

**Finance Comptroller**  
**Bihar Animal Sciences University, Patna**  
**REQUEST FOR PROPOSAL (RFP) for Selection of**

**Chartered Accountant (CA) firm for Statutory Audit/Compliance of University accounts for the Financial Year 2017-18, 2018-19 and 2019-20**

The Bihar Animal Sciences University, Patna seeks to invite Proposal from C & AG empaneled Chartered Accountant (CA) eligible firms for major PSU audits for the financial year 2017-18, 2018-19 and 2019-20 with experience of audit of research and educational Institutes/Universities for conducting the Statutory Audit.

The details about the background of the auditee, the units to be covered under the audit, scope of work, terms of reference, and the eligibility criteria for selection of the C. A. firms are given in the following paragraphs.

**Institutional and Funding Arrangements:**

Bihar Animal Sciences University, Patna is funded both under Plan and Non-Plan (Maintenance grant) by state Government, the ICAR and central Government Projects.

All its permanent faculty and staff are borne on the strength of posts sanctioned by state Government. In addition, it receives funding for specific projects from various departments of GOI/ICAR/DBT etc.

The Finance & Accounts of the University are managed as per the guidelines of BASU Act and BFR. Separate bank accounts are maintained for Projects.

**Objective of audit services:**

The objective of the audit is to ensure that Bihar Animal Sciences University, Patna receives adequate independent professional audit assurance that the grant proceeds provided by GOI/ICAR/DST and other funding agencies and all other income generated whether internally or from outside are utilized for purposes intended and that the annual financial statements present a true and fair view of the finances of the Institute.

The objective of the audit of the Financial Statements i.e. Balance Sheet, Income & Expenditure, Receipt & Payment together with Significant Accounting Policies, Notes to Accounts and Schedules as per prescribed formats to enable the statutory auditor to express a professional opinion as to whether: -

- (1) the financial statements give a true and fair view of the Financial Position for the accounting period
- (2) the funds were utilized for the purposes for which they were provided and
- (3) the projects financed by various agencies are eligible for financing under the relevant grant agreement.
- (4) The books of accounts as maintained by the University shall form the basis for preparation of the financial statement.

#### **Pre-qualification Criteria**

The firm eligible for the quotation process must satisfy the following eligibility criteria:

- I. The Chartered Accountant Firm should be based at Patna or having office at Patna.
- II. The Chartered Account Firm Should be registered with Chartered Accounts of India (ICAI) and have Permanent Account Number (PAN) and GST Registration.
- III. The Firm should have been Operational for at least 5 years after its registration.
- IV. The Firm should be empanelled with Comptroller and Auditor General of India (C&AG).
- V. The Firm should have at least 3 years of experience of handling the statutory Audit/compliance of Autonomous Educational University, College and its Units of repute like (IIT/IIM/NIT/Central University etc.) research organization (only Degree colleges shall not be acceptable).

**Time Schedule:** The statutory audit for one financial year should be completed within period of three months. However, due to unavoidable circumstances, the period may be extended with mutual consent of both the parties.

#### **Audit Fees and TA/DA:**

The firms those are interested to be appointed will have to quote consolidated audit fees including expenses on TA/DA. The Firm should ensure that Audit Team shall have to complete the tasks as per the scope of audit and within the statutory time lines.

#### **Payment Schedule:**

On Satisfactory Statutory audit of particular financial year. The payment of the that particular year will be released within 15 days.

#### **Penalty Clause:**

The assigned task should be completed within given time schedule. After 30days delay, penalty @ 0.5% of the contract value weekly and maximum up-to 10% of the contract value.).

## **Scope and Coverage of audit:**

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

- a) **An assessment of adequacy of the financial systems and financial controls** : This should include aspects such as adequacy and effectiveness of accounting, financial and operational controls; level of compliance with established policies and procedures; reliability of accounting systems, data and financial reports; methods of remedying weak controls; verification of assets and liabilities and a specific report on this aspect would be provided by the auditor annually as part of the management letter.
- b) that funds have been spent in accordance with the condition laid down by the funding agency from time to time with due attention to economy and efficiency, and only for the purpose for which the financing was provided.
- c) Goods and services financed have been procured in accordance with the relevant procurement guidelines issued by the University. However, for various projects, attention must be paid to the requirements of the grant agreement between University and funding agency. For such externally funded programmes, auditor must satisfy that all expenditure, including purchase of goods and services have been carried out as per the conditions of the individual programmes and guidelines of University and have all the necessary supporting documentation.
- d) All necessary supporting documents, records and accounts have been kept in respect of the project.
- e) The Statutory Auditor may review the concurrent audit reports, summaries and may consider material observations / findings while forming his opinion on overall internal control and truth& fairness of accounts/financial statements.

## **Scope of Audit and Project Financial Statements**

The format of such financial statements and relevant schedules shall be as per the University rules or the format prescribed by the funding agency.

A broad outline of the scope of audit services shall include but not limited to the following:

1. Audit to be done for whole financial year by six-month intervals through adequate and qualified audit staff.
2. 100% checking of all the receipts, payment vouchers and journal vouchers.
3. 100% scrutiny of Ledgers on six-month basis.
4. 100% checking of the depreciation made of all fixed assets including Buildings and suggest changes or corrections
5. Review of purchase and services including Facility Management, major and minor Civil and Electrical Works and Construction activities.
6. To review the Accounting System and recommend any modifications to have proper internal controls.

7. Observing the Physical verification of all assets including library books, journals & periodicals, Cash-in-Hand, etc., and preparation of list of damaged/missing items if any, with the recommendation for disposal once in every three years.
8. Review of process going into finalization of the annual accounts.
9. Certification of closing stock and closing balance of cash and bank as on 31st March, to audit and certify the annual accounts at the end of the financial year to be put up to the Governing Board.
10. Certification of Individual projects as per the request of the funding authorities based on 100% audit done during the regular audit.
11. Certification of all the Plan, Non-Plan and individual projects funded by the State Government and other external funding agencies.
12. Review of compliance of all statutory obligations like Income tax, Service tax, Professional tax, Works Contract tax, etc. with statutory bodies and report on any non-compliances.
13. Technical updates on various taxation laws, finance, accounts, audit matters, etc. to be provided on regular basis.
14. Financial Statements shall include:
  - i) Sanction wise Utilization Certificates (UCs) as per prescribed format or specified format including individual projects and Statements of Expenditure year wise and Consolidated
  - ii) Balance Sheet as per University Account Code.
  - iii) Income and Expenditure account as per University Account Code
  - iv) Receipt and Payment Account as per University Account Code
  - v) Other Schedules to the Balance sheet as appropriate and as per prescribed formats
15. Notes on Accounts showing the accounting policies followed in the preparation of accounts.
16. In addition to the audit reports, the auditor will prepare a "Management Letter" as required.

**Additional Instructions to Auditors:**

The Utilization Certificate shall be certified sanction wise and shall be issued for each sanction granted during the respective financial year. The utilization Certificates will be jointly signed by the Project Leader in charge of the project and the Auditor.

### Annexure-I

S No	PARTICULARS	Supporting Documents required to be submitted along with this Form
1.	Name of the Firm	
2.	Addresses of the Firm	
3.	Head Office	Phone No: Fax No: Mobile No. of Head Office In- charge
4.	Date of establishment of the firm	
5.	Date since when is H.O. at the existing Station	
6.	Branch Office 1,2,3..... (Particulars of each branch to be given)	Phone No: Fax No: Mobile No. of Head Office In- charge
7.	Mention the date of each branch offices since	
8.	Firm Income tax PAN	Attach copy of PAN card
9.	Firm GST Registration No	Attach copy of Registration
10.	Firm's Registration No. with ICAI	Attach a copy of certificate downloaded from ICAI Website showing the name & address of H.O., B.O. and partners etc.

11.	Empanelment No. with C & A G	Attach proof of empanelment with C&AG for the year under Audit (2014-15) confirming that the firm is eligible for major PSU audits.
12.	No. of Years of Firm Existence & Date of establishment of Firm	Attach copy of Partnership Deed
13.	Turnover of the Firm in last three years	Attach a copy of Balance Sheet and P & L
14.	<p>Audit Experience of the Firm</p> <p>1. Number of Assignments in Statutory Audit of PSU</p> <p>2. Number of Assignments of Externally Aided Projects/ Social Sector Project</p> <p>3. No. of assignments of Audit of Universities/Research Institutions</p>	
15.	Any other information	

Put this in separate envelop superscribed as Financial Bid

**Annexure-II (FINANCIAL BID)**

**FORMAT FOR FINANCIAL BID FOR BIHAR ANIMAL SCIENCES UNIVERSITY,  
PATNA**

**(Please provide the break-up of Firm's quoted fees for each work and unit)**

<b>Item or Activity</b>	<b>Total Amount (in Rupees)</b>
AUDIT FEE a. Audit fess ----- (Including cost of TA/DA) b. Service Tax/GST----- c. Total Fees ----- (It should be quoted financial year wise and grand total)	Both in Numeric and in Words. Rs. /- (Rupees _____ _____).

On completion of selection process, the firms selected shall be awarded the contract of audit on depositing Rs. 10,000/- as security money in favor of Bihar Animal Sciences University, Patna for issuing the Letter of Award (LOA). In case the quotation firm is found not suitable for audit on any reasonable ground Bihar Animal Sciences University, Patna may reject such proposal without giving any reason.

AUDIT AGREEMENT

TO BE MADE ON NON-JUDICIAL STAMP PAPER OF  
Rs.1,000/-

This Agreement number \_\_\_\_\_ is made at Patna on the -----  
--day of .....between Finance Comptroller BASU, Patna  
(hereinafter called 'Client' which expression shall , unless repugnant to the context  
or meaning thereof be deemed to mean and include its successors, legal  
representatives and assigns of the first party.

And ..... having its registered office ..... hereinafter  
called the 'Agency' which expression unless repugnant to the context or meaning  
thereof be deemed to mean and include its successors-in-interest, legal  
representatives and assign etc. of the second t party.

**WHEREAS the client is desirous to engage the' Agency' for conducting the  
Statutory Audit for the finance year 2017-18, 2018-19 and 2019-20 of BASU Patna  
and its locations within Bihar on the terms and conditions stated below including  
any other relevant provision mentioned anywhere in the concerned tender  
document {in case of any duality or discrepancy or contradiction between  
different provisions/expressions in the concerned document, interpretation  
/decision made by the Client will be held supreme and unchallengeable and  
binding upon the Agency}.S**

1. The Agency shall be primarily responsible for ascertaining that the Finance & Accounts of the University are managed as per the guidelines of BASU Act and BFR. Separate bank accounts are maintained for Projects. And to ensure that BASU, Patna receives adequate independent professional audit assurance that the grant proceeds provided by GOI/ICAR/DST and other funding agencies and all other income generated whether internally or from outside are utilized for purposes intended and that the annual financial statements present a true and fair view of the finances of the Institute.
2. The agreement shall be initially valid for a period of one year from the date of signing of this agreement. This may be extended for additional periods subject to the satisfactory performance of the agency.
3. Licenses if any required for any reason will be made available by the Agency.
4. If the Client incurs any expenses or any liability or penalties due to negligence on the part of the agency the same shall be borne by the agency itself.
5. Any deliberate violation of any clause of contract or any terms and conditions mentioned anywhere in the concerned document or suppression of facts will attract termination of contract without any reference or any notice period. In such cases the first party may choose to impose up to penalty up to 10% of the total value of contract or termination without penalty also.
6. In normal circumstances if any party wants to discontinue the contract at their sweet will, the same can be terminated by giving one-month notice on either side.



7. All administrative and other communication by agency shall be conveyed to the Finance Comptroller BASU, Patna. Similarly, it shall be conveyed to the director of the agency
8. The agency shall not transfer or assign any of its right and obligation under this agreement to any other third party without obtaining prior consent in writing from the client.
9. The assigned task should be completed within given time schedule. After 30 days' delay, penalty @ 0.5% of the contract value weekly and maximum up-to 10% of the contract value.
10. The 'Agency' also agrees to comply with annexed Terms and Conditions and amendments thereto from time to time.
11. The 'Agency' shall ensure full compliance with tax laws of India with regard to this Contract and shall be solely responsible for the same. The 'Agency' shall keep 'Client' fully indemnified against liability of tax, interest, penalty etc. of the 'Agency' in respect thereof, which may arise.
12. In case of any dispute between the 'Agency' and 'Client' shall have the right to decided. However, all matters of jurisdiction shall be at the local courts located at Patna.
13. In case of any dispute between both parties, before going to court channel of arbitration will be exhausted first as per Arbitrator Act. For the purpose arbitration process will be carried out through sole arbitrator appointed by the Client.

THIS AGREEMENT will take effect from ..... Day of .....and shall be valid for one year.

IN WITNESS WHERE both the parties here to have caused their respective common Seals to be hereunto affixed/ (or have hereunto set their respective hands and seals) the day and year mentioned above in Patna in the presence of the witness:

For, and no behalf of the 'Agency'  
 Signature of the authorized Official  
 Name of the official  
 Stamp/ Seal of the 'Agency'  
 SIGNED, SEALED AND DELIVERED  
 DELIVERED

For, and no behalf of BASU, Patna  
 Signature of the authorized Official  
 Name of the official  
 Stamp/ Seal of the 'Agency'  
 SIGNED, SEALED AND

By the said.....  
 said.....  
 Name:

By the  
 Name:

On behalf of the 'Agency' in presence of  
 Presence of W i t n e s s Presence of Witness

On behalf of the 'Agency' in presence of