

NIRC/238/EOI

Dated 28.6.2022

**NOTICE INVITING EXPRESSION OF INTEREST FOR EMPANELMENT OF FIRM OF
CHARTERED ACCOUNTANTS FOR STATUTORY AUDIT OF NORTHERN INDIA
REGIONAL COUNCIL OF THE INSTITUTE OF COST ACCOUNTANTS OF INDIA FOR
THE FINANCIAL YEAR 2022-23**

Last Date of Submission 18th July,2022 At 3.30.p.m

EXPRESSION OF INTEREST OF APPOINTMENT OF STATUTORY AUDITOR OF NORTHERN INDIA REGIONAL COUNCIL OF THE INSTITUTE FOR THE FY 2022-23

OBJECTIVES

The objectives of the statutory audit for the financial year 2022-23 is to seek a professional opinion on the financial statement of Northern India Regional Council of The Institute of Cost Accountants of India” for the financial year 2022-23 and to ensure that funds received and expenditure incurred are in accordance with the laid down financial regulations, prescribed procurement procedures, and other orders issued from time to time as well as to ensure proper maintenance of books of accounts and other relevant documents at all levels.

BACKGROUND

The Annual Accounts of Northern India Regional Council are prepared and maintained through TALLY.ERP9 accounting software.

SCOPE

The Statutory Audit will be carried out in accordance with the Generally Accepted Auditing Principles and will include tests and controls, as the auditors feel necessary under the circumstances. The major areas to be covered are as under: -

1. **Statutory Audit to cover the areas ensuring that,**
 - a. Transactions are recorded as per principles of Generally Accepted Accounting Principles and are booked to proper accounting heads.
 - b. Utilization of funds is in accordance with financing agreements.
 - c. To check all statutory records registers including Minute Books and to see that accounting effects of all the decisions taken at General Meeting/Board of Governors Meeting/Audit

Committee Meeting are given in the Books of Account.

- d. Goods and services have been procured in compliance with the financing agreement.
- e. Transactions are duly supported by proper supporting documents.
- f. Checking the maintenance of books of accounts and records.
- g. Checking the bank reconciliation statements.
- h. Checking of component wise, category-wise and account head wise expenditures.
- i. Checking of investments, short term deposit etc. made from time to time.
- j. Checking of various taxes/statutory compliance.
- k. Verification of fixed deposit register and checking of interest received.
- l. File Annual Income Tax Return of the Institute through Form 10(b) & ITR 7.
- m. To give executive summary incorporating all points/matters; which are of very important nature.

2. Financial Books

- a. Verification of Bank Book Journal, Vouching of Imprest Cash.
- b. Scrutiny of all General Ledger, Staff Advance Registers, Commenting on loan outstanding entries, etc.
- c. Verification of cash, cheques on hand etc. as on 31st of March every year.
- d. Verification of all computer voucher sand sheets ensure correct coding and accounting head.
- e. Scrutiny of general ledger and Verification of Income and Expenditure Statement, and Balancesheet and other Schedules.
- f. Verification of Salary/Consultancy payments, P.F,I.T.,TDS,GST, Professional Tax etc. and verification of submission of various return to the competent authority in time.
- g. Verification of fixed asset register (FAR) and to check the reconciliation of physical verification report with the FAR.
- h. The audit should also conduct cash verification, stock verification etc. Preferably at the last date of financial year.
- i. Verification of detailed schedule of interests received on Fixed Deposit investments and calculations of accrued interest.
- j. Verification of all financial information completely, promptly and after the necessary authorisation was recorded.
- k. Any other work needed for Accounts finalization and guidance for effective discharge of

statutory compliances

- l. Scrutiny of the Audited Income & Expenditure Accounts and Balance Sheet, Management Disclosure Certificate(s) and Auditor's report of the Chapters and to recommend on any deviation with respect to Accounting Policy, general accounting principle, adherence to Act & Regulation of Institute.
- m. To check the closing balance figures of Current A/c with Chapters, various grants received from H.Q.

3. Consolidated Annual Accounts

- a. To check and verify all the adjustment entries for setting off all inter unit transactions.
- b. To check and verify the closing entries.
- c. Check all postings of figures in Income and Expenditure A/c and Balance Sheet from the consolidated Trial Balance.

4. Comprehensive audit

The areas covered by comprehensive audit may cover comparison of the results shown in the current period financial statements with prior periods and if available, with budgets and forecasts, investment decisions, delegation of financial powers and management of information systems, organisational effectiveness, management of fixed assets etc.

5. Accounting policy & standard

- a. To review and help the management in implementing proper accounting procedures, internal check control and computerized systems.
- b. Review of Accounts.
- c. Check all recorded entries comply with accounting standard.

6. System Improvement

The selected Auditor(s) will report any lacunae noticed in the existing procedures and suggest improvement. Any duplication of work noticed or work or unnecessary data noticed will be highlighted and reported.

7. The Chartered Accountant firm so appointed would be required to give:-

- Audit Certificates and issue any other certificate as may be required by the NIRC of The Institute from time to time without any additional fee to be paid by the NIRC of The Institute.
- Statements in annual report that describes the work of NIRC of The Institute of Cost Accountants of India. The responsibilities of the audit also include reporting on the adequacy of statements.

8. Liaison

The selected Auditor(s) will liaise with the Management for the periodical meetings to review the progress of the work and to ensure requirement be fully met.

9. To suggest the measures for cost control and measures to increase the revenue of the NIRC of the Institute.
10. The Chartered Accountant firm so appointed would be required to look into the compliance of previous audit objections raised (if any) and have to verify or comment on the supporting documents/vouchers submitted at latter stage, to settle the audit qualifications in the Statutory Audit report of this assignment.

GENERAL

Auditor would be given access to all Books of Accounts, Procurement documents, Legal documents, Approval/Sanction letters/notes, and all other documents and information which they think necessary for the purpose of audit. The auditors may make specific observations with respect to the efficiency of financial procedure, the accounting system and in general, the administration and management of the organization.

11. TIME PERIOD FOR ENGAGEMENT

The selected Chartered Accountant firm will be required to provide the above mentioned services as Statutory Auditors initially for the accounting year i.e, 2022-23 and will be renewed further for depending upon the satisfactory performance, on mutually agreed terms.

12. PRE-QUALIFICATION CRITERIA OF THE CA FIRM

The bids of only those firms will be considered, which satisfy the following eligibility criteria:

- a. The Chartered Accountant Firm should be registered with The Institute of Chartered Accountants of India (ICAI) and have Income Tax Permanent Account Number (PAN) and GST Registration
- b. The firm should have been in operation for minimum 10 year after its registration and at least 5 years' experience in Audit of Annual Accounts of Central Autonomous Bodies / Public Sector Undertakings/Statutory Bodies.
- c. The average gross profession fee received / earned by the firm in the last 3 financial years (2018-19, 2019-20 and 2020-21) must be equal to or more than Rs.50.0 lakhs per annum.
- d. The Chartered Accountant firm should have at least 5 partners.
- e. In order to avail expertise of the Statutory Auditors it should be ensured that the firm was not been appointed during last three years in the Institute Headquarters, Regional Council and Chapters, if appointed, they shall not be considered for re-appointment.
- f. The firm should have their HQ/branch offices in Delhi and NCR.
- g. The firm should be CAG empanelled
- h. Audit shall be conducted by appointed firm only and shall not be allowed to sublet the audit assignment

13. PAYMENT TERMS

- a. The professional fee will be Rs.1,25,000/- (Rupees One lakh Twenty Five Thousand only) plus applicable Taxes plus out of pocket expenses to a maximum limit of 20 % of the fees or actual whichever is lower, if any for the entire contract period. Payment shall be made against invoices on completion of the audit and submission of audit report. No proposal for variation would be allowed during the contract period.
- b. Taxes as per Income Tax Act / Rules will be deducted at applicable rates from all payments made by the Institute.

14. SUBMISSION AND EVALUATION OF THE TENDER

Submission of tender

Interested firms meeting all the pre-qualification criteria as mentioned in Point-3 above may submit their offer in the prescribed Annexure / sub-Annexure of this tender.

(i) *Annexure-A* duly filled Pre-qualification-cum-Technical Bid along with all supporting documents duly signed with Seal of the authorized Partner and should be submitted in one sealed envelope super scribed as – ‘**PRE-QUALIFICATION AND TECHNICAL BID for Tender No. NIRC/238/EOI dated 28.6.2022.**

(ii) The tender should reach the following address latest by **18th July 2022 from 3.30 p.m**

NIRC of ICAI, CMA Bhawan,3, Institutional Area, Lodhi Road,New Delhi-110003

(iii) The NIRC of The Institute reserves the right to accept or reject any, or all the offers received or cancel the bidding process at any time prior to award of contract, without assigning any reason.

(iv) The firm should not be blacklisted or banned by any of the government department of PSU (Self attested affidavit on stamp paper of Rs.100 to be given in this regard by the partner of the firm).

Marking System: The criteria for selection of the Statutory Auditor would purely on marking system. The highest value of points would be awarded the job and in case of tie the firm, the date of the constitution of the firm would be reckoned for selection as Statutory Auditors for the year 2022-23.

The following criteria for marking system are stated as follows:

Sl no	Particulars	Points Fixed	Maximum Point
1	Age of the Firm		15
	1 point for every calendar year (Counted from the date of constitution of the firm with one full time FCA or date of joining of the firm by the existing partner having the longest association with the firm whichever is later)		
2	Number of Partners		20
	(a) 5 partners	10	
	(b) Above 5 Partners 2.5 mark each from 6 th partner for each additional partner	10	

	maximum to points		
3	Number of Qualified Assistants(CA's) employed with the Firm		10
	2	4	
	Above 2 Qualified Assistants, 2mark each from 3 rd QA for each such QA, subject to maximum	6	
4.	The Firm must have carried out at least 2 Statutory Audits in Public Sector/Autonomous Bodies funded by GOI/Statutory Bodies during the preceding 5 financial year. While calculating such experience, more than one assignment given to a firm during a particular year or more than one year's statutory audit (audit in arrears) assigned to the firm will be reckoned, as one year experience only, for the purpose of counting such experience.		15
	No. of Statutory Audits conducted in Public Sector/Autonomous Bodies/Statutory Bodies		
	2	5	
	3 to 6	8	
	7 to 10	10	
	Above 10	15	
5.	Experience in statutory auditing in Corporates/MNCs		10
	No. of Years	Marks	
	3 to 4	5	
	5 to 6	8	
	7 and above	10	

6.	Average Turnover of the firm during the preceding 3 financial years (i.e.2018-19, 2019-20 and 2020-21 respectively)		15
	Average Turnover (in lakhs)	Marks	
	50 – 100 lakh	5	
	101-200 lakh	7	
	201-300 lakh	9	
	301-400 lakh	11	
	401-500 lakh	13	
	Above Rs.500 lakh	15	
7.	Conducted Internal Audit or Similar engagements in CA/ICSI/Universities of Repute/Autonomous Bodies in any of the last 5 years.		5
8.	Full time partners of the firm or its paid full time Chartered Accountants possessing CISA/ISA qualification		10
	No of Partner/Full time CA Employees	Marks	
	1	5	
	2 or more	10	
	Total Points		100

The definition of exclusive association⁺ will be based on the following criteria:

- a. The full time partner should not be a partner in other firm/s.
- b. He should not be employed full time/part time elsewhere.
- c. He should not be practising in his own name or engaged in practice otherwise or engaged in other activity which would be deemed to be in practice under Section 2 (2) of the Chartered Accountants Act, 1949.
- d. The qualified assistants working under the firm should mention the name and membership number along with the Institute.

ANNEXURE-A

Sl. No.	Particulars	Details	Firm Strength and Capacity
1.	Chartered Accountant Firm	Name & Address of the Firm	
		Name and address of the Authorized Partner (s)	
		Telephone No(s) with STD Code	
		Mobile No (s):	
		e-mail ID:	
		<i>(Submit copy of supporting document regarding address)</i>	
2. a)	Prequalification Criterion The CA Firm should be Registered with the Institute of Chartered Accountants of India (ICAI) for minimum 5 years and must possess permanent account number (PAN) under Income Tax and registration number under GST.	Mention Registration Number and Date of Registration (Submit copies of the registration certificates and constitution certificate generated online from The Institute of Chartered Accountants of India) PAN NO of the CA Firm <i>(Submit copy)</i> GST Registration No. <i>(Submit Copy)</i>	
b)	Average Gross Professional Fees received / earned by the CA Firm for the last 3 (three) years i.e. (2018-19, 2019-20 and 2020-21) ending on 31st March, 2021. Must be equal to or greater than Rs.50 lakhs	Average Gross Professional Fees received/ earned. Details to be provided as per SUB-ANNEXURE A-1. (Submit proof of professional fee received)	

c)	The Firm should have at least 5 years' experience in Audit of Annual Accounts of Central Autonomous Bodies / Public Sector Undertakings/Statutory Bodies under an Act of Parliament and Filing of Returns of Income Tax	No. of Central Autonomous Bodies/ Public Sector Undertakings/Statutory Bodies where similar services were provided in the last 5 years. Details to be provided as per SUB-ANNEXURE A-2 (Attach copy of works Orders as evidence)
d)	Experience documents in respect of having conducted statutory auditing in Corporates/MNCs	SUB-ANNEXURE A-3
e)	Experience documents in respect of having conducted Internal Audit or Similar engagements in CA/ICSI/Universities of Repute/Autonomous Bodies in any of the last 5 years.	SUB-ANNEXURE A-4
f)	CA Firm should have minimum 5 (Five) partners	Partners:- FCA : ACA : Submit the details of the Chief Functionaries of the CA firm as provided in SUB-ANNEXURE- A-5
g)	Detail of Qualified Assistants (CAs) full time employed with the firm	FCA : ACA : Submit the details of the Chief Functionaries of the CA firm as provided in SUB-ANNEXURE- A-6
h)	Documents in respect of CISA/ISA qualification	SUB-ANNEXURE A-7

Certified that the above particulars are correct. In the event of any information found to be incorrect, be it at any time, The Institute of Cost Accountants of India is at liberty to reject the proposal/work awarded to this CA Firm.

Date:
OFFICE SEAL:

Signature:
Name:
Designation

SUB-ANNEXURE: A1

**Details of CA Firm's professional Income
(Gross Professional Fees received/earned)**

Rupees in lakhs

Particulars	Financial Year 2018-19	Financial Year 2019-20	Financial Year 2020-21	Average Annual
Gross Professional Fees received/ Earned				

(Attach audited Profit & Loss Account of the firm along with copy of Income Tax Return)

Date:

Signature:

OFFICE SEAL:

Name:

Designation

Details of CA Firm's Experience of Similar Services during the last 5 (five) years

Sl. No.	Name of the Assignment	Name of the Assignment (Start date/ End date) and period of work	Name of the Client	Nature of the Assignments (Please specify the work involved as detailed in scope of work)	Details of the Supporting Documents provided
1.					
2.					
3.					
4.					
5.					

Furnish the copy of the documentary evidence/Work Order received from any such Company along with audited Profit and Loss Account of that Company in support of the information provided above.

Please attach additional sheets, if required.

Date:

Signature:

Office Seal :

Name:

Designation

Experience documents in respect of having conducted statutory auditing in Corporates/MNCs

Sl. No.	Year	Name of corporate/MNCs	Nature of documentary evidence submitted.

Date:

Signature:

Office Seal:

Name:

Designation

Experience documents in respect of having conducted Internal Audit or Similar engagements in CA/ICSI/Universities of Repute/Autonomous Bodies in any of the last 5 years.

Sl. No.	Year	Name of Autonomous body/University/Institute	Nature of documentary evidence submitted.

Date:

Signature:

Office Seal:

Name:

Designation

Details of the partners of the CA firm

Sl. No.	Name of the partner	Membership Number of ICAI	Years of association with the Firm	Nature of assignments handled.

Date:

Signature:

Office Seal:

Name:

Designation

Detail of Qualified Assistants (CAs) full time employed with the firm

Sl. No.	Name of the qualified Assistant	Membership Number of ICAI	Years of association with the Firm	Nature of assignments handled.

Date:

Signature:

Office Seal:

Name:

Designation

Documents in respect of CISA/ISA

Sl. No.	Name of the partner/Qualified Assistants(CAs) having requisite qualification	Name of qualification	Nature of documentary evidence submitted.

Date:

Signature:

Office Seal:

Name:

Designation

**(On Firms Letter Head)
Undertaking**

I / We the following partners of M/s. _____, Chartered Accountants do here by jointly and severally verify and declare–

- i. That the particulars given are complete and correct and that if any of the statements made, or the information of furnished in the application form is later found not correct or false or there has been suppression of material in formation, the firm would not only stand disqualified from all aspects but would be liable for disciplinary action under the Chartered Accountants Act, 1949/ the Cost and Works Accountants Act 1959/ Company Secretaries Act 1980 and the regulations framed thereunder;
- ii. That the firm, or partners has not been debarred or cautioned by ICAI during the last five years, (if debarred, give details);
- iii. that none of the partners of the firm have been convicted for any offence by any Court of Law in the last five years;
- iv. that individually we are not engaged in practice otherwise or in any of the activity which would be deemed to be in practice under section 2(2) of the Chartered Accountant Act, 1949;
- v. that neither the firm nor any of its partners has any pecuniary or other interest in the Institute of Cost Accountants of India such as faculty, examiner, observer etc;
- vi. that none of the partners of the firm or their relative is / was a member of Central Council/ Regional Council, Chapter Managing Committee of the Institute of Cost Accountants of India during the current year and immediate past four years i.e. from 1st April, 2018 to till date;
- vii. that the audit firm is not having any association with foreign audit firms;
- viii. that the constitution of the firm as on 1st April of the relevant year shown is same as that in the constitution certificate issued by the ICAI.

Sl.No.	Name of the Partner	Status (ACA/FCA)	Membership Registration No.	PAN	Signature of partner

Date:
Office Seal:

Signature:
Name:
Designation: