

**UTTAR PRADESH EXPRESSWAYS INDUSTRIAL DEVELOPMENT
AUTHORITY**

Empanelment of Internal Auditors Expression of Interest (EOI) for the FY 2025-26

The Uttar Pradesh Expressways Industrial Development Authority (UPEIDA) is a premier infrastructure development authority under the Government of Uttar Pradesh, established for the planning, development, and execution of expressway projects and associated industrial corridors across the state. UPEIDA plays a pivotal role in enabling industrialization and improving connectivity in Uttar Pradesh.

In pursuit of strengthening its internal control mechanisms and ensuring greater financial discipline, UPEIDA intends to empanel qualified Chartered Accountant firms for conducting internal audit of its accounts and operations as per defined Terms of Reference. Accordingly, sealed Expressions of Interest (EOI) are invited from reputed CA firms fulfilling the below-mentioned eligibility criteria.

1. Scope of the Invitation of Application

- 1.1 UPEIDA has been receiving funds from the Government of Uttar Pradesh for its Expressway Projects undertaken on EPC basis and for the Defence Industrial Corridor Project. UPEIDA has also undertaken loans from Housing and Urban Development Corporation for purchase of land and from the consortia of Public Sector Banks for civil construction work of the Expressway Projects. On completion of the construction work, UPEIDA would levy user fees (toll) as aforesaid, which would be utilized to meet the expenditure on maintenance work and the repayment of loans as per the repayment schedule agreed upon with the banks with the provision that the shortfall in toll collection to meet the debt servicing requirements would be made good to it by the State Government. For Ganga Expressway Project, the implementation is on DBFOT basis under the PPP mode and the funds would be received partly from the State Government.
- 1.2 UPEIDA follows a decentralized payment & financial accounting procedure. Payments are handled and the books of accounts are maintained separately for various Projects. The financial accounting is made generally following the Accounting Standards issued by the Institute of Chartered Accountants of India as applicable to UPEIDA and various Significant Accounting Policies as adopted by the Board of Directors of UPEIDA from time to time. The financial statements are prepared in the formats prescribed by the Government of Uttar Pradesh. In accordance with the aforementioned Act and as approved by the State Government, the annual accounts of UPEIDA are required to be audited by the Comptroller & Auditor General of India also.
- 1.3 The internal Auditors would mainly be responsible for the following functions-
 - 1.3.1 To examine and report on the adequacy and effectiveness of the internal controls and assurance on the adequacy of the internal control and suggest ways for its improvement.

- 1.3.2 To examine the adequacy and effectiveness of the quality of performance of contractors /concessionaires/other agencies in carrying out the assigned financial responsibilities and suggest ways for their improvement.
- 1.3.3 To examine and report on whether the books of accounts and other records have been maintained properly and they are adequate enough and whether the financial reports are reliable & provide the results of the actual operations accurately.
- 1.3.4 To examine and report on whether the policies/guidelines/norms etc. prescribed or financial procedures laid down by the management and the provisions of various applicable laws are being followed and complied with strictly.
- 1.3.5 To examine and report on whether the financial resources have been deployed economically, efficiently and effectively by UPEIDA.
- 1.3.6 To review the operations and the projects to ascertain whether they are consistent with the established objectives and goals and whether the same are being carried out as planned.
- 1.3.7 To examine and confirm that contracts entered into are being strictly implemented and the contractual performance of the counter parties ensured.
- 1.3.8 To examine and confirm whether the payments are being made timely and in the same order in which requests are being received in UPEIDA.
- 1.3.9 Whether all records are maintained in an orderly manner and systems exist for cataloguing these for orderly retrieval.
- 1.3.10 As part of their role in the overall Internal Audit System as indicated above, the Internal Auditors would broadly cover (but not limited to) the audit of all the processes on Monthly / Quarterly / Half- yearly / Yearly basis as assigned and including, inter alia, the post Audit of all transactions and accounting entries, all contracts awarded, payments to all contractors / engineering consultants etc., payments of mobilization advance, adjustment of advances paid / received by UPEIDA, toll/ user fee collection and other receipts as also the civil contract Escrow Accounts of the Concessionaire, periodical review of various financial reports received / prepared by UPEIDA and other related work that may be assigned by UPEIDA from time to time.
- 1.3.11 Reporting Requirements: - Without prejudice to UPEIDA's right to improve upon and revise reporting requirement to ensure more effective and useful feedback at any point of time, the reporting requirement shall be in consonance with the Accounting Standards as also those prevalent in the Industry. These Reports shall generally be of Monthly/ Quarterly / Half-Yearly and Annual frequency. Special Reports may have to be prepared as per requirements and also according to whatever information/feedback the Auditors consider relevant to provide to UPEIDA in its interest.

- 1.3.12 In addition to the audit reports / outputs as mentioned herein, the Internal Auditors shall be required to prepare a "Management Letter" in which they would:
- a) Give comments and observations of the accounting records, system and controls that were examined during the course of the audit.
 - b) identify specific deficiencies and areas of weakness in systems and controls and make recommendations for their improvement.
 - c) report of the degrees of compliance of each of the financial movements on the financing agreement and give comments if any, on internal and external matters effecting such compliance.
 - d) communicate matters that have come to attention during the audit which might have a significant impact on the implementation of various Projects of UPEIDA.
 - e) bring to attention of the UPEIDA authorities any other matters that the Auditors consider pertinent.
- 1.3.13 UPEIDA has its Project Implementation Units (PIU) of its Expressway Projects as well located at various Districts. As a part of the Internal Audit, these Units may also have to be visited by the Internal Auditors.
- 1.3.14 UPEIDA is maintaining various records of purchase of land, including the deeds of registration, for its Expressway Projects. These records may also have to be audited from time to time on test-check basis.
- 1.3.15 The Internal Auditors would prepare the draft financial statements of UPIEDA and coordinate with the statutory Auditor to finalise the same within stipulated time.
- 1.3.16 UPEIDA would require the internal auditors to coordinate the entire audit operations and interact with the Designated Officer of UPEIDA on a regular basis.
- 1.3.17 Overall Supervision of Internal Audit work shall be done by a Full time Partner of the firm with at least 05 years' post-qualification experience, or a qualified Chartered Accountant with at-least 10 years of post-qualification experience, each having DISA qualification.
- 1.4 UPEIDA would require that Applicants provide professional, objective, and impartial advice and at all times hold UPEIDA's interests as paramount and strictly avoid conflict with their other assignments or their own corporate interests. Applicants shall review their operations and satisfy themselves that the proposed audit assignment in UPEIDA is not in conflict with their prior or current obligations, or that of their associates / affiliates that may place them in a position of not being able to carry out the assignment in the best interest of UPEIDA. As a matter of clarification, the Applicants should not be conducting any type of audit work in respect of the clients of UPEIDA.
- 1.5 Applicants would be required to observe the highest standard of ethics during the selection process as also during the process of execution of the audits. For this purpose, the "corrupt practice" would mean offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the selection process or in

contract execution and "fraudulent practice" would mean any misrepresentation of facts in order to influence a selection process or the execution of a contract to the detriment of the interests of UPEIDA, and includes collusive practices among the Chartered Accountants (prior to or after submission of proposals) leading to deprivation of UPEIDA of the benefits of free and open competitive process. In case of any information is brought to the notice of UPEIDA from any source that may tantamount to the "corrupt practice" or the "fraudulent practice", the Applicant would be declared as ineligible for consideration for appointment and in case any Applicant has already been selected / appointed, such selection / appointment shall be dispensed forthwith without any compensation in this regard soon after such information coming to the notice of UPEIDA. At its discretion on case basis, UPEIDA may also take a stringent step of black-listing of such Applicants from their eligibility for any future work in UPEIDA.

2. Eligibility Criteria for Empanelment:

- **Geographical Presence:**
 - The firm must have its Head Office located in Uttar Pradesh and a Branch Office compulsorily in Lucknow.
- **Legal Constitution and Registration:**
 - A copy of the Constitution Certificate issued by the Institute of Chartered Accountants of India (ICAI) must be enclosed.
 - In case of partnership firms, a copy of the latest Partnership Deed must also be submitted.
- **Experience & Credentials:**
 - The firm must have a minimum of 15 years of experience in conducting audits of Central/State Government PSUs, Institutions, Autonomous Bodies, Societies, or similar entities.
- **Firm Composition:**
 - The firm must have a minimum of 3 full time partners, out of which at least 2 should be FCA (Fellow Chartered Accountants).
 - The firm must have at least 3 full-time partners continuously associated with the firm for the last 5 years.
- **Turnover Criteria:**
 - The average gross professional receipts (turnover) of the firm during the financial years 2021-22, 2022-23, and 2023-24 should not be less than INR **80 Lakhs**.
- **Peer Review:**
 - The firm must possess a valid Peer Review Certificate issued by ICAI.
- **CAG Empanelment:**
 - The firm should be empaneled with the Office of the Comptroller & Auditor General (CAG).
- **Minimum Score:**
 - The Applicant firm must secure at least 75 marks to qualify.
- **Disclosures:**
 - Details of all pending litigation, arbitration, or court cases against the firm must be disclosed.

3. EVALUATION CRITERIA:

The evaluation of the Proposals for the appointment of the Internal Auditors shall be made taking into consideration the norms / criteria as follows:

Note: Minimum 75 mark required for qualification.

| SI.No. | Particulars | Maximum Marks | Marks |
|--------|--|---------------|-------|
| 1 | <u>Experience of the CA firm</u> | 30 | |
| | At least 15 years | | 24 |
| | >15 upto 20 years | | 27 |
| | > 20 years | | 30 |
| 2 | <u>Number of full-time partners</u> | 15 | |
| | At least three full time partners | | 12 |
| | 3 - 6 full time partners | | 14 |
| | > 6 full time partners | | 15 |
| 3 | <u>Average Gross Annual Turnover of the Firm during last 3 years (FY 2021-22 to FY 2023-24)</u> | 15 | |
| | At least INR 80.00 lakhs | | 12 |
| | >INR 80.00 lakhs up to INR 100.00 Lacs. | | 14 |
| | >INR 100.00 Lacs | | 15 |
| 4 | <u>In any one financial year out of 2023-24, 2022-23 or 2021-22, the applicant have conducted statutory audit or internal audit of at least one PSU/ Private Sector Company / Government Entity with a minimum turnover of</u> | 15 | |
| | At least INR 50.Cr. | | 12 |
| | >INR 50.00 Cr. upto INR 200.00 Cr. | | 14 |
| | >INR 200.00 crore | | 15 |
| 5 | <u>Experience as Internal auditor for auditing the Government Departments, PSUs, Local Bodies, Industrial Development Authorities, or Municipalities engaged particularly in the domain of construction of Roads / Expressway projects in last 10 years.*</u> | 25 | |
| | At least 2 years' experience | | 22 |
| | 2 to 3 years' experience | | 23 |
| | > 3 years' experience | | 25 |
| | Total | 100 | |

* **Note:** Experience of conducting internal audit of Head Quarter / Head Office shall be considered. Only auditing of branch/PIUs shall not be considered.

4. Financial Proposal and Selection Process

(i) Minimum Fee Quotation Requirement

As per the guidelines issued by the Institute of Chartered Accountants of India (ICAI) through Council General Guidelines 2008 (No. 1-CA(7)/03/2008 dated 8th August 2008), quoting of fees below a minimum threshold is prohibited for assignments involving audit and assurance services. In adherence to the said guidelines and to uphold professional dignity and standards, we hereby quote a consolidated professional fee of INR 3,50,000/- (Rupees Three Lakh Fifty Thousand only) per annum, exclusive of GST. No other amount shall be paid by UPEIDA towards reimbursement of out-of-pocket expenses, conveyance, or any other incidental charges.

(ii) Fee-Based Selection Criteria

The selection of the Internal Auditor shall be based on the lowest financial quote among the technically qualified firms.

(iii) Tie-Breaking Mechanism – Technical Score Consideration

In the event that two or more technically qualified firms quote the same lowest financial fees, the firm securing the higher technical score as per the evaluation criteria shall be given preference.

(iv) Final Tie-Breaker – Prior Experience with UPEIDA

If two or more firms quote the same lowest fee and also secure equal technical marks, the firm having prior experience of conducting internal audits for UPEIDA shall be selected. Preference shall be given to the firm with a longer duration or greater number of prior audit assignments completed for UPEIDA.

(v) Management Discretion

In case the tie still persists after applying the above criteria, the final selection shall be made at the sole discretion of the management of UPEIDA. The decision of UPEIDA's management in this regard shall be final and binding on all participating firms.

5. Extension of Service

On the satisfactory performance of the firm/company, Authority may extend the service of Internal Auditor for upcoming years.

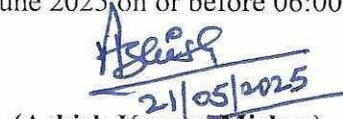
6. Head Office Address

Address for deposition of EOI for Internal Auditor is Uttar Pradesh Expressways Industrial Development Authority (UPEIDA), A Block, 5th Floor, PICUP Bhawan, Vibhuti Khand, Gomti Nagar, Lucknow-226010

7. Important Dates:

- Last Date for Submission of EOI: 16th June 2025, on or before 06:00 PM.


(Shubham Bansal)
Auditor (Tax)


(Ashish Kumar Mishra)
Finance & Account Officer