

PROJECT MANAGEMENT UNIT (PMU)

AIZAWL SUSTAINABLE URBAN TRANSPORT PROJECT (ASUTP)

Urban Development & Poverty Alleviation Department, Government of Mizoram

(ADB Assisted-PRF Loan)

Mizoram New Capital Complex (MINECO), Aizawl-796 001: Mizoram

Email: sutpaizawl@gmail.com

Fax: (0389) 2322123

A. BACKGROUND

1. The Government of India (GOI) has requested the Project Readiness Financing (PRF) loan assistance from the Asian Development Bank to support the Government of Mizoram (GoM) in planning and preparing urban transport interventions for the Aizawl Sustainable Urban Transport Project (the ensuing project). The initiative aims to enhance urban mobility in Aizawl, the capital of Mizoram, a landlocked state in the north-eastern region of India.

2. The PRF will complement ADB's support for sustainable urban transport by financing consulting services including a Project Planning, Design and Management Consultant (PDMC) firm and nine Individual consultants. These consultants will be responsible for preparing a Comprehensive Mobility Plan (CMP), identifying priority investments, and improving project readiness by conducting the necessary due-diligence and preparatory activities for the upcoming projects. The PRF will also perform a detailed assessment of institutional strengthening and capacity development (ISCD) requirements for the UD&PA Department and develop the ISCD component of the ensuing project. The PDMC has been recruited and administered by the UD&PA Department, which will deliver the PRF's output. Further, the nine Individual experts will be deployed to support the project management unit (PMU) in various areas, including general administration, technical aspects, financial matters, procurement, safeguards, and gender aspects. As of now, four out of the nine individual consultants have been mobilized.

B. Scope of Work

The Scope of work of the Project Management Unit (PMU) Aizawl Sustainable Urban Transport Project (ASUTP) , Financed by ADB through PRF Loan no.6028-IND is responsible for the following scope of work:-

1. Conducting all Internal Audit assignments in accordance with the Internal Audit Program for the period of April 2023 to September 2023 (1st & 2nd Quarter of FY 2023-2024).
2. Examining and evaluating the adequacy and effectiveness of the internal control and risk management systems in place for various operations and activities of the PMU, ASUTP.
3. Reviewing the accuracy and reliability of PMU's accounting records and financial reports to ensure robustness of Internal Financial Controls on financial Reporting.
4. Checking both transactions and functions of specific internal control procedures.

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Note:

i) The PMU, ASUTP has the right to verify / cross verify the authenticity of the documents concerning the original documents submitted with this tender.

ii) Bidders are requested to ensure that all the requested documents are submitted, clear, legible and duly signed (i.e. self-attested), as this will save considerable time without the need to resubmit the document's tender number. Bidders are also requested not to submit unnecessary documents that were not requested.

Financial Bid (Part-II): In this part, bidders are requested enter PRICES for each of the listed items strictly following the prescribed format provided in the tender document.

SCORING: In addition to the above eligibility criteria, firms will be shortlisted based on the scores achieved according to the parameter-score matrix provided below: -

PARAMETER-SCORE MATRIX					
SI No	Parametre	Value /No	Score	Scoring Criteria	Max. Score
1	Years of existence of Firm (Min. 5 years)			1 point for every year over and above 5 years (counted from the date of constitution of the firm with one full time FCA or date of joining of the firm by the existing partner having the longest association with the firm whichever is later)	5
2	No. of Partners (at least 3)			1 point each for each partner (including FCA/FCMA/ CA/ CMA/ CISA/ CIA partners) from 4th partner onwards. (Eg. If there are 6 partners , score will be 3)	5
3	Partners /employees possessing CA/CMA, CISA or Equivalent.			1 point each for each such partner/ employee	5
4	Experience of Internal Audit of business of a Government entity.			5points for each such audit period per company (falling within three financial years immediately preceding 2023-2024)	20

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5	CA/CS Firm having Headquarter at Aizawl (At-least Liasing Associates in Aizawl)			20 points for having Headquarter In Aizawl, 10 points having Liasing Associates in Aizawl	20
6	Experience as Internal Auditor(s) of Externally Aided Project (EAP) from Asian Development Bank, World Bank, etc			2 point for each such audit period per firm/company (falling within five financial years immediately preceding 2023-2024)	10
7	Annual Turnover of audit firm shall be at least Rupees Ten Lakhs (Rs.10,00,000/-).			5 point for over and above Annual Turnover of audit firm Rupees Ten Lakhs (Rs.10,00,000/-).	5
Total Maximum score					70

1. Among the firms that have responded to the EOI and met all the pre-qualification criteria, firms will be allotted scores according to scoring parameters specified in table above. Based on the evaluation results of the presentation (points) and the score achieved by the firm on the parameter table above, one firms may be selected for appointment as Internal Auditors.

2. **Tenure:** The offer for carrying out assignments will initially be given for April 2023 to September 2023 (1st & 2nd Quarter of FY 2023-2024). Management reserves the right to extend the tenure for the remaining FY 2023-2024 and FY 2024-2025 depending upon the performance of the Chartered Accountants Firms/ Cost Accountants Firms. Management also reserves the right for pre-mature termination of the appointment for this assignment.

E. DETAILS OF THE FIRM

The Chartered Accountant Firm/Cost Accountant Firm is to provide the following information as per pro-forma given below-

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PROFORMA-I

APPLICATION FORMAT

1. Name of CA/CMA Firm :
2. Firm Composition :
(Firm Composition certificate to be attached)
3. Registration No. :
4. Date of Establishment /Registration :
5. Name & Address of Principal Office and also mentioning Liaising Associates or Branch Office(s)

Office type(HO/ Reg. Office / Branch)	Address	Year of Establishment	Contact Details: In-charge Name, Tel., Tax, e-mail.

6. Particulars of Partners

SL.	Name	CA/CMA Membership No.	Membership Status (Fellow/Asoc)	Date of Joining in the firm as partner & Branch Office Attached to	CISA or Equivalent qualification	Other qualifications/ specialization & experience

7. Particulars of qualification assistants

SL.	Name	CA/ CMA Membership No.	Membership Status (Fellow/Assoc)	Date of Joining firm as partner & Branch Office Attached to	CISA or Equiv. qualification	Other qualification s job/ specializatio n & experience

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8. Income Tax PAN (please attach copy of PAN Card):

9. GST registration No. (Please attach Registration Document):

10. Experience of Internal Audit of business for a Government entity, specifying nature of the assignment, and year of audit and name of the company (PSU).

Name of Company/Office	Unit/Plant	Period of Audit	Total experience (Yrs)

(Please attached documentary evidence in support of the above)

11. Internal Audit experience (immediately three preceding financial years) specifying nature of the assignment, year of audit and name of the company.

Name of Company	Unit/Plant	Period of Audit	Total experience (Yrs)

(Please attached documentary evidence in support of the above)

12. Readiness for Audit under Ind-AS compliance Guidelines: (Please indicate whether any partner /qualified assistant hold 'IFRS certification' of ICAI or other Accounting Bodies like ACCA-UK etc.) : Yes/No

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UNDERTAKING

1. It is confirmed that all the information provided above are true and comply with requirements the EOI.
2. We confirm that we have not made any deviation from the specified terms & conditions of EOI documents. A copy of complete EOI document duly signed on all pages as a token of acceptance of all terms and conditions is attached.

Signature of Partner with Name & Seal of Audit Firm.

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F. Part II: FINANCIAL BID

PROFORMA-II

Format for Financial Bid (To be given on Firm Letterhead in separately sealed cover)

We M/S....., Chartered Accountants/Cost Accountants Firm, hereby quote our professional fees at Rs.....(Rupees.....only excluding taxes) half year (April 2023 to September 2023) for the Internal Audit Assignment to be carried out as per Audit plan given in this tender, in respect of the Aizawl Sustainable Urban Transport Project (ASUTP). The above fees are inclusive of all payable under the assignment and no out of pocket expenses will be payable to us.

Signature of Partner with Name & Seal of Audit Firm.

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G. TERMS OF REFERENCE

The terms and conditions for conducting Internal Audit are indicated hereunder: -

Time Frame:

Internal Audit is required to comply with the PRF - Project Administration Manual (PAM) of the ADB. The PMU is expected to engage an external firm to perform the internal audit function within no later than 6months of the effectiveness of the PRF loan.

Reporting:

Upon completion of the Audit of the Financial Year, the following steps should be followed before finalizing the report:

The observations of the respective audit should be discussed with the PMU, ASUTP so that timely corrective action may be taken. Based on the outcome, a draft composite Audit Report covering all the Audit Units within the scope shall be compiled/ prepared, including additional information, if any, that may be provided / obtained during such discussions and rectifications carried out at the instance of the audit. The report should also contain specific suggestions for improvements, if any.

Internal Audit Reports would be divided into the following parts:-

Part I : Compliance (follow-up) Report :

This part shall cover of the Auditors 'comments on the adequacy of the compliance and action taken to rectify errors/ discrepancies pointed out by previous auditor. It shall also contain confirmation regarding the implementation of policies, systems, controls etc to prevent a recurrence of such irregularities in future. It may be ensured that the compliance report on audit observations pointed out in reports related to earlier audits is made, and corrective actions taken on those points are furnished in the Audit Report.

Part II : Important observations/ Findings:

This part shall contain all such significant discrepancies observed during the current audit and observations in where the auditor feels the immediate attention of management is required, specifying the financial implications, if any. In this part the Auditor shall identify the key areas requiring improvement and their recommendation, if any. Also it should

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indicate the improvements made by the Unit based on the audit observations. Furthermore, it should report any deviations / observations from policies, systems and procedures of the ADB.

1. Audit Team:

The Firm is required to deploy suitable teams for undertaking the audit (at least 2 team members for each division on a continuous basis from the commencement of audit until the submission of draft report), after a thorough evaluation of the requirements, terms and conditions contained therein, detailed Guidelines for Internal Audit, ensuring that the size of the audit team is commensurate with the volume of work involved. It should be ensured that the audit team is led all the times by a Chartered Accountant/Cost Accountant (Who may be a partner), and a person with technical qualification be included in the team when such need arises for conducting any specific audit area.

4. Extent of coverage of Internal Audit (indicative)

- (I) Compliance of ADB and C&AG Rules & Procedures.
- (II) Review of Accounting & Internal Control System and reporting of weak areas for improvement.
- (III) Verification of Cash Books, Vouchers and Cheque.
- (IV) Review of Payment and Reimbursement claims.
- (V) Review and finalisation of Annual Financial Statement as per Terms of Reference (TOR) prepared by ADB.
- (VI). Physical Verification of Cash and Bank Statement
- (VII) Review of Bank Reconciliation Statement (BRS)
- (VIII) Any other matter that may be decided by PMU, ASUTP.

H. GENERAL TERMS & CONDITIONS

- (i) Firms are to complete all relevant particulars / information in appropriate places and submit documentary evidence (attested by a partner) where specifically asked for.
- (ii) Only successful firms will be notified about their selection in due course.
- (iv) The management reserves its right to accept or reject any application(s) without assigning any reasons.

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(v) The Internal Auditors will ensure that the information obtained is maintained in strict confidence and secrecy. A certificate towards maintaining confidentiality is to be provided by the Internal Auditors at the time of acceptance of Audit Assignment

(vi) The appointment of the Audit Firm will be initially for April 2023 to September 2023 (1st & 2nd Quarter of 2023-2024), and renewable until the extension of ASUTP subject to satisfactory performance of the firm. The PMU, ASUTP reserves the right to extend the appointment if performance of the firm is found to be acceptable.

(vii) If the progress/ performance of audit is not satisfactory, the PMU reserves the right to terminate the appointment of the Firm. In such an event the respective firm(s) will be debarred from getting any future assignment in PMU, ASUTP in the following cases:

(a) The Audit Firm obtains the appointment on false information/ statement at the time of submission of application/ documents for the EOI

(b) The Audit Firm is found to have sub-contracted the work except its Liaising Associates.

(c) If the Firm does not take up the Audit in terms of the Appointment Letter.

(d) If the Firm does not submit Audit Report, complete in all respects, in terms of appointment and within the specified date.