



**OFFICE OF DIRECTOR SANITATION**  
**DEPARTMENT OF WATER SUPPLY & SANITATION**  
SCO 44-45, PUNSUP Building, Phase-2, Sahibzada Ajit Singh Nagar-160055  
E-mail: dspunjab@yahoo.com

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No. DS/2024/230

Dated: 15.03.2024

**Expression of Interest (EOI)**

Applications are invited from Chartered Accountant firms having Head office in Punjab or Chandigarh and branch office in S.A.S Nagar or Chandigarh and empanelled with Comptroller and Auditor General (CAG) for doing Statutory Audit of Swachh Bharat Mission (Grameen), Department of Water Supply and Sanitation, Punjab for the financial year 2022-23.

Interested C.A. firm may submit prescribed application form as per below schedule:

Last date of submission of EOI – 01.04.2024

Date of opening of EOI – 03.04.2024

Any modification/amendment, if any, will be published in website only.

Detail information can be seen in our website [www.dwss.punjab.gov.in](http://www.dwss.punjab.gov.in).

  
Director Sanitation  
DWSS, Punjab

## Terms of Reference

### **Statutory Audit of Accounts of State and 23 Districts Swachh Bharat Mission (Grameen)**

#### **1. Background:**

Swachh Bharat Mission (Gramin) Phase II envisages to enhance the sanitation and hygiene status in rural areas. The mission has been uniquely designed to leverage the capacity of individuals and communities in rural India to create a people's movement to ensure that the ODF status of rural areas is sustained, people continue to practice safe hygienic behavior and that all villages have solid and liquid waste management arrangements. It is a novel model of convergence between different verticals of financing and various schemes of central and State governments to saturate the sanitation facilities for achieving the ODF Plus villages. Apart from budgetary allocations from DDWS and the corresponding State share, remaining funds are dovetailed from 15<sup>th</sup> Finance Commission grants to Rural Local Bodies, MGNREGS and revenue generation models, etc., particularly for SLWM Swachh Bharat Mission (Grameen).

#### **2. Swachh Bharat Mission (Grameen) Phase II:**

Department of Water Supply and Sanitation is nodal department for SBM (G) Phase II. The mission is being implemented with financial assistance of Government of India and Government of Punjab. The goal of the project is to create open defecation plus villages by carrying out behavioral change communication using community approaches to sanitation and incentivizing the eligible beneficiaries without toilet for the construction of a toilet and providing adequate arrangements for Solid and Liquid Waste Management. The following are various components of the mission.

- i. **Individual Household Latrines (IHHLs):** All eligible households are provided incentive up to Rs. 15,000/- for the construction of one unit of IHHL including for water storage facility for hand washing and cleaning to ensure hygiene. The aim of the incentive is not to provide the full cost of the toilet but to facilitate a positive change in behavior for people to undertake construction of their toilet on their own.
- ii. **Community Sanitary Complexes (CSCs):** To ensure that sustainability of ODF status is continued and that no one is left behind, Gram Panchayats can construct CSCs to cater to the sanitation needs of households who do not have individual toilets due to lack of space or for floating/migrant population, or at places where large congregation of people usually takes place, etc.



- iii. **Solid Waste Management:** Under this component, effective management of solid waste is to be carried out. This includes the management of bio-degradable waste from cattle and agricultural activities by individual and community compost pits, and of plastic waste by ensuring an adequate segregation and collection system.
- iv. **Liquid Waste Management:** Effective management of liquid waste includes the management of greywater generated from kitchen use and bathing, and storm water, by channel and/or individual and community soak pit, and of any black water due to overflow from septic tanks.
- v. **Faecal Sludge and Septage Management:** Faecal Sludge and Septage Management is the collection, transportation, treatment, and disposal of sludge from on-site sanitation systems such as septic tanks, pit latrines or other onsite sanitation system in a safe and scientific manner.
- vi. **IEC and Capacity Building:** Information, Education and Communication (IEC) strategies, planning and their effective implementation is the key to the success of the mission. Upto 3% of total project expenditure can be utilized at state/district level for conducting IEC and capacity building activities.
- vii. **Administrative Expenditure:** Upto 1% of the total funding for programmatic components can be spent under administrative charges. The Administrative charges shall normally permit expenditure on salary of outsourced/ contractual staff/consultants and agencies deployed for the execution of various components of the SBM(G) at State, District, Block and GP levels, support services, fuel charges, vehicle hire charges, stationery, monitoring & evaluation activities, TA/DA to Inter-State and Inter-District Survey teams deputed for monitoring and verification, exposure visits.

### 3. Objective of the assignment:

The objective is to conduct Statutory Audit of Accounts of State and 23 Districts of DWSS Punjab under Swachh Bharat Mission (Grameen) through an experienced Chartered Accountant (CA) Firm/Agency empaneled with Comptroller and Auditor General of India.

### 4. Scope of Work:

The Audit of Accounts should be done as prescribed by the Ministry of Jal Shakti, Department of Drinking Water and Sanitation, Government of India for SBM (G) Phase – II and SBM (G) Performance Incentive Grant.

**The scope of work for the empaneled CA firm will be as per the following: -**

- i. Audit of all accounts of SBM (G) Budgetary Grant of 23 Districts, preparation of audited statements of accounts of districts and submit the reports to the O/o Mission Director SBM (G).
- ii. Audit of all accounts of SBM (G) Performance Based Incentive Grant of 23 Districts, preparation of audited statements of accounts of districts and submit the reports to the O/o Mission Director SBM (G).
- iii. Audit of accounts of Budgetary Grant of State, preparation of audited statement of accounts of State and compilation of District and State audited statement of accounts.
- iv. Audit of accounts of SBM (G) Performance Based Incentive Grant of State, preparation of audited statement of accounts of State and compilation of District and State audited statement of accounts.
- v. Verification of bank account statements / interest accrued etc. as per programme guidelines and reporting of the same in audit reports.
- vi. Reconciliation of State and District Bank accounts with book of accounts maintained at State and District Level for SBM (G) programme.
- vii. Reconciliation of the programme wise receipts/expenditure amongst Districts and State for SBM (G) programme.
- viii. Any other accounting /audit work entrusted by Mission Director/ Director Sanitation as per exigencies during the audit on mutually agreed terms and conditions.
- ix. Any other audit related requirement post audit as conveyed by Govt. of India.

**Note: Audited statements will include Income & Expenditure, Receipts and Payment statement/balance sheet/Fund- Flow statement and any other statement prescribed by Gol as per programme requirements.**

The programme guidelines are to be collected from the website of Swachh Bharat Mission (Grameen), Ministry of Jal Shakti, Department of Drinking Water and Sanitation (<https://swachhbharatmission.gov.in/SBMCMS/guidelines.htm>)

#### **5. Format of Audit report:**

The Audit reports of State for Budgetary Grant and SBM (G) Performance Based Incentive Grant will be submitted separately containing following points:-

- i. Auditor's Report.
- ii. Receipt & Payment Account.
- iii. Income & Expenditure Account.

- iv. Balance sheet.
- v. Notes Forming Part of Accounts (Reporting about physical output).
- vi. Auditor's observations as 'Annex' (in case of any observation, reply countersigned by Chartered Accountant is required).

#### 6. Duration of work:

The Statutory Audit would be carried out by the Auditors/Consultants for the financial year 2022-23. The firm should finalize the annual accounts (in prescribed format) within three weeks of receipt of all accounts/records.

#### 7. Guidelines for Submitting the Proposals:

**7 (i) General Guidelines:** CA firms are required to submit the proposal (EOI) (in two separate & sealed cover/ envelopes) **mentioning clearly technical and financial bid separately and writing** on top as proposal for statutory audit of Swachh Bharat Mission (Grameen) & last date 01.04.2024 by 5.00 PM as per the guidelines and formats detailed out in the following paras:

- a. The original and all copies of the Technical Proposal shall be placed in a sealed envelope clearly marked **"TECHNICAL PROPOSAL"** Similarly, the original Financial Proposal shall be placed in a separate sealed envelope clearly marked **"FINANCIAL PROPOSAL"**. The envelopes containing the Technical and Financial Proposals shall be placed into an outer envelope and sealed. This outer envelope shall bear the submission address, reference number and title of the assignment, department will not be responsible for misplacement, losing or premature opening if the outer envelope is not sealed and or marked as stipulated. This circumstance may be case for Proposal rejection. If the Financial Proposal is not submitted in a separate sealed envelope duly marked as indicated above, this will constitute grounds for declaring the proposal non-responsive.
- b. Format for application form is attached along with technical proposal for submission (Format attached as per Annexure- A).
- c. The interested firm should submit the proposal form in the name of Director Sanitation, SCO 44-45, PUNSUP Building, SAS Nagar, Punjab which will evaluate the technical proposal and finalize the same for opening of financial bids of eligible firms.
- d. All applicants must comply with the Technical Specification, General conditions and format/requirements for Technical and Financial proposal.
- e. Financial proposals should be submitted by the firm as per Annexure - B and it should be valid for 6 months from the date of submission of the proposal by the firm and financial rate should be quoted exclusive of GST.

- f. Each page, form, annexure and appendices of the Technical and Financial proposal must be signed by the authorized signatory of the firm.
- g. All blank spaces in the financial proposal must be filled in completely where indicated, either typed or written in ink.
- h. The Technical bid will be opened on 03.04.2024 at 3:00 PM and for opening of financial bid will be informed separately to the qualified firm.
- i. DWSS Punjab reserves the right to accept or reject any application without giving any explanation and change the evaluation criteria as per its requirements in the interest of the department.

**7 (ii) Minimum eligibility criteria:**

- a. The Firm must be empaneled with Comptroller and Auditor General of India for doing statutory audit work and having Head office in Punjab or Chandigarh and branch office in S.A.S Nagar or Chandigarh as per ICAI constitution certificate. **(Attach Certificate)**
- b. Offeror CA Firm must have minimum 10 years of work experience of which 05 years of experience must be from Govt./Semi Govt. organization.
- c. Offeror Firm's average annual net receipts from Chartered Accountant related work must be minimum 25 lacs in last 3 financial years (2020-21 to 2022-23)
- d. Offeror Firm must have experience of minimum 3 statutory audit in hand or completed work with/undertaken in any Government department/ Government owned or controlled undertakings having minimum expenditure/receipts of 300 crores per year per organization in last 3 financial years (2020-21 to 2022-23).
- e. For Partnership firms - Minimum 2 No. CA partners out of which 2 No. FCA on full time basis.
- f. At least 10 Professional Staffs with article.

**7 (iii) Documents to be submitted:**

Applicant firm must submit copy of all following self-attested documents with proper paging to establish minimum eligibility criteria otherwise the application form will be rejected:

- a. Firm constitution certificate downloaded from ICAI's website indicating year of establishment, number of partners, etc.,
- b. PAN of Firm
- c. GST Registration Certificate
- d. Audited accounts in support of annual net receipts of the firm for 3 financial years (2020-21, 2021-22 and 2022-23)
- e. Work order for statutory audit of any Government department/ Government owned or controlled undertakings in hand or completed work with/undertaken by the firm having

minimum net expenditure/receipts of total Rs. 300 crores in previous 3 financial years (2020-21 to 2022-23).

- f. Undertaking to be furnished by the Firm as per Annexure-C.
- g. The application form along with Annexure-A and Annexure-B may be signed by any of the authorized partner on behalf of the firm, provided valid power of attorney is submitted with application.
- h. Application in sealed envelope with title "Statutory Audit offer for financial year 2022-23 under Swachh Bharat Mission (Gramin)" addressed to Director Sanitation, PUNSUP Building, Phase-2, SAS Nagar - 160055 by 01.04.2024 (by 5.00 PM) positively. Applications reaching after the stipulated date and time will not be considered.

#### **8. Selection/Appointment of Auditor:**

- i. Those CA Firms which fulfill minimum eligibility criteria as shown in "7 (ii)" and attached all documents as shown in "7 (iii)" will be declared eligible and financial bid will be opened only for those firms. Selection of auditor will be based on lowest financial L-1 bid. In case L-1 firm does not accept the work order in given time limit then committee will be free to offer the work order to L-2 party at L-1 rate and so on.

#### **9. Reporting and Audit Fee:**

- i. The Firm have to submit the audit report as per Swachh Bharat Mission (Gramin) guidelines and instructions issued by Ministry of Jal Shakti, Department of Drinking Water and Sanitation, Government of India.
- ii. For above assignment minimum Audit Fees will be Rs. 70000/- exclusive of GST.
- iii. Payment of Audit Fee will be made only after satisfactory and timely completion of audit and submission and acceptance of Report.
- iv. The Audit Report along with all the annexure, statements, certificates and bank reconciliation must be submitted in 3 hard copies in original.
- v. The firm will bear all costs for preparation and submission of Audited Statement of Accounts and Utilization Certificates including travelling cost.
- vi. No TA/DA will be separately paid to selected CA firm.
- vii. There will be no escalation provision for whatever reason valid till the complete execution of the assignment.

#### **10. Other terms and conditions:**

- i. Audit firm should follow all the instructions as specified for statutory audit.
- ii. In case offer received is below minimum prescribed amount the offer shall be rejected.

- iii. In case of any dispute or unforeseen circumstances the decision of Mission Director, SBM (G) would be final and acceptable to all.
- iv. Any additional information/amendment/terms and condition can be gone through in DWSS Punjab official website i.e. [www.dwss.punjab.gov.in](http://www.dwss.punjab.gov.in). Any amendment in the tender document will be the part of the tender.

**11. Award of Contract:**

On completion of selection process, the selected firm shall be eligible for award of the contract of work for 2 months. Any disputes related to work order will be finally settled by Mission Director SBM (G).

A handwritten signature in blue ink, consisting of a large, stylized 'M' or 'W' shape with a horizontal line extending to the right.

(On Firm's Letter Head)

APPLICATION FORM

Details of Chartered Accountant firm for the Audit of Swachh Bharat Mission (Gramin) for the financial year 2022-23:

S. No	Particulars	Details
1	Name of the firm	
2	Address of the Head/Branch office in Chandigarh or Punjab.	
3	Telephone no. and e-mail address	
4	ICAI Registration No.	
5	CAG empanelled Certificate and No.	
6	Date of establishment of the firm & No. of completed years as on 01-04-2023	
7	PAN of firm/GST Registration	
8	No. of Partners (Details to be given in "Annexure-A")	
9	No. of Statutory Audit work of any Government department/ Government owned or controlled undertakings having minimum net expenditure/receipts of Rs. 300 crores in hand or completed work certificated with/ undertaken by the firm for financial years (2020-21 to 2022-23) (details to be given in "Annexure-A")	
10	Average annual net receipt of the Firm in last 3 financial years (2020-21 to 2022-23) (details to be given in "Annexure-A")	
11	Proposed Audit Fees (excluding all Taxes/Cess) and including for all 23 Districts and State for SBM (G) Budgetary Grants and SBM (G) Performance Incentive Grants (In figures and words)	

Authorized Signatory  
(with seal and Name)

(On Firm's Letter Head)

**Annexure-A**

1. Details of Partners of the firm:

S. No.	Name of the Partners	Membership No.	Whether FCA/ACA	Supporting Document Page No.

2. Work order for statutory audit of any Government department/Government owned or controlled undertakings having minimum net expenditure/receipts of Rs. 300 crores in hand or completed work certificates with/undertaken by the firm for financial years (2020-21 to 2022-23):

Name of Auditee organization	Address (City and State)	Auditee's Type (e.g. Govt. owned, controlled undertaking/ PSU's)	Auditee incorporated under (e.g. Co-operative society Act, Companies Act, etc)	Audited for Financial year	Expenditure /receipts of Auditee organization	Statutory audit under which Act	Page No. of work order

3. Average Annual Net Receipt of the firm in last 3 financial years:

Financial Year	Amt. in Rs.	Audited a/c pg no.
2020-21		
2021-22		
2022-23		
Average Annual receipts		

4. Whether Power of attorney for representing the firm by the Authorized Signatory on behalf of all the partners is attached (Yes/No): .....

(Supporting Document Page Number.....)

Authorized Signatory  
(With seal and Name)

Annexure-B

FORMAT FOR FINANCIAL BID

Particular	Total Amount (in Rupees)
AUDIT FEE (Exclusive of GST)	Both in Numeric and in Words.  Rs. _____/-  Rupees _____



(On Firm's Letter Head)

Annexure-C

**UNDERTAKING**

I/we the authorized/following partner/s of M/s.....

Chartered Accountant's do hereby individually/jointly and severally verify and declare -

- i. That all the particulars given with the application form, Annexure - A and all other documents provided are complete, true and correct and that if any of the statements made or the information/document so furnished in/with 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 there under,
- ii. That there are no legal suit/criminal cases pending against the Firm and its partners and not black listed by any PSU or Government departments/ undertaking or having not been earlier convicted on grounds of moral turpitude or for violation of laws in force, nor the firm or partners has not been debarred or cautioned by ICAI/ during the last 5 years (if debarred, give details),
- iii. That if our firm is appointed as Auditor, we will comply with provision of guidelines of Swachh Bharat Mission (Gramin) and we will maintain adequate confidentiality required for statutory audit,
- iv. 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 Accountant Act 1949.

(Signature of Authorized Person with Seal of the Firm)

Place:

Date:

