

**Odisha PVTG Empowerment & Livelihoods Improvement Programme
(OPELIP)**



**Programme Management Unit(PMU),
ST & SC Development Department,**

Govt. of Odisha, 2nd Floor, TDCCOL Building, Bhoinagar, Rupali Square, Bhubaneswar-751022



OPELIP, a programme of ST & SC Development Department, Govt. of Odisha supported by IFAD intends to engage CA Firms for **“VDC Audit for the FY 2018-19 and 2019-20”** in OPELIP. The procurement method is Quality and cost based selection.

REQUEST FOR PROPOSALS (RFP) is invited from CA Firms for **“VDC Audit for the FY 2018-19 and 2019-20”** under OPELIP. Interested CA Firms may download further details from www.opelip.org . RFP with required documents as attachments shall be sent through speed post/ registered post/Courier/by hand in a closed envelope super-scribed as **“VDC Audit for the FY 2018-19 and 2019-20”** under OPELIP to the Office of the Programme Director PMU, OPELIP, 2nd Floor, TDCCOL Building, Bhoi Nagar, Rupali Square, Bhubaneswar-751022. The last date of receipt of application is **30.12.2020** up to **3.00PM**. The Programme Director reserves the right to accept or reject any or all bids without assigning any reason thereof.

Date:01.12.2020

Place: Bhubaneswar

Sd/-

Programme Director, OPELIP

**STANDARD PROCUREMENT
DOCUMENT**

**Request for Proposals
Consulting Services**

Standard Procurement Document

SUMMARY

PART I – SELECTION PROCEDURES AND REQUIREMENTS

Section 1: Request for Proposals (RFP) Letter

This Section is a template of a letter for a Request for Proposals from the Client addressed to all consulting firm inviting it to submit a proposal for a consulting assignment. The RFP letter includes reference to the selection method and applicable Procurement Regulations or policies of the financing institution that govern the selection and award process.

Section 2: Instructions to Consultants and Data Sheet

This Section consists of two parts: “Instructions to Consultants” and “Data Sheet”. “Instructions to Consultants” contains provisions that are to be used without modifications. “Data Sheet” contains information specific to each selection and corresponds to the clauses in “Instructions to Consultants” that call for selection-specific information to be added. This Section provides information to help consultants prepare their proposals. Information is also provided on the submission, opening and evaluation of proposals, contract negotiation and award of contract. Information in the Data Sheet indicates whether a Full Technical Proposal (FTP) or a Simplified Technical Proposal (STP) shall be used.

Section 3: Technical Proposal – Standard Forms

This Section includes the forms for FTP and STP that are to be completed by the shortlisted consultants and submitted in accordance with the requirements of Section 2.

Section 4: Financial Proposal – Standard Forms

This Section includes the financial forms that are to be completed by the shortlisted consultants, including the consultant’s costing of its technical proposal, which are to be submitted in accordance with the requirements of Section 2.

Section 5: Eligible Countries

This Section contains information regarding eligible countries.

Section 6: Fraud and Corruption

This section includes the fraud and corruption provisions which apply to this selection process.

Section 7: Terms of Reference (TORs)

This Section describes the scope of services, objectives, goals, specific tasks required to implement the assignment, and relevant background information; provides details on the required qualifications of the key experts; and lists the expected deliverables. This Section shall not be used to over-write provisions in Section 2.

SELECTION OF CONSULTANTS

Request for Proposals Consulting Services

Procurement of:
*Auditor of VDCs (Village development
Committee) under of Odisha PVTG
Empowerment and Livelihood Improvement
Programme (OPELIP) for 2 years (F.Y. 2018-19,
2019-20)*

RFP No: 3

**Consulting Services for: Audit of VDCs (Village Development Committees)
under Odisha PVTG Empowerment and Livelihood Improvement
Programme) for 2 years (F.Y. 2018-19 and 2019 -20)**

**Client: Programme Management Unit, Odisha PVTG Empowerment &
Livelihoods Improvement Programme (OPELIP)**

Country: India

Issued on:

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PART I

Section 1. Request for Proposal Letter Consulting Services

Name of Assignment: Audit of VDCs (Village Development Committees) under Odisha PVTG Empowerment and Livelihood Improvement Programme) for 2 years (F.Y. 2018-19 and 2019 -20)

RFP Reference No.:01/2020-21

Loan No. :2000000695

Country:India

Date:27/11/2020

Dear Mr. /Ms.:

1. The PMU, OPELIP (hereinafter called “Client”) through The Government of Odisha has received financing from the International Fund for Agricultural Development (IFAD) in the form of a [“loan”] (hereinafter called [“loan”] toward the cost of Odisha PVTG Empowerment and Livelihood Improvement Programme (OPELIP). The Client, an implementing agency of the Government of Odisha, intends to apply a portion of the proceeds of this loan to eligible payments under the contract for which this Request for Proposals is issued. Payments by the IFAD will be made only at the request of the PMU, OPELIP and upon approval by the IFAD, and will be subject, in all respects, to the terms and conditions of the loan/financing agreement. The loan/financing agreement prohibits a withdrawal from the loan account for the purpose of any payment to persons or entities, or for any import of goods, if such payment or import, to the knowledge of the IFAD, is prohibited by a decision of the United Nations Security council taken under Chapter VII of the Charter of the United Nations.
2. The Client now invites proposals to provide the following consulting services (herein after called “Services”): Audit of VDCs (Village Development Committees) under Odisha PVTG Empowerment and Livelihood Improvement Programme) for 2 years (F.Y. 2018-19 and 2019 -20). Audit of VDCs will be allotted as per the lots. The existing external audit firm for the year 2019-20 and Internal Audit firm for the year 2020-21 shall not be allowed to participate in the bidding process. Maximum 05 different firms will be distributed assignment of conducting VDC audit split into 05 different lots comprising of following districts :

- i. Mayurbhanj, Keonjhar,
- ii. Angul, Deogarh & Sundergarh,
- iii. Nuapada, Kalahandi, Kandhamal
- iv. Ganjam, Gajapati and Rayagada (Only LSDA, Putasingh)
- v. Malkanagiri, Rayagada (DKDA, Chatikona & DKDA, Parsali)

In case, no proposals for received for any particular lot, the Client, in its discretion, may allot the assignment to other qualified firms submitting the proposals, subject to the ceiling of maximum two lots per firm. More details on the Services are provided in the Terms of Reference (Section 7).

3. This Request for Proposals (RFP) has been addressed to the following shortlisted Consultants:

[N. A.]

4. It is not permissible to transfer this RFP to any other firm.

5. The firms submitting the technical and financial proposals as per the RFP should essentially meet the following eligibility conditions:

- i) Should be registered under legal framework (Copy of GST Regd. Certificate, PAN Card should be enclosed)
- ii) Should have continuing registration with ICAI.(Copy of registration should be enclosed)
- iii) Should have empaneled by the Office of CAG (attach copy of empanelment for the year 2020-21)
- (iv) Should have a minimum average annual turnover of Rs.25 lakhs for the past three financial years.(Copy of last 03 years audit report should be enclosed)
- (v) Should have undertaken at least two audits of the community institutions like SHG/Federations or others in the last two years and each audit should have covered a minimum of 200 such entities. (Copy of engagement letter should be enclosed)

6. A firm will be selected under Quality and Cost Based Selection (QCBS procedures and in a [Simplified Technical Proposal (STP)]format as described in this RFP, in accordance with the policies of the IFAD detailed in the *IFAD Project Procurement Guidelines and Procurement Handbook* which can be found at the following website: www.ifad.org

The RFP includes the following documents:

Section 1 – Request for Proposals Letter

Section 2 - Instructions to Consultants and Data Sheet

Section 3 - Technical Proposal (STP)] - Standard Forms

Section 4 - Financial Proposal - Standard Forms

Section 5 – Eligible Countries

Section 6 – Fraud and Corruption

Section 7 - Terms of Reference

Section 8 - Standard Forms of Contract (Lump-Sum)

7. Details on the proposal's submission date, time and address are provided in ITC 17.7 and ITC 17.9.

Yours sincerely,

For OdishaPVTG Empowerment and Livelihood Improvement Programme
(OPELIP) TDCCOL, Building, 2nd Floor, Bhoi Nagar, Rupali Square, Bhubaneswar -751022.
Ph-0674-2542709. Email: support@opelip.org.

Section 2. Instructions to Consultants and Data Sheet

[Notes to the Client: this part of Section 2, Instructions to Consultants, shall not be modified. Any necessary changes, acceptable to the IFAD, to address specific country and project issues, to supplement, but not overwrite, the provisions of the Instructions to Consultants (ITC), shall be introduced through the Data Sheet only. "Notes to the Client" should be deleted from the final RFP issued to the shortlisted Consultants].

Instructions to Consultants

A. General Provisions

1. Definitions

- (a) "Affiliate(s)" means an individual or an entity that directly or indirectly controls, is controlled by, or is under common control with the Consultant.
- (b) "Applicable Regulations" means IFAD Procurement Guidelines and Procurement Handbook.
- (c) "Applicable Law" means the laws and any other instruments having the force of law in the Client's country, or in such other country as may be specified in the **Data Sheet**, as they may be issued and in force from time to time.
- (d) "IFAD" means the International Fund for Agricultural Development (IFAD).
- (e) "Borrower" means the Government, Government agency or other entity that signs the *loan/financing* agreement with the IFAD.
- (f) "Client" means the implementing agency that signs the Contract for the Services with the selected Consultant.
- (g) "Consultant" means a legally-established professional consulting firm or an entity that may provide or provides the Services to the Client under the Contract.
- (h) "Contract" means a legally binding written agreement signed between the Client and the Consultant and includes all the attached documents listed in its Clause 1 (the General Conditions of Contract (GCC), the Special Conditions of Contract (SCC), and the Appendices).
- (i) "Data Sheet" means an integral part of the Instructions to Consultants (ITC) Section 2 that is used to reflect specific country and assignment conditions to

- supplement, but not to over-write, the provisions of the ITC.
- (j) “Day” means a calendar day, unless otherwise specified as “Business Day”. A Business Day is any day that is an official working day of the Borrower. It excludes the Borrower’s official public holidays.
 - (k) “Experts” means, collectively, Key Experts, Non-Key Experts, or any other personnel of the Consultant, Sub-consultant or Joint Venture member(s).
 - (l) “Government” means the government of the Client’s country.
 - (m) “in writing” means communicated in written form (e.g. by mail, e-mail, fax, including, if specified in the Data Sheet, distributed or received through the electronic-procurement system used by the Client) with proof of receipt;
 - (n) “Joint Venture (JV)” means an association with or without a legal personality distinct from that of its members, of more than one Consultant where one member has the authority to conduct all business for and on behalf of any and all the members of the JV, and where the members of the JV are jointly and severally liable to the Client for the performance of the Contract.
 - (o) “Key Expert(s)” means an individual professional whose skills, qualifications, knowledge and experience are critical to the performance of the Services under the Contract and whose CV is taken into account in the technical evaluation of the Consultant’s proposal.
 - (p) “ITC” (this Section 2 of the RFP) means the Instructions to Consultants that provides—the shortlisted Consultants with all information needed to prepare their Proposals.
 - (q) “Non-Key Expert(s)” means an individual professional provided by the Consultant or its Sub-consultant and who is assigned to perform the Services or any part thereof under the Contract and whose CVs are not evaluated individually.
 - (r) “Proposal” means the Technical Proposal and the

Financial Proposal of the Consultant.

- (s) “RFP” means the Request for Proposals to be prepared by the Client for the selection of Consultants, based on the SPD - RFP.
- (t) “SPD - RFP” means the Standard Procurement Document -Request for Proposals, which must be used by the Client as the basis for the preparation of the RFP.
- (u) “Services” means the work to be performed by the Consultant pursuant to the Contract.
- (v) “Sub-consultant” means an entity to which the Consultant intends to subcontract any part of the Services while the Consultant remains responsible to the Client during the whole performance of the Contract.
- (w) “Terms of Reference (TORs)” (this Section 7 of the RFP) means the Terms of Reference that explains the objectives, scope of work, activities, and tasks to be performed, respective responsibilities of the Client and the Consultant, and expected results and deliverables of the assignment.

2. Introduction

- 2.1 The Client named in the **Data Sheet** intends to select a Consultant from those listed in the Request for Proposals (RFP), in accordance with the method of selection specified in the **Data Sheet**.
- 2.2 The shortlisted Consultants are invited to submit a Technical Proposal and a Financial Proposal, or a Technical Proposal only, as specified in the **Data Sheet**, for consulting services required for the assignment named in the **Data Sheet**. The Proposal will be the basis for negotiating and ultimately signing the Contract with the selected Consultant.
- 2.3 The Consultants should familiarize themselves with the local conditions and take them into account in preparing their Proposals, including attending a pre-proposal conference if one is specified in the **Data Sheet**. Attending any such pre-proposal conference is optional and is at the Consultants’ expense.
- 2.4 The Client will timely provide, at no cost to the Consultants, the inputs, relevant project data, and reports

required for the preparation of the Consultant's Proposal as specified in the **Data Sheet**.

3. Conflict of Interest

3.1 The Consultant is required to provide professional, objective, and impartial advice, at all times holding the Client's interests paramount, strictly avoiding conflicts with other assignments or its own corporate interests, and acting without any consideration for future work.

3.2 The Consultant has an obligation to disclose to the Client any situation of actual or potential conflict that impacts its capacity to serve the best interest of its Client. Failure to disclose such situations may lead to the disqualification of the Consultant or the termination of its Contract and/or sanctions by the IFAD.

3.2.1 Without limitation on the generality of the foregoing, the Consultant shall not be hired under the circumstances set forth below:

a. Conflicting Activities

(i) Conflict between consulting activities and procurement of goods, works or non-consulting services: a firm that has been engaged by the Client to provide goods, works, or non-consulting services for a project, or any of its Affiliates, shall be disqualified from providing consulting services resulting from or directly related to those goods, works, or non-consulting services. Conversely, a firm hired to provide consulting services for the preparation or implementation of a project, or any of its Affiliates, shall be disqualified from subsequently providing goods or works or non-consulting services resulting from or directly related to the consulting services for such preparation or implementation.

b. Conflicting Assignments

(ii) Conflict among consulting assignments: a Consultant (including its Experts and Sub-consultants) or any of its Affiliates shall not be hired for any assignment that, by its nature, may be in conflict with another assignment of the Consultant for the same or for another Client.

c. Conflicting Relationships

(iii) Relationship with the Client's staff: a Consultant (including its Experts and Sub-consultants) that has a close business or family relationship with a professional staff of the Borrower (or of the Client, or of implementing agency, or of a recipient of a part of the IFAD's financing) who are directly or

indirectly involved in any part of (i) the preparation of the Terms of Reference for the assignment, (ii) the selection process for the Contract, or (iii) the supervision of the Contract, may not be awarded a Contract, unless the conflict stemming from this relationship has been resolved in a manner acceptable to the IFAD throughout the selection process and the execution of the Contract.

**4. Unfair
Competitive
Advantage**

4.1 Fairness and transparency in the selection process require that the Consultants or their Affiliates competing for a specific assignment do not derive a competitive advantage from having provided consulting services related to the assignment in question. To that end, the Client shall indicate in the **Data Sheet** and make available to all shortlisted Consultants together with this RFP all information that would in that respect give such Consultant any unfair competitive advantage over competing Consultants.

**5. Fraud and
Corruption**

5.1 The IFAD requires compliance with the IFAD's Anti-Corruption Guidelines and its prevailing sanctions policies and procedures as set forth in Section 6.

5.2 In further pursuance of this policy, Consultants shall permit and shall cause its agents (where declared or not), subcontractors, sub-consultants, service providers, suppliers, and their personnel, to permit the IFAD to inspect all accounts, records and other documents relating to any short-listing process, Proposal submission, and contract performance (in the case of award), and to have them audited by auditors appointed by the IFAD.

6. Eligibility

6.1 The IFAD permits consultants (individuals and firms, including Joint Ventures and their individual members) from all countries to offer consulting services for IFAD-financed projects.

6.2 Furthermore, it is the Consultant's responsibility to ensure that its Experts, joint venture members, Sub-consultants, agents (declared or not), sub-contractors, service providers, suppliers and/or their employees meet the eligibility requirements as established by the IFAD in the Applicable Regulations.

6.3 As an exception to the foregoing ITC 6.1 and ITC 6.2

above:

- a. Sanctions**
- 6.3.1 A Consultant that has been sanctioned by the IFAD, pursuant to the IFAD's Anti-Corruption Guidelines and in accordance with its prevailing sanctions policies and procedures as set forth in the WBG's Sanctions Framework as described in Section VI, Fraud and Corruption, paragraph 2.2 d. shall be ineligible to be shortlisted for, submit proposals for, or be awarded a IFAD-financed contract or benefit from a IFAD-financed contract, financially or otherwise, during such period of time as the IFAD shall have determined.
- b. Prohibitions**
- 6.3.2 Firms and individuals of a country or goods manufactured in a country may be ineligible if so indicated in Section 5 (Eligible Countries) and:
- (a) as a matter of law or official regulations, the Borrower's country prohibits commercial relations with that country, provided that the IFAD is satisfied that such exclusion does not preclude effective competition for the provision of Services required; or
 - (b) by an act of compliance with a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations, the Borrower's Country prohibits any import of goods from that country or any payments to any country, person, or entity in that country.
- c. Restrictions for State-Owned Enterprises**
- 6.3.3 State-owned enterprises or institutions in the Borrower's country may be eligible to compete and be awarded a contract only if they can establish, in a manner acceptable to the IFAD, that they: (i) are legally and financially autonomous, (ii) operate under commercial law, and (iii) are not under supervision of the Client.
- d. Restrictions for Public Employees**
- 6.3.4 Government officials and civil servants of the Borrower's country are not eligible to be included as Experts, individuals, or members of a team of Experts in the Consultant's Proposal unless:
- (i) the services of the government official or civil servant are of a unique and exceptional nature, or their participation is

critical to project implementation; and

- (ii) their hiring would not create a conflict of interest, including any conflict with employment or other laws, regulations, or policies of the Borrower.

e. Borrower Debarment

- 6.3.5 A firm that is under a sanction of debarment by the Borrower from being awarded a contract is eligible to participate in this procurement, unless the IFAD, at the Borrower's request, is satisfied that the debarment; (a) relates to fraud or corruption, and (b) followed a judicial or administrative proceeding that afforded the firm adequate due process.

B. Preparation of Proposals

7. General Considerations

- 7.1 In preparing the Proposal, the Consultant is expected to examine the RFP in detail. Material deficiencies in providing the information requested in the RFP may result in rejection of the Proposal.

8. Cost of Preparation of Proposal

- 8.1 The Consultant shall bear all costs associated with the preparation and submission of its Proposal, and the Client shall not be responsible or liable for those costs, regardless of the conduct or outcome of the selection process. The Client is not bound to accept any proposal, and reserves the right to annul the selection process at any time prior to Contract award, without thereby incurring any liability to the Consultant.

9. Language

- 9.1 The Proposal, as well as all correspondence and documents relating to the Proposal exchanged between the Consultant and the Client, shall be written in the language(s) specified in the **Data Sheet**.

10. Documents Comprising the Proposal

- 10.1 The Proposal shall comprise the documents and forms listed in the **Data Sheet**.
- 10.2 If specified in the **Data Sheet**, the Consultant shall include a statement of an undertaking of the Consultant to observe, in competing for and executing a contract, the Client country's laws against fraud and corruption (including bribery).
- 10.3 The Consultant shall furnish information on commissions, gratuities, and fees, if any, paid or to be paid to agents or any other party relating to this Proposal

and, if awarded, Contract execution, as requested in the Financial Proposal submission form (Section 4).

**11. Only
One Proposal**

11.1 The Consultant (including the individual members of any Joint Venture) shall submit only one Proposal, either in its own name or as part of a Joint Venture in another Proposal. If a Consultant, including any Joint Venture member, submits or participates in more than one proposal, all such proposals shall be disqualified and rejected. This does not, however, preclude a Sub-consultant, or the Consultant's staff from participating as Key Experts and Non-Key Experts in more than one Proposal when circumstances justify and if stated in the **Data Sheet**.

12. Proposal Validity

12.1 **The Data Sheet** indicates the period during which the Consultant's Proposal must remain valid after the Proposal submission deadline.

12.2 During this period, the Consultant shall maintain its original Proposal without any change, including the availability of the Key Experts, the proposed rates and the total price.

12.3 If it is established that any Key Expert nominated in the Consultant's Proposal was not available at the time of Proposal submission or was included in the Proposal without his/her confirmation, such Proposal shall be disqualified and rejected for further evaluation, and may be subject to sanctions in accordance with ITC 5.

**a. Extension of
Validity Period**

12.4 The Client will make its best effort to complete the negotiations within the proposal's validity period. However, should the need arise, the Client may request, in writing, all Consultants who submitted Proposals prior to the submission deadline to extend the Proposals' validity.

12.5 If the Consultant agrees to extend the validity of its Proposal, it shall be done without any change in the original Proposal and with the confirmation of the availability of the Key Experts, except as provided in ITC 12.7.

12.6 The Consultant has the right to refuse to extend the validity of its Proposal in which case such Proposal will not be further evaluated.

b. Substitution of

12.7 If any of the Key Experts become unavailable for the

- Key Experts at Validity Extension** extended validity period, the Consultant shall seek to substitute another Key Expert. The Consultant shall provide a written adequate justification and evidence satisfactory to the Client together with the substitution request. In such case, a substitute Key Expert shall have equal or better qualifications and experience than those of the originally proposed Key Expert. The technical evaluation score, however, will remain to be based on the evaluation of the CV of the original Key Expert.
- 12.8 If the Consultant fails to provide a substitute Key Expert with equal or better qualifications, or if the provided reasons for the replacement or justification are unacceptable to the Client, such Proposal will be rejected with the prior IFAD's no objection.
- c. Sub-Contracting** 12.9 The Consultant shall not subcontract the whole of the Services.
- 13. Clarification and Amendment of RFP** 13.1 The Consultant may request a clarification of any part of the RFP during the period indicated in the **Data Sheet** before the Proposals' submission deadline. Any request for clarification must be sent in writing, or by standard electronic means, to the Client's address indicated in the **Data Sheet**. The Client will respond in writing, or by standard electronic means, and will send written copies of the response (including an explanation of the query but without identifying its source) to all shortlisted Consultants. Should the Client deem it necessary to amend the RFP as a result of a clarification, it shall do so following the procedure described below:
- 13.1.1 At any time before the proposal submission deadline, the Client may amend the RFP by issuing an amendment in writing or by standard electronic means. The amendment shall be sent to all shortlisted Consultants and will be binding on them. The shortlisted Consultants shall acknowledge receipt of all amendments in writing.
- 13.1.2 If the amendment is substantial, the Client may extend the proposal submission deadline to give the shortlisted Consultants reasonable time to take an amendment into account in their Proposals.
- 13.2 The Consultant may submit a modified Proposal or a modification to any part of it at any time prior to the proposal submission deadline. No modifications to the

Technical or Financial Proposal shall be accepted after the deadline.

14. Preparation of Proposals Specific Considerations

14.1 While preparing the Proposal, the Consultant must give particular attention to the following:

14.1.1 If a shortlisted Consultant considers that it may enhance its expertise for the assignment by associating with other consultants in the form of a Joint Venture or as Sub-consultants, it may do so with either (a) non-shortlisted Consultant(s), or (b) shortlisted Consultants if permitted in the **Data Sheet**. In all such cases a shortlisted Consultant must obtain the written approval of the Client prior to the submission of the Proposal. When associating with non-shortlisted firms in the form of a joint venture or a sub-consultancy, the shortlisted Consultant shall be a lead member. If shortlisted Consultants associate with each other, any of them can be a lead member.

14.1.2 The Client may indicate in the **Data Sheet** the estimated Key Experts' time input (expressed in person-month) or the Client's estimated total cost of the assignment, but not both. This estimate is indicative and the Proposal shall be based on the Consultant's own estimates for the same.

14.1.3 If stated in the **Data Sheet**, the Consultant shall include in its Proposal at least the same time input (in the same unit as indicated in the **Data Sheet**) of Key Experts, failing which the Financial Proposal will be adjusted for the purpose of comparison of proposals and decision for award in accordance with the procedure in the **Data Sheet**.

14.1.4 For assignments under the Fixed-Budget selection method, the estimated Key Experts' time input is not disclosed. Total available budget, with an indication whether it is inclusive or exclusive of taxes, is given in the **Data Sheet**, and the Financial Proposal shall not exceed this budget.

15. Technical Proposal Format and Content

15.1 The Technical Proposal shall be prepared using the Standard Forms provided in Section 3 of the RFP and shall comprise the documents listed in the **Data Sheet**. The Technical Proposal shall not include any financial

information. A Technical Proposal containing material financial information shall be declared non-responsive.

15.1.1 Consultant shall not propose alternative Key Experts. Only one CV shall be submitted for each Key Expert position. Failure to comply with this requirement will make the Proposal non-responsive.

15.2 Depending on the nature of the assignment, the Consultant is required to submit a Full Technical Proposal (FTP), or a Simplified Technical Proposal (STP) as indicated in the **Data Sheet** and using the Standard Forms provided in Section 3 of the RFP.

16. Financial Proposal

16.1 The Financial Proposal shall be prepared using the Standard Forms provided in Section 4 of the RFP. It shall list all costs associated with the assignment, including (a) remuneration for Key Experts and Non-Key Experts, (b) reimbursable expenses indicated in the **Data Sheet**.

a. Price Adjustment

16.2 For assignments with a duration exceeding 18 months, a price adjustment provision for foreign and/or local inflation for remuneration rates applies if stated in the **Data Sheet**.

b. Taxes

16.3 The Consultant and its Sub-consultants and Experts are responsible for meeting all tax liabilities arising out of the Contract unless stated otherwise in the **Data Sheet**. Information on taxes in the Client's country is provided in the **Data Sheet**.

c. Currency of Proposal

16.4 The Consultant may express the price for its Services in the currency or currencies as stated in the **Data Sheet**. If indicated in the **Data Sheet**, the portion of the price representing local cost shall be stated in the national currency.

d. Currency of Payment

16.5 Payment under the Contract shall be made in the currency or currencies in which the payment is requested in the Proposal.

C. Submission, Opening and Evaluation

17. Submission, Sealing, and Marking of Proposals

17.1 The Consultant shall submit a signed and complete Proposal comprising the documents and forms in accordance with ITC 10 (Documents Comprising Proposal). Consultants shall mark as "CONFIDENTIAL"

information in their Proposals which is confidential to their business. This may include proprietary information, trade secrets or commercial or financially sensitive information. The submission can be done by Speed Post/ Registered Post or by Courier If specified in the **Data Sheet**, the Consultant has the option of submitting its Proposals electronically.

17.2 An authorized representative of the Consultant shall sign the original submission letters in the required format for both the Technical Proposal and, if applicable, the Financial Proposal and shall initial all pages of both. The authorization shall be in the form of a written power of attorney attached to the Technical Proposal.

17.2.1 A Proposal submitted by a Joint Venture shall be signed by all members so as to be legally binding on all members, or by an authorized representative who has a written power of attorney signed by each member's authorized representative.

17.3 Any modifications, revisions, interlineations, erasures, or overwriting shall be valid only if they are signed or initialed by the person signing the Proposal.

17.4 The signed Proposal shall be marked "ORIGINAL", and its copies marked "COPY" as appropriate. The number of copies is indicated in the **Data Sheet**. All copies shall be made from the signed original. If there are discrepancies between the original and the copies, the original shall prevail.

17.5 The original and all the copies of the Technical Proposal shall be placed inside a sealed envelope clearly marked "**TECHNICAL PROPOSAL**", "[Name of the Assignment]", [reference number], [name and address of the Consultant], and with a warning "**DO NOT OPEN UNTIL [INSERT THE DATE AND THE TIME OF THE TECHNICAL PROPOSAL SUBMISSION DEADLINE].**"

17.6 Similarly, the original Financial Proposal (if required for the applicable selection method) and its copies shall be placed inside of a separate sealed envelope clearly marked "**FINANCIAL PROPOSAL**" "[Name of the Assignment]", [reference number], [name and address of the Consultant], and with a warning "**DO NOT OPEN WITH THE TECHNICAL PROPOSAL.**"

- 17.7 The sealed envelopes containing the Technical and Financial Proposals shall be placed into one outer envelope and sealed. This outer envelope shall be addressed to the Client and bear the submission address, RFP reference number, the name of the assignment, the Consultant's name and the address, and shall be clearly marked "Do Not Open Before [insert the time and date of the submission deadline indicated in the Data Sheet]".
- 17.8 If the envelopes and packages with the Proposal are not sealed and marked as required, the Client will assume no responsibility for the misplacement, loss, or premature opening of the Proposal.
- 17.9 The Proposal or its modifications must be sent to the address indicated in the **Data Sheet** and received by the Client no later than the deadline indicated in the **Data Sheet**, or any extension to this deadline. Any Proposal or its modification received by the Client after the deadline shall be declared late and rejected, and promptly returned unopened.

18. Confidentiality

- 18.1 From the time the Proposals are opened to the time the Contract is awarded, the Consultant should not contact the Client on any matter related to its Technical and/or Financial Proposal. Information relating to the evaluation of Proposals and award recommendations shall not be disclosed to the Consultants who submitted the Proposals or to any other party not officially concerned with the process, until the Notification of Intention to Award the Contract. Exceptions to this ITC are where the Client notifies Consultants of the results of the evaluation of the Technical Proposals.
- 18.2 Any attempt by shortlisted Consultants or anyone on behalf of the Consultant to influence improperly the Client in the evaluation of the Proposals or Contract award decisions may result in the rejection of its Proposal, and may be subject to the application of prevailing IFAD's sanctions procedures.
- 18.3 Notwithstanding the above provisions, from the time of the Proposals' opening to the time of Contract award publication, if a Consultant wishes to contact the Client or the IFAD on any matter related to the selection process, it shall do so only in writing.

19. Opening of

- 19.1 The Client's evaluation committee shall conduct the

- Technical Proposals**
- opening of the Technical Proposals in the presence of the shortlisted Consultants' authorized representatives who choose to attend (in person, or online if this option is offered in the **Data Sheet**). The opening date, time and the address are stated in the **Data Sheet**. The envelopes with the Financial Proposal shall remain sealed and shall be securely stored with a reputable public auditor or independent authority until they are opened in accordance with ITC 23.
- 19.2 At the opening of the Technical Proposals the following shall be read out: (i) the name and the country of the Consultant or, in case of a Joint Venture, the name of the Joint Venture, the name of the lead member and the names and the countries of all members; (ii) the presence or absence of a duly sealed envelope with the Financial Proposal; (iii) any modifications to the Proposal submitted prior to proposal submission deadline; and (iv) any other information deemed appropriate or as indicated in the **Data Sheet**.
- 20. Proposals Evaluation**
- 20.1 Subject to provision of ITC 15.1, the evaluators of the Technical Proposals shall have no access to the Financial Proposals until the technical evaluation is concluded and the IFAD issues its "no objection", if applicable.
- 20.2 The Consultant is not permitted to alter or modify its Proposal in any way after the proposal submission deadline except as permitted under ITC 12.7. While evaluating the Proposals, the Client will conduct the evaluation solely on the basis of the submitted Technical and Financial Proposals.
- 21. Evaluation of Technical Proposals**
- 21.1 The Client's evaluation committee shall evaluate the Technical Proposals on the basis of their responsiveness to the Terms of Reference and the RFP, applying the evaluation criteria, sub-criteria, and point system specified in the **Data Sheet**. Each responsive Proposal will be given a technical score. A Proposal shall be rejected at this stage if it does not respond to important aspects of the RFP or if it fails to achieve the minimum technical score indicated in the **Data Sheet**.
- 22. Financial Proposals for QBS**
- 22.1 Following the ranking of the Technical Proposals, when the selection is based on quality only (QBS), the top-ranked Consultant is invited to negotiate the Contract.
- 22.2 If Financial Proposals were invited together with the

Technical Proposals, only the Financial Proposal of the technically top-ranked Consultant is opened by the Client's evaluation committee. All other Financial Proposals are returned unopened after the Contract negotiations are successfully concluded and the Contract is signed.

23. Public Opening of Financial Proposals (for QCBS, FBS, and LCS methods)

23.1 After the technical evaluation is completed and the IFAD has issued its no objection (if applicable), the Client shall notify those Consultants whose Proposals were considered non-responsive to the RFP and TOR or did not meet the minimum qualifying technical score, advising them the following:

- (i) their Proposal was not responsive to the RFP and TOR or did not meet the minimum qualifying technical score;
- (ii) provide information relating to the Consultant's overall technical score, as well as scores obtained for each criterion and sub-criterion;
- (iii) their Financial Proposals will be returned unopened after completing the selection process and Contract signing; and
- (iv) Notify them of the date, time and location of the public opening of the Financial Proposals and invite them to attend.

23.2 The Client shall simultaneously notify in writing those Consultants whose Proposals were considered responsive to the RFP and TOR, and that have achieved the minimum qualifying technical score, advising them the following:

- (i) their Proposal was responsive to the RFP and TOR and met the minimum qualifying technical score;
- (ii) provide information relating to the Consultant's overall technical score, as well as scores obtained for each criterion and sub-criterion;
- (iii) their Financial Proposal will be opened at the public opening of Financial Proposals; and
- (iv) notify them of the date, time and location of the public opening and invite them for the opening of

the Financial Proposals.

23.3 The opening date should allow the Consultants sufficient time to make arrangements for attending the opening and shall be no less than seven (7) Business Days from the date of notification of the results of the technical evaluation, described in ITC 23.1 and 23.2.

23.4 The Consultant's attendance at the opening of the Financial Proposals (in person, or online if such option is indicated in the **Data Sheet**) is optional and is at the Consultant's choice.

23.5 The Financial Proposals shall be opened publicly by the Client's evaluation committee in the presence of the representatives of the Consultants and anyone else who chooses to attend. Any interested party who wishes to attend this public opening should contact the client as indicated in the **Data Sheet**. Alternatively, a notice of the public opening of Financial Proposals may be published on the Client's website, if available. At the opening, the names of the Consultants, and the overall technical scores, including the break-down by criterion, shall be read aloud. The Financial Proposals will then be inspected to confirm that they have remained sealed and unopened. These Financial Proposals shall be then opened, and the total prices read aloud and recorded. Copies of the record shall be sent to all Consultants who submitted Proposals and to the IFAD.

24. Correction of Errors

24.1 Activities and items described in the Technical Proposal but not priced in the Financial Proposal, shall be assumed to be included in the prices of other activities or items, and no corrections are made to the Financial Proposal.

a. Time-Based Contracts

24.1.1 If a Time-Based contract form is included in the RFP, the Client's evaluation committee will (a) correct any computational or arithmetical errors, and (b) adjust the prices if they fail to reflect all inputs included for the respective activities or items included in the Technical Proposal. In case of discrepancy between (i) a partial amount (sub-total) and the total amount, or (ii) between the amount derived by multiplication of unit price with quantity and the total price, or (iii) between words and figures, the former will prevail. In case of discrepancy between the Technical and Financial Proposals in indicating quantities of

input, the Technical Proposal prevails and the Client's evaluation committee shall correct the quantification indicated in the Financial Proposal so as to make it consistent with that indicated in the Technical Proposal, apply the relevant unit price included in the Financial Proposal to the corrected quantity, and correct the total Proposal cost.

- b. Lump-Sum Contracts** 24.1.2 If a Lump-Sum contract form is included in the RFP, the Consultant is deemed to have included all prices in the Financial Proposal, so neither arithmetical corrections nor price adjustments shall be made. The total price, net of taxes understood as per ITC 25, specified in the Financial Proposal (Form FIN-1) shall be considered as the offered price. Where there is a discrepancy between the amount in words and the amount figures, the amount in words shall prevail.
- 25. Taxes** 25.1 The Client's evaluation of the Consultant's Financial Proposal shall exclude taxes and duties in the Client's country in accordance with the instructions in the **Data Sheet**.
- 26. Conversion to Single Currency** 26.1 For the evaluation purposes, prices shall be converted to a single currency using the selling rates of exchange, source and date indicated in the **Data Sheet**.
- 27. Combined Quality and Cost Evaluation**
- a. Quality and Cost-Based Selection (QCBS)** 27.1 In the case of QCBS, the total score is calculated by weighting the technical and financial scores and adding them as per the formula and instructions in the **Data Sheet**. The Consultant with the Most Advantageous Proposal, which is the Proposal that achieves the highest combined technical and financial scores, will be invited for negotiations.
- b. Fixed-Budget Selection (FBS)** 27.2 In the case of FBS, those Proposals that exceed the budget indicated in ITC 14.1.4 of the **Data Sheet** shall be rejected.
- 27.3 The Client will select the Consultant with the Most Advantageous Proposal, which is the highest-ranked Technical Proposal that does not exceed the budget

indicated in the RFP, and invite such Consultant to negotiate the Contract.

c. Least-Cost Selection

27.4 In the case of Least-Cost Selection (LCS), the Client will select the Consultant with the Most Advantageous Proposal, which is the Proposal with the lowest evaluated total price among those Proposals that achieved the minimum qualifying technical score, and invite such a Consultant to negotiate the Contract.

D. Negotiations and Award

28. Negotiations

28.1 The negotiations will be held at the date and address indicated in the Data Sheet with the Consultant's representative(s) who must have written power of attorney to negotiate and sign a Contract on behalf of the Consultant.

28.2 The Client shall prepare minutes of negotiations that are signed by the Client and the Consultant's authorized representative.

a. Availability of Key Experts

28.3 The invited Consultant shall confirm the availability of all Key Experts included in the Proposal as a pre-requisite to the negotiations, or, if applicable, a replacement in accordance with ITC 12. Failure to confirm the Key Experts' availability may result in the rejection of the Consultant's Proposal and the Client proceeding to negotiate the Contract with the next-ranked Consultant.

28.4 Notwithstanding the above, the substitution of Key Experts at the negotiations may be considered if due solely to circumstances outside the reasonable control of and not foreseeable by the Consultant, including but not limited to death or medical incapacity. In such case, the Consultant shall offer a substitute Key Expert within the period of time specified in the letter of invitation to negotiate the Contract, who shall have equivalent or better qualifications and experience than the original candidate.

b. Technical Negotiations

28.5 The negotiations include discussions of the Terms of Reference (TORs), the proposed methodology, the Client's inputs, the special conditions of the Contract, and finalizing the "Description of Services" part of the Contract. These discussions shall not substantially alter the original scope of services under the TOR or the terms of the contract, lest the quality of the final product, its price, or the relevance of

the initial evaluation be affected.

c. Financial Negotiations

28.6 The negotiations include the clarification of the Consultant's tax liability in the Client's country and how it should be reflected in the Contract.

28.7 If the selection method included cost as a factor in the evaluation, the total price stated in the Financial Proposal for a Lump-Sum contract shall not be negotiated.

28.8 In the case of a Time-Based contract, unit rates negotiations shall not take place, except when the offered Key Experts and Non-Key Experts' remuneration rates are much higher than the typically charged rates by consultants in similar contracts. In such case, the Client may ask for clarifications and, if the fees are very high, ask to change the rates after consultation with the IFAD. The format for (i) providing information on remuneration rates in the case of Quality Based Selection; and (ii) clarifying remuneration rates' structure under this Clause, is provided in Appendix A to the Financial Form FIN-3: Financial Negotiations – Breakdown of Remuneration Rates.

29. Conclusion of Negotiations

29.1 The negotiations are concluded with a review of the finalized draft Contract, which then shall be initialed by the Client and the Consultant's authorized representative.

29.2 If the negotiations fail, the Client shall inform the Consultant in writing of all pending issues and disagreements and provide a final opportunity to the Consultant to respond. If disagreement persists, the Client shall terminate the negotiations informing the Consultant of the reasons for doing so. After having obtained the IFAD's no objection, the Client will invite the next-ranked Consultant to negotiate a Contract. Once the Client commences negotiations with the next-ranked Consultant, the Client shall not reopen the earlier negotiations.

30. Standstill Period

30.1 The Contract shall be awarded not earlier than the expiry of the Standstill Period. The duration of the Standstill Period is specified in the **Data Sheet**. Where only one Proposal is submitted, the Standstill Period shall not apply.

31. Notice of Intention to Award

31.1 When a Standstill Period applies, it shall commence when the Client has transmitted to each Consultant whose financial proposal was opened, the Notification of Intention to Award the Contract to the successful Consultant. The Notification of Intention to Award shall contain, at a

minimum, the following information:

- (a) the name and address of the Consultant with whom the client successfully negotiated a contract;
- (b) the contract price of the successful Proposal;
- (c) the names of all Consultants included in the short list, indicating those that submitted Proposals;
- (d) where the selection method requires, the price offered by each Consultant as read out and as evaluated;
- (e) the overall technical scores and scores assigned for each criterion and sub-criterion to each Consultant;
- (f) the final combined scores and the final ranking of the Consultants;
- (g) a statement of the reason(s) why the recipient's Proposal was unsuccessful, unless the combined score in (f) above already reveals the reason;
- (h) the expiry date of the Standstill Period; and
- (i) instructions on how to request a debriefing and/or submit a complaint during the Standstill Period.

32. Notification of Award

32.1 Prior to the expiration of the Proposal Validity Period and upon expiry of the Standstill Period, specified in ITC 30.1 or any extension thereof, or upon satisfactorily addressing a complaint that has been filed within the Standstill Period, the Client shall publish the Contract Award Notice which shall contain, at a minimum, the following information:

- (a) name and address of the Client;
- (b) name and reference number of the contract being awarded, and the selection method used;
- (c) names of the consultants that submitted proposals, and their proposal prices as read out at financial proposal opening, and as evaluated;
- (d) names of all Consultants whose Proposals were rejected or were not evaluated, with the reasons therefor; and
- (e) the name of the successful consultant, the final total contract price, the contract duration and a summary of its scope.

32.2 The Contract Award Notice shall be published on the Client's website with free access if available, or in at least

one newspaper of national circulation in the Client's Country, or in the official gazette. The Client shall also publish the contract award notice in UNDB online

33. Debriefing by the Client

33.1 On receipt of the Client's Notification of Intention to Award referred to in ITB 31.1, an unsuccessful Consultant has three (3) Business Days to make a written request to the Client for a debriefing. The Client shall provide a debriefing to all unsuccessful Consultants whose request is received within this deadline.

33.2 Where a request for debriefing is received within the deadline, the Client shall provide a debriefing within five (5) Business Days, unless the Client decides, for justifiable reasons, to provide the debriefing outside this timeframe. In that case, the standstill period shall automatically be extended until five (5) Business Days after such debriefing is provided. If more than one debriefing is so delayed, the standstill period shall not end earlier than five (5) Business Days after the last debriefing takes place. The Client shall promptly inform, by the quickest means available, all Consultants of the extended standstill period

33.3 Where a request for debriefing is received by the Client later than the three (3)-Business Day deadline, the Client should provide the debriefing as soon as practicable, and normally no later than fifteen (15) Business Days from the date of publication of Public Notice of Award of contract. Requests for debriefing received outside the three (3)-day deadline shall not lead to extension of the standstill period.

33.4 Debriefings of unsuccessful Consultants may be done in writing or verbally. The Consultant shall bear their own costs of attending such a debriefing meeting

34. Award of Contract

34.1 The Contract shall be signed promptly upon Notification of Award.

34.2 The Consultant is expected to commence the assignment on the date and at the location specified in the **Data Sheet**.

Section 2. Instructions to Consultants

E. Data Sheet

ITC Reference	A. General
1 (b)	The date of the Applicable Regulations is: IFAD Project Procurement Guidelines and its Handbook dated 2010
2.1	<p>Name of the Client: Programme Management Unit, OdishaPVTG Empowerment and Livelihood Improvement Programme, OPELIP</p> <p>Method of selection: Quality and Cost Based Selection (QCBS) as per the Applicable Regulations.</p>
2.2	<p>The assignment is split into the following three lots:</p> <p>Lot 1 – VDCs in the districts of Mayurbhanj, Keonjhar,</p> <p>Lot 2 - VDCs in the districts of Angul, Deogarh & Sundergarh.</p> <p>Lot 3 – VDCs in the districts of Nuapada, Kalahandi, Kandhamal .</p> <p>Lot 4 – VDCs in the districts of Malkanagiri and VDCs under DKDA, Chatikona & DKDA, Parsali of Rayagada District</p> <p>Lot 5- VDCs in the districts of Ganjam & Gajapati and VDCs under LSDA Putasing of Rayagada District</p> <p>The consultant has the option to submit technical and financial proposals for any one or maximum two lots by providing separate team compositions for each of the Lot.</p> <p>Financial Proposal to be submitted together with Technical Proposal:</p> <p>Yes</p> <p>The name of the assignment is: Audit of VDCs under Odisha PVTG Empowerment and Livelihood Improvement Programme, OPELIP (for 2 years F.Y. 2018-19 and 2019-20)</p>

2.3	<p>A pre-proposal conference will be held: No</p> <p><i>[If “Yes”, fill in the following:]</i></p> <p>Date of pre-proposal conference:</p> <p>Time:.</p> <p>Address: TDCCOL, Building, 2nd Floor, Bhoi Nagar, Rupali Square, Bhubaneswar -751022. Ph-0674-2542709. Email: support@opelip.org.</p>
2.4	<p>The Client will provide the following inputs, project data, reports, etc. to facilitate the preparation of the Proposals: _____</p> <p><i>“N/A”]</i> _____</p>
4.1	<p><i>Not Applicable</i></p>
<p>B. Preparation of Proposals</p>	
9.1	<p>This RFP has been issued in the English language.</p> <p>Proposals shall be submitted in English language.</p> <p>All correspondence exchange shall be in English language.</p>
10.1	<p>The Proposal shall comprise the following:</p> <p><u>For SIMPLIFIED TECHNICAL PROPOSAL (STP):</u></p> <p>1st Inner Envelope with the Technical Proposal:</p> <p>(1) TECH-1</p> <p>(2) TECH-2</p> <p>(3) TECH-3</p> <p>(4) TECH-4</p> <p>AND</p> <p>2nd Inner Envelope with the Financial Proposal</p> <p>(1) FIN-1</p> <p>(2) FIN-2</p> <p>(3) FIN-3</p>

10.2	<p>Statement of Undertaking is required</p> <p>No</p>
11.1	<p>Participation of Sub-consultants, Key Experts and Non-Key Experts in more than one Proposal is permissible</p> <p>No</p>
12.1	<p>Proposals must remain valid for 90days after the proposal submission deadline:</p>
13.1	<p>Clarifications may be requested no later than10days prior to the submission deadline.</p> <p>The contact information for requesting clarifications is: TDCCOL, Building, 2nd Floor, Bhoi Nagar, Rupali Square, Bhubaneswar -751022. Ph-0674-2542709. Email: support@opelip.org.</p>
14.1.1	<p>Shortlisted Consultants may associate with</p> <p>(a) non-shortlisted consultant(s): No</p> <p>Or</p> <p>(b) other shortlisted Consultants: Yes</p>
14.1.2 (do not use for Fixed Budget method)	<p><i>The minimum fee estimated for this VDCs audit is Rs.750/-(Rupees Seven Hundred Fifty) per VDC for the FY 2019-20 and Rs.500/-(Rupees Five hundred) per VDC for the FY 2018-19 excluding of GST. GST will be borne by project at prescribed rate. (1st year of VDC audit i.e. 2018-19, Rs. 500 has been provisioned as funds released lately in the said FY. So basing upon less no. of transactions made and expenditure with records, the amount has been fixed. For 2nd year of VDC audit, higher amount i.e. Rs.750/- has been fixed accordingly).</i></p> <p><i>The minimum fee does not include other expenses (Travelling, TA, DA etc.). The audit firms have to estimate the travel, daily sustenance costs including accommodation and include in the financial proposal. Statements like as per the policy of the client or other norms will not be acceptable. Financial proposals without these costs will not be evaluated.</i></p> <p><i>The minimum fee is an indicative figure however financial proposal with</i></p>

	<i>lower than the established minimum fee will be treated as non-responsive and the firms proposal would disqualify.</i>
14.1.3	<i>“Not applicable”.</i>
14.1.4 and 27.2 use for Fixed Budget method	Not applicable
15.2	The format of the Technical Proposal to be submitted is: STP Submission of the Technical Proposal in a wrong format may lead to the Proposal being deemed non-responsive to the RFP requirements.
16.1	<i>(1) a per diem allowance, including hotel, for experts for every day of absence from the home office for the purposes of the Services;</i> <i>(2) Cost of travel by the most appropriate means of transport and the most direct practicable route;</i>
16.2	A price adjustment provision applies to remuneration rates: No
16.3	GST will be borne by Odisha PVTG Empowerment and Livelihood Improvement Programme, OPELIPat prescribed rate
16.4	The Financial Proposal shall be stated in the following currencies: Indian Rupees
C. Submission, Opening and Evaluation	

17.1	The Consultants shall not have the option of submitting their Proposals electronically.
17.4	<p>The Consultant must submit:</p> <p>(a) Technical Proposal: one (1) original stating the Lot Number for which the proposal is submitted.</p> <p>(b) Financial Proposal: one (1) original.</p>
17.7 and 17.9	<p>The Proposals must be submitted by Courier/Registered/Speed Post/hand delivery no later than:</p> <p>Date: 30th December 2020</p> <p>Time: 3 P.M. (15:00 Hrs in 24 hr format)</p> <hr/> <p>The Proposal submission address is:</p> <p>Programme Director,</p> <p>OdishaPVTG Empowerment and Livelihood Improvement Programme, OPELIP</p> <p>TDCCOL, Building, 2nd Floor, Bhoi Nagar, Rupali Square, Bhubaneswar - 751022. Ph-0674-2542709. Email: support@opelip.org.</p>
19.1	<p>An online option of the opening of the Technical Proposals is offered:</p> <p>No</p> <p>The opening shall take place at:</p> <p>Same as the Proposal Submission Address</p> <p>Date & Time :30thDecember 2020, Time- 4 PM (1600 hrs in 24hrs)</p>
19.2	Not Applicable
21.1 (for FTP)	Not Applicable

<p>21.1 [for STP]</p>	<p>Criteria, sub-criteria, and point system for the evaluation of the Simplified Technical Proposals are:</p> <p style="text-align: right;"><u>Points</u></p> <p>(i) Experience of the Consultant and specific experience to the assignment:</p> <p style="text-align: right;">Total points for criterion (i):[30 points]</p> <p>(ii) Key Experts' qualifications and competence for the Assignment: <i>{Notes to Consultant: each position number corresponds to the same for Key Experts in Form TECH-6 to be prepared by the Consultant}</i></p> <p>a) Position K-1: Audit Team Leader [30 points]</p> <p>b) Position K-2:[Senior Audit Asst-1] [20 points]</p> <p>c) Position K-3:[Junior Audit Asst-2] [20 points]</p> <p style="text-align: right;">Total points for criterion (ii):[70 points]</p> <p><i>The number of points to be assigned to each of the above positions or disciplines shall be determined considering the following three sub-criteria and relevant percentage weights:</i></p> <p>1) General qualifications [20%]</p> <p>2)Adequacy for the assignment [60%]</p> <p>3) Experience in region and language [20%]</p> <p>Total points for the two criteria: 100</p> <p>The minimum technical score (St) required to pass is: 75 points</p>
	<p>Public Opening of Financial Proposals</p>
<p>23.4</p>	<p>An online option of the opening of the Financial Proposals is offered: No</p>
<p>23.5</p>	<p>Following the completion of the evaluation of the Technical Proposals, the</p>

	<p>Client will notify all Consultants of the location, date and time of the public opening of Financial Proposals.</p> <p>Alternatively, a notice of the public opening of Financial Proposals may be published on the Client's website, if available.</p>
25.1	<p>For the purpose of the evaluation, the Client will exclude: (a) all local identifiable indirect taxes such as sales tax, excise tax, VAT, GST or similar taxes levied on the contract's invoices; and (b) all additional local indirect tax on the remuneration of services rendered by non-resident experts in the Client's country. If a Contract is awarded, at Contract negotiations, all such taxes will be discussed, finalized (using the itemized list as a guidance but not limiting to it) and added to the Contract amount as a separate line, also indicating which taxes shall be paid by the Consultant and which taxes are withheld and paid by the Client on behalf of the Consultant.</p>
26.1	Not Applicable
27.1 (QCBS only)	<p>The lowest evaluated Financial Proposal (Fm) is given the maximum financial score (Sf) of 100.</p> <p>The formula for determining the financial scores (Sf) of all other Proposals is calculated as following:</p> <p>$Sf = 100 \times Fm / F$, in which "Sf" is the financial score, "Fm" is the lowest price, and "F" the price of the proposal under consideration.</p> <p>The weights given to the Technical (T) and Financial (P) Proposals are:</p> <p>T = 0.8, and</p> <p>P = 0.2</p> <p>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: $S = St \times T\% + Sf \times P\%$.</p>
	D. Negotiations and Award
28.1	<p>Expected date and address for contract negotiations:</p> <p>Date:20.1.2021</p> <p>Address: TDCCOL, Building, 2nd Floor, Bhoi Nagar, Rupali Square,</p>

	Bhubaneswar -751022. Ph-0674-2542709. Email: support@opelip.org.
30.1 Standstill Period	NA
32.2	The publication of the contract award information will be done as follows: The award of contract will be uploaded in project website
34.2	Expected date for the commencement of the Services:1st week of February 2021
34.3	Expected date for submission of audit report :1st week of March, 2021

Section 3. Technical Proposal – Standard Forms

CHECKLIST OF REQUIRED FORMS

Required for STP ✓	FORM	DESCRIPTION	<i>Page Limit</i>
✓	TECH-1	Technical Proposal Submission Form.	N.A.
	TECH-2	Consultant organization profile, experience and specific experience related to the assignment	
✓	TECH-3	Work Schedule, Organisation and staffing plan for Deliverables	N.A.
✓	TECH-4	Team Composition, Key Experts Inputs, and attached Curriculum Vitae (CV)	N.A.

All pages of the original Technical and Financial Proposal shall be initialled by the same authorized representative of the Consultant who signs the Proposal.

FORM TECH-1**TECHNICAL PROPOSAL SUBMISSION FORM**

{Location, Date}

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 Proposals(RFP) dated *[Insert Date]* and our Proposal. “We are hereby submitting our Proposal, which includes this Technical Proposal and a Financial Proposal sealed in a separate 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 and/or may be sanctioned by the IFAD.
- (b) Our Proposal shall be valid and remain binding upon us for the period of time specified in the Data Sheet, ITC 12.1.
- (c) We have no conflict of interest in accordance with ITC 3.
- (d) We meet the eligibility requirements as stated in ITC 6, and we confirm our understanding of our obligation to abide by the IFAD’s policy in regard to Fraud and Corruption as per ITC 5.
- (e) We, are not subject to, and not controlled by any entity or individual that is subject to, a temporary suspension or a debarment imposed by the IFAD. Further, we are not ineligible under the Client’s country laws or official regulations or pursuant to a decision of the United Nations Security Council;
- (f) In competing for (and, if the award is made to us, in executing) the Contract, we undertake to observe the laws against fraud and corruption, including bribery, in force in the country of the Client *and IFAD’s Anti-corruption Policy*.
- (g) Except as stated in the Data Sheet, ITC 12.7, we undertake to negotiate a Contract on the basis of the proposed Key Experts. We accept that the

substitution of Key Experts for reasons other than those stated in ITC 12 and ITC 28.4 may lead to the termination of Contract negotiations.

- (h) 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 ITC 34.2 of the Data Sheet.

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

We remain,

Yours sincerely,

Authorized Signature {In full and initials}: _____

Name and Title of Signatory: _____

Name of Consultant (company's name): _____

In the capacity of: _____

Address: _____

Contact information (phone and e-mail): _____

FORM TECH-2

A – SP's Organization

[Provide here a brief (two pages) description of the background and organization of your firm/entity and each associate for this assignment.]

Brief Data Sheet of CA Firm for External Audit		To be filled up by CA firms
Sl. No.	Particulars	
1	Name of Firm	
2	CAG Empanelment Number (Please attach Empanelment Certificate as per instructions)	
3	CAG Empanelment Year	
4	Registration No. & Date: (Please attach Registration Certificate)	
5	Year of incorporation	
6	Total number of years of Experience from the incorporation of the Firm.	

2. **Financial:** Provide previous three financial years turn over and net worth of the firm on the basis of the audited accounts of the previous three financial years as follows.

Particulars	Amount in Lakh (INR)
Turnover2017-18	
Turnover2018-19	
Turnover2019-20	
Average Turnover	

B - Consultant's Experience

External Audit consultancy Assignments of Central/state Government/externally aided projects
Information of at least last 5 years

Sl. No.	Name of Assignment	Type of Assignment	Fees Received

External Audit consultancy Assignments of Village level or block level community organizations
Information of at least last 5 years

Sl. No.	Name of Assignment	Type of Assignment	Fees Received

Key Staff Profile

a) Total number of full time chartered accountants (partners with the firm)

Sl. No.	Name of Chartered Accountant (Partner)	Education	Total years of experience

b) Total number of paid chartered accountants with the firm

Sl. No.	Name and position	Education	Total years of experience

c) Total number of Senior Audit Assistant with the firm

Sl. No.	Name and position	Education	Total years of experience

d) Total number of Junior Audit Assistant with the firm

Sl. No.	Name and position	Education	Total years of experience

B – SP's Experience

[Using the format below, provide information on each assignment for which your firm, and each associate for this assignment, was legally contracted either individually as a corporate entity or as one of the major companies within an association, for carrying out consulting services similar to the ones requested under this assignment for the last 5 years]

Assignment name:	Approx. value of the contract (INR):
Country: Location within country:	Duration of assignment (months):
Name of Client:	Total No of staff-days/months of the assignment:
Address:	Approx. value of the services provided by your firm under the contract (INR):
Start date (month/year): Completion date (month/year):	Nº of professional staff-months provided by associated SPs:
Name of associated SPs, if any:	Name of senior professional staff of your firm involved and functions performed (indicate most significant profiles such as FCA/ACA):
Narrative description of Project:	
Description of actual services provided by your staff within the assignment:	

Firm's Name: _____

FORM TECH-3 DESCRIPTION OF WORK PLAN FOR PERFORMING THE ASSIGNMENT

You are suggested to present your Technical Proposal 15 pages, inclusive of charts and diagrams) divided into the following two chapters:

- a) Work Plan, and*
- b) Organization and Staffing,*

b) Work Plan. In this chapter you should propose the main activities of the assignment, their content and duration, phasing and interrelations, milestones (including interim approvals by the Client), and delivery dates of the reports. The proposed work plan should be consistent with the technical approach and methodology, showing understanding of the TOR and ability to translate them into a feasible working plan. A list of the final documents, including reports, drawings, and tables to be delivered as final output, should be included here. The work plan should be consistent with the work schedule to be submitted by the consultants.

c) Organization and Staffing. In this chapter you should propose the structure and composition of your team. You should list the main disciplines of the assignment, the key expert responsible, and proposed technical and support staff.

FORM TECH-4**TEAM COMPOSITION**

S. NO.	NAME	POSITION	EXPERIENCE

CURRICULUM VITAE (CV)

Position Title and No.	{e.g., K-1, TEAM LEADER}
Name of Expert:	{Insert full name}
Date of Birth:	{day/month/year}
Country of Citizenship/Residence	

Education: {List college/university or other specialized education, giving names of educational institutions, dates attended, degree(s)/diploma(s) obtained}

Employment record relevant to the assignment: {Starting with present position, list in reverse order. Please provide dates, name of employing organization, titles of positions held, types of activities performed and location of the assignment, and contact information of previous clients and employing organization(s) who can be contacted for references. Past employment that is not relevant to the assignment does not need to be included.}

Period	Employing organization and your title/position. Contact information for references	Country	Summary of activities performed relevant to the Assignment
[e.g., May 2005-present]	[e.g., Ministry of, advisor/consultant to... For references: Tel...../e-mail.....; Mr. Hbbbb, deputy minister]		

Section 4. Financial Proposal – Standard Forms

Form FIN-1: Financial Proposal Submission Form

[Location, Date]

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 sum of [Insert amount(s) in words and figures¹]. This amount is exclusive of the local taxes, which shall be identified during negotiations and shall be added to the above amount.

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 Paragraph Reference 1.14 of the Data Sheet.

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

We remain,

Yours sincerely,

Authorized Signature [In full and initials]: _____

Name and Title of Signatory: _____

Name of Firm: _____

Address: _____

¹ Amounts must coincide with the ones indicated under Total Cost of Financial proposal in Form FIN-2.

² If applicable, replace this paragraph with: “No commissions or gratuities have been or are to be paid by us to agents relating to this Proposal and Contract execution.”

Form FIN-2: Summary of Costs

Item	Costs			
				<i>[Indicate Local Currency]</i>
Total Costs of Financial Proposal ¹				

¹ Indicate the total costs, net of local taxes, to be paid by the Client in each currency. Such total costs must coincide with the sum of the relevant Subtotals indicated in all Forms FIN-3 provided with the Proposal.

Form FIN-3: Breakdown of Costs by Activity¹

Group of Activities (Phase): ²	Description: ³			
Cost component	Costs [<i>Indicate Local Currency</i>]			
	No. of experts	Unit cost (per VDC)	No. of VDCs	Total professional fees
External audit fee for VDCs(2018-19)				
External audit fee for VDCs (2019-20)				
Subtotals				

1 Form FIN-3 shall be filled at least for the whole assignment. In case some of the activities require different modes of billing and payment (e.g.: the assignment is phased, and each phase has a different payment schedule), the Internal Auditor shall fill a separate Form FIN-3 for each group of activities. For each currency, the sum of the relevant Subtotals of all Forms FIN-3 provided must coincide with the Total Costs of Financial Proposal indicated in Form FIN-2.

2 Names of activities (phase) should be the same as, or correspond to the ones indicated in the second column of Form TECH-8.

3 Short description of the activities whose cost breakdown is provided in this Form.

Form FIN-5: Breakdown of Reimbursable Expenses (Lump-Sum)

(This Form FIN-5 shall only be used when the Lump-Sum Form of Contract has been included in the RFP. Information to be provided in this Form shall only be used to establish payments to the Internal Auditor for possible additional services requested by the Client)

N°	Description¹	Unit	Number	Unit Cost²
___	Per diem allowances	Day		
___	Travel expenses	Trip		
___	Other expenses (specify)	_____		
___		_____		
___	Total	_____		

1 Delete items that are not applicable or add other items according to Paragraph Reference 3.6 of the Data Sheet.

2 Indicate unit cost and currency.

Section 5. Eligible Countries

In reference to ITC6.3.2, for the information of shortlisted Consultants, at the present time firms, goods and services from the following countries are excluded from this selection:

NONE

Section 6 - IFAD Policy – Corrupt and Fraudulent Practices

(Section VI shall not be modified)

1.1 IFAD's Anti-Corruption Guidelines and this annex apply with respect to procurement under IFAD financed projects/programmes.

2.1 It is IFAD's policy to require that Borrowers (including beneficiaries of IFAD loans), consultants, and their agents (whether declared or not), sub-contractors, sub-consultants, service providers, or suppliers, and any personnel thereof, observe the highest standard of ethics during the procurement process, selection and execution of IFAD-financed Agreements, and refrain from Fraud and Corruption. [footnote: In this context, any action taken by a consultant or any of its personnel, or its agents, or its sub-consultants, sub-contractors, services providers, suppliers, and/or their employees, to influence the selection process or Agreement execution for undue advantage is improper.].

2.2 In pursuance of this policy, the IFAD:

(a) defines, for the purposes of this provision, the terms set forth below as follows:

- (i) "corrupt practice" is the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party¹;
- (ii) "fraudulent practice" is any act or omission, including misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain financial or other benefit or to avoid an obligation²;
- (iii) "collusive practices" is an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the actions of another party³;
- (iv) "coercive practices" is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party⁴;

¹ For the purpose of this sub-paragraph, "another party" refers to a public official acting in relation to the selection process or Agreement execution. In this context "public official" includes IFAD staff and employees of other organizations taking or reviewing selection decisions.

² For the purpose of this sub-paragraph, "party" refers to a public official; the terms "benefit" and "obligation" relate to the selection process or Agreement execution; and the "act or omission" is intended to influence the selection process or Agreement execution.

³ For the purpose of this sub-paragraph, "parties" refers to participants in the procurement or selection process (including public officials) attempting either themselves, or through another person or entity not participating in the procurement or selection process, to simulate competition or to establish prices at artificial, non-competitive levels, or are privy to each other's bid prices or other conditions.

- (v) “obstructive practice” is
- (a) deliberately destroying, falsifying, altering, or concealing of evidence material to the investigation or making false statements to investigators in order to materially impede an IFAD investigation into allegations of a corrupt, fraudulent, coercive, or collusive practice; and/or threatening, harassing, or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation, or
 - (b) acts intended to materially impede the exercise of the IFAD’s inspection and audit rights;
- (b) will reject a proposal for award if it determines that the consultant recommended for award or any of its personnel, or its agents, or its sub-consultants, sub-contractors, services providers, suppliers, and/or their employees, has, directly or indirectly, engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices in competing for the Agreement in question;
- (c) In addition to the legal remedies set out in the relevant Legal Agreement, may take other appropriate actions, including declaring mis procurement and cancel the portion of the Loan allocated to the project/programme, if it determines at any time that representatives of the Borrower or of a recipient of any part of the proceeds of the Loan were engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices during the selection process or the implementation of the Agreement in question, without the Borrower having taken timely and appropriate action satisfactory to the IFAD to address such practices when they occur, including by failing to inform the IFAD in a timely manner they knew of the practices;
- (d) Pursuant to IFAD's Policy and Guidelines and in accordance with IFAD's prevailing sanctions policies and procedures, may sanction a firm or an individual at any time, either indefinitely or for a stated period of time: (i) to be awarded an IFAD-financed Agreement, and (ii) to be a nominated⁵ sub-consultant, supplier, or service provider of an otherwise eligible firm being awarded an IFAD-financed contract and (iii) to receive the proceeds of any loan financed by IFAD.
- (e) requires that a clause be included in bidding/request for proposals documents and in contracts financed by an IFAD loan, requiring (i) bidders, consultants, contractors and supplies, and their sub-contractors, sub-consultants, service

⁴For the purpose of this sub-paragraph, “party” refers to a participant in the selection process or Agreement execution.

⁵ A nominated sub-consultant, supplier, or service provider is one which has been either (i) included by the consultant in its proposal because it brings specific and critical experience and know-how that are accounted for in the technical evaluation of the consultant’s proposal for the particular services; or (ii) appointed by the Borrower.

providers, suppliers, agents personnel, permit the IFAD to inspect⁶ all accounts, records and other documents relating to the submission of bids and contract performance, and to have them audited by auditors appointed by IFAD.

⁶Inspections in this context usually are investigative (i.e., forensic) in nature. They involve fact-finding activities undertaken by IFAD or persons appointed by IFAD to address specific matters related to investigations/audits, such as evaluating the veracity of an allegation of possible Fraud and Corruption, through the appropriate mechanisms. Such activity includes but is not limited to: accessing and examining a firm's or individual's financial records and information, and making copies thereof as relevant; accessing and examining any other documents, data and information (whether in hard copy or electronic format) deemed relevant for the investigation/audit, and making copies thereof as relevant; interviewing staff and other relevant individuals; performing physical inspections and site visits; and obtaining third party verification of information.

Section 7. Terms of Reference

Terms of Reference for engaging VDC Auditors

Project Background

I. Background and Brief description of the Project

The Odisha PVTG Empowerment and Livelihoods Improvement Programme's (OPELIP) goal is to achieve enhanced living conditions and reduced poverty of the Particularly Vulnerable Tribal groups (PVTG) and other poor communities. This is sought to be achieved through realizing the development objective of enabling improved livelihoods and food and nutrition security for a total of 62,356 households. Beneficiary households would comprise 32,090 PTGs, 13,970 other Scheduled Tribe (ST) households, 5,486 Scheduled Caste households and 10,810 others. The estimated total Programme costs for the eight-year programme is USD 130.39 million. External funding by the International Fund for Agricultural Development is USD 51.2 million.

The Ministry of Tribal Affairs (MoTA) at the National level is the nodal agency for this programme and the Scheduled Tribes and Scheduled Castes Development Department (STSCDD), Government of Odisha at the state level is the Lead Programme Agency responsible for the functions relating to planning, funds flow, monitoring and evaluation, gender mainstreaming and knowledge management through a dedicated Project Management Unit. A programme steering committee under the Chief Secretary will provide overall policy guidance to the Programme.

The project has 4 main components as follows:

Component 1: Community Empowerment: This component has two sub-components: (i) promotion of village development associations for the planning and execution of need-based activities of the community that cover natural resources management, community-based paralegal services, community-based health, hygiene and nutrition education and community infrastructure; and (ii) promotion of SHGs and rural finance services to enable social development of the SHG members through facilitating group savings and credit and through building their capacity.

Component 2: Natural Resources Management and Livelihoods Enhancement: This component has three sub-components: (i) NRM, (ii) Food and nutrition security and (iii) Livelihoods improvement. This component also has facilities for vocational training for the PTG youth and promoting PTG culture and values.

Component 3: Community Infrastructure and drudgery reduction: Interventions under this component include inter alia: building critical social infrastructure such as schools, health clinics, child-care centres (that are not included under any of the mainstream infrastructure

development programmes), storage structures along with drying yards, threshing floors, provision of weighing scales, household storage bins for promoting value-addition and fair trade in villages, small market yards and aggregation centres, facilities for food and NTFP processing units including small rice hullers, upgrading village link roads, rural water supply, supply of smokeless wood-stoves and support to operations and maintenance of village fuel-wood reserves.

Component 4: Programme Management: This component has three sub-components as follows: (i) a Programme Management Unit (PMU) will be set up within the ST and SC Development Department, Government of Odisha in Bhubaneswar, (ii) the programme will strengthen the 17 existing MPAs with staff and facilities; and (iii) a Programme Monitoring and Evaluation and Knowledge Management unit is housed within the PMU. The policy initiatives aspects of the programme are part of PMU responsibilities.

Coverage and Standards for the VDC Audit:

OPELIP intervention is to be implemented in all 17 Micro Project Agencies (MPAs) located in twelve districts of Odisha namely Malkanagiri, Rayagada, Angul, Deogarh, Ganjam, Nuapada, Keonjhar, Sundergarh, Gajapati, Kandhamal, Kalhandi and Mayurbhanj. This covers 13 PVTGs living in some 542 villages within the MPA areas and another 477 villages outside the MPA jurisdiction but within the 84 MPA Gram Panchayats (GPs). The table below summarizes the district, block, MPA and No. Of VDC where OPELIP is implemented:

No	District	Block	Name of Micro Project Agency	No. Of VDC
1	Mayurbhanj	Suliapada&Moroda	Lodha Development Agency, Moroda	101
2		Karanjia&Jashipur	Hill Khadia&Mankirdia Development Agency	81
3	Sundargarh	Lahunipada	PaudiBhuyan Development Agency, Khuntgaon	50
4	Angul	Pallahara	PaudiBhuyan Development Agency, Jamardihi	50
5	Deogarh	Barkote	PaudiBhuyan Development Agency, Rugudakudar	72
6	Keonjhar	Banspal	Juang Development Agency, Gonasika	54
7	Kandhamal	Tumudibandha	KutiaKandha Development Agency, Belghar	71
8	Kalahandi	Lanjigarh	KutiaKandha Development Agency, Lanjigarh	34
9	Rayagada	Bisam Cuttack & Muniguda	DangriaKandha Development Agency, Kurli, Chatikana	89
10		Kalyansingpur	DangriaKandha Development Agency, Parsali	35
11		Gunupur	LanjiaSaora Development Agency, Puttsing	8
12	Gajapati	Mohana	Saora Development Agency, Chandragiri	75
13		Gumma	LanjiaSaora Development Agency, Seranga	32
14	Ganjam	Patrapur	Tumba Development Agency, Tumba	72
15	Malkanagiri	Khairaput	Bonda Development Agency, Mudulipada	48
16		Kudumulguma & Khairput	Didayi Development Agency, Kudumulguma	58
17	Nuapada	Komna	ChuktiaBhujia Development Agency, Sunabeda	23

The development actions to be supported through the Programme are being identified by the communities through a participatory planning exercise. This enables the communities

in identifying their need and subsequently plan for the implementation. Capacity buildings as support to the communities are to ensure for enhancing their scope of understanding and skill to take up various development initiatives. Through this approach the programme adopts village approach as a vehicle for development of natural resources with the scope to address broader issues of sustainable livelihoods including savings and credit, access to common property resources, off-farm/non-farm activities, issues related to non-timber forest products, and community Infrastructure.

For ease of conducting audit in a systematic manner, OPELIP has divided the total VDCs into 5 assignment areas (Lots) as below:

- i. Mayurbhanj, Keonjhar,
- ii. Angul, Deogarh & Sundergarh,
- iii. Nuapada, Kalahandi, Kandhamal
- iv. Ganjam, Gajapati and Rayagada (Only LSDA, Putasingh)
- v. Malkanagiri, Rayagada (DKDA, Chatikona & DKDA, Parsali)

Flow of funds to VDC

Flow of funds is made from MPAs to concerned VDCs upon requisition for fund. The VDCs are independent entity and registered under Societies Registration Act, 1860. So, the vouchers/invoices are retained by VDCs in their office. Funds for various developmental activities are released from MPAs to the VDCs and in turn against the utilisation made, VDCs submitting the copy of the vouchers along with Statement of Expenditures to concerned MPA.

Objectives of VDC Audit

The objectives of the VDCs audit are to enable the auditor to express a professional opinion on the effectiveness of the overall financial management and procurement arrangements. It has to be ensured that the overall financial management and arrangements including the system of internal controls as documented as per the Financial Management Manual (FMM) & Procurement Manual (PM). It is expected that the process of audit shall be in position to provide to project management with timely information on financial management aspects of the project, including internal controls and compliance with financing agreements, to enable follow-up action.

In addition, it is expected that VDC audit should play a role in assisting management with mis-utilization of fund, including the prevention, detection and investigation of fraud as part of

“Bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes”.

Auditor will cover all VDCs in each year. VDCs get funds from MPA in their bank account. The fund is utilized for the activity and plan approved by the Gram Sabha. The indicative list of activities for which funds are provided to VDCs area available at MPA offices.. **The data/information on actual activities, physical targets and funds released for each VDC will be provided by the concerned MPAs to the audit team.** The audit will also cover all Statement of Expenditures and documents and release of fund from MPAs to them. VDCs audit should be carried out in accordance with the Auditing & Assurance Standards prescribed by the Institute of Chartered Accountants of India and will include such tests and controls, as the auditor considers necessary under the circumstances.

In conducting the audit, special attention should be paid to assessing whether adequate controls have been established and complied with to ensure that:

- i. All funds have been used in accordance with the conditions of the relevant legal agreements and only for the purposes for which the financing was provided. Relevant legal agreement includes the agreement and contracts with VDCs.
- ii. Expenditures are incurred as per the approved MPA
- iii. The procurement procedure adopted for civil works, goods and livestock should be reviewed by the VDCs auditors and it should be ensured that correct procedures as per the community procurement guidelines included in the legal agreement or otherwise communicated to these entities by PMU.
- iv. It should be ensured that the records of all procurement, agreements, work/purchase orders, invoices, receipts, stock registers etc. are properly maintained, duly linked and retained including expenditures reported.
- v. The auditor should ensure all funds received by VDCs have been used with due attention to economy, efficiency and effectiveness, and only for the purposes for which the financing was provided;
- vi. The auditor should ensure that all necessary supporting documents, records, have been separately filed in respect of all activities and that clear linkages exist between the supporting documents, accounting books and records.
- vii. The VDCs auditor should ensure that the adequate records are maintained regarding the assets created and assets acquired by the VDCs, including description, details of cost, identification and location of assets.
- viii. Review the cash transactions and identify measures for risk mitigation.

Data, services and facilities to be provided by VDCs

All the documents and relevant papers needed for Audit will be provided by the VDCs. However, the audit team is required to prepare the financial statement from the accounts and provide observations. The auditor would be given access to all documents, correspondence, and any other information relating to the VDCs and deemed necessary by the auditor for carrying out audit. The audit team will get all the record at FNGOs Block Office for which they are appointed and will supported by FNGO staffs.

Final Output & Reporting

The Auditor will provide the following reports of VDCs for each of the year of audit separately 3 copies one for VDC, one for concerned MPA and another to PMU:

1. Financial Statements of VDCs (Receipts and Payments and Balance Sheet and notes to Financial Statements including Schedules, if necessary)
2. Audit Observations of each of the VDCs for the years of audit and recommendations. A suggested template is **Annexure 'A'**
3. Consolidated Audit Report for the assignment with recommendations for the Project for taking appropriate and timely action.

Period of VDC Audit

The assignment should be completed within 45 days from the date of signing of the contract.

KEY PERSONNEL

The list of key personnel's required for this assignments;

Sl. No	Key Professionals	Description of Services to be provided	Experience	No. of persons
1	Audit Team Leader	Responsibility to lead the audit teams in the field, planning and execution of the audits, discussion with office bearers of the VDC, consolidation/compilation, reporting and de-briefing to the Programme Director.	Qualified Chartered Accountants with at least 10years post qualification experience with ability to lead the team. Should have experience of audit of atleast 10 Village level community organizations.	1
2	Senior Audit Asst. (1No.)	Vouching and verification of books of accounts, and other tasks	Qualified CA/ICWA with 3 years of post qualification experience in Accounting, audit and report writing. Each of the member should have knowledge of the functioning of village level community organizations	1

3	Junior Audit Asst. (2 Nos.)		Qualified CA/ICWA (Inter) with 3 years of post qualification experience in Accounting, audit and report writing. Each of the member should have knowledge of the functioning of village level community organizations	2
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Annexure –‘A’

Part A: Serious Observations

In this part, give details of serious audit observations such as ineligible expenses, major lapses in internal controls, systemic weaknesses, procurement procedures not followed etc.

Part B: Other Observations

Observations that are not serious in nature, but nonetheless require the attention of the Project should be detailed in this part.

The Observation should also mention the best practices and how the error can be minimized at every level.

Part C: Executive Summary to the project and Suggestions/Recommendations

Provide an Executive Summary of the observations in Part A and B along with suggestions/recommendations. Only those observations that are dealt with in either Part A or Part B should be included in this section. Provide specific recommendations on systemic weaknesses.

Part D: Matters Requiring Immediate Attention

1. Matter requiring Immediate Attention

Auditor should point out the serious issue like cash defalcation, payment made without any approval and beyond the limit of devolution of powers, blank cheque signed, and any other matter which auditor deemed serious in nature.

2. Books of Account

Under this, Auditor should verify all the books of account maintained by the VDC, identify the discrepancies in the books of accounts and also suggest their improvement.

3. Internal Control System

Under this Para, auditor should report on discrepancies of current internal control system and suggest remedial measures.

4. Procurement Procedures

Under this paragraph auditor should report on procurement process which deviate from procurement guidelines.

