

## NOTICE

### **APPOINTMENT OF INTERNAL AUDITORS IN NATIONAL INSTITUTE OF FASHION TECHNOLOGY, HAUZ KHAS, NEW DELHI FOR THE FINANCIAL YEAR 2012-13 ONWARDS.**

Applications are invited from reputed Audit Firms for **appointment** as **Internal** Auditors in **NATIONAL INSTITUTE OF FASHION TECHNOLOGY** for the year **2012-13** extendable to further 2 years based upon their performance.

**Internal** Auditors are to be appointed for NIFT Head Office.

During a Financial Year, **Internal** Audit is conducted in four phases. **1st Phase** covers period from 1st April to 30th June, **2nd Phase** from 1st July to 30th September, **3rd Phase** from 1st October to 31st December and **4th Phase** from 1st January to 31st March. Interested Audit Firms may submit their applications in prescribed PROFORMA for Technical BID (Audit Experience/ Capability Criteria) given in **Annexure V** and Financial BID (Professional Fee) given in **Annexure VI**, after carefully going through the eligibility criteria given in **Annexure I**.

You are requested to send the above quote in two sealed envelopes separately, superscripting "Technical bid" and "Financial bid" along with a Demand Draft of ` 500/- (non-refundable) towards cost of tender and Earnest Money Deposit (EMD) of ` 10,000/- (no interest shall be paid at the time of refund) in favour of NIFT, Payable at New Delhi, addressed to Shri Yogendra Singh, Dy. Director (Finance & Accounts), **NATIONAL INSTITUTE OF FASHION TECHNOLOGY**, NIFT Campus, Hauz Khas, Near Gulmohar Park, New Delhi - 110016 & should reach NIFT, ND by **7th September, 2012 14.00 Hrs.**

The Technical Bid will be opened at NIFT, Head Office, 2nd Floor, Accounts Department on **7th September, 2012 at 16.00 Hrs.** in the presence of the bidders who wish to be present. Financial bid will be opened only of bidders who have technically qualified.

Audit Firms may carefully read the Scope of Work, Term of Reference and Important Instructions given in **Annexures II, III & IV**.

Any further clarifications can be sought from Shri Yogendra Singh, Dy. Director (Finance & Accounts) on Telephone No. 011-26542010, **NATIONAL INSTITUTE OF FASHION TECHNOLOGY** NIFT Campus, Hauz Khas, Near Gulmohar Park, New Delhi - 110016.

#### **Annexure-I**

#### **ELIGIBILITY CRITERIA.**

1. The Firm should have 10 years of experience of Audit since the date of Registration of the firm.
2. The Firm should be empanelled with C&AG office for the year 2010-11 onwards.
3. The Firm should have minimum No. of 6 Qualified Chartered Accountants either as partners or employees.
4. The Firm should have minimum No. of 15 Staff (Article/Audit Clerks).
5. The location of the Firm should be at or in the vicinity of the New Delhi.

6. The Firm should have conducted Statutory/**Internal** Audit minimum of the following:

- 5 Autonomous Bodies/Statutory Body,
- 3 PSUs and (copy of Ref. letters of having provided Good Quality Audit to be enclosed)
- 2 Educational Institutions

The copy of work order of the above organizations / institutions should be enclosed.

7. The Yearly Turn-over of the Audited Educational Institutions / Autonomous Body/Statutory Body/PSUs should not be less than ` 100 Crores. (copy of Audited Income & Expenditure to be enclosed)

## Annexure-II

### SCOPE OF WORK.

**Internal** Auditors should ensure that:-

- i) The statutory requirements are complied with.
- ii) NIFT rules and procedures have been followed.
- iii) Payments made to staff are as due and loans/advances are recovered timely.
- iv) Review of accounting systems and **internal** control systems to ensure that no revenue leakage takes place.
- v) Proper and adequate MIS exists for different levels of management.
- vi) Physical examination and verification of tangible assets is carried out.
- vii) Detection of systemic flaws and suggestions for adopting corrective measures.
- viii) Comment on risk assessment and risk mitigation mechanism in institute.
- ix) Compliance of the comments given by Statutory **Auditor** (C&AG) on the **Internal** Auditors' Report.
- x) Depute two article at least intermediate CA level for concurrent Audit and any other work assigned by Institute.
- xi) The **internal Auditor** will attend to any taxation matters & offer tax advice.
- xii) The **internal auditor** is required to prepare Quarterly audit report of their findings and to advise any matter where financial prudence is wanting in function of NIFT.

**Annexure-III****TERMS OF REFERENCE OF INTERNAL AUDITOR****S.No. Details****Periodicity****Extent of Audit****1.****Finance & Accounts**

## 1.1

To Check all the Cash Book for Journal Vouchers and their recording in the original books of entries

Quarterly

100%

## 1.2

To check the correctness of payments released in all respects and sanctions thereto

Quarterly

100%

## 1.3

To scrutinise the general ledger pertaining to the income, expenditure and Balance Sheet items in order to ascertain the correctness of the entries posted

Quarterly

100%

## 1.4

To scrutinise and check the Bank Reconciliation Statement of all the Bank Accounts

Quarterly

100%

## 1.5

To Check pay roll, and loans sanctioned to the employees, verification of recoveries, review of outstanding etc.

Quarterly

100%

## 1.6

Scrutiny of advances and loans sanctioned to the employees, verification of recoveries, review of outstanding, etc.

Quarterly

100%

## 1.7

To periodically verify the physical cash balance as per cash book

Monthly

100%

1.8

To check the deposits with the Banks and corresponding correctness of interest due and receipt

Quarterly

100%

1.9

To check the budget provisions and actual against it and highlight the variations

Quarterly

100%

1.10 To ascertain the extent of compliance by the various NIFT Centres, with the prescribed procedures laid down from time to time

Quarterly

100%

1.11 To check inter office adjustments

Quarterly

100%

1.12 To review and recommend the soundness, adequacy and application of accounting, **internal** controls and procedures

Quarterly

100%

1.13 To check deduction of TDS, Service Tax, Works Tax and remittance thereof to the concerned authorities

Quarterly

100%

1.14 To Check the receipt/release of EMD's Security Deposits and related records

Quarterly

100%

**S.No. Details**

**Periodicity**

**Extent of**

**Audit**

**2.**

**Administration**

**2.1**

To check in all respects the quotations, tenders and their opening, listing, Comparative statement, etc. and issue of purchase orders, as per procedures laid down.

Quarterly

100%

2.2

To check receipt, issue and stock of all stationery including printed stationery items.

Quarterly

100%

2.3

To check the Fixed Assets Registers, with a view to ensuring the accuracy of postings and physical verifications.

Quarterly

100%

2.4

To check records of consumable materials receipt and issue thereof

Quarterly

100%

2.5

To check the Annual Maintenance Contracts entered into in respect of equipment including computer hardware

Quarterly

100%

2.6

To check the vehicle maintenance records, with a view to economic running of the vehicles

Quarterly

100%

**3**

### **Academic Affairs including CE**

#### **Programmes**

3.1

To check the collection of fees, credit thereof and reconciliation of the financial and departmental records in regard.

Quarterly

100%

3.2

To check the payment to guest faculty with reference to norms laid down, deduction and remittance to TDS

Quarterly

100%

3.3. To check the collection of hostel fees, bus fees, credit thereof and reconciliation of the financial and departmental records in this regard

Quarterly

100%

3.4

To check the collection of Library fee from the students and other members, credit thereof

Quarterly

100%

3.5

To check stock/Asset Registers or Resource Centre, acquisition of books/material collections, payment thereof

Quarterly

100%

3.6

To check the collection of security deposits and refund thereof in respect of library and hostel

Quarterly

100%

3.7

To check the Stock registers of the academic departments with reference to purchase/issue of materials

Quarterly

100%

**S.No. Details**

**Periodicity**

**Extent of**

**Audit**

4.

**Admission**

4.1

To Check the Total no. of Prospectus & Application Form Sold and their receipts.

Quarterly

100%

4.2

To check the nos. of Students admitted and their Fee Receipts.

Quarterly

100%

4.3

To Check the Seats offered for admission and filled as per NIFT rules.

Quarterly

100%

4.4

To check the MoU with the outsource Agency.

Quarterly

100%

4.5

To the Check the Payment to the outsource Agency as per MoU.

Quarterly

100%

**5.**

### **Establishment**

5.1

To Check the Employees Master file i.e. Personal files

Quarterly

100%

5.2

To Check the Leave Salary / Pension contribution forwarded to the Deputationist.

Quarterly

100%

5.3

To Check the sanctions order regarding Retirement Benefits i.e. Gratuity, leave encashment etc. if any.

Quarterly

100%

5.4

To check in all respects the applications, agreements, security/ surety bonds/hypothecation of the asset wherever

required, etc., submitted by employees and sanction of Computer, Festival, Scooter, Motor Car, House Building etc., advances.

Quarterly

100%

5.5

To check the sanctions issued for creation of posts with reference to the delegated powers, and the strength in position with reference to the sanctioned strength

Quarterly

100%

5.6

To check the sanctioned issued for drawl of allowances/perquisites, with reference to delegated powers

Quarterly

100%

5.7

To check drawl of increments, fixation of pay, leave records, payment of overtime allowance, conveyance allowance, leave travel concession, reimbursement of medical expenses, Transfer TA, Children education allowance, group insurance etc., with reference to sanction and entitlement, S.Book.

Quarterly

100%

## **6.**

### **Final Accounts**

6.1

To assist in preparation of final accounts and consolidation thereof & signing of A/cs.

Yearly

6.2

To assist in the discussions with the Statutory Auditors and finalization of Audit Reports

Yearly

6.3

To assist in the reply of Audit Paras if any raised as required by Govt. auditors.

Yearly



6.4

Auditing of projects cell files & Accounts  
Quarterly

**7.**

### **Other Services**

7.1

Advisory role for Project Management of  
accounts at Centres including projects.

As and when required

7.2

Filling of Quarterly e-TDS Return (salary &  
other than salary)

Quarterly

7.3

Updates/Changes in Statutory Laws

From time to time

7.5

Income Tax Return of NIFT & their  
Assessment

Yearly and As and when  
required.

7.6

Advisory roll in tax related matter

As & when required

7.7

Physical Presence of Senior Partner

At the time of approval of

Final Accounts from

F&AC & BOG.

### **Annexure-IV**

#### **IMPORTANT INSTRUCTIONS**

1. **Internal** Auditors should invariably discuss the draft audit report with the **Chief Accounts Officer**, so that the minor discrepancies are rectified locally in their presence.
2. They should not merely point out shortcomings/ weaknesses but should give concrete suggestions for the system improvements and ensure compliance of the observations at the project site itself.
3. The **internal** auditors should keep themselves informed about the latest policy decisions of the company by going through the circulars issued from time to time by the company on various subjects.
4. The **internal auditor** is required to prepare the audit report in four parts as given as under:-

**Part-I** Action taken on previous Report.

**Part-II** Important items which, in the opinion of the **Auditor**, should be brought

to the notice of the Management.

**Part-III** Matters which, though erroneous, are minor in nature and would be adequate if rectified.

**Part-IV** Suggestions for systems improvement.

5. The Auditors are required to adopt solution oriented approach while conducting the audit. They should identify the factors affecting the profitability of the Institute and suggest solution to mitigate adverse impact on the profitability of the Institute.

**Annexure- V**

**TECHNICAL BID**

**(Audit Experience /Capability Criteria)**

**1. Name of Firm:**

**2. Address:**

**3.** Name of responsible person, contact no. and details who will coordinate for audit:

**4.** Whether your firm is empanelled with CAG for the year 2011-12:

**5.** Empanelment no.

**6. STABILITY OF FIRM:**

i) Age in Years

ii) No. of Branches

**7. MAN POWER**

i) No. of Partners.

ii) No. of Qualified Chartered Accountants.

iii) No. of Article /Audit Clerks.

**8. PROFESSIONAL EXPERIENCE**

i)

Statutory/**Internal** Audit conducted of the Autonomous Body / Statutory Body:

S. No. Name of the organization

Period of assignment Turnover(in Crores)

ii)

Statutory/**Internal** Audit conducted of the PSUs:

S. No. Name of the organization

Period of assignment Turnover(in Crores)

iii)

Statutory/**Internal** Audit conducted of the Educational institutions:

S. No. Name of the organization

Period of assignment Turnover(in Crores)

**Annexure-VI**

**FINANCIAL BID**

**(Professional Fees)**

The Firm may quote their professional fees in the following Format:

1. Name of the Firm:

2. Headquarter Location:

3. Professional Fees:

**S. No. Particulars**

**Amount in `**

1

Professional fee for **Internal** Audit – Yearly\*

2.

Professional fee for consolidation of Accounts  
at the end of financial year- Yearly

3.

Professional fee for two Articles – Yearly\*

TOTAL `

**\* Payment will be released on Quarterly basis on submission of bills.**

4. Service Tax applicable – Yes/No.

5. Service Tax No.

6. TAN/ PAN No.