Request for Proposal (RFP)

For Appointment of Statutory Auditor for Tata Institute of Social Sciences, Mumbai and its Campuses at Tuljapur, Guwahati and Hyderabad for Audit of its Main Accounts and Project Accounts

[2015-16]
REQUEST FOR PROPOSAL (RFP)

The Tata Institute of Social Sciences, Mumbai seeks to invite Proposal from C & AG empanelled Chartered Accountant (CA) firms those who are eligible for major PSU audits for the year 2015-16 and with experience of audit of research and educational Institutes/Universities for conducting the Statutory Audit of the Tata Institute of Social Sciences and all its Project A/cs, PF A/cs, etc.

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.

Terms of Reference (ToR)

The Tata Institute of Social Sciences, Mumbai is a deemed to be University funded by the UGC/MHRD. It was established in 1936 and currently has four Campuses at Mumbai, Tuljapur, Guwahati and Hyderabad.

Vision of Tata Institute of Social Sciences is to be an Institution of Excellence in Higher Education that continually responds to changing social realities through the development and application of knowledge, towards creating a people-centred, ecologically sustainable and just society that promotes and protects dignity, equality, social justice and human rights for all.

Mission: In pursuance of its vision and guiding principles, the Tata Institute of Social Sciences organises teaching programmes to facilitate the development of competent and committed professionals for practice, research and teaching; undertakes research; develops and disseminates knowledge; and reaches out to the larger community through extension, at the local, national, regional and international levels.

The objectives of the Institute are:

1. To maintain and develop the Tata Institute of Social Sciences as a teaching and research Institution;

2. To organize teaching in the social sciences with a view to providing professional personnel in social work, social services, personnel administration and allied professional fields;

3. To organise social research and to train students in the methods of social research with a view to promoting the growth of knowledge in the subjects studied at the Institute and contribute to the formulation of social policies;

4. To publish books, monographs, periodicals, and papers in the subjects studied at the Institute;
5. To arrange lectures, seminars, conferences, symposia, etc., for the benefit of those who are interested in the subjects studied at the Institute;

6. To cooperate with other organisations in such manner and for such purposes as the Institute may determine and to undertake field action projects in the area of social work/social development/social welfare which are innovative and demonstrative in new areas of practice/strategies/service delivery and serve also as centres for training and research; and

7. To undertake such other activities as may be deemed to be necessary to promote understanding and better professional practice in the areas of social work, social services, personnel administration and allied fields.

At present TISS has 10 Schools, 6 independent Centres, 3 resource Centres and offers 67 MA/MPhil/PhD Programmes and 12 short term Programmes across its four campuses.

Institutional and Funding Arrangements:

TISS is funded both under Plan and Non-Plan (Maintenance grant) by the University Grant Commission. All its permanent faculty and staff are borne on the strength of posts sanctioned by UGC. In addition it receives funding for specific projects from various departments of GOI/State Govt, International agencies, various Tata Trusts, PSUs and other organizations.

The Finance & Accounts of the Institute are centrally managed from Mumbai campus. Separate bank accounts are maintained for Projects, FCRA and Provident Fund A/c.

Objective of audit services:

The objective of the audit is to ensure that TISS receives adequate independent professional audit assurance that the grant proceeds provided by GOI/MHRD/UGC 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.
The books of accounts as maintained by the TISS shall form the basis for preparation of
the financial statement.

CA firms eligible for audit:
Chartered Accountants firms those are empanelled with C & AG for the year 2015-16 and
eligible for doing GOI and or major PSU audits will be eligible for the audit of TISS. In
this regard the firms have to submit the details about the firm as per Annexure – I.
Atleast two Senior Audit principals attending to the audit shall be proficient in all laws
concerning taxation, provision of the Bombay Public Trusts Act 1960 and the Accounting
Standards issued by the I.C.A.I from time to time.

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 for filing of
various returns of IT, Charity Commissioner, FCRA UGC/MHRD etc.

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/GOI 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 GOI/TTSS. However, for various projects, attention
must be paid to the requirements of the grant agreement between TISS 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 TISS 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 GOI/UGC/ISS format 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 quarterly 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 quarterly 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 (Dining Hall, Publications, Purchase & Stores, Audio Visuals etc.) and closing balance of cash and bank as on 31\textsuperscript{st} 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 University Grant Commission in UGC/GOI prescribed format.
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 Utilisation Certificates (UCs) as per Form 19-A of GFR 2005 or specified format including individual projects and Statements of Expenditure year wise and Consolidated
ii) Balance Sheet as per UGC/MHRD format
iii) Income and Expenditure account as per UGC/MHRD format
iv) Receipt and Payment Account as per UGC/MHRD format
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 Utilisation Certificate shall be certified sanction wise and shall be issued for each sanction granted during the respective financial year. The utilisation Certificates will be jointly signed by the Project Leader in charge of the project and the Auditor.

Re-appointment of Auditor:
As the auditor once appointed can continue for two more years, subject to Governing Board being satisfied with the performance of the Auditor, TISS shall re-appoint only after the approval of the Governing Board after obtaining the consent of the auditor and confirming that the said firm is on the panel of C&AG and eligible for conducting major PSU audits for the year for which firm is being re-appointed. Further, any comments/remarks/observation of the Ministry/ UGC in this regard shall have to be considered while re-appointing the same auditor.

Guidelines for Submitting the Proposals:
Agencies are required to submit the proposal as per the guidelines and formats detailed out in the following paras:

(i) The original and all copies of the Technical Proposal shall be placed in a sealed envelope clearly marked “TECHNICAL PROPOSAL” Similarly, the original Financial Proposal shall be placed in a separate sealed envelope clearly marked “FINANCIAL PROPOSAL”, and with a warning “DO NOT OPEN WITH THE TECHNICAL PROPOSAL.” The envelopes containing the Technical and Financial Proposals shall be placed into an outer envelope and sealed. This outer envelope shall bear the submission address, reference number and title of the Assignment, and be clearly marked “DO NOT OPEN, EXCEPT IN PRESENCE OF THE OFFICIAL APPOINTED. The Institute shall not be responsible for misplacement, loss or premature opening if the outer envelope is not sealed and/or marked as stipulated. This circumstance may provide a case for Proposal’s/ bid’s rejection. If the Financial Proposal is not submitted in a separate sealed envelope duly marked as indicated above, this shall constitute grounds for declaring the Proposal non-responsive/ invalid.
(ii) All agencies must comply with the Technical Specification, General Conditions and Format/Requirements for Technical and Financial proposal.

(iii) The Technical Proposal shall be marked “Original” or “Copy” as appropriate. All required copies of the Technical Proposal are to be made from the original. If there are discrepancies between the original and the copies of the Technical Proposal, the original governs.

(iv) Financial proposals submitted by the firm should be valid for 6 months from the date of submission of the proposal by the firm.

(v) Each page, Form, Annexure and Appendices of the Technical and Financial Proposal must be signed by the Authorised signatory of the firm.

(vi) All blank spaces in the financial proposal must be filled in completely where indicated, either typed or written in ink.

(vii) The TISS reserves the right to accept or reject any proposal without giving any explanation and can change the evaluation criteria as per its requirements in the interest of the organisation.

(viii) If the required constitution of the team is not deployed the Institute may take appropriate action as it deems fit against the firm, keeping the Governing Board informed.

(ix) Firm shall have to depute appropriate no. of teams for timely submission of Audit Report and to attain quality of audit.

(x) Each team shall have to be headed by a qualified chartered accountant.

**Technical & Financial Proposal will consist:**

i. Letter of Transmittal (*Ann-I*)

ii. Details of the Firm along with Details of Partners (*Ann-II*)

iii. Financial Bid (*Ann-III*)
Letter of Transmittal

To,
The Director,
Tata Institute of Social Sciences,
Opp Deonar Bus Depot,
V.N.Purav Marg,
Mumbai - 88.

Dear Sir,

We, the undersigned, offer to provide the audit services for Tata Institute of Social Sciences, in accordance with your Request for Proposal dated [Insert Date]. We are hereby submitting our Proposal for the same [Refer Guidelines for Submitting the Proposal], having details about the firm and proposed audit fees.

We hereby declare that all the information and statements made in this Proposal are true and accept that any misrepresentation contained in it may lead to our disqualification.

The Fees quoted by us is valid till six months from the date of submission of the proposal. We confirm that this proposal will remain binding upon us and may be accepted by you at any time before the expiry date.

Our fees have been arrived independently without consultation, communication, agreement or understanding (for the purpose of restricting competition) with any competitor.

We agree to bear all costs incurred by us in connection with the preparation and submission of the proposal and to bear any further pre-contract costs.

**We understand that TISS is not bound to accept the lowest or any proposal or to give any reason for award, or for the rejection of any proposal.**

I confirm that I have authority of [Insert Name of the C.A. Firm] to submit the proposal and to negotiate on its behalf.

Yours faithfully,

( )
### Annexure-II

**Particulars/Details of the Firm**

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>PARTICULARS</th>
<th>Supporting Documents required to be submitted along with this Form</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Name of the Firm</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Addresses of the Firm:</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Head Office</td>
<td>Phone No:</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Fax No:</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Mobile No. of Head Office In-charge:</td>
</tr>
<tr>
<td></td>
<td>Date of establishment of the firm</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Date since when is H.O. at the existing Station</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Branch Office 1,2,3…… (Particulars of each branch to be given)</td>
<td>Phone No:</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Fax No:</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Mobile of each Branch Office In-charge:</td>
</tr>
<tr>
<td></td>
<td>Mention the date of each branch offices since</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Firm Income Tax PAN No.</td>
<td>Attach copy of PAN card</td>
</tr>
<tr>
<td>4</td>
<td>Firm Service Tax Registration No.</td>
<td>Attach copy of Registration</td>
</tr>
<tr>
<td>5</td>
<td>Firm’s Registration No. with ICAI</td>
<td>Attach a copy of certificate downloaded from</td>
</tr>
<tr>
<td></td>
<td></td>
<td>ICAI Website showing the name &amp; address of H.O., B.O. and partners etc.</td>
</tr>
<tr>
<td>6</td>
<td>Empanelment No. with C &amp; AG</td>
<td>Attach proof of empanelment with C&amp;AG for the year under Audit (2014-15) confirming that the firm is eligible for major PSU audits.</td>
</tr>
<tr>
<td>7</td>
<td>No. of Years of Firm Existence &amp; Date of establishment of Firm</td>
<td>Attach copy of Partnership Deed</td>
</tr>
<tr>
<td>8</td>
<td>Turnover of the Firm in last three years</td>
<td>Attach a copy of Balance Sheet and P &amp; L Account of the last three years or a C.A. Certificate give Break-up of Audit Fee and Other Fees Received.</td>
</tr>
<tr>
<td></td>
<td>Audit Experience of the Firm:</td>
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<td>------------------------------------------------------------------</td>
</tr>
<tr>
<td>9</td>
<td>1. Number of Assignments in Statutory Audit of PSU</td>
<td>Copy of the Offer Letter &amp; the Fee Charged for each assignment.</td>
</tr>
<tr>
<td></td>
<td>2. Number of Assignments of Externally Aided Projects/ Social Sector Project</td>
<td>( Relevant evidences to be given of the turnover and fee)</td>
</tr>
<tr>
<td></td>
<td>3. No. of assignments of Audit of Universities/Research Institutions</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td><strong>Details of Partners:</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Provide following details:</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Number of Full Time Fellow Partners associated with the firm.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Name of each partner,</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Date of becoming ACA and FCA</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Date of joining the firm,</td>
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<tr>
<td></td>
<td>• Membership No.,</td>
<td></td>
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<tr>
<td></td>
<td>• Qualification</td>
<td></td>
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<tr>
<td></td>
<td>• Experience</td>
<td></td>
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<tr>
<td></td>
<td>• Whether the partner is engaged full time or part time with the firm.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Their Contact Mobile No., email and full Address</td>
<td></td>
</tr>
</tbody>
</table>

**Note:** The firm shall give an undertaking that the team members are proficient in the State’s official language (both oral and written).
Annexure-III

FORMAT FOR FINANCIAL BID FOR -------(NAME OF THE ASSIGNMENT)

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

<table>
<thead>
<tr>
<th>Item or Activity</th>
<th>Total Amount (in Rupees)</th>
</tr>
</thead>
<tbody>
<tr>
<td>AUDIT FEE</td>
<td>Both in Numeric and in</td>
</tr>
<tr>
<td></td>
<td>Words. Rs.____________/-</td>
</tr>
<tr>
<td></td>
<td>(Rupees</td>
</tr>
<tr>
<td></td>
<td>____).</td>
</tr>
<tr>
<td>a. Audit fees</td>
<td></td>
</tr>
<tr>
<td>b. Service Tax</td>
<td>c. Total Fees</td>
</tr>
</tbody>
</table>

Note: Percentage of funds involved shall not be a basis of quoting the Audit Fee.

On completion of selection process, the firms selected shall be awarded the contract of audit of Tata Institute of Social Sciences by issuing the Letter of Award (LOA). In case the bidding firm is found not suitable for audit on any reasonable ground Tata Institute of Social Sciences may reject such proposal without giving any reason.