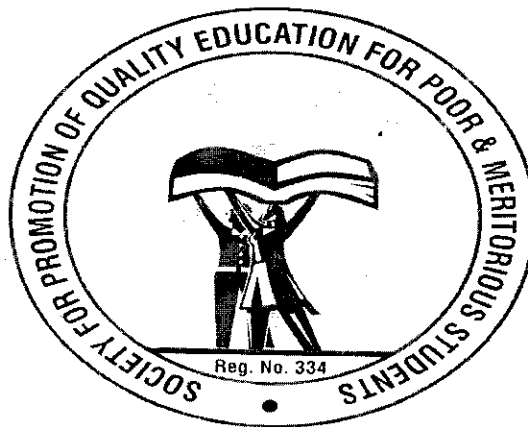


**REQUEST FOR PROPOSAL  
FOR  
STATUTORY AUDIT ASSIGNMENT  
FOR THE FINANCIAL YEAR 2014-15  
(SHORT TERM TENDER)**



THROUGH

**SOCIETY FOR PROMOTION OF QUALITY EDUCATION  
FOR POOR AND MERITORIOUS STUDENTS OF  
PUNJAB (SPQEPMS)  
PUNJAB SCHOOL EDUCATION BOARD COMPLEX,  
BLOCK- E, 5TH FLOOR, PHASE- 8, S.A.S. NAGAR (MOHALI)  
CONTACT NO: 0172-5212367, FAX-0172-5212369,5212370**

### **TENDER NOTICE**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Details</b>
1	Tender Notice No	<b>Tender No.: MS/2015/Audit/04 dtd-08-04-2015</b>
2	Name of the work	<b>Statutory Audit for the Financial Year 2014-15</b>
3.	Cost of Tender Document	<b>Rs. 1,000/- (Rupees One thousand Only) (Non-Refundable)</b>
4.	Earnest Money Deposit	<b>Rs. 20,000/- (Rupees Twenty Thousand only) (Refundable)</b>
5.	Date & Time of Sale of Tender (To be down loaded from website)	<b>From 11 April 2015 to 26 April 2015, 1700 hrs.</b>
6.	Last date for submission of Tender	<b>27 April 2015 upto 1200 hrs in office of Project Director.</b>
7.	Opening of Tenders	<b>On 28 April 2015 at 1500 hrs.</b>

**Notes: -**

- (i) In case the date of opening of tender falls on a holiday, tenders will be opened on the next working day at the same time.

## **1.0 Introduction**

- 1.1.1** The proposals are invited from the Chartered Accountant firms from Mohali and Chandigarh only empanelled by the Comptroller and Auditor General of India (CAG) hereinafter called the bidders, for the engagement of audit of accounts 2014-15 of Society for Promotion of Quality Education for Poor and Meritorious Students of Punjab (SPQEPMSP) being implemented in the State of Punjab.

The rates should be quoted as per Schedule of Rates given as per Annexure -1

- 1.2** Bidders are advised to study the Terms & Conditions carefully. Submission of Proposal shall be deemed to have been done after careful study and examination of the Terms & Conditions with full understanding of its implications.
- 1.3** Sealed offers should be submitted to Project Director, Society for Promotion of Quality Education for Poor and Meritorious Students of Punjab (SPQEPMSP), Punjab School Education Board Complex, Block- E, 5th Floor, Phase-8, S.A.S. Nagar (Mohali).
- 1.4** All bids must be accompanied by an Earnest Money of Rs. 20,000/- (Rs Twenty Thousand only) in the form of Bank Draft, in favour of Project Director, Society for Promotion of Quality Education for Poor and Meritorious Students of Punjab (SPQEPMSP), payable at Mohali.

### **1.5 Schedule for Invitation to Request for Proposal (RFP)**

**1.5.1** Time and date for receipt of Tender: 27 April 2015 upto 1200 hrs.

**1.5.2** Date, Time & Place of opening of bids: 28 April 2015 at 1500 hrs.

in the office of the Project Director, Society for Promotion of Quality Education for Poor and Meritorious Students of Punjab (SPQEPMSP), Punjab School Education Board Complex, Block- E, 5th Floor, Phase-8, S.A.S. Nagar (Mohali).

**1.6** Validity of the bid: 90 days from the date of opening of Tender.

**1.7** Schedule for Completion and Submission of Report: On or before 31<sup>st</sup> July, 2015.

Note: Society for Promotion of Quality Education for Poor and Meritorious Students of Punjab (SPQEPMSP) shall not be responsible for any postal delay about non-receipt/non delivery of the documents.

## **Annexure-A**

### **SOCIETY FOR PROMOTION OF QUALITY EDUCATION FOR POOR AND MERITORIOUS STUDENTS OF PUNJAB (SPQEPMSP)**

#### **TENDER DOCUMENT FOR APPOINTMENT OF A STATUTORY AUDITOR FOR THE AUDIT OF ACCOUNTS OF SOCIETY FOR PROMOTION OF QUALITY EDUCATION FOR POOR AND MERITORIOUS STUDENTS OF PUNJAB (SPQEPMSP), FOR THE FINANCIAL YEAR 2014-15.**

#### **BACKGROUND**

Society for Promotion of Quality Education for Poor and Meritorious Students of Punjab (SPQEPMSP) is a registered society under Societies Act 1860, which is providing free education, boarding/lodging, books, stationary, uniform and extra teaching by reputed institutions for poor and meritorious students of Punjab who have attained more than 80 percent marks in Matric. The funding is through Punjab Education Development Board, other Govt. grants and donations.

#### **OBJECTIVES**

The objectives of the statutory audit for the financial year 2014-15 is to seek a professional opinion on the financial statement of Society for Promotion of Quality Education for Poor and Meritorious Students of Punjab (SPQEPMSP) for the financial year 2014-15 and to ensure that funds received and expenditure incurred under Project activities are in accordance with the laid down financial regulations, prescribed Procurement procedures, and other orders issued from time to time as well as to ensure proper maintenance of books of accounts and other relevant documents at all levels.

#### **SCOPE**

- a) The audit would cover the accounts of Project Director office at Mohali and Six Meritorious Schools being run by the Society at Amritsar, Bathinda, Jalandhar, Ludhiana, Mohali and Patiala.
- b) Audit is to be conducted by visiting office of Project Director and all six schools itself and in no case be called at any other place for the purpose of audit.

- c) Comments of Audit are required on the fact that Society for Promotion of Quality Education for Poor and Meritorious Students of Punjab (SPQEPMS) funds are used efficiently and economically to the purpose for which they are intended.
- d) Bank Reconciliation Statement is regularly and monthly carried at all the levels.
- e) The Chartered Accountant firm so appointed will be required to give:-
  - (1) Audit Certificates, Utilization certificates, and issue any other certificate as may be required by the society from time to time without any additional fee to be paid by the society.
  - (2) Statements in annual report that describes the work of Society for Promotion of Quality Education for Poor and Meritorious Students of Punjab (SPQEPMS). The responsibilities of the audit also include reporting on the adequacy of statements.
- f) Internal controls, compliance with generally accepted accounting principles & procedures, accuracy and propriety of Procurement transaction, method of accounting and safeguarding various Assets, and level of compliance with Society for Promotion of Quality Education for Poor and Meritorious Students of Punjab (SPQEPMS) financial norms and State Government procedures along with compliance with Manual on 'Financial Management and Procurement' as issued by GOI.
- g) Audit shall be required to ensure that Goods, and services have been procured in accordance with relevant provisions of manual on financial Management and Procurement, and related document, namely, purchase orders, tender documents, invoices, vouchers, receipts etc. are maintained and linked to the transactions and retained till the end of the Programme.
- h) Audit will be required to give its opinion as to whether Balance Sheet, Income & Expenditure account and Receipts & Payment account of period of under Audit, read with Accounting policies give True and Fair view of State of affair of the Society, Grants utilized by the authority and Receipts & Payments of the Authority for the year respectively.
- i) The Chartered Accountant firm so appointed would be required to look into the compliance of previous audit objections raised (if any) and have to verify or comment

on the supporting documents/ vouchers submitted on latter stage, to settle the audit qualifications in the Statutory Audit report of this assignment.

### **TIME SCHEDULE**

Audit is required to complete the Audit assignment with in a period of three months from the date of allotment of audit work. Audit of Project Office and six Meritorious Schools shall have to be carried out at Project Office and the six Meritorious School locations.

### **OUTPUTS THAT WILL BE REQUIRED FROM THE AUDITOR**

On completion of audit, the Chartered Accountant firm so appointed should submit the following separately for Project office and six Meritorious Schools:-

1. Component-wise Income and Expenditure statements of Project Office and six Meritorious Schools.
2. Consolidated component-wise Income and Expenditure statement for project as a whole.
3. Components-wise Receipts and Payments account separately for Project office and six Meritorious Schools.
4. Consolidated component-wise Receipts and Payments account for project as a whole.
5. Consolidated Balance Sheet, with details of all schedules components wise and level wise and Annual Consolidated Financial Statement (Annex-XVIII), Procurement audit certificate & FMR-I, II, & III.
6. Utilization Certificates (UCs) separately for Project Office and six Meritorious Schools.
7. Consolidated Utilization Certificate for project as a whole in a prescribed format.
8. Bank Reconciliation Statement separately for Project Office and six Meritorious Schools.
9. Report on all discrepancies noticed in the financial accounts and procurement procedure.
10. **Failure to complete audit work in time bound manner and not upto mark will entail forfeiture of entire audit fees, performance security and imposition of legal action.**

### **GENERAL**

Auditor would be given access to all Books of Accounts, Procurement documents, Legal documents, Sanction letters of GOI and State Govt and all other documents and information which they think necessary for the purpose of audit. The auditors may make specific observations with respect to the efficiency of financial procedure, the

accounting system and in general, the administration and management of the organization.

#### **AUDIT JOB ALLOCATION**

Firm appointed as the statutory auditors of Society for Promotion of Quality Education for Poor and Meritorious Students of Punjab (SPQEPMS) for financial year 2014-15 would be allotted assignment as under:-

Audit Report of Project Office and six Meritorious Schools and Consolidation of report for Society for Promotion of Quality Education for Poor and Meritorious Students of Punjab (SPQEPMS) as a whole.

#### **TA/DA & AUDIT FEE**

- A fixed traveling allowance of Rs. 6.00 per Km. (car) will be provided subject to submission of actual bill with the Project Director.
- A fixed dearness allowance and hotel accommodation charges will be given as below:-

(Amount in Rs.)

Category	Dearness allowance (per day)	Hotel accommodation (per day)*
Qualified	300/-	900/-
Unqualified	195/-	675/-

\* Subject to submission of original bills with the Project Office of Society for Promotion of Quality Education for Poor and Meritorious Students of Punjab (SPQEPMS).

### **PERFORMANCE BANK GUARANTEE (PBG)**

The successful bidder will have to deposit a performance security in shape of bank guarantee FDR/Demand Draft for an amount equivalent to 10 % of the contract value within 7 days of the issuance of LOI/Order. The Performance security would be valid for a period 6 months post warranty, failing which the LOI/order shall be withdrawn at the discretion of the Project Director, Society for Promotion of Quality Education for Poor and Meritorious Students of Punjab (SPQEPMSPP) and the EMD of the bidder shall be forfeited and the work will be allotted to the next bidder.

### **PAYMENT TERMS**

50% of audit fees within 15 days of the receipt of Audit Report and all other related documents and balance audit fees shall be paid on confirmation/scrutiny by Department of School Education.

### **TAX LIABILITY**

That any tax liability whatsoever in respect of this agreement shall be the sole responsibility of the second party. Payments shall be made after deducting TDS.

### **PROGRAMME FINANCIAL STATEMENTS**

Programme Financial Statements should include:

- (a) A summary of funds received from various sources;
- (b) Any other receipt accruing separately;
- (c) A summary of expenditure shown under the main programme heading both for the current fiscal year and accumulated to date; and
- (d) A Balance Sheet showing accumulated funds of the programme, bank balances, other assets of the programme, and liabilities, if any.
- (e) Utilization Certificate

### **AUDIT OPINION**

The primary audit opinion should include the Programme Financial Statements, and the annual audit report of the Programme Accounts. The financial statement, including the audit report should be received by the Society for Promotion of Quality Education for Poor and Meritorious Students of Punjab (SPQEPMSPP) not later than (two to four) months after the end of the accounting period to which the audit refers. The auditor should submit the report to Project Director of the Society well in advance who will



take further action to have two copies of the Audit of Accounts and report forwarded to Department of School Education, Punjab.

### **MANAGEMENT LETTER**

In addition to the audit reports, the auditor will prepare a "management letter", in which the auditor will:-

- (a) Give comments and observations on the accounting records, systems, and internal controls that were examined during the course of audit;
- (b) Identify specific deficiencies and areas of weakness in system & internal control and make recommendations for their improvement;
- (c) Report on the degree of compliance of each of the financial covenants of the financing agreement and give comments, if any, on internal & external matters affecting such compliance;
- (d) Communicate matters that have come to the attention during the audit which might have a significant impact on the implementation of the programme ; and
- (e) Bring to the implementing Agencies' attention any other matters that the auditor considers pertinent.

### **PENALTY**

In case the work is not completed by the specified date or any extension thereof, Penalty 0.5% (zero point five percent) of the order value or part thereof the incomplete portion of the assignment for each calendar week of delay shall be recovered from the bills. However, the total penalty shall not exceed 10% (ten percent) of the total value of the work.

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 bank guarantee and recovery of liquidated damages.

The above provision is notwithstanding the right of the Society for Promotion of Quality Education for Poor and Meritorious Students of Punjab (SPQEPMS) to get the work executed at the risk and cost of the Bidder and to avail of other remedies/provisions laid down in the terms of bid/contract.

**TERMINATION FOR DEFAULT:**

The Society for Promotion of Quality Education for Poor and Meritorious Students of Punjab (SPQEPMSPP) 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:

The qualified Bidder fails to deliver any or all of the obligations within the time period (s) specified in the contract, or any extension thereof granted by the Society for Promotion of Quality Education for Poor and Meritorious Students of Punjab (SPQEPMSPP).

The qualified Bidder fails to perform any of the obligation(s) under the contract.

The qualified Bidder becomes bankrupt or otherwise insolvent, provided that such termination will not prejudice or effect any right of action or remedy which has accrued to the Society for Promotion of Quality Education for Poor and Meritorious Students of Punjab (SPQEPMSPP).

**FORCE MAJEURE:**

Notwithstanding the Terms & Conditions, 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/ Society for Promotion of Quality Education for Poor and Meritorious Students of Punjab (SPQEPMSPP) either in its sovereign or contractual capacity, war or revolution, fire, floods, epidemics, quarantine restrictions and freight embargoes.

If a Force Majeure situation arises, the qualified Bidder shall promptly notify the Society for Promotion of Quality Education for Poor and Meritorious Students of Punjab (SPQEPMSPP) in writing of such a condition and the cause thereof. Unless otherwise directed by the Society for Promotion of Quality Education for Poor and Meritorious Students of Punjab (SPQEPMSPP) 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 Society for Promotion of Quality Education for Poor and Meritorious Students of Punjab (SPQEPMSPP) may terminate this contract, by giving a written notice of minimum 15 days to

the 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/ bidders 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 Principal Secretary/ Secretary to Government of Punjab, Department of School Education. 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 or 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 and 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 services, contract or the Society for Promotion of Quality Education for Poor and Meritorious Students of Punjab (SPQEPMS) business or operations without the prior written consent of the Society.

## **ALLOCATION OF WORK**

The work can be split between more than one bidders. In such a case, (based on the lowest quoted rates) the Bid Evaluation Committee will decide a benchmark Price and the short listed bidders will have to match the so decided benchmark price.

## **OTHER TERMS AND CONDITIONS**

- (i) The bidder shall not assign, in whole or in part, its rights and obligations to perform under 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 like Salary, ESI, and PF as per labour laws for manpower employed will be the sole responsibility of the Bidder and he shall submit proof of payment thereof every month.
- (iv) The Society for Promotion of Quality Education for Poor and Meritorious Students of Punjab (SPQEPMSP) will not be in any way be responsible for any statutory obligation in respect of the staff deployed for the purpose.
- (iv) The Society for Promotion of Quality Education for Poor and Meritorious Students of Punjab (SPQEPMSP) reserves the right to carry out the capability assessment of the Bidder. The Society's decision shall be final in this regard.
- (v) 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 initialed by the Bidder with his seal.

**Bids not received in the specified format or conditional bids would entail rejection without any correspondence to be dealt in this regard by this office.**

- Total Audit fee would be paid by Project Office subject to deduction of Tax at Source (TDS) as may be applicable from time to time.

**Project Director,  
Society for Promotion of Quality Education  
for Poor and Meritorious Students of Punjab  
Punjab School Education Board Complex,  
Block- E, 5th Floor, Phase- 8, S.A.S. Nagar (Mohali)  
Contact No: 0172-5212367**

Detail of Chartered Accountant firms for the Statutory Audit assignment of Society for  
Promotion of Quality Education for Poor and Meritorious Students of Punjab (SPQEPMS)  
for the financial year 2014-15

Status of Firm      Partnership ☐      Sole Proprietorship ☐

1. (a) Name of the firm (in Capital letters) \_\_\_\_\_
- (b) Address of the Head office \_\_\_\_\_  
(Please also give telephone no. and \_\_\_\_\_  
e.mail address) \_\_\_\_\_
- (c) PAN No. of the firm \_\_\_\_\_
2. ICAI Registration No. \_\_\_\_\_ Region Name \_\_\_\_\_ Region Code No. \_\_\_\_\_
3. (a) Date of constitution of the firm: \_\_\_\_\_  
(b) Date since when the firms has a full time FCA \_\_\_\_\_
4. Full-Time Partners / Sole Proprietor of the firm as on 1-1-2015 (Please fill up Annex A-1)

S.No.	Years of continuous association in the firm	Number of FCA	Number of ACA
(a)	Less than one year		
(b)	1 year or more but less than 5 years		
(c)	5 years or more but less than 10 years		
(d)	10 years or more but less than 15 years		
(e)	15 years or more		

5. Number of Part Time Partners if any, as on 1-1-2015 \_\_\_\_\_  
(Please fill up Annex A-2)
6. Number of Full Time Chartered Accountant Employees \_\_\_\_\_  
as on 1-1-2015 (Please fill up Annex A-3)
7. Number of audit staff employed full-time with the firm
  - (a) Articles / Audit Clerks \_\_\_\_\_
  - (b) Other Audit Staff ( with knowledge of book \_\_\_\_\_  
keeping and accountancy)
  - (c) Other Professional Staff (Please specify) \_\_\_\_\_
8. Number of Branches (Please fill up Annex-B) \_\_\_\_\_
9. Fees earned by the firm from April 2010 to March 2015 in respect of:
 

PSU / autonomo us body	Companies in Private sector	Banks
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- (i) Statutory / Branch Audit /  
6 monthly Audit Review
- (ii) Internal / Concurrent Audit

Total of (i) and (ii) above

- |     |   |          |
|-----|---|----------|
| 10. | Whether the firm is engaged in any internal / concurrent audit or any other services of any Govt. Companies / Corporations etc. If yes, details may be given Annex 'C'.   | Yes / No |
| 11. | Whether the firm is implementing quality control Policies and procedures designed to ensure that all audits are conducted in accordance with Statements on Standard Auditing Practices (SAP 17)<br><br>(If yes, a brief note on the procedure adopted is to be given) | Yes / No |
| 12. | Whether there are any court /arbitration / any other legal case against the firm (If yes, give a brief note of the case indicating its present status)  | Yes / No |

### Undertaking

I/We the sole proprietor / following partners of M/s. \_\_\_\_\_, Chartered Accountant do hereby jointly and severally verify and declare-

- (i) that the particulars given are complete and correct and that if any of the statements made or the information so furnished in the application form is later found not correct or false or there has been suppression of material information, the firm would not only stand disqualified from allotment but would be liable for disciplinary action under the Chartered Accountants Act, 1949 and the regulations framed thereunder;
- (ii) that the firm, proprietor or partners has not been debarred or cautioned by ICAI during the last three years, (if debarred, give details);
- (i) that individually we are not engaged in practice otherwise or in any other activity which would be deemed to be in practice under Section 2 (2) of the Chartered Accountants Act, 1949;
- (ii) that the constitution of the firm as on 1st January of the relevant year shown in the Expression of Interest is same as that in the constitution certificate issued by the ICAI.

Sl.No.	Name of the partner / sole proprietor	Membership Registration No.	PAN No	Dates of payment of the fees for the relevant year _____ A/B*	Signature of partner / sole proprietor

Signature of the Bidder (with Seal)  
(Seal of the Firm)

**\*A For membership**

**B For issue of certificate of practice**

Place:

Date:

Enclosures: \_\_\_\_\_ pages



**Annexure-A-1****Details of Full Time Partners / Sole Proprietor of the firm**

S.No	Name of the Partner / sole proprietor	Member - ship No.	Whether FCA / ACA	Date of Joining the firm (full time)	Date of becoming FCA	Station & Region where residing at present	Whether acknowledgement of Income Tax Return for the relevant year attached Yes / No	Whether has ISA (Information systems Audit / CISA or any other equivalent qualification (specify the qualification) *

\*If yes, please attach a copy of the certificate

### Details of Part-time partners of the firm

[illegible]

\* If yes, please attach a copy of the certificate

**Annexure-A-3****Details of Full-time Chartered Accountant Employees**

Sr. No	Name of partners	Membersh ip no.	Whether FCA/AC A	Date of joining the firm as full time employee	Whether has ISA (Information system Audit/CISA or any other equivalent qualification (specify the qualification)	Signature of the employee

\* If yes, please attach a copy of the certificate

#### Annexure-A-4

Details of partners and full time Chartered Accountant Employees of the firm included this year in Annex A-1, A-2 & A-3

Sr.No	Name	Membership No.	Whether Full Time Partner/Part Time Partner/Full Time CA Employee

\* If yes, please attach a copy of the certificate

**Annexure-B****Particulars of Branches (including foreign branches, if any)**

S.No	Station at which located	Complete address with PIN Code & Telephone No.	Name of the partner incharge of the branch	Date of opening of the branch	Region	Whether included in last year application (Yes/No)

**Annexure- C**

Details of internal audit work / any other accounting work of Public Sector Undertaking in hand with the firm

S.No.	Name of the PSU/Unit	Nature of assignment	Year for which appointed

## SCHEDULE OF RATES

### Lump sum audit fees (excluding service tax)

Name of the firm	Audit fees for Project Office	Audit fee for 1 School	Consolidation job	Total Audit Fees for Project Office and six Meritorious Schools