

**REQUEST FOR PROPOSAL
FOR
STATUTORY AUDIT ASSIGNMENT
FOR THE FINANCIAL YEAR 2018-19
&
MERITORIOUS SOCIETY/SCHOOLS FOR THE
YEAR 2017-18**



THROUGH

**PUNJAB SAMAGRA SHIKSHA ABHIYAN
PUNJAB SCHOOL EDUCATION BOARD
BLOCK- E, 5TH FLOOR, PHASE- 8, AJITGARH (MOHALI)
CONTACT NO: 0172-5212313, 0172-5212335, 0172-5212315**

NOTICE

Sr. No.	Particulars	Details
1	Notice No	No.:
2	Name of the work	Statutory Audit for the Financial Year 2018-19 and Statutory Audit of Meritorious Society for the Financial Year 2017-18
3.	Cost of Document	Rs. 1,000/- (Rupees One thousand Only) (Non-Refundable)
4.	Earnest Money Deposit	Rs. 20,000/- (Rupees Twenty Thousand only) (Refundable)
5.	Last date for submission of RFP	14th June 2019 up to 12.00 hrs.
6.	Opening of RFP	Financial Bids will be opened on 18th June 2019 at 1500 hrs for Statutory Audit of Financial Year 2018-19 and for the Financial Year 2017-18 of Meritorious Society in O/o SSA, Punjab.

Notes: -

- (i) In case the date of opening of RFP falls on a holiday, it 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 Punjab State & Chandigarh only empanelled by the Comptroller and Auditor General of India (CAG) hereinafter called the bidders, for the engagement of audit of accounts 2018-19 of PUNJAB SAMAGRA SHIKSHA ABHIYAN being implemented in the State of Punjab and Meritorious Society being implemented by State Project Director, Meritorious Society.

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

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 separately for Samagra Shiksha Abhiyan, Punjab and Meritorious Society to State Project Director, Punjab Samagra Shiksha Abhiyan, Punjab School Education Board building, Block- E, 5th Floor, Phase-8, Ajitgarh (Mohali).

1.4 Bid must be accompanied by an Earnest Money of Rs. 20,000/- (Rs Twenty Thousand only) in the form of Bank Draft, in favour of State Project Director, Punjab Samagra Shiksha Abhiyan Payable at Mohali.

1.5 Schedule for Invitation to Request for Proposal (RFP)

1.5.1 Time and date for receipt of bids: 14th June 2019 upto 1200 hrs

1.5.2 Date, Time & Place of opening of bids: 18th June 2019 at 1500 hrs

in the office of the DGSE-Cum-State Project Director, PUNJAB SAMAGRA SHIKSHA ABHIYAN, Punjab School Education Board building, Block- E, 5th Floor, Phase-8, Ajitgarh (Mohali).

1.6 Validity of the bid: 90 days from the date of opening

1.7 Schedule for Completion and Submission of Report: 03 months from the date of allotment of work.

Note: The Punjab Samagra Shiksha Abhiyan shall not be responsible for any postal delay about non-receipt/non delivery of the documents.

Annexure-A

PUNJAB SAMAGRA SHIKSHA ABHIYAN

TENDER DOCUMENT FOR APPOINTMENT OF A STATUTORY AUDITOR FOR THE AUDIT OF ACCOUNTS OF PUNJAB SAMAGRA SHIKSHA ABHIYAN FOR THE FINANCIAL YEAR 2018-19 AND FOR THE FINANCIAL YEAR 2017-18 OF MERITORIOUS SOCIETY.

BACKGROUND

The Punjab Samagra Shiksha Abhiyan is a registered society under Societies Act 1860, which is an overarching programme for the school education sector extending from pre-school to class 12 has been launched wef 2018-19 with the broader goal of improving school effectiveness measured in terms of equal opportunities for schooling and equitable learning outcomes. It subsumes the three Schemes of Sarva Shiksha Abhiyan (SSA), Rashtriya Madhyamik Shiksha Abhiyan (RMSA) and Teacher Education (TE) to attain the goal of Universalization of quality School Education in all 22 districts of Punjab State for which funds are shared between the Government of India and State Government in the ratio of 60:40.

OBJECTIVES

The objectives of the statutory audit for the financial year 2018-19 is to seek a professional opinion on the financial statement of Punjab Samagra Shiksha Abhiyan for the financial year 2018-19 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 State Project Office (SPO), Audit of 22 District Project Office's (DPOs) (Elementary and Secondary), and 17 District Institute of Education and Training (DIETs) funded under Punjab Samagra Shiksha Abhiyan.

- b) Scope of assignment also includes audit of 217 blocks, 1499 CRCs, 19303 School/SMCs of Elementary Education and 3379 Schools of Secondary Education, DIETs, Govt. in service Training Centers (GISTC) on sample basis so that all are covered in a three year cycles of Audit.

In addition the sample will include 1/3 schools/SMCs receiving more than Rs.1.00 Lakh per year which are approximately 2500.

The total number of VECs covered in audit should be indicated in the audit report.

Audit is to be conducted by visiting Districts, DIETs, Blocks, Clusters & Schools/SMCs itself and in no case be called at any other place for the purpose of audit.

- c) Audit is required to give opinion as to whether expenditure incurred under PSSA is strictly within limits of Annual Work Plan & Budget of the society as approved by PAB and financial norms prescribed in the PSSA framework or any other clarification issued by the competent Authority from time to time. In case the budget allocation is exceeded, whether re-appropriation has been duly approved by the competent authority.
- d) Comments of Audit are required on the fact that Punjab Samagra Shiksha Abhiyan funds are used efficiently and economically to the purpose for which they are intended.
- e) Bank Reconciliation Statement is regularly and monthly carried at all the levels.
- f) 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 Punjab Samagra Shiksha Abhiyan. The responsibilities of the audit also include reporting on the adequacy of statements.
- g) 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 Punjab Samagra Shiksha Abhiyan financial norms and State Government procedures along with compliance with Manual on 'Financial Management and Procurement' as issued by GOI.
- h) 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.

- i) 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.
- j) 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.
- k) Sarva Shiksha Abhiyan Authority, Punjab (SSA) has been renamed as Punjab Samagra Shiksha Abhiyan, Mohali and Rashtriya Madhyamik Shiksha Abhiyan, Punjab (RMSA) has been merged into it. Therefore, bank balance of both the societies during the audit will required to be clubbed. Apart from it, audit will be required to ensure that all assets and liabilities of SSA and RMSA have been merged.

SCOPE OF MERITORIOUS SOCIETY

- a) Component-wise Income and Expenditure statement of Project Director Office and Ten Meritorious Schools.
- b) Consolidated component-wise Income and Expenditure statement for project as a whole.
- c) Components-wise Receipts and Payments account separately for Project Director Office and Ten Meritorious Schools.
- d) Consolidated components-wise Receipts and Payments account for project as a whole.
- e) 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.
- f) Utilization Certificates (UCs) separately for Project Director Office and Ten Meritorious Schools.
- g) Consolidated Utilization Certificate for project as a whole in a prescribed format.

- h) Bank Reconciliation Statement separately for Project Director Office and Ten Meritorious Schools.
- i) Report on all discrepancies noticed in the financial accounts and procurement procedure.

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 State Project Office (SPO), all DPOs, all DIETs, Blocks Clusters, GISTC and SMCs/Schools (Elementary and Secondary) shall have to be carried out at State Project Office, District Project Office, DIETs, Block, Cluster, SMCs/Schools respectively and that of Meritorious Society as per terms & conditions of allotment letter to be issued by State Project Director, Meritorious Society.

OUTPUTS THAT WILL BE REQUIRED FROM THE AUDITOR

- (a) On completion of audit, the Chartered Accountant firm so appointed should submit the following separately for PSSA & KGBV:-
 1. Component-wise Income and Expenditure statements of SPO, all 22 DPOs (Elementary and Secondary) including their Income and Expenditure of their respective DIET, Blocks, Clusters and SMCs/Schools.
 2. Consolidated component-wise Income and Expenditure statement for project as a whole.
 3. Components-wise Receipts and Payments account separately for SPO, 22 DPOs and 17 DIETs.
 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-XIII), Balance Sheet in Annex-XIV, Income and Expenditure in Annex-XV, Receipt and Payment in Annex-XVI.
 6. Utilization Certificates (UCs) separately for Capital and General for General & SC Category for State Project Office and for all 22 Districts including therein utilization at their respective DIET, Blocks, Clusters and SMCs/Schools (Elementary and Secondary) in the prescribed format .
 7. Consolidated Utilization Certificate for project as a whole in a prescribed format.
 8. Bank Reconciliation Statement separately for State Project Office, 22 DPOs and 17 DIETs.

9. List of sub-units i.e. blocks, CRCs, School/SMCs, DIETs (Elementary and Secondary), Govt, In service Training Centers (GISTC) covered during Audit on sample basis

10. Report on all discrepancies noticed in the financial accounts and procurement procedure.

11. Failure to complete audit work in time bound manner and not up to mark will entail forfeiture of entire audit fees, performance security and imposition of legal action.

(b) In case of Meritorious Society, as per terms & conditions of allotment letter.

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 Punjab Samagra Shiksha Abhiyan, for financial year 2018-19 would be allotted assignment as under:-

Audit Report of Districts (Elementary and Secondary) comprising its respective DPOs, DIETs, Blocks, Clusters, SMCs/Schools, GISTCs, State Project Office (SPO), and Consolidation of report for State as a whole and in case of Meritorious Society as per terms & conditions of allotment letter.

TA/DA & AUDIT FEE FOR SAMAGRA SHIKSHA ABHIYAN

- A fixed traveling allowance of Rs. 7.00 per Km. (car) will be provided subject to submission of actual bill with the SPO,DPO and State Project Director of Meritorious Society.
- 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/-
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* Subject to submission of original bills with the State Project Office of Punjab Samagra Shiksha Abhiyan, or respective DEO. In case of Meritorious Society as per terms & conditions of allotment letter to be issued by State Project Director, Meritorious Society.

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 PSSA 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 of utilization certificate of the society by the Govt. of India in case of Samagra Shiksha Abhiyan. In case of Meritorious Society as per terms & conditions of the allotment letter.

TAX LIABILITY

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

PROGRAMME FINANCIAL STATEMENTS

Programme Financial Statements should include:

- (a) A summary of funds received from Government of India and State Government separately;
- (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 State Implementing Society 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 SPD of the Society well in advance who will take further action to have two copies of the Audit of Accounts and report forwarded to Government of India.(E.E. Bureau)

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 Punjab Samagra Shiksha Abhiyan 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 PUNJAB SAMAGRA SHIKSHA ABHIYAN, 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 PUNJAB SAMAGRA SHIKSHA ABHIYAN,

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 PUNJAB SAMAGRA SHIKSHA ABHIYAN.

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/ PUNJAB SAMAGRA SHIKSHA ABHIYAN, 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 PUNJAB SAMAGRA SHIKSHA ABHIYAN in writing of such a condition and the cause

thereof. Unless otherwise directed by the PUNJAB SAMAGRA SHIKSHA ABHIYAN, 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 SAMAGRA SHIKSHA ABHIYAN 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 Primary and Secondary 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 PUNJAB SAMAGRA SHIKSHA ABHIYAN 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 PUNJAB SAMAGRA SHIKSHA ABHIYAN will not be in any way responsible for any statutory obligation in respect of the staff deployed for the purpose
- (iv) The PUNJAB SAMAGRA SHIKSHA ABHIYAN 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 State Project Office subject to deduction of Tax at Source (TDS) as may be applicable from time to time.

Schedule for Completion and Submission of Report: 03 months from the date of allotment of work.

Note: The Punjab Samagra Shiksha Abhiyan shall not be responsible for any postal delay about non-receipt/non delivery of the documents

**State Project Director,
Punjab Samagra Shiksha Abhiyan,
Punjab School Education Board
Block- E, 5th Floor, Phase- 8, Ajitgarh (Mohali)
Contact No: 0172-5212313,315,335**

Annexure-1

SCHEDULE OF RATES

Lump sum audit fees (excluding service tax)

Name of the firm	Previous Society Name	Audit fees for 1 DPO including DIET	Audit fees for 1 BRC	Audit fees for 1 CRC	Audit fee for 1 School/ SMCs	SPO	Consolidation job	Total Audit Fees
	Sarva Shiksha Abhiyan (SSA)							
	Rashtriya Amdhyam il Shiksha Abhiyan (RMSA)							

Annexure-II

SCHEDULE OF RATES

Lump sum audit fees (excluding service tax)

Name of the firm	Society Name	Audit fee for School/SMCs	SPO	Consolidation job	Total Audit Fees
	Meritorious Society				