in India and empowered them to function as local self-governments to provide good urban governance. One of the many facets of improved good urban governance is maintaining of complete set of accounting records to ensure accountability and transparency in all government functions. This necessitates all ULBs to convert their existing accounting and financial management system to such methods which have wide acceptance.
4. The Jharkhand municipal Act, 2011 governs all ULBs of Jharkhand. Section 112 of the Act Specifies that the ULBs would maintain accounts of income and expenditure of the municipality by way of Accrual Based Double Entry Accounting System. Section 113 of the Act prescribes that the State Government shall prepare and maintain a manual containing details of all financial matters and procedures relating thereto in respect of the municipality. Accordingly the Urban Development and Housing Department prepared the Jharkhand Municipal Accounts manual. The manual adopts the principles and policies suggested by the National municipal Accounts manual developed by Ministry of Urban Development, Govt. of India. All ULBs of Jharkhand would now the accounting framework as recommended in the manual.
5. Subsequent to the 74th Constitutional Amendment, the role and functions of the ULBs has vastly expanded. The Central and State Governments, as also other agencies, have been providing the ULBs large sums of money to enable them to effectively discharge their duties and functions. The national reforms agenda for the urban sector includes reforms in municipal accounting practices and strengthening of financial discipline. As a step in this direction, it is proposed to introduce a system of Internal Audit. Internal audit will assists in improving the accountability of use funds and provide a deterrent to malpractice or mismanagement.

6. The Urban Development and Housing Department, Government of Jharkhand proposes to hire services of CA Firms/Cost Accountant firms for Internal Audit in 41 ULBs of Jharkhand covered in 5 cluster wise packages. Accordingly sealed Proposals are invited from experienced and well qualified Chartered Accountant/Cost Accountant Firms for the same.

7. **PACKAGE WISE NAME OF ULB'S & POPULATION ARE AS FOLLOWS :**

Sl. No.	Commissioner	District	Sl. No.	ULB Name	Population
1	Package No. 1. North Chhotanagpur (Hazaribagh)	Dhanbad	1	Dhanbad Nagar Nigam	1162472
2			2	Chirkunda Nagar Panchayat	45508
3		Giridih	3	Giridih Nagar Parishad	114533
4		Hazaribagh	4	Hazaribagh Nagar Nigam	142489
5		Koderma	5	Koderma Nagar Panchayat	87867
6			6	Jhumriteliya Nagar Parishad	24633
7		Bokaro	7	Chas Nagar Nigam	156888
8			8	Phusro Nagar Parishad	89178
9		Chatra	9	Chatra Nagar Parishad	49985
		Ramgarh	10	Ramgarh Nagar Parishad	123875
10	Package No. 2. South Chhotanagpur (Ranchi)	Ranchi	1	Ranchi Nagar Nigam	1073427
11			2	Bundu Nagar Panchayat	21054
12		Gumla	3	Gumla Nagar Parishad	51264
13		Lohardaga	4	Lohardaga Nagar Parishad	57411
14		Simdega	5	Simdega Nagar Parishad	42944
15		Khunti	6	Khunti Nagar Panchayat	36390
17	Package No. 3. Santhal Pargana (Dumka)	Dumka	1	Dumka Nagar Parishad	47584
18			2	Basukinath Nagar Panchayat	17123
19		Deoghar	3	Deoghar Nagar Nigam	203123
20			4	Madhupur Nagar Parishad	55238
21		Godda	5	Godda Nagar Panchayat	48480
22		Pakur	6	Pakur Nagar Parishad	45840
23		Sahebganj	7	Sahebganj Nagar Parishad	88214
24			8	Rajmahal Nagar Panchayat	22514
25		Jamtara	9	Mihijam Nagar Parishad	40463
26			10	Jamtara Nagar Panchayat	29415
27	Package No. 4. Kolhan (Chaibasa)	West Singhbhum	1	Chaibasa Nagar Parishad	69565
28			2	Chakradharpur Nagar Parishad	56531
29		East Singhbhum	3	Chakulia Nagar Panchayat	16306
30			4	Jamshedpur NAC	677350
31			5	Mango NAC	223805
32			6	Jugsalai Nagar Palika	49660

33		Saraikele-Kharwan	7	Saraikele Nagar Panchayat	14252
34			8	Adityapur Nagar Nigam	174355
35	Package No. 5. Palamau	Medininagar	1	Medininagar Nagar Parishad	78396
36			2	Husainabad Nagar Panchayat	29241
37			3	Bishrampur Nagar Parishad	42925
38		Gharwa	4	Gharwa Nagar Parishad	46059
39			5	Majhiaon Nagar Panchayat	18349
40			6	Nagarutari Nagar Panchayat	32725
41		Latehar	7	Latehar Nagar Panchayat	26981

8. Details with respect to submission of such proposal can be obtained from State Urban Development Agency, Urban Development and Housing Department, 4th floor, Project Building, Dhurwa, Ranchi on any working day upon payment of Rs. 1000.00 (one Thousand only) for each package in the shape of D/D, in favour of *Director*, State Urban Development Agency, Payable at *Ranchi* or downloaded from www.jharkhand.gov.in, Tender link. If RFP is downloaded from the site the cost of RFP Rs. 1000 (One thousand only) for each package will be submitted along with Technical Bid in shape of D.D in favour of *Director*, State Urban Development Agency, Payable at *Ranchi*.
9. The last date for submission of proposal is 14/09/2016 up to 01:00 PM.
10. All communications should be addressed to:
The Director,
State Urban Development Agency,
Urban Development and Housing Department,
Room No 405, 4th Floor, Project Building, Dhurwa, Ranchi – 834004.
Phone: 0651-2446640, Email: ccbpjharkhand@gmail.com
11. Later also, the Financial Bid of Technically qualified bidders will be opened before the duly constituted committee at suitable time, date and place and date of opening of financial bid will be communicated to the technically qualified bidders.
12. The Urban Development and Housing Department reserves the right to accept or reject in part or as a whole, any of the proposal received without assigning any reason thereof.
13. Tender Fee, Bid Security and Total Time Period of Work is defined in Table 1.1.

Table – 1.1			
S. No.	Name of the Work	Processing fee	Cost of Tender Document
1.	Request for proposal for Selection of Chartered Accountant/Cost Accountant Firms for Internal Audit in 41 Urban Local Bodies (ULBs), Jharkhand.	Rs. 5,000/- for each package in form of demand draft in favor of Director, State Urban Development Agency payable at Ranchi	Rs 1,000/- for each package in form of demand draft in favour of Director, State Urban Development Agency payable at Ranchi

14. Initially, Period of availability of tender date & time/pre-bid meeting/date of submission/opening of tender papers are as given in Table 1.2.

Table - 1.2					
S. No.	Procurement Agency	Place of opening	Availability of tender document		Date & Time of Technical Bid Opening
A	B	C	D		F
1.	Director, State Urban Development Agency, Urban Development and Housing Department, Govt. of Jharkhand	Official Chamber of Director, State Urban Development Agency, 4th Floor, Project Building, Dhurwa, Ranchi-834004	Starting of sale/downloading of Bid Document from 23/08/2016, 10:00 AM	Bid submission period 01/09/2016, 11:00 AM to 14/09/2016, 01:00 PM.	31/08/2016 at 03:00PM at Official Chamber of Director, State Urban Development Agency 4th Floor, Project Building, Dhurwa, Ranchi-834002

15. Cost of Tender document(non-refundable) as mentioned in column 4 (as shown in table 1.1 above), will be in form of Demand Draft drawn on a Nationalized/Scheduled Bank, in favour of Director, State Urban Development Agency, Urban Development and Housing Department, Government of Jharkhand" payable at Ranchi.
16. The Bidder shall furnish processing fee for the amount as mentioned in column 3 (as shown in table – 1.1). processing fee shall be in form of Demand Draft drawn on a Nationalized/Scheduled Bank, in favour of Director, State Urban Development Agency, Urban Development and Housing Department, Government of Jharkhand" payable at Ranchi.
17. Cost of Tender document and processing fee envelop should contain the NIT No. and Package Number and to be addressed to the Director, State Urban Development Agency, Urban Development and Housing Department, Government of Jharkhand, 4th Floor, Project Building, Dhurwa, Ranchi-834004, Jharkhand, with detail of bidder's addresses as well.
18. The tender shall be submitted in the Office of Director, State Urban Development Agency, Urban Development and Housing Department, Government of Jharkhand, Room No 405, 4th Floor, Project Building, Dhurwa, Ranchi-834004, Jharkhand on all working days between 01/09/2016, 11:00 AM to 14/09/2016, 01:00 PM either by registered post/Speed post or by hand. Only those bids will be entertained whose cost of tender document (tender fee) and processing fee is received before 01:00 PM, dated 14/09/2016, Urban Development and Housing Department will not be held responsible for the postal delay, if any, in the delivery of the document or non-receipt of the same.

19. **Submission of Proposal:** Bidders shall submit their proposals at the address and within the time frame as specified in the RFP.
- The tender Fee and processing fee in original shall be submitted in a sealed cover superscripted "tender Fee and processing fee for Internal Audit".
- The **technical Proposal** shall be submitted in a sealed cover superscripted "Technical Proposal For Internal Audit" with the all documents inside as per list of document given in RFP.
- The **financial Proposal** shall be submitted in a sealed cover superscripted "Financial Bid for Internal Audit" in the duly filled in Financial Proposal Formats as given in RFP.
- The above mentioned all 3 sealed covers shall be kept in an envelope of bigger Size and shall be properly sealed and superscribed with the name of Firm, its address, name of the work and Package No as given in the RFP.
20. The interested bidders should confirm their participation and must submit their queries through post or email **ccbpjharkhand@gmail.com** in writing before 29/08/2016, Upto 05 PM. Queries received after the set time limit shall not be considered in the pre bid conference.
21. Pre-bid Conference will be held at 03:00 PM on 31/08/2016 at official chamber of Director, State Urban Development Agency, Room No 405, 4th Floor, Project Building, Dhurwa, Ranchi-834004, Jharkhand to clarify the pre-bid queries. All the Chartered Accountant/Cost Accountant Firms who are interested for this proposal are requested to attend the pre bid meeting.
22. The undersigned reserves the right to accept or reject all proposals without assigning any reason. It also reserves the right to postpone or to cancel the invitation and pre-bid meeting.
23. For any other clarifications related to bid submission, firms may contact State Urban Development Agency, Urban Development and Housing Department, Govt. of Jharkhand telephonically on telephone no. 0651-2446640 before the last date of submission of the bid document during working hours.
24. Other details can be seen in the RFP document.
25. Bids without requisite details/documents are liable for rejection and Department will not entertain any further communication in such cases.

Sd/-
(Rajesh Kumar Sharma)
Director
State Urban Development Agency

Section-1

INSTRUCTION TO BIDDERS

INSTRUCTION TO BIDDERS

1. MINIMUM ELIGIBILITY CRITERIA

1.1. Technical capabilities:

- 1.1.1. Chartered Accountant/Cost Accountant Firm should have more than 5 years of experience of working in the internal and statutory audit of Books and Accounts in Government sector/PSUs/ULB in India.
- 1.1.2. The Firm must be registered with ICAI (Institute of Chartered Accountants of India)/ ICWAI (Institute of Cost & Works Accountants of India) and operational in India since last 5 (Five) years from the date of publish of this RFP and must remain operational thereafter.
- 1.1.3. The Firm must not have been blacklisted or Debarred by any state Govt./Govt. Agency/PSU/GoI during last three years from time of submission of tender. The firm must submit an affidavit to this effect signed by authorized signatory as mentioned in the RFP
- 1.1.4. Joint venture with other firms is not permitted for this assignment.
- 1.1.5. CA Firms, who have been selected/working for implementation of accrual based double entry accounting (ABDEAS) in a particular package/ULBs, will not be eligible for Internal Audit work of those ULBs for which they have been awarded work for ABDEAS.

1.2. Financial capacity

- 1.2.1. Average Annual turnover of the Firm from Consultancy services in last 3 (three) Financial years (2013-14, 2014-15, 2015-16) must be equal or greater than 50 Lakhs (Fifty Lakhs) per annum.

2. LANGUAGE OF THE PROPOSAL :

- 2.1 Applicant Firms are required to furnish all information and documents, as called for in this Document, in English Language. Any printed literature furnished by the Applicant Firm may be in another language, provided that this literature is accompanied by an English translation, in which case, for the purpose of interpretation of the document, the English version duly authenticated will prevail.

3. SIGNING OF THE PROPOSAL :

- 3.1 Proposal shall be signed by the Applicant Firm or by his duly authorized person holding power of attorney for signing the Proposal document. A copy of registered power of attorney shall accompany the Proposal.
- 3.2 In case the Proposal is submitted by a proprietary firm, it shall be signed by the proprietor giving his full name and also full name of his firm with present address.

- 3.3 In case the Proposal is submitted by a partnership firm, it shall be signed by all the partners otherwise Proposals shall not be considered in the process of Proposal evaluation in case of the Proposal being submitted by one partner firm, such firm would have to be declared as lead partner by all other partners. All the correspondence would be done in the name of lead partner only.
- 3.4 If the Proposal is submitted by a company, it shall be signed by a duly authorized person holding power of attorney for signing the Proposal document. A certified copy of registered power of attorney shall accompany the Proposal.
- 3.5 The original Proposal shall be printed, typed or written in ink, and shall be signed by a person or persons duly authorized to sign on behalf of the Applicant Firm. All pages of the Proposal and where entries or amendments have been made shall be initialled by the person or persons signing the Proposal.
- 3.6 The Proposal shall ordinarily contain no alterations or additions, except those to comply with instructions issued by the Department, or as may be necessary to correct errors made by the applicant in which case the person or persons signing the Proposal shall initial such corrections.
- 3.7 All witnesses and sureties shall be persons of status and probity. Their full names, occupations and addresses shall be provided below their signatures. All signatures shall be dated.

4. COST OF PROPOSAL :

- 4.1 The Applicant Firm shall bear all costs associated with the preparation and submission of its Proposal, including cost of presentation for the purposes of clarification of the Proposal, if any.
- 4.2 Department in no case shall be responsible or liable for any such costs regardless of the conduct or outcome of the bidding process.
- 4.3 Any Applicant Firm wishing to undertake ULB visits for familiarization with site conditions may do so. All costs towards ULB visits, conference and submission of documents shall be borne by the Applicant Firm themselves.
- 4.4 All payments to the Firm shall be made in INR in accordance with the provisions.

5. RIGHT TO ACCEPT/REJECT PROPOSALS:

- 5.1 The decision of the Principal Secretary, Urban Development and Housing Department, Government of Jharkhand regarding the opening of Proposals, evaluation and acceptance of the Proposal shall be final and binding on all the Applicant Firms.
- 5.2 The Department reserves the right to accept or reject any Proposal, and reject all Proposals at any time prior to award of Proposal, without thereby incurring any liability to the affected Applicant Firm or Applicant Firms or any obligation to inform the affected Applicant Firm or Applicant Firms of the grounds for the department's decision.

6. PERFORMANCE GUARANTEE :

- 6.1 The qualified and selected applicant shall submit irrevocable performance bank guarantee, in prescribed format- Form No. F-3 from a scheduled commercial bank, at the time of signing the agreement.
- 6.2 The successful applicant shall provide a Bank Guarantee amounting to 2% of the Project amount towards Performance Guarantee in favour of "Director, State Urban Development Agency, *Urban Development and Housing Department*" *Jharkhand*, for the agreement period.

7. SIGNING OF AGREEMENT :

- 7.1 The successful Applicant Firm will report in the office of the Director, State Urban Development Agency, Urban Development and housing Department, Government of Jharkhand with required non-judicial paper of appropriate amount, to be purchased from the state of Jharkhand only, within 15 (fifteen) days, for signing the formal agreement between the parties.
- 7.2 The tripartite agreement will be signed between SUDA, ULB concern and selected Firm.
- 7.3 The signing of the agreement shall take place only after furnishing of performance guarantee. The agreement will be signed by the legally authorized person of the Applicant Firm as stated in RFP. If the applicant fails to sign the agreement in the specified time period, the performance guarantee, shall be forfeited.

8. TIME SCHEDULE OF CONSULTANCY:

- 8.1 The Chartered Accountant/Cost Accountant Firm, thus selected, would be expected to provide services within the time frame as finalized by the Urban Development and Housing Department, Government of Jharkhand.

9. GENERAL OUTPUTS AND TIMELINE EXPECTED FROM FIRM :

The assignment is output based .The expected outputs and deliverables for Chartered Accountant/Cost Accountant Firm would be as below during period of assignment:

- 9.1 Quarterly Audit Report including Utilisation certificate for various schemes should be structured as prescribed in **Annexure-2**
- 9.2 Utilisation certificate on cumulative basis for various schemes e.g Central Finance Commission Grant, State Grant, NULM, SBM, Smart City, Housing Schemes, AMRUT & Other schemes as may be required during the period of audit.
- 9.3 All the above deliverables shall be in three copies (in English). One copy is to be submitted to Director, State Urban Development Agency, UD&HD. (Hard copy as well as soft copy in PDF format). One copy is to be submitted to concern ULB and one copy for Chartered Accountant/Cost Accountant Firm.

- 9.4 Prior to submission of report to Director, State Urban Development Agency (SUDA), UD&HD, draft must be shared with ULB and their comment should be incorporated in final report. All reports and documents shall be submitted to ULB and SUDA should be duly signed by partner/proprietor of the firm.
- 9.5 The Auditor should report the minor irregularities; wrong calculations etc. to the ULB immediately after detection so that the same may be get rectified on the spot.
- 9.6 The Auditor should submit Quarterly report within 30 days of end of the quarter positively covering all the irregularities detected during course of the audit.

Note:

- i. The activities/assignment mentioned in above clause 9 will have to be carried out parallel within the given time period.
- ii. All reports must be submitted in both print and electronic version to the concerned ULBs and SUDA. All equipment required for satisfactory services for this project shall be obtained by the Firm at their own cost and shall be their property.

10. SUBMISSION OF REPORT:

- 10.1 The Auditor should submit Quarterly/Annual report within 30 days of end of the quarter/ Financial Year.

11. INFORMATION FOR FIRM FOR SUBMITTING THE PROPOSAL:

11.1 TECHNICAL PROPOSAL

Bidders shall submit the technical proposal in the formats given in RFP. While submitting the Technical Proposal, the Bidder shall, in particular, ensure that:

- 11.1.1 The processing fee is provided;
- 11.1.2 All forms are submitted in the prescribed formats and signed by the prescribed signatories;
- 11.1.3 CVs of all Key Personnel have been included; one key personnel will be considered for one package only.
- 11.1.4 No alternative proposal for any Key Personnel is being made and CV for each position has been furnished;
- 11.1.5 The CVs have been recently signed and dated, in blue ink by the respective Personnel and Countersigned by the Bidder. Photocopy or unsigned /countersigned CVs shall be rejected;
- 11.1.6 The CVs shall contain an undertaking from the respective Key Personnel about his/her availability for the duration specified in the RFP;

- 11.1.7 Key Personnel would be available for the period indicated in the TOR;
- 11.1.8 No Key Personnel should have attained the age of 75 years at the time of submitting the proposal;
- 11.1.9 Failure to comply with the requirements spelt out in above Clause shall make the Proposal liable to be rejected.
- 11.1.10 If an individual Key Personnel makes a false information regarding his qualification, experience or other particulars, he shall be liable to be debarred for any future assignment of Urban Development and Housing Department for a period of 3 (three) years. The award of this Consultancy to the Bidder may also be liable to cancellation in such an event.
- 11.1.11 The proposed team shall include experts and specialists (the "Professional Personnel") in their respective areas of expertise and managerial/support staff such that the Chartered Accountant/Cost Accountant Firm should be able to complete the Consultancy within the specified time schedule. The team shall comprise other competent and experienced professional personnel in the relevant areas of expertise (where applicable) as required for successful completion of this Consultancy. The CV of each such professional personnel, if any, should also be submitted in the prescribed format which is attached in this RFP.
- 11.1.12 Director, State Urban Development Agency, UD&HD reserves the right to verify all statements, information, and documents submitted by the Bidder in response to the RFP.

11.2 FINANCIAL PROPOSAL:

- 11.2.1 Bidders shall submit the financial proposal in the prescribed format which is attached in this RFP ("Financial Proposal") clearly indicating the total cost of the Consultancy ULB wise, for all the ULBs included in the Packages in Indian Rupees. The total amount /Cost will be considered package wise. It's signed by the bidder's authorized representative. In the event of any difference between figures and words, the amount indicated in words shall prevail.
- 11.2.2 While submitting the Financial Proposal, the Bidder shall ensure the following:
- All the costs associated with the assignment shall be included in the Financial Proposal.
 - The Financial Proposal shall take into account all expenses and tax liabilities (Excluding Service Tax).
 - Costs shall be expressed in INR.

12. EVALUATION OF THE PROPOSAL (QCBS):

12.1 Technical Evaluation:-

Proposals are to be submitted in two covers. Technical covers are opened first and evaluated. Those securing less than the minimum are rejected and the financial cover of the rest are opened. The qualified bidders will be intimated about the opening of price bid. Proposal is to be evaluated in “QCBS (Quality and cost basis method)” Method. Proposal will be evaluated on the basis of Technical & Financial Proposals submitted by the Bidder. Financial Proposal of only those Bidders will be opened who have secured a minimum of 70 marks in Technical Evaluation including presentation. The Proposals submitted will be evaluated using the following criteria:

S. No.	Criteria	Marks
1	Firm's General Experience & Experience in similar assignments	40
2	Manpower strength, experience of Team Leader & other key professionals	40
3	Technical presentation (Adequacy of the proposed work plan and methodology- Power point presentation)	20
Total Points-		100

12.1.1 The number of points to be given under each evaluation sub-criteria for firm's general experience in the field of assignment is:

S. No.	Description	Criteria	Marks
1	General Experience of the firm : (Bidders must submit incorporation certificate of the firm and work orders/contract Agreement documents)	Up to 5 Years 2 marks for each additional year up to 10 Year. (Example:- A firm having experience of 8 years will get 6 marks.)	0 Maximum 10 Marks
2	Experience in ULBs: Number of Completed projects For Statutory Audit / Internal Audit / Accrual Based Double Entry Accounting System of ULBs, handled in the last 5 financial years. (Bidders must submit work orders/contract Agreement documents. For this purpose one work order will count for one project/assignment)	Up to 3 projects /assignments in ULBs. Completion of 4 projects /assignments 2 mark for each additional project/assignment (Example:- A firm having completed 7 projects will get 8 marks.)	0 2 Maximum 10 Marks

S. No.	Description	Criteria	Marks
3	Experience in similar nature of work: Number of Completed projects For Internal Audit of any Govt. department (Central/State Govt/PSUs/Banks) other than ULBs in the last 5 financial years. (Bidders must submit work orders/contract Agreement documents. For this purpose one work order will count for one project/assignment)	Up to 3 projects /assignments in ULBs. Completion of 4 projects /assignments 2 mark for each additional project/assignment (Example:- A firm completed 8 projects will get 10 marks.)	0 2 Maximum 10 Marks
4	Average Annual Turnover from consultancy services during last 3 Financial years will be at least 50 lakhs (Bidders must submit C.A certificate for turnover along with Balance Sheet and P/L A/C. The last three Financial year should be read as FY : 2013-14, 2014-15 and 2015-16)	50 Lakhs 1 mark for every additional 10 lakhs. (Example:- A firm having turnover of 150 Lakhs will have 10 marks.)	0 Maximum 10 Marks
	Total Marks -		40

12.1.2 The number of points to be given under each evaluation sub-criteria for competence/experience of key staff for the assignment is: (Pl. attached the relevant proof)

Sl.No.	Position	Criteria	Marking	Maximum Marks
1.	Team Leader and Municipal Audit Expert (1 Person)	Minimum 5 years of experience in relevant field. (Bidders must submit experience certificate of Team leader.)	For 5 years of experience. 3 marks for each additional year of experience up to 10 Year. (Example:- A C.A having experience of 7 years will get 6 marks.)	0 Maximum 15 Marks
2.	Audit Manager (2 person)	Each Audit Manager should have minimum 3 years of experience in relevant field. (Bidders must submit experience certificate of Audit Manager.)	For 3 years of experience.(Each Audit Manager) 2.5 marks for each additional year of experience up to 6 Year. (Example:- An Audit Manager having experience of 4 years will get 2.5 marks and another Audit Manager having experience of 6 years will get 7.5 marks.)	0 Maximum 15 Marks

3.	Audit Assistant (Equal to 2/3rd of Number of ULBs in package)	Minimum 2 years of average experience in relevant field (Bidders must submit experience certificate of Audit Assistants.)	For average 2 years of experience. 5 marks for each additional year of experience up to 5 Year. (Example:- Audit Assistants having average experience of 4 years will get 10 marks.) (Average experience of persons proposed i.e. equal to 2/3rd of number of ULBs in the package)	0
Total Marks -				40
Grand Total (Table 12.1.1+12.1.2)				80

Note:-

Chartered Accountant/Cost Accountant Firms who will secure minimum 50 Marks out of above 80 Marks in Technical Evaluation, will only be eligible for Technical presentation (Power point presentation).

12.1.3 The number of marks to be given under each evaluation sub-criteria for qualifications of key staff and Adequacy of the proposed work plan and methodology in responding to TOR:

S. No.	Criteria	Marks
1.	Technical presentation (Adequacy of the proposed work plan and methodology, Resource engagement & Institutional support- Power point presentation 20 Minutes. (The Technical presentation is mandatory for qualifying in the Technical Bid)	20
Total Marks -		20
Grand Total (Table 12.1.1+12.1.2+12.1.3)		100

Note:-

- Financial Proposal of only those Bidders will be opened who have secured a Minimum of 70 marks out of 100 marks in Technical Evaluation.
- One Professional will be eligible for one package only.
- Nos. of Audit Manager and Audit Assistant may be increase as per the requirement.

12.2 PUBLIC OPENING AND EVALUATION OF FINANCIAL BID

12.2.1 Public Opening of Financial Proposals

12.2.1.1 At the public opening of Financial Proposals, Consultant's representatives who choose to attend will sign on Attendance Sheet.

12.2.1.2 The marks of each Technical Proposal that met the minimum

mark of 70 will be read out aloud and their financial proposal will be open.

12.2.1.3 Each Financial Proposal will be checked to confirm that it has remained sealed and unopened.

12.2.1.4 The department's representative will open each Financial Proposal. Such representative will read out aloud the name of the Consultant and the total price shown in the Consultant's Financial Proposal. This information will be recorded in writing by the representative.

12.2.2 **Evaluation of Financial Proposals**

12.2.2.1 Following the ranking of Technical Proposals, financial proposals shall be opened publicly.

12.2.2.2 Consultants' attendance at the opening of Financial Proposals is optional.

12.2.2.3 The tender committee will review the detailed content of each Financial Proposal. During the review of Financial Proposals, the Committee and any UD&HD, Jharkhand personnel and others involved in the evaluation process, will not be permitted to seek clarification or additional information from any Consultant, who has submitted a Financial Proposal. Financial Proposals will be reviewed to ensure these are free from any arithmetical or computational errors:

12.2.2.4 The detailed contents of each Financial Proposal will be subsequently reviewed.

12.2.2.5 Following completion of evaluation of Technical and Financial Proposals, the firm which has been selected for clusters will be invited for contract negotiation.

The lowest evaluated Financial Proposal (Fm) is given the maximum financial score (Sf) The formula for determining the financial scores (Sf) of all other Proposals is calculated as following:

$Sf = 100 \times Fm / F$, in which

Sf" is the financial score, "Fm" is the lowest price, and "F" the price of the proposal under consideration.

The weights given to the Technical (T) and Financial (P) Proposals are:

T = 70 [weight]

P = 30 [weight]

Proposals are ranked according to their combined technical (St) and financial(Sf) scores using the weights.

- T = the weight given to the Technical Proposal; P = the weight given to the Financial Proposal; T + P = 1)as following: $S = St \times T\% + Sf \times P\%$. (Final Score)

13. THE MANDATORY KEY POSITIONS FOR THE ASSIGNMENT:

S.No.	Position	Qualifications, Skills and Experience
1	Team Leader and Municipal Audit Expert	1. Chartered Accountant/Cost Accountant with at least 5 years of relevant experience; 2. Must have successfully managed & completed at least 3 nos of similar assignments in Audit of Books and Accounts in Govt. Department. 3. Fluent in Hindi and English ; 4. Proficiency in use of Tally (For Team Leadership, the expert must possess leadership qualities)
2	Audit Manager	1. Chartered Accountant/Cost Accountant with at least 3 years of relevant experience; 2. Must have successfully managed & completed at least 1 nos of similar assignments in Audit of Books and Accounts in Govt. Department. 3. Fluent in Hindi and English ; 4. Proficiency in use of Tally
3	Audit Assistant	1. Commerce Graduate / Article Assistant (CA/Costing Intermediate completed & 1 years of article-ship) with at least 2 years of relevant experience 2. Fluent in Hindi/English 3. Proficiency in use of Tally.

Note: The Firm may in addition, procure the services of Expert/ Qualified CA/ Cost Accountant as per the requirement of services.

14. PRE-PROPOSAL/PROPOSAL CONFERENCE

- 14.1 Pre-Proposal/Proposal Conference of the Applicant Firms shall be convened at the designated date, time and place. Only those Applicant Firms, who have downloaded the RFP from the Website, shall be allowed to participate in the Pre-Proposal/Proposal Conference. A maximum of two representatives of each Applicant firm shall be allowed to participate on production of an authority letter from the Applicant firm.
- 14.2 During the course of Pre-Proposal/Proposal Conference, the Applicant firms will be free to seek clarifications and make suggestions for consideration of Department. The Department shall Endeavour to provide clarifications and such further information as it may, in its sole discretion, considered appropriate for facilitating a fair, transparent and competitive Selection Process.

15. CLARIFICATIONS:

- 15.1 Applicants requiring any clarification on the RFP may send their queries to the SUDA in writing before the date mentioned. The queries should be sent to ccbpharkhand@gmail.com. The Department shall endeavour to respond to the queries within the period specified therein.

- 15.2 Department will post the reply to all such queries on the Official Website. Department reserves the right not to respond to any questions or provide any clarifications, in its sole discretion, and nothing in this Clause, shall be construed as obliging Department to respond to any question or to provide any clarification.

16. AMENDMENT OF RFP:

- 16.1 At any time prior to the deadline for submission of Proposal, Department, for any reason, whether at its own initiative or in response to clarifications requested by an Applicant Firm, modify the RFP document by the issuance of Addendum/ Amendment and posting it on the Official Website.
- 16.2 In order to afford the Applicant firms a reasonable time for taking an amendment into account, or for any other reason, the Department may, in its sole discretion, extend the Proposal Submission/Opening Date.
- 16.3 The Applicant Firms shall submit the Proposal in PDF format with all pages numbered serially and by giving an index of submissions. Each page of the submission shall be initialled by the Authorized Representative of the Applicant Firm as per the terms of the RFP.

17. MODIFICATION/SUBSTITUTION/WITHDRAWAL OF PROPOSALS

- 17.1 The Applicant Firm may modify, substitute, or withdraw its Proposal after submission, provided that written notice of the modification, substitution, or withdrawal is received by Department prior to closing date. No Proposal shall be modified, substituted, or withdrawn by the Applicant Firm on or after the closing Date.
- 17.2 The modification, substitution, or withdrawal notice shall be prepared, sealed, marked, and delivered in accordance with the envelopes being additionally marked "MODIFICATION", "SUBSTITUTION" or "WITHDRAWAL", as appropriate.

18. SUBSTITUTION OF KEY PERSONNEL

- 18.1 Department will not normally consider any request of the Selected Applicant Firm for substitution of Key Personnel as the ranking of the Applicant Firm is based on the evaluation of Key Personnel and any change therein may upset the ranking. Substitution will, however, be permitted if the Key Personnel is not available for reasons of any incapacity or due to health, subject to equally or better qualified and experienced personnel being provided to the satisfaction of Department.

- 18.2 Department expects all the Key Personnel to be available during implementation of the Agreement. Department will not consider substitution of Key Personnel except for reasons of any incapacity or due to health. Such substitution shall ordinarily be limited to one Key Personnel subject to equally or better qualified and experienced personnel being provided to the satisfaction of Department. As a condition to such substitution, a sum equal to 20% (twenty per cent) of the remuneration specified for the original Key Personnel shall be deducted from the payments due to the Firm. In the case of a second substitution hereunder, such deduction shall be 50% (fifty per cent) of the remuneration specified for the original Key Personnel. Any further substitution may lead to disqualification of the consultancy.
- 18.3 Substitution of the Team Leader will not normally be considered and may lead to disqualification of the Applicant Firm or termination of the Agreement.

19. PAYMENT SCHEDULE :

DELIVERABLES / OUTPUT (ULB WISE)	FEES PAYABLE
1st Quarterly Report	20% of Annual Contract Price
2nd Quarterly Report	20% of Annual Contract Price
3rd Quarterly Report	20% of Annual Contract Price
4th Quarterly Report with final Accounts.	40% of Annual Contract Price

20. INCOME TAX:

Income tax will be deducted from each bill as applicable and certificate to this effect shall be issued in due course in prescribed format.

21. SERVICE TAX & OTHER TAX:

The quoted rate should be inclusive of all taxes **excluding service tax**. Service tax will be paid as per the current applicable rate of Service Tax. Service Tax will be guided as per the prevailing rates.

22. PRICE:

Bidders are requested to quote their rates as per Package wise (refer FORM FIN-1-2). The rate should be inclusive of all kind of taxes and duties excluding service tax. The Firm will be required to submit justification to substantiate the price break-up of the rate quoted in price bid.

23. INSURANCE:

No insurance charge in any shape will be paid by the department. However the Firm may insure their staff and equipment for damage or loss in transit or during the work, at their own cost. Department will not be responsible for any loss for the damage to the equipment or person for any unforeseen reasons.

24. NUMBER OF PROPOSALS

No Bidder or its Associate shall submit more than one Application/Proposal for the same Package to this bid. A Bidder is eligible for all the packages. Bidder however can submit proposal (Technical and Financial) for more than one package.

25. SUBMISSION, OPENING AND EVALUATION OF PROPOSAL

25.1 Submission of Proposal:

The RFP fee along with the processing fee and all related documents as described in RFP should be in a sealed cover which will be received in the office of:

Director, SUDA, Room No 405, 4th Floor, PROJECT Building
Urban Development and Housing Department, Govt. of Jharkhand,
Dhurwa, Ranchi – 834004 up to 01:00 PM Of 14/09/2016

Fees:*Cover-1-* The Firms will have to submit a non-refundable tender document cost of Rs. 1,000/- and processing fee of Rs. 5,000/- for each package by bank draft of any Nationalized/ Scheduled Bank in favour of Director, State Urban Development Agency, Payable at Ranchi.

Cover-2- Technical Proposal

Cover-3- Financial Proposal

In Cover-2, All details as asked in this RFP is to be submitted, The Bid will be treated as non-responsive if the relevant documents as mentioned in the NIT is missing.

In Cover-3, duly filled Financial Proposal in the format as given in this RFP is to be submitted.

The above mentioned all 3 sealed covers shall be kept in an envelope of bigger Size and shall be properly sealed and super scribed with the name of Firm, its address, name of the work and Package No as given in the RFP.

25.2 Opening of Proposal:

Bidders are required to submit the requisite RFP document Fee and processing fee as described in this RFP, Only those proposals will be opened whose processing fee and RFP document fee reaches the Tender Inviting authority in prescribed address and time as specified in this RFP. Bid will be opened in two cover system as described, Financial Proposal of only those bidders will be opened who has qualified in the Pre-qualification cum Technical Bid and declared "*technically qualified*".

26. TOR:

The notes to Chartered Accountant/Cost Accountant Firm, other terms & conditions, detailed scope of work and TOR shall be part of the Agreement.

27. ADDRESS:

The bidder will have to furnish his full permanent and local address (Head office and Branch Office) in the bid document along with the name of nodal person for this project along with Phone No., Fax No., Mobile No. and e-mail address. If any letter is sent at the given address by Fax or email or by post does not reach him or returns undelivered, it will be deemed to have reached to the bidder, once the letter is posted in post office, sent by email or sent through fax.

28. LIST OF DOCUMENT ATTACHED WITH TECHNICAL BID:

The bidder should enclose the list of documents as specified in this RFP.

29. FORCE MAJEURE CLAUSE:

Department will not be responsible for any delay / stoppage of work due to any reasons like force majeure conditions like natural calamities, civil disturbances, strike, war etc. and losses suffered, if any, by the Chartered Accountant/Cost Accountant firm on this account. SUDA/Department shall not be liable in any way to bear such losses and no compensation of any kind whatsoever will be payable by the SUDA to the Chartered Accountant/Cost Accountant firm.

30. LEGAL MATTERS

All legal matters shall be subject to the jurisdiction of law of courts at Ranchi, Jharkhand only.

31. DURATION OF THE ASSIGNMENT

The duration of the assignment shall be 3 Years.

32. OTHER TERMS AND CONDITIONS

32.1 The Chartered Accountant/Cost Accountant firm shall abide by the instructions issued by the Department/ SUDA/ULBs to him from time to time for the timely completion of the assigned services.

32.2 Any entity which has been barred by the Central Government, any State Government, a statutory authority or a public sector undertaking, as the case may be, from participating in any project, and the bar subsists as on the date of Proposal, would not be eligible to submit a Proposal either by itself or through its Associate.

- 32.3 An Applicant Firm or its Associate should have, during the last three years, neither failed to perform on any agreement, as evidenced by imposition of a penalty by an arbitral or judicial authority or a judicial pronouncement or arbitration award against the Applicant Firm or its Associate, nor been expelled from any project or agreement nor have had any agreement terminated for breach by such Applicant Firm or its Associate.
- 32.4 While submitting a Proposal, the Applicant Firm should attach clearly marked and referenced continuation sheets in the event that the space provided in the specified forms in the Appendices is insufficient. Alternatively, Applicant Firms may format the specified forms making due provision for incorporation of the requested information.
- 32.5 No Applicant Firm or its Associate shall submit more than one Application for the same Package but a Firm may apply for more than one Package. An Applicant Firm applying individually or as an Associate shall not be entitled to submit another application either individually or as a member of any consortium, as the case may be.

Section-2

TERM OF REFERENCE

TORFOR CHARTERED ACCOUNTANT/COST ACCOUNTANT FIRMS

1. INTRODUCTION :

- 1.1 The 74th Constitutional Amendment Act, 1992 (CAA) gave constitutional status to ULBs in India and empowered them to function as local self-governments to provide good urban governance. One of the many facets of improved good urban governance is maintaining of complete set of accounting records to ensure accountability and transparency in all government functions. This necessitates all ULB to convert their existing accounting and financial management system to such methods which have wide acceptance.
- 1.2 Subsequent to the 74th Constitutional Amendment, the role and functions of the ULBs has vastly expanded. The Central and State Governments, as also other agencies, have been providing the ULBs large sums of money to enable them to effectively discharge their duties and functions. The national reforms agenda for the urban sector includes reforms in municipal accounting practices and strengthening of financial discipline. As a step in this direction, it is proposed to introduce a system of Internal Audit. Internal audit will assist in improving the accountability of use funds and provide a deterrent to malpractice or mismanagement.
- 1.3 Government of Jharkhand (GoJ) has initiated a series of reforms and measures to improve governance, physical and social infrastructure for the well-being of citizens with a thrust to urban reforms. One of the salient components of the reform plan is to start internal audit of all financial transactions to achieve improved transparency and accountability in respect of funds received and spent. Internal Audit shall also make preparatory grounds for availing performance grant under 14th Finance Commission submission of audited financial statements is a mandatory condition for availing performance grant.

2. SCOPE OF SERVICES/ WORK

Auditor has to cover the following activity during internal audit of ULB's accounts:

- 2.1 Internal Auditor should see the compliance of Jharkhand Municipal Act, Jharkhand Municipal Accounts manual and related rules and regulations as well as related directives by Department. In its report there must be a separate section for non-compliance of rules/directives of Department.
- 2.2 Report on compliance of Jharkhand Municipal Accounting Manual, Jharkhand Municipal Accounts Rules and Jharkhand Municipal Budget Manual with special attention to following areas:
 - All Receipts to be brought to account
 - Collections to be deposited into bank on the same day
 - Grant related compliance

- Monthly Receipt & Payment Account and Trial Balance etc.
- 2.3 Report and quantify all major Own revenue losses and opportunities lost or missed including in the area of Property Tax, Rental of Municipal properties, Advertisement Taxes/Fees, Sairat etc;
 - 2.4 Check on audit trail of all collection of Taxes and Non-Taxes either through staff or out sourced agency and report of any lapses in controls, if any and also advise recommendations to strengthen the prevailing processes;
 - 2.5 Report in a separate chapter on implementation of self-assessment system (SAS) of Property Tax in the ULB; internal auditor should witness some assessment procedures to check any in-consistencies in assessment. At least 20 high value properties in the city /town (irrespective of the fact that SAS is received or not) must be surveyed and checked in each quarter and reported variations, if any, in Property Tax Receivable and Actual received as per internal audits;
 - 2.6 Internal auditor shall also report on presence or absence of a system of issuance of utilisation certificate for the different schemes for any utilisation made during the reporting period; where there is no system for issuance of UCs, the Internal Auditor report shall prepare Utilisation Certificate for various schemes/grants as per the guidelines of such scheme.
 - 2.7 Internal Auditor shall also, provide support to the ULB management for improve the internal control system;
 - 2.8 Internal Auditor should report instances of losses, failures or inefficiencies and recommendations and/or measures which can be taken to avoid their recurrence in future.
 - 2.9 Internal Audit shall cover all the payment related to contracted works, purchase bills, advances refund of all kind of work related deposits, all kinds of consultancy fees and contingent bill of ULB according to the rules and regulation as per Jharkhand Municipal Act 2011, Jharkhand Municipal Accounts manual.
 - 2.10 Internal Auditors must be well versed with the Municipal Act and Rules enforced in Jharkhand state before start of the Internal Audit.
 - 2.11 Auditor will ensure in each payment that terms & conditions of tenders and rate offers should be according to procurement law and policies.
 - 2.12 Auditor will ensure that Expenditure incurred is within the Budget provision allocated to particular head and prepare a monthly report of head wise budgeted amount, expended amount and balance amount.
 - 2.13 Auditor will ensure that the fixed deposit and other funds should be in scheduled banks/Approved financial institutions and should earn maximum interest at their gestation period.

- 2.14 Auditor will ensure that all the expenditure i.e. Construction work, Material Procurement, Electric Bill, Telephone Bill, Diesel, Petrol, Vehicle Bill, House Rent etc. is advised for payment only after the process of internal audit.
- 2.15 Auditor will ensure that all the expenditure related with establishment i.e. Salary, Travel expenditure, travel advance etc. is advised for payment only after the process of Internal Audit.
- 2.16 Auditor will ensure that all the revenue receipts should be internal audited and bank entry should be reconcile with cash & bank book.
- 2.17 Auditor will prepare monthly report containing list of all the unpaid bills and missing bill.
- 2.18 Auditor will ensure that all the sanctioned advances should be internal audited and then advised for payment to disbursement officer.
- 2.19 Auditor will ensure that all the security deposit and earnest money deposited in tender/agreement process should be deposited in the bank immediately. Similarly refund of these security deposit and earnest money deposit should be made in time.
- 2.20 In case of loss of ULB's assets, auditor will access the loss and Prepare a statement of loss and the responsible officer/employee of ULB.
- 2.21 Auditor will ensure that all kind of tax deduction i.e. Service tax, Income tax, provident fund etc. Should be deducted from the payments as applicable, deposited properly and also should be properly recorded in appropriate ledgers.
- 2.22 Auditors will ensure for proper store accounting and physical verification of goods & materials in every six month.
- 2.23 Auditor will ensure preparation of annual Budget and its approval from ULB Board.
- 2.24 Auditor will prepare quarterly report of revenue against target with the data of same quarter in last financial year. Also auditor will give justification and remedies of none or under achievement of targets.
- 2.25 Auditor will prepare bank reconciliation statement monthly with separate reporting on bank deposit and interest earned.
- 2.26 Auditor will prepare the reply of queries raised by local fund auditors/A.G. Office/CAG. etc.
- 2.27 Auditor will ensure that all financial reports should be updated monthly in department's website.
- 2.28 Auditors shall ensure that all the observation and findings during the course of internal audit for each ULB should be furnished monthly/quarterly/yearly to ULB/SUDA/UD&HD including detailing about the compliance reports with pending reports etc.

- 2.29 Internal Auditor should ensure implementation of accrual based double entry accounting system in ULB.
- 2.30 Finalisation of annual Books of Accounts of ULB.
- 2.31 Any other areas/reporting/certification as may be required and directed by ULB/SUDA/UD&HD.

It is expected that the selected Internal Audit Firm shall follow Standards on Internal Audit guidelines issued by Institute of CA Firms/Cost Accountant firmss of India. (ICAI).

3. ACTIVITIES BASED ON SCOPE OF WORK:

With reference to the scope of work following activities is desired to meet the goal:-

- 3.1 The firm engaged for Internal Auditor will ensure that all the expenditure and receipt/income excluding pay & allowances, telephone bill, electricity bill (these bills will be audited after payment) is transacted only after the process of Internal Audit.
- 3.2 The internal auditor shall ensure that all the payment orders are made, bills are cleared and cheques are issued only after the internal auditor certifies that the payment is in accordance with the Jharkhand Municipal Act, 2011, Jharkhand Municipal Manual & Rules, scheme guidelines of instructions, G.Os. Circulars, Department order.
- 3.3 The internal auditor shall also ensure that the resolution of Governing Body, which violates rule or guideline etc., the same shall be immediately brought to the notice of the concerned Municipal Commissioner/Executive Officer/Special Officer ULB.
- 3.4 The internal auditor should be well conversant with Jharkhand Municipal Act, 2011, Jharkhand Municipal Accounts manual & Rules; with all the schemes/guidelines/circulars, standing instructions, orders issued from time to time by SUDA/UD&HD.
- 3.5 Objections, if any, shall be raised at single point right in the beginning. The bills will be passed only after compliance of all the points raised by the internal auditor. However, raising fresh queries on the same bill in its subsequent presentation shall be avoided. The internal auditor should present a summary of objections raised at to the SUDA & ULB regularly on a monthly basis.
- 3.6 It will be the responsibility of the internal auditor to carry out fast, prompt, accurate and correct internal audit.

- 3.7 The internal auditor will make a power point presentation quarterly to ULB, SUDA or Officer designated by him in the Office about the findings and the work done by them during the particular quarter. The presentation should mention the no. of Bills checked the number of bills in which irregularities are found, details thereof, the person responsible for that, time taken in checking the Bills etc.
- 3.8 The internal audit should be carried out independently without any pressure from any of the offices. It may be clearly noted that for the purpose of internal audit the auditors will be appointed directly by SUDA/Department and shall be accountable to SUDA/Department. The internal audit work should be carried out in an objective, impartial and fair manner.
- 3.9 The appointment of internal auditor will be made from the date of awarding the contract and the work of internal audit will start from the date mentioned in the letter of awarding the contract.
- 3.10 The internal auditor shall carry out the assignment in accordance with the highest standard of professional and ethical competence and integrity as prescribed by the Code of Conduct and Code of the Institute of Chartered Accountants of India, New Delhi, having due regard to nature and purpose of the assignment, and shall ensure that the personnel assigned to perform the services under this Agreement, will conduct themselves in a manner consistent herewith.
- 3.11 The internal auditor shall certify on all bills/vouchers that such bills/vouchers are fit for payment.
- 3.12 Any other areas/reporting/certification as may be required and directed by ULB/SUDA/UD&HD.

4. DUTIES AND RESPONSIBILITIES :

As per the scope defined above following methodology is to be carried by the CA /Cost Accountant firms. Working structure and attendance of the firm appointed on five clusters:-

4.1 Working at Municipal Corporation :-

- 4.1.1 Minimum of 3 member team should be deployed at the Municipal Corporation which consist of :
- 1CA /Cost Accountant cum team leader/ Audit Manager who is having experience of 5/3 years.
 - 2 CA/ Costing Inter/Commerce Graduate qualified staff is having experience of 2 years in CA/ Cost Accountants firm in internal audit/other audit.

- 4.1.2 Daily visit of 1 staff inclusive of 2 days visit of Audit Manager in a week with finalization of internal audit observation and must be present with daily attendance records at ULB. Team leader also be called in case of any time in a week if required by the commissioner of ULB.
- 4.1.3 Auditors shall submit the Monthly/Quarterly/Yearly reports pertaining to internal audit reporting formats to SUDA/ULBs. followed by format as required by this department.

4.2 Working at Municipal Councils/NAC :-

- 4.2.1 Minimum of 2 member team should be deployed at the Municipal Council which consist of
- 1CA / Cost Accountant cum Audit Manager qualified who is having experience of 3 years.
 - CA/ Costing Inter/Commerce Graduate staff is having experience of 2 years in CA/Cost Accountants firm in internal audit/other audit.
- 4.2.2 Visit in alternate days of 1 staff inclusive of 2 days visit of Audit Manager in a week with finalization of internal audit observation and must be present with daily attendance records at ULBs. Team leader may also be called in case of any time in a week if required by the Executive Officer/Special Officer of ULB.
- 4.2.3 Auditors shall submit all the Monthly/Quarterly Yearly reports pertaining to internal audit reporting formats to SUDA/ULBs. followed by any format as required by this department.

4.3 Working at Nagar Panchayat :-

- 4.3.1 Minimum of 2 member team should be deployed at the Municipal Council which consist of
- 1CA / Accountant cum Audit Manager qualified who is having experience of 3 years.
 - 1CA/Costing Inter/Commerce Graduate qualified staff is having experience of 2 years in CA/Cost Accountants firm in internal audit/other audit.
- 4.3.2 Visit in alternate days of 1 staff inclusive of 1 day visit of Audit Manager in a week with finalization of internal audit observation and must be present with daily attendance records at ULBs. Team leader may also be called in case of any time in a week if required by the Executive Officer/Special Officer of ULB.
- 4.3.3 Auditors shall submit all the Monthly/Quarterly Yearly reports pertaining to internal audit reporting formats with mail to SUDA ULBs followed by any format as required by this department.

5. AUDIT REPORT :

- 5.1 Quarterly Audit Report/ Annual Audit Report including Utilisation certificate for various schemes should be structured as prescribed in Annexure-2
- 5.2 Utilisation certificate on cumulative basis for various schemes e.g. Central Finance Commission Grant, State Finance Commission Grant, NULM, JnNURM, AMRUT, Smart City, SBM, Housing scheme & Other schemes as may be required during the period of audit.
- 5.3 The Auditor should report the minor irregularities; wrong calculations etc. to the Municipal Commissioner/Executive officer/Special office immediately after detection so that the same may be get rectified on the spot.
- 5.4 Prior to submission of report to SUDA/UD&HD, draft must be shared with ULB and their comment should be incorporated in final report.
- 5.5 All reports and documents shall be submitted to ULB and SUDA/UD&HD should be duly signed by partner/proprietor of the firm. (Hard copy as well as soft copy in PDF format).

6. DELAYS IN THE PERFORMANCE

- 6.1 Timely submission (within one month from the end of Quarter) of the report as per the provision mentioned in the agreement.
- 6.2 In case of delay in the implementation of the project and/or any delay in performance during the contract period, the Internal Auditor shall be liable to any or all of the following actions:
 - (i) Imposition of Liquidated Damages.
 - (ii) Forfeiture of performance guarantee.
 - (iii) Termination of the Contract for default.
- 6.3 If at any time with respect to commencement of the project as required during performance of contract the Internal Auditor may face difficulties impeding timely completion of the project under the contract and/or performance of services, the Internal Auditor shall promptly inform the department in writing of the fact of the delay within 24 hours and its causes and likely duration.
- 6.4 As soon as practicable, after receipt of the Internal Auditor notice, the department shall assess the situation and may at its discretion extend the time for commencement and/or performance with or without Liquidated Damages.

7. LIQUIDATED DAMAGES

- 7.1 In the event of failure of the implementation of the project by the Internal Auditoras per the provision mentioned in the agreement, the Department reserves the option to recover liquidated damages, and not by way of penalty, for late implementation from the Internal Auditor in the following manner:-

S.No.	Details of delay	Liquidated Damage to be charged
(i)	For delay upto 25% of the implementation period	2.5% of the Proposal price
(ii)	For delay of more than 25% and upto 50% of the implementation period	5% of the Proposal price
(iii)	For delay of more than 50% and upto 75% of the implementation period.	7.5% of the Proposal price
(iv)	For the delay more than 75% of the implementation period	10% of the Proposal price (maximum)

- 7.2 The aforesaid chargeable liquidated damages, if not paid by the Internal Auditor, would be recoverable under the relevant provisions of Public Damage Recovery Act 1914 by the Department/ULB.

8. ACKNOWLEDGEMENTS BY APPLICANT FIRM

- 8.1 It shall be deemed that by submitting the Proposal, the Applicant Firm has made a complete and careful examination of the RFP;
- 8.2 Received all relevant information requested from the Department;
- 8.3 Acknowledged and accepted the risk of inadequacy, error or mistake in the information provided in the RFP or furnished by or on behalf of Department;
- 8.4 Satisfied itself about all matters, local conditions, things and information, etc. necessary and required for submitting an informed Application and performance of all of its obligations there under;
- 8.5 Agreed to be bound by the undertaking provided by it under and in terms hereof.
- 8.6 Department shall not be liable for any omission, mistake or error on the part of the Applicant Firm in respect of any of the above or on account of any matter or thing arising out of or concerning or relating to RFP or the Selection
- 8.7 Process, including any error or mistake therein or in any information or data given by Department.

9. NO CLAIM ARRANGEMENTS

- 9.1 The Internal Auditor shall not be entitled to make any claim, whatsoever, against the department, under by virtue of or arising out of this contract, nor shall the department entertain or consider any such claim, if made by the Internal Auditor and Firm shall have to sign a "no claim" certificate in favour of the department in such forms as shall be required by the department after the expiry of the agreement.

10. QUALITY STANDARDS

- 10.1 **Standards:** The Internal Auditor under this agreement shall conform to the accounting standards & Internal Audit Standards shall be maintained.
- 10.2 **Standard of Performance:** The Internal Auditor shall carry out the services and carry out its obligations under the agreement with due diligence, efficiency and economy in accordance with generally accepted norms.

11. CORRUPT PRACTICES

- 11.1 Department is a public service department and requires to serve honestly, diligently and timely. The Internal Auditor would be the assisting agency of the Department; therefore, he is also required to maintain highest standards of honesty and ethics.

- 11.2 The Internal Auditor is advised to refrain from the corrupt and fraudulent practices during the execution of the contract. Corrupt and fraudulent practices are defined as follows:-

"Corrupt Practice" means behaviour of Internal Auditor including his personnel by which they improperly and unlawfully enrich themselves and/or those close to them,

or

Induce others to do so, by misusing the position in which they are placed, and it includes the Proposing, giving, receiving, or soliciting of anything of value.

- 11.3 "Fraudulent Practice" means a misrepresentation of facts in order to influence, and collusive practices of the Internal Auditor.

12. DETAILS TO BE KEPT CONFIDENTIAL

- 12.1 The Internal Auditor shall treat the details of the agreement as private and confidential, save in so far as may be necessary for the purposes thereof, and shall not publish or disclose the same or any particulars thereof in any trade or technical paper or elsewhere without the prior consent in writing of the department.

If any dispute arises as to the necessity of any publication or disclosure for the purpose of the agreement the same shall be referred to the Principal Secretary, Urban Development and Housing Department, whose decision shall be final.

- 10.2 The Internal Auditor or his representative should neither disclose the data nor sale the data or use it for commercial exploitation or research work without the written permission of the Principal Secretary, Urban Development and Housing Department.

13. TRANSFER OF RIGHTS

- 13.1 The selected Internal Auditor shall not transfer the agreement or part of the agreement to anybody.

14. DECISIONS AND INTERPRETATION

- 14.1 Except where otherwise specifically stated, the office designated by Urban Development and Housing Department, Government of Jharkhand will decide the agreed matter between the department and the Internal Auditor and the matter shall be referred to the Principal Secretary/Secretary, Urban Development and Housing Department, whose decision would be final and binding on both the parties.
- 14.2 In case of dispute over the interpretation of any clause of agreement, decision of Principal Secretary/Secretary, Urban Development and Housing Department shall be final and binding.

15. SUSPENSION

- 15.1 The Department may, by a written notice to the Internal Auditor, suspend the agreement if the Internal Auditor fails to perform any of its obligations under this agreement, including the carrying out of the services. Provided that such notice of suspension:
- (2) Shall specify the nature of the failure, and
 - (ii) Shall direct the Internal Auditor to rectify such failure within a specified period from the date of receipt of such notice of suspension.
- 15.2 No payment shall be made to the Internal Auditor for such suspended period and no damage shall be claimed on account of this suspension.

16. DISQUALIFICATION

- 16.1 Department, in its sole discretion and at any time during the processing of Proposals, may disqualify any Applicant Firm from the Proposal process, if:
- 16.1.1 Firms not meeting eligibility criteria.
 - 16.1.2 Firms made misleading or false representations in the forms, statements and attachments submitted in proof of the eligibility requirements.

- 16.1.3 If found to have record of poor performance such as abandoning works, not properly completing the agreement, inordinately delaying completion, being involved in litigation or financial failures, etc.
- 16.1.4 Submitted Proposal which is not accompanied by required documents is non-responsive.
- 16.1.5 Failed to provide clarifications related thereto, when sought.
- 16.1.6 Submitted more than one Bid for same package and use similar key person in more than one package. This will cause disqualification of all Bids submitted by such applicants.
- 16.1.7 Bidders, who are found to canvass, influence or attempt to influence in any manner the qualification of selection process, including without limitation, by Proposing bribes or other illegal gratification shall be disqualified from the process at any stage.

17. TERMINATION OF THE CONTRACT

- 17.1 The department shall have a right to cancel the agreement if the Internal Auditor commits breach of any condition. Breach of agreement include, but are not limited to, the following:
 - 17.1.1 It is found that the time schedule of implementation of the scheme is not being adhered to,
 - 17.1.2 The Internal Auditor stops work & such stoppage has not been authorized by the Urban Development and Housing Department.
 - 17.1.3 The Internal Auditor may become bankrupt or goes into liquidation,
 - 17.1.4 The department gives notice to correct a particular defect/irregularity and the Internal Auditor fails to correct such defects/irregularity within a reasonable period of time determined by the department,
 - 17.1.5 In case the Internal Auditor fails to carry out the instructions/orders issued by the department from time to time during the currency of the agreement and fails to comply with the laws applicable in the State.
 - 17.1.6 The Internal Auditor fails to deliver any or all of the obligations within the time period(s) specified in the agreement, or any extension thereof granted by department.
 - 17.1.7 The Internal Auditor fails to perform any other obligation(s) under the agreement.

- 17.2 Because of breach of agreement by the Internal Auditor for any of the above reasons, the department shall have the right to terminate the agreement and forfeit the security deposit and invoke the performance bank guarantee.

18. CESSATION OF RIGHTS AND OBLIGATIONS

- 18.1 Upon termination of the agreement, or upon expiry of this agreement, all rights and obligations of such parties hereunder shall cease, except:

18.1.1 Such rights and obligations as may have accrued on the date of termination or expiry.

18.1.2 The obligation of confidentiality set forth.

- 18.2 Any right which a party may have under the applicable law.

19. CESSATION OF SERVICES UPON TERMINATION

- 19.1 Upon termination of the agreement, the Internal Auditor shall, immediately upon dispatch or receipt of such notice, take all necessary steps to bring the services to a close in a prompt and orderly manner.

20. DISPUTE RESOLUTION

- 20.1 The Department and the Internal Auditor shall make every effort to resolve amicably by direct negotiations, any disagreement or dispute, arising between them under agreement.
- 20.2 If after 30 days from the commencement of such direct negotiations, the dispute is not resolved it shall be referred to Principal Secretary, Urban Development and Housing Department, Jharkhand, where decision shall be final and binding upon both parties.
- 20.3 Pending the submission of and/or decision on a dispute, difference or claim or until the matter is decided by Principal Secretary, Urban Development and Housing Department, Jharkhand the Internal Auditor shall continue to perform all its obligations under this agreement without prejudice of final adjustment in accordance with such award.
- 20.4 The Department may terminate this agreement, by giving a written notice of termination of minimum 30 days, to the Internal Auditor, if the Internal Auditor fails to comply with any decision delivered by Principal Secretary, Urban Development and Housing Department, Jharkhand.

21. FORM FOR TECHNICAL BID

Form T – 1

Request letter

PACKAGE No.:.....(To be filled by the Applicant Firm)

To,

Director

State Urban Development Agency(SUDA)

Urban Development and Housing Department

Govt. of Jharkhand

Dear Sir/Madam,

We, the undersigned, offer to provide the consulting services for..... [Insert title of assignment and Package No.] in accordance with your Request for Proposal dated..... [Insert Date]. We are hereby submitting our Proposal, which includes this Technical Proposal, and a Financial Proposal sealed under a separate cover.

We are submitting our Proposal in individual capacity without entering in association with or as a Consortium. 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.

If negotiations are held during the period of validity of the Proposal, i.e., before the date indicated in the Data Sheet, we undertake to negotiate on the basis of the proposed personnel. Our Proposal is binding upon us and subject to the modifications resulting from Contract negotiations.

We undertake, if our Proposal is accepted, to initiate the consulting services related to the assignment not later than the date indicated in the Data Sheet (Please indicate date). We understand you are not bound to accept any Proposal you receive.

We remain,

Yours sincerely,

(Signature of authorized signatory of
Chartered/Cost Accountant Firm and
seal)

Form T – 2**BIDDER DETAILS**

1	Name of Firm	
2	Date of incorporation of the Firm	
3 (a)	Address of bidder	
(b)	Phone no:	
(c)	Fax no.	
(d)	E mail	
(e)	Website	
4(a)	Name of authorized signatory to bid	
(b)	Designation	
(c)	Phone (Landline) Phone (Mobile)	
(d)	Fax	
(e)	Email	
5	PAN of Firm	
6	Service Tax Registration No	
7	ICAI/ICWAIEmpanelment/ Registration number	
8	Name, address, Tel No. Fax, email at which communication to be sent in respect of bid	
9	Names of the present Proprietors/ Partners/Board of Directors	

(Signature of authorized signatory of
Chartered/Cost Accountant Firm and seal)

Form T – 3

1. Similar Assignment Undertaken for the last five years

A. ULB Experience

Sl. No.	Name of the Assignment	Agreement No./Work order No. & Date	Name of the ULB	Professional Fees	Was the Assignment successfully completed (with date)
A	B	C	D	E	F

B. Departments of State/Central Government/PSUs/Other Govt. Undertaking Experience

Sl. No.	Name of the Assignment	Agreement No./Work order No. & Date	Name of the client/ Office	Professional Fees	Was the Assignment successfully completed (with date)
A	B	C	D	E	F

C. Other Organisation Experience

Sl. No.	Name of the Assignment	Agreement No./Work order No. & Date	Name of the Client	Professional Fees	Was the Assignment successfully completed (with date)
A	B	C	D	E	F

(Signature of authorized signatory of Chartered/Cost Accountant Firm and seal)

Note: Please attach copies of the work order/contract issued by competent authority from the client/ work compilation certificate in support of documentary proof.

Form T – 4

The qualification & Competence of the personnel proposed for the assignment (Team Leader, Audit Manager and Audit Assistant).(Please also enclosed the supporting documents and CV of all person required for the assignment)

Sl. No.	Name of the person concerned	Academic Qualifications	Experience in the respective field	Total Years of experience including all Sectors	Remarks
1	2	3	4	5	6

(Signature of authorized signatory of Chartered/Cost Accountant Firm and seal)

Form T – 5

FORMAT OF CURRICULUM VITAE (CV) FOR PROPOSED KEY STAFF(Team Leader, Audit Manager and Audit Assistant)(Please enclosed the supporting documents)

1. Proposed Position:

2. Name of Staff :.....

3. Date of Birth :.....

4. Nationality :.....

5. Educational Qualification:

6. Membership of professional societies:

7. Publications:

8. Employment Record:

(List all positions held by staff member since graduation, giving dates, names of employing organization, title of positions held and location of assignments. For experience period of specific assignment must be clearly mentioned along with certificate for the Team Leader,).

9. Summary of the CV

(Furnish a summary of the above C V. The information in the summary shall be precise and accurate. The information in the summary will have bearing on the evaluation of the CV.)

9.1 Education:

(i) Field of Graduation and Year

(ii) Field of post graduation/ Professional and year

(iii) Any other specific qualification

9.2 Experience

(i) Experience in Urban Development Sector:Years.

(ii) Experience in other Govt. Department/ PSU/Bank etc.:Years

(iii) Total Experience:Years

9.3 Permanent Employment with the Firm (Yes/No):

If yes, how many years:

If no, what is the employment:

Arrangement with the firm

Certification:

1. I am willing to work on the project and I will be available for entire duration of the project assignment and I will not engage myself in any other assignment during the agreement of his assignment on the project.
2. I, the undersigned, certify that to the best of my knowledge and belief, this bio-data correctly describes myself, my qualification and my experience.

Signature of the Candidate

Place

Date

Signature of the Authorised Representative of the firm

Place

Date

Note: Each page of the CV shall be signed in ink by both the staff member and the Authorized Representative of the firm. Photocopies will not be considered for evaluation.

Form T- 6

FINANCIAL STRENGTH OF THE CHARTERED/COST ACCOUNTANT FIRM

Year	Turnover (Rs. in Lakhs)
2015-16	
2014-15	
2013-14	

Note:- Pl. attach Audited financial statement for respective years.

(Signature of authorized signatory of Chartered/Cost Accountant Firm and seal)

This is to certify that the above mentioned information has been examined by us on the basis of relevant documents, books of accounts & other relevant information and the information submitted above is as per record.

(Signature, address, Seal & Membership No. of CA Firms/Cost Accountant firms)

Form T – 7

AFFIDAVIT

I, S/o Director/proprietor of
M/s having its registered office at
..... do hereby solemnly affirm and declare as follows:

1. That I have been authorized to execute this affidavit on behalf of this Chartered/Cost Accountant Firm.
2. That the Urban Development and Housing Department, Government of Jharkhand vide advertisement published in had invited Proposals from Chartered/Cost Accountant Firm for
3. That in response to the said advertisement as stated in paragraph (2) above, our firm has submitted its proposal to the Urban Development and Housing Department, Government of Jharkhand.
4. That the proposals of our firm M/s containing necessary information and particulars furnished as per given Performa, detailing therein :
 - a. Firm's general experience in the field of assignment / work.
 - b. The qualification and Competency of the personnel for the assignment.
5. That our firm have neither failed to perform on any contract, as evidenced by imposition of a penalty by an arbitral or judicial authority or a judicial authority or a judicial pronouncement or arbitration award against our firm, nor our firm have been expelled from any project or contract by any public authority nor have had any contract terminated by any public authority for breach of our part.
6. That our firm during the last three years, neither failed to perform on any agreement, as evidenced by imposition of a penalty by an arbitral or judicial authority or a judicial pronouncement or arbitration award against us.

That the statements made in paragraph 1 to 6 of the foregoing affidavit as above are true to my knowledge and belief and if anything is found contrary, I stand liable to be prosecuted under appropriate Act / laws in force.

Solemnly affirmed by the said at on this the
..... day of 2016.

Deponent :

Identified by me

22. Form for Financial Bid

FORM FIN-1

[Location, Date]

NAME OF THE PACKAGE:.....(To be filled by the Chartered/Cost Accountant Firm)

To,
Director
SUDA
Urban Development and Housing Department
Govt. of Jharkhand

Dear Sir /Madam,

We, the undersigned, offer to provide the consulting services for [Insert name of Assignment] in accordance with your RFP dated [Insert Date] and our Technical Proposal. Our attached Financial Proposal is for the sum of Rs..... (In word.....)
This amount is exclusive of the service tax.

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, i.e. before the date indicated in the Data Sheet.

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

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

Yours sincerely,

(Signature of authorized signatory of
Chartered/Cost Accountant Firm and seal)

Note: Use separate sheets for different PACKAGES.

FORM FIN-2

DETAILS COST PACKAGE WISE &ULB WISE

Project Title: Selection of Chartered Accountant /Cost Accountant firmsfor Internal Audit in 41 Urban Local Bodies (ULBs) of Jharkhand.

Package No.:-

(Amount in INR)

S. No.	Name of ULB	Quarterly Audit Fees(Excluding service tax)	No. of Quarters	Total Amount per annum(Excluding service tax)	Total Amount for three years (Excluding service tax)
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
Total Amount					

(Signature of authorized signatory of Chartered/Cost Accountant Firm and seal)

- Note:**1. Pl. mention Name of all ULBs of a Package and use separate sheets for different PACKAGES
2. any of the above proposed packages may be removed by SUDA, For which bidder can't have any claim.
3. SUDA may assign some new works on pro rate basis with mutual consent with the firm.

Form F – 1

Certificate as to Corporate/ Firm Principal

I Certify that I am the authorized representative of the Firm/Corporation/Company, set up under the laws of and that (Name and Designation) who signed the above tender is authorized to bind the corporation by authority of its governing body.

(Signature of authorized signatory of Chartered/Cost Accountant Firm and seal)

Form F-2
CERTIFICATE

I undertake to abide by the terms and conditions as laid down in the Proposal documents by this Department and also follow the instructions given by the Department (to be read with Terms and Conditions).

Signature :

Name of the person :
with Designation

Name of the Firm :

FORM- 3

PERFORMANCE BANK GUARANTEE

The Urban Development and Housing Department, Government of Jharkhand has invited bids for appointing a Chartered/Cost Accountant Firm for (Name of the project)..... in the State of Jharkhand.

M/s.submitted their proposal with reference to the said bid. The Urban Development and Housing Department, Government of Jharkhand has since decided to award the contract to M/s.vide their letter of intent no. dated.....directing M/s.to submit Performance Bank Guarantee of Rs.

M/s. has requested us to furnish above bank guarantee valid uptoConsidering the request, we do hereby undertake to pay to the Urban Development and Housing Department, Government of Jharkhand an amount not exceeding Rs. lakhs on demand by The Urban Development and Housing Department, Government of Jharkhand in case of failure of M/s.....in fulfilling the obligations properly and timely under the said contract.

We do hereby undertake to pay the amount payable under this guarantee without demur, merely on a demand from The Urban Development and housing Department, Government of Jharkhand . Any such demand made on the bank shall be conclusive as regards the amount due and payable by the bank under this guarantee.

Our liability under this guarantee shall be restricted to an amount not exceedingRs.lakhs. This guarantee would remain in full force upto..... Unless the demand as claim under this guarantee is made on us in writing on or before....., we shall be discharged from all liabilities under this guarantee thereafter.

We undertake to pay unconditionally to The Urban Development and Housing Department, Government of Jharkhand any money so demanded and our liability under this guarantee being absolute and unequivocal. The payment so made by us under this bond shall be a valid discharge of our liability from payment there under and M/s.shall have no claim against us making such payment.

This guarantee will not be discharged due to the change in the constitution of the Bank or Chartered/Cost Accountant Firm.

We undertake not to release this guarantee during its currency except with prior consent of The Urban Development and Housing Department, Government of Jharkhand in writing.

“Notwithstanding anything herein contained; our liability under this Guarantee shall:

Be limited to a sum of Rs..... (Rupees.....) only.

Stand completely discharged and all our rights under this guarantee shall stand extinguished, if no claim or demand is made upon us in writing on or before

Date.....

Signature for and on behalf of Bank

ANNEXURE 1: CHECKLIST

Preliminary Checklist for Bidders for Qualification Criteria

- A. All the forms as mentioned in the table below have to be submitted by the firm in order to qualify in qualification criteria.

S. No.	Document
1	RFP Document Fee, (If downloaded from the site)
2	Processing Fee (As asked in RFP)
3	Certificate of Incorporation /Empanelment with ICWAI and ICAI (As asked in RFP)
4	Declaration of not being blacklisted / debarred
5	Audited Balance Sheet for last 3 years (As asked in RFP)
6	Auditor certified Profit Loss Statement for last 3 years
7	Annual Turnover Certificate (As asked in RFP)
8	All Technical Forms (Form TECH 1 to TECH 7, including work experience in form of completion certificates)
8.1	FORM TECH – 1
8.2	FORM TECH – 2(Pl. enclose relevant supporting documents)
8.3	FORM TECH – 3(Pl. enclose relevant supporting documents)
8.4	FORM TECH – 4(Pl. enclose relevant supporting documents)
8.5	FORM TECH – 5(Pl. enclose relevant supporting documents)
8.6	FORM TECH – 6(Pl. enclose relevant supporting documents)
8.7	FORM TECH – 7
9	Financial Form
9.1	FIN – 1
9.2	FIN – 2
10	Service Tax Registration No(Pl. enclose relevant supporting documents)
11	PAN (Pl. enclose relevant supporting documents)
12	Form F 1
13	Form F 2

ANNEXURE-2

Internal Audit Report of (Name of ULB),

for the period from _____ to _____

Internal Audit conducted by

(Written names of Auditors)

Report Issued on _____

Introduction

Executive Summary

- Name of the ULB
- Period covered under current audit
- Name of Municipal Commissioner/Executive officer/ Special Officer for the period under Audit

Results and Findings

- *Strengths observed during the audit engagement.*
- *Weaknesses observed in the functioning of office, maintenance of records etc. observed during the audit engagement.*
- *The comments under these two categories should summarize each significant Audit observation in the order of materiality. The summary should be as brief as possible and draw on the observations under the Para on Consequence/Effect/Impact of each Audit observation. It should also include a summation of outstanding statutory and internal audit observations.*

Opinion

- *Overall opinion of Audit Team about the functioning of ULB.*

Audit Recommendations

- *The recommendations of Audit Team on the observed weaknesses. This could be presented in a box of highlighted print.*

Comments from Management

- *This should also include local management's action plan for resolution of the issues and compliance to the internal auditor's recommendations and suggestions on the areas of process and control weakness/ deficiency.*

Acknowledgement

- *This section could acknowledge in brief the cooperation, acceptance of the criteria/findings and recommendations by the ULB (or otherwise). The observations should be stated in a factual and not in the form of an opinion.*

Detailed Audit Report

1. Introduction

The Internal audit of (Name of ULB) covering the period from _____ to _____ was conducted by _____ following persons under guidance of Chartered/Cost Accountant Firm _____:

- i. Shri _____
- ii. Shri _____

2. Administration

The present body of _____ the ULB has _____ taken charge on _____. The incumbency in the key administrative and executive positions was as under:

Shri _____, Mayor From _____ to _____ Shri _____, Commissioner/Executive Officer From _____ to _____

3. Review of outstanding audit paras: Status of Audit Observations is as under:

S. No	Particulars of audit and date of report	Total No. of Audit Paras.	Total No. of Audit Paras where necessary improvement / corrective measure is required	Total No. of Audit Paras where recovery of cash is proposed	Total No. of Audit Paras where recovery has been made	Total Amount of Recovery	Total No. of outstanding paras where no action has been taken	No. & date of compliance report
1.								

4. Finance

I. Budgetary provisions and expenditure for the last three years

Year	20 xx	20 xx	20 xx
Final/Revised Budget			
Actual Expenditure			

Savings(+)/Excess(-)			
----------------------	--	--	--

II. Volume of transactions

Period	Budgeted	Previous Year (For one year)	Corresponding Period of Previous Year	Current Period	Cumulative for the current Year
Opening balance					
Receipts					
Total					
Net expenditure					
Closing balance					

III. Bank reconciliation

(Instructions: Simply write "Reconciled and balance tallied" if reconciliation done satisfactorily. Report the difference in balances where they differ).

IV. Revenue Receipts

Period	Budgeted	Previous Year (For one year)	Corresponding Period of Previous Year	Current Period	Cumulative for the current year
Own source					
Property Tax					
Assigned Revenue					
Others (Fee & User Charges)					
(b) Administrative grant					

t					
---	--	--	--	--	--

V. Status of implementation of Double Entry Accounting System

VI. Status of Municipal Accounts Committee; if meeting is held

5. Audit Observations

I. Part-A

All Audit objections/irregularities which has monetary implication, particularly in following areas

- A. Leakage of own source revenue either due to wrong assessment or non-levy of property tax, mobile tower tax, rent on municipal properties, advertisement tax, fee etc.
- B. Excess payment against bill, lack of prudence in payment against voucher, inefficiency in controls resulting loss to ULBs.
- C. Report on findings of field survey of Property Tax of minimum 20 high value properties

II. Part-B

All Audit objections/irregularities which has no monetary implication, but significant violation of Act, Rules & directives of UD & HD. Mention the reference to Act & Rules where remedial measure is required. In this part auditor should report in respect of

- A. Non-maintenance of books of accounts, subsidiary registers
- B. Irregularity in procurement process
- C. Non-compliance of directives by UD & HD, GoJ
- D. Non-compliance of Act & Rules
- E. Lack of internal control measures
- F. Non-compliance of TDS, VAT and other relevant Statute
- G. Deficiency in pay-roll system
- H. Utilisation of Grant and report on missing Utilisation Certificates
- I. Physical verification of inventory/stores
- J. Advances, their adjustment & recovery
- K. Any other matters as may be prescribed in due course.

III. Part-C

General Observations: Auditor should report the deficiencies noticed during their audit and recommend ULB management to improve internal systems.

Each Audit Observation under Part-A should be structured as described below

Audit Objective: To which Audit Engagement objective does this observation relate?

Criteria: What should exist? The rules/regulations/procedures/expectations are the basis against which Audit evidence is compared.

Condition: What exists? The condition identifies the nature and extent of deviation from the criteria i.e. deviation from what should exist. This should be supported by factual evidence. A statement of condition would be formed on the basis of Auditor's comparison of factual evidence against the appropriate criteria.

Consequence/Effect/Impact: What effect did it have? The effect establishes the actual or potential impact of the condition and can be both quantitative and qualitative. It is the likely effect/impact which would determine the significance of the condition.

Cause: Why did it happen? The possible or likely reason for the difference between the expected and actual condition.

Corrective Action/Recommendation: What should be done? The actions suggested or required to correct the situation and prevent future occurrences.

Wherever possible, the audit findings should be accompanied by graphs and charts to improve the visibility of the analysis and findings. Photographs could also be used as corroborative evidence.

References:

This section should list all material utilized and referred to in developing the Internal Audit Report.

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