

**EXPRESSION OF INTEREST FOR EMPANELMENT OF COST
ACCOUNTANT FIRMS FOR CONDUCTING INTERNAL AUDIT AT
DELHI OFFICE OF THE INSTITUTE FOR 2016-17**

THE INSTITUTE OF COST ACCOUNTANTS OF INDIA
(STATUTORY BODY UNDER AN ACT OF PARLIAMENT)

Minimum Eligibility Criteria

1. The firm should be a partnership firm with minimum three partners and must be registered with the Institute of Cost Accountants of India (ICAI).
2. The firms should be in existence for at least three years and must possess previous experience in conducting Internal Audit.
3. The average yearly turnover of the auditing firm during the last three financial years as per audited accounts must not be less than Rs.18,00,000 (Eighteen Lakh only).
4. The Firm must have PAN and Service Tax Registration number.
5. A firm will not be eligible for empanelment if any of its partners or relatives (as defined in Company's Act, 2013) is/was associated as an office bearer in any Managing Committee of Chapter/Regional Council/ Council of the Institute. A declaration confirming such non association should be given by the managing partner along with the application for empanelment.

Selection Criterion

The norms for selection of firms for Internal Audit will be as follows

Sl no	Particulars	Points Fixed	Maximum Point
1	Place /Location of the firm		10
	(i) Office at both Kolkata and Delhi	7	
	(ii) Office at Chennai, Mumbai and Hyderabad (Each place one additional mark to a maximum of 3 marks)	3	
2	Number of Full Time Partners/ qualified senior professionals in employment an their experience		15
	(a) 5-10	10	
	(b) Above 10	15	
3	Number of Qualified Assistants (Cost accountants only) employed with the Firm		10
	5-10	5	

	11-20	8	
	Above 20	10	
4.	Relevant Experience of the bidding firms		10
	10 to 15 years	5	
	16 to 20 years	8	
	Above 20 years	10	
5.	The Firm must have experience of conducting at least 2 Internal Audits in Public Sector/Autonomous Bodies/Statutory Bodies during the preceding financial year i.e 2015-16		15
	No. of Internal Audits conducted in Public Sector/Autonomous Bodies funded by GOI/Statutory Bodies	Marks	
	2	5	
	3 to 6	8	
	7 to 10	10	
	Above 10	15	
6.	Experience in auditing in Internal and other Audits		15
	No. of Years	Marks	
	3 to 5	8	
	6 to 10	10	
	Above 10	15	
7.	Average Turnover of the firm during the preceding 3 financial years (i.e.2013-14,2014-15 and 2015-16 respectively)		10
	Rs.10- 15 lakh	3	

	Rs.15-20 lakh	5	
	Rs.20-25 lakh	8	
	Above Rs.25 lakh	10	
8.	Empanelled with Government Agencies/Departments/Ministries (if yes - 5 marks)		5
9.	Conducted Internal Audit or Similar engagements in ICAI/ICSI/Universities of Repute/IIMs in last three financial year		5
10.	Number of Partners/qualified professionals in the full time employment with Diploma un Information Systems Audit and Control		5
	2 partners/qualified professionals	2	
	3-5	3	
	Above 5	5	
	Total Points		100

Other Terms & Conditions:

The appointment of the firm is subject to the following:

- i) The firm should not subcontract the work.
- ii) The team will work in strict confidence and will ensure that the information in respect of the operation of the area unit is dealt in strict confidence and secrecy. A certificate towards maintaining confidentiality to be provided by the Auditor before commencement of audit.
- iii) The firm will be debarred from getting Internal Audit in future in ICAI in the following cases:
 - a. If the firm obtains the appointment on the basis of false information / false statement.
 - b. If the firm does not take up the job in terms of appointment letter.
 - c. If the firm does not submit the report, complete in all respects in terms of appointment letter.

- d. If the firm violates any of the stipulation from (i) to (iii).
- e. If the performance of job is found to be unsatisfactory.
- v) All applications received after the due date and closing time of submission of applications shall be ignored.
- vi) Disclaimer: ICAI reserves the right to accept or reject any or all responses and to request additional submission or clarifications from one or more Appointment(s) at any stage or to cancel the process entirely without assigning any reason.
- vii) A confirmation that your firm of cost accountants as defined in clause (b) of sub-section (1) of section 2 of CWA Act of 1959 (23 of 1959) along with a copy of certificate of practice.
- viii) Certificate that the cost accountant firm is free from any disqualification as specified in the Companies Act, 2013.
- ix) A certificate certifying the independence of cost accountant firm being at arm's length relationship with the Institute.
- x) In order to avail expertise of the Internal 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.
- xi) The senior partner has to be present at the Office of the Institute for finalizing the audit and has to hold periodic meetings with Director (Finance). He will also attend Finance Committee Meeting of the Institute, if required. No out of pocket expenses will be paid for such.

Other partners and other qualified Cost Accountants will spend all their stipulated man days at site.

- xii) 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).

The CWA Regulations,1959 will be binding on any disputed matter pertaining to such purview of the Internal Audit.

Audit Team

In case of internal audit, the team should be led by a senior partner (FCMA) of the firm and should comprise of minimum of one qualified assistant and two/three semi qualified assistants.

Time period for completion of Audit

The Internal Audit shall be conducted half yearly basis and will commence from April 1, 2016. However all reports & Executive summary report subsequently need to be submitted positively within one month from the completion of close of the financial year.

Fees Structure

The detailed fee structure is enclosed at **Annexure -2**.

Application Procedure

Eligible and interested firms are requested to submit their applications in sealed envelope super scribing "**APPLICATION FOR EMPANELMENT AS INTERNAL AUDITOR FOR DELHI OFFICE OF THE INSTITUTE OF COST ACCOUNTANTS OF INDIA**" to the Director-Finance in the following address through Speed Post/Courier so as to reach by 4 p.m March 16th, 2017 as per given format (Annexure-1) accompanied by all necessary documents duly signed by the authorized partner of the firm.

Director-Finance

The Institute of Cost Accountants of India

CMA Bhawan, 12 Sudder Street

Kolkata-700016.

Format of the Application

1. Name of the Audit Firm:

2. Address:

- i) Permanent Address :
- ii) Correspondence Address :
- iii) Telephone Number :
- iv) Fax Number :
- v) Email ID :
- vi) PAN Number :
- vii) Service Tax Regd. No :

Sl. No.	Particulars	
1	Year of establishment	Attach documentary evidence
2	Annual Turnover of the firm in the preceding 3 Financial Years as per audited accounts	Attach Audited Profit and Loss Account of the firm along with copy of the income tax return
3	Number of partners in the firm along with their membership number	Attach registration certificate and documentary evidence
4	Number of qualified assistants (Cost Accountants) in the Firm along with membership number.	Attach the name and membership number of the qualified assistants.
5	Number of semi qualified assistant (Inter Cost Accountant) in the firm	Attach supporting documents
6	Types of Audit conducted in State/ Central PSUs. (Details to be attached)	Attach supporting documents
7	Types of Audit conducted in other organizations including educational organizations if any (Details to be attached)	Attach supporting documents
8	Address of the Branch offices, if any along with contact number	Attach supporting documents
9	Date of Partnership deed with Registration Number.	Attach supporting documents

Note:

1. Documentary evidence of all the information as stated above is to be furnished along with the offer.
2. All the pages of the terms & conditions and documents submitted are to be signed with the seal of the firm.

(Sign. & Seal of the Partner of the Firm)

Annexure-2

FEES STRUCTURE

Fees payable to the Internal Auditors are as follows:

- (i) In case of Delhi Office Rs.100,000/-per year plus out of pocket expenses, if any.
- (ii) Service Tax shall be paid extra as applicable on furnishing the registration number along with the bill.
- (iii) The payments shall be released by Head quarter Finance Directorate after receipt of clearance from the Internal Control Directorate and will be generally paid within 21 days of the receipt of the bill.

CERTIFICATE -1

I / We _____ (the name of the firm) having office at _____ (address of the firm) hereby accept all the terms and conditions of the appointment of internal Auditor as published/uploaded in the web site vide no _____ (details of tender no & date).

Signature of the Member :

Name of the Member :

Name of the Firm :

Position in the Firm :

Date :

CERTIFICATE -2

This is to certify that any partner or partners of the firm_____ (Name of the firm with complete address) do not have any relation (as defined in the companies Act), directly or indirectly, with any office bearer/member of the managing committee of the Council/ Regional Council / Chapters of the Institute for the last 8 years.

Signature of the Member :

Name of the Member :

Name of the Firm :

Position in the Firm :

Date :