

## INDIAN INSTITUTE OF MANAGEMENT NAGPUR



### Expression of interest

Empanelment of Auditors for providing Audit and Tax consultant for Indian Tax Matters Services to IIM Nagpur

**(EOI Reference NO.: IIMN/137/2021-22/003 dated 26/08/2021)**

### Issued by:

**Client**

CAO

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## Chapter 1

### A. INTRODUCTION

IIM Nagpur was established in the year 2015 and is currently operating from its temporary campus at VNIT Nagpur. The two-year full-time residential Post Graduate Programme in Management (PGP) is IIMN's flagship programme. Five batches of Post Graduate Programme have passed out from the institute.

Indian Institute of Management, Nagpur (IIMN) is a society registered under Societies Registration Act, 1860 and a Public Trust under Bombay Public Trust Act, 1950. Also Institute is formed by an Act of Parliament.

The Institute's accounts are audited by C&AG every year.

IIM Nagpur intends to empanel auditors for conducting **Statutory Audit and Tax consultation for Indian Tax Matters Services.**

### B. Expression of Interest (EOI)

Indian Institute of Management Nagpur invites Expression of Interest from experienced firms for empanelment as statutory auditors and as tax consultant Indian Tax Matters Services as per Detailed Scope of Work (Chapter 3)

#### Timeline for Bidding Process:

EOI Publishing Date	26/08/2021
Pre-bid meeting	31/08/2021 at 11:00 AM
EOI Submission Date	20/09/2021 up to 11.00 AM
Technical Bid Opening Date	20/09/2021 at 11.30 AM
Presentation by PQ qualified bidders	Last week of September
Financial Bid Opening Date	Price Bid of only technically qualified bidders as per Bid evaluation scheme shall be opened in the last week of September.

#### EOI Submission:

EOI shall be submitted in two parts –

Sealed envelope 1 - PQ-cum-technical bid

All pages of EOI documents shall be stamped and signed by the applicant (except Price Bid)

Documentary proof in support of Pre-Qualification Criteria as per chapter 2.

Sealed envelope 2 - price bid in the format given in EOI

The two envelopes are to be marked as such and placed in a third envelope clearly super scribed with EOI No. and name, name of the bidder.

The complete EOI as detailed above must reach the offices of IIM Nagpur before the last date as per timeline at following address:

Stores & Purchase Office

IIM Nagpur

VNIT Campus

South Ambazari Road, Nagpur -10

**Validity period of the Bid:** The bids will be valid for a period of Three months from the date of submission.

**C. General Information for Bidders**

1. Bidders should acquaint themselves with the scope of work and reach out to IIM Nagpur for any queries / clarifications they might need regarding the bid or the work requirements. A pre-bid meeting shall be held to clarify the doubts regarding scope of work and bidding process on 31/08/2021 at 11:00 AM at IIM Nagpur.
2. **Period of appointment:** The initial period of appointment will be for one year. The auditors & tax consultant may be reappointed for a further period upto a maximum period of three years. The appointment shall not be for more than two years at a time. The reappointment is subject to satisfactory services by the auditors, tax consultant and will be at the discretion of the institute. The financials for the reappointment will be invited from the auditor, tax consultant and will be mutually decided.
3. **Assignment & sub-contract:** Selected Firm / LLP shall not assign, sub-contract or sub-let the whole or any part of the service in any manner without express approval of the institute.
4. **Confidentiality and Disclaimer:** All information supplied by IIMN in connection with this EOI must be treated as confidential by Bidders.
5. **Arbitration:** All disputes regarding quality of service, specifications and rates shall be settled mutually by making references to conditions of contract, documents or prevailing local practices etc.; but if not settled mutually, shall be referred to arbitration as mandated in the Arbitration and Conciliation Act, 1996 and its amendments or modifications to-date.
6. **Exit Clause:** Both the parties can terminate the contract at the end of the period of a particular financial year when the term expires. The contract can also be terminated by either side after giving one month's notice period.
7. **Legal dispute:** Any dispute, which may necessitate legal redressal will be restricted to the jurisdiction of the civil courts at Nagpur (Maharashtra) only.
8. **Payment:**
  - For Statutory Audit work (Chapter 3, 3.1)- After completion of Assignment as per scope of the work.
  - For Taxation related work (Chapter 3, 3.2) - 70% of the yearly contracted fees for tax matters payable on quarterly basis after successful rendering of services for each quarter. 30% of the yearly contracted fees payable on successful completion of Annual activity of each year.
9. **Authorization and Manpower deployment:** The applicant firm shall inform the institute in writing the names of the persons authorized to sign vouchers, raise bills and collect payments.
10. **Rejection clause:** The firm who does not fulfil any of the PQ conditions or submit incomplete documents in any respect is liable to be rejected summarily.
11. **Selection of Auditor & Tax consultant:** Through Techno-Commercial evaluation as detailed in Chapter 4.
12. IIM Nagpur reserves the right to accept/ reject any EOI in part or full, without assigning any reason whatsoever.
13. Place of delivery of service is IIM Nagpur VNIT Campus, Nagpur as well as IIM Nagpur MIHAN Campus Nagpur.
14. The price quoted by the Bidder shall be firm and final and no increase on what so ever account shall be admissible except for increase / decrease of government levy. If the contract period is extended for further period, the rates will be mutually decided between the Institute and the



bidder considering the factors contributing to the increasing the cost. However, when bidder has to incur additional expenses in connection with scope of work for travel and lodging outside Nagpur the same shall be reimbursed as per prevailing rules of IIM Nagpur.

## Chapter 2

### Pre-Qualification and Technical Criteria

	Only those Bidders who meet the following minimum criteria will be considered for evaluation:
2.1	The applicant firm should be a partnership firm with minimum two full time partners.
2.2	The applicant firm should in practice for more than 10 years as per records of the Institute of Chartered Accountants of India (ICAI)
2.3	The applicant firm should be registered with GST and should have annual turnover of more than 1.00 Crore in each of financial years 2017-18, 2018-19, 2019-20.
2.4	Experience of handling similar assignments or other relevant assignment of Educational Institution(s) such as IIT's, IIM's, NIT's or any other centrally funded institute is desirable. Furnish copy of the documentary evidence in support of the same.
2.5	The Registered office of the firm should be within Nagpur jurisdiction .

Submission of documents to assess pre-qualification criteria:

Bidders must submit the documentary proof in support of meeting the pre-qualification criteria. Simply an undertaking signed by the bidder for any item of the criteria shall not suffice. All the documentary proofs must be submitted with the bid document.

Bidders fulfilling the above criteria will be considered for Technical evaluation as detailed in Chapter 4.

In deciding upon the selection of the auditor and tax consultant, emphasis will be paid on the ability and competency of the firm to provide high quality services according to the time schedule and in close co-ordination with IIM Nagpur.

## Chapter 3

### SCOPE OF WORK

#### 3.1 Scope of Audit – Statutory Audit

The appointed Statutory Auditors are expected to conduct the audit of the institute and prepare the Annual Statement of Accounts & Audit report in the format prescribed by Ministry of Education and certify the true & fair view of the financial statements in conformity with the Accounting Principles generally accepted in India and also in consonance with applicable statutes namely:

1. The Societies Registration Act, 1860
2. Bombay Public Trust Act, 1950
3. IIM Act, 2017

Further, the Statutory Auditors are also required to report about audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. These Standards require the Auditors to comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement. The audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

Statutory Auditors are also expected for services relating to filing of all IIM Nagpur returns of Income Tax and various certification related work viz., Income Tax, GST, Works tax, Labour Cess, GFR 2017, Society Registration Act, 1860 etc.

The period is from Financial Year 2021-22 & onwards.

#### 3.2 Tax consultation –

IIM Nagpur intends to engage a firm if tax consultant (hereinafter consultant) from 01<sup>st</sup> April 2022 & onwards.

#### Scope of Work:

The consultant must have vast experience in handling various Direct and Indirect Taxation issues. Expertise in GST matters and TDS is a core requirement for IIM Nagpur under the area of direct and Indirect Taxes.

- The current volume of work may be anticipated to approx. 300 payment vouchers per month and likely to increase.
- Current staff strength of 60 employees and likely to increase.

The consultant will have to undertake the activity of Q4 for FY 2021-22 and annual activities for FY 2021-22. The tax consultant (firm) will have to undertake all services w.r.t. scope of work mentioned below during the contract period irrespective of any Financial Year.

### **3.2.1 Indirect Tax**

#### **A. Goods and service Tax (GST) Retainership**

- Computation of monthly GST liability and preparing the challans.
- Computation of monthly GST credit and adjustments thereof.
- Maintenance of the GST Credit register for input services used based on documents provided by the client
- Reconciling of the GST liability account on regular basis.
- Preparation and submission of the monthly/quarterly/half-yearly returns in appropriate Form of GST.
- Scrutinizing documents from time to time to ensure proper compliance.
- Providing updates on statutory changes in GST related matters to the Client.
- Causing appearance and making submissions in the course of assessments
- Providing monthly information of GST liability and GST credit as applicable to IIM N
- Preparation and submission of replies against the notice issued by the tax authority from time to time
- Computation of monthly GST liability for purchases of goods and services made from unregistered suppliers/vendors.
- Computation of monthly GST liability for reverse tax mechanism.
- Providing assistance and guidance for any changes required in the ERP system for GST implementation at present/future.
- Handling all assessment proceedings initiated by appropriate authorities including drafting/filing of replies and submissions, representation before the authorities for assessment proceedings, drafting/filing of submissions with authorities regarding rectification applications including any penalty proceedings as applicable, drafting/filing the submissions for stay of any demand, review of orders, etc. and attending hearing.

### **3.2.2 Direct Tax**

#### **A. Annual tax Return and Withholding Tax Compliance**

i. Filing of Annual Income – Tax returns as per provision of the Income Tax Act.

ii. Under the Indian tax laws, educational institutions are also required to deduct the tax at source on various payments made on account of both domestic and international transactions. Further, the law imposes an obligation on the companies to deduct tax and deposit the same with the Government on timely basis. Educational Institutions are also required to issue certificates for the tax deducted at source (TDS) to the payee and file quarterly TDS return with the tax authorities. Accordingly, the selected firm will be responsible for:

- Preparation and review of monthly and quarterly statements in respect of tax deducted/deposited from Salary, Honorarium and Contractors, etc. before filing returns.
- Filing of the TDS returns in due time as per the provision of the Income Tax Act
- Generation of TDS certificate from TRACES as per the time limit of issue of the same to Contractors/ employees
- Institute is also required to deduct the tax at source on various payments made on account of international transactions, so the firm will generate form No 15CA/15CB and assist in arriving at correct rate of TDS on such foreign payment.

iii. Failure to comply with the TDS provisions attracts levy of interest and penalty. Hence, timely compliance is mandatory and the firm is expected to ensure the same.

iv. Given the onerous TDS requirements under the Act, it is pertinent that IIM Nagpur monitors its payments for the applicability of TDS and also complies with the provisions under the Act strictly.

v. Handling all assessment proceedings initiated by appropriate authorities including drafting/filing of replies and submissions, representation before the tax authorities for assessment proceedings, drafting/filing of submissions with tax authorities regarding rectification applications including any penalty proceedings as applicable, drafting/filing the submissions for stay of any demand, review of orders, etc. and attending hearing

vi. Advising IIMN for further course of action consequent to assessment/reassessment/rectification orders issued by the Income Tax Authorities, filing of appeals before CIT (Appeals) including drafting of Grounds of Appeal and Statement of Facts, filing of written submissions/paper book and representation in all existing/new appeal proceedings before CIT (Appeals), representing IIMN in various Statutory Authorities and representing IIMN in ITAT cases.

vii. Pursuing, assisting and coordinating with Income Tax Authorities for timely getting the refunds due to IIMN.

viii. Rendering expert opinion as and when required by IIMN for all the taxation issues including international taxation matters, etc. Updating IIMN on all applicable changes in relevant taxation laws and suggesting measures for effective adaptation of changes in IIMN, wherever required.

ix. Services for obtaining 12 A/10(23) C (VI) and 80 G certificate from Income Tax Authorities

x. Advice on tax withholding rates on various categories of payments (including salary); and

xi. Preparation and review of quarterly statements in respect of tax deducted/deposited from Salary, Honorarium and Contractors, etc. before filing return.

xii. The consultant is requested to obtain lower/NIL withholding tax certificates whenever required. In this regard, the scope of service would be as under:

- Filing of application and submissions/replies to be filed with the income tax authorities in relation to the above;
- Providing representation and appearance before the income tax authorities in connection with the issue of lower/Nil withholding tax certificates;
- Filing additional letter/application and representation before the income tax authorities in connection with updating the list of payer in the certificate obtained by IIMN, if required.

xiii. In case of any penalties and interest levied by the authorities on IIM Nagpur due to non-compliance or delays or any other matter which is in the scope of the consulting firm, the institute may at the discretion of the Director decide on the recovery of the same from the consultant.

### **3.2.3 FCRA**

The Institute is in process of registration under Foreign Contribution (Regulation) Act 2010. It is expected from the appointed Tax consultant to assist IIMN in obtaining this and facilitate further



compliance. The Consultant will prepare and furnish Annual Returns and other necessary compliances in regard to FCRA.

#### **3.2.4 Professional Tax Compliance**

It is expected from the appointed Tax consultant to prepare and furnish Returns and other necessary compliances in this regard.

#### **3.2.5 Compliances w.r.t Societies Registration Act ,1860 and Bombay Public Trust Act, 1950.**

Indian Institute of Management, Nagpur (IIMN) is a society registered under Societies Registration Act, 1860 and a Public Trust under Bombay Public Trust Act, 1950. Also IIM Nagpur is the Institute formed by the Act of Parliament.

- Filing of Annual return as per provision of the Societies Registration Act ,1860 and Bombay Public Trust Act, 1950.
- Handling all assessment proceedings initiated by appropriate authorities including drafting/filing of replies and submissions, representation before the authorities for assessment proceedings, drafting/filing of submissions with authorities regarding rectification applications including any penalty proceedings as applicable, drafting/filing the submissions for stay of any demand, review of orders, etc. and attending hearing

#### **3.2.6 On site visit**

i. One representative of the Tax Consultant firm, having knowledge of Tax matters, will be required to visit IIMN at a frequency decided in consultation with the Account & Finance department of the institute based on the work load. The visit frequency may be on a daily basis / twice a week or as and when required to verify all the deductions of tax on account of TDS and GST and preparation of challan for GST and TDS and file monthly/quarterly return and file correction statements if any. The representative will be required to visit the IIMN on a short notice for discussing any urgent matters with the FAO & Assistant – Finance & Accounts Officer.

ii. Partner/professional CA assigned for this project by the Tax Consultant firm should be available at least one day in a month to discuss important and pending issues. The Consultant will be required to visit the IIMN on short notice for discussion on urgent matters with the Director/CAO/Advisor (Finance)/FAO/Assistant – Finance & Accounts Officer as the case may be.

## Chapter 4

### Bid Evaluation Scheme

- 4.1 Technical bid will be assessed for 60 marks & price bid for 40 marks.
- 4.2 If the score of bidders in technical bid is below 50 % (30 Marks) then the bidder will not be considered for further evaluation. Technical bid scoring is detailed in point no. 4.3.6. Price bid of such bidders will not be opened.
- 4.3 Price Bids of only those bidders shall be considered for opening and evaluation, whose bid is determined to be technically acceptable to IIMN.

Evaluation of price bid shall be taken up to determine the competitive prices of the techno- commercially acceptable bids and include the following:

- 4.3.1 During Price bid opening only average technical score of agencies will be read out by price bid opening committee before opening of price bids.
- 4.3.2 The Total amount quoted in Price Bid will be considered for evaluation purpose. The quoted prices shall be checked to determine the arithmetical correctness of the same.
- 4.3.3 A bidder having highest composite score of Technical and Price Bid will be selected for award of contract.
- 4.3.4 IIMN reserves the right to accept/ reject any tender in part or full, without assigning any reason whatsoever.
- 4.3.5 IIMN reserves their right to negotiate the quoted price.
- 4.3.6 Technical bid score, out of 60, will be arrived based on the following:

#### Parameters:

Sr. No.	Description	Maximum Marks
1	No. of years of existence	10 Marks
2	Annual turnover of the firm	5 marks
3	Number of Key Professionals & their Post Qualification experience	5 Marks
3	Profile of Professionals proposed to be assigned to IIM Nagpur	10 Marks
4	Experience of handling similar and relevant assignments of Educational Institution(s) such as IITs / NITs /IIMs / CFTIs.	10 Marks
5	Presentation	20 marks
	TOTAL	60 Marks

Based on annexures for supporting documents related to experience and the presentation, the firm scoring highest marks (H1) in technical assignment will be assigned score as 60. Each of the bidders will be scored as below

Technical score of firm X= (Marks assigned to firm being evaluated \* 60) / (Marks scored by H1)

Methodology for arriving at the Price of Bidders:

**Price bid score “Y shall be out of 40”**

$$Y = \text{Score of Price bid} = \frac{40 * (\text{Price quoted by lowest firm})}{(\text{Price quoted by the firm being evaluated})}$$

Formula to calculate total score of the firm:

$$\text{Total Score out of 100} = X + Y$$

The bidder getting the highest composite techno-commercial score (X+Y) will be awarded the contract.

Notes:

1. IIM N reserves the right NOT to award the work to the highest scorer.
2. IIMN reserves the right to reject any or all bids without assigning any reason.
3. IIMN reserves the right to increase or decrease the scope of work.
4. IIM N reserved the right to award the work in case equal score of bidders.

**ANNEXURE – I****PARTICULARS OF BIDDER**

SR.NO	DESCRIPTION	
<b>1</b>	Name of the bidder firm	
<b>A</b>	Trade Name (in Block letters)	
<b>B</b>	Status of the Bidder (Proprietorship/Partnership/LLP/Limited Co.) In Block letters	
<b>C</b>	Name of Proprietor /Partners /CEO /Directors (In Block letters)	
<b>2</b>	Postal Address	
<b>3</b>	Telephone No.	
<b>4</b>	E-mail / Website address (if available)	
<b>5</b>	PAN (attach self-attested photocopy)	
<b>6</b>	GSTIN (GST Registration No.) (attach self-attested photocopy)	

I/We hereby declare and affirm that I/we have read and understood the terms and conditions of this tender as stipulated in the tender notice No **IIMN/137/2021-22/003 dated 26/08/2021**. Accordingly, I/ we accept the terms and conditions and hereby offer the rates “as per Price Bid”.

Signature \_\_\_\_\_

Date \_\_\_\_\_

Official seal of bidder \_\_\_\_\_

**CHECK LIST OF DOCUMENTS TO BE SUBMITTED**

**Bidder is required to furnish the bid as per checklist below:**

Sr.no	Item Description	Submitted / Attached YES/NO	Remark
1	PAN copy		
2	GST Registration copy		
3	Particulars of bidders ( <b>Annexure I</b> )		
4	Establishment/ registration certificates as proof for Number of years of existence		
5	Price Bid in separate envelope		
6	Profile of Key Professionals: (please mention the credentials of professional(s) to be assigned to IIM Nagpur 1. Qualification 2. Experience ( Minimum 15 years)		
7	Profile of services offered by the firm		
8	List of prominent clients ( Assignments undertaken – to support technical scoring)		
9	Audited Financial Statements of 2017-18,2018-19,2019-20. showing Gross Revenue Receipts of Rs.1 Crore & above.		
10	Recognition/ Accolades won in the last 3 years		
11	Whether any regulatory action including fines / strictures levied in last 5 years ( Self declaration)		
12	Any other information relevant to your response to this BID that you may wish to provide.		
13	EOI document signed and stamped on each page		



## Price Bid

For appointment as Statutory auditor & Tax consultant for IIM Nagpur

Name of the bidder :

Sr.No	Particulars	Fees in INR
1	Annual Statutory Audit Fees as per scope of work as defined in Chapter 3.1 from FY 2020-21. (Inclusive of all out-of-pocket expenses)	
2	*Annual Fees as per scope of work as defined in Chapter 3.2 related to tax matters. (Inclusive of all out-of-pocket expenses)	
	GST___% and amount	
	Total Amount	

\* We understand that the services related to tax consultant will start from start from 01st April 2022.

Signature of Authorized Person:

Seal