

TERMS OF REFERENCE

Background:

The Assam Infrastructure Financing Authority (AIFA) was constituted as a Society vide Notification No.BW.10/2008/73 dated 6/10/2009 under the Societies Registration Act, XXI of 1860 to expedite the implementation of major infrastructure projects in the State of Assam with a dedicated fund. The Society identifies, selects and takes up only those infrastructure projects which are of critical importance for speedy and overall economic development of the State and which cannot be accommodated under the State Plan, the Central Sponsored schemes, EAPs, NEC, NLCPR, RIDF etc. Projects with project cost of Rs.50 crore and above are eligible for funding under AIFA and the minimum size of investment by AIFA in any project is Rs. 15 crore. Finance Department (Budget) Government of Assam is the administrative department for all matters pertaining to AIFA.

The Rules and Regulations of the Society stipulate that the accounts of the Society shall be audited by a Chartered Accountant or a Firm of Chartered Accountants in each accounting year and such audited accounts along with the audit report shall be adopted in the General Meeting of the Society. Presently, the corpus of AIFA has been invested in various banks.

Further, the Government of Assam has taken a decision to make AIFA a major financing agency for funding large infrastructure projects and an MoU was signed on 4th August, 2021 amongst the Government of Assam, NABARD and AIFA.

Details of engagement, scope of work, terms and conditions etc

1. The engagement of the Chartered Accountant Firm shall be initially for a period of 3 (three) years and would be extendable on mutually agreed terms
2. The audit and advisory services will be contracted by : The Project Director, Assam Infrastructure Financing Authority, Assam © Secretariat, 'F' Block, Finance (Budget) Department, 3rd Floor, Dispur-781006
3. For the purpose of audit, the Accounting Year of the Society shall be the financial year that is 1st April of a year to 31st March of the following year.
4. The audit of the accounts will be carried out for the financial year 2021-22, 22-23 and 23-24 and would be extendable on mutually agreed terms
5. The Chartered Accountant Firm (Auditor) shall audit accounts of all moneys received and spent, and of all matters in respect thereof in the course of management of the Society or Society property or in relation to the carrying out of the aims and objectives of the Society as well as that of all assets, liabilities, credits and effects of the Society property.
6. The auditor will submit an audit report for each accounting year which shall include the following:

- (i) Balance Sheet showing accumulated funds of the balances, other assets and liabilities, if any.
 - (ii) Income and Expenditure account
 - (iii) Receipt and Payment Account
 - (iv) Other Schedules to the Balance Sheet as appropriate, but which shall include (a) Statement of all cash and term deposits (attach bank reconciliation statements for respective financial year)
 - (v) Project wise statement of expenditure.
7. The audit report shall be submitted within 45 days after the end of each accounting year.
 8. The audit report shall be prepared in 10 (ten) copies and the said shall be submitted to the Project Director. The professional fees shall be paid within 30 days from the receipt of the Audit Report and the invoice from the auditor.
 9. The auditor shall ensure that funds have been spent in accordance with the conditions laid down by the Society from time to time with due attention to economy and efficiency and only for the purpose for which the financing was provided.
 10. The auditor will pay particular attention to whether all necessary supporting documents, records and accounts have been maintained.
 11. On conclusion of the audit, the auditor will assess the adequacy of the financial management systems including internal controls of the Society. This should include aspects such as adequacy and effectiveness of accounting, financial and operational controls; the auditor's opinion on the use of the AIFA corpus, level of compliance with established policies, plans and procedures; reliability of accounting systems, data and financial reports; any material weaknesses in the accounting and internal control systems identified during the audit along with recommendations to rectify them, verification of assets and liabilities; the status of significant matters raised in previous management letters or any other matter that the auditor considers should be brought to the attention of the Society's authority. A specific report on the above aspects would be provided by the auditor annually as part of the management letter.
 12. The auditor should have adequate staff, with appropriate professional qualifications and suitable experiences including experience in auditing the accounts of entities comparable in nature, size and complexity to the entity whose audit they are to undertake.
 13. The auditor will have assured rights of access to banks, officials, consultants and any other persons involved with matters of the Society which are deemed necessary.
 14. The auditor will be impartial and independent from any aspects of management of financial interest in the Society under audit. The auditor should not, during the period covered by the audit, be employed by or have any financial or close business relationship with the Society. The auditor should not have any close personal relationships with any senior participant in the management of the entity. The auditor must disclose any issues or relationships that might compromise his independence.
 15. Apart from auditing of Annual Accounts, the Auditors shall be required to provide Tax consultancy services to AIFA . The first responsibility of the bidder in this regard shall be to represent AIFA before Income Tax Authorities in the matter of income tax

exemption for AIFA under relevant sections of Income Tax Act and other related acts/rules. For this purpose the bidder shall prepare the application to be submitted before IT authorities and also to liaise with them.

16. The Firm shall prepare the Computation w.r.t GST/ TDS and file the return/revise return as per the provision of the respective Acts.
17. The Firm shall advise to AIFA for any discrepancy/difficulty arising during the filing of E-TDS Return/Revise E-TDS Return /GST Return/Revise GST Return as per the provision of Income Tax Act/ Finance Act/GST Act and any other provision of Government of India.
18. The Firm shall co-ordinate with Income Tax Authorities for completion/filing of income tax assessment/CIT Appeal/ITAT Appeal for any assessment year in the Jurisdiction of North Eastern Region.
19. The Firm shall also coordinate with Income Tax Authorities for issuance of assessment order/appellate order/appeal effect etc. for any assessment year in the Jurisdiction of North Eastern Region.
20. The Firm shall co-ordinate with GST Authorities for completion/filing of tax assessment/Appeal/enquiry for any assessment year in the Jurisdiction of North Eastern Region.
21. The Firm shall also coordinate with GST Authorities for issuance of assessment order/appellate order/appeal effect etc. for any assessment year in the Jurisdiction of North Eastern Region.
22. The Firm has to submit reply with Tax Authorities for any notice issued to AIFA in the jurisdiction of North Eastern Region.
23. The Firm shall submit appropriate reply to STPI for any notice issued to AIFA across the country by any Tax Authority, other than jurisdiction of North Eastern Region
24. The Firm shall advise AIFA for compilation of records/information required for submission of any reply to any Tax Authority.
25. The Firm shall intimate immediately in writing as well as through e-mail to AIFA for each effective/non-effective appearance before Tax Authorities in the matter related to assessment/appeal/notice.
26. The Firm has to co-ordinate with legal Counsel for all types of legal & other issues relating to Direct Tax & Indirect Taxes.
27. The Firm shall provide its opinion to AIFA for all the matters referred during the contract period having financial/taxation implications.
28. The Firm has to advise AIFA for future course of action consequent to assessment/re-assessment/ rectification, other orders issued by Direct Tax & Indirect Tax authorities.
29. The Firm shall help AIFA in tax planning/provisioning during the financial year and also advise on the investment proposal as and when required.
30. Updating AIFA on latest circulars/order/amendments in the taxation filed by forwarding the hard copies/soft copies.
31. The Firm shall advise to AIFA for any discrepancy/difficulty arising during filing of E-TDS Return/revise E-TDS Return as per the provision of Income Tax Act/Finance Act and any other provision of Government of India & all other matters related to Income Tax Act, as applicable on AIFA.

32. The Firm has to provide necessary support, advice, assistance in relation to preparation of various documents required to be submitted with Direct & Indirect Tax Authorities.
33. Consultancy on all matters raised by Direct and Indirect tax authorities across the AIFA.
34. Providing consultancy in respect of formation of separate entity or any other firm/venture by AIFA.
35. The Firm shall submit the up-to-date compliance report for Authorities of AIFA.
36. Any other work/ matters assigned from time to time in respect of Direct and Indirect tax matters for present or future ventures under the administrative control of AIFA.
37. The Auditor and his staff shall not disclose any proprietary or confidential information relating to the assignment, the services or the information of the Society without prior written consent of the Secretary of the Society.
38. All reports and other documents submitted by the Auditor shall become and remain the property of the AIFA and the auditor shall on termination or expiration of the assignment, deliver all such documents and reports to the Project Director, AIFA together with the inventory thereof except those retained as their working papers.

Eligibility Criteria:

- 1) Must be empanelled with the Comptroller and Auditor General of India (CAG) and registered with the Institute of Chartered Accountants of India (ICAI)
- 2) Minimum turnover of the CA's firm should be Rs.20 lakh p.a. for last 3 years ending March, 2021.
- 3) The Firm should have its Head Office registered in the State of Assam as per records of ICAI
- 4) The Firm should be in practice for a period of 15 years or more in the State of Assam (relevant certificate to be enclosed)
- 5) The Firm should be a partnership firm and have at least 2 CA associated full time with the firm
- 6) Must have working experience with Govt./ PSUs preferably for 10 years
- 7) Should have experience in the use of Tally Accounting Software
- 8) The CA Firm should not be black listed by any PSUs or Govt. or any other organisation in respect of any assignment or behaviour. (Self-declaration to be given in this regard by the authorised person of the Firm in the letter Head of the Firm) Also, it should have never been issued notice for failure to submit deliverables and cancellation of work order, forfeiture of EMD, etc by any government and / or semi government entities.
- 9) Firm should be registered under GST

Guidelines for submitting the proposal:

- The EOI should be submitted in the prescribed format attached at Annexure I along with a forwarding letter of the concerned CA firm. Only the EOI in prescribed format

accompanied with all requisite documents would be considered. The documents should be sealed in an envelope and stamped and superscribe as 'Proposal/EOI for Audit'. All these envelopes must mention name and address of CA Firm. Court fee stamp of Rs.8.25 is to be attached with the EOI.

- Address of submission: The Project Director, Assam Infrastructure Financing Authority, 'F' Block, Finance (Budget) Department, 3rd Floor, Assam © Secretariat, Dispur, Guwahati-781006.

N.B. Any relevant information can be collected from the address of submission.

- Intending applicants are required to submit the EOI submission form with full details about their organization, experience, technical personnel in their organization, competence and adequate evidence of their financial standing, etc. in the Proposal format which will be kept confidential.
- The documents as per Annexure- II are to be attached with the proposal/EOI for scrutiny of the proposal. Proposals without necessary documents will be summarily rejected. Proposals containing false and/or inadequate information are also liable for rejection.
- Every page of the EOI along with documents appended must be duly signed by the proprietor/partner/authorized person.
- The EOI will be opened and will be evaluated by a Committee constituted by the Society.
- While deciding upon the selection of the auditor, emphasis will be given on the experience (particularly in Government / PSUs), number of assignments, man power and total turnover. Firms which submit detailed list of eligible assignments shall be given weightage in evaluation based on the number of assignments. Assignment not supported with client's certificate shall not be considered for evaluation.
- Emphasis will be given on ability and competence of the applicant to do good quality work within the specified time schedule and in close coordination with other entities.
- The Request for Proposal (RFP) shall be issued to the shortlisted Firms
- The selected firm shall be notified by registered post.
- The Society will have the right to accept or reject any 'Expression of Interest' without assigning any reason thereof and the decision of the Society will be final and binding to all. The whole process of inviting EoIs can be cancelled without giving any prior notice or information by the Society.

Other relevant terms:

- TOR, EoI submission form, proformas and documents appended with proposal will form a part of the Agreement.
- Any undue influence of any type may disqualify the applicant and the proposal will be rejected outright.

Resolution of Dispute, Penalties:

- Any dispute between the CA Firm and AIFA will be resolved by the Project Director, AIFA. The Firm if dissatisfied with the decision of the Project Director may approach the Executive Committee of AIFA.
- In the event of gross negligence, irregularity, laxity or misconduct on the part of the Firm's personnel, the contract may be terminated and the firm may get black listed at the discretion of the Executive Committee of AIFA which shall be communicated to all the Government Departments and the Institute of Chartered Accountants for debarring such firm from any assignment of any Government work.
- The violation of any of the terms will invoke penalty as decided by AIFA. It will be the responsibility of the Firm to complete the assignment with full knowledge and experience of the work with proper care and time. Failure to do so leading to either undue delay or laxity or failure or incorrect report will make the Firm liable for being removed from the contract by the Project Director after issuing the notice of 15 days as well as disciplinary action. The decision of the Executive Committee shall be final in this respect.

Technical Approach and Work Plan:

- The Firm should explain the understanding of the objectives of the assignment, approach to the services, methodology for carrying out the activities and obtaining the expected output, and the degree of the detail of such output.
- The Firm should propose the main activities of the assignment, their content and duration, phasing and inter-relations, milestones and delivery dates of the reports. The proposed work plan should be consistent with the technical approach showing understanding of the TOR and ability to translate them in to a feasible working plan.

Comments and Suggestions on the Terms of Reference:

The CA Firm can present and justify any modification to the Terms of Reference which can significantly improve performance in carrying out the assignment. Such suggestions should be concise and to the point, and incorporated in the proposal.

