

Meghalaya State Watershed & Wasteland Development Agency.

Climate Adaptive and Community-based Water
Harvesting Project, Meghalaya

REQUEST FOR QUOTATIONS – NONCONSULTING SERVICES

**ENGAGEMENT OF CAG EMPANELED EXTERNAL
AUDITOR SERVICES FOR FY 2024-25 TO 2026-27**

July 2025

ENGAGEMENT OF CAG EMPANELED EXTERNAL AUDITOR SERVICES FOR FY 2024-25 to 2026-27

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REQUEST FOR QUOTATION - SERVICES (RFQS)

Project Title: **CLIMATE-ADAPTATIVE COMMUNITY-BASED WATER-HARVESTING PROJECT
IN MEGHALAYA**

Source of Funding: Asian Development Bank

Contract Ref : NCS-3 (MSWWDA/ADB-57 (Pt.II)

Date of Issue of Request: 8th July, 2025

Deadline for submission of Quotation: 1st August 2025 at 14:00 Hrs.

Package Description: Engagement of CAG Empaneled External Auditor for FY 2024-25 to 2026-27

To : _____

Sir/Madam:

1. The Meghalaya State Watershed and Wasteland Development Agency (MSWWDA) (Client) hereby requests you to submit price quotation/(s) for the performance of the services described in the **Scope of Services** attached as **Appendix A** in these documents. If you, however, have been associated with the preparation of this **Scope of Services** that is the subject of this request, you shall be disqualified.
To assist you in the preparation of your price quotation we enclose, in addition to the **Scope of Services**, the **Form of Quotation** and form of **Contract** are also attached.
2. If you/your firm, however, falls under any of the following conditions, your proposal shall not be considered:
 - a) you/your firm are/is not a citizen/national of an ADB member country, or
 - b) you/your firm have/has been associated with the firm that prepared the terms of reference or engaged in the preparation of the Project for which the contract that is subject of this request for quotations was identified, or
 - c) you/your firm are/is owned by the Client, or
 - d) you/your firm are/is currently sanctioned or temporarily suspended by the Asian Development Bank for a violation of its Anticorruption Policy (1998, as amended to date) or
 - e) the contracting of services from your country or any payment to persons or entities in your country is prohibited in compliance with a decision of the United Nations Security Council under Chapter VII of the Charter of the United Nations.
3. To be qualified, you must have experience as a Service Provider of the services covered by this **Request for Quotation**. As evidence, you must attach a document of your experience as Service Provider of completed works as of a size and nature similar to the requirements of this contract as listed below:
The details of qualification criteria are mentioned in Terms of Reference.
4. Your quotation/(s) should be submitted in accordance with the following instructions, procedures, and the terms and conditions of the Contract.\

Preparation of Quotations

- (a) Your price quotation/(s) shall be for all the items as described in the **Scope of Services**, and submitted only in the attached **Form of Quotation**. The currency of quoted prices and payment shall be **of Indian Currency**.

ENGAGEMENT OF CAG EMPANELED EXTERNAL AUDITOR SERVICES FOR FY 2024-25 to 2026-27

- (b) You shall submit only one set of quotations for the above items. Your quotation must be typed or written in indelible ink and shall be signed by you or your authorized representative. Without a signature in your **Form of Quotation**, your quotation will not be considered further.
- (c) You shall submit one original of the **Form of Quotation**, and clearly marked "Original". In addition, you shall also submit one copy marked as "COPY". In case of any discrepancy between the Original and Copy, the Original shall prevail. [*Note: Delete last sentence if submission is by electronic means.*]
- (d) Your quotation(s) should be valid for a period of 30 days from the deadline for submission of the quotation/(s) as indicated below. If you withdraw your quotation during the validity period and/or refuse to accept the award of a contract when and if awarded, then you will be excluded from the list of Service Providers for the project for two years.

Submission and Opening

- (e) Your **Form of Quotation** should be submitted by **1st August, 2025 before 2.00 PM** with the required documents that should be signed, sealed in an envelope and addressed to and delivered to the following address:

Client's Address : The Deputy Chief Executive Officer,
Meghalaya Sate Watershed & Wasteland Development Agency
(MSWWDA), Upper Nongrim Hills, Shillong, Meghalaya.
Telephone 03643510017

- (f) Quotations shall be opened to the public, in the presence of participating Service Providers' representatives who choose to attend, on **1st August, 2025 at 3.00 PM** and at the following address:

**The Deputy Chief Executive Officer
Meghalaya Sate Watershed & Wasteland Development
Agency Upper Nongrim Hills, Shillong, Meghalaya.**

Evaluation and Comparison

- (g) Quotations determined to be substantially responsive to this **Request for Quotation** will be evaluated by comparison of their offer prices. A quotation is not substantially responsive if it contains material deviations or reservations to the terms, conditions, and specifications in this **Request for Quotation**.
- (h) In evaluating the quotations, the Client will adjust for any arithmetical errors as follows:
 - (i) where there is a discrepancy between amounts in figures and in words, the amount in words will govern; and
 - (ii) where there is a discrepancy between the unit rate (where applicable) and the line-item total resulting from multiplying the unit rate by the quantity, the unit rate as quoted will govern; and

If you refuse to accept the correction/(s), your quotation will be rejected.

Award of Contract

- (i) The Client shall award the contract to the Service Provider whose quotation has been determined to be substantially responsive to this Request for Quotation and who has offered the lowest price quotation.
 - (j) The Service Provider whose quotation has been accepted will be notified by the Client within 15 days from the date of submission of quotation through the return of a copy of the **Form of Quotation** with **Acceptance** signed by the authorized representative of the Client.
 - (k) The successful Service Provider shall sign the **Contract** governed by the annexed **Contract Terms and Conditions**. The service provider shall quote prevailing GST rate in the price schedule; however, GST shall be payable at prevailing rates at the time of invoicing.
5. Further information can be obtained from:
- Name : Mr. Z.D. SHIRA, DEPUTY CEO
Address : Meghalaya State Watershed & Wasteland Development Agency (MSWWDA)
Upper Nongrim Hills, Shillong, Meghalaya.
Telephone : 0364 2224551
E-mail : megsoil49@gmail.com
6. The Client intends to apply funds from the **Asian Development Bank (ADB)** for eligible payments under the **Contract** resulting from this **Request for Quotation**.
7. Under [ADB's Anticorruption Policy](#) (1998, as amended to date) Service Providers shall observe the highest standard of ethics during the procurement and execution of such contracts. ADB may reject a proposal for award, and may impose sanctions or other remedial actions on parties involved, if it determines that the Service Provider recommended for award or any other party, directly or through an agent, has engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices or other integrity violations in competing for, or in executing, the Contract. At the time of submission of your quotation, you should not be in ADB's sanctions list. A firm/individual shall not be eligible to participate in any procurement activities under an ADB-financed, - administered, or -supported project while under temporary suspension or debarment by ADB pursuant to its Anticorruption Policy, whether such debarment was directly imposed by ADB, or enforced by ADB pursuant to the Agreement for Mutual Enforcement of Debarment Decisions.
8. You/your firm, joint venture partners, associates, parent company, affiliates or subsidiaries, including any subcontractors or suppliers for any part of the Contract, are not, or have never been, temporarily suspended, debarred, declared ineligible, or blacklisted by the client's country, any international organization, and other donor agency.

If so debarred, declared ineligible, temporarily suspended, or blacklisted, please state details (as applicable to each joint venture partner, associate, parent company, affiliate, subsidiaries, subcontractors, and/or suppliers):¹

¹ Any such disclosure shall be forwarded by the Client to ADB.

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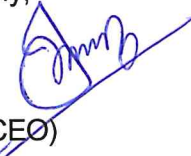
- (a) Name of Institution: _____
- (b) Period of debarment, ineligibility, or blacklisting (start and end date): _____
- (c) Reason for the debarment, ineligibility, or blacklisting: _____

9. You/your firm's, joint venture partners', associates', parent company's affiliates or subsidiaries', including any subcontractors' or suppliers', key officers and directors have not been [charged or convicted] of any criminal offense (including felonies and misdemeanors) or infractions/violations of ordinance which carry the penalty of imprisonment.

If so charged or convicted, please state details:²

- (a) Nature of the offense/violation: _____
- (b) Court/Area of jurisdiction: _____
- (c) Resolution (i.e. dismissed; settled; convicted/duration of penalty): _____
- (d) Other relevant details: _____
10. You/your firm understands that it is your obligation to notify ADB should you/your firm, joint venture partners, associates, parent company, affiliates or subsidiaries, including any Subcontractors or Suppliers, be temporarily suspended, debarred or become ineligible to work with ADB or any other multilateral development banks, the client's country, international organizations, and other donor agencies, or any of your key officers and directors be charged or convicted of any criminal offense or infractions/violations of ordinance which carry the penalty of imprisonment.
11. Any misrepresentation that knowingly or recklessly misleads, or attempts to mislead may lead to the automatic rejection of the quotation/bid or cancellation of the contract, if awarded, and may result in remedial actions, in accordance with ADB's Anticorruption Policy (1998, as amended to date) and Integrity Principles and Guidelines (2015 as amended from time to time).
12. A bidder shall not have a conflict of interest. All bidders found to have a conflict of interest shall be disqualified.
13. Please confirm by fax/e-mail the receipt of this request and whether or not you will submit the price quotation(s).

Sincerely,



(Client) CEO

² Any such disclosure shall be forwarded by the Client to ADB.

Form of Quotation (Services)

_____ [date]

To:

Meghalaya State Watershed & Wasteland Development Agency (MSWWDA)

Upper Nongrim Hills, Shillong, Meghalaya-793003

We offer to execute the _____ [name and number of Contract] in accordance with the **Contract Terms and Conditions** and the **Scope of Services** accompanying this Quotation for the Contract Price not to exceed _____ [amount in words and numbers] (_____) [name of currency] _____ in accordance with **Price Schedule** annexed to the **Scope of Services**.

*Note: Attach a **Price Schedule form** to the **Scope of Services**.]*

We propose to complete the performance of the services described in the **Contract** within the Completion Period indicated in the priced **Scope of Services**.

This Quotation and your written acceptance will constitute a binding Contract between us. We understand that you are not bound to accept the lowest or any Quotation you receive.

We hereby confirm that this Quotation complies with the Validity of the Offer condition imposed by the **Request for Quotation** document.

We: (a) are a national of an ADB member country; (b) have not been associated with the firm that prepared the terms of reference or engaged in the preparation of the Project for which the contract that is subject of this request for quotations was identified; (c) are not owned by the Client; (d) are not currently sanctioned or temporarily suspended by the Asian Development Bank; and (e) to the best of our knowledge, is not prohibited from being contracted in compliance with a decision of the United Nations Security Council.

Name of Service Provider: _____

Authorized Signature: _____

Name of Signatory: _____

Title of Signatory: _____

Address : _____

Telephone Number: _____

Fax Number, if any: _____

Email address (optional): _____

ACCEPTANCE

The Client accepts the Service Provider's offer to provide the service.

Name of Client: Meghalaya State Watershed and Wasteland Development Agency, MSWWDA

Authorized Signature: _____

Name of Signatory: Dr. Joram Beda, IAS

Title of Signatory: Chief Executive Officer, MSWWDA

Date: _____

Price Schedule

| Item no. | Item or Activity | Unit | Amount in Rs. |
|----------|--|------|---------------|
| 1 | External Audit of Service of the Meghalaya State Watershed & Wasteland Development Agency (MSWWDA). Annual Project financial statements(APFS) for FY 2024-25 to 2026-27, | LS | |
| 3 | GST | | |
| 4 | Total contract price (in Figures) | | |
| 5 | Total contract price in (Words) | | |

Detail Breakup of Item No.1 of Price Schedule

Person Months Calculation

| SL No | Category of Staff | Nos | Man days per Annum | Total in 3 Years | Rate per Man month in Rs. | Total Remuneration In Rs. |
|-------|--|-------------------|--------------------|------------------------------|---------------------------|---------------------------|
| 1 | Senior Auditor (Qualified CA registered with Institute of Chartered Accountants of India with 10 years of Experience)- | 1 | 15 | 45 | | |
| 2 | Audit Asst.(Inter CA/Inter CMA with 2 years) | 2 | 7 | 546(13×7×2×3) | | |
| | Total | | | 591 days(19.7 Person months) | | |
| 3 | Travel/Lodging/Boarding | | Lumpsum per Annum | 3 | | |
| 4 | | Total for 3 Years | | | | |
| 5 | | GST@18% | | | | |
| 6 | | Grand Total | | | | |

Signature of Partner
Membership No.

ENGAGEMENT OF CAG EMPANELED EXTERNAL AUDITOR SERVICES FOR FY 2024-25 to 2026-27**Payment Schedule:**

| S. No. | Project Deliverables | Payment |
|---------------|---|-----------------------------|
| | Schedule of fees : | |
| 1 | 14 days after signing of Contract and submission of equivalent amount of Bank Guarantee in favour of MSWWDA | 10% of Total Contract Price |
| 2 | Annual Project Financial Statement for 2024-25 approved by MSWWDA | 30% of total Contract Price |
| | Annual Project Financial Statement for 2025-26 approved by MSWWDA | 30% of total contract price |
| 4 | Annual Project Financial Statement for 2026-27 approved by MSWWDA | 30% of Total Contract Price |

Contract

Name of Country: India

Project Name: Climate Adaptive Community Based Water Harvesting Project In Meghalaya

Name of Contract: Engagement of CAG Empaneled External Auditor for FY 2024-25.
2025-26.2026-27

Contract Number: ____

This Contract is entered into on ____ [date] day of __ [month] __, [year] __, between ____ [name of Client] ____ (hereinafter called "the Client") on the one part, and ____ [name of Service Provider] ____ (hereinafter called "the Service Provider") on the other part.

Whereas the Client has requested a quotation for ____ [description of services] to be performed by the Service Provider in accordance with the **Contract**, and has accepted the Quotation by the Service Provider in the amount of ____ [amount in words] ____ [amount in figures] hereinafter called "the Contract Price".

The Client and the Service Provider agree as follows:

1. The following documents shall be deemed to form and be read and construed as part of this Contract, viz:
 - a) **Form of Quotation**, with **Scope of Services** and **Appendix [and Price Schedule under Option B form of quotation]**; and
 - b) Contract Terms and Conditions;
2. Taking into account payments to be made by the Client to the Service Provider as hereinafter mentioned, the Service Provider hereby enters into this Agreement with the Client to execute and complete the performance of services under the Contract.
3. The Client hereby agrees to pay, in consideration of the successful performance of the services, the **Contract Price** as indicated and accepted in the **Form of Quotation**, under payment terms stipulated in the **Contract Terms and Conditions**.

IN WITNESS whereof the parties hereto have executed the **Contract** under Applicable laws.

Signature and seal of the Client:
For and on behalf of

Name of Authorized Representative

Signature and seal of the Service Provider:
For and on behalf of

Name of Authorized Representative

Contract Terms and Conditions

Project Name: Climate Adaptive Community Based Water Harvesting Project In Meghalaya
Client: Meghalaya State Watershed and Wasteland Development Agency, MSWWDA

Contract No. _____

1. Definitions

- (a) "Contract" means the agreement entered into between the Client and the Service Provider, together with the Contract Documents referred to therein, including all attachments, appendixes, and all documents incorporated by reference therein.
- (b) "Contract Documents" means the documents listed in the Contract, including any amendments thereto.
- (c) "Contract Price" means the price payable to the Service Provider as specified in the Contract, subject to such additions and adjustments thereto pursuant to the Contract.
- (d) "Completion" means the fulfilment of the committed services by the Service Provider in accordance with the terms and conditions set forth in the Contract.
- (e) "Client" means the entity purchasing the Services.
- (f) "Services" means the services the Service Provider will perform as specified in the Scope of Services in Appendix A.
- (g) "Service Provider" means the natural person, private or government entity, or a combination of the above, whose bid to perform the Contract has been accepted by the Client and is named as such in the Contract.
- (h) "ADB" is the Asian Development Bank.

2. Applicable Law

The Contract shall be interpreted in accordance with the laws of the Client's country.

3. Language

All communications and documents related to the Contract shall be in English.

4. Assignment

Any assignment of this Contract or of any rights hereunder, in whole or in part without the prior written consent of the Client shall be void.

5. Fraud and Corruption

This Contract shall be covered by the provisions of [ADB's Anticorruption Policy](#) (1998, as amended to date) and [Integrity Principles and Guidelines](#) (2015, as amended from time to time) that requires Borrowers (including beneficiaries of ADB-financed activity), as well as Service Providers and Contractors under ADB-financed contracts, to observe the highest standard of ethics during the procurement and execution of such contracts.

6. Performance of the Services

The Service Provider shall carry out the Services with due diligence and efficiency and shall furnish to the Client such information related to the Services as the Client may from time to time reasonably request. The Service Provider shall at all times cooperate and coordinate with the Client with respect to the performance of the Services.

7. Required Performance Standards (with attachments as necessary to be prescribed by Client.)

- (a) General Description
- (b) Specific Standards

(c) Performance Parameters

Service Provider confirms compliance with above standards and parameters.

8. Service Completion Schedule

The services should be completed as per schedule indicated in the **Scope of Services** but not exceeding **Thirty Six months** months from the date of signing of contract.

9. Fixed Contract Price

The prices indicated in the **Form of Quotation** are firm and fixed and not subject to any adjustment during contract performance, subject to Clause 11 [Payment] below.

10. Taxes and Duties

The Service Provider shall be entirely responsible for all taxes, duties, license fees, etc., incurred until completion of the services to the Client.

11. Payment

Upon submission by Service Provider of claim and subsequent verification of the claim by Client, payment of the contract price shall be made in the following manner:

- (a) Advance payment of 10% within 14 days of signing the contract, upon evidence of mobilization of service Provider.
- (b) In accordance with the Price Schedule, the amount resulting from multiplying the claimed and verified quantity of the item or activity with the unit price indicated in the accepted Form of Quotation.

12. Resolution of Disputes

The Client and the Service Provider shall make every effort to resolve amicably by direct informal negotiation any disagreement or dispute between them under or in connection with the Contract. In the case of an unresolved dispute, the dispute shall be settled in accordance with the provisions of the of the arbitration law or rules of India.

13. Independent Service Provider

Nothing contained in this Contract shall be construed as establishing or creating the relationship of master and servant, employer and employee or principal and agent between the Client and the Service Provider, or his employees or agents or other persons engaged by the Service Provider to perform any of the services.

14. Intellectual Property Rights

Intellectual Property Rights: (a) The Service Provider shall indemnify the Client from and against any and all claims, liabilities, obligations, losses, damages, penalties, actions, judgments, suits, proceedings, demands, costs, expenses and disbursements of whatsoever nature that may be imposed on, incurred by or asserted against, the Client during or in connection with the Services by reason of: (i) infringement or alleged infringement by the Service provider of any patent or other protected right, or (ii) plagiarism or alleged plagiarism by the Service provider.

15. Failure to Perform

The Client may terminate the Contract if the Service Provider fails to perform the services, in accordance with the above terms and conditions, in spite of a 14-day notice given by the Client, without incurring any liability to the Service Provider. In the event of such termination, the amount due under the Contract shall be subject to equitable adjustment.

16. Termination Due to Integrity Violation

The Client may terminate this Contract, in whole or in part, if the Service Provider, in the judgment of the Client has

engaged in integrity violations in accordance with Clause 5 [Fraud and Corruption], in competing for or in executing this Contract.

17. Other Grounds for Termination

The Client may also terminate this Contract, in whole or in part, if the Service Provider becomes insolvent, bankrupt or gives the Client reasonable evidence of its inability to complete the Services as specified, or fails to correct any non-conformity in the Services or performs in bad faith by willfully not observing the terms and conditions of this Contract.

18. Force Majeure

The Service Provider shall not be liable for penalties or termination for default if and to the extent that its delay in performance or other failure to perform its obligations under the Contract is the result of an event of Force Majeure.

- (a) For purposes of this Clause, "Force Majeure" means an events beyond the control of the Service Provider and not involving the Service Provider's fault or negligence and not foreseeable. Such events may include, but not restricted to, act of Client in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions, and freight embargoes.
- (b) If a Force Majeure situation arises, the Service Provider shall promptly notify the Client in writing of such condition and the cause thereof. Unless otherwise directed by the Client in writing, the Service Provider shall continue to perform its obligations under the Contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by Force Majeure event.

19. Accounts and Records

- (a) The Service Provider shall keep accurate and systematic accounts and records in respect of the Services in such form and detail as are customary in its profession and are sufficient to establish accurately that the costs have been duly incurred.
- (b) Notwithstanding anything to the contrary stated herein, the Service Provider shall maintain accounts and records, including original receipts, invoices and other supporting documents evidencing payments made by the Service Provider under this Contract, for the period of the Services and for a period no less than 3 years after the expiration or termination of this Contract.
- (c) The Service Provider shall permit ADB to inspect the accounts, records, and other documents relating to the submission of bids and contract performance of the Service Provider and to have them audited by auditors appointed by ADB.

20. Suspension of ADB Loan or Credit.

In the event that ADB suspends the Loan or Credit to the Client, from which part of the payments to the Service Provider are being made, the Client is obligated to notify the Service Provider, with copy to the Client's representative, of such suspension within 7 days of having received ADB's suspension notice.

21. Termination Notice Due to Non-payment

If the Service Provider has not received payments due within the 28 days as provided for in Clause 11 [Payment], the Service Provider may immediately issue a 14-day termination notice

Attachment 1

Application form for External Audit Assignment

(Please strike off whichever is not applicable)

| Sr. no. | Particulars | Details | | | |
|---------|--|--|------------|------------|-------------------------|
| 1. | a) | Name of the firm (in Capital letters) | | | |
| | b) | Address of the Head Office | | | |
| | c) | Name of the Senior Partner, who shall issue/sign the Internal Audit report. | | | |
| | d) | Telephone Number | | | |
| | e) | E-mail address | | | |
| | f) | PAN of the firm | | | |
| | g) | GST No. | | | |
| 2. | | Firm Registration No. (As Issued by Institute of Chartered Accountants of India) | | | |
| 3 | | CAG Empanelment No | | | |
| 4. | | Date of Incorporation (as per certificate issued by Institute). | | | |
| 5. | | Number of full Time Partners of the firm as on date of RFQ (Please fill up Annexure-E1) | | | |
| 6. | | Number of qualified Chartered Accountants / Cost Accountant Employed with firm (Please fill up Annexure-E2) | | | |
| 7. | | Number of Semi-qualified and Article Assistants/Audit Staff. (Please fill up Annexure-E3) | | | |
| 8. | Whether the firm has experience of statutory/Internal Audit in at least as specified in TOR as on date of RFQ– | | Yes | No | |
| 9. | As per TOR, whether the firm has adequate experience and Annual Turnover . | | Yes | No | |
| 10 | Whether the firm have conducted Audit of as expected in TOR | | Yes | No | |
| 11. | Whether the firm have at least one partner with DISA (Diploma in System audits) /CISA (Certified Information Systems Auditor) qualification as on the date of submission of RFQ. (If yes, please attach DISA/CISA self-attested certificate along with the RFQ) | | Yes | No | |
| 12. | Whether the firm has Branch offices Meghalaya and north East Region | | Yes | No | |
| 13 | Firm Average Annual Turnover | FY 2021-22 | FY 2022-23 | FY 2023-24 | Average Turnover In Rs. |
| | Turnover in INRs. | | | | |

(Name & Signature of Managing/ senior partner of the firm with seal and Membership no.)

Attachment 2

Details of Full Time Partners of the Firm as on date of RFQ

Firm's Name_____

| S. No. | Name of the Partner | Membership No. | Whether Associate/ Fellow member | Additional Qualification CISA/DISA/ etc./Equivalent) | Date of joining the Firm as partner(Full time) |
|--------|---------------------|----------------|-------------------------------------|--|--|
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Please attach a copy of the Membership certificate and CISA/DISA certificate in support of above.

(Name & Signature of Managing/ senior partner of the firm with seal)

Attachment 3
Details of Qualified Chartered Accountants/Cost Accountants
employed with the firm as on the date of RFQ.

Firm's Name_____

| S .No. | Name of the Chartered accountant/ Cost Accountant | Membership No. | Whether Associate/ Fellow member | Additional Qualification CISA/DISA/ etc. | Date of joining the firm (Full time) |
|--------|---|----------------|-------------------------------------|--|---|
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- Please attach a copy of the Membership certificate and CISA/DISA certificate /equivalent in support of above.

(Name & Signature of Managing/ senior partner of the firm with seal and Membership No)

Attachment 4
Details of Semi-qualified Assistants as on date of RFQ

Firm's Name_____

(Please refer to Sl. No.6 of the application form **at Annexure E**)

| S.No. | Name | Qualification | Date of joining the firm (Full time) |
|-------|------|---------------|--------------------------------------|
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Details of other Audit Staff/ Article/audit assistants as on date of RFQ

(Please refer to Sl. No.6 of the application form **at Annexure E**)

| S.No. | Name | Qualification being studied or completed | Date of joining the firm (Full time) |
|-------|------|--|--------------------------------------|
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(Name & Signature of Managing/ senior partner of the firm with seal)

Attachment-5

List of Firm’s experience of Statutory /Internal Audit carried out in last 5 year, as on date of RFQ

Firm’s Name_____

| S.No. | Year of Audit | Name of the Agency | Type of Audit Statutory/Internal |
|-------|---------------|--------------------|----------------------------------|
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Please attach the copies of work order/letter placed by above agency on the firm’s name along with copies of relevant documents (experience certificate /completion certificate) supporting completion of Audit

(Name & Signature of Managing/ senior partner of the firm with seal)

Attachment –6
Experience Details

Firm’s Name_____

Please indicate name of at least 5 Govt Agency//EAP whose statutory/ internal audit has been handled by the firm.

| S. No. | Name of the Govt. Agencies/EAP | Year of Audit | Type of Audit Statutory/Internal | Professional Fee for the Contract in Rs. |
|--------|--------------------------------|---------------|----------------------------------|--|
| | | | | |
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Please attach the copies of work order/letter placed by companies on the firm’s name along with copies of relevant documents (experience certificate /completion certificates) supporting completion of Audit.

(Name & Signature of Managing/ senior partner of the firm with seal)

Attachment 7
Office Location

Firm's Name_____

Please mention name and address of your Branch offices in India at locations mentioned in the table.

| S.No. | Location | Address of Branch offices in India |
|-------|---------------------------|------------------------------------|
| | | |
| 1 | Meghalaya | |
| 2 | Assam | |
| 3 | North East State Capitals | |
| 4 | Delhi | |
| | | |

Please attach the copy of branch incorporation issued by institute of Chartered Accountant.

(Name & Signature of Managing/ senior partner of the firm with seal)

Attachment-8

List of Documents Attached

Firm's Name _____

| S.No. | Name of Document | Document attached | | |
|-------|---|-------------------|----|-------------|
| | | Yes | No | At Page No. |
| | PART-I : TECHNO-COMMERCIAL BID | | | |
| 1 | Duly signed & stamped copy of GST Registration Certificate. | | | |
| 2 | Duly signed & stamped copy of PAN Card (in the name of the Firm) | | | |
| 3 | Duly signed & Attachment 1 to Attachment 10 | | | |
| 4 | Duly signed & stamped copy of Annexure F- Undertaking Sheet | | | |
| 5 | Duly signed & stamped copy of stating Particulars of partners, qualified Chartered Accountants/ Cost Accountants and Article assistants/ Audit staff, along with Membership Certificate copies of partners, qualified Chartered Accountants/ Cost Accountants.(Partnership Agreement is to be provided) | | | |
| 6 | A copy of empanelment certificate from CAG. | | | |
| 7 | A copy of Firm's constitution certificate of firm issued by the Institute of Chartered Accountants of India/ to the firm containing inter-alia, the details of partners as on date of RFQ. | | | |
| 8 | Duly signed & stamped copy of Agency/Project-wise experience of experience certificates as per eligibility criteria under RFQ | | | |
| 9 | Duly signed & stamped copy of work orders/Letter of Awards placed by Companies/organizations/co-operatives and other companies on your firm's name as per eligibility criteria under RFQ | | | |
| 10 | DISA/CISA certificate duly signed & stamped copy along with the RFQ | | | |
| 11 | Duly signed & stamped copy of Constitution certificate issued by Institute of Chartered Accountants of India. | | | |
| 12 | Duly signed & stamped copy of Firm's constitution certificate of firm issued by the Institute of Chartered Accountants of India containing inter-alia, the details of partners as on date of RFQ. | | | |
| 13 | Duly signed & stamped copy of Annexure G- LIST OF DOCUMENTS ATTACHED -Please mention separately | | | |
| 14 | Duly signed & stamped copy of Annexure-I Tax Compliance Clauses Related to GST- Please mention separately | | | |
| 15 | Duly signed & stamped copy of Disciplinary Clauses- Please mention separately | | | |

(Note: All the above documents should be signed, certified, page numbered and properly tagged.)

(Signature of Managing/ senior partner of the firm with seal)

Attachment-9

Project external auditor – indicative Scope of Services

Terms of Reference for Audit of ADB assisted Climate-Adaptative Community-Based Water-Harvesting Project in Meghalaya (RRP IND 52155-001)

Background:

ADB provides assistance in the form of Loan for the implementation of Climate-Adaptive Community-Based Water-Harvesting Project in Meghalaya implemented by the Meghalaya State Watershed & Wasteland Development Authority, the executing agency identified by the central/state government. Government of Meghalaya provides counterpart share as per the Loan Agreement for this Project also. In order to facilitate the same, a loan agreement is executed between ADB and central government for this loan vide Loan No 4486 IND and a project agreement is executed between ADB and the executing agency for this project. The disbursement of loan is governed by the ADB Loan Disbursement Handbook 2022 which provides for various disbursement procedures viz, Direct payment procedure, Reimbursement procedure, Commitment Letter procedure and Imprest Account procedure. The project agreement stipulates that the executing agency shall (i) maintain separate accounts for the project and if the executing agency is revenue earning, then for its overall operations also (ii) have such accounts and related financial statements (statement of income and expenses and related statements) audited annually, in accordance with appropriate auditing standards consistently applied, by independent auditors whose qualifications, experience and terms of reference are acceptable to ADB; and (iii) furnish to ADB, promptly after their preparation but in any event not later than six (6) months after the close of the fiscal year to which they relate as applicable, certified copies of such audited accounts and financial statements and the report of the auditor relating thereto (including the auditor's opinion on the use of loan proceeds and compliance with the covenants of the loan/grant agreement as well as on the use of the procedures for Imprest Account, Second Generation Imprest Account (SGIA), Statement of expenditures (SOE), Force Account Works and Simultaneous Application for sub-loan approval and Withdrawal (SAW)), where applicable, all in the English language.

The executing agencies for all sovereign loans are subject to audit by the Comptroller and Auditor General of India (Supreme Audit Institution of the country). In order to comply with the requirement of audit as referred in above para, the following terms of reference should be pursued with respect to the loan/project agreement executed for availing the ADB's assistance.

Objective:

Article 14(xi) of the Agreement establishing the Asian Development Bank (The Charter) States that 'Proceeds of any loan made, guaranteed, or participated by the Bank are used only for the purposes for which the loan was granted and with due attention to consideration of economy and efficiency'. In addition, Article 14(xiv) of the Charter requires ADB to be guided by sound banking principles in its operations. To fulfill the requirements of Article 14 (xi) and (xiv) of the Charter, ADB requires borrowers/project executing agencies to submit audited Project accounts (APA) and audited financial statements (AFS).

ADB requires the borrower and project EA to have the required financial statements for each year audited by an independent auditor acceptable to ADB, and in accordance with standards on auditing that are acceptable to ADB. An audit of such financial 'statements includes: (i) an assessment of the adequacy of accounting and internal control systems with respect to project expenditures and other financial transactions, and to ensure safe custody of project financed assets, (ii) a determination as to whether the borrower and project implementing

ENGAGEMENT OF CAG EMPANELED EXTERNAL AUDITOR SERVICES FOR FY 2024-25 to 2026-27

entities have maintained adequate documentation on all relevant transactions, including statement of expenditures (SOE), Force Account Works and Simultaneous Application for sub-loan approval and Withdrawal (SAW)) where applicable, (iii) confirmation that expenditures submitted to ADB are eligible for financing and identification of any ineligible expenditures, (iv) compliance with loan covenants and ADB's requirements for project management and (v) compliance with the use of procedures for Imprest Account (IA)/Second Generation Imprest Account (SGIA)/SOE/force account works/SAW, where applicable.

The objective of the audit of the Project Financial Statement (PFS) is to enable the auditor to express a professional opinion as to whether (i) the PFS present fairly, in all material respects, the sources and applications of project funds for the period under audit examination, (ii) the funds were utilized for the purposes for which they were provided, (iii) loan covenants have been complied with and (iv) expenditures shown in the PFS are eligible for financing under the relevant loan/grant agreement. In addition, where applicable, the auditor will express a professional opinion on the use of the procedures for IA, SGIA, SOE, Force Account Works and SAW and whether adequate supporting documentation has been maintained to support claims made by project management for reimbursement of expenditures incurred under the SOE, Force Account Works and SAW method of reimbursement where applicable.

The books of account that provide the basis for preparation of the PFS are established to reflect the financial transactions of the project and are maintained by the Meghalaya State Watershed & Wasteland Development Authority for Meghalaya Watershed Development Project Implementation unit and the participating divisions.

Standards:

The audit will be carried out in accordance with the Auditing Standards promulgated by the Comptroller and Auditor General of India. The auditor should accordingly consider materiality when planning and performing the audit to reduce audit risk to an acceptable level that is consistent with the objective of the audit. Although the responsibility for preventing irregularity, fraud, or the use of loan/grant proceeds for purposes other than as defined in the legal agreements remain with the borrower, the audit should be planned so as to have a reasonable assurance of detecting material misstatements in the PFS.

Scope:

In conducting the audit, special attention should be paid to the following:

- (a) All external funds have been used in accordance with the conditions of the relevant legal agreements and only for the purposes for which the financing was provided. Relevant legal agreements include the Loan Agreement, the Project Agreement, and the Minutes of Negotiations;
- (b) Counterpart funds from Government of Meghalaya have been provided and used in accordance with the relevant legal agreements and only for the purposes for which they were provided;
- (c) Financial covenants of the loan agreement have been complied with and the external auditor shall be expected to comply with the latest guidelines / notifications notified by DEA.
- (d) All necessary supporting documents, records, and accounts have been kept in respect of all project transactions including expenditures reported via SOEs/IAs/SGIAs/Force Account Works/SAW where applicable. Clear linkages should exist between the books of account and reports presented to the ADB; and
- (e) The project accounts have been prepared in accordance with consistently applied Government Accounting Standards and present fairly, in all material aspects, the financial situation of the project at the year end and of resources and expenditures for the year ended on that date.

Project Financial Statements:

The Project Financial Statement (PFS) has to be prepared for Climate-Adaptive Community-Based Water-Harvesting Project in Meghalaya (RRP IND 52155-001) Project. It may be required to prepare the entity (MSWWDA) PFS and get it audited. The contents of Project Financial Statements (PFS) are specific to the sector, the project design and the type of implementing entity. These formats therefore vary from one project to another. The formats of PFS are prepared in consultation with the implementing entity during the preparation of the project. The engagement of External Auditor shall be for three years commencing from FY 2024-25 to FY 2026-27. The Loan was effective from 19th Feb 2025.

The Project Financial Statements should include:

- A. In a nonrevenue-earning entity, or for the audit of project accounts, the annual financial statement may consist of the Statement of Receipts and Payments on project transactions. Other schedules of value or cumulative expenditures by category such as civil works, equipment, consultancy services, training and capacity building, administrative costs, expenditure by financier, statement of disbursement under SOE procedure, imprest account, cumulative work-in-progress, assets and inventories and a summarized reconciled bank statement are to be attached. See Annexure 1-8 for examples of reporting formats that could be prepared for a project implemented by core government departments.
- B. For a revenue-earning entity, a balance sheet, income statement and cash flow statement accompanied by supplementary statements or schedules supporting the basic statement (e.g., inventories, schedule of assets, outstanding loans, aging of receivables, etc.).
- C. Statement of Disbursement: The PFS include a reconciliation between expenditure reported as per the statement of sources and application of funds and expenditure claimed from ADB through SOE, documented claims (direct payment and reimbursement), commitment letter procedure, force account works or SAW where applicable. An example is shown at Annexure 3.
- D. Other statements or schedules as may be applicable in particular circumstances and as specified in the relevant loan/grant agreements. In particular, Statement of Appropriation Vs. Actual (Annexure 9) and Statement of Expenditure by Output (Annexure 10) shall be prepared and prepared to the project financial statements. These statements shall not be subject to audit.
- E. Management Assertion: Management should sign the PFS and provide a written acknowledgement of its responsibility for the preparation and fair presentation of the financial statements and an assertion that project funds have been expended in accordance with the intended purposes as reflected in the financial statements. An example of a management assertion letter is shown at Annexure 11.

Statement of Expenditure (SOE), Imprest Account (IA), Second Generation Imprest Account (SGIA), Force Account Works, Simultaneous Application for Sub-Loan Approval and Withdrawal (SAW):

During the course of the audit of the PFS, the auditor is required to audit all SOE, IA, SGIA, Force Account Works and SAW for withdrawal applications made during the period under audit examination. The auditor should apply such tests as the auditor considers necessary under the circumstances to satisfy the audit objective. In particular, these expenditures should be carefully examined for project eligibility by reference to the relevant financing agreements. Where ineligible expenditures are identified as having been included in withdrawal applications and reimbursed against, these should be separately noted by the auditor.

Audit Report

An audit report on the PFS should be prepared in accordance with the Auditing Standards promulgated by the Comptroller and Auditor General of India. Those standards require an audit opinion to be rendered related to the financial statements taken as a whole, indicating "unambiguously whether it is unqualified or qualified and if the latter, whether it is qualified in certain respects or is adverse or a disclaimer of opinion". In addition, the audit opinion paragraph will specify whether, in the auditor's opinion, (a) loan proceeds have been used as covenanted in ADB Loan / Project Agreement (b) financial covenants of loans have been complied with (c) with respect to SOEs, Force Account Works and SAW, where applicable, adequate supporting documentation has been maintained to support claims to ADB for reimbursement of expenditures incurred; and (d) except for ineligible expenditures as detailed in the audit observations, if any, appended to the audit report, expenditures are eligible for financing under the Loan/Grant Agreement. Relevant CAG Auditing Standards are reproduced in Annexure 12. A sample audit report wordings for unqualified opinion is shown at Annexure 13.

The PFS and the audit report should be received by ADB not later than six (6) months (or 9 months if specifically approved) after the close of the fiscal year to which they relate as specified in the loan/project agreement. The auditor should also submit two copies of the audited accounts and audit report to the Implementing Agency.

The audit report is issued without prejudice to CAG's right to incorporate the audit observations in the Report of CAG of India for being laid before Parliament / State or UT Legislature.

Management Letter

In addition to the audit report on the PFS, the auditor may prepare a management letter containing recommendations for improvements in internal control and other matters coming to the attention of the auditor during the audit examination. Where such a management letter is prepared by the auditor, a copy of the same will be supplied to ADB. Else, a written advice may be made that no management letter was prepared together with the audit report on the PFS.

General

The auditor should be given access to any information relevant for the purposes of conducting the audit. This would normally include all legal documents, correspondence, and any other information associated with the project and deemed necessary by the auditor. The information made available by the auditor should include, but not be limited to, copies of ADB's project appraisal document, the relevant legal agreements, a copy of these guidelines and a copy of ADB's financial management assessment of the project entity. It is highly desirable that the auditor become familiar with other ADB policy document such as ADB guidelines on financial management and analysis of projects chapter 5 title reporting and auditing, PAI 5.07 on submission of audited project accounts and financial statements, OM section J7/BP on project accounting, financial reporting and auditing. The auditor should also be familiar with ADB's Loan Disbursement Handbook – 2022 (or as amended from time to time).

Minimum Qualification Requirements

1. The Consultant shall meet the following minimum requirements:
 - a. Must be a CAG empaneled Qualified Chartered Accountant firm of India.
 - b. The firm should have at least 5 full time Fellow Member of Chartered Accountants (inclusive of two full time partners/directors) as on the date of submission of RFQ (supported by copy of Constitution certificate of the firm issued by Institute of Chartered Accountants of India)

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- c. The firm should have at least 8 semi-qualified assistants (inter CA/ inter CMA) as on the date of submission of RFQ (supported by institute documents)
 - d. The firm should have at least 10 Audit staff/article assistants as on the date of submission of RFQ
 - e. The firm must have conducted Audit of at least four Central Government /State Government organization/PSU.
 - f. Must have minimum average Annual Turnover of Rs. 50(fifty) lakhs from Audit Activities in last three years.(Refer attachment-1 Sl no.13)
 - g. Must have completed satisfactory successfully similar works during last 3 years: (i) Three similar work each costing not less than Rs. 6 LACS OR (ii) Two similar work each costing not less than Rs. 8 LACS. OR (iii) One similar works costing not less than Rs. 12 LACS.
 - h. Must have experience of at least one EAP audit in last three years
 - i. The firms/contractors who don't have the registered office at Shillong /Guwahati/North East State Capital .in operation for at least last two years for their works being done in North East India region
 - j. Should have preferably, minimum five (05) years of progressive experience in carrying out internal audits/External Audit of similar projects, preferably multilateral foreign/donor funded projects (ADB/World Bank /JICA /NDB)
2. **SUPPORTING DOCUMENTS** The supporting documents must include, but not necessarily limited to the following:
- Copy of Empanelment Certificate in case of empanelment with CAG etc.
 - Copy of registration certificate for GST, PAN.
 - Copy of Statement of Profit and Loss Account certified by chartered accountants together with a certified copy of audited Balance Sheet.
 - Copy of completion certificate along with letter of Award of similar nature and magnitude's project.
 - Copy of Constitution of Firm from ICAI LLP Agreement (if any).
 - Fellow /Associate Member certificates of all the Partners
 - Intermediate certificate of ICAI/ICMAI all staffs who will work as Audit Asst for this assignment
 - CISA/DISA Certificates

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3. Minimum Team Composition, Qualification and Experience Requirements for the Key Experts The audit team will comprise, at the minimum, the following personnel whose CV will be evaluated based on qualifications and experience in carrying out internal audits of similar projects. Experience on externally-financed projects is preferred.

| SL No | Key Experts | Description of Service to be provided | Minimum Qualification and experience | No of Experts | Annual Man days |
|-----------------------------------|----------------|--|--|---------------|---------------------------|
| 1 | Senior Auditor | Team leadership Reporting Liaison with client | Qualified as Chartered Accountant, 10 years post qualification experience as practicing Chartered Accountant with 5 years of continuous employment with the firm | One | 15 |
| 2 | Audit Asst. | Audit at District Office of MSWWDA for preparing reports for the Senior Auditor. | Inter CA/Inter CMA) with 2 years' experience in Audit of Govt. Agency or EAP | Two Number | 91 mandays by Audit Asst. |
| Total Expected man-days per Annum | | | | | 106 Mandays |

The total expected man days is indicative only .

4. Payment Terms:
The professional fee will be paid quarterly after MSWWDA's approval of audit and submission of tax invoices. No proposal for variation will be allowed during the contract period. TDS as per IT/GST rules will be deducted at applicable rates from all payments.
5. General :
The External Auditor will be given full access to all documents, correspondence and any other information relating to the project and deemed necessary by the Auditor.

Annexure 1

Statement of receipts and payments report for the year/period ended xx, XXXX

Meghalaya Watershed & Wasteland Development Authority

Loan No. 4486-Ind

in (INR) '000

| Particulars | Note Reference | During the Current Year for 12 month period | During the Previous Year for 12 month period | Cumulative Project to Date As at [end of CURRENT year] |
|---|----------------|--|---|---|
| Opening balance¹ (A) | | | | |
| Receipts | | | | |
| Funds received from Government ² | 4 | | | |
| ADB Loan ³ | 6 | | | |
| ADB Grant ³ | 6 | | | |
| Co-financier 1 | 7 | | | |
| Co-financier 2 | 8 | | | |
| Beneficiary contribution (if any) | 9 | | | |
| Other receipts such as interest income, sale from disposals of fixed assets, etc. | 10 | | | |
| Total Receipts (B) | | | | |
| Total (C = A + B) | | | | |
| Payments | | | | |
| Investment Costs⁴ | 11 | | | |
| Civil Works | | | | |
| Mechanical and Equipment | | | | |
| Environment and Social Mitigation | | | | |
| Consultants | | | | |
| a. Project Management | | | | |
| b. Capacity Development | | | | |
| Others | | | | |
| Subtotal (D) | | | | |
| Recurrent Costs | 12 | | | |
| Salaries | | | | |
| Accommodation | | | | |
| Equipment Operation and Maintenance | | | | |
| Others | | | | |
| Subtotal (E) | | | | |
| Total Payments | | | | |
| Financing Charges During Implementation (F) | 13 | | | |
| Total Project Cost (G = D + E + F) | | | | |
| Closing Balance (C – G) | | | | |

¹ If cash balance are controlled by the entity, indicating cash balance, imprest account and SGIA balance separately

² These will include external assistance received by Government for the project.

³ This shall include amounts received in the Bank Account as well as amounts deemed to be received against direct payments made by ADB to the suppliers of goods and services under Direct Payment procedure and Commitment Letter procedure

⁴ Expenditure categories are based on the cost allocation table as per Loan/Grant Agreement

Notes 1 to x of the financial statements form an integral part of these financial statements

Annexure 2

Statement of expenditure by category and financier report for the year/period ended xx, xxxx

Meghalaya Watershed & Wasteland Development AuthorityLoan No. 4486-Ind

in (INR) '000

| Particulars | ADB ⁴ | | | Co-Financier | | Government | | Total Expenditure 8 |
|--|--|--------------------|--------|--------------------|--------|--------------------|--------|---------------------------|
| | Percentage of financing ¹ 1 | Actual Expenditure | | Actual Expenditure | | Actual Expenditure | | |
| | | Amount 2 | % 3 | Amount 4 | % 5 | Amount 6 | % 7 | |
| Investment Costs² | | | | | | | | |
| Civil Works | | | | | | | | |
| Mechanical and Equipment | | | | | | | | |
| Environment and Social Mitigation | | | | | | | | |
| Consultants | | | | | | | | |
| a. Project Management | | | | | | | | |
| b. Capacity Development | | | | | | | | |
| c. Others | | | | | | | | |
| Subtotal (A) | | | | | | | | |
| Recurrent Costs | | | | | | | | |
| Salaries | | | | | | | | |
| Accommodations | | | | | | | | |
| Equipment Operations and Maintenance | | | | | | | | |
| Others | | | | | | | | |
| Subtotal (B) | | | | | | | | |
| Total Cost (C=A+B)³ | | | | | | | | |
| %Total Project Cost | | | | | | | | |
| Total Project Cost for [insert prior year period] | | | | | | | | |

¹ The financing percentages for ADB funds should directly correlate to the financing percentages in the allocation table(s) of the financing agreement(s).² Expenditure categories are based on the cost allocation table as per Loan Agreement³ The figures shown against various categories of expenditure should agree with the current year's payment in Annexure 1, Statement of Receipts and Payments.⁴ This shall include total expenditure claimed from ADB under various disbursement procedures, i.e. direct payment, reimbursement, imprest account and commitment letter.

Annexure 3 Statement of Disbursement

Meghalaya Watershed & Wasteland Development Authority
Loan No. 4486-Ind

[NAME OF THE ENTITY/PROJECT]

Loan/Grant No.

FOR THE YEAR ENDED [YEAR END DATE]

Details of the disbursement by method are given below:

in (INR) '000

| Statement of Disbursement | Note | Current Year | Prior Year | Cumulative Project to Date |
|---|------|--------------|------------|----------------------------|
| ADB Fund claimed during the year | | | | |
| Reimbursement ³ | 6.1 | | | |
| Imprest Fund ³ | 6.2 | | | |
| Direct Payment | 6.3 | | | |
| Commitment Letter | 6.4 | | | |
| Subtotal | (A) | | | |
| Total Expenditure made during the year¹ | (B) | | | |
| Less: | | | | |
| Expenditure not yet claimed | (C) | | | |
| Borrower's share ² | (D) | | | |
| Total Eligible Expenditure claimed (B – C – D = E = A) | (E) | | | |

¹ The total expenditure as per Statement of Receipts and Payments.

² This should tally with the Government share included in Statement of Expenditure by category and financier (Column 6)

³ Includes both claims using SOE and full supporting documentation

Annexure 4

Notes to the financial statements

**[NAME OF THE COUNTRY/IMPLEMENTING AND EXECUTING AGENCY]
[NAME OF THE ENTITY/PROJECT]
[ADB LOAN REFERENCE]
FOR THE YEAR ENDED [YEAR END DATE]**

1. Project Nature and Activities

1.1 *Description of the Project, the nature of activities, commencement and expected completion dates. Mention location, domicile, legal form, controlling IA/ EA, brief nature of the project outputs,*

1.2 Give legislative framework

Insert as relevant

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with approved accounting standards, as applicable in India. This refers to the cash basis of accounting applied with due regard to the General Financial Rules, PWD Codes, Treasury Codes, and similar financial rules and codes as are in effect and applicable to the operations of the Project.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Financial Statements

This comprises of the Statement of Receipts and Payments, the Statements of Expenditure by Category and Financier, the Statement of Disbursement and related notes and appendices to the financial statements

3.2 Basis of measurement

Financial statements have been prepared under the historical cost convention and on *[cash/ accrual]* basis of accounting

3.3 Changes in Accounting policies

Describe changes in accounting policies, if any

3.4 Fund Flow mechanism

Describe the fund flow mechanism, in particular, whether the IA/EA control funds or whether all payments are centralized

3.5 Advances and other receivables

Describe treatment of advances against expenditures

3.6 Cash and cash equivalents

Cash equivalents comprise [define components of cash]. Explain if the entity controls unspent advances, only petty cash, or has a nil balance, as applicable

3.7 Accrued and other liabilities

Disclose any major liabilities which have not been accrued under the cash basis policy

3.8 Income

i) *Describe nature of different types of income and how they are recognised. For example grants, sale of proceeds of fixed assets, interest income on bank accounts etc.*

ii) *[Include if applicable] Free of cost office space, electricity and certain other services provided by {insert name} are not valued and accordingly, are not recognized in these financial statements as income of the Project.*

3.9 Foreign currency transactions and translation

(a) Functional and presentation currency

Items included in the financial statements of the Project are measured using the currency of the primary economic environment in which the entity operates (the functional currency), which is the Indian Rupee (INR).

(b) Transactions and balances

Transactions in foreign currency are converted at the exchange rate prevailing at the date of transaction. Foreign currency bank balances are re-stated at the year end rate, and the resulting gains/losses are recognized in the statement of receipts and payments account. Conversion Rate: USD \$ 1 = INR ___ as of 31 March ___

3.10 Allocation of Common Costs

Describe how common costs are allocated to different output/activities

3.11 Interest Expenses and Financial Charges

Describe how financial charges are treated and recorded. For example if these are not allocated to the Project by the CAA.

4. Funds Received from the Government

Give details of the government budgeting and funding mechanism

| | | | |
|-----------------------------------|---------------|-------|--------------|
| | in (INR) '000 | | |
| | Current | Prior | Cumulative |
| | Year | Year | Year to date |
| Government Counterpart funding | | | |
| Amount Reimbursable to Government | | | |
| | | | |
| Total | | | ===== |

5. DATE OF AUTHORIZATION

These financial statements have been authorized for issue by the
_____ of _____ on

Meghalaya Watershed & Wasteland Development Authority
Loan No. 4486-Ind

[NAME OF THE ENTITY/PROJECT]

Loan/Grant No.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED [YEAR END DATE]

6. Funds Received from ADB

Give key terms and conditions of the loan, including date of loan agreement, loan effectiveness date, key terms and conditions, disbursement schedule, commitment fee and interest rates etc.

| in (INR) '000 | | | | |
|---|-----------------------|--------------------------------|---------------------------------|-----------------------------------|
| ADB Source of Funds – Method of Withdrawal | Note Reference | During the Current Year | During the Previous Year | Cumulative Project to Date |
| ADB Loan | | | | |
| - By Reimbursement Method | 6.1 | | | |
| - By Imprest Account ¹ | 6.2 | | | |
| - By Direct Payment | 6.3 | | | |
| - By Commitment Procedure | 6.4 | | | |
| ADB Loan Total | | | | |
| ADB Grant | | | | |
| ADB Loan and Grant Total | | | | |

¹ This should agree with the advances/replenishments net of refunds in Statement 6.2.

6.1 Funds Received from ADB through Reimbursement Method

Give details, if necessary

**ENGAGEMENT OF CAG EMPANELED EXTERNAL AUDITOR SERVICES FOR FY
2024-25 TO 2026-27**

**Meghalaya Watershed & Wasteland Development Authority
Loan No. 4486-Ind**

**[NAME OF THE ENTITY/PROJECT]
Loan/Grant No.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED [YEAR END DATE]**

6.2 Reconciliation of the Imprest Account and the Bank Statement is given below

**STATEMENT OF IMPREST ACCOUNT
FOR THE YEAR/PERIOD ENDED XX, XXXX.**

| | | Prior Year | in (INR) '000 Current Year |
|--|-----|------------|-------------------------------|
| Balance brought forward from previous period | | 100 | 140 |
| Add: | | | |
| Advance ¹ | | 200 | 200 |
| Replenishment received during the year/period ¹ | | | |
| Interest Earned | | 10 | 10 |
| Subtotal (A) | | 310 | 350 |
| Deduct: | | | |
| Payments made during the year/period | | 150 | 150 |
| Replenishment /Liquidation ¹ | 50 | | |
| Expenditure yet to be claimed | 100 | | |
| Amount refunded during the year/period | | 20 | 20 |
| Closing Balance (B) | | 140 | 180 |
| | | | |
| As per bank statement (copy attached) | | 140 | 180 |
| | | | |

1 Withdrawal application-wise references required

6.2.1 The US \$ equivalent notational amount held at the RBI in respect of the above Imprest Account balance is _____ US \$ (bank statement attached)

**ENGAGEMENT OF CAG EMPANELED EXTERNAL AUDITOR SERVICES FOR FY
2024-25 TO 2026-27**

6.3 Details of Payments made directly by ADB are given below

(Add relevant details here)

6.4 Details of payments made through commitment procedure

(Add relevant details here)

6.5 Details of Grants

(Give relevant details for grants)

ENGAGEMENT OF CAG EMPANELED EXTERNAL AUDITOR SERVICES FOR FY 2024-25 TO 2026-27

Meghalaya Watershed & Wasteland
Development Authority
Loan No. 4486-Ind

[NAME OF THE ENTITY/PROJECT]

Loan No.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED [YEAR TO DATE]

6.6 Details of disbursement claimed under the Statement of Expenditure (SOE) Procedure are given below

DISBURSEMENT CLAIMED UNDER STATEMENT OF EXPENDITURE (SOE) PROCEDURE FOR THE YEAR/PERIOD ENDED XX, XXXX

| in (INR) '000 | | | | | | | | |
|---------------|-----------------------|-------------------------------------|------------------------------|---|------------------------------------|---------------------------|--|--|
| W/A No. | SOE Sheet No. 2 | Category 3 | Total Amount Paid 4 | ADB Financing % ¹ 5 | Net Eligible Expense 6 (4x5) | Amount Reimbursed 7 | Imprest Fund Replenished/ Liquidated 8 | Total Disbursement Using SOE Procedure 7 + 8 = 9 |
| 00001 | 1 | Civil Works | 100 | 80% | 80 | 60 | 20 | 80 |
| | 2 | Mechanical and Equipment | | | | | | |
| 00002 | 1 | Consultants | | | | | | |
| | 2 | Salaries | | | | | | |
| | 3 | Accommodation | | | | | | |
| 00005 | 1 | Environment and Social Mitigation | | | | | | |
| | 2 | Equipment Operation and Maintenance | | | | | | |
| | | | | | | | | |
| | | Total | | | | | | |
| | | Total for [prior year] | | | | | | |

¹ The financing percentages within the table for ADB funds are as per loan agreement Schedule 3.

ENGAGEMENT OF CAG EMPANELED EXTERNAL AUDITOR SERVICES FOR FY
2024-25 TO 2026-27

Meghalaya Watershed & Wasteland Development
Authority
Loan No. 4486-Ind

[NAME OF THE ENTITY/PROJECT]
Loan/Grant No.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED [YEAR END DATE]

| in (INR) '000 | | |
|---------------|-------|--------------------------|
| Current | Prior | Cumulative Project to |
| Year | Year | Date |

7 – 13

*If any of the amounts given on the Statements of
Receipts and Payments require further detail or
Break-down, provide this here against relevant
Note*

Annexure-5
Statement of appropriation vs. Actual

**Meghalaya Watershed &
Wasteland Development
Authority
Loan No. 4486-Ind**

| | For the current year ended 20xx | | | | For the Prior year ended 20xx | | | | Cumulative from [beginning of Project] to year to date | | | |
|---|---------------------------------|---------------------|------------------------|----------|-------------------------------|---------------------|------------------------|----------|--|---------------------|------------------------|----------|
| | Budgeted Expenditures | Actual Expenditures | Utilization Percentage | Variance | Budgeted Expenditures | Actual Expenditures | Utilization Percentage | Variance | Program Budgeted Expenditures | Actual Expenditures | Utilization Percentage | Variance |
| Cost Categories | INR '000 | INR '000 | % | INR '000 | INR '000 | INR '000 | % | INR '000 | INR '000 | INR '000 | % | INR '000 |
| Investment Costs | | | | | | | | | | | | |
| Civil Works | | | | | | | | | | | | |
| Mechanical and Equipment | | | | | | | | | | | | |
| Environment and Social Mitigation | | | | | | | | | | | | |
| Consultants | | | | | | | | | | | | |
| a. Project Management | | | | | | | | | | | | |
| b. Capacity Devleopment | | | | | | | | | | | | |
| Others | | | | | | | | | | | | |
| Subtotal | | | | | | | | | | | | |
| Recurrent Costs | | | | | | | | | | | | |
| Salaries | | | | | | | | | | | | |
| Accommodation | | | | | | | | | | | | |
| Equipment Operation and Maintenance | | | | | | | | | | | | |
| Others | | | | | | | | | | | | |
| Subtotal | | | | | | | | | | | | |
| Total Payments | | | | | | | | | | | | |
| Financing Charges During Implementation | | | | | | | | | | | | |
| Total Project Cost | | | | | | | | | | | | |
| Grand total of expenditures | | | | | | | | | | | | |

Annexure-6
Expenditure by output components

Meghalaya State Watershed & Wasteland Development Authority
Loan No. 4486-Ind

| In INR '000 | | | | | | | | | | | | | | | |
|-------------------------------------|--------------------------|--------------|-------------|-----------------------|--------------|-------------|------------|--------------|-------------|------------|--------------|-------------|-------------------|--------------|-------------|
| | Unallocable common costs | | | Output 1 ¹ | | | Output 2 | | | Output 3 | | | Total Expenditure | | |
| | Prior Year | Current Year | Cum to Date | Prior Year | Current Year | Cum to Date | Prior Year | Current Year | Cum to Date | Prior Year | Current Year | Cum to Date | Prior Year | Current Year | Cum to Date |
| Investment Costs | | | | | | | | | | | | | | | |
| Civil Works | | | | | | | | | | | | | | | |
| Mechanical Equipment | | | | | | | | | | | | | | | |
| Environment and Social Mitigation | | | | | | | | | | | | | | | |
| Consultants | | | | | | | | | | | | | | | |
| a. Project Management | | | | | | | | | | | | | | | |
| b. Capacity Development | | | | | | | | | | | | | | | |
| Others | | | | | | | | | | | | | | | |
| Subtotal (A) | | | | | | | | | | | | | | | |
| Recurrent Costs | | | | | | | | | | | | | | | |
| Salaries | | | | | | | | | | | | | | | |
| Accommodation | | | | | | | | | | | | | | | |
| Equipment Operation and Maintenance | | | | | | | | | | | | | | | |
| Others | | | | | | | | | | | | | | | |
| Subtotal (B) | | | | | | | | | | | | | | | |
| Total Cost (C=A+B) | | | | | | | | | | | | | | | |
| % Total Project Cost | | | | | | | | | | | | | | | |

¹ Allocate the expenditure to the different Project Output Components as per the Loan Agreement. Add as many columns as required. For common costs allocated, specify the sharing ratios in the note 3.10

Annexure-7

Example of a Management Assertion Letter

(Project Letterhead)

(To Author)

(Date)

This assertion letter is provided in connection with your audit of the financial statement of the MSWWDA Project for the year ended _____. We acknowledge our responsibility for the fair presentation of the financial statements in accordance with the cash basis of accounting followed by the Government of India, and we confirm, to the best of our knowledge and belief, the following representations made to you during your audit:

- The project financial statements are free of material misstatements, including omissions.
- Project funds have been used for the purposes for which they were provided.
- Project expenditures are eligible for financing under the Loan/Credit agreement.
- There have been no irregularities involving management or employees who have a significant role in internal control or that could have a material effect on the project financial statements.
- We have made available to you all books of account and supporting documentation relation to the project.
- The project has complied with the conditions of all relevant legal agreements, including the Financing Agreement, the Project Agreement, the Project Appraisal Document, the Minutes of Negotiations, and the Borrower's Project Implementation Plan.

(Project Director / Chief Executive Officer)

(Chief Finance Officer / Senior Finance Officer)

Annexure-8

Excerpt from CAG Auditing Standards (2nd Edition, 2002) Chapter IV, Reporting Standards

12. The form and content of audit opinion and report.

12.1 The form and content of all audit opinions and reports are founded on the following general principles:

- (a) **Title.** The opinion or report should be preceeded by a suitable title or heading, helping the reader to distinguish it from statements and information issued by others.
- (b) **Signature and date.** The opinion or report should be properly signed. The inclusion of a date informs the reader that consideration has been given to the effect of events or transactions about which the auditor became aware up to that date (which, in the case of regularity (financial) audits, may be beyond the period of the financial statement).
- (c) **Objectives and scope.** The opinion or report should include reference to the objectives and scope of the audit. This information establishes the purpose and boundaries of the audit.
- (d) **Completeness.** Opinions should be appended to and published with the financial statements to which they relate, but performance reports may be free standing. The auditor's opinions and reports should be presented as prepared by the auditor. In exercising its independence CAG may acquire information from time to time, which in the national interest cannot be freely disclosed. This can affect the completeness of the audit report. In this situation the auditor should consider the need to make a report, possibly including confidential or sensitive material in a separate, unpublished report.
- (e) **Addressee.** The opinion or report should identify those to whom it is addressed, as required by the circumstances of the audit engagement and local regulations or practice. This is unnecessary where formal procedures exist for its delivery.
- (f) **Identification of subject matter.** The opinion or report should identify the financial statements (in the case of regularity (financial) audits) or area (in the case of performance audits) to which it relates. This includes information such as the name of the audited entity, the date and period covered by the financial statements and the subject matter that has been audited.
- (g) **Legal basis.** Audit opinions and reports should identify the legislation or other authority providing for the audit.
- (h) **Compliance with standards.** Audit opinions and reports should indicate the auditing standards or practices followed in conducting the audit, thus providing the reader with an assurance that the audit has been carried out in accordance with generally accepted procedures.
- (i) **Timeliness.** The audit opinion or report should be available promptly to be of greatest use to readers and users, particularly those who have to take necessary action.

Annexure-9

Report of the Comptroller and Auditor General of India

To
The Chief Executive Officer
MSWWDA
Upper Non Grim Hill, Shillong
(Project Implementing Authority)

Report on the Project Financial Statements

We have audited the accompanying financial statements of the MSWWDA Project financed under Asian Development Bank Loan No.4486-Ind, which comprise the Statement of Receipts and Payments, the Statement of Expenditure by Category and Financier, the Statement of Disbursement¹ and related notes for the year ended 31st March 2025.

These statements are the responsibility of the Project's management. Our responsibility is to express an opinion on the accompanying financial statements based on our audit.

We conducted our audit in accordance with the Auditing Standards promulgated by the Comptroller and Auditor General of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audit examines, on a test basis, evidence supporting the amounts and disclosures in the financial statements. It also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements present fairly, in all material respects, the sources and applications of funds of Project for the year ended 31st March 2025 in accordance with Government of India accounting standards.²

¹ Insert titles of other required statements and schedules included in or annexed to the project financial statements, if any.

² Until the Ministry of Finance prescribes adoption of the accounting standards pronounced by GASAB or other body such as IPSAS, the accounting standards followed by the Government of India shall be the cash basis of accounting applied with due regard to the General Financial Rules, PWD codes, Treasury codes and similar

In addition, in our opinion;

- (a) Proceeds of the loan from ADB have been utilized for the purposes as per ADB Loan / Project Agreement
- (b) Financial covenants in the loan agreement [MSWWDA-Loan no.4486] dated [19th Feb 2025] have been complied with
- (c) (i)(a)With respect to SOEs, adequate supporting documentation has been maintained to support claims to the Asian Development Bank for reimbursements of expenditures incurred; and (b) except for ineligible expenditures as detailed in the audit observations, if any, appended to this audit report, expenditures are eligible for financing under the Loan Agreement.

(ii)(a)The Imprest Accounts give a true and fair view of the receipts collected and payments made during the year ended---; and (b) these receipts and payments support Imprest Account liquidations/replenishments during the year-

This report is issued without prejudice to CAG's right to incorporate the audit observations in the Report of CAG of India for being laid before Parliament/State or UT Legislature.

[Auditor's Signature]

[Auditor's Address]

[Date³]

financial rules and codes as are in effect and applicable to the operations of the project.

³ The report should be dated as of the date to which the auditor has become aware of and considered the effects of events and transactions. This is generally the final date of fieldwork, as opposed to the date of signing the audit report.

Attachment-10
Non-disclosure agreement

To
MSWWDA
Upper Nongrim Hill, Shillong-793003

Attention: Dr. Joram Beda, IAS
Chief Executive Officer
MSWWDA

Dear Sir:

I, the undersigned, _____, an employee of _____ ("the Service Provider"), have been assigned to carry out work in connection with [Contract No. and Service Details] (the "Contract"). In connection with the carrying out of such work, I acknowledge that I may be given access to, receive or generate, directly or indirectly, data and information which may be considered "Confidential Information", as defined below.

I represent, warrant, covenant and agree as follows:

- 1) Neither to use, copy or reproduce nor permit the use, copying or reproduction in any form of any Confidential Information other than solely in connection with carrying out responsibilities under the Contract, except with prior written approval of the [authorized representative/s of MSWWDA];
- 2) Neither to provide or disclose nor permit the provision or disclosure, orally, electronically or otherwise, either directly or indirectly, of any Confidential Information, or any copy, summary or extract thereof, to any third party or any MSWWDA staff who does not require such Confidential Information for the carrying out of his/her duties to MSWWDA except with prior written approval of the [authorized representative/s of MSWWDA];
- 3) Upon termination for any reason of my involvement in the Contract, I shall promptly (and in any case within seven (7) calendar days after written request from MSWWDA) return to MSWWDA all Confidential Information, including any copies or reproductions in any form thereof in my possession at the time of such termination. The obligations under this Non-Disclosure Agreement shall continue for a period of two (2) years from the date of such termination.

The term "Confidential Information" shall include but is not limited to data files, technical information, business plans, materials, tapes, documents whether soft or hardcopies, computer files (including audio files) disclosed, provided, communicated or submitted, orally, in writing, or by any other media, or any other proprietary information not known generally to the public relating in any way to the business of MSWWDA or any other information regarding the management and method of operation of MSWWDA.

MSWWDA may elect at any time to terminate or restrict my access to the Confidential Information.

Name of Service Provider's Employee:

(Please sign over printed name)

Date Signed

Signed in the Presence of:

Name of Authorized Service Provider Signatory: _____

(Please sign over printed name)