

**REQUEST FOR PROPOSAL**

**FOR**

**NOTICE INVITING APPLICATIONS FOR**

**ENGAGEMENT OF FIRM OF CHARTERED**

**ACCOUNTANTS FOR ALLOTMENT OF**

**STATUTORY AUDIT OF INDORE MUNICIPAL**

**CORPORATION FOR THE F.Y. 2022-23**

**Indore Municipal Corporation, Indore**

**OCTOBER 2023**

**INDORE MUNICIPAL CORPORATION,INDORE**  
**Nagar Nigam Road, Indore**  
**E-mail: lekhavibhagimc@gmail.com**

**ENGAGEMENT OF CHARTERED ACCOUNTANTS  
FIRM FOR STATUTORY AUDIT**

Indore Municipal Corporation, Indore invites applications in the prescribed format from eligible Chartered Accountant firms, having Head- Office/Branch-Office in Indore (M.P.), for engagement as Statutory Auditor of Indore Municipal Corporation for FY 2022-23 at a fee of Rs 2,00,000/- (Rupees Two Lakh only) plus GST if applicable.

**Last date & time of bid submission: 23/10/2023/ up to 4:00 PM**

Experienced Chartered Accountant firms, who have more than 5 years of experience, having annual average turnover of more than Rs. 15.00 Lakhs for the last 3 years may purchase the set of request for proposal (RFP) from the <https://mptenders.gov.in/> by paying Rs. 2000/- .

**Additional Commissioner - Finance  
Indore Municipal Corporation,  
Indore**

## Key Information and Event Schedule

S.No.	Description	
1.	<b>Web Address to download the RFP</b>	Website - <a href="https://mptenders.gov.in/">https://mptenders.gov.in/</a>
2	<b>Last date of Purchase of RFP</b>	<b>23.10.2023 upto1:00 P.M.</b>
3	<b>Last date of Submission of Bid (Bid Due Date) (Online)</b>	<b>23.10.2023 till 4:00 P.M.</b>
4	<b>Last date of Submission of Bid (Bid Due Date) (Physical)</b>	<b>NA (Online Only)</b>
5	<b>Opening of Technical Bid</b>	<b>At 05:00 P.M. on Date 23.10.2023</b>
6	<b>Duration of services:</b>	<b>As per RFP.</b>
7	<b>Cost of RFP Document.</b>	<b>Rs. 2000/- (Payable online only)</b>
8	<b>Earnest Money Deposit</b>	<b>Rs. 20,000/- (Payable Online Only)</b>
9	<b>Validity of proposal</b>	<b>120 Days.</b>
10	<b>Selection Process</b>	<b>As per RFP.</b>
11	<b>Representative/ Contact Person of IMC , for further information</b>	<b>Mr. Deodhar Darwai Mob. No 7440443331 lekhavibhagimc@gmail.com</b>
12	<b>Evaluation Criteria</b>	<b>As per RFP</b>
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## DISCLAIMER

This Request for Proposal (RFP) is issued by **Indore Municipal Corporation, Indore**

Information in this RFP has been prepared in good faith. However, it is not and does not purport to be comprehensive or to have been independently verified. Neither IMC nor any of its officers or employees, accept any liability or responsibility for the accuracy, reasonableness or completeness of, or for any errors, omissions or misstatements, negligence or otherwise, relating to the proposed scope; or make any representation or warranty, express or implied, with respect to the information contained in this RFP or on which this RFP is based or with respect to any written or oral information made or to be made available to any of the recipients or their professional advisers and, so far as permitted by law and except in the case of fraudulent misrepresentation by the party concerned, and liability in this regard is hereby expressly disclaimed.

The information contained in this RFP is selective and is subject to updating, expansion, revision and amendment at the sole discretion of IMC. It does not, and does not purport to, contain all the information that a recipient may require for the purposes for making a decision for participation in this process. Neither IMC nor any of its officers, employees undertakes to provide any Party with access to any additional information or to update the information in this RFP or to correct any inaccuracies therein which may become apparent. Each Party must conduct its own analysis of the information contained in this RFP, to correct any inaccuracies therein and is advised to carry out its own investigation into the proposed scope, the regulatory regime which applies thereto and by and all matters pertinent to the scope and to seek its own professional advice on the legal, financial and regulatory consequences of entering into any agreement or arrangement relating to the scope.

IMC reserves the right to reject any or all the bids without assigning any reason. IMC further reserves the right to negotiate with the qualifying agencies to enhance the value through this task and to create a more amicable environment for the smooth execution of scope.

## **ABBREVIATIONS**

*Used in this Docket*

<b>CA</b>	Chartered Accountant
<b>ACA</b>	Associate Chartered Accountant
<b>B.Com</b>	Bachelor of Commerce [from a recognized University]
<b>CAG</b>	Comptroller & Accountant General [of India]
<b>DUAD</b>	Department of Urban Administration and Development
<b>EMD</b>	Earnest Money Deposit
<b>IMC</b>	Indore Municipal Corporation, Indore
<b>TDS</b>	Tax Deduction at Source [in respect of Income Tax]
<b>ULB</b>	Urban Local Body [a generic term for Municipal Corporations, Municipal Councils and Nagar Panchayats]

### ***Some Key Words and Terms Used In This Docket***

Unless the context otherwise requires, the following terms whenever used in this RFP and Contract have the following meanings:

- a. "Agreement" means the agreement between a bidder and IMC in terms of this RFP.
- b. "Bidder" means a legal entity [E.g., individual / firm / company] who submits proposal in response to this RFP and who is eligible to do so.
- c. "Committee" means a committee constituted for scrutiny of proposals leading to final selection of Auditors.
- d. "Statutory auditor" means a bidder who has been selected for and assigned task in terms of this RFP.
- e. "Contract" means the assignment of task to the successful bidder and execution of agreement with him/them.
- f. "Department" means the department of Indore Municipal Corporation.
- g. "Government" means, according to the context, the Government of M.P. and/or the Government of India.
- h. "Personnel" means professional and support staff provided by the Statutory - Auditors to perform services in terms of the Agreement, and any part thereof;
- i. "Proposal" means the technical proposal submitted by bidders in response to the RFP issued by the Department for selection of Auditors, and all documents submitted with the proposal.
- j. "Services" means the work to be performed by the Statutory -Auditors pursuant to this RFP and any specific assignment incidental thereto.

## **1. Introduction**

- 1.1 Subsequent to the 74<sup>th</sup> 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 the Audit of the ULBs' books of accounts by Statutory Auditors.
- 1.2 IMC hereby invites proposals from interested and eligible Chartered Accountants' firm for the above purpose. The specifics of eligibility are given in para 3.
- 1.3 No JV and Consortium is allowed.

## **2. The auditor's scope of work:**

The auditor's scope of work is indicative, but not limited to the followings.

**Auditor has to cover the following activity during audit of IMC's accounts.:**

### **A. Audit of Revenue:**

- i. The auditor is responsible for audit of revenue from various sources.
- ii. He is also responsible to check the revenue receipts from the counter files of receipt books and verify that the money received is duly deposited in respective bank account.
- iii. Percentage of Revenue collection increase / decrease in various heads in Property Tax, Samekit kar, Shiksha Upkar, Nagriya Vikas Upkar and Other Tax compared to previous year shall be part of report.
- iv. Delay beyond 2 working days shall be immediately brought to the notice of Commissioner.
- v. The entries in cash book shall be verified.
- vi. The auditor shall specifically mention in the report, the revenue recovery against the quarterly and monthly targets. Any lapses in revenue recovery shall be a part of the report.
- vii. The auditor shall verify the interest income from FDR's and verify that interest income is duly and timely accounted for in cash book.
- viii. The cases where, the investments are made on lesser interest rates shall be brought to the notice of the Commissioner.

### **B. Audit of Expenditure**

- i. The auditor is responsible for audit of expenditure under all the schemes.
- ii. He is also responsible for checking the entries in cash book and verifying them from relevant vouchers.
- iii. He should also check monthly balances of the cash book and guide the accountant to rectify errors, if any.

- iv. He shall verify that the expenditure for a particular scheme is limited to the funds allocated for that particular scheme any over payment shall be brought to the notice of the Commissioner.
- v. He shall also verify that the expenditure is accordance with the guidelines, directives, acts and rules issued by Government of India / State Government.
- vi. During the audit financial propriety shall also be checked. All the expenditure shall be supported by financial and administrative sanctions accorded by competent authority and shall be limited to the administrative and financial limits of the sanctioning authority.
- vii. All the cases where appropriate sanctions have not been obtained shall be reported and the compliance of audit observations shall be ensured during the audit. Non compliances of audit paras shall be brought to the notice of Commissioner.
- viii. The auditor shall be responsible for verification of scheme wise project wise Utilization Certificates (UCs). UC's shall be tallied with the income & expenditure records and creation of Fixed Asset.
- ix. The Auditor shall verify that all the temporary advances have been duly recovered.

### **C. Audit of Book Keeping:**

- i. The auditor is responsible for audit of all the books of accounts as well as stores.
- ii. He shall verify that all the books of accounts and stores are maintained as per Accounting Rules applicable to Urban Local Bodies. Any discrepancies shall be brought to the notice of Commissioner.
- iii. The auditor shall verify advance register and see that all the advances are timely recovered according to the conditions of advances. All the cases of non-recovery shall be specifically mentioned in audit report.
- iv. The Auditor shall verify that all the temporary advances have been duly recorded.

- v. Bank reconciliation statements (BRS) shall be verified from the records of ULB and the bank concerned. If bank reconciliation statements are not prepared, the auditor will help in the preparation of BRS.
- vi. He shall be responsible for verifying the entries in the Grant register. The receipts and payments of grants shall be duly verified from the entries in the cash book.
- vii. The auditor shall verify the fixed asset register from other records and discrepancies shall be brought to the notice of Commissioner.
- viii. The auditor shall reconcile the accounts of receipt and payments especially for project funds.

#### **D. Audit of FDR:**

- i. The auditor is responsible for audit of all Fixed deposits and term deposits.
- ii. It shall be ensured that proper records of FDR's are maintained and all renewals are timely done.
- iii. The cases where FDR'S /TDR's are kept at low rate of interest than the prevailing rate, shall be immediately brought to the notice of Commissioner.
- iv. Interest earned on FDR/TDR shall be verified from entries in the cash book.

#### **E. Audit of Tenders/Bids:**

- i. The auditor is responsible for audit of all tenders /bids invited by the ULB's.
- ii. He shall Check whether competitive tendering procedures are followed for all bids.
- iii. He shall verify the receipts of tender fee/ bid processing fee/ performance guarantee both during the construction and maintenance period.

- iv. The bank guarantees, if received in lieu of bid processing fee/ performance guarantee shall be verified from the issuing banks.
- v. The conditions of BG's shall also be verified, any BG with any such condition which is against the interests of the ULB shall be verified and brought to the notice of Commissioner
- vi. The cases of extension of BG's shall be brought to the notice of Commissioner. Proper guidance to extend the BG's shall also be given to ULB's.

## **F. Audit of Grants and Loans:**

- i. The auditor is responsible for audit of grants given by Central Government and it's utilization.
- ii. He is responsible for audit of grants received from State Government and it's utilization.
- iii. He shall perform audit of loans provided for physical infrastructure and it's utilization. During this audit the auditor shall specifically comment on the revenue mechanism i.e. whether the asset created out of the loan has generated the desired revenue or not. He shall also comment on the possible reasons for non-generation of revenue.
- iv. The auditor shall specifically point out any diversion of funds from capital receipts/ grants / loans to revenue expenditure and from one scheme / project to another.

Apart from the audit observations, the auditor is required to indicate discrepancies inadequacies in the system or procedures so that the steps for improving the system can be initiated by the department to make it more efficient.

## **Note:-**

- i. The auditor's report shall include his observations on each of the Scope (A-F) as defined above along with other observations/ findings. The report without observations on each scope will not be entertained in any case, consequently for non-compliance, payments may be withheld.
- ii. The above scope of work is suggestive only, it is not exhaustive. The Commissioner may direct the auditor to perform audit of any other section in his office in addition to the above scope.
- iii. Auditor has to issue various certificates as and when required for the compliances of the bonds issued and loan borrowed by the IMC. Also for any scheme of the government, if required.
- iv. Receipt Payment Account, Income Expenditure Account, Balance Sheet and Bank Reconciliation Statement of IMC shall be part of report and IMC can take training from Chartered Accountant in order to prepare aforesaid accounts and BRS.
- v. Report and Accounts must be prepared in accordance with suggestions given by 15th Finance Commission and State Finance Commission.
- vi. Fees for the above work is Rs. 2,00,000.0 (In words Rs. Two Lacs only) inclusive of all the expenses except GST which will be paid separately if applicable. Work will be awarded to the Bidder which score highest marks in technical evaluation.
- vii. **Regulation of Audit Fees:** The payment of Audit Fees will be made only after completion of Audit Work and issue of Audit Report. Completion of Audit will be inclusive of conduct of audit, submission and discussion of report with the IMC. The IMC will not pay any advance to the selected audit firm under any circumstances. Bill for Audit Fees will be submitted to the Additional Commissioner Finance along with a certificate indicating that audit has been conducted as per guidelines framed and the work has been completed as per the agreed terms and conditions. If the work will not be completed in time, 10% of the fee could be deducted.

viii. **Selection Process:** The appointment of the Chartered Accountant Firm will be through an open competition and the selection of Firm will be done who will score maximum in Technical Bid. If more than one Firm get equal marks in Technical Evaluation than further evaluation will be carried out as under for the firms who get maximum points:

- a) Number of Partners in the firm: For above five partners, 1 point will be given for each additional partner
- b) Age of the Firm: For above 10 years, 1 point will be given for on each additional completed 5 years
- c) Average turnover of the Firm: For above 30 lacs, 1 point will be given for on each additional 5 lacs.

ix. The contract will be awarded to the firm who scores the maximum points in the further evaluation.

x. The successful tenderers are to pay an amount of Rs.20, 000/- towards security deposit. EMD of successful tenderer will be converted to Security Deposit. The Security Deposit is refundable after satisfactory completion of the whole contract.

xi. **As per the scope defined above following methodology is to be carried by the Chartered Accountants: -**

### **Working at Municipal Corporation**

1. Minimum of 3-member team should be deployed at the Municipal Corporation which consist of
  - a. A Chartered Accountant cum team leader who is having Minimum experience of 5 years.
  - b. 2 MCOM/CA Inter/IPCC qualified staff having experience of 3 years in CA firm in audit.
2. Auditor shall complete the assignment within a period of one and half month from the date of work order issued. Draft Audit Report with observations / remarks is required to be submitted within one month. Auditor has to discuss all his observations with the concerned departmental head and final audit report along with auditees comment should be

submitted within a period of one and half months.

3. The report submitted by the C.A. should be in full satisfaction of the undersigned. In case of any deficiency, the report will be returned for further improvement. The final report will be reviewed by MP UADD department.
4. Weekly MIS for the work as per reporting format provided must be mailed to Additional Commissioner Finance.
5. Auditors shall submit complete reports pertaining to audit as per reporting formats with mail to Additional Commissioner Finance followed by format as required by this department.

### **3    ELIGIBILITY FOR SUBMISSION OF PROPOSAL**

**To submit proposal in response to this RFP, a bidder must satisfy the following conditions of eligibility:**

- i. The Bidder must be a chartered accountants firm with 5 years of experience.
- ii. Firm must have at least 2 partners.
- iii. The Bidder must have experience of similar nature of work i.e. Audit in ULB / Accounting as ABDEAS in ULB / Budget preparation in ULB.
- iv. CA Firms engaged in IMC for preparation of Annual Financial Statement for FY 2022-23 are not allowed to participate in the Tender.
- v. The bidder must be established in Indore Division either through head/branch office.
- vi. The bidder must have an average revenue receipt of not less than the 15 Lakh in the preceding three financial years (F.Y. 19-20, 20-21 and 21-22)[Attach copy of ITR Returns, Income and Expenditure Accounts and Balance Sheet]
- vii. The bidder must be empanelled with C&AG for the current financial year,
- viii. Any firm appointed as Statutory Auditor for the FY 2022-23 in other 5 ULBs of Indore Division will not be eligible.
- ix. Any of the partner of the firm should not be related to any of the employee of the IMC. If so please specify the fact in bid documents

#### **4 SUBMISSION OF PROPOSAL**

The proposal must be submitted strictly in the manner prescribed herein.

The proposal must be in two parts, each placed and sealed in a separate envelope appropriately marked as "**Envelope A**" or "**Envelope B**". Both these envelopes must be put in a larger envelope addressed to the **Commissioner, Municipal Corporation, Indore**, duly superscripted: **Proposal for Statutory Audit in IMC, Indore**".

**"Envelope A"** must be superscripted as "**Envelope A: Technical Proposal for Statutory Audit in Indore Municipal Corporation**" Bidder's Credentials must contain the following:

- i. Tech Bid on Annexure-A signed by the bidder
- ii. Particulars of professional and personnel currently in service with the firm in prescribed format, duly authenticated and signed by the bidder.
- iii. Certificates from the other ULBs regarding satisfactory audit work done during the past five years.

**"Envelope B"** must contain the EMD (Online Receipt) and RFP Document Fee Receipt and should be superscripted as "**Envelope B: EMD for work of Statutory-audit in Indore Municipal Corporation**".

- a. The proposal submitted must be valid for a period of not less than 120 Days from the date of opening of bids, during which period the proposal cannot be withdrawn or modified.
- b. In case IMC requires an extension of the period of validity beyond 120 days, the bidder will be free to grant the extension or to refuse it. If the bidder refuses to extend the validity, IMC shall return to him the EMD submitted with the proposal.
- c. While granting extension of the period of validity beyond 120 days, the bidder will not be allowed to modify any other part of the proposal.
- d. Every proposal must be accompanied by an EMD for a amount of Rs.20,000.
- e. The EMD of unsuccessful bidders shall be refunded after final award of contract.
- f. The Earnest Money will be liable for forfeiture on account of one or more of the following reasons:

- Bidder withdraws his Proposal during the validity period specified in RFP;
- Bidder does not respond to requests by IMC for clarification(s) on points contained in his Proposal.
- In case of a successful bidder, the said bidder fails to sign the Agreement in 7 days.

## **5 TERMS OF PAYMENT**

- a. Payment for work done by the Statutory Auditor will be made by IMC;
- b. The payment of Audit Fees will be made only after completion of Audit Work and issue of Audit Report. Completion of Audit will be inclusive of conduct of audit, submission and discussion of report with the IMC.
- c. The IMC will not pay any advance to the selected audit firm under any circumstances.
- d. Bill for Audit Fees will be submitted to the Additional Commissioner Finance along with a certificate indicating that audit has been conducted as per guidelines framed and the work has been completed as per the agreed terms and conditions.
- e. If the work will not be completed in time, 10% of the fee could be deducted.
- f. Fees for the above work is inclusive of all the expenses except GST which will be paid separately if applicable.

## **6 EVALUATION OF PROPOSALS**

- a. From the time the Proposals are opened to the time the contract is awarded, the CA Firm should not contact the Client on any matter related to its Technical Proposal. Any effort by a CA Firm to influence the Client in examination, evaluation, ranking of Proposals or recommendation for award of contract may result in rejection of the CA Firm's Proposal.
- b. The “Envelope B” shall be opened first. If the RFP Document Fee and the EMD (online payment receipts) are not found to be in order, then the proposal shall be treated as non-responsive and shall not be evaluated further.
- c. The eligibility criteria will be first evaluated as defined in Notice Inviting Request for Proposals for each bidder. Detailed technical evaluation will be taken up in respect of only those bidders, who meet with the prescribed eligibility criteria.
- d. The IMC team will be responsible for evaluation and ranking of Proposals received.
- e. A Technical Proposal may not be considered for evaluation in any of the following cases:

- I. The CA Firm that submitted the Proposal was found not to be legally incorporated or established in India; or
- II. The Technical Proposal was submitted in the wrong format; or
- III. The Technical Proposal reached the Client after the submission closing time and date specified in the Data Sheet.

  

- f. The Authority reserves the right to verify all statements, information and documents, submitted by the Applicant in response to the RFP. Any such verification or the lack of such verification by the Authority to undertake such verification, shall not relieve the Applicant of its obligations or liabilities hereunder, nor will it affect any rights of the Authority here under.
- g. In case it is found during the evaluation or at any time before signing of the Agreement or after its execution and during the period of subsistence thereof, that one or more of the eligibility conditions have not been met by the Applicant or the Applicant has made material misrepresentation or has given any materially incorrect or false information, the Applicant shall be disqualified forthwith if not yet appointed as the CA Firm either by issue of the LOA or entering into of the Agreement, and if the Selected Applicant has already been issued the LOA or has entered into the Agreement, as the case may be, notwithstanding anything to the contrary contained therein or in this RFP, be liable to be terminated, by a communication in writing by the Authority without the Authority being liable in any manner whatsoever to the Applicant or CA Firm, as the case may be.
- h. In such an event, the Authority shall forfeit and appropriate the Bid Security as mutually agreed pre-estimated compensation and damages payable to the Authority for, inter alia, time, cost and effort of the Authority, without prejudice to any other right or remedy that may be available to the Authority.
- i. If an Applicant/Bidder makes a false averment regarding his qualification, experience or other particulars, or commitment regarding availability of professionals/personnel proposed for the Project is not fulfilled at any stage after signing of the Agreement, then bidder shall be liable to be debarred for any future assignment of the Authority for a period of 5 (five) years. The award of this Consultancy to the Applicant may also be liable to cancellation in such an event
- j. Following the ranking of Technical Proposals, the highest ranked bidder based on cumulative technical ranking will be invited for contract Agreement.
- k. **Clarifications:** To facilitate evaluation of Proposals, the Authority may, at its sole discretion, seek clarifications from any Applicant regarding its Proposal and/or seek documentary proof for the facts narrated only in the forms of technical proposals. Such clarification(s) shall be provided within the time

specified by the Authority for this purpose. Any request for clarification(s) and all clarification(s) in response thereto shall be in writing. If an Applicant does not provide clarifications sought within the specified time, its Proposal shall be liable to be rejected. In case the Proposal is not rejected, the Authority may proceed to evaluate the Proposal by construing the particulars requiring clarification to the best of its understanding, and the Applicant shall be barred from subsequently questioning such interpretation of the Authority

## 7 RANKING OF PROPOSAL

### Selection Method:-

Selection would be made following the Quality Based Selection method for which the detailed criteria and scoring pattern for short listing at the evaluation stage is given hereunder: -

SN	Criteria	Scoring Points		Maximum points	Documentation
1	Age of the firm (number of completed years for which firm is registered) – As on 01.04.2023	Less than 5 years	0	30	Constitution certificate issued by ICAI.
		5 years or more but less than 10 years	25		
		10 Years to more	30		
2	Average Turnover in last Three Financial Years (F.Y. 19-20, 20-21 and 21-22)	If Average Turnover is less than 15 lacs	0	30	Income & expenditure account and Balance Sheet for each of these financial years along with the copy of the ITR.
		If Average Turnover is 15 lacs or more but less than 20 lacs	15		
		If Average Turnover is 20 lacs or more but less than 25 lacs	20		
		If Average Turnover is 25 lacs or more but less than 30 lacs	25		
		If Average Turnover is 30 lacs or more	30		
3	Number of Partners - As on 01.04.2023	If Number of Partner are less than-2	0	30	Constitution certificate issued by ICAI.
		If Number of Partner are 2	20		
		If Number of Partner are 3	22		
		If Number of Partner are 4	25		
		If Number of Partner are 5 or more	30		
4	Experience of the Firm in the similar nature of work (Audit, /Accounting/ Budget of ULB's) – Completed Assignments	Is firm has no such experience	0	10	Copies of the appointment letters and certificate from client for success fully completion of project.
		If Firm has such experience upto 5 Assignment	5		
		If Firm has such experience of more than 5 assignment	10		
		Total	100		

## **8 AWARD OF CONTRACT**

- The Contract will be awarded to the agency which scores maximum points.
- The selected CA Firm is expected to commence the Assignment on the date and at the location specified in the Data Sheet.
- If more than one Firm get equal marks in Technical Evaluation than further evaluation will be carried out as under for the firms who get maximum points:
  - d) **Number of Partners in the firm:** For above five partners, 1 point will be given for each additional partner
  - e) **Age of the Firm:** For above 10 years, 1 point will be given for on each additional completed 5 years
  - f) **Average turnover of the Firm:** For above 30 lacs, 1 point will be given for on each additional 5 lacs.

The contract will be awarded to the firm who scores the maximum points in the further evaluation.

## **9 AGREEMENT**

- a. The successful bidder(s) will have to execute at their cost, within a 7 days' time limit, an Agreement in three sets which will be based largely on the points contained in this Docket
- b. Failure to execute the Agreement within the time limit could render the bidder liable for disqualification and forfeiture of EMD.

## **10 REPORT SUBMISSION**

- a. Since the efficacy of the Audit depends upon timely action, it is required that the Audit Report should be according to scope of work. If required format of Audit Report will be given to Firm for Final Report. Annexure -C and its parts should be submitted by the Auditors within one and half months of award of contract.

- b. In case of delay in submission of the Audit Report, additional time will be allowed only from permission of The Commissioner Municipal Corporation, Indore without any increase in his contract fee amount.
- c. In case of improper and defective reports (not mentioning/highlighting the essential details, findings and facts required as per rules and not performing for the interest of ULB, assignment can be terminated.
- d. In case of replacement of expert/Team leader/other staff without prior approval from IMC, penalty may be imposed and contract may also be terminated with penalty for the monthly payment of that durations.

## **11 ARBITRATION**

In the event of any dispute or difference between the parties relating to work of audit, meaning or effect of the Agreement or any other clause or in respect of the rights and liabilities of the parties or other matters specified therein or with reference to anything arising out of or incidental to this Agreement or otherwise in relation to the terms, whether during the continuance of this Agreement or thereafter, such disputes or differences shall be resolved by mutual negotiations/mediation.

If however such negotiations/mediations are infructuous, they shall be decided by "Commissioner Municipal Corporation, Indore" his decision shall be final and binding on all parties.

Any reference to arbitration shall not relieve either party from the due performance of its obligations under the Agreement.

## **12 DURATION OF ASSIGNMENT and FORCE MAJEURE**

- a) The assignment duration is for one and half months except force majeure. Force majeure is any circumstances, condition beyond the control of both parties, due to which work could not be executed as per agreed norms.
- b) In case of force majeure, selected bidder shall inform the IMC and after verification of facts, IMC will exclude that period from total duration of the project. IMC reserves the right for imposing the penalty in case of force majeure.

## **13 FORECLOSURE**

- a. If the Commissioner, IMC does not desire that the professional services are required beyond certain stage, the work assigned to the selected bidder shall be withdrawn after giving him reasonable notice (not less than fifteen (15) days) for foreclosure/ termination of the engagement.
- b. Upon foreclosure of this contract, the selected shall take necessary steps to bring the work to a close in a prompt orderly manner and shall hand over all the documents/reports prepared by the selected bidder upto and including the date of termination to the IMC.
- c. The selected bidder shall be duly paid the professional fees for the works carried out and services rendered till the date of foreclosure, proportionately or based on the completion of work, whichever is higher and shall also be reimbursed for reasonable demobilization expenses, if the contract is foreclosed.

## **14 GENERAL CONDITIONS**

- a. The Bidders submitting Proposal and the statutory auditor selected through this RFP must observe the highest standards of ethics during the process of selection and during the performance and execution of contract.
- b. The Bidder, if selected, should provide professional, objective, and impartial advice and at all times hold the Government's interests paramount; and strictly avoid conflicts with other assignments/jobs or their own corporate interests.
- c. IMC reserves the right to annul the RFP process, or to accept or reject any or all the proposals in whole or part at any time without assigning any reasons and without incurring any liability to the affected bidder(s) or any obligation to inform the affected bidder(s) of the grounds for such decision.
- d. IMC may, at its discretion, ask Bidders for clarifications on their proposal. The Bidders are required to respond within the prescribed time-frame.
- e. IMC may at its sole discretion and at any time during the selection process, disqualify any Bidder, if the Bidder has:
  - Made misleading or false representations in the forms, statements and attachments submitted in proof of the eligibility requirements;
  - Exhibited a record of poor performance such as abandoning work, not

properly completing the contractual obligations, inordinately delaying completion or financial failures, etc. in any project in the preceding three years;

- Submitted a proposal that is not supported by relevant document; failed to provide clarifications related thereto, when sought;
- Submitted more than one Proposal;
- If the bidder has been declared ineligible by the Government of India/State/UT Government for corrupt and fraudulent practices or been blacklisted for any reason whatsoever.

**Annexure-A**

**Technical Bid**  
*To be submitted on the Bidder's Letter head*

To,  
Commissioner  
Municipal Corporation, Indore

Dear Sir,

**SUBJECT:** Audit of Account for Indore Municipal Corporation.

In response to your RFP published in (Name of the Newspaper/Source) dated (date) we wish to express our interest in the task of Statutory Audit of Accounts in Indore Municipal Corporation and hereby submit our proposal.

1. We confirm that we have read the RFP Docket and are fully eligible to submit this proposal. In particular we confirm that, we have the capacity to mobilize dedicated personnel to perform the obligations under the contract within the stipulated time-frame.
2. Relevant details of our concern are as follows:

<b>S.No</b>	<b>Item</b>		<b>Response</b>			
(1)	Names of the Firm					
(2)	Address					
(3)	Telephone / Mobile Number					
(4)	E-mail Address					
(5)	ICAI Registration Number and Date					
(6)	C&AG Empanelment					
(7)	Experience of Firm As on 01/04/2023		.....Years.....Months.....Days			
(8)	Turnover (In Lacs) in the preceding three years		1			
			2			
			3			
			<b>Total</b>			
			<b>Average</b>			
(9)	Experience of Double Entry / Budget Preparation / Audit of ULBs		(YES/NO) IF YES, GIVE DETAILS			
(10)	Particulars of Professionals in the firm					
	Name	Membership Number	FCA/ACA	Date of Enrollment with ICAI	Since When Partner	Whether DISA / CISA Qualified
(11)	Name of ULBs where firm applied for the Audit of FY 2022-23.					
(12)	Chartered Accountants / Firm have any relation with Staff / Officer of IMC					
	Name			Post	Relation	

3. We hereby declare that all the information and statements made in this Proposal are true and accept that any misleading information contained in it may lead to our disqualification.
4. We confirm that all personnel and associates named in the tender will be available to undertake the service.
5. We undertake, if our proposal is accepted, to initiate the consulting services related to the assignment not later than the date indication in the Data Sheet.
6. We understand you are not bound to accept any Proposal you receive.

Yours faithfully,

Authorized  
Signatory Name,  
Seal and  
designation

**Enclosures:**

- (1) Copy of membership certificate(s) of FCAs/ACAs in the firm.
- (2) ICAI Registration Certificate
- (3) C&AG Empanelment Letter
- (4) Copies of documents to evidence assignments done in ULBs
- (5) Separate CVs for all the team members with relevant mark sheets and other details as required in selection & marking sheet.
- (6) Experience and work certificate for satisfactory assignment.
- (7) Last three year Income and Expenditure and Balance Sheet and ITR Copy.

## **Template & Reporting for Audit**

To be submitted separately to IMC with a Certificate on auditor's Letter head

To,

Date:

Commissioner  
Municipal Corporation, Indore

Dear Sir,

We certify that we have conducted Audit of Municipal Corporation, Indore for the FY 2023-24 and have verified the vouchers, documents and books of accounts placed before us, and we sought and obtained necessary clarifications required for the audit.

As evidence of verification, we have duly put our seal/signature on the vouchers and the books of account.

Provisional audit remarks were given to the Additional Commissioner Finance of the IMC, and all remarks complied with by him have been deleted from the final report enclosed herewith.

The Audit Report is enclosed for your kind perusal.

Yours Sincerely,  
[Authorized Signatory]

**Encl: As per Format Annexure-B1**

## Annexure- B-1

### परिशिष्ट 'स'

#### Revised Abstract Sheet For Reporting on Audit Paras:-

##### Name of ULB

##### Name of Auditor

S.No.	Parameters	Discription	Observation in Brief	Suggestion
1	Audit of Revenue			
	राजस्व कर वसूली	Receipts in Rs.		
		Year 2021-22	Year 2022-23	% of Growth
1	संपत्ति कर			
2	समेकित कर			
3	नगरीय विकास उपकार			
4	शिक्षा उपकार			
	कुल योग			
	गैर राजस्व वसूली			
1	भवन भूमि किराया			
2	जल उपभोगता प्रभार			
3	ठोस अपशिष्ट प्रबंधन उपभोगता प्रभार			
4	अन्य कर / शुल्क			
	कुल योग			
	महायोग			

Revised Abstract Sheet For Reporting on Audit Paras

Name of ULB:	Parameters	Description	Observation in brief	Suggestions
Name of Auditor:				
S.No.				
1	Audit of Expenditure			
2	Audit of Book Keeping			
3	Audit of FDR/TDR			
4	Audit of Tenders and Bids			
5	Audit of Grants & Loans			
6	Incidences relating to diversion of funds from capital receipt/grants/Loans to revenue expenditure and from one scheme/project to another			
7	a) Percentage of revenue expenditure (Establishment, salary, Operation & Maintenance) with respect to revenue receipts (Tax & Non Tax). b) Percentage of Capital expenditure wrt Total expenditure.			
8	Whether all the temporary advances have been fully recovered or not.			
9	Whether bank reconciliation statements is being regularly prepared.			

Seal & Signature of Auditor(CA)  
Name of Auditor(CA)

Firms Reg.No,  
Membership No.  
Contact No, E-Mail

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**Revised Abstract Sheet For Reporting on Audit Paras**

**2022-23 INCOME & EXPENDITURE INFORMATION**

S.No.	Division	District	ULB Name	ULB Type	PROPERTY TAX	OTHER TAX	FEES & OTHER REVENUE CHARGES	REVENUE GRANTS & SUBSIDIES	REVENUE FROM ADVERTISED PROPERTY	STATE FINANCE COMMISSION RECEIPTS	CENTRAL FINANCE COMMISSION RECEIPTS	GRANT RECEIPTS	OTHER INCOME	STATE FINANCE COMMISSION RECEIPTS	CENTRAL FINANCE COMMISSION RECEIPTS	GRANT RECEIPTS	TOTAL RECEIPTS	REVENUE EXPENDITURE						
																		REVENUE RECEIPTS	ADVERTISED PROPERTY	STATE FINANCE COMMISSION RECEIPTS	CENTRAL FINANCE COMMISSION RECEIPTS	GRANT RECEIPTS	OTHER EXPENSES	INTEREST & CHARGES
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25

Seal & Signature of Auditor (CA)

Name of Auditor (CA).....  
 Firm Reg. No.....  
 Membership No.....  
 Contact No.....  
 E-Mail.....

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**Annexure C****Team Composition, Task Assignment and Summary of CV Information****Team Leader**

Surname / First Name	Firm Acronym	Area of Expertise	Position Assigned	Task Assigned	Employment / partnership Status with Firm ( Full time / other)	Education / Degree ( Year / Institution)	No of Years of relevant Project	CV Signature ( By Expert / by other)

**Support Staff**

S. No.	Surname / First Name	Position Assigned	Task Assigned

## Annexure D

## **Curriculum Vitae (CV) for proposed Professional &Professional & another Staff**

<b>11 A. Detailed Tasks Assigned</b> [List all tasks to be performed under this assignment]	<b>11B. Work Undertaken the Best Illustrate Capability to Handle the Tasks Assigned</b> [Among the assignments in which the staff has been involved, indicate the following information for those assignments that best illustrate staff capability to handle the task listed under point 11]
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