

INDIAN RED CROSS SOCIETY
ODISHA STATE BRANCH
Red Cross Bhawan
Uni-9, Jawaharlal Nehru Marg
BHUBANESWAR-751022 , ODISHA
Tel: 0674,2390228 E-mail:ircsosb@gmail.com

NIT No. 1029/ RC/ACC/010/2020

Date: 21.08.2021

Request for Proposal

Title: “Hiring of CA firm for conducting Internal Audit for the FY 2020-21”

1. The Indian Red Cross Society now invites eligible CA firms to submit their proposals for providing the Services. Interested CA firms should provide information demonstrating that they have the required qualifications and relevant experience to perform the Services as per RFP.
2. CA firm will be selected in accordance with Quality and Cost based Selection method set out in the Consultant Guidelines.
3. Detailed information can be obtained at the address below during office hours i.e.10.00 to17.30hours or our website:www.odisharedcross.org.
4. Request for Proposal in sealed envelope (which includes Technical Proposal and Financial Proposal in separate envelope) must be delivered in a written form to Indian Red Cross Society, Odisha State Branch, Red Cross Bhawan, Unit-9, Jawaharlal Nehru Marg, Bhubaneswar-751022, (by post/courier/drop box) latest by 30.08.2021,5.30PM.
5. Authority reserves the right to accept or reject any proposal, and to cancel the procurement process at any time prior to the award of contract, without assigning any reason thereof.
6. The schedule of invitation:

Schedule of Invitation of RFP	Dates
Issue of RFP	21.08.2021
Confirmation of Receipt of Invitation by Consulting firm	30.08.2021
Last Date for submission of RFP	04.09.2021
Tentative date & time for opening of Technical proposals	08.09.2021

-Sd-

Honorary Secretary
IRCS – OSB

REQUEST FOR PROPOSALS

RFP No: 1029/ RC/ACC/010/2020

Date.21.08.2021

QUALITY AND COST BASED SELECTION METHOD

Consultancy service for “Hiring of CA firm for conducting Internal Audit for the FY 2020-21”

Client: Project: Indian Red Cross Society, Odisha
Country: India

Issued on: 21.08.2021

Key Dates

Schedule of Invitation of RFP	Dates
Issue of RFP	Dt:21.08.2021
Confirmation of Receipt of Invitation by Consulting firm	Dt:30.08.2021
Last Date for submission of RFP	DT.04.09.2021
Tentative date & time for opening of Technical proposals	Dt:08.09.2021, 11.30 AM

Section 1. Letter of Invitation

Date-21.08.2021

To

All the eligible Firms.

1. Brief Introduction of India Red Cross Society, BBSR

The Indian Red Cross Society, Odisha State Branch has been rendering humanitarian services to the people of Odisha since 1936. The IRCS was established in 1920 through an Act of the Parliament, the bill passed on 17th March, 1920 and became Act XV of 1920 with the consent of the Governor General on 20th March, 1920 and established on 1st April, 1936. All its humanitarian activities are based on the four core areas i.e. Disaster Response, Disaster Preparedness, Health & Care in the community and Promotion of Humanitarian Values & Fundamental Principles. Binding by seven Fundamental Principles i.e. Humanity, Impartiality, Neutrality, Independence, Voluntary Service, Unity and Universality the Indian Red Cross Society, Odisha State Branch has promoted mutual understanding, friendship, cooperation and lasting peace amongst all people. It has 30 District Branches, 1 City Branch, 1 Regional Branch and 3 Block Branches, besides Junior Red Cross and Youth Red Cross units in most of the schools and colleges of Odisha.

2. The Client now invites proposals to provide the following consulting services (herein after called “Services”): **“Hiring of CA firms for conducting Internal Audit for the FY 2020-21”** under Indian Red Cross Society, Odisha State Branch, Bhubaneswar.
3. More details on the Services are provided in the Terms of Reference.
4. It is not permissible to transfer this invitation to any other firm.
5. The RFP includes the following documents:

Section1-LetterofInvitation

Section2 – Technical Proposal for Qualifying

Section 3 - Check List

Section 4 - Firms Experience

Section5-FinancialProposal

Section 6 – Terms of Reference

6. Details on the proposal’s submission date, time and address are provided:

Yours Sincerely,

-Sd-

Honorary Secretary

IRCS-OSB

SECTION – 2 : TECHNICAL PROPOSAL FOR QUALIFYING

The minimum qualifying Criteria is provided. After qualifying
The minimum criteria marking shall be done during evaluation of the Full Technical Proposals:

Sl. No.	Parameters	Total Maxim Mark
1	The average annual turnover of the Firm in India in the last three financial years ending 31 March 2020 shall be minimum INR50Lakh or above.(FY2017-18,2018-19, 2019-20) 1) 15 marks for having turned over above Rs.50lakhs. 2) 5 marks for having turnover more than Rs.30 but less than Rs.50 lakhs	15
2	The firm should have completed 5 assignments in internal audit in Govt. Sector during last 6 years (Fy 2015-2021) for valued above 2lakh For minimum 5 assignments-10marks Above 5 assignments for each assignment-1.5marks(maximum upto 15marks)	25
3	The Firm must have audit experience of at least two external aided project or Centrally Sponsored Scheme. 2 marks for each completed assignments maximum upto 10 marks	10
4	Completed Internal Audit assignments in Indian Red Cross Society. 2 marks for each completed assignment maximum up to 20 marks	20
5	Experience of Team leader: Experience in internal audit assignment of EAP/Centrally Sponsored Scheme/ Indian Red Cross Society in last 5 years(i.e2015-20) 1 marks for each completed assignments maximum up to 10 marks(marking will be based CV)	10
6	Experience & Qualification of Semi qualified auditor: Qualification: Qualification as per ToR (If Yes=0.5mark for 5 semi-qualified auditor total= 2.5 Marks , If No=0mark) Experience in statutory audit assignment of EAP/Centrally Sponsored Scheme/Indian Red Cross Society in last 5 years(i.e2015-20) (0.5 mark for each completed assignment per person up to 1.5 marks) 7.5 Marks for 5 person (maximum 1.5 mark each)	10
7	The firm must have at least 02 FCA'S and 01 ACA	10
Total Marks		100

N.B: Agency securing 75marks or more than 75 marks will be qualified for Opening of financial bid.

The technical bid envelop must contain the technical bid format in prescribed Performa along with a demand draft of Rs.2,000/- (Non-refundable) towards cost of tender and Earnest Money Deposit (EMD) of Rs.10,000/- (Non-interest bearing) favoring The Honorary Secretary, IRCS-OSB, and payable at Bhubaneswar.

3. Check List of Required Forms

Sl.No.	DESCRIPTION	Page No
1	Technical Proposal Submission Form.	
2	Consultant's Organization and Experience.	
	A. Consultant's Organization	
	B. Consultant's Experience	
3	Certificate of Incorporation/Registration Certificate/Firm registration	
4	PAN & GST registration certificate	
	Certificate of CAG Empanelment for the FY 2020-21	
6	Financial Details of the Firm along with copies of the audited balance sheet & PL statement for the last three years.	
7	List of FCAs and their experience must be provide from relevant source.	
8	Experience/ Work completion certificate / Work Orders/ Any other document (e.g. proof of payment) certifying the experience.	
9	Comments or Suggestions on the Terms of Reference and on Counterpart Staff and Facilities to be provided by the Client.	
	A. On the Terms of Reference	
	B. On the Counterpart Staff and Facilities	
10	Description of the Approach, Methodology, and Work Plan for Performing the Assignment	

All Pages of the Original Technical and Financial Proposal shall be initialed by the same authorized representative of the Consultant who signs the Proposal.

TECHNICAL PROPOSAL SUBMISSION FORM

To
Indian Red Cross Society
Odisha State Branch
Red Cross Bhawan
Jawaharlal Nehru Marg
Unit – 9, Bhubaneswar
Pin Code: 751022

Dear Sir

We, the undersigned, offer to provide the consulting services for *[Insert title of assignment]* in accordance with your Request for Proposals dated *[Insert Date]* and our Proposal. “We are here by submitting our Proposal, which includes this Technical Proposal and a Financial Proposal sealed in a separate envelope”. “We hereby are submitting our Proposal, which includes this Technical Proposal only in a sealed envelope.”].

We hereby declare that:

- (a) All the information and statements made in this Proposal are true and we accept that any misinterpretation or misrepresentation contained in this Proposal may lead to our disqualification by the Client.
- (b) Our Proposal shall be valid and remain binding upon us for the period of time specified.
- (c) Our Proposal is binding upon us and subject to any modifications resulting from the Contract negotiations.

We undertake, if our Proposal is accepted and the Contract is signed, to initiate the Services related to the assignment no later than the date indicated in contract.

We understand that the Client is not bound to accept any Proposal that the Client receives.

Yours Sincerely

Authorized Signature *{In full and initials}*: _____

Name and Title of Signatory: _____

Address: _____

Contact information (phone and e-mail): _____

Section – 4 -Auditor’s Experience

1. List only previous similar assignments successfully completed in last five years as prescribed in TOR.
2. List only those assignments for which the Auditor was legally contracted by the Client as accompany. Assignments completed by the Auditor’s individual experts working privately or through other consulting firms cannot be claimed as the relevant experience of the Auditor, or that of the Auditor’s partners, but can be claimed by the Experts themselves in their CVs. The Auditor should be prepared to substantiate the claimed experience by presenting copies of relevant documents and references if so requested by the Client.

Sl No	Name of the assignments	Category of the Assignment (Put tick mark whichever is applicable)			Client Name	Cost of the assignment	Date and year of receiving the Assignment/Work order	Date and year of Assignment completed	Page No in which Supporting documents attached
		Govt. Internal Audit	external aided projector Centrally Sponsored	Indian Red Cross Society					
1	2	3	4	5	6	7	8	9	10*
1									
2									
3									
4									

N.B:

1. The Firms are requested to fill all the blank space if not applicable please mention “NA”.
2. If firms completed any assignment in internal audit in Govt. (column 3), external aided or centrally sponsored (column 4) and livelihoods projects (column 4) please put tick mark in all columns. If only 2 columns are applicable just put tick mark in that two column accordingly the marking shall be done with verifying the supporting documents.
- 3.*The firms must mention the page no in which the supporting document was attached.
4. The above table must contain experience for last 5 years only (i.e. 2015-20). Experience before that period will not be considered.

Section 5. Financial Proposal – Standard Forms

Financial Proposal Standard Forms shall be used for the preparation of the Financial Proposal.

FIN-1 Financial Proposal Submission Form

FORMFIN-1

FINANCIALPROPOSALSUBMISSIONFORM

To: [Name and address of Client]

Dear Sirs:

We, the undersigned, offer to provide the consulting services for [Insert title of assignment] in accordance with your Request for Proposal dated [Insert Date] and our Technical Proposal.

Our attached Financial Proposal is for the amount of {Indicate the corresponding to the amount(s) currency (ies)} {Insert amount(s) in words and figures}, [Insert “including” or “excluding”] of all indirect local taxes in accordance with Clause 25.1 in the Data Sheet. The estimated amount of local indirect taxes is {Insert currency} {Insert amount in words and figures} which shall be confirmed or adjusted, if needed, during negotiations.

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.

Name and Address of CA Firm

Amount and Currency

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

Authorized Signature {In full and initials}: _____

Name and Title of Signatory: _____

In the capacity of: _____

Address: _____

Contact information (phone and e-mail): _____

Section 6. TOR

ToR for Hiring of CA firm for conducting Internal Audit for FY2020-21

1. Background

The Indian Red Cross Society, Odisha State Branch has been rendering humanitarian services to the people of Odisha since 1936. The IRCS was established in 1920 through an Act of the Parliament, the bill passed on 17th March, 1920 and became Act XV of 1920 with the consent of the Governor General on 20th March, 1920 and established on 1st April, 1936. All its humanitarian activities are based on the four core areas i.e. Disaster Response, Disaster Preparedness, Health & Care in the community and Promotion of Humanitarian Values & Fundamental Principles. Binding by seven Fundamental Principles i.e. Humanity, Impartiality, Neutrality, Independence, Voluntary Service, Unity and Universality the Indian Red Cross Society, Odisha State Branch has promoted mutual understanding, friendship, cooperation and lasting peace amongst all people. It has 30 District Branches, 1 City Branch, 1 Regional Branch and 3 Block Branches, besides Junior Red Cross and Youth Red Cross units in most of the schools and colleges of Odisha.

The Units to be audited are:

1. IRCS-OSB (Main), 2. JRC, 3. YRC, 4. DPTC, 5. FCC, 6. CORPUS FUND, 7. JAS, 8. DMU, 9. MMU, 10. CENTRAL RED CROSS BLOOD BANK, CUTTACK, 11. SAHAYA, CUTTACK.

2. Audit Objectives:-

The objective of the audit is to ensure that the Society receives adequate independent, professional audit assurance that the proceeds of funding agencies were used for the purposes intended, that the annual consolidated financial statement/individual project financial statement are free from material mis-statement, and that the requirements of the projects/programs were complied with in all material respects.

The objective of the audit of the INDIAN RED CROSS SOCIETY Financial statement is to enable the audit or to express a professional opinion as to whether:

1. The Consolidated Financial Statements of the Society (CFS) and individual Project Financial Statements (PFS) give a true and fair view of the sources and applications of funds for the period under audit examination;
2. The funds were utilized for the purposes, for which they were provided,
3. The expenditures reported in the Consolidated Financial Statements/Project Financial Statement of the Society are eligible for financing/funding under the relevant program/project guidelines. In addition, where applicable, the auditor will express a professional opinion as to whether the Financial Management Reports submitted by project management units may be relied upon to support any application for reimbursement under the project/program.

The books of account that provide the basis for preparation of the Project Financial Statement are established to reflect the financial transactions of the society and are maintained by Indian Red Cross Society.

Audit Standards:-

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

4. Audit Scope:-

In conducting the audit, special attention should be paid to the following:

- All funds have been used in accordance with the conditions of the relevant project/program agreements and only for the purposes for which the financing was provided. Relevant project/programme agreements include the Program Guidelines, Financial & Procurement Manuals and other circulars, office orders issued by Indian Red Cross Society
- Effective financial management systems' including internal controls were in operation throughout the period under audit examination. This would include aspects such as adequacy and effectiveness of accounting, financial and operational controls, and any need for revision; level of compliance with established policies, plans and procedures'; reliability of accounting systems, data and financial reports; methods of remedying weak controls or creating them where there are none; verification of assets and liabilities; and integrity, controls, security and effectiveness of the operation of the computerized system etc.
- All necessary supporting documents, records, and accounts have been kept in respect of Society transactions including expenditures reported at regularly intervals.

The Society accounts have been prepared in accordance with the accounting principles defined in the Indian Red Cross Society Manual and give a true and fair view of the financial position of the Society at the year end and of resources and expenditures for the year ended on that date.

- Detail checking of vouchers which includes the following:
 - a. Booking of expenditure to proper heads of accounts
 - b. Approval of vouchers by competent authority
 - c. Payee acknowledgement with proper supporting documents
 - d. Checking of vouchers with reference to Cash/Bank Book & Journal

5. Deliverables of H.O. and Units.

- Examination of Books of Account and Financial Records (such as cash book, journal, ledger etc.)
- Checking of Opening Balance with previous year audit report.
- Reconciliation of Inter unit.
- Review of Bank Guarantee (Contractors) Management and Systems.
- TDS deduction and filling with in the due date.
- Verification of bill vouchers and all supporting documents in respect of payment.
- Verification of all advances (i.e. all pending and settlement).
- Verification of Bank Reconciliation Statements.
- FDR and accrued interest thereon.

- Ensuring that all supporting documents are present for receipt and utilization of funds.
- Verification of fixed asset register & Procurement.
- Verification of final account (Receipt & Payment account, Income & Expenditure account, Balance Sheet) duly prepared by Indian Red Cross Society, if any modification or changes required during verification shall be taken into account and necessary revision shall be incorporated In the accounts.
- Preparation of Audit observation and report for discussion with client/Management.
- You will also follow guidelines on Audit Procedures issued by ICAI and also IRCS-OSB guidelines of this matter.
- Follow upon the compliance of prior audit observation.

6. Minimum Eligibility, Evaluation & Selection Criteria:

Sl. No.	Minimum Eligibility Criteria	Supporting Documents
1.	The firm is expected to have 10 years from the date of its incorporation.	Certificate of Incorporation/Registration Certificate/Firm registration Certificate along with PAN, GST registration certificate
2.	The firm should be Odisha based and in the approved panel of Comptroller Auditor General of India(CAG Of India) for the FY 2020-21.	Certificate of CAG Empanelment for the FY2020-21
3.	The average annual turnover of the Firm in India in the last three financial years ending 31 st March, 2020 shall be minimum INR 50Lakh or above.(FY 2017-18, 2018-19, 2019-20)	Financial Details of the Firm along with copies of the audited balance sheet & PL statement for three years.
4.	The organization must have at least 02FCA'swho Have 5 years post qualification experience in Govt. Audit,	List of FCAs and their experience must be providing from relevant source.
5.	The firm should have completed 5 assignments in Internal audit in Govt. Sector during last 6 years (Fy2015-2021) for valued above1lakh. If audit assignment includes more than one year by a single work order from any organization shall be treated as completion of one assignment. Any further extension of audit assignment by the organization in a separate work order shall be treated second assignment and soon.	Experience/ Work completion certificate /Work Orders/ Any other document (e.g .proof of payment) certifying the experience. Only Completed assignment will be considered.
6.	The Firm must have audit experience of at least two external aided project or Centrally Sponsored Scheme	Experience/Work completion certificate /Work Orders/Any other document (e.g. proof of payment) certifying the experience. Only completed assignment will be considered.
7.	The Firm should not be blacklisted by any Government or any organization in respect of any Assignment or behavior.	Undertaking in this regard must be provided.
8.	The Firm will submit the proposal as per the prescribed format.	Technical Forms, CV of Team leader, Semi qualified auditor, audit assistant and Financial forms in a separate envelope) must Be attached in prescribed format.

N.B: All the information should be provided in prescribed format at with supporting documents.

Evaluation Criteria:

Technical proposal shall be evaluated first for those agencies who fulfill the Minimum eligibility criteria as above. Refer to Section -2

7. Audit Period:-

The Audit to be carried out for the financial year 2020-21.

8. Time Schedule:-

The Audit firms will complete the entire assignment within a period of 01 month from the date of agreement.

9. Audit Team:-

- There shall be a 3 Teams having one Team Leader. Each team should comprise of one Auditor and two Audit Assistant.
- The Team Leader must be CA having 5 years post qualification experience.
- The Auditors must be semi-qualified CA and having 2 years' experience in Government audit.
- Other Audit Assistants must be commerce graduate having 2 years experience.

10. Cost of the assignment

The minimum cost for the assignment is Rs1.00 lac (excluding of GST) including all expenses.

11. Payment Schedule

After submission of final report in prescribed format 100% of contract value will be released.

12. Audit Points:-

The Audit will be carried out at Indian Red Cross Society, Odisha State Branch, Red Cross Bhawan, Unit -9, Jawaharla Nehru Marg, Bhubaneswar – 751022 and Respective Units.

13. Subject to Jurisdiction:-

This tender is subject to the jurisdiction of the local courts at Bhubneswar only. All disputes arising out of the tender process shall have the jurisdiction of the local courts at Bhubaneswar only.

14. Reporting:-

- The firm shall submit its report to the Indian Red Cross Society, Odisha State Branch, Red Cross Bhawan, Unit -9, Jawaharlal Nehru Marg, Bhubaneswar – 751022.
- **In case the Authority finds unsatisfactory on the deliverables, he/she has the right to debar the firm from participating in all purposes in Indian Red Cross Society for 2 years.**
- **Management Letter:-**
- In addition to the audit report on the **Indian Red Cross Society** financial statements, the auditor may prepare a management letter which includes such observations during the course of audit which do not affect the audit opinion but deserves the management's attention.
- **General:-**The auditor should be given access to all information relevant for the purposes of conducting the audit. This would normally include all legal documents, correspondence, and any other information associated with the Indian Red Cross Society and deemed necessary by the auditor.