

**TENDER NOTICE FOR ENGAGEMENT OF INTERNAL AUDITOR  
FOR CENTRAL UNIVERSITY OF TAMIL NADU, THIRUVARUR**

**Tender No. 2019-20/19**

**Date of Issue: 13.01.2020**

**Date of closing: 29.01.2020**



**Central University of Tamil Nadu**

Neelakudi Campus

Kangalanchery-Post

Thiruvaramur-610 005

**TENDER FOR ENGAGEMENT OF INTERNAL AUDITOR**

Sealed tenders are invited under two bid system (i.e. Technical & Financial) by the Central University of Tamil Nadu (CUTN) for engagement of Internal Auditor initially for the Financial Year 2019-20 which may be renewed to further two years subject to satisfactory performance. The tender document with complete details of tender including experience required, scope of work and terms and conditions can be downloaded from the website [www.cutn.ac.in](http://www.cutn.ac.in).

**The last date for submission of Sealed tender is 29<sup>th</sup> January, 2020 up to 15.00 Hours. The technical Bids will be opened on 29<sup>th</sup> January, 2020 at 15.30 Hours.**

**Earnest Money Deposit (EMD):** The Earnest Money Deposit (EMD) of Rs. 10,000 (Rupees ten thousand only) must be submitted in the form of Demand Draft drawn in favour of “CENTRAL UNIVERSITY OF TAMIL NADU” payable at TIRUVARUR along with tender documents. EMD will be refunded to the unsuccessful bidders without any interest within one month of completion of the tendering process. EMD received from the successful bidder will be kept as Security Deposit till the completion of the assignment. Tenders received late or without EMD shall be summarily rejected.

**TWO BID SYSTEM** shall be followed for this tender. Bidder should take due care to submit tender in accordance with requirement in sealed covers. Bid Evaluation Criteria, shall be the basis for evaluation of tenders. Bids submitted with incomplete information or information not in conformity with the Bid Documents will summarily be rejected. All the terms and conditions stated in the Bid Document are final in nature and request for any subsequent alterations/modifications will not be entertained. While submitting the Bids, the Bidders must exercise utmost care to fill up the bid in all respect as per the specified terms and conditions. Submission of the bids amounts to acceptance of all terms and conditions mentioned therein.

**Background:**

Central University of Tamil Nadu (CUTN) is an institution of higher education established by an Act of Parliament in 2009. The University aims at the fashioning of an enlightened society founded on a relentless pursuit of excellence through innovation in teaching-learning process, interdisciplinary studies and research.

Central University of Tamil Nadu follows Accrual Basis of Accounting as per standard accounting practices applicable. The accounts of the University are prepared as per the prescribed Guidelines and Format for Financial Statement applicable to the Central Higher Educational Institution, issued by Ministry of Human Resource Development, Govt. of India which will be made available to the selected firm. The Accounts of the University are maintained in Tally ERP Package.

**Notice Inviting Tender (NIT)**

Proposals are invited from eligible Chartered/Cost Accountant Firms for engagement as Internal Auditors of Central University of Tamil Nadu vide a service contract with specific terms and conditions. The contract shall be initially for a period of one year i.e. F.Y. 2019-20, which may be renewed for another two years on yearly basis subject to satisfactory performance of the Firm and with the mutual consent of both the parties.

Interested Chartered/Cost Accountant Firms can download the NIT document containing detailed terms and conditions, scope and eligibility criteria from the official website: **[www.cutn.ac.in](http://www.cutn.ac.in)**.

The proposals (both technical and financial) by eligible Chartered/Cost Accountant Firms shall reach the Office of the undersigned within due date and time (i.e. 29<sup>th</sup> January, 2020 upto 15.00 Hours) in the prescribed format and manner. Proposals received after due date and time shall be rejected.

One Firm can submit only one NIT. If a Firm submits more than one NIT, all the NITs submitted by that Firm will be rejected.

**Important Information:**

Sl. No.	Particulars	Information
01	Start Date or availability of NIT document in the official website	13-January-2020
02	Earnest Money Deposit	Rs.10,000
03	Last date and time for receipt of NIT at CUTN	29 <sup>th</sup> January, 2020 upto 15:00 Hrs
04	Date and time for opening of Technical Bid	29 <sup>th</sup> January, 2020 at 15:30 Hrs
05	Address for submission of NIT	The Registrar, Central University of Tamil Nadu, Tiruvavur-610005
06	Contact Phone No. Email Address	04366-277359 arpurchase@cutn.ac.in
07	Website	www.cutn.ac.in

**Note:** In case the closing date for sale of NIT document or/and last date for receipt of bids happens to be a holiday for CUTN for any reason, the activity will be held on the immediate next working day at the same time & place.

**TERMS OF REFERENCE****A) Eligibility Criteria**

Any interested Chartered Accountants'/Cost Accountants' firm shall be eligible to apply for the assignment, subject to meeting the following eligibility criteria:

1. The Firm should have minimum of 5 years of experience in the profession.
2. Firm should have minimum of two partners for not less than 3 years continuously.
3. Must be registered under Income Tax / Goods & Service Tax Act. (Self-Attested IT PAN/GST Registration Certificates to be furnished.)
4. The Firm or any partner of the firm should not have been blacklisted by any Government departments, C&AG, PSUs or any other organization in respect of any assignment or behavior (Self Declaration should be submitted in the format enclosed- Annexure-V).

5. The annual average turnover of the interested firm should not be less than Rs.15Lakhs for last three financial years i.e.2016-17, 2017-18 & 2018-19 (Copy of Audited P&L A/c, BS and IT Returns should been closed).
6. The Firm should have conducted either statutory audits and/or internal audits of at least three Autonomous Bodies/Statutory Bodies/Educational Institution/PSU (Not including Banking Companies) with Minimum Annual Turnover of Rs. 15 Crore each on or after financial year 2014-15 (Work orders issued by the client/ Auditee should been closed).

The Annual Turnover for each Autonomous Bodies/ Statutory Bodies/ PSUs/ Educational Institutes (except Banking Companies) shall be as per their Audited Financial Statements for any financial year during 2016-17, 2017-18 and 2018-19. In case the firm has carried out the statutory audit/ internal audit for a branch(s), then the turnover of only that branch(s) will be considered.

#### **B) Scope of Work:**

The Firm shall be responsible for the following works –

- i. Independently review and appraise the systems of control;
- ii. Recommend improvements to internal controls;
- iii. Ascertain the extent of compliance with procedures, policies, regulations, statutory obligations and other legislations;
- iv. Ascertain Compliance to CUTN Act 2009, instruction of C&AG, Standard Accounting Practices and Guidelines of the Finance Committee / Executive Council;
- v. Facilitate good practice in managing risks effectively;
- vi. Ensure that assets and interests are safeguarded from fraud, deter fraudsters and possibly identify fraud.

**Detailed Scope of Work:**

<b>Sl.No.</b>	<b>Area</b>	<b>Detailed Scope</b>
01	Revenue	<ul style="list-style-type: none"><li>i. Reconciliation of Fees from students / participants</li><li>ii. Income from Sponsored Projects / Programmes</li><li>iii. Interest on Investments, Bank Interest</li><li>iv. Grants for research projects</li><li>v. Internal Revenues/Recoveries such as Licence Fee, charges, etc.</li><li>vi. Any other Income</li><li>vii. Treatment in accounts for all Income and recommendations</li></ul>
02	Expenditures	<ul style="list-style-type: none"><li>i. Procedures followed</li><li>ii. Treatment in Accounts</li><li>iii. 100% vouching of the transactions</li><li>iv. Reporting for any Rectification or improvement</li></ul>
03	Procurement of Goods & Services	<ul style="list-style-type: none"><li>i. Tendering Processes &amp; selection of the vendor/ contractor</li><li>ii. Accounting Treatments for Fixed Assets and Inventory</li></ul>
04	Physical Verifications of Inventory & Fixed Assets	<ul style="list-style-type: none"><li>i. Inventory verification on yearly basis</li><li>ii. Fixed Assets verification on yearly basis except library books/journals</li><li>iii. Verification of Library Books on yearly basis.</li></ul>
05	Investments	<ul style="list-style-type: none"><li>i. Procedures followed for Investments</li><li>ii. Treatment of Income arising out of Investments</li><li>iii. Recommendations</li></ul>
06	Statutory Compliances	<ul style="list-style-type: none"><li>i. Compliances to Income Tax Act</li><li>ii. Compliance to GST and other Indirect Taxes</li><li>iii. Compliance to Labor Laws</li><li>iv. Compliance to FEMA laws</li><li>v. Any other statutes</li></ul>
07	Finance & Accounts	<ul style="list-style-type: none"><li>i. Review of Account Payable and Receivable</li><li>ii. Verification and checking of financial transactions from bank book and other ancillary record maintained by the University.</li><li>iii. Review the record/system of bill payment to various contractors and also to review the compliance on them with term of contract.</li><li>iv. Bank Management including investment details</li><li>v. Checking of Bank Reconciliation Statement on monthly basis.</li><li>vi. Review the expenses incurred with the approved Budget</li><li>vii. Vouching/Ledger Scrutiny</li><li>viii. Review the last statutory/Internal audit comments and compliances and action taken report</li><li>ix. Review of Quarterly, Half Yearly and Annual Accounts of the University</li></ul>

		<p>x. Review of expenses on Sponsored Projects and Its Accounts</p> <p>xi. Review of Subsidiary Accounts at a quarterly Intervals</p> <p>xii. Checking of various schedules and annexure</p>
<b>Sl.No.</b>	<b>Area</b>	<b>Detailed Scope</b>
08	Payroll, Retirement Benefits	<p>i. Rules and Guidelines applicable</p> <p>ii. Review audit of Employee related claims like TA/DA, Medical Reimbursements, LTC, Children Education, etc.</p> <p>iii. Review/ audit for Payment of Salary, retirement benefits, etc.</p> <p>iv. Treatment in accounts</p>
09	Estate Section	<p>i. Review of all receipts and payments</p> <p>ii. Treatment in accounts</p> <p>iii. Completion of Capital WIP and conversion to Assets</p> <p>iv. Any other work related to engineering division</p>
10	Others	<p>i. As and when required comments/ observation of the Internal Audit will be taken on financial transaction of special value or special nature</p> <p>ii. As and when required comments/ observation of the Internal Audit will be taken on statutory requirement for financial transactions.</p> <p>iii. Report on risk management issue and internal control deficiencies identified and provide recommendation for improving University's operation.</p> <p>iv. Suggestion for improvement of the existing System of Accounting, internal control and Management Information System (MIS) from time to time</p> <p>v. Periodically reconciling Physical Assets with Books of Accounts so as to submit Annual Physical Verification Report latest by 30th April.</p> <p>vi. Issue certificate in form no 15 CA/CB relating to remittance in foreign currency as per Income Tax Act, 1961, if required. The certificate must be issued within two days of receipt of documents.</p> <p>vii. Issue of Utilization Certificates for Grant Based projects as and when required</p> <p>viii. Any other Internal Audit related matters required by the University Authority</p>

### **C) AUDIT REPORT**

Submission of:

- i. Half Yearly Audit/Review Report
- ii. Consolidated Yearly Audit/Review Report
- iii. Issue certificate in form no 15CA/CB relating to remittance in foreign currency as per Income Tax Act, 1961, if required. The certificate must be issued within two days of receipt of documents.
- iv. Physical Verification of Inventory & Fixed Assets on yearly basis.

### **D) PAYMENT & PRICE VALIDITY :**

- i. The price as quoted by the Firm (as per Annexure -II) shall remain unchanged during the contract period. The fees should be quoted inclusive of TA/DA/Boarding/Lodging etc.
- ii. Goods & Service Tax, if any, shall be paid at the applicable rate.
- iii. The audit firm shall raise proportionate invoice after successful completion of Half-yearly audit and reporting. Balance Payment shall be made after Successful Completion of 2nd Half Yearly Audit and submission of consolidated report for 2019-20.

### **E) PERIOD OF ENGAGEMENT**

- i. The engagement shall be for a period of one year i.e. F.Y. 2019-20.
- ii. The contract may be renewed for another two years on yearly basis in the same terms and conditions subject to satisfactory performance of the firm and with the mutual consent of both the parties.
- iii. The agency shall start providing services within 10 days of issue of Letter of Award/ Intimation.

### **F) TERMINATION/ SUSPENSION OF AGREEMENT**

The contract can be terminated at any time prior to its completion by either Party with 60 days of notice period.



## **G) GENERAL TERMS&CONDITIONS**

- i. Financial Bid will be opened only of the Bidders who will be qualified in the Technical Bid.
- ii. The CUTN will finally contact only those Bidders meeting the requirements including the rates.
- iii. The decision of acceptance of the quotation will lie with the competent authority of CUTN, who does not bind himself to accept the lowest quotation and who reserves the right to himself to reject or partially accept any or all quotations received, without assigning any reason.
- iv. Bidders are advised to satisfy themselves about the quantum of work before submitting their Bids; no extra charges consequent on any misunderstanding or otherwise shall be allowed.
- v. At any stage during finalization of Tender process, the competent authority of the CUTN is free to use any evaluation metrics/ weightage or take help of any consultant, as required in selecting the successful agency/ agencies and we agree to abide by it.
- vi. Canvassing directly or indirectly in connection with the Bid is strictly prohibited and Bids submitted by the Tenderer who resort to canvassing will be summarily rejected.
- vii. This Notice Inviting Tender will form part of the contract document including additional terms/additional conditions and other related papers, if any, forming the Bid as issued at the time of invitation of Tender and acceptance thereof together with any correspondence leading thereto of the contract document.
- viii. The successful Bidder on acceptance of his Bid by accepting authority and signing of the contract consisting of the notice inviting Tenders and all the other relevant documents including additional conditions if any forming the Bid as issued at the time of invitation of Tenders and acceptance thereof together with any correspondence leading thereto, shall commence with the internal audit of the F.Y.2019-20.

- ix. The agency shall not sublet the work or part of the work.
- x. Payment for the services will be made only after successful completion of audit, related other work and submission of related reports etc. as per agreed terms. Income Tax / GST TDS will be deducted as per rules.
- xi. The contract can be terminated at any point of time if the services of the Firm are not found satisfactory, by giving 60 days' notice. In such an event, the work shall be done from another agency at the risk & cost of the defaulting Firm.
- xii. All documents should be certified by the Bidder
- xiii. The Bidder must quote the rates in figures as well as in words correctly in the Financial Bid.
- xiv. On completion of Audit, the consolidated Internal Audit Report is to be submitted to the Finance Officer, CUTN, Tiruvarur.
- xv. The Competent Authority reserves the right for any modification/cancellation of the advertisement, if required, without assigning any reason thereof.
- xvi. Any legal dispute arising out of this is subject to Tiruvarur jurisdiction only.

## **H) INSTRUCTIONS TO BIDDERS**

### **1) Submission of the Proposal**

- a) The proposal shall be submitted in a sealed envelope with clear inscription as “PROPOSAL FOR ENGAGEMENT OF INTERNAL AUDITOR OF CENTRAL UNIVERSITY OF TAMIL NADU (CUTN), NIT REFERENCE NO. \_\_\_\_\_” on top of it before due date and time.
- b) The Proposal shall be in two parts i.e. Cover-A and Cover-B. “Cover-A” shall contain the Technical Proposal and “Cover-B” shall contain the Financial Proposal.
- c) Technical and Financial Proposal shall be submitted separately in sealed covers with clear inscription as “TECHNICAL/FINANCIAL PROPOSAL; NIT REFERENCE NO. \_\_\_\_\_” on top of respective covers and both the

sealed envelopes shall be sealed in a third envelop with required inscription on it as mentioned in Clause (a) above.

- d) Any material omission in the proposal shall make the proposal unacceptable at the discretion of the management and the bid will be liable to be rejected.
- e) The Proposal shall remain valid till 120 days of the date of submission of the proposal or award of the assignment whichever is earlier.

## **2) Contents of the Proposal**

- a) The technical proposal in addition to proof of eligibility shall contain:
  - i) All the information, documents and clarifications as required under **Annexure-I**.
  - ii) Copy of the NIT Document signed on every page by the duly authorized Signatory.
- b) The Financial Proposal shall be submitted in the format given in **Annexure- II**.
- c) The proposal must be submitted to the following address:

**The Registrar  
Central University of Tamil Nadu  
Neelakudi,  
Thiruvarur-610005.**

## **3) Evaluation and Selection**

- i. The proposals shall be evaluated in two stages i.e. technical evaluation and financial evaluation.
- ii. The qualifying score in technical evaluation is 60 out of 100. Format for evaluation is given in **Annexure-III**.
- iii. Financial Proposals shall be opened in the presence of the technically qualified firms' representatives, who choose to attend in person at the address given below:-

**Central University of Tamil Nadu, Neelakudi, Tiruvarur-610005**

- iv. Date of Opening of Financial Proposals shall be communicated to the technically qualified firms.
- v. For financial evaluation, Price excluding GST shall be taken into consideration.

#### **4) Award of Contract**

- i. Contract shall be awarded to the firm whose evaluated bid price will be the lowest in financial bid.
- ii. In case two or more technically qualified firms quote the same lowest price, the firm with the higher mark in the technical bid shall be awarded the contract.
- iii. In case two or more technically qualified firms having same technical scores quote the same lowest price, the firm having the highest average annual Income in last 3 Financial Years immediately preceding to the year of award among the lowest bidders shall be awarded the contract.
- iv. Any effort by a firm to influence CUTN in its decision on bid evaluation or placement of Work Order may result in rejection of the firm's offer.

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**ANNEXURE-I****Profile of the Applicant**

(To be furnished along with the Technical Proposal Cover “A” on the Letter Head of the Firm)

<b>Sl. No.</b>	<b>Particulars</b>	<b>Details</b>
01	Name and Address of the Chartered/Cost Accountants Firm	
02	Date of Registration with Institute of Chartered/Cost Accountants of India (Self- Attested copy of Registration Certificate issued by Institute of Chartered/Cost Accountants of India to be furnished.)	Date of Incorporation/ Registration:  Date of Opening of Main Office or Branch Office:
03	Year of empanelment with Comptroller & Auditor General of India. (Self Attested copy of latest Comptroller & Auditor General of India Empanelment Letter to be attached.)	
04	No. of FCA/FCMA Partners as on 1st April, 2019 (Self-Attested copy of latest Constitution Certificate from Institute of Chartered/Cost Accountants of India to be furnished.)	
05	Name, Designation, Contact No. and Address of the Contact Person/ Local Representative	
06	Years of experience (as on 31st March, 2019) in Conducting Internal Audit of Central or State Autonomous Bodies with annual income exceeding 15Crores. (Self- Attested copies of Appointment Letters/ Agreements/ Work Orders issued by such ABs along with extract of Audited Financial Statements in support of Income to be furnished.)	Separate Sheet may be attached as per Annexure-IV

07	Experience in conducting Concurrent/Internal Audit of Autonomous Bodies/PSU during the last 3 financial years i.e. from 2016-17 to 2018-19. (Self Attested copies of Appointment Letters/Agreements/ Work Orders issued by such Abs/PSUs along with proof of claim to be furnished).	
08	No. of Staff of the Firm (Self-Attested copy of documentary evidence in this respect to be furnished.)	
09	Date of Registration under IT PAN / Goods & Service Tax Act. (Self-Attested IT PAN/Goods and Service Tax Registration Certificate to be attached.)	
10	Annual Income of the Firm for last 3 Financial Years i.e. from 2016-17 to 2018-19. (Self- Attested copies of Audited Profit & Loss Accounts and Balance Sheets to be attached. Provisional Profit & Loss Accounts and Balance Sheets will not be considered.)	F.Y. Income (Rs. In Lakh) 2016-17 - 2017-18 - 2018-19 -
11	Any other details the Firm would like to furnish (Example: Awards & Accreditations)	

**Note:**

- (i) Information may be furnished in separate sheet (s) wherever necessary.
- (ii) In case of documents, they should be self-attested photocopies.

**Undertaking**

I / We do hereby declare that the above-mentioned information are true and correct and  
I / We hereby agree with all the terms and conditions of the NIT and we hereby undertake to abide by same.

Date:

Authorized Signatory

Place:

(Signature and seal of the authorized signatory)

**FINANCIAL PROPOSAL**

(To be furnished in Cover “B” on the Letter Head of the Firm)

Name and Address of the Bidder:

Price Details:

<b>Sl. No</b>	<b>Particulars</b>	<b>Rate per Annum (Rs.) (Excluding GST)</b>
01	Audit Fees for the scope of work as per NIT	
<b>Total</b>		

The Consolidated Audit fee should be quoted inclusive of TA/DA/Boarding/Lodging etc.

Total Price Excluding GST: Rs.....

(in words)\_\_\_\_\_.

GST will be paid at the applicable rate.

**Note:** If there is a discrepancy between words and figures, the amount in words shall prevail.

We hereby agree with all the terms and conditions of the NIT and we hereby undertake to abide by same.

Date:

Authorized Signatory

Place:

(Signature and seal of the authorized signatory)

**ANNEXURE-III**

**Standard Format for Evaluation of Technical Proposal**

<b>Sl. No.</b>	<b>Criteria</b>	<b>Max. Marks</b>	<b>Marks Obtained</b>	<b>Remarks</b>
01	No. of years of Registration with the Institute of Chartered/Cost Accountants of India:  a) Between 5 to 7 years: 5 marks b) Above 7 years, up to 10 years: 7 marks c) Above 10 years: 10 marks	10		
02	No. of FCA/FCMA Partners:  a) Between 2 to 4 nos.: 10 marks b) Between 5 to 8 nos.: 12 marks c) Above 8 nos.: 15 marks	15		
03	Years of Experience in conducting Internal Audit of Central or State Autonomous Bodies with annual income/receipts exceeding Rs. 15Crores:  a) Between 3 to 5 years: 15 marks b) Above 5 years, up to 10 years: 20 marks c) Above 10 years: 30 marks	30		
04	Experience in Internal Audit of Central or State Autonomous Educational Bodies:  a) Between 2 to 3 nos.: 15 marks b) Above 3 nos., up to 5 nos.: 20 marks c) Above 5 nos.: 30 marks	30		
05	Average Annual Income (last three Financial Years i.e. 2016-17 to 2018-19):  a) Between Rs. 15.00 Lakh to Rs. 25.00 Lakh: 10 marks  b) Above Rs. 25.00 Lakh, up to Rs. 50.00 Lakh: 12 marks  c) Above Rs. 50.00 Lakh:15 marks	15		
<b>Total</b>		<b>100</b>		



**Format for Experience**

(On the Letter Head of the bidder)

Format for Experience in Autonomous Bodies/Statutory Bodies/Educational Institution /PSU (Not including Banking Companies) on or after financial year 2014-15.

<b>Sl.No.</b>	<b>Name of the Client / Auditee</b>	<b>Nature of Audit</b>	<b>Period for which audited</b>	<b>Turnover of that period (FY) (Rs. in Lakhs)</b>	<b>No. of Branches / Units audited</b>

Date:

Authorized Signatory

Place:

(Signature and seal of the authorized signatory)

**SELF-DECLARATION-NO BLACK LISTING**  
(On the Letter Head of the bidder)

To

The Registrar  
Central University of Tamil Nadu,  
Tiruvarur-610005

Sir,

In response to the selection of Internal Auditors for CUTN for the financial year 2019-20, I/We hereby declare that presently our Chartered Accountant /Cost Accountant .....is having unblemished record and is not declared ineligible for corrupt & fraudulent practices either indefinitely or for a particular period of time by any State/ Central Government/PSU/Autonomous Body.

We further declare that presently our firm.....is not black listed and not declared ineligible for reasons other than corrupt & fraudulent practices by any State/ Central Government/ PSU/ Autonomous Body on the date of Bid Submission.

If this declaration is found to be incorrect then without prejudice to any other action that may be taken, my/ our security may be forfeited in full and the tender if any to the extent accepted may be cancelled.

Thankingyou,

Yoursfaithfully,

Date:

Authorized Signatory

Place:

(Signature and seal of the authorized signatory)