

NOTICE INVITING REQUEST FOR PROPOSALS (RFP)

**Selection of Internal Auditors- Request for Proposal (RPF)
Hiring of services of Chartered Accountant Firms for Internal Audit of ASDM**

The Assam Skill Development Mission invites proposal from Chartered Accountant Firms empanelled with C&AG and which meet all the conditions in the eligibility criteria listed in the RFP document for carrying out the Internal Audit of Assam Skill Development Mission for the Financial Year 2021-22 and 2022-23 as per Terms of Reference provided in the RFP.

Submission of Expression of interest (Eoi):

The eligible Chartered Accountants Firm can download the format for Technical Bid and Financial Bid from the website <https://asdm.assam.gov.in> and submit the RFP to the O/O the Mission Director, Assam Skill Development Mission, Garchuk, Katabari (DPS Road), Guwahati-35 in the tender box placed at 5th floor of the Assam Skill Development Mission. Important Dates:

- i. Date of Pre-Bid Conference: 02.05.2022 at 2 PM in Conference Hall of ASDM.
- ii. Last date for submission of Proposal: 18. 05.2022 at 2.00 PM.
- iii. Date of opening of Technical Bids: 18.05.2022 at 2.30 PM.

Sd/-

Mission Director

Assam Skill Development Mission.

Request for Proposal (RFP)

For Appointment of Internal Auditor for Assam Skill Development Mission for Audit of all programs under ASDM

(for the Financial Year 2021-22 & 2022-23)



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REQUEST FOR PROPOSAL (RFP)

Assam Skill Development Mission seeks to invite Proposal from **C& AG empaneled Chartered Accountant firms** meeting the minimum eligibility criteria for providing their services for the Internal Audit for the financial year **2021-22 and 2022-23** of Assam Skill Development Mission implementing various programs under the Assam Skill Development Mission. The terms of Internal Audit may be extended for another financial year based on satisfactory performance, on the same terms and conditions and mutual consent.

The Assam Skill Development Mission (ASDM) seeks to appoint CA firm for the Internal Audit of the Assam Skill Development Mission.

The tender document may be downloaded from our websites www.asdm.assam.gov.in. In case of downloaded tender document, the Bid Document fee (Non-refundable) in the form Demand Draft drawn in favour of Assam Skill Development Mission payable at Guwahati for Rs. 500 (Rupees five hundred only) must be submitted along with the Tender Document.

The bid document must be accompanied by the Earnest Money Deposit of Rs 10,000/- (Rupees ten thousand) only in the form of a demand draft in favour of "Assam Skill Development Mission" payable at Guwahati.

The details about the background of the auditee, the units to be covered in the audit, scope of work, terms of reference, and the eligibility criteria for selection of the C. A. firms are given in the following paragraphs.

Clause 1 - Terms of Reference (ToR):

- 1.1 Assam Skill Development Mission (ASDM) was created with the vision of capacity building of unemployed youth and to deliver quality skill training leading to meaningful employment to stimulate economy of the state. The Mission leads to ensure that the youth of the state must be in a position to face their counterparts in any part of the country by virtue of their hard work and their dexterity of hands through their skills
Some major initiatives taken by the mission in achieving its objectives and reaching out to the youth in the state are:
- 12 Placement Linked Skill Development Training Program funded by the State Government, where skill training is imparted to youth through private training partners and placement is facilitated.
- 13 Pradhan Mantri Kaushal Vikas Yojana (PMKVY) 2.0 and 3.0, which is a Centrally funded, state managed project, under which skill training is conducted through private empaneled training partners under the PMKVY scheme.
- 14 North East Skill Centre (NESC), Guwahati which has been set up in collaboration with ITEES, Singapore, for providing training at par with international standard, in the sector of Retail, Hospitality and Beauty & Wellness.
- 15 Advance Skill Training Institute (ASTI), which shall be set up under Recruit-Train-Deploy (RTD) model, to be implemented in collaboration with the industry bodies, wherein assured employment will be given by the industry, upon successful completion of the course.
- 16 Digital access to knowledge & skill human resource of Assam (DAKSHA) is a one stop mobile application which Registers Service Providers / Trained Persons who provides marketable services, register training seekers, provide access to Course Material, help Monitoring Training Centres etc. Till date more than 20 Service Providers/ Trained Persons have registered on this App.
- 17 Assam Skill University is planned to be set up in Mangaldoi, housing various Skill Schools in different sectors including a School of Languages which will aid in International Placements.
- 18 Skills Acquisition & Knowledge Awareness for Livelihood Promotion (SANKALP), which is being funded 90% by Central Government and 10% by State for Institutional Strengthening, Improved Quality and Market Relevance of Skill Development Programmes: SMART Accreditation, Placement linkages, NSQF Alignment, mobilization activities, Improved Access and completion

- of Skill Training for socio-economically less advantaged groups of the society: Gender Studies, Monetary benefits etc.
- 1.9 Recognition of Prior Learning (RPL) Projects for recognizing and formalizing the existing skill of some trades.
 - 1.10 Swabalamban, whereby a project has been initiated at Udalguri for Mainstreaming of surrendered militants through skill training in Plate making from Arecanut leaves leading to self-employment
 - 1.11 Karagar Se Karigar which aims at providing skill training to jail inmates.
 - 1.12 Skill Training on Japanese Language.
 - 1.13 Skill Training on SAMARTH under Ministry of Textiles, Govt of India.
 - 1.14 Skill training on National Schedule Castes Finance & Development Corporation.
 - 1.15 All other programs implemented by ASDM.

Clause 2 - Scope of Work

The primary objective of 'Internal Audit' is "to ensure that the financial statements i.e. the Balance Sheet, Income & Expenditure Account and Receipt & Payment Account, give a true & fair view and are free from any material misstatements". In context of ASDM, Internal Audit also aims at ensuring that the respective program expenditures are eligible for financing under the relevant grant/ credit agreements (under programs supported by development partners) and that the funds have been utilized for the purpose for which they were provided.

2.1 Funding & Accounting Arrangements: Funds for the various programs are transferred from Pay & Accounts Office of MSDE to the State Treasuries and then from Treasuries to the ASDM functioning in the State. Government of India transfer funds in the form of Grants-in-Aid to ASDM on the basis of respective programme guideline and approved Annual Work Plans and budget. Further, the State Govt. makes funds available to ASDM under Skill, Employment and Entrepreneurship Department (SEED) for various state sponsored schemes through the State Treasury. Under the umbrella of the integrated SSDM/DSC each program has separate bank accounts, maintains separate books of accounts and other financial records as per the requirements of each program and also submit separate financial activity reports and utilization certificates at varying frequencies to the respective monitoring unit in MSDE(GOI) and Govt. of Assam (SEED).

2.2 Financing by Development Partners/ Donors: Some of the programs of ASDM are also supported by development partners such as the Asian Development Bank (ADB), World Bank etc. for which credit agreements have been entered into by GoI with the respective development partners. Compliance with specific fiduciary requirements of the development partners will additionally need to be reported by the auditors. Copies of the legal agreements and other project documents will be provided to the auditors, if needed, by ASDM/ concerned Project Management Unit.

Clause 3 - Internal Audit:

Internal Audit is a systematic examination of financial transaction on a regular basis to ensure accuracy, authenticity, compliance with procedure and guidelines. The emphasis under internal audit is not on test checking but on substantial checking of transactions. It is an ongoing appraisal of the financial health of an entity to determine whether the financial management arrangements (including internal control mechanisms) are effectively working and to identify areas of improvement to enhance efficiency.

Independent Chartered Accountant firm shall be appointed as Internal Auditor at Assam Skill Development Mission to undertake periodical audit and report on vital parameters which would depict the true picture of financial and accounting health of the project.

3.1 Objective

The key objectives of the Internal Audit include: -

- To ensure voucher/evidence based payments to improve transparency.
- To ensure accuracy and timelines in maintenance of books of accounts.
- To ensure timelines and accuracy of periodical financial statements.
- To improve accuracy and timelines of financial reporting especially at individual project levels and consolidated basis.
- To ensure compliance with laid down systems, procedures and policies.
- To regularly track, follow up and settle advances on a priority basis.
- To assess & improve overall internal control systems.

3.2 Scope of Audit:

The responsibilities of the internal auditor shall include reporting on the adequacy of internal controls, the accuracy and propriety of transactions, the extent to which assets are accounted for and safeguarded and the level of compliance with financial norms and procedures of the operational guidelines.

The internal audit shall be carried out both at State as well as District level as per requirement.

3.3 The scope of work of internal Auditor is as follows:

The responsibilities of the Internal auditors should include reporting on the adequacy of internal controls, the accuracy and propriety of transactions, the extent to which assets are accounted for and safeguarded, and the level of compliance with financial norms and procedures of the operational guidelines.

The internal audit should be carried out both at state as well as District Level.

1. The scope of internal Audit covers all activities being implemented by the Assam Skill Development Mission.
2. Audit, verification and certification of statement of expenditure.
3. Audit, verification, review and analysis of age wise and implementing department/agency wise advances pending month wise.
4. Physical verification of stock/fixed assets.
5. Audit of the Utilization Certificates sent to GOI and GOA.
6. Review of Action Taken Report on Internal Auditor's comments, observations thereon.
7. Any other evaluation work as desired by the Authority.
8. Internal Auditor shall prepare and certify the Financial Statements.
9. Issue of Sanction wise Utilization Certificates as per Form 12C of GFR 2017 or any other form specified by authorities; duly tallied with Income & Expenditure and expenditure on Fixed Assets during the Financial Year of the society and various schemes/programs.
10. Action Taken Report on the previous year's audit observation.
11. Firms shall submit quarterly Executive summary effecting major deficiencies, weakness noticed in the internal controls, suggestions to improve the internal control, extent of non-compliance of Government of India/Government of Assam guidelines and various tax laws (Income Tax, GST etc.).
12. Annual return preparation and filing of Income Tax for the society.
13. Preparation and filing of TDS returns under IT & GST Act on quarterly/monthly basis and generation of TDS certificates.
14. Preparation, filing of application and obtaining registration and ensuring necessary compliances for various exemptions including attending hearings, traveling and boarding cost etc. on receipts of ASDM under the Income Tax Act (for example under u/s 12A, 80G, CSR, etc)

The observations in the management letter must be accompanied by the implications, suggested recommendation from the auditors and management comments/ response on the observations/ recommendation has to be obtained and reported along with the audit report.

3.4 Frequency: Internal Audit will be carried out on Quarterly basis.

3.5 Methodology for conducting audit / reporting:

- The audit team shall be led by the Chartered Accountant – Proprietor / Partner of the audit firm with experienced assistants as the work may warrant.
- The audit personnel for the audit period should not be changed so that continuity and consistency is maintained. The audit firm shall conduct appropriate due diligence before employing any personnel who will be entrusted with the work of conducting the internal audit of the Assam Skill Development Mission. The audit firm is also responsible for any commission and omission of its employees which may cause and or likely to cause any loss/ damage to the Assam Skill Development Mission.
- If there is any change in the constitution of the firm during the period of appointment, it shall be informed to Assam Skill Development Mission immediately.
- Before commencing the audit, the members of the Audit team should be properly introduced to the Assam Skill Development Mission by proper introduction letter duly attested by the Chartered Accountant Proprietor / Partner of the firm.
- Auditor to be guided by Circular, Manual of Instructions and other guidelines (available in the State) for conducting the audit.
- The auditors should keep watch on withdrawals / purchases and any deviations to the codal formalities shall have to be reported to the controlling officer immediately.

The audit team should adopt the following procedure in the matter of reporting their findings.

- As on the last day of the month, the audit firm shall prepare an Executive Summary/ Quarterly report (as applicable) signed by both the auditor and the controlling officer.
- The Executive Summary should cover the critical areas mentioned in the checklist/ guidelines and the irregularities/ shortcoming observed during the course of the audit. Auditors are however free to report any other deficiencies which they may come across during the course of audit.
- Any transactions of serious nature which is unusual/ not normal to the usual course of business or any other un-healthy practices indulged by the Skill Development Mission, persistent irregularities observed during the physical verification, transactions of fraudulent nature, other serious irregularities like disbursements without proper sanction/ incomplete documentation/ irregularities as per guidelines, as a whole on a monthly basis may however be reported immediately by way of separate letter along with Executive Summary.
- The serious irregularities, if any, noticed shall be covered exhaustively in the executive summary submitted to the Skill Development Mission.

3.6 Standards: The audit will be carried out in accordance with **Engagement & Quality Control Standards (Audit & Assurance Standards)** issued by the Institute of Chartered Accountants of India in this regard. The auditor should accordingly consider materiality when planning and performing (except where a certain minimum coverage of implementing units is specified) the audit to reduce the risk to an acceptable level that is consistent with the objective of the audit. In addition, the auditor should specifically consider the risk of material misstatements in the financial statements resulting from fraud.

3.7 Project Financial Statements:

Project Financial Statement (State Skill Development Mission, District Skill Committee and Consolidated) shall include the following:

3.7.1 Audit Opinion.

3.7.2 Balance sheet showing accumulated funds of the project balances other assets of the

project, and liabilities, if any.

3.7.3 Income & Expenditure account for the year ending on 31st March.

3.7.4 Receipt and Payment Account for the year ending on 31st March.

3.7.5 Other Schedules to the Balance sheet as appropriate, but which shall include Statement of Fixed Assets in the form of a Schedule, Schedule of Loans and Advances (Age-wise analysis), Schedule of all Cash & Bank Balances (attach bank reconciliation statements) Program wise statement of expenditure.

3.7.6 Notes on Accounts showing the accounting policies followed in the preparation of accounts in the Skill Development Mission and any other significant observation of the auditor.

3.7.7 Auditor shall have to specify the significant observations, including internal control weaknesses for each program and also specify the institution to which these relates to enable/ facilitate appropriate follow up action.

3.7.8 Sanction wise and Programme wise Utilization Certificates (UCs) as per Form 12-C of GFR 2017 or any other specified; duly tallied with the Income & Expenditure and expenditure on Fixed Asset during the financial year (which have been shown as capitalized) **Attach a statement showing the details of expenditures clubbed in the Utilization Certificate tallying with the Income & Expenditure Account and Schedules forming part of it. A separate utilization certificate for state share contribution has to be issued.**

3.7.9 Action Taken Report on the previous year's audit observations.

2.6.10 Representation by Management: The State Skill Development Mission should sign the financial statements and provide a written acknowledgement of its responsibility for the preparation and fair presentation of the financial statements and an assertion that the project funds have been expended in accordance with the intended purposes as reflected in the financial statements.

3.8 Management Letter:

In addition to the audit reports, the auditor will prepare a "Management Letter", in which the auditor should summarize the observation on the internal control issues (other than those which materially affect his opinion on the financial statements) as under:

- Give comments and observations on the accounting records, systems and internal controls that were examined during the course of the audit;
- Identify specific deficiencies and area of weakness in the system and internal controls and make recommendations for their improvement;
- Report on the level of compliance with the financial internal control.
- Report any procurement which has not been carried out as per the procurement manual/ guidelines of the state for the individual programmes.
- Communicate matters that have come to the attention during the audit which might have significant impact on the implementation of the project; and
- Bring to Society's attention any other matter that the auditor considers pertinent.

3.9 Reporting and Timing

a) Yearly Report:-

The final Audit Report of ASDM should be submitted by 31st May of succeeding financial year in 3 (three) volumes (Spiral Bound) and also soft copy in MS Excel / MS Word and Scanned (Both) is also to be submitted in mail or CD of the audited financial statements and audit report along with the final Utilization Certificates signed by the ASDM and Auditor both with their comments, if any.

b) Quarterly Report: -

The Audit Reports for each of the quarters should be submitted within 30 days from the end of each quarter along with the Management Letter, Statement of Receipts and Payments and other reports as required.

3.10 Additional Instructions to Auditors:

- (i) Audit Report shall include audit of all the transactions at the State level as well as all the transactions in the Districts within the State.
- (ii) Audit for the financial year will include all the components under ASDM.
- (iii) The auditor will specifically mention in the audit report about the coverage of audit on these components and also will ensure that the releases and expenditures are duly separately reflected in each program financial statements.
- (iv) Auditor shall certify the Utilization Certificates in the prescribed format (Form 12-C of GFR, 2017 or any other specified format) of GOI. The Utilization Certificates should be jointly signed by the Mission Director, Project Manager-Finance and Accounts and the Auditor.

Clause 4 - Eligibility Criteria:

4.1 The firm must be empaneled with C & AG for the year 2021-22 and the particulars of the Firm H.O., B.O. and Partners and paid Chartered Accountants should match with the certificate issued by ICAI not before 1st January, 2022, without which the application of the firm would not be considered. **Proof of empanelment with C&AG to be attached.**

4.2 The firms having H.O. only within the state capital of the same State for which the proposal is given may be given preference. (Such head office should be existed within the state for not less than three years as per the ICAI Certificate).

4.3 Firms must qualify following minimum criteria:

SI No.	Particulars	Minimum Criteria (for Internal audit of ASDM)
1	Number for full time FCA (As per Certificate of ICAI as on 01-01-2022)	1
	Number for full time ACA (As per Certificate ICAI as on 01-01-2022)	1
	OR	
	Number for full time FCA (As per Certificate of ICAI as on 01-01-2022)	2
2	Turnover of the firm (Average annual in last three years)	Rs. 50 Lakh (Min)
3	No. of years of firm Existence	5 years
4	No. of Assignments of Commercial / Statutory Audit (Having a turnover of not less than Rs. 2 crore in the last years)	3
5	No. of Assignment: Experience of audit of Externally/ Internally Aided projects/ Social Sector Projects (other than audit of Charitable Institutions & NGOs) in the last 3 years	3

4.3.1 Any firm not qualifying on these minimum criteria need not apply as its proposal shall be summarily rejected.

4.3.2 Supporting Documents for Eligibility Criteria:

Following supporting documents must be submitted by the firm along with the technical proposal:

4.3.2.1 For SI. No. 1 & 3 above, the firm must submit an attested copy of Certificate of ICAI as on 01.01.2022.

4.3.2.2 For SI. No. 2, the firm must submit, a copy of the Audited Balance Sheet & Profit & Loss Account for the last three years otherwise a Certificate issued by any C.A. Firm may also be provided in this regard giving the break-up of Fees (Audit Fee, Taxation and Others).

4.3.2.3 For SI. No. 4 & 5, the firm must submit a copy of the appointment letters from the auditee organizations. Branch Audit of any Bank shall not be considered while taking into account the total number of assignments.

4.4 The firm or any partners of the firm should not be black listed by any PSUs or Govt. Co. or any other organization in respect of any assignment or behaviour. **[Notarized affidavit on Rs.100/- stamp paper is to be given in this regard by the authorized person of the firm].**

4.5 As regards SI. No. 5 the turnover of the auditee organization and audit fee paid/ received have to be provided along with the relevant evidences/ documents.

4.6 CA firm who were auditor of ASDM in any of last three FY (i.e. FY 2018-19, FY 2019-20 and FY 2020-21) will not be eligible to participate

Clause 5 - Guidelines for Submitting the Proposals:

A. General Guidelines:

Agencies are required to submit the proposal as per the guidelines and formats detailed out in the following paras:

(i) 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”** followed by the name of the assignment, and with a warning **“DO NOT OPEN WITH THE TECHNICAL 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, and be clearly marked **“DO NOT OPEN, EXCEPT IN PRESENCE OF THE OFFICIAL APPOINTED”**. The Society shall not be responsible for misplacement, loss or premature opening if the outer envelope is not sealed and/or marked as stipulated. This circumstance may provide a case for Proposal's/ bid's rejection. If the Financial Proposal is not submitted in a separate sealed envelope duly marked as indicated above, this shall constitute grounds for declaring the Proposal non-responsive/ invalid.

(ii) **Team Composition & Number of Teams for the assignment:** The team(s) for the assignment (including those for audit of district & sub district level implementing units) must be headed by a qualified Chartered Accountant with one semi-qualified C.A. (C.A. Inter) and two support staff (Junior Auditor). The technical proposal must clearly elaborate on the team composition as given in **T-4**.

The firm shall give an undertaking that the team members are proficient in the State's official language (both oral and written).

It may be noted that a record of the team shall be maintained at the facility visited and team has to collect a certificate of their attendance giving their name, designation and date of visit etc. from the head of that facility.

- (iii) The CA firms have to apply with only one proposal distinctly for Internal Audit of Assam Skill Development Mission. If a Firm submits or participates in more than one proposal, all such proposal shall be disqualified.
- (iv) All agencies must comply with the Technical Specification, General Conditions and Format/Requirements for Technical and Financial proposal.
- (v) The Technical Proposal shall be marked **“ORIGINAL”** or **“COPY”** as appropriate. All required copies of the Technical Proposal are to be made from the original. If there are discrepancies between the original and the copies of the Technical Proposal, the original governs.
- (vi) Financial proposals submitted by the firm should be valid for 6 months from the date of submission of the proposal by the firm.
- (vii) Each page, Form, Annexure and Appendices of the Technical and Financial Proposal must be signed by the Authorized signatory of the firm.
- (viii) All blank spaces in the financial proposal must be filled in completely where indicated, either typed or written in ink.
- (ix) **Assam Skill Development Mission (ASDM) reserves the right to accept or reject any application without giving any explanation and can change the evaluation criteria as per its requirements in the interest of the organization.**

- (x) Assam Skill Development Mission (ASDM) may take its own written out decision while evaluating the proposal with regard to awarding weight ages for social sector audit experience.
- (xi) If the required constitution of the team is not deployed, the ASDM may take appropriate action as it deems fit (including blacklisting of the firm) against the firm, keeping the Ministry informed.

B. Technical Proposal:

- i. Letter of Transmittal (**Form T-1**)
- ii. Details of the Firm along with Details of Partners (**Form T-2**),
- iii. Details of Qualified Staff & Semi-qualified Staff (**Form T-3**),
- iv. Details of the Team Composition (**Form T-4**): Firm must provide the structure and composition of the teams which shall be deputed (see point ii of the general guidelines above) for conducting the audit of the ASDM. Firm should provide the Curriculum Vitae of the key personnel (experts) who would be leading the individual audit teams and the overall audit assignment.
- v. Description of Approach, Methodology & Work Plan for performing the Audit of ASDM (**Form T-5**).
- vi. Brief of the relevant experience (**Form T-6**)
- vii. Comments & suggestions on the TOR (**Form T-7**)

C. Financial Proposal:

- i. The financial bid shall be submitted only for the professional (audit) fee to be charged by the firm. The taxes, as applicable (Goods & Service Tax) shall be paid by Assam Skill Development Mission (ASDM) separately on submission of final bill by the audit firm. The financial bid shall be submitted as per **Form F-1**.
- ii. Percentage (or proportion) of funds involved/turnover shall not be basis for quoting the audit fee, and in such case the proposal shall be rejected.
- iii. Lodging and Boarding facilities will not be provided (and paid) by the Assam Skill Development Mission (ASDM).
- iv. **Timeliness for completion of Audit:** In order to ensure timeliness from the part of the Auditor, if the ASDM feels that in spite of providing all information, documents, and updated books of accounts, there was delay and due to lacking at the part of the auditor then ASDM may deduct the audit fees @ 5% per month from the expected day of completion of audit, as agreed in the terms of contract.

D. Disclosure of Minimum fees in the RFP documents:

The minimum audit fees is fixed at Rs. 40,000/- only per year excluding GST. This is indicative only for minimum fees. Any proposal below the minimum audit fees will be summarily rejected.

Clause 6 - Selection Process of the Auditor:

6.1 General Process:

Open advertisement (as per Format for Advertisement) in leading newspapers at State level for inviting proposals from CAG empaneled Chartered Accountant firms for Internal audit of Assam Skill Development Mission should be issued first.

The advertisement should clearly mention the last date and time for collection of RFP. Last date for submission of Technical and Financial bids should also be clearly mentioned. The last date for submission of technical and financial bid shall not be less than 3 weeks and no more than 5 weeks from the date of publication of the EOI.

Technical Bid opening date also has to be mentioned in the advertisement.

A pre-bid conference shall be held (date to be indicated in the advertisement) wherein clarifications that the potential bidders may have shall be clarified.

The Purchase Committee formed for selection of Audit will subsequently monitor the audit process and the follow up on audit paras and Action Taken Reports on those audit paras.

The CA firms securing less than cut off marks 75 % in technical evaluation will be communicated that they have not qualified in the technical bid and their Financial Bid will be returned unopened after the completion of the selection process.

The firms qualifying in technical bid will be notified by registered post/email that they have been shortlisted in the technical bid and their Financial Bid opening date shall also be communicated to them in the same notification. Financial Bid opening date shall not be later than 2 weeks after the completion of technical evaluations process.

The selection process of auditor shall be subject to review by MSDE, SEED, GOI/ Office of Chief Controller of Accounts, GOI / Audit parties of the AG or any authorized person of the Ministry of Skill, Employment and Entrepreneurship Department, GOI or Skill, Employment and Entrepreneurship Department, Govt. of Assam.

6.2 Pre Bid Queries may be sent in **email id: jagat.asdm@gmail.com** and in the prescribed format within **02/05/2022**

RFP Clause No	Clause as per RFP	Queries

Response to pre-bid queries, if any will be uploaded within three days from **02/05/2022** on official website of ASDM. No individual replies to bid queries will be sent. Bidders are advised to visit the website regularly for any response/corrigendum/ addendum.

6.3 ELIGIBILITY CRITERIA & TECHNICAL EVALUATION:

6.3.1 Eligibility criterion of the firms shall be based on the various criterions as given in the table below. The technical proposal evaluation shall be based on the following parameter.

For selection of CA firms for Assam Skill Development Mission:-

Sl. No.	Particulars	Minimum Criteria	Max Marks	Evaluation Criterion
1.	Number of Full Time Fellow Partners and Associate CAs associated with the firm(As per certificate of ICAI as on 01.01.2022)	1 ACA & 1 FCA OR 2 FCA	20	Firms with one ACA and one FCA or two FCA= 10 marks; More than two FCA= 20 marks

2.	Turnover of the firm (Average annual in last three financial yrs.)	Minimum Rs.50 Lakhs	20	Rs 50 to 75 Lakhs= 10 Above 75 Lakhs = 20
3.	Experience of audit in relation to Social Sector of the State/ Centre (excluding the Audit of Charitable Institutions).	3	30	Nos of Project in Social Sector- 03-05=10 marks Nos of Project in Social Sector- 06-10=20 marks Above 10 in Social Sector = 30 marks
4.	Adequacy of the proposed methodology and work plan Technical Approach & Methodology work plan		15 15	As per the evaluation of the Proposal As per the evaluation of the Proposal
	Total		100	

6.3.2 Supporting Documents for Eligibility Criterion: Following supporting documents must be submitted by the firm along with the technical proposal:

6.3.2.1 For Sl. No. 1 above, the firm must submit an attested copy of Certificate of ICAI as on 01.01.2022.

6.3.2.2 For Sl. No. 2, the firm must submit, a copy of the balance sheet for the last three years or A. Certificate issued by any other C.A. firm certifying the turnover of the firm during last three years.

6.3.2.3 For Sl. No. 3 (a) & (b), the firm must submit a copy of the appointment letters from the auditee organizations.

6.3.3 The firm must achieve at least 75% of the marks to qualify on technical parameters for the purpose of the audit of Assam Skill Development Mission.

6.3.4 **Associations:** Associations are not permitted for the assignment.

6.4 Selection Methodology:

A two-stage procedure shall be adopted in evaluating the proposals.

First Stage:

- Only Technical Proposals shall be opened first for all the firms.
- Thereafter, a technical evaluation shall be carried as per the evaluation parameters provided in the "Eligibility Criteria & Technical Evaluation" section.
- The technical proposal scoring at least 75% of the marks shall be considered as "Qualified on Technical Parameters". A Proposal shall be rejected at this stage if it does not respond to important aspects of the RFP, and particularly the Terms of Reference or if it fails to achieve

the minimum technical score (i.e. at least 75%)

Second Stage:

- i. Financial proposals shall be opened only for those firms who have Qualified on Technical Parameters (i.e. secured at least 75% of maximum marks on evaluation criteria). Financial Proposals of the firms which have not qualified on technical parameters shall be returned unopened after the completion of selection process.
- ii. The Firms qualifying in the technical Bid will be shortlisted. The firm quoting the lowest fees subject to meeting the minimum fees criteria as mentioned in clause 4 (D) amongst the technically qualified and shortlisted firms shall be awarded the work. In the event of more than one shortlisted firm quoting the same rate, firm having the higher technical score amongst the tied firms shall be awarded the work. The total amount as quoted in the Financial Proposal will be considered for evaluation purpose and award of work. In the event of any participating firm not mentioning any amount for any of the items in the Financial Proposal, it will be assumed that the cost of provision of service has been taken into account in the others items and the said firm , if awarded the work shall have to provide all the services at the quoted price only and no additional cost will be paid.

6.5 Award of Contract:

On completion of selection process, the firm selected shall be awarded the contract of audit of ASDM by issuing the Letter of Award (LOA). The firm should execute a Contract with the Assam Skill Development Mission (ASDM) within 2 weeks of the award of the issuance of LOA. The firm shall enter in to a notarized agreement with the ASDM as per Form C-1 – on valuation of stamp paper with value in consonance with the latest amendment of stamp Act, i.e. The Indian Stamp (Assam Amendment) Act,2021.

SAMPLE CONTRACT FOR AUDIT FIRMS CONTRACT

THIS CONTRACT ("Contract") is entered into this *[insert starting date of assignment]*, by and between *[name of ASSAM SKILL DEVELOPMENT MISSION,]* ("the Client") having its principal office at *[insert ASDM's address]*, and *[insert Firm's/Auditor's name]* ("the Auditor") having its principal office located at *[insert Firm's/Auditor's address]*.

WHEREAS, the Client wishes to have the Auditor perform the services hereinafter referred to, and WHEREAS, the Auditor is willing to perform these services,
NOW THEREFORE THE PARTIES hereby agree as follows:

1. Services

- (i) The Auditor shall perform the services as per the RFP & ToR.
- (ii) The Auditor shall provide the personnel "Auditor's Personnel," to perform the Services as per the proposal.
- (iii) The Auditor shall submit to the Client the reports in the form and within the time periods "Auditor's Reporting Obligations."

2. Term

The Auditor shall complete the audit of ASDM as per RFP/ToR within 90 days of the signing of this "Contract" or such extended time as may be mutually agreed with the client.

After a complete and timely completion of audit the contract can be renewed for next financial year with same terms and condition, however the total term of the contract including any renewal/extension shall not exceed 3 years.

3. Payment

A. Ceiling:

For Services rendered pursuant to RFP, the Client shall pay the Auditor an amount not to exceed *[insert amount]*. This amount has been established based on the understanding that it includes all of the Auditor's costs and profits exclusive of GST obligations that may be imposed on the Auditor. The GST obligations shall be paid by the Client separately as applicable.

B. Schedule of Payments:

The schedule of payments is specified below:

Milestone	Payment %
Quarterly Audit Reports along with Management Letter, Statement of Receipt and Payment and other required schedules and annexures	15% per quarter
Annual Audit Report, Management Letter, Utilization Certificates etc. (Consolidated and Programme wise)	Balance 40%

C. Payment Conditions:

Payment shall be made subject to complying the observations made by Govt. of India/ Govt. of Assam and the Client within 30 days following submission by the Auditor of Invoices in duplicate and its approval with the Coordinator designated in paragraph 4. The Auditor shall take all necessary steps for complying with the observations of GOI/ GOA/ Client at no additional cost to the Client.

Conditions for deduction in fees for not following the timeliness and completion as mentioned in RFP are acceptable.

4. Project Administration

A. Coordinator:

The Client designates Mr. /Ms. *[insert name]* as Client's Coordinator; the Coordinator will be responsible for the coordination of activities under this Contract, for acceptance and approval of the reports and of other deliverables by the Client and for receiving and approving invoices for the payment.

5. Performance Standards

The Auditor undertakes to perform the Services with the highest standards of professional and ethical competence and integrity in line with the Engagement & Quality Control Standards issued by ICAI. Specific reference is invited to standard (SA 600 – AAS 10- relying on work of another auditor) and SA 230 (AAS 3 - Documentation). The Auditor shall promptly replace any employees assigned under this Contract that the Client considers unsatisfactory and any substitution of staff, if necessary, shall be with a staff of at least the same level of qualifications.

1. Ownership of Material

Any studies report or other material, graphic, software or otherwise, prepared by the Auditor for the Client under the Contract shall belong to and remain the property of the Client. The Auditor may retain a copy of such documents and software.

1. Assignment

The Auditor shall not assign this Contract or sub-contract any portion of it without the Client's prior written consent.

2. Law Governing Contract and Language

The Contract shall be governed by the laws of Government of India and the language of the Contract shall be English.

3. Dispute Resolution

Any dispute arising out of the Contract, which cannot be amicably settled between the parties, shall be referred to adjudication/arbitration in accordance with the laws of the Government of India.

FOR THE CLIENT

FOR THE AUDITOR

Signed by _____ Signed by _____

Title: _____ Title: _____

FORMAT FOR FINANCIAL BID

(Please provide the break-up of Firm's quoted fees for each work and unit)

Sl.No.	Assignments	Rates	Amount in words
1	Audit Fees (Annually)-Audit Report, Management Letter, Audited Financial Statements & UCs, Both consolidated and program wise.		
2	Issuance of Interim UC for the society & individual programs (per UC)		
3.	Income Tax TDS return preparation and filing fees per Quarter (average 400 entries)		
4.	GST return preparation and filing fees per Month (average 30 entries)		
5.	Preparation & Filing of Annual Income Tax Return of the society.		
6	End to end process management for obtaining exemption on receipts under IT Act (from preparation and filing of application to obtaining registration) per individual certificate		

Signature of Authorized Signatory
Name of Authorized Signatory
Name of Organization
Email id
Contact Number
Office Seal

Letter of Transmittal

To,
The Mission Director,
Assam Skill Development Mission,
Garchuk, Katabari (DPS Road), Guwahati-35.

Dear Sir,

We, the undersigned, offer to provide the internal audit services for the Assam Skill Development Mission in accordance with your Request for Proposal dated [*Insert Date*]. We are hereby submitting our Proposal, which includes this Technical Proposal, and a Financial Proposal sealed under a separate envelope.

We hereby declare that all the information and statements made in this Proposal are true and accept that any misinterpretation contained in it may lead to our disqualification.

The fees quoted by us in the Financial Proposal (Form F-1) are valid till six months from the date of submission of the quotation. 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 independently without consultation, communication, agreement or understanding (for the purpose of restricting competition) with any competitor.

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

We understand that Assam Skill Development Mission is not bound to accept the lowest or any proposal or to give any reason for award, or for the rejection of any proposal.

I confirm that I have authority of [*Insert Name of the C.A. Firm*] to submit the proposal and to negotiate on its behalf.

Yours faithfully,

Signature of Authorized Signatory
Name of Authorized Signatory
Name of Organization
Email id
Contact Number
Office Seal

Annexure-4 (Form T-2)

Particulars/Details of the Firm

Sl. No.	PARTICULARS	Supporting Documents required to be submitted along with this Form
1	Name of the Firm	
2	Addresses of the Firm:	
	Head Office	Phone No: Fax No: Mobile No. of Head Office In-charge:
	Date of establishment of the firm	
	Date since when is H.O. at the existing Station	
	Branch Office 1,2,3..... (Particulars of each branch to be given)	Phone No: Fax No: Mobile of each Branch Office In-charge:
	Mention the date of each branch offices since when existed at the existing place	
3	Firm Income Tax PAN	Attach copy of PAN card
4	Firm Goods and Services Tax Registration No.	Attach copy of Registration
5	Firm's Registration No. with ICAI	Attach copy of Registration
6	Empanelment No. with C & A G	Attach proof of latest empanelment with C&AG for the year under Audit.
7	No. of Years of Firm Existence & Date of establishment of Firm	Attach copy of Partnership Deed/ Other Statutory document specifying date of establishment.
8	Turnover of the Firm in last three years	Attach balance sheet and P&L Account of the last three years or a C.A. Certificate give Break-up of Audit Fee and Other Fees Received.
9	Annual Average Turnover	Provide a Chart
10	Audit Experience of the Firm: 1. Number of Assignments in Commercial/Statutory Audit 2. Number of Assignments in State' Social Sector Audits (Other than audit of Charitable Institutions) 3. Experience in the relevant assignment.	Copy of the Offer Letter & the Fee Charged. Copy of the Offer Letter & the Fee Charged (Relevant evidences to be given of the turnover and fee)

11	Details of Partners: Provide following details: <ul style="list-style-type: none"> • Number of Full Time Fellow Partners associated with the firm. • Name of each partner, • Date of becoming ACA and FCA • Date of joining the firm, • Membership No., • Qualification • Experience • Whether the partner is engaged full time or part time with the firm. • Their Contact Mobile No., email and full Address 	Self-Attested copy of Certificate of ICAI as on 01.01.2022.
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Note: The firm shall give an undertaking that the team members are proficient in the State's official language (both oral and written).

Annexure -5 (Form T-3)**A. Details of Qualified Staff (Chartered Accountants)**

(Please provide a self-attested copy of Certificate of ICAI as on 01.01.2022 for each qualified staff)

Sl. No.	Name of Staff	Length of Association with the Firm (in years)	Educational Qualifications	Area of Key Expertise	Membership No.	Relevant Experience
1						
2						

B. Details of Semi-Qualified Staff (including Article Clerks etc)

Sl. No.	Name of Staff	Length of Association with the Firm (in years)	Educational Qualifications	Area of Key Expertise	Relevant Experience	Remarks
Semi Qualified Staffs:						
1						
2						
..						
Article Clerks:						
1						
2						
..						
Others						
1						
2						
..						

**Details of Structure & Composition of Team and Task Assignments –
DEPLOYED FOR Proposed Assignment**

1. The firm shall give an undertaking that the team members are proficient in the State's official language (both oral and written).
2. Audit team will constitute of minimum 4 members for Internal Audit of ASDM as below:-

Structure of Team :

Name of CA	Names of Support Staff	Qualifications	Number of units proposed to be covered each month	Time Required for Each month's internal audit.

Description of Approach & Work Plan for performing the Audit of ASDM

A. Technical Approach:

The firm should explain the understanding the objectives of the assignments, approach to the services, methodology for the carrying out the activities and obtaining the expected output, and the degree of the detail of such output.

B. Work Plan along with the time required for each work/ assignment in the Assam Skill Development Mission:

The firm should propose the main activities of the assignment, their content and duration, phasing and inter-relations, milestones (including interim approval by the ASDM), and delivery dates of the reports.

The proposed work plan should be consistent with the technical approach showing understanding of the ToR and ability to translate them in to a feasible working plan.

Annexure- 8 (Form T-6)

Brief of Relevant Experience:

A. Experience of audit in relation to externally Aided projects/ State's Social Sector Projects (Excluding the audit of Charitable Institutions and NGOs).						
Sl. No.	Name of the Auditee Organization	Grant-in-aids handled of the auditee organization	Type/Nature of Assignment	Scope & Coverage of the assignment	Duration of Completion of Assignment	Proof of the letter of Work or Assignment awarded by the Auditee Organization (PI attach a copy of the letter)

B. Experience of audit in Commercial Sector/PSUs etc.						
Sl. No.	Name of the Auditee Organization	Turnover of the Auditee organization	Type/Nature of Assignment	Scope & Coverage of the Assignment	Duration of Completion Of Assignment	Proof of the letter of Work or Assignment awarded by the Auditee Organization (PI attach a copy of the letter) And Mention the Fee Received

Comments and Suggestions on the Terms of Reference

[Firm can present with justifications here, any modifications or improvements to the Terms of Reference which can significantly improve performance in carrying out the assignment (such as deletion of some activity which the firm considers unnecessary, adding other activities of significance, re-organizing the activities, additional human resource required at various levels etc. Such suggestions should be concise and to the point, and incorporated in the proposal]