

2020

1503

REQUEST FOR QUOTATION

**SELECTION OF CHARTERED
ACCOUNTANT FIRM FOR
PREPARATION OF FINANCIAL
STATEMENT AND CONDUCTING
SPECIAL AUDIT of ERSTWHILE BRJP
Division And Currently BUIDCo for the
period of 2014-15 to 2018-19
(UP TO 30.11.2018)**



Building Better Tomorrow

**Bihar Urban Infrastructure Development
Corporation Limited
(A Government of Bihar Undertaking)**

**#West Boring Canal Road
Near Rajapur Pul
Patna-800001**

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1. INTRODUCTION

Background

- 1.1 BUIDCO is mandated to work on assignments regarding development of Urban Infrastructure in Bihar and pertaining to all departments of Government of Bihar or any other department, agency, organization or body through Urban Development Department or directly. **Further as per Gyapak 2690 dated 16th May 2018 DUDA, BUDA, and BRJP has been merged into BUIDCO w.e.f. 30th Nov 2018, hence operational areas of the organisation has been divided into two parts i.e. Headquarter level and Division level into entire district of Bihar.**
- 1.2 BUIDCO seeks to invite Proposal from Chartered Accountants firms meeting the minimum eligibility criteria for providing their services i.e Preparation of Financial Statement and Special Audit of Bihar Rajaya Jal Parishad HQ and 6 Nos. division offices for the period of 5 Years preceeding the date of merger i.e Financial Year 2014-15 to 2018-19 up to 30.11.2018.

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2. Objective and contents

2.1. This Document issued by BUIDCo seeks to invite Proposals from interested Chartered Accountant firms for Preparation of Financial Statement and conducting Special Audit of BRJP for the period of 5 Years preceeding the date of merger i.e. Financial Year 2014-15 to 2018-19 up to 30.11.2018.

2.2. The objective of the special audit are as under:-

- a) To prepare division wise financial statement including notes to accounts, Bank reconciliation statement and other details as per requirement of the act for the period 2014-15 to 2018-19 till date of merger.
- b) To vouch the all receipt and payment from government/other agency/during the aforesaid period and reconcile with the books of accounts.
- c) To identify areas of significant inefficiencies in all financial/non financial transactions occurred during the period and report the same along with suggested necessary remedial measures.
- d) To verify the policies, procedures, plan, laws and regulations which are applicable on the entity have been complied with.
- e) To ensure that the assets are safeguarded against loss and theft.
- f) To confirm that the established program/operating goals and objectives will be met.

2.3. Standards

- a. The preparation of financial statements and special audit will be carried out in accordance with the applicable auditing standards issued by the Institute of Chartered Accountants of India in this regard and applicable all rules applicale in the state of Bihar. The auditor should accordingly plan and perform the audit to provide to the risk to an acceptable level that is consistent with the objective of the audit.
- b. In conducting the audit special attention should be paid to the following:
 - i. An assessment of adequacy of the project financial systems, including financial controls. This should include aspects such as adequacy and effectiveness of accounting, financial and operational controls, level of compliance with established policies, plans and procedures, reliability of accounting systems, data and financial reports, methods of remedying weak controls, verification of assets and liabilities, a specific report on these aspects would be provided by the auditor as part of the management letter.
 - ii. Funds have been spent in accordance with the conditions laid down by competent authority from time to time with due attention to economy and efficiency, and only for the purpose for which the financing was provided.
 - iii. All necessary supporting documents, records and accounts have been kept in respect of all financial and non financial transactions.

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3. Clarifications on Quotation

- 3.1. CA Firms may submit a list of queries, if any, to the document. Any queries or request for additional information concerning this document shall be submitted in writing by e-mail to tenders@buidco.in, addressing the Managing Director, Bihar Urban Infrastructure Development Corporation Ltd, West Boring Canal Road, Near Rajapur Pul, Patna-800 001, on or before **30th April 2020**. The communications shall clearly bear the following identification/ title: **"Request for Clarification –For Selection of Chartered Accountant Firm for Preparation of Financial Statement and Conducting Special audit for the financial year 2014-15 and 2018-19 (pre merger dated 30.11.2018).**
- 3.2. BUIDCo reserves the right not to respond to any question or provide any clarification, in its sole discretion. Nothing in this clause shall be taken or read as compelling or requiring BUIDCo to respond to any question or to provide any clarification. BUIDCo will not respond to the question raised by CA Firm if it is going to affect the outcome of the selection process. BUIDCo will upload all the queries and its responses on www.buidco.in.

4. ELIGIBILITY

Eligibility & Qualification Requirements

Technical and Financial qualifications

4.1 The technical qualifications are as under:

- The firm is registered with Controller and Auditor General of India. **(Proof must be attached)** and having Head Quarter/Branch at Patna.
- The CA firm should have experience of conducting Internal/ Special audit of similar type of Government / Semi Government organisation. **(Proof must be attached)**.
- Engagement Manager should have experience of handling internal audit/Special Audit of at least 3 infrastructure companies. **(Proof must be attached)**.
- Engagement team should have a mix of CAs and Semi qualified CAs who has audit experience in infrastructure businesses as on the date.
- The engagement team should visit the Head quarter as well as all division offices during the period of the Audit.
- A Bidder shall submit only one Proposal as part of this bidding process. Any entity that submits or participates in more than one Proposal will cause all the Proposals in which the entity has participated to be disqualified.
- No sub letting, association or consortium with other firms for the purpose of this assignment shall be allowed.
- The Average Annual turnover of the Audit Firm shall be at least Rs.25 lacs based on the turnover of last three years ending on FY 2016-17, 2017-18 and 2018-19. For this audited financial statements of last three years will be required to be submitted.



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5. SCOPE OF SERVICES

5.1 The broad scope of work is to manage operations as given below, however, not limited to the following:

- a. To prepare books of accounts, ledger details, financial statement consolidated as well as division wise, bank reconciliation statement, inter unit reconciliation and other details as per compliance of the act. Further auditor will certify to the financial statements both consolidated and division wise.
- b) To vouch the all receipt and payment from government/other agency/during the aforesaid period and reconcile with the books of accounts.
- c) To identify areas of significant inefficiencies in all financial/non financial transaction occurred during the period and reports the same along with suggested necessary remedial measures.
- d) To verify that the policies, procedures, plan, laws and regulations which are applicable on the entity have been complied with.
- e) To report on the established program/operating goals and objectives and deviation thereon.
- f) Review the Accounting Policies and Accounting procedures for BRJP HQ & Division Office.
- g) Design the formats for different accounting requirements;

5.2 Deliverables

The deliverables shall be following ways:

- a) Audited Financial Statements including Notes to Account, Bank reconciliation statements and ledger details of Financial year 2014-15, 2015-16, 2016-17, 2017-18 and 2018-19 (till 30.11.2018).
- b) Year wise list of BG and their expiry date from 2014-15 to 2018-19 and report on Physical verification of Bank guarantee of Division.
- c) To report that statutory compliances has been complied as well as non compliance including payment thereof.
- d) Give comments and observations on the accounting records, systems and internal controls that were examined during the course of the audit.
- e) Comment on specific deficiencies and area of weakness in the system and internal controls and make recommendations for their improvement.
- f) Report includes risk implication and root cause on the observation made.
- g) Communicate matters that have come to the attention during the audit which might have significant impact on the implementation of the projects and on the entity.

5.3 Reporting and Timing

The audit shall be conducted as per date prescribed in the LOA and on the basis of that final Audit Report/Financial Statement for each year shall be submitted within 3 months.

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5.4 Payments

The payment terms shall be as under:

The fee shall be paid on stage wise completion and submission of Audited Report/Financial Statement which are as under:

| | | |
|---------------|------------------|--|
| Stage -1 15% | On Submission of | Auditor Report/Financial Statement of 2014-15. |
| Stage -2 30% | On Submission of | Auditor Report/Financial Statement of 2015-16. |
| Stage -3 45% | On Submission of | Auditor Report/Financial Statement of 2016-17. |
| Stage -4 60% | On Submission of | Auditor Report/Financial Statement of 2017-18. |
| Stage -5 100% | On Submission of | Auditor Report/Financial Statement of 2019-19. |

5.5 General

The CA Firm would be given access to any information relevant for the purpose of conducting the special audit and preparation of financial statement. This will normally include (other than all financial and procurement records) the contracts and agreements signed, instructions issued by BUIDCo (Erstwhile BRJP) regarding scheme guidelines, administrative orders and respective state department.

