

## ANIIDCO LTD.

### Terms & Conditions for Appointment as Internal Auditor

<b>1.</b>	<b>Introduction</b>
	<p>Andaman and Nicobar Islands Integrated Development Corporation Limited (ANIIDCO), is a Government Undertaking of Andaman and Nicobar Administration and registered under the Companies Act, 1956. It is engaged in trading of Iron and Steel, Petroleum products, Liquor, running of 3 Star Hotel, manufacturing of milk and milk products, running Air Ticketing Agency and also providing financial assistance to Industrial concern. The annual turnover of ANIIDCO is ` . <b>230 Crores</b> (Approx.).</p>
<b>2.</b>	<b>Tender document for appointment as Internal Auditor</b>
	<p>The tender document containing the terms and conditions can be obtained from the Accounts Section of ANIIDCO Ltd., Vikas Bhawan, Port Blair – 744101 on any working day from the Office of ANIIDCO up to <b>8<sup>th</sup> April, 2015</b> on free of cost. Tender document and terms and conditions can also be downloaded from the website <a href="http://www.and.nic.in">www.and.nic.in</a> .</p>
<b>3.</b>	<b>Submission of tender</b>
	<p>Sealed offer superscribed as “OFFER FOR APPOINTMENT AS INTERNAL AUDITOR” alongwith Earnest Money Deposit(EMD) to be submitted in the office of the General Manager, ANIIDCO Ltd., Vikas Bhawan, Port Blair on or before <b>3.00 p.m.</b> on <b>09<sup>th</sup> April, 2015</b>. Technical and financial bid must be submitted separately. The technical bid will be opened on the same day at <b>03.30 p.m.</b> and unsealed tenders which are not properly addressed or identified will be rejected. Unsigned offers will also be rejected. The technical bid must contain the following:</p> <ol style="list-style-type: none"><li>i) EMD.</li><li>ii) Name, correspondence address with Tel. No. and contact person of the firm and its Branch office.</li><li>iii) Brief background of the firm containing number of full time practicing partners, FRN No. and other staff strength along with their qualifications, experience etc.</li><li>iv) Documentary proof of meeting the eligibility criteria.</li><li>v) PAN No. with copy of PAN Card.</li></ol> <p>The Financial bid must contain quoting quarterly Internal Audit Fees excluding Service Tax for discharging the scope of work and assigned responsibilities mentioned at clause No. 6 &amp; 7.</p> <p>The financial bid of only eligible firms will be opened and date of opening shall be intimated subsequently.</p>

<b>4.</b>	<b>Pre-Requisites Criteria</b>		
	<b>Sl. No.</b>	<b>Particulars</b>	<b>Minimum Criteria</b>
	i)	No. of years of Firm's experience as per Chartered Accountants/Cost Accountants Institute's data/record.	3 Years
	ii)	No of fulltime Partner in the firm working at least for last one year.	2 partner
	iii)	Average annual Turnover of the Firm in last 3 Financial Years.	10 Lacs
	iv)	Firm's experience in Public Sector Undertakings preferably in Central, State and Semi Govt. in undertakings in Internal Audit assignment, during the last 5 years.	2 Years
	v)	Team comprise employees working for last one year - Qualified Chartered Accountants/Cost Accountants. - Semi qualified, Chartered Accountants/Cost Accountants The firm may send a list of partners and employee along with their qualification.	1 2
	vi)	The firm must have a local office in Port Blair, A&N Islands at the time of submission of the offer.	
	vii)	The Firm need to give a declaration that no proceeding & show cause notice is pending against firm by the Institute or CA&G office.	
	Documentary proof of meeting eligibility criteria must be submitted failing which the bid may be rejected.		
<b>5.</b>	<b>Earnest Money Deposit</b>		
	Tender must be accompanied by an <b>EMD</b> of ` .10,000/- (Rupees ten thousand only) in the form of Demand Draft /Pay Order/ Bankers cheque of a Nationalized Bank or Scheduled Bank drawn in favour of ANIIDCO, Port Blair. Tenders submitted without EMD will not be considered. The EMD of unsuccessful tenderer will be released after awarding the tender. The EMD will be forfeited to ANIIDCO, if the tenderer withdraws his tender.		
<b>6.</b>	<b>Scope of work:</b>		
	i)	Internal Audit consisting routine checking of vouchers and records at our Corporate office. They should check at least 50% vouchers of revenue expense and 100% of other transactions with respect to finance concurrence, administrative approval and financial delegation and ensure proper booking of expenses in	

		proper heading with cost centre, project, Govt. Aids etc.
	ii)	<p>Checking of Accounts:</p> <ul style="list-style-type: none"> <li>• Scrutiny of bills raised and payments made to contractors and consultants</li> <li>• Verification of purchase bills</li> <li>• Verification of invoices of sales</li> <li>• Cash &amp; bank book, Bank reconciliation Statements.</li> <li>• Revenue &amp; receivables.</li> <li>• Fixed Assets accounting.</li> <li>• Scrutiny of ledgers relating to Vendors and customers.</li> <li>• Verification of various provision made.</li> <li>• Payroll accounting – Verifying the payroll &amp; employees related expense including travel, conveyance etc, with their appointed terms and company guidelines.</li> </ul>
	iii)	<p>Statutory Compliance &amp; Verification :-</p> <ul style="list-style-type: none"> <li>• Direct and Indirect Taxation – Verifying statutory compliance with the following laws: <ul style="list-style-type: none"> <li>_ Income tax Act, 1961 with an emphasis on compliance of TDS, Advance Tax, Income Tax Provisions.</li> <li>_ Service Tax</li> <li>_ Compliance of all other Tax Laws.</li> </ul> </li> <li>• Labor Laws such as EPF &amp; Misc Act/Gratuity Act and local Legislations to the extent identified.</li> <li>• Compliance of Accounting Standards and other pronouncements issued by ICAI and any other standard applicable for the company.</li> <li>• Compliance of Board Directives from time to time.</li> <li>• Verification and compliance with regards to irregularities, if any, pointed out by statutory auditors and CA&amp;G auditors.</li> </ul>
	iv)	Checking of system of internal control, process flow of various actives of all divisions of the Corporation and suggest modification required.
	v)	To conduct surprise check of stores, materials, finished goods and cash, at Head Office & sales point at least once in a half year.
	vi)	All terms and conditions/process of finalization of major tender agreement and ensure codal formalities and comment thereon.
	vii)	For any new project / proposal / Assignment initiated by the corporation, the auditor must review the project with respect to financial implication, delegation, viability of the project, administrative approval.
	viii)	They should ensure that all claims, subsidy, revenue bill to various Govt./private parties has been claimed properly and in time. Further, they should ensure revenue booking.
	ix)	The Audit firm should also update and clarify the accounts team about the changes in various Act, rule, circular and assist them for

		implementation of the same in the corporation. Further they will suggest/ clarify any doubt on any act of direct & indirect tax raised by accounts team.
<b>7.</b>	<b>Assigned Responsibilities</b>	
	i)	The firm should undertake the Internal Audit initially for one year from the period from 1 <sup>st</sup> April, 2015 to 31 <sup>st</sup> March, 2016 and same may be extended further upto two more years as per same terms and conditions and subject to approval of Board of Directors of ANIIDCO. They have to submit Internal Audit Report on quarterly basis.
	ii)	Internal Audit Party must consist of One Qualified Professional and at least two semi qualified professional. Semi Qualified Professional means Audit staff who has not yet passed the final examination of CA/CMA but passed Intermediate stages of CA/CMA.
	iii)	Before commencement of internal Audit work, the CA Firm must furnish the detail Audit program i.e. name of Auditors included in each Internal Audit Party, examinations (particularly the examinations conducted by Institute of Chartered Accountants of India / Institute of Cost Accountants of India examinations e.g. Preliminary / Inter Final etc.) passed by each member of Internal Audit Party to the undersigned, and schedule.
	iv)	The Internal Auditor is to carry out the Internal Audit in four phases i.e., 1 <sup>st</sup> phase for the period from 01/04/2015 to 30/06/2015; 2 <sup>nd</sup> phase for the period from 01/07/2015 to 30/09/2015; 3 <sup>rd</sup> phase from 01/10/2015 to 31/12/2015 and 4 <sup>th</sup> phase from 01/01/2016 to 31/03/2016. The Internal Audit Report both in soft and hard copy must be made available on : 1 <sup>st</sup> phase : 31/07/2015; 2 <sup>nd</sup> phase : 31/10/2015; 3 <sup>rd</sup> phase : 31/01/2016; 4 <sup>th</sup> phase : 30/04/2016 respectively.
	x)	The Audit team will also carry out other activities directed by the Corporation from time to time.
<b>8.</b>	<b>Other Terms &amp; Conditions</b>	
	a.	ANIIDCO will make payment of Internal Audit Fees plus applicable service Tax on quarterly basis after deduction of applicable Tax.
	b.	In addition to the above, ANIIDCO will reimburse actual cost of food, other pocket expenses limited to ` . 500/- per day for Audit staff and Rs. 1000/- per day for the partners when they undertaken Tour for Audit.
	c.	Conveyance and transportation charges like ship and bus, taxi fare shall be reimbursed on actual basis.
	d.	The firm shall submit a pre-receipted bill in accordance with the terms of the contract for releasing payment.

	e.	The payment shall be released on receipt of pre-receipted bill, on succeeding month.
	f.	The Corporation shall not provide the Audit team on duty with any accommodation/meals etc.
	g.	Report of a quarter should be submitted before end of subsequent quarter. In case of delay it shall be decided about a reasonable penalty depending on the extent of delay and the reasons thereof.
	h.	The firm shall not utilize or publish or disclose or part with any statistics, data/proceeding or information collected with the assignment. The firm shall be duty bound to hand over the entire records of assignment along with the software to the Corporation on completion of various phases of assignments.
	i.	The appointment of firm as Internal Auditor will be decided on the basis of the lowest financial offer of eligible firms i.e. quarterly internal audit fees submitted by the eligible tenderer.
	j.	The documentary evidence in respect of eligibility criteria must be attested and submitted with the offer.
	k.	The financial offers of those firms who are not eligible will not be considered for appointment.
	l.	The tender firm shall comply all the Statutory Act/Rules including EPF Act, Service Tax and Minimum Wages Act etc. in respect of their firm and its staff to be deployed in the ANIIDCO.
<b>9.</b>	<b>Financial Offer</b>	
	The quarterly audit fees excluding service tax for discharging the scope of work and assigned responsibilities mentioned at Sl.No. 6 & 7 must be submitted with the tender.	
<b>10.</b>	<b>Validity of the offer</b>	
	The offers will be valid for a period of six months from the date of opening.	
<b>11.</b>	<b>Assigning of Tender</b>	
	The successful tenderer cannot assign or sub-contract the work awarded to them.	
<b>12.</b>	<b>Arbitration</b>	
	All disputes relating to this offer shall be referred to a sole Arbitrator to be appointed by the Managing Director of the Company.	
<b>13.</b>	<b>Jurisdiction of Court</b>	
	All disputes arising out of this offer shall be subject to jurisdiction of Courts at Port Blair.	
<b>14.</b>	<b>Saving Clause</b>	
	In respect of any matter for which no provisions have been made in this tender the provisions contained in the general instructions of the Government on the subject shall apply.	

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**FINANCIAL BID**

<b>Sl. No.</b>	<b>Particulars</b>	<b>Amount (in `)</b>
	Quarterly Internal Audit fees excluding Service Tax  Add: applicable Service Tax	
	<b>Total:</b>	

Amount of Rupees (in words) \_\_\_\_\_

Seal & Signature of Partner  
Membership No. \_\_\_\_\_