

Terms and conditions for participating in Tender for statutory audit of the PSDM:

- 1. The Chartered Accountants (partnership or proprietorship) firm should be registered with The Institute of Chartered Accountants of India (ICAI).**
- 2. The firm should be empanelled with CAG of India for conducting audit and having its Headquarter at Chandigarh.**
- 3. The firm (partnership or proprietorship) should have been in operation for 3 years after its registration and at least 3 years experience of Internal Auditing/Concurrent/Statutory Audit, Preparation/verification of annual Accounts of Government Organisations/ Societies/Autonomous Bodies who are implementing various State/Central Government Schemes.**
- 4. The average gross profession fee received/ earned/ turnover of the firm for the last three financial years must be equal to or more than Rs. 75.00 lac per annum and the firm should be of having minimum three FCA as partners.**
- 5. The proprietor/partner of the firm of any CA or CMA employed/associated with the firm should not have been debarred or cautioned by the Institute of Chartered Accounts of India/The Institute of Cost Accountants of India/Central/State Public Sector enterprise/Government (Central/State) during the last three years.**
- 6. Technical Bid (Form T-1 & T-2) and financial bid should be sent in separate envelopes indicating “for Technical Bid”&“Financial Bid (Form F-2) for Statutory Audit**
- 7. The Technical Bid should accompany with a Demand Draft of Rs.1000/- in favour of “Punjab Skill Development Mission Society” payable at Chandigarh as cost of tender.**
- 8. Member Secretary, PSDM reserves the right to accept or reject any tender without assigning any reason and decision taken by him will be final and binding on all.**
- 9. Jurisdiction in case of any dispute will be Chandigarh only**

**Mission Director
PSDM**

Letter of Transmittal

To

The Member Secretary,
Punjab Skill development Mission,
SCO 149-152, Sector-17C,
Chandigarh.

Dear Sir,

We, the undersigned, offer to provide the audit services for Punjab Skill Development Mission in accordance with your NIT (insert date). We are hereby submitting our proposal, having details about the firm and proposed audit fees.

WE hereby declare that all information and statements made in the proposal are true and accept that any misrepresentation contained in it may lead to our disqualification.

That the fee quoted by us is valid till six months from the date of submission of the proposal. We confirm that this proposal will remain binding upon us and may be accepted by you at any time before the expiry date.

Prices have been arrived at independently without consultation, communication, agreement or understanding (for the purpose of restricting competition) with any competitor.

We agree to bear all cost incurred by us in connection with preparation and submission of proposal and to bear any further pre-conduct cost.

We understand that Punjab skill development Mission society is not bound to accept the lowest or any proposal or to give any reason for reward, or for the rejection of any proposal

I confirm that I have authority of (insert name of the CA firm) to submit the proposal and to negotiate on its behalf.

Yours faithfully,

(Name &Signature of the Partner of the CA firm)

(Name and address of CA firm)

Particulars/Details of the CA Firm

S.No	Particulars	Supporting documents required to be submitted along with this form
<u>1</u>	Name of the Firm	
<u>2</u>	Address of the firm	
	Head Office	Phone No: Fax No. Mob No. Of the Office Incharge
	Date of Establishment of the Firm	
	Date since when is HO at the existing location	
	Branch Office 1,2,3----- (Particulars of each Branch to be given)	
	Mention the date of each Branch Offices since when existed at the existing place	
<u>3</u>	Pan No.Of the Firm	Attach copy of pan card
<u>4</u>	Firm's Service Tax registration No.	Attach copy of the registration
<u>5</u>	Firm's registration No. with ICAI	-Do-
<u>6</u>	Empanelment No. with C&AG	Attach proof of empanelment with C&AG for the year under audit (2016-17) confirming that the firm is eligible for major PSU audit
<u>7</u>	No. of years of firm's existence and date of establishment of the firm	Attach copy of the Partnership Deed
<u>8</u>	Turnover of the firm For the last three (3) years	Attach copy of Balance sheet & P&L Account of the last three years or a CA certificate giving breakup of audit fee and other fees received
<u>9</u>	Audit Experience of the firm	
	1. No. of assignments in commercial and statutory audit 2. . No. of assignments of externally aided projects (excluding audit of charitable institutions and NGOs)	Attach copy of the Offer letter and fee charged for each assignment (relevant evidences to be given of the turnover and fees)
<u>10</u>	Details of partners	Attach attested copy of certificate of

	<p>Provide following details:</p> <ol style="list-style-type: none"> 1. No. of Full Time Fellow Partners associated with the firm. 2. Name of the each Partner 3. Date of becoming ACA & FCA 4. Date of joining the firm. 5. Membership No. 6. Qualification 7. Experience 8. Whether the partner is engaged full time or part time with the firm 9. Their Contact Mob. No. email and full address 	<p>ICAI not before 1-1-2016</p>
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Note: The firm shall give an undertaking that the team member is proficient in the states official language (both oral and written).

(Name & Signature of the Partner of the CA firm)

(Name and address of CA firm)

Format for Financial Bid for Concurrent Audit for the year 2019-2020

Item or Activity	Total amount (In Rupees)
Audit Fee	
a. Professional fees	Both in Numeric and in words
b. Service tax	Rs.-----
c. Total fee	(Rupees----- -----)

(Name &Signature of the Partner of the CA firm)

(Name and address of CA firm)

Format for Financial Bid for Statutory Audit for the year 2019-2020-

Item or Activity	Total amount (In Rupees)
Audit Fee	
a. Professional fees	Both in Numeric and in words
b. Service tax	Rs.-----
c. Total fee	(Rupees----- -----)

(Name &Signature of the Partner of the CA firm)

(Name and address of CA firm)

Scope of Work

The scope of work shall be as under:

1. At present PSDM is implementing the following schemes during the year 2019-2020

1	DDUGKY	2501-Spl program for Rural Development-06 Self employment-789- Spl component plan for SC and 102-National Rural Livelihood for Deen Dyal Upadhiya Gramin Kaushal Yojna
2	PMKVY	2230 Labour, Employment and Skill Development. 66 Grant-in-Aid to Punjab Skill Development Mission Society 03, 003- Training of Craftsman and Supervisors and 789- Special Component Plan for Scheduled Castes, 20- Grant in Aid to Punjab Skill Devp. Mission Society, Pradhan Mantri Kaushal Vikas Yojana
3	NULM	2217:- Urban Development-80-General-003-Training--4-National Urban Livelihood Mission -789-Spl component plan for SC-05- Nation Urban Livelihood Mission. (Only EST&P component)
4	ISDS	2852:-Industries- GIA for Integrated Skill Development Schemes.
5	BOCW	BOCW- Wards of Construction workers
6	MSDC	Multi Skill Development Centres
7	HSDC	Health Skill Development Centres
8	SANKALP	05-Skill Acquisition and Knowledge Awareness for Livelihood (SANKLAP) Promotion Scheme. 66.05.36 Grant-in-Aid General (Non Salary) ਅਤੇ 04 Skill Acquisition and Knowledge Awareness for Livelihood (SANKLAP) Promotion Scheme. 20.04.36 Grant-in-Aid General (Non Salary)
9	CSR	CSR funds of PSDM.
10	PHTPB	Punjab Heritage and Tourism Promotion Board Scheme
11	MSDE Funds	Funds released to PSDM from the Ministry of Skill Development and Entrepreneurship for conducting India Skill competition

2. The expenditure is incurred against various activities/ schemes approved in the annual work plan and budget from funds released by Government of India/State Government and other bodies covering the program/scheme cost. A statement of expenditure based on actual amount spent under various interventions is sent to Government of India/State Government and other bodies who are providing funds for schemes under their purview. The CA firm is required to exercise such tests of accounting record, internal checking and otherwise control and

other necessary audit of accounts as per general principles and standards of audit of the Institute of Chartered Accountants of India. In conducting the audit the special attention should be given to the following:-

- (a) All funds have been used in accordance with the conditions of the relevant financial norms and financial regulations of the respective schemes with due attention to economy and efficiency and only for the purpose for which financing was provided.**
- (b) Generally Accepted Accounting Principles are followed by all entities /that are authorised to incur expenditure.**
- (c) Goods, works and services financed have been procured in accordance with the relevant provisions of the procurement procedure prescribed for the purpose. Proper documents, namely, tender documents, invoices, vouchers, receipts, pay bills, T.A. bills etc., are maintained and linked to the transactions and retained till the end of the program.**
- (d) All necessary supporting documents, record and accounts in respect of expenditure incurred have been kept as program-wise / scheme-wise. Clear linkage should exist between books of accounts and reports presented to the Government of India/State Govt.etc.**
- (e) The expenditure incurred under PSDM Schemes is strictly in accordance with the financial norms prescribed in the schemes/frame work of PSDM and any other clarification issued from time to time by the competent authorities as provided in MOA. The expenditure statements/ financial statements included in the statement of expenditure of the relevant period represent a true and fair view of implementation and operations of the program at the end of the financial year and of resources and expenditure for the year ended on that date.**
- (f) The expenditure is incurred with reference to the budget allocation approved by the Governing Council of PSDM. In case the budget allocation is exceeded, proper re-appropriation and approval of the competent authority have been obtained. The CA should point out the expenditure activity-wise that exceeded the budget allocation.**
- (g) The CA should look into the fact that funds are used efficiently and economically to the purpose as provided in the scheme and MOA of PSDM.**
- (h) Reconciliation of Bank statements and accounts is regularly carried out on monthly/quarterly basis.**

- (i) The CA firm appointed for the audit should be required to look into the position of audit compliance/ various other statutory compliances which were mandatory and objections raised, if any, are have been adhered to/redressed. In case of non-compliance, the Audit Report should include a Separate Para in this regard.
- (j) The CA firm so appointed for the audit should be required to give Audit Certificate, Utilisation Certificate and any other certificate from time to time as per specified in guidelines in respect of all schemes.
- (k) The audit should also cover the accounts of all district offices (if becomes operational by the end of FY 2019-2020 in the State.

Output that would be required

On completion of audit, firm of Chartered Accountants so appointed should submit the following:-

- (i) Component-wise Income and Expenditure Statement of each scheme and consolidated for PSDM as a whole.
- (ii) Component-wise Receipt & Payment Account of each scheme and consolidated for PSDM as a whole.
- (iii) Scheme-wise and consolidated Balance sheet with details of all schedules component-wise/scheme-wise and annual consolidated financial statement audit certificate etc., as per requirements of the scheme.
- (iv) Utilisation certificates as per requirement of the schemes/Centre Govt. /State Govt. /Other bodies etc. i.e. funding authorities.
- (v) Bank reconciliation statements duly verified separately for each scheme.
- (vi) Report all discrepancies noticed in the financial accounts and also suggest the rectification to be done and for its non-recurrence.
- (vii) Failure to complete the audit work in time-bound manner and not up to the mark will entail forfeiture of entire audit fees, performance security and imposition of legal action.
- (viii) Report or issue certificate in respect of any fraud, embezzlement notice during the audit.
- (ix) Any other financial information which either Centre/State may asked from time to time.

General

- (i) Audit will be given access to all Books of accounts procurement legal document, sanction letter of GOI and State Govt. and all other document and information which they think necessary for the purpose of audit. The auditor may make specific observations with respect of efficiency of financial procedures the accounting system etc.

Audit Job allocation:

Firm(S) appointed as stator auditor of PSDM for the FY 2019-2020 would be allotted assigned Statutory Audit work of Head Quarter & 22 Districts comprising of respective Blocks/Centres (If become operational before the end of 2020-2021). The account maintained at these stations, if any, will be produced for audit at Head Quarter.

Program Financial Statements:-

Program Financial Statement should include:-

- (i) A Summary of funds received from Government of India and State Government separately.
- (ii) A Summary of funds received from different bodies/authorities as support/implementation cost for their schemes separately.
- (iii) Any other receipt accruing separately.
- (iv) A Summary of expenditure shown under main program heading onwards up to current financial year and accumulated to date.
- (v) Income and Expenditure of each scheme as well as consolidated for PSDM as whole.
- (vi) Balance Sheet showing accumulated funds of the schemes (Individually), bank balance other assets of the program and liabilities if any.
- (vii) Utilisation certificates as required by Government of India/State Government and other funding department/agencies.

Duration of Audit

The Quarterly Statutory Audit Should be completed within 15 days from the its commencement and the Statutory Audit of account of PSDM for the year 2019-2020 should be completed within three months or by 31st August, 2020 whichever is earlier. The Statutory Audit for next financial years can be extended on yearly basis to the same firm with mutual consent of the parties on the successful completion of audit of current financial year. The same firm can continue the audit work up to 3 consecutive years and thereafter

retendering process have to be adopted for the 4th financial year, but there is no bar for the same firm to apply for retender on second occasion.

Performance Security

All the bidders will have to pay 10% of the Bid amount as Performance Security along with the financial bid through DD in favour of Punjab Skill Development Mission and the Performance Security of the successful bidder will be retained by PSDM and the performance security of other bidders will be returned after finalisation of the tender process.

The Performance Security of the successful bidder will be returned one month after completion of the audit.

Payment Terms

50% of the audit fee will be paid within 15 days of the receipt of Audit Report and other related documents and balance audit fee shall be paid on confirmation of the utilisation certificate of the society by the respective authorities or two months after the submission of audit report whichever is earlier.

Tax Liability

That any tax liability whatsoever in respect of this agreement shall be the sole responsibility of the auditing firm.

Penalty

If the audit work is not completed within the specified period or any extension thereof, granted by the Member Secretary, the firm will be liable to pay penalty @ 1% of order value for each calendar week of delay which shall be recovered from the bill. The penalty will be calculated on weekly basis. In case, the delay exceeds one month, the order/contract will be liable to be cancelled along with forfeiture of the Performance security and recovery of liquidated damages. The left over work will be got done by PSDM from the third party at the risk and cost of the bidder.

TERMINATION FOR DEFAULT:

The Punjab Skill Development Mission may, without prejudice, to any other remedy for breach of contract, by written notice of default sent to the Bidder, terminate the contract in whole or in part. If:

- i) The qualified Bidder fails to deliver any or all of the obligation within the time period (s) specified in the contract, or any extension therefore granted by the Punjab Skill Development Mission**
- ii) The qualified Bidder becomes bankrupt or otherwise insolvent, provide that such termination will not prejudice or affect any right of action or remedy which has accrued to the Punjab Skill Development Mission.**
- iii) The qualified bidder is debarred to work as auditor by the (CA) blacklisted by any Centre/State and Government Department.**

FORCE MAJEURE:

Notwithstanding the provisions of the NIT, the Bidder shall not be liable for forfeiture of its performance security, liquidated damages or termination for default if and to the extent that, its delay in performance or failure to perform its obligations under the contract is the result of an event of Force Majeure.

For the purposes of this Clause, 'Force Majeure' means an event beyond the control of the Bidder like acts of the Government of Punjab/ Punjab Skill Development Mission either in its sovereign or contractual capacity, war or revolution, fire, floods, epidemics, quarantine restrictions and freight embargoes.

If a Force situation arises, the qualified Bidder shall promptly notify the Punjab Skill Development Mission in writing of such a condition and use thereof. Unless otherwise directed by the Punjab Skill Development Mission in writing, the Bidder shall continue to perform its obligations under the contract as far as reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the Force Majeure event. The Punjab Skill Development Mission may terminate this contract, by giving a written notice of minimum 15 days to Bidder, if as a result of Force Majeure, the Bidder is unable to perform a material portion of the services for a period of more than 30 days.

STANDARD OF PERFORMANCE

The qualified Bidder shall carry out the services and carry out its obligations under the contract with due diligence, efficiency and economy in accordance with generally accepted norms techniques and practices used in the industry. The Bidder/ bidders shall also adhere to professional standards recognized by international professional bodies. The Bidder/

bidder shall employ appropriate advance technology and safe and effective equipment, machinery, material and methods. The Bidder/Bidders shall always act in respect of any matter relating to this contract, as faithful advisors to the Authority and shall, at all times support and safeguard the Authority legitimate interests in any dealings with the third party.

ARBITRATION

All disputes, differences, claims and demands arising under or pursuant to or touching the contract shall be referred to the sole arbitrator to be appointed by the Member Secretary, PSDM. This is notwithstanding the fact that the sole arbitrator may be connected in any manner with the official process of finalizing the Contract. The award of the sole arbitrator shall be final and binding on both the parties under the provisions of the Arbitration and conciliation Act, 1996 by statutory modification re-enactment thereof for the time being in force. Such arbitration shall be held at Chandigarh.

JURISDICTION

In all matters and disputes arising hereunder the appropriate Courts at Chandigarh alone shall have jurisdiction to entertain any try them.

CONFIDENTIALITY:

The Bidder (s) and their personnel shall not, either during the term or after expiry of this contract, disclose any proprietary or confidential information relating to the service, contract or the Punjab Skill Development Mission business or operations without the prior written consent of the Society.

OTHER TERMS AND CONDITIONS

- (i) The bidder shall not assign, in whole or in part, its right and Obligations to perform this Contract to a third party, directly or Indirectly.**
- (ii) Bidder shall not work in association with some other party to meet the conditions.**
- (iii) All statutory obligations/ liabilities in respect of wages paid for manpower employed conducting Audit will be sole responsibly of the firm.**
- (iv) The Punjab Skill Development Mission will not be in any way responsible for any statutory obligation in respect of the staff deployed for the purpose.**

- (v) The Punjab Skill Development Mission reserves the right to carry out the capability assessment of the Bidder. The Society's decision shall be final in this regard.**
- (vi) The successful bidder will have to deliver and shall receive payments according to the time schedule and terms agreed upon in the contract.**
- (vii) All payments will be subjected to tax deduction at source as applicable at the prevailing tax rates.**
- (viii) The Bidder or a person/persons duly authorized by the Bidder shall sign the Financial bid with his seal. All pages of the bid, where signature required is not mentioned, shall be initiated by the Bidder with his seal.**
- (ix) All other terms & conditions as contained in the tender document shall apply mutatis mutandis.**
- (x) The Firm will not assign,or outsource the work under any circumstances. In case of abandonment, the PSDM shall get the work completed at the risk and cost of the appointed firm .**