

**NATIONAL INSTITUTE OF TECHNOLOGY, KURUKSHETRA  
KURUKSHETRA-136119 (Haryana)**

No. Acs/2018/CA/

Dated:

**NOTICE**

**Engagement of Internal & Statutory Auditors for TEQIP-III**

**Invitation for engagement**

The National Institute of Technology, Kurukshetra is a Central Autonomous body under Ministry of Human Resource & Development (MHRD), Government of India and has been recognized as an Institute of National Importance by an Act of Parliament (NIT Act, 2007). The Institute has been provisionally selected under Sub-component 1.3 of the Technical Education Quality Improvement Program (TEQIP)-III, a World Bank Scheme. The Institute has to act as Mentor Institution of the Focus State under Sub-component 1.1. as well as work for its own development.

The said project has been substantially financed by MHRD through National Project Implementation Unit (NPIU), Noida under various heads of accounts. NIT Kurukshetra is maintaining its account on cash basis following the applicable provisions of Financial Management Manual approved by World Bank.

The National Institute of Technology (NIT), Kurukshetra invites application in the prescribed format for engagement of Internal & Statutory Auditors for TEQIP-III for internal audit of the accounts being maintained by the Institute and also for fulfillment of statutory requirements under the instructions of various statutory Acts applicable to the Institute.

The Internal as well as Statutory Auditors have to audit/examine the cash books, registers being maintained and the entries being uploaded on the PFMS (Public Financial Management System) being supervise by the NIPU/MHRD. The applicant is expected to examine all instructions, forms, terms and conditions formulated under Financial Management Manual (FMM).

**Time Period**

The Internal & Statutory auditors are to be engaged for a period of 1(one) year. However, the period may be extended further on yearly basis solely at the discretion of the Institute on satisfactory review by the competent authority. Notwithstanding anything contained herein above, the Institute reserves the right to discontinue the services of firm in the event their services are evaluated as unsatisfactory at any time during the period.

### **Eligibility criteria and information required**

In order to be eligible for engagement, the CA firm should have minimum 03 years standing with atleast one Fellow Chartered Accountant (FCA) in the firm as partner or employee (employee should not discontinued for any period during the year of internal audit).

As per Annexure XXX of the FMM, assignments of Internal & Statutory Auditors may be extended to those firms who will fulfill the following criterions:-

1. **Criterion 1:** The applicant is **empanelled with the C&AG (link to the CAG list “Firms Qualifying for Major Audit is: <http://cagofindia.delhi.nic.in/caempanel/empstat.asp>)** in the panel of audit firms eligible for major audits – refer to Annexure VIIA and VIIB for the list of major auditors for financial year 2012-13 as empanelled by C&AG office.
2. **Criterion 2:** The applicant firm is Independent of the entity to be audited.
  - The audit firm is not the incumbent Internal Auditor of the project.
  - No partner of the audit firm or any qualified employee of the firm is related to any member of the Governing Body/Executive Committee/Board of Directors or the Project Director/managing Director/ any Director or any of the senior management (as applicable) of the project. Relative would mean husband, wife, brother, or sister or any lineal ascendant or descendant.
  - Neither the firm nor its partners or associates have any interest in the business of the project.
  - From the time of appointment and for one year after ( to be counted from the date of issue of final audit report) the firm ceases to be auditor, no other assignment of any kind to the project (including consultancy) will be accepted, either by the firm or by its partners or relatives of partners of the firm or by its associates.
  - The audit will not be done by a person who was either an employee in the project or a partner/employee of the retiring auditor, unless such person is employed with the firm for at least one year.
3. **Criterion 3:** The audit firm is not one against which disciplinary orders have been issued by the Public Companies Accounting Oversight Board and these orders are in force. Also, my partner/senior manager of the audit firm is not associated with the audit in any manner if he/she –
  - has been found guilty of professional/other misconduct by the Institute of Chartered Accountants of India under the First or Second Schedule of the Chartered Accountants Act, 1949; or

- is one against whom disciplinary sanction orders have been passed by the Public Companies Accounting Oversight Board.

### **Selection of CA firm**

The application shall be received in two way system:

### **Technical Bid**

The CA firm submits its proposal in the format prescribed at Annexure-A along with the supported documents required/mentioned in the proposal.

### **Financial Bid**

Financial bid of only those firms shall be opened who qualifies in the Technical Bid. The CA Firm shall submit composite quote for fee (in the prescribed format) after going through the above criterions.

The CA firm will be evaluated based on the following parameters in addition to the Financial Bid:-

- a) The information required for the purpose
- b) Having office/branch in Kurukshetra
- c) Having experience of carrying out assignments of similar type of work/organization;
- d) Where the partners themselves have relevant experience with adequate experienced/qualified staff in the relevant field.

### **Conduct and Performance monitoring**

1. The Institute shall designate one of its Officer(s) as a Nodal Officer as a single point contact for coordinating the audit assignment.
2. The CA firm should disclose the names of its partner(s) for record of the Institute. Only practicing partners of the CA firm should be allowed to visit the Institute for the said purpose.
3. The firm will frame program and same will be communicated to the Institute within 15 days in advance of the commencement of assignment. The firm will depute atleast one qualified CA with adequate nos. of supporting staff, having detailed knowledge of commercial accounting and relevant rules and regulations of the business being carried out by the Institute, depending upon the volume of work involved in each activity and will report every month to the designated Officer. The name and designation of the deputed personnel (s) should be given in writing to the Institute. The CA/his team shall pay visit to Institute atleast 05 to 10 days in a month for the completion of work and also as and when required by the Institute for any advice needed.

4. The Institute reserves the right to review the appointment/engagement at any point of time and if necessary can cancel/terminate the appointment by giving seven (07) days written notice.
5. If the firm fails to start the services as prescribed within the fifteen (15) days from the end of the relevant quarter, left the work incomplete, the engagement shall be terminated by giving seven (07) days notice. In case of termination of engagement, the remuneration shall not be payable by the Institute at all.
6. In case the firm fails to report any serious omissions/commissions/non compliance etc; the Institute reserves the right to report the matter to ICAI/CAG and initiate appropriate action. Such firm will be black listed and they will not be eligible for future assignment with the Institute.
7. The firm is expected to attend the meeting of the Audit Committee/finance Committee/Board of Institute when their respective items are put up for consideration.
8. The CA firm is expected to strictly abide by the directions of the competent authority of the Institute as advised to the firm from time to time.
9. On completion, the CA firm will submit the observations/objections statement containing the findings. The CA firm will also provide the detailed suggestions for the corrective measures to be taken by the Institute. However, the certificate regarding the accuracy of accounts being maintained at Institute should be submitted on quarterly basis by the firm.
10. The Institute shall provide office space, computer/printer to the firm to perform the services at the premises of Institute. The Institute will also provide the primary data to the firm for carrying out the jobs listed in the enclosed scope of work.

### **Payment Terms**

The payment shall be made against the services by firm, subject to the following terms and conditions:

1. The payment during the entire contract period shall be made in accordance with the accepted amount by both the parties.
2. No request for extra payment on account of increase in fee on whatever name called will be entertained.
3. Any increase in statutory taxes during the contract will be borne by the Institute.
4. TDS under income tax will be deducted at applicable rates.
5. The payment shall be made on quarterly basis on submission of bill and satisfactory performance of assigned work.

6. The Institute reserves the right to deduct amount from the bill raised by the firm as may be considered reasonable for unsatisfactory services or delay in providing the services. The decision of the Institute shall be final in this regard.
7. An amount of Rs.3000/- per day shall be paid as professional fee for visiting any statutory authorities as and when assigned by the Institute. In addition, TA for the above visit shall be paid @ Rs.10/- per km from the office address of firm.

### **Confidentiality**

The firm shall work in the interest of the Institute and shall not disclose any information to any person with regard to the work done. In the event of violation, the service agreement shall be cancelled without any notice and the firm shall be responsible for all the legal/regulatory consequences thereon.

### **Acceptance of assignment**

The firm needs to sign/ execute a service agreement on a non-judicial stamp paper worth Rs.100/- within a week time in token of its acceptance along with the terms and conditions of assignment.

### **Jurisdiction of courts**

The Courts of India at Kurukshetra have exclusive jurisdiction to determine any proceeding in relation to the engagement. These provisions shall survive the engagement.

### **Other Terms and Conditions**

1. The Institute reserves the right to reject any or all the applications received in response to this notice at any stage without assigning any reason whatsoever. The decision of the Director shall be final, conclusive and binding on all parties in all related matters.
2. The Institute reserves the sole right to shortlist and award the assignments based on eligibility criteria and subject to approval of the appointment/engagement by competent authority.
3. Merely submission of application and the required information shall not automatically entitle/constitute guarantee for allotment of any of two assignments of the Institute.
4. On selection, the suitable information will be given to ICAI/CAG.
5. The assignment should be carried out in professional manner and in case of any misconduct and negligence; the Institute is free to report the matter to ICAI/CAG. This will be in addition to the disengagement from the assignment.

6. All the necessary reports that need to be given by the CA firm as a part of the respective assignment shall be given on its letterhead without any additional certification fee.
7. The firm shall not sub-contract the assignment to any outside firm or other persons even though such persons are CAs.
8. Any other terms and conditions of the assignment (in addition to these terms and conditions) would be decided by the Institute on case to case basis.

The interested CA firms are requested to go through the above terms and conditions and arrange to submit **their applications on the enclosed prescribed format (Annexure A to B)** for providing services **on or before 20<sup>th</sup> August, 2018 (Monday) positively.**

Co-ordinator, TEQIP-III

**(On the Letter Head of the firm)**

Reference No.

Dated:

**The Co-ordinator, TEQIP-III  
National Institute of Technology (NIT)  
Kurukshetra-136119 (Haryana)**

**Subject:- APPLICATION FOR ENGAGEMENT OF INTERNAL & STATUTORY  
AUDITORS FOR TEQIP-III**

Dear Sir,

This is with reference to your notice in respect of the engagement of Internal Statutory auditors for TEQIP-III for internal audit of the accounts being maintained by the Institute and also for fulfillment of statutory requirements under the instructions of various statutory acts applicable to the Institute.

Having examined the notice, eligibility criteria and other terms and conditions as stipulated therein, I/we, the undersigned, hereby state that we are in conformity with the specified requirements, I/we would like to offers to provide the services as defined, on the terms and conditions mentioned and for the sum/price indicated as per quotation submitted separately as desired by you.

I/We am/are enclosing herewith our firm's profile for your kind perusal. Further I/We hereby declare that our firm fulfills the criterions 1 to 3 mentioned in the said notice. It is also confirmed that I/We am/are not disqualified/ineligible for engagement of required services under any regulations.

I/We certify that all the information furnished herewith are true, correct, valid and subsisting in every respect and have been supported with relevant documents of proof as desired by the Institute.

Yours faithfully,

Encl: As above

for Chartered Accountant Partner  
(With Seal)

**Annexure-A**

NATIONAL INSTITUTE OF TECHNOLOGY  
KURUKSHETRA-136119

**TECHNICAL BID**

| <b>Sr. No.</b> | <b>Criterion</b>  | <b>Firm's Strength and Capacity</b>  |  |
|----------------|---|--|--|
| 1.             | The details of office of the Firm<br><br><b>(Submit copy of supporting document regarding address)</b>  | Address of Firm  |  |
|                |   | Name & Address of the authorized officials                                   |  |
|                |   | Telephone No.<br>Mobile:<br>e-mail:  |  |
| 2.             | The CA firm should be registered with C&AG and must possess permanent account number (PAN) under Income Tax<br><b>(Provide copies of all registration certificates)</b> | Registered with C&AG then mention Registration Number (Date of Registration) |  |
|                |   | PAN of the CA Firm   |  |
| 3.             | The CA firm should be in operation for at least 03 year after its registration<br><b>(Provide necessary evidence)</b>   | Year of Registration/<br>Starting of Operation                               |  |
|                |   | No. of years in operation after registration (in years)                      |  |
| 4.             | The details of CA/FCA   | <b>Nos. of Active Partners and their complete details</b>                    |  |



|  |   |  |
|--|---|--|
|  | <b>of the firm<br/>(Submit the proof of ownership pattern and registration certificates along with details of the Chief Functionaries of the CA Firm)</b> | <b>such as H.No., name, date of membership, address etc.</b><br><br>Nos. in figure _____<br><br>Complete details _____<br>_____<br>_____ |
|--|---|--|

It is further certified that the firm is independent of the entity to be audited. No partner of the audit firm or any qualified employee of the firm is related to any member of the Governing Body/Executive Committee/Board of Directors of the project.

It is also certified that the firm is not one against which disciplinary orders have been issued by the Public Companies Accounting Oversight Board.

It is certified that the above particulars are correct. However, in the event of any information found to be incorrect, the Institute is at liberty to reject the proposal of the CA Firm.

Date:

Signatures: \_\_\_\_\_

Seal:

Name & Designation: \_\_\_\_\_

\_\_\_\_\_

**Annexure- B**

**FINANCIAL BID**

| Sr. No. | Description of Fees | Fees                |                   | Payment Schedule  |
|---------|---------------------|---------------------|-------------------|---|
|         |                     | Rupees (in figures) | Rupees (in words) |   |
| 1.      | Composite fee**     |                     |                   | The service provider will raise bills as mentioned in payment terms |
|         | <b>Total</b>        |                     |                   |   |

**\*\* The quoted fee should be inclusive of Professional Fee and other Expenses i.e. travelling expenses/boarding expenses etc., if any.**

**N.B.: Statutory Changes in GST/ST rates, if any, shall be borne by the Institute. Deductions shall be made by the Institute as per statutory rates and norms wherever applicable**

We undertake that the rates quoted above by us will not change during the contract period and its extended period.

We also accept the payment schedule/ payment terms.

Date:

Signatures: \_\_\_\_\_

Seal:

Name & Designation: \_\_\_\_\_

\_\_\_\_\_