

Inviting sealed offers to conduct the internal audit of the Corporation for the Year 2018-19

PSIEC hereby invites sealed offers from reputed firms of Chartered Accountants to conduct the internal audit of its various units for the year 2018-19 on the prescribed format & other terms and conditions, which can be downloaded from the website www.psiec.in, shall be received in the office of undersigned on or before 11.03.2019 upto 2.30 PM and opened on the same day at 3.00 P.M.

Chief General Manager (Acctt)
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PUNJAB SMALL INDUSTRIES & EXPORT CORPORATION LIMITED
(A State Government Undertaking)
An ISO 9001 Company
'UDYOG BHAWAN', 18-HIMALAYA MARG, SECTOR 17-A, CHANDIGARH
Phones : -0172-2702301-05 PBX: 2702039, Email: psiec_cgd@yahoo.co.in

21/2/19

FORMAT FOR TECHNICAL BID

The firm of Chartered Accountants desiring to quote for Internal Audit of the Corporation for the year 2018-19 are required to quote with the under mentioned details:-

- i) Name of the firm with local address:
- ii) Detail of enrolment with Institute of Chartered Accountants (attach registration certificate duly attested:-
- iii) All India Network and places where offices are located with complete address, telephone No. Fax etc.:-
- iv) Name of the key persons and No. of partners, No. of CA employees & No. of other employees (Articles/Audit Clerks):-
- v) Name of the Public Sector Undertaking/Govt./Corporations/ Boards etc. for whom presently the firm is working. If feasible, submit documentary proof of empanelment:-
- vi) Detail of PSU's/Govt. Departments whose internal audit has been carried out for the last 2 years on annual basis:-
- vii) Guidelines for audit.....Annexure-I
- viii) Units to be audited by the CA firm.....Annexure-II
- ix) Scope of audit.....Annexure III
- x) Remarks, if any pertaining to the firm in support of their claim:-
- xi) No. of firm with CAG.....
- xii) Annual Turnover of firm for the last 3 years (attached Latest balance sheet copy as proof):-
- xiii) Detail of semi qualified staff:-
- xiv) Service Tax /GST No. of firm:-

(Signature of Partner with name & firm seal)

FORMAT FOR FINANACIAL BID

The interested CA firms may quote their professional fees including TA/DA and other expenses in the following format:-

S.No.	Particulars	Amount in Rs.
1.	Professional fee for internal audit for the Financial year 2018-19 of all the field units and head office branches.	
2.	Service Tax/GST etc.	
	Total	

Grand total professional fee in words.....

(Signature of the partner with name & firm seal)

GUIDELINES

1. The internal audit will be carried out strictly as per the policies and instructions issued by the Corporation.
2. The Auditors will issue memos/paras under the signature of Section Officer/Manager and reply of the Officer/Incharge will be incorporated in the Audit report, if the same is found unsatisfactory.
3. The audit reports will be issued in respect of outstanding objections/irregularities only.
4. The auditors will submit their report within a period of 5 working days after their completion of audit of the unit.
5. In case of serious financial irregularities, the matter will be brought to the notice of this office immediately. However in normal cases the reports will be put up to the Functional Head of Audit after obtaining the comments of the concerned branch.
6. CA firm will ensure that audit team consisting at least one qualified CA will be deputed for audit.
7. The reports will be forwarded to the Functional Head concerned who will obtain replies from the Incharge of the units and send the report alongwith his comments within a period of 15 days.
8. Auditor has to ensure presence of one CA & Professional staff for atleast 20 hours productive time in the premises of PSIEC in each working.

ELEGIBILITY:-

- I) The Company/firm must be registered with the institute of Chartered Accountant of India.
- II) The firm must have atleast 3 partners (Atleast 2 FCA).
- III) Preference will be given to the firm having certified concurrent Auditor.
- IV) The firm should have atleast one CISA, one DISA or a certified concurrent Auditor as partner.
- V) The CA firms should be empanelled with CAG office for the year 2018-19 (copy of self attested empanelled certificate is required).
- VI) Annual turnover of firm for last three financial years (Viz 2018-19, 2017-18 and 2016-17) must be atleast Rs. 1,50,000 (Rs. One lac fifty thousand)
- VII) Preference will be given to the firm having head office located at Chandigarh and nearby areas.
- VIII) Preference will be given to the firm's having any assignment with Central Govt. in past years.

SCOPE OF AUDIT

Annexure--III

1.(a) RAW MATERIAL(Depots)

S.No.	Scope of Audit	Percentage of Audit	Periodicity
1	Booking & Purchase of Raw Material	25%	Depots(Surranussi, Mohali Ludhiana, Batala, Amritsar & Hoshiarpur) on yearly basis.
2	Checking of calculation of purchase invoices and entries of material into stock ledger & fixation of issue rates.	25%	-do-
3.	Checking of calculation of Sales invoices , charging of tax, interest etc. and costing of the same into stock ledger.	25%	-do-
4	Receipt of rebate & TOD and passing on the rebate to the eligible buyers as per approved policy.	25%	-do-
5	Transfer of material from one depot to another and payment of transportation charges.	25%	-do-
6	Checking of delivery challan and gate passes.	25%	-do-
7	Reconciliation with suppliers and obtaining of credit notes and refunds/adjustments.	25%	-do-
8	Checking of receipt of Cash/Cheque/drafts and deposit of the same into bank, bank reconciliation & transfer of funds to H.O.	25%	-do-
9	Reconciliation with H.O. & other units of the corporation	25%	-do-
10	Reconciliation of customers accounts ,recovery of outstanding amount & refunds/adjustments of excess receipts/deposit and rebates.	25%	-do-
11	Verification of genuineness/credit worthiness of the customers	25%	-do-
12	Verification of Black-listing of customers whose cheques are dishonoured.	25%	-do-
13	Age- wise stock position and step taken by the Branch Manager/Godown Supervisors to dispose off the material.	25%	-do-
14	Checking of payment vouchers with reference to the delegation powers & sanction of the competent authority.	25%	-do-

15	Checking of monthly sales account	25%	-do-
16	Checking & scrutiny of Personnel and General Ledgers	25%	-do-
17	Checking of Printing & Stationary, Consumable store, Despatch, Dairy, Telephone & Assets register etc.	25%	-do-
18	Checking of Trial-Balance & other MIS reports being asked for from time to time.	25%	-do-
19	Physical Verification of stock at the time of Internal Audit	As per remarks check the list for disposal of fixed assets	-do-
20	Physical Verification of fixed assets at the time of internal audit.	25%	-do-
21	Processing of recovery of shortages cases as per DP-II and Physical Verification reports or at the time of Handling over/Taking over of charge.	25%	-do-

SCOPE OF AUDIT

Annexure-III

1. (b) RAW MATERAIL (Handling Agencies)

S.No.	Scope of Audit	Percentage of Audit	Periodicity
1.	Checking of R.R./G.R. register	25%	SAIL Ludhiana, SAIL Mandigobindgarh, HZL , Vedanta Ltd., Surranussi on yearly basis.
2	Checking of arrival/receipt register and posting of the arrival in the cardex/stock register.	25%	-do-
3	Posting of challans in the Cardex/stock register.	25%	-do-
4	Verification of closing of Wagons & preparation of final shortage /excesses statement in the closed wagons.	25%	-do-
5	Verification of stocks cum sales statement and preparation of statement of total shortages /excesses.	25%	-do-
6	Checking of Handling/supplementary bills raised by the Agency w.r. to SCS/Delivery and handling rates as per agreement and receipt of payment from the Principals.	25%	-do-
7	Checking of handling bills raised by the contractor with reference to arrival and delivery of the material and approved rates for different operations during the month and payment made to the contractor.	25%	-do-
8	Checking of payment vouchers with reference to the delegation of powers and sanction of the competent authority.	25%	-do-
9	Checking of monthly trial balance & other MIS reports	25%	-do-
10	Bank Reconciliation statement and transfer of funds to H.O.	25%	-do-
11	Reconciliation of account with Principals and preparation of list of outstanding bills at the close of month.	25%	-do-
12	Checking of scrutiny of personal and general ledger.	25%	-do-
13	Checking of printing of stationary register, Consumable store, Diary and Despatch register, Telephone & Trunk calls and Asset register etc.	25%	-do-
14	Physical verification of Fixed Assets.	25%	-do-
15	Recovery of shortages/handling losses/demurrage and wharfage.	25%	-do-

2. Engg.Wing (Divisions)

S.No.	Scope of Audit	Percentage Audit	Periodicity
1.	Verification of adjustment of imprest account of staff, stock accounts and TEOs and preparation Half Yearly stock/ T & P returns.	25%	Head Office Division/s, Sub Division Electrical, Horticulture, Mohali and Jalandhar Division and all Sub Divisions under their control
2.	Checking of cash book, cash vouchers, General vouchers and bank Reconciliation statement..	25%	-do-
3.	Reconciliation of Personal & Supplier/Contractors Accounts, Recovery of outstanding debtors.	25%	-do-
4.	Checking of Mtc. of contractor ledger and schedules of security, EPF, Sale Tax and Income Tax deducted from Contractors.	25%	-do-
5.	Deposit of EPF (Daily wage & work Charges staff) GPF and Misc. deductions of deputationist, EPF/Sale Tax/Income Tax of contractors and filling of returns/reports.	25%	-do-
6.	Accounting of Trees, Superstructure, Tube well bores, Motor Pumps and Other machinery.	25%	-do-
7.	Verification of physical possession of Land w.r.t. the award for acquisition of land.	25%	-do-
8.	Reconciliation with the client Deptts. and recovery of service charges on deposit works and remittance of the same to Head Office.	25%	-do-
9.	Reconciliation with H.O. and units.	25%	-do-
10.	Checking of expenditure vouchers with reference to the financial powers of the officers authorizing payment & provisions in the sanctioned estimates.	25%	-do-
11.	Record of MBs, MAS, RMR, Indent books and T & P registres issued by the Division to the sub division.	25%	-do-
12.	Record of approval of estimates of work DNIQs/DNIT, LPS/HPC proceedings, sanctions of the competent authority and allotment of works, agreement with the contractors.	25%	-do-
13.	Record of bank guarantees, release/ Enhancement of BGs.	25%	-do-
14.	Sanctions for the enhancement of Agreement amount. Time extensions And approval of N.S. rates.	25%	-do-
15.	Arbitration an court cases	25%	-do-
16.	Record/sanctions for the appointment Of daily wages/contract basis/work Charged staff.	25%	-do-
17.	Service books of work charged staff	25%	-do-
		25%	-do-

18	Checking of Muster roll issue register, Telephone and trunk calls register, Printing & Stationary register, consumable store and asset register.		
19	Physical verification of Un-serviceable assets, office equipments etc.	25%	-do-
20	Checking of Trial balance P&L account, balance sheet alongwith relevant schedules of the Engg. Wing.	25%	-do-

2(C)

STP Section

S.No.	Scope of Audit	Percentage of Audit	Yearly
1.	Checking of award for the Acquisition of land w.r. to the classification of land and rates approved by the FCR.	25%	-do-
2.	Verification of possession of land w.r. to the award for the acquisition of land.	25%	-do-
3.	Checking of payments of awards of enhanced Land Compensation.	25%	-do-
4.	Reconciliation with Collector land acquisition and obtaining of refunds.	25%	-do-
5	Checking of Court cases of land & their latest position	25%	-do-

Estate Wing

S.No.	Scope of Audit	Percentage of Audit	Yearly
1.	Receipt /Adjustment of Earnest Money.	25%	-do-
2.	Receipt of Principal amount/interest/Penal interest/Enhancement/Transfer fee/Conversion fee/Extension fee etc.	25%	-do-
3.	Posting/Checking of account of allottees.	25%	-do-
4.	Deposit of bank drafts/cheques into bank and reconciliation of bank account.	25%	-do-
5	Reconciliation of accounts with H.O. and units.	25%	-do-
6	Cancellation of plots and filing of eviction proceedings.	25%	-do-
7	Refund of Earnest Money Calculation of interest Deduction of TDS.	25%	-do-
8	Refund against excess receipt/cancellation of plots.	25%	-do-
9	Checking of Trial-Balance, P&L account, balance-sheet alongwith relevant schedules.	25%	-do-

Export Division

S.No.	Scope of Audit	Percentage of Audit	Yearly
1.	Receipt of Export enquiries processing and finalization of terms & conditions of supply.	25%	-do-
2.	Checking of Cash-book, Journal, Bills (Sales & Purchase) and payment vouchers w.r. to the delegation of powers to the officer authorizing payment.	25%	-do-
3.	Reconciliation with bank, H.O. and units.	25%	-do-
4.	Checking of Personal and General ledger, Tria-balance, P & L account and balance-sheet etc.	25%	-do-
5.	Receipt of payment from the Buyers and release of payment to the Associates suppliers.	25%	-do-
6.	Recovery position of outstanding debtors and Age-wise Classification of debtors alongwith latest position.	25%	-do-
7.	Reconciliation of stocks of Medallions with units and banks and realization of sales proceeds.	25%	-do-

Store Section

S.No.	Scope of Audit	Percentage of Audit	Yearly
1.	Inviting of quotation/tenders for the purchase of Fixed Assets/Stationary and other Consumables.	25%	-do-
2.	Preparation of comparative statement/approval of rates/terms and conditions for the purchase and placement of order	25%	-do-
3.	Receipt of material, Inspection and entry into the Asset register/Stock ledgers and verification/release of payments of bills of suppliers.	25%	-do-
4.	Checking of requisition slips/Indent forms, Issuance of material/items to the officers/officials.	25%	-do-
5.	Physical verification of unserviceable assets/items.	25%	-do-
6.	Physical verification of store/stocks/assets.	25%	-do-
7.	Disposal/auction of unserviceable assets/consumable stores.	25%	-do-

Personnel Section

S.No.	Scope of Audit	Percentage of Audit	Yearly
1.	Sanctioning of House building loans and Vehicle loans, Hypothecation documents, release of documents.	25%	-do-
2.	Cross-checking of Earned/Medical leave applied for by the staff and sanctioned by the personnel section.	25%	-do-
3.	Verification of Service record/Leave record.	25%	-do-
4.	Reconciliation of recovery of loans and shortages from the staff.	25%	-do-

Computer Section

S.No.	Scope of Audit	Percentage of Audit	Periodicity
1.	Inviting of quotations/tenders for the purchase of Hard-wares and Soft-wares, AMC and Other Stationary items.	25%	Yearly
2.	Record of Computers/Printers installed in the cabin of officers/sections with location and complete specification.	25%	-do-
3.	Record of Complaints Received/Attended and Action taken.	25%	-do-
4.	Stock entry of Hard-ware/Soft-wares/Stationary items received and release of payment to the suppliers.	25%	-do-
5.	Record of requisitions received and issue of stationary items.	25%	-do-
6.	Physical verification/Disposal of Un-serviceable Computers/Printers and UPS etc.	25%	-do-

Accounts and Finance Section

S.No.	Scope of Audit	Percentage of Audit	Periodicity
1.	Checking of Receipt/Payment Vouchers, Cash book and Posting of Cash bank vouchers.	25%	Yearly.
2.	Bank reconciliation (Depots, Agencies and Head Office Banks)	25%	-do-
3.	Checking of Sundry Imprest, HBL and Vehicle Advance Accounts.	25%	-do-
4.	Sales/Purchase of Raw Material wing and reconciliation of Suppliers/Customers Accounts.	25%	-do-
5.	Passing of salary/conveyance bills of staff.	25%	-do-
6.	Recoveries if Shortages/HBL/Vehicle advance/SWA and other Misc.	25%	-do-
7.	Deposit of EPF, Income Tax, Insurance Premium (staff) and GPF & Misc. Deductions & LS/PC in case of Deputationist.	25%	-do-
8.	Reconciliation of Loan Accounts with the Govt., Banks & Financial Institutions.	25%	-do-

Legal Section

S.No.	Scope of Audit	Percentage of Audit	Yearly
1.	Approved Advocates on the penal of the Corporation alongwith their fees.	25%	-do-
2.	Details of cases received in the legal cell from various wings alongwith date of filing suit/reply and status of each case.	25%	-do-
3.	Details of cases referred to the Advocates(Advocate-wise)	25%	-do-
4.	Details of cases lying in the different courts.(Court - wise)	25%	-do-
5.	Release of payments to the Advocates.	25%	-do-

PR Section

S.No.	Scope of Audit	Percentage of Audit	Periodicity
1.	Release of advertisements,checking/verification of bills and release of payments	25%	Yearly
2.	Checking of Log-books of vehicles,consumption of fuel, Rep.& mtc. of vehicles as per the norms fixed by the state govt.	25%	-do-
3.	Condemnation of vehicles and disposal/auction of the same	25%	-do-
4.	Checking of Fuel/repair bills and release of payments	25%	-do-

3. Emporiums/Craft Development Centre ,

S.No.	Scope of Audit	Percentage Audit	Periodicity
1.	Checking of G.R. register.	25%	Chandigarh, Amritsar, Patiala, New Delhi, Kolkata & CDC Hoshiarpur.
2.	Retiring of documents	25%	-do-
3.	Entry of stock into stock register & Fixation of selling rates.	25%	-do-
4.	Verification/payment of suppliers bills w.r.t. the approval of qty./rates by the committee/competent authority.	25%	-do-
5.	Checking of cash memo/Sale summaries and posting of the same into stock Register.	25%	-do-
6.	Age-wise position of stocks and disposal of old/out-fashioned/obsolete/damaged stocks.	25%	-do-
7.	Checking of cash book, cash vouchers, General ledger.	25%	-do-
8.	Consignment/contract marketing Purchases/ Sales as per directions Issued by Head office.	25%	-do-
9.	Recovery from staff/outstanding Debtors.	25%	-do-
10.	Checking of printing & stationery, Consumable store/fixed assets/ Telephone and trunk calls/dairy and dispatch registers.	25%	-do-
11.	Physical verification of fixed assets & Unserviceable assets/consumable Stores.	25%	-do-
12.	Checking of expenses vouchers w.r.t. The delegation of powers.	25%	-do-
13.	Discount allowed and rebate claims.	25%	-do-
14.	Checking of Trial-balance, P&L Account and balance-sheet alongwith Relevant schedules.	25%	-do-
15.	Bank reconciliation H.O. & units,	25%	-do-

Annexure-“II”

List of Units of the Corporation to be Audited by CA Firms

S.No.	Name of the unit
1.	Ludhiana Depot, SAIL, Agency and Engg. Wing Ludhiana
2.	Mandi Gobindgarh Depot, Punjab Govt. Emporium, Patiala
3.	Sub Division, Patiala
4.	Punjab Government Emporium, Kolkata
5.	Punjab Government Emporium, New Delhi
6.	Punjab Government Emporium, Chandigarh
7.	Head Office, Engg. Wing/ All Sub Divisions including Mohali
8.	Head Office & Estate Wing
9.	Head Office all other wings i.e. Legal, Planning, Computer Library, Personnel, PR, Provisioning ,Export, Accounts, Salary, Finance, RM Material, Emporia, Secretary Section, Store, RM Material Depot Mohali/Chandigarh etc.
10.	Jalandhar Division, Suranussi Depot/Agencies
11.	Amritsar Depot, CWTC, Punjab Government Emporium, Amritsar, Batala Depot
12.	Hoshiarpur Depot and Craft Development Centre Hoshiarpur