

भारतीय विमानपत्तन प्राधिकरण
AIRPORTS AUTHORITY OF INDIA



Tender ID: AAI/RHQ-NR/Internal Audit/2022-23

**ENGAGEMENT OF AUDITOR FOR
CONDUCTING INTERNAL AUDIT**

Leh Airport

FY 2022-23

Additional Terms & Conditions

AIRPORTS AUTHORITY OF INDIA

Northern Region-LEH



AIRPORTS AUTHORITY OF INDIA

Northern Region

Name of Work: ENGAGEMENT OF AUDITOR FOR CONDUCTING INTERNAL AUDIT FOR LEH FOR FY 2022-23

AAI invites Tender from Chartered Accountant / Cost and Management Accountant firms for conducting Internal Audit of AAI for the FY 2022-23.

The Estimated Cost of the tender is Rs. 3,70,000/- (Rupees Three Lakh Seventy Thousand only) plus GST (as applicable). The detail scope of audit, stations to be audited along with terms and conditions is available at URL address **<https://gem.gov.in/>**

AIRPORTS AUTHORITY OF INDIA
Regional Head Quarter
Northern Region
LEH

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General Information: Organization

- 1.1 Airports Authority of India (AAI) was constituted by an Act of Parliament and came into being on 1st April 1995 by merging erstwhile National Airports Authority and International Airports Authority of India. The merger brought into existence a single organization entrusted with the responsibility of creating, upgrading, maintaining and managing civil aviation infrastructure both on the ground and air space in the country.
- 1.2 AAI manages a total of 156 Airports, which include 24 International Airports, 10 Customs Airports, 103 Domestic Airports and 23 Civil Enclaves at Defence Airfields. AAI also provides Air Traffic Management Services (ATMS) over entire Indian Air Space and adjoining oceanic areas with ground installations at all Airports and 25 other locations to ensure safety of aircraft operations.
- 1.3 The functions of AAI include:
 - (a) Design, Development, Operation and Maintenance of international and domestic airports and civil enclaves.
 - (b) Control and Management of the Indian airspace extending beyond the territorial limits of the country, as accepted by ICAO.
 - (c) Construction, Modification and Management of passenger terminals.
 - (d) Development and Management of cargo terminals at international and domestic airports.
 - (e) Provision of passenger facilities and information system at the passenger terminals at airports.
 - (f) Expansion and strengthening of operation area, viz. Runways, Aprons, Taxiway etc.
 - (g) Provision of visual aids.
 - (h) Provision of Communication and Navigation aids, viz. ILS, DVOR, DME, Radar etc.
- 1.4 Sources of Revenue/Income

AAI's revenue is broadly categorized as Traffic and Non-Traffic revenue.

- (a) Traffic revenues are generated from: -
 - i. RNFC fees collected for providing CNS & ATC services to aircraft over the Indian air space.
 - ii. Landing/Parking fees for providing landing and parking facilities to aircraft at Airports
 - iii. Passenger Service fees collected for providing passenger facilities in the terminal building

- (b) Non-Traffic Revenues are generated from: -
 - i. Concessions – Rents paid by shops, restaurants etc. inside and outside the Terminal Building
 - ii. Parking and Airport Access
 - iii. Car Rental Operations
 - iv. Lease of Land
 - v. Advertising – Advertisements placed on airport walls
 - vi. Handling of cargo etc.
- (c) Apart from the above AAI also earns revenues from leasing out of Mumbai Airport, Delhi Airport, Jaipur Airport, Lucknow Airport, Guwahati Airport, Ahmedabad Airport, Mangalore Airport etc. to private operators.
- (d) Other Income
 - i. Interest Income
 - ii. Dividend received-JVC/Subsidiaries
 - iii. Profit on sale of fixed assets
 - iv. Employee related recoveries
 - v. Income from training institutes
 - vi. Miscellaneous Income
 - vii. Interest and Penalties.

1.5 Major Areas of Expenditure

- (a) Construction of Airports, Terminal Buildings, Runways, Taxi Track etc.
- (b) Procurement of Plant & Machinery, Equipment, Furniture, Vehicles, Spares, Software, Computers etc.
- (c) Works Contract including AMC & Capital Expenditure
- (d) Security Services provided by Government Agencies like CISF, State police etc.
- (e) Hiring of Manpower
- (f) Hiring of Vehicles
- (g) Legal Services
- (h) Transportation of Goods by Road/Air
- (i) Money Exchange
- (j) Professional Services
- (k) Telecommunications Services
- (l) Expenditure on CSR activities
- (m) Import of Foreign Services
- (n) Services provided by Government Agencies like Meteorological Department.

1.6 AAI is 100% owned by the Government of India. Its share capital & reserves as on 31st March 2022 is INR 12132.19 crores.

IMPORTANT POINTS TO NOTE

1.	GEM TENDER REFERENCE NO.	AAI/RHQ-NR/INTERNAL AUDIT/2022-23
2.	TENDER INVITED FOR	ENGAGEMENT OF AUDITOR FOR CONDUCTING INTERNAL AUDIT FOR LEH FOR F.Y. 2022-23
3.	BID SECURITY / EMD	Not Applicable
4.	MODE OF PAYMENT FOR EMD	THROUGH RTGS/NEFT IN THE CURRENT ACCOUNT OF AAI AS PER BANK
5.	AAI BANK DETAILS FOR REMITTING THE EMD	NAME OF THE BANK: STATE BANK OF INDIA BRANCH: AAI RANGPURI BRANCH 10648 IFSC CODE: SBIN0010648 ACCOUNT NO-30284331773 BENEFICIARY NAME: AIRPORTS AUTHORITY OF INDIA
6.	VALIDITY OF THE TENDER	180 DAYS FROM THE LAST DATE OF SUBMISSION OF BID ON GEM PORTAL
7.	PERIOD OF THE CONTRACT/TIME OF COMPLETION	THE PERIOD OF THE CONTRACT SHALL BE 90 DAYS FROM THE DATE OF AWARD OF CONTRACT
8.	PUBLISHING OF TENDER DOCUMENTS ON AAI WEBSITE (WWW.AAI.AERO)	
9.	START DATE ON GEM PORTAL	
10.	END DATE & TIME ON GEM PORTAL	
11.	TIME PERIOD FOR RAISING QUERY BY THE TENDERER	FIVE WORKING DAYS FROM THE DATE OF PUBLISHING TENDER
12.	TIME PERIOD FOR FURNISHING OF REPLY BY THE CONSIGNEE/BUYER	
13.	TIME & DATE OF OPENING OF TECHNICAL BID	
14.	TENTATIVE TIME & DATE OF OPENING OF PRICE BID	AFTER EVALUATION BY THE COMMITTEE
15.	WHETHER REVERSE AUCTION (RA) ACTIVATED	AS PER GEM PROVISIONS
16.	CORRESPONDENCE DETAILS OF THE BUYER/ CONSIGNEE	
17.	WEBSITE ADDRESS OF AAI	<u>WWW.AAI.AERO</u>

NOTICE INVITING ONLINE TENDER

1. Online tenders through e-procurement mode are invited by AAI for Engagement of Chartered Accountants / Cost and Management Accountants Firm for Internal Audit Services for the year 2022-23.
2. The tender document is made available through e-procurement mode and open for downloading free of cost from AAI official website <https://www.aai.aero> and GEM Portal <https://gem.gov.in> during the period as mentioned in NIT.
3. The tender document consists of two volumes- Volume I: **Technical Bid** and Volume II: **Price Bid**.
4. The complete tender document shall be submitted online as tender offer on or before the due date and time of submission. Tender document through offline mode will not be entertained.
5. The offer (both Technical & Finance) must be valid for a minimum of 180 days from the last date of online submission of offer; otherwise the offer shall be rejected as non- responsive.
6. Bidding is open to all eligible bidders meeting the eligibility criteria as defined in **Volume I Technical Bid** and bidders are advised to submit below mention documents to qualify for the award of the contract:
 - (a) The bidder should submit self-declaration in the covering letter as mentioned in Format-I, section-VI stating that the bidder has not been blacklisted /debarred by any Government department/agency /falling under the denied entity list of Reserve Bank of India, Nationalized banks, or any Public Sector Unit or any other body recognized by Government of India.
 - (b) All the documents required to meet the eligibility criteria, as per Format-IV of Section-VI along with relevant documents in the Tender Document- Technical Bid shall be uploaded through e- procurement gem portal after scanning in .pdf format. The Tenderer may submit Self attested copies of the documents. The Tenderer has to produce the original documents for verification before issuing the award letter. Failure to produce the original documents will be treated as void/ non-responsive and is liable to get rejected.
7. The prospective Tenderer shall submit queries, if any, through GeM portal as per the mentioned deadline, so that the queries can be clarified. The bidders' queries will be Clarified through GeM portal.

- 8.** The last date of online submission of offers will be as per the given date & time as provided in NIT unless otherwise notified. In the event of changes in the schedules, the same will be notified through <https://www.aai.aero> and GEM Portal <https://gem.gov.in>.
- 9.** If the offers are not received according to the instructions detailed herein above, they shall be liable for rejection.

VOLUME-I

SCOPE OF AUDIT

The scope of Audit along with reporting requirements in the desired format are part of NIT and specified as follows. Audit is to be carried out by the firm for systematic examination of all financial transactions and related documents to ensure the accuracy and compliance with the internal system, procedures and guidelines of AAI, CAG and other Statutory Authorities. Audit has to be carried out in respect of following Airport/Region of AAI:

Name of Airport/Region

LEH:

- 1) Engineering Directorate
- 2) Operations Directorate
- 3) ANS/CNS Directorate
- 4) Technical Directorate
- 5) IT Directorate
- 6) Commercial Directorate
- 7) Land Management Directorate
- 8) Finance Directorate
- 9) Legal Directorate

A list of scope of work has been indicated as follows. It is pertinent to mention that these are an indicative list and not an exhaustive list of scope of work. The auditor has to examine the areas as mentioned in the scope of work from all angles to ensure that all the Directorates has followed the laid down procedures in carrying out the job and the proper records have been maintained in support of that. **Reporting may be made in the desired format made in the Google sheet.**

CONTINUED

SCOPE OF AUDIT		
Sl. No.	Area of Audit	Scope of audit
1. Traffic Revenue		
1.1	Raising of bills in respect of airlines.	<p>To check whether the traffic revenue bills for the year have been raised in time as per AAI policy In-depth checking of all invoices generated in any two months along with verification of all related records, processing of data in AIMS and checking of accuracy of the invoices raised through AIMS.</p> <p>The in-depth checking of the revenue billing is to be made by cross verifying the data available in ATC automation system with the flight movement data submitted by airlines, AOCC Data, CA 12/CA 17 Data, flight strips etc.</p> <p>As there is a manual intervention for porting the data from the system operated by ATC to AIMS, even if where the ATC automation system is available, there is a possibility of human error in omission/ duplication of data leading to wrong billing to the Airlines.</p> <p>In view of the above, to ascertain the correctness of the billing or otherwise, it is desired for an in-depth checking of the billing made in this process for two months and the differences if any, to be reported as per Format 1.1.</p>
1.2	Raising of Interest Bills for delay in payment	<p>In case of delay in payment of bills by the airlines, to quantify the amount of interest and to check whether interest bills to that extent have been raised and realized or not.</p> <p>The differences if any, to be reported as per Format 1.2.</p>

1.3	Reconciliation of TDS (Revenue)	Party-wise reconciliation of TDS booked in GL and that appearing in 26 AS and to report differences, if any as per Format 1.3.
1.4	Outstanding dues and security deposit (TRAFFIC)	<p>To check the schedule of debtors to verify that the schedule is showing bill- wise details of the debtors and to report the list of dues not having the bill-wise details separately.</p> <p>To verify the outstanding dues to analyses the reasons for outstanding and action taken for recovering the dues and to report accordingly.</p> <p>To verify the availability of security deposit so as to examine the sufficiency of amount of SD to cover the dues and to report the deficit, if any, in this regard.</p> <p>Age wise analysis of the outstanding dues and the reasons for the outstanding.</p> <p>To be reported as per Format 1.4</p>
1.5	Credit facility provided to casual & scheduled operators vis-à-vis the credit policy scheduled of AAI	<p>To check the procedure followed in providing credit facility to all the casual & scheduled operators during the year under audit, the security deposit/advance if any, obtained against the credit facility and the outstanding dues if any.</p> <p>To cover all the scope as enumerated in case of point no. 1.4</p> <p>To be reported as per Format 1.5.</p>
2. COMMERCIAL		
2.1	Raising of bills in respect of concessionaires/ lessees.	<p>In-depth checking of all invoices raised against concessionaires/ lessees in any two months during the relevant F.Y. under audit to find out the difference in billing amount, if any.</p> <p>To check the booking of revenue in the proper revenue code in GL and to report the differences if any.</p> <p>To be reported as per Format 2.1</p>

2.2	Scrutiny of Commercial Contracts.	<p>All running Commercial contracts has to be verified in detail to ascertain that the commercial manual, policies and procedure, have been followed in the award of contract.</p> <p>To be reported as per Format 2.2</p>
2.3	Outstanding dues (NON TRAFFIC REVENUE)	<p>Defaulting contractors/Agencies, if any. Age wise analysis of the outstanding dues. Whether sufficient amount of security deposit is available against the dues and the reasons for the outstanding. Court/arbitration cases if any, is pending against the defaulting parties need to be examined and status to be indicated.</p> <p>To cover all the scope as enumerated in case of point no. 1.4 and to report as per Format 2.3.</p>
2.4	Space Audit	<p>Review of space/commercial audits carried out by RHQ/ Stations/ CHQ and action taken if any against the same. Vacant space if any remaining unutilized.</p> <p>To report as per Format 2.4.</p>
2.5	Extension of contract	<p>Extension of contract if any and the reason for extension instead of awarding the contract through open tender and loss of revenue for not awarding the regular contract.</p> <p>To examine abnormal/inordinate delay in awarding the contract, if any, and to report the loss of revenue.</p> <p>To be reported as per Format 2.5.</p>

3. Award of Engineering & Other Contracts by various Directorates i.e. Operations, CNS, Technical, IT, Commercial, Legal etc.		
3.1	Scrutiny of contracts awarded during the year under audit.	To examine all the running contracts (more than Rs. 5 crores at CHQ/ Region/ Station, more than Rs.1 crore at RHQ and metro Airports and Rs.50 Lakhs at other airports) awarded by various directorates during the year under audit to verify the correctness of the procedure followed in awarding the contract in accordance with DOP/ Procurement manual/ Works manual/ technical instructions/ CVC guidelines received from time to time and to report the deviation if any, as per Format 3.1
4. Processing and Payment of Bills		
4.1	To check that the payments have been made as per the terms and conditions of the work order/agreement	To check that the payments (more than Rs.1 crore at CHQ, more than Rs.50 Lakhs at RHQ and Metro Airports and Rs.25 Lakhs at other Airports) have been made as per the terms and conditions of the work order/ agreement and the deviation if any, to be reported as per Format 4.1
4.2	To check the time lag between the submission of bill/ invoice by the vendor/ contractor and payment of the same.	<p>To check the time, lag between the submission of bill/ invoice by the vendor/contractor and forwarding of the same to finance for payment by the concerned directorate.</p> <p>To check the time, lag between the submission of bill/invoice in finance and payment of the same to vendor/contractor.</p> <p>To be reported as per Format 4.2</p>
4.3	EoT	<p>Approval for grant of extension of Time (EoT) for the contract to be correlated with the hindrance register.</p> <p>Deviation if any, to be reported as per Format 4.3</p>

4.4	Extra, deviated and substituted items	<p>Approval for extra, deviated and substituted items if any in the contract by the appropriate Authority as per DoP.</p> <p>The deviation if any, along with justification for carrying out extra/deviated and substituted items need to be reported as per Format 4.4</p>
4.5	Statutory Compliances	<p>Statutory Compliances like EPF, ESI, Labour Cess, TDS, GST etc have been duly complied with by Contractor before release of payment.</p> <p>Deviation if any, to be reported as per Format 4.5</p>
4.6	Payment in respect of pre-GST contract	<p>Payment to vendor/ supplier in respect of pre-GST contract has been made after due adjustment in the invoice with respect to anti profiteering clause in GST.</p> <p>Deviation if any, to be reported as per Format 4.6</p>
4.7	Payment to foreign vendors	<p>Payment to foreign vendors/ suppliers have been made after deduction of tax on the basis of Tax withholding certificate/15 CB as the case may be.</p> <p>In case TDS is borne by AAI the same has been made according to the terms of the contract.</p> <p>Deviation if any, to be reported as per Format 4.7</p>
4.8	Compliance with FEMA rules	<p>To check the payments made to vendors/ suppliers in compliance with FEMA rules.</p> <p>Deviation if any, to be reported as per Format 4.8</p>
4.9	Custom duties	<p>In case of contract inclusive of custom duties, Payment of custom duties has been made as per the rate quoted by the vendor/supplier.</p> <p>Deviation if any, to be reported as per Format 4.9</p>

5. Assets		
5.2	Physical verification of Fixed Asset	Physical verification of fixed Assets if any carried out during the year and the reconciliation thereof, with fixed asset register. Discrepancies, if any, to be reported as per Format 5.2
5.3	Sale/ disposal of assets	<p>To check the accounting entries passed for disposal/ sale of assets if any and the deletion of assets so sold/ disposed of from the FAR.</p> <p>Deviation if any, to be reported as per Format 5.3</p>
5.4	Fixed Assets Register v/s General Ledger	Verification of balances as per Fixed Assets Register and General Ledger and difference if any to be reported as per Format 5.4.
5.5	CWIP	<p>To check capitalization of asset as per the accounting policy.</p> <p>Delays in the installation of Assets, resulting in non-capitalization of asset if any.</p> <p>To verify each and every item lying in CWIP to examine the status of physical progress so as to ensure that assets due for capitalization as per accounting policy of AAI has been capitalized and in case of delay in progress, to report for the delay and the reasons there of.</p> <p>To be reported as per Format 5.5</p>
6. Bank and Cash		
6.1	Bank reconciliation	<p>Bank reconciliation complete in all respect including action for open item has been carried out on regular basis. Unauthorized debits in the Bank statements, if any and corrective action taken in this regard.</p> <p>To be reported as per Format 6.1</p>
6.2	Cash Insurance	<p>To examine the insurance coverage of cash in chest/cash in transit.</p> <p>To be reported as per Format 6.2</p>

6.3	Bank Guarantee	To verify the confirmation of BG, timely renewal of expired BGs and updating the records in SAP etc. To be reported as per Format 6.3, 6.4 & 6.5.
7. Review of Trial Balance, Ledgers and Subsidiary Records		
7.1	Review of booking of income and expenditure/assets and liabilities	To check income and expenditure/ assets and liabilities have been booked in the proper A/c Code. Wrong booking, if any appearing under any head of account to be reported as per Format 7.1
7.2	Review of Subsidiary Records	All Ledger balances (Assets and Liabilities) should be supported by the subsidiary ledgers. To be reported as per Format 7.2.
7.3	Review of Interim GL	Appropriate records are built up for deprecation, income tax calculations, Interim GL (GR/ IR, WBS, Freight, Custom duty, Staff Interim GL) To be reported as per Format 7.3.
7.4	Compliance of accounting policies/ accounting standard	Accounts are prepared on the basis of accounting policies and as per the accounting standard etc. To be reported as per Format 7.4.
7.5	Deposits and Advances	Deposits with others if any and action taken to get the refund of deposits where they have become refundable. To be reported as per Format 7.5

7.6	Review of Earnest Money Deposit and Security Deposit	Review of Earnest Money Deposit and Security Deposit if any lying for more than 3 years against the completed contract to ensure the same have been accounted for as per accounting policy. To be reported as per Format 7.6.
7.7	Committed expenditure	Provision of liabilities made in respect of committed expenditure or not. To be reported as per Format 7.7.
7.8	Contingent liabilities	Provision made in respect of Contingent liabilities. To be reported as per Format 7.8.
7.9	Old balances	Review of old balances, if any. To be reported as per Format 7.9.
7.10	Journal vouchers	Review of all JV passed. To be reported as per Format 7.10.
7.11	Govt Audit Observations	Review of pending Govt Audit paras and Inspection Reports and replies thereof. To be reported as per Format 7.11.
7.12	Internal Audit observations	Review of Internal Audit observations for the year 2020-21 and 2021-22 and action taken thereon. To be reported as per Format 7.12.
8. Taxation		
8.1	TDS (Income Tax and GST)	Deposit of TDS (GST, Income tax & other tax deductions) and timely filing of TDS return. To be reported as per Format 8.1.
8.2	GST	Differences in GSTR 1 and GSTR 3B, Differences in GSTR 2A and GL, Differences in GSTR 2A and ITC availed and filing of GST returns. To be reported as per Format 8.2.

8.3	Interest / Penalty	Interest/ Penalty paid if any with respect to payment of statutory taxes and duties. To be reported as per Format 8.3.
8.4	Notices from statutory authorities	Notices, if any, received from income tax GST, Service tax customs departments and action taken in this regard. To be reported as per Format 8.4.
9. Land Management		
9.1	Land Records	Area of land under possession, title deeds of Lands available & digitalization of land records. To be reported as per Format 9.1.
9.2	Land under encroachment	Area of land under encroachment and action taken for eviction. To be reported as per Format 9.2.
9.3	Land Lease	Area of land under lease, currency of agreements. Disputed cases if any and the amount involved Any legal/ Arbitration cases. To be reported as per Format 9.3.
10. Legal and Arbitration		
10.1	Legal Cases	Pending legal cases and their present status. Efforts taken to close old cases. Pending cases under PPE Act and their present position. Payments to lawyers. To be reported as per Format 10.1

10.2	Arbitration Cases	<p>Pending arbitration cases and their present status. Efforts taken to close old cases. Pending cases under PPE Act and their present position. Payments to Arbitrator.</p> <p>To be reported as per Format 10.2</p>
11. Observation of Govt. Audit/Internal Audit/Independent Auditor/Independent Engineers/Transaction Advisors (Engg., Operations, IT, Technical, CNS, Commercial, Land etc.)		
11.1	Observation of Govt. Audit/ Internal Audit/ Independent Auditor/ Independent Engineers/ Transaction Advisors	<p>Review of various reports and action taken thereon and the observations against the same.</p> <p>To be reported as per Format-11.</p>

Notes: –

- 1) The above mentioned "Scope of work" is indicative and not exhaustive. Scope of work shall include providing professional assistance for all the activities /matters related to Internal Audit.
- 2) The selection of the auditor will be on the basis of minimum eligibility criteria as mentioned in section II, Volume-1 of Additional Terms & Conditions. Financial bid shall be opened only in respect of technically qualified bidders.
- 3) The award of contract will be awarded for a period of 90 days.
- 4) Decision of AAI in all matters regarding appointment of auditor, their eligibility, the stages at which scrutiny of eligibility will be undertaken, the documents to be produced, award of assignment and any other matter relating to this notification will be final and binding on the applicants. No correspondence or personal enquiries shall be entertained by AAI in this regard.

VOLUME – II

LIST OF STATIONS TO BE AUDITED AS PER SCOPE OF WORK

List of Airports to be audited during 2022-23

Sl. No.	Classification A Cities	Classification B Cities	Classification C Cities
1			LEH
2			

Note I: The classification of cities has been defined as per the notification issued by the Institute of Chartered Accountant.

Note II: The Auditor along with his team is required to audit the respective station as per the schedule mentioned below. In case of short attendance, proportionate amount of fees will be deducted and penalty of 5 % of the awarded value will also be levied.

City Classification "A"		
Manpower and Other Expenditure	No. of Manpower	Man Days
Partner	1	5
CA/CMA Qualified	2	15
Semi Qualified	4	45
City Classification "B"		
Manpower and Other Expenditure	No. of Manpower	Man Days
Partner	1	5
CA/CMA Qualified	2	15
Semi Qualified	4	35
City Classification "C"		
Manpower and other expenditure	No. of Manpower	Man Days
Partner	1	5
CA/CMA Qualified	2	15
Semi Qualified	2	30

VOLUME - III

REPORTING FORMAT

LEH

REPORT AS ON 31st MARCH, 2023**1. Traffic revenue****1.1 Checking of traffic revenue billing**

Sl. No.	Invoice No.	Name of the Airlines	Dt. of Invoice	Amount	Difference in billing Amount	Observation

1.2 Interest for Delay in Payment

Sl. No.	Name of the Airlines	Outstanding Amount as on 31.03.2023	Interest Due as on 31.03.2023	Interest Bill Raised till 31.03.2023	Observation

1.3 Difference in TDS(Revenue)- Traffic and Non-Traffic

Sl. No.	Name of the Party	Amount in GL	Amount in 26 AS	Difference	Observation

1.4 Dues in respect of Debtors

Sl. No.	Name of the party	Status i.e. corporate or non-corporate	Dues less than 1 year	Dues 1 year to 2 year	Dues 2 year to 3 year	Dues more than 3 Years	Security Deposit	Case under Court/ arbitration	Observation

1.5 Status of operator casual / scheduled

Sl. no.	Name of the operators	Dt of grant/renewal of credit facility	Amount of outstanding	Amount of SD	Observation

2. Commercial

2.1 Checking of non-traffic revenue billing

Sl. No.	Invoice No.	Name of the Concessionaire/ Lessee	Dt. of Invoice	Invoice Amount	Difference in billing Amount	Observation

2.2 Scrutiny of commercial proposals

Sl. No.	Name of the contract	Date of Contract	Period of the contract	Value of the contract	Deviation from Policy and procedure, if any

2.3 Outstanding Dues (NTR)

Sl. No.	Name of the party	Status i.e. corporate or non-corporate	Dues less than 1 year	Dues 1 year to 2 year	Dues 2 year to 3 year	Dues more than 3 Years	Security Deposit	Case under Court/arbitration	Observation

2.4 Report on Space occupied in excess of allotment

Sl. No.	Name of the contract	Contract period	Value of the contract	Area allotted	Area Occupied	Differential Amount billed, if any	Observation

2.5 Contracts on extension during 2022-23

Sl. No.	Name of the contract	Contract period	Value of the contract	Extended up to	Dt of fresh Tender	Awarded Amount	Loss of Revenue for not awarding the contract earlier

3. Award of Engineering & Other Contracts

3.1 Scrutiny of Engineering and other Contracts Ops, CNS, Tech, IT, etc.

Sl. No.	Name of the contract	Period of the contract	Amount of the contract	Deviation from Policy and procedure, if any

4. Processing and payment of bills of the contractors/suppliers

4.1 Scrutiny of Payment of Bills

Sl. No.	Invoice No.	Name of the contract	Invoice Amount	Awarded value of the contract	Deviation from Policy and procedure, if any

4.2 Time lag in submission and payment of bills

Sl. No.	Invoice No.	Name of the contract	Date of invoice submitted by the contractor	Date of invoice submitted in finance	Date of payment	Amount of the Invoice	Observation

4.3 EOT Cases

Sl. No.	Name of the contract	Original date of completion of the contract	Extended date of completion of the contract	Amount of penalty waived off	Observation

4.4 Extra, Deviated and substituted Items

Sl. No.	Name of the contract	Awarded value of the contract	Amount of extra/ substituted/ deviated items	Observation

4.5 Statutory compliances (Cases of non-Compliance)

Sl. No.	Name of the contract	Name of the party	Amount of the contract	Amount of the Invoice	Invoice No.	Delay in depositing/ not depositing the amount		
						EPF	ESI	GST

4.6 Compliance of anti-profiteering clause in GST

Sl. No.	Name of the contract	Name of the party	Date of award of contract	Value of the pre-GST contract for which the payment has been made in GST era	Amount paid in GST era excluding GST	GST	Benefits passed on to AAI	Observation

4.7 Payment to Foreign vendors

Sl. No.	Name of the contract	Name of the party	Invoice No.	Amount of the contract	Amount of the Invoice	TDS	15 CB/ Tax withholding certificate	TDS Borne by AAI/Vendor	Observation

4.8 Compliance with FEMA

Sl. No.	Name of the contract	Name of the party	Invoice No.	Amount of the Invoice	Amount of the contract	Violation of FEMA Rules, if any

4.9 Custom duty paid in respect of imported equipment

Sl. No.	Name of the contract	Name of the party	Amount of the contract excluding custom duty	Amount of custom duty as per the contract	Invoice No.	Invoice Amount	Custom duty paid	Observation

5. Assets

5.1 Cases of Fixed assets without proper details

Sl. No.	Description of the Asset	Make	Name of the Vendor	Location	Date of Capitalization	Cost of the Asset	Observation

5.2 Physical Verification of Assets

Sl. No.	Due Date of PV as per the accounting policy	Date of physical verification	Reconciliation last done with FAR (Date)	Short/ Excess amount of differences	Differences accounted for in the books	Observation

5.3 Sale/Disposal of Assets not deleted from FAR

Sl. No.	Description of the Asset	Cost of the asset	Sale value	Date of sale	Date of deletion from FAR	Observation

5.4 Fixed Asset Register vis-à-vis GL

Sl. No	Description of the Asset	Date of Capitalization	Cost of the asset as per GL	Cost of the Asset as per FAR	Observation

5.5 Capital Work in Progress

Sl. No.	Description of the Asset	Date of booking	Cost of the asset	Actual date of completion / Percentage of completion of work	Targeted date of completion	Reasons for not capitalization, if any

6. Bank and Cash

6.1 Bank Reconciliation

Sl. No.	Bank Account	Unauthorized debits	Unidentified credits	Open items	Cheques issued but not deposited	Observation

6.2 Cash Insurance

Sl. No.	Policy No.	Period of Insurance	Amount	Observation

6.3 Bank Guarantee Information as on 31st March, 2023

Sl. No.	Name of the Party	Name of the department	BG Number	BG expiry Date	Amount	Observation

6.4 Cases of contracts without a valid BG

Sl. No.	Name of the Party	Name of the department	Name of the contract	Required Amount of BG	Observation

6.5 Bank Guarantee Reconciliation

Sl. No.	Description	Active		Expired	
		Nos	Value	Nos.	Value
1	Total number of BGs as per SAP				
2	Less: Duplicate entries of BG to be removed				

3	Less: Number of BGs entered in SAP but not physically available				
4	Add: BGs physically available but not entered in SAP (Finance + User Directorate)				
5	BGs Physically available with Finance and User Directorate (1) (2) (3) & (4)				

7. Review of Trial Balance, General Ledger and Subsidiary Records

7.1 Review of booking of income and expenditure/assets and liabilities

Sl. No.	Description of the income/ expenditure/ asset/ liabilities	A/C code in which the amount has been booked wrongly	Correct A/c code	Amount	Observation

7.2 Review of Subsidiary Ledgers

Sl. No.	A/C code	Description of the A/c code	Amount as per GL	Amount as per schedule	Observation

7.3 Review of Interim GL

Sl. No.	A/C code	Description of the A/c Code	Amount	Observation

7.4 Compliances of Accounting Policies/Accounting Standard

Sl. No.	A/C code	Description of the A/c Code	Accounting Policies/ Accounting Standard	Amount	Observation

7.5 Deposits and Advances

Sl. No.	A/C code	Description of the A/c Code	Amount of Advance	Observation

7.6 EMD/SD more than 3 years which are no longer required as per contract/ Accounting policy

Sl. No.	A/C code	Description of EMD/ SD	Amount	Observation

7.7 Cases of short provision/excess provision in liabilities code

Sl. No.	A/C code	Description of the liabilities	amount	Short/ Excess provision	Observation

7.8 Cases of Contingent liabilities not reported/short reported

Sl. No.	Description of the liabilities	A/C code	amount	Short/ excess booking	observation

7.9 Old Balances

Sl. No.	A/C code	Description of the A/c Code	Amount	Observation

7.10 Journal Vouchers

Sl. No.	A/C code	Description of the A/c Code	Amount	Observation

7.11 Govt. Audit Observation

Sl. No.	Audit Observation	Date of Issue	Directorate	Reply submitted	Remarks

7.12 Internal Audit observation

Sl. No.	Audit Observation	Date of Issue	Directorate	Reply submitted	Remarks

8. Taxation

8.1 Cases of Short/Excess TDS deposit

Sl. No.	TDS (Income Tax)	TDS (GST)	Due Date	Date of Deposit	Short/ excess deposit	Observation

8.2 Differences in GST remittances and ITC availed

Sl. No.	GST as per GSTR 3B	GST as per GSTR 1	GST(ITC) as per GL	GST as per GSTR2A	ITC availed	Observation

8.3 Interest and Penalty

Sl. No.	Interest/ Penalty paid on account of GST	Interest/ Penalty paid on account of TDS (income tax)	Interest/ Penalty paid on account of TDS (GST)	Interest/ Penalty paid for late filing of Return (TDS, income tax) GST etc.	Interest/ Penalty paid for any other tax related issues	Observation

8.4 Notices from Statutory Authorities

Sl. No.	Notices received from GST Authorities	Notices received from Income Tax Authorities	Notices received from other Statutory Authorities	Action taken thereon	Observation

9. Land

9.1 Land Record

Sl. No.	Total Area of Land	Total Land for which title deed is available	Observation

9.2 Land under Encroachment

Sl. No.	Description of Land under encroachment	Area of Land under Encroachment	Action Taken	Observation

9.3 Land Lease

Sl. No.	Name of the Party	Description of the Lease	Lease period	Lease rent per annum	Dues	SD	Observation

10. Legal and Arbitration Cases

10.1 Review of Legal Cases (Engg., Operations, Commercial, Land)

Sl. No.	Details of Legal cases	Name of the Party	Date Of registration	No. of Hearings made	Date of Last hearing	Amount involved	Amount Paid To Lawyer	Present Status	Observation

10.2 Review of Arbitration cases (Engg., Operations, Commercial, Land)

Sl. No.	Details Of Arbitration cases	Name of the Party	Date of Appointment Of Arbitrator	No. Of Hearings made	Date of Last hearing	Amount involved	Amount paid to Arbitrator	Present Status	Observation

11. Review of Govt. Audit/ Internal Audit/ Independent Auditor/ Independent Engineers/ Transaction Advisors (Engg., Operations, Commercial, Land)

Sl. No.	Details of Observations	Action taken thereon	Observation

VOLUME –I TECHNICAL BID - ELIGIBILITY CRITERIA

Sl. No.	Minimum Eligibility Requirement	Supporting Document to be submitted
(i)	Legal Status of the Bidder The Bidder should be a Partnership Firm/ LLP of Chartered Accountant/ Cost and Management Accountant registered in India having experience of 15 (Fifteen) years or more.	Self-Certified copy of Registration issued by Institute of Chartered Accountants of India/ Institute of Cost and Management Accountant of India.
(ii)	Financial Capacity The Bidder should have average annual gross receipts/ turnover (total of consultancy fees/ Professional fees, filing fee etc. charged in the process of usual business but excluding other Income) of Rs. 14.80 Lakhs (Fourteen lakh Eighty Thousand) in each of the last 3 (Three) completed financial years.	ITR/ Assessment order and audited financial statements of the firm (Balance Sheet, Profit and Loss Account) duly certified.
(iii)	Experience of Partners The Bidder should have minimum 5 (Five) full time qualified CA/ CMA partners associated with the firm for a minimum period of 10 years and having a 10 years of post- qualification experience in internal audit.	List of the partners along with the resume giving the brief details of relevant experience in Internal Audit and the membership no. The list should be attested by Managing Partner/ Senior Partner establishing the fulfilment of criteria. The resume should separately mention the work done and period of experience in Internal Audit.
(iv)	Experience of Employees The Bidder should have minimum 5 (Five) paid qualified CA/CMA (other than partners) out of which at least 2 (Two) should have minimum 5 years post qualification experience in internal audit.	List of qualified CA's as per payroll listing along with the Segment handled, membership no. and post qualification experience in Internal Audit. The list shall be certified by the Managing Partner/ Senior Partner establishing the

		fulfilment of criteria. The resume should separately mention the work done and period of experience in Internal Audit.
(v)	<p>Assignment Undertaken The bidder should have carried out</p> <p>a) one internal audit assignment of at least 80% or more than the estimated cost put to the tender (annual value) during last 5 years. Or</p> <p>b) Two internal audit assignment of at least 50% or more than the estimated cost put to the tender (annual value) during last 5 years. Or</p> <p>c) Three internal audit assignment of at least 40% or more than the estimated cost put to the tender (annual value) during last 5 years.</p> <p>Out of the above assignment so carried out, the Bidder should have undertaken internal audit assignments of at least 1 (one) Central/ State PSU or Listed/ Public Limited Company having annual turnover of Rs. 500 crores or more for a continuous period of at least one year in the last 3 financial years.</p>	<p>List of assignment showing the Organization name, nature of Assignment undertaken, F.Y. for which assignment undertaken, date of completion of assignment and turnover of the organization audited for the relevant F.Y. duly certified by the Managing Partner/ Senior Partner.</p> <p>Award letter and certificate of completion/ certificate of continuation of service in case of ongoing assignment on company Letter head clearly indicating services provided, financial year of provision of service, etc) and Audited Balance Sheet & P&L of the client for determining the turnover should be submitted as Proof of execution of services/ other credentials.</p>
(vi)	The Bidder should have full time office in LEH (U.T.) or State of Jammu & Kashmir.	Proof of address, Ownership documents, lease/ rent deed, electricity/ water bill etc.
(vii)	The bidder should not have been debarred/ black listed/ disqualified by any regulators/ statutory body in India.	Self-declaration

The Bidder meeting specified eligible criteria in all the categories as specified above will be selected as Technically Qualified Bidder.

VOLUME – II

FINANCIAL BID – EVALUATION CRITERIA

Price Bids shall be opened only for bidders technically qualified.

The price shall be firm and inclusive of all applicable taxes & duties **except** GST as applicable.

GST is required to be quoted separately in the price bid. Non-quoting of GST separately in the price bid will be deemed to be included in the price quoted. Thus, additional claim on account of GST shall not be entertained at any cost.

While quoting the price, the bidder shall consider all expenses **including** travelling, boarding, conveyance & other miscellaneous and out of pocket expenditure. No claim for expenditure other than the price quoted will be entertained by AAI on account of Scope of Work provided in tender. Rate quoted shall be firm & shall not be quoted with price variation / discount clause etc.

The bidder shall quote the price in Indian rupees for the entire scope of work as per Price Bid format.

The bidder quoting the lowest rate for a station will be considered for award of work.

VOLUME – III**OPENING OF TENDER****I. A proposal shall be considered responsive (after getting required clarification/ documents if any as mentioned in Technical Bid) if -**

- a) It is received by the proposed Due Date and Time.
- b) It contains the information and documents as required in the Tender Document.
- c) It contains EMD if applicable.
- d) It contains information in formats specified in the Tender Document.
- e) It mentions the validity period as set out in the document
- f) It provides the information in reasonable detail. AAI reserves the right to determine whether the information has been provided in reasonable detail.
- g) There are no significant inconsistencies between the proposal and the supporting documents.
- h) The Technical qualification conforms to as specified in the eligibility criteria in the tender.

A Tender that is substantially responsive is one that conforms to the preceding requirements without deviation or condition.

- II.**
- a) The E-Mail offers will be treated as defective, invalid and rejected. Only detailed complete offers received through online prior to closing time and date of the tenders will be taken as valid.
 - b) Only one chance will be given to the bidders after the closing date to complete the submission by giving required documents.
 - c) AAI would have the right to review the Technical Qualification and seek clarifications wherever necessary. AAI reserves the right to call for any other details or information from any of the bidder(s).
 - d) AAI reserves the right to extend the date of receiving/opening of the bids.
 - e) AAI reserves the right to reject any tender which in its opinion is non-responsive and no request for alteration, modification, substitution or withdrawal shall be entertained by AAI in respect of such Tenders.

- III.**
- a) The Financial bid of those bidders who are technically qualified, shall be opened after technical evaluation and bidders would be intimated later through CPP Portal and EMD will be returned to the unsuccessful / rejected tenderers.
 - b) The date and time will be intimated to tenderers whose offers are found suitable and Cover II of such tenderers will be opened on the specified date and time. The Financial Bids of the technically qualified bidders

shall be opened in the presence of their representatives, who choose to be present, on a specified date and time and Venue, to be intimated to the Technically Qualified bidders.

- c) If there is a discrepancy between words and figures, the figures written in words shall prevail.
- d) AAI reserves all rights to accept or reject any or all bids without assigning any reason thereof.
- e) The decision of AAI in all matters regarding engagement of Chartered Accountants/ Cost and Management Accountants Firm for Internal Audit Services will be final and binding on the applicants. No correspondence or personal enquiries shall be entertained by the AAI in this regard.

Note: -

1. The Technical bid submitted by the bidder shall comprise of:
 - i. The original financial instrument or original letter containing complete remittance details of NEFT/RTGS transfer towards EMD if applicable.
 - ii. Covering Letter as specified in Format I.
 - iii. Unconditional Acceptance Letter as specified in Format II.
 - iv. All documentary evidences as specified in Evaluation criteria in Format III
2. Documentary Evidence
 - i. Technical bid of only those bidders will be evaluated whose Documents are found in order.
 - ii. Detailed Technical evaluation will be carried out based on the Technical Bid along with all documentary evidence as mentioned above. In case any document is not submitted, bidder will be given another opportunity to submit the same once for all.
 - iii. Non-submission of requisite documents after the same will lead to disqualification from Tender process.
3. Documentary evidence needs to be submitted duly self-attested by the bidder for each of the Evaluation criteria.
4. Self-declaration needs to be signed by authorized signatory(s).
5. During evaluation of the bids, if required, AAI may at its discretion ask the Bidders for clarification of their bids or any other document previously asked or now required as deemed fit by the Competent Authority.
6. Decision of AAI in all matters regarding appointment of Auditor, their eligibility, the stages at which such scrutiny of eligibility is to be undertaken, the documents to be produced, award of assignment and any other matter relating to this notification will be final and binding on the applicants. No correspondence or personal enquiries shall be entertained by AAI in this regard.

SPECIAL TERMS AND CONDITIONS**1. PERIOD OF AUDIT**

The engagement of Auditor is for Internal audit of Financial Year 2022-23.

2. PAYMENT TERMS

No Advance shall be paid by AAI. The payment shall be released after the submission of the respective quarterly report and subject to approval of Competent Authority.

All payment shall be subject to recoveries towards statutory deductions. The payment will be made by electronic transfer.

3. EARNEST MONEY DEPOSIT (EMD)

Firms exempted to pay EMD as per GOI Rule, are required to submit the certificate issued by the concerned department (like –MSME, NSIC etc.). No interest shall be paid on EMD deposited by the party.

Details of AAI Bank Accounts is given as below: -

Particulars	Details
Bank Account No.	30284331773
Name of Bank	State Bank of India
Name of Beneficiary	Airports Authority of India
Bank Address	AAI Rangpuri Branch 10648
IFSC Code	SBIN0010648

4. SECURITY DEPOSIT

The Successful bidder shall be required to pay 10% of the contract value towards security deposit. SD so required can be deposited by the bidder or can be deducted by AAI from each of the payment to be made. The SD amount so recovered/deposited will be released after 6 months from the successful completion of the contract. No interest shall be paid on SD deposited by the party.

- 5.** The above bid amount is inclusive of professional fees, TA/DA, local conveyance, lodging & boarding etc. except GST/applicable taxes. No other payment shall be made except the amount quoted above. The payment shall be released after acceptance and approval of the report by the Competent

Authority.

6. The audit team should consist of minimum of 1 nos. of Partner, 2 nos. of qualified CA/CMA having experience of minimum 10 years in the audit and 4 nos of semi qualified staff having experience of minimum 5 years in the audit.
7. The audit team will conduct audit as per Compendium of standards on Internal Audit issued by the Institute of Chartered Accountants of India and in consultation with concerned officials at CHQ/RHQ/Airport. It is also important to ensure that all aspects are reviewed from the proprietary angle and all expenses, cost and revenue need to be examined from this angle. The policy decisions of AAI and procedures adopted should be reviewed and commented upon including changes suggested. The Internal controls, delegation of powers are to be monitored for compliance as well as appropriateness. The various management decisions adversely impacting profitability or wastages of resources may also be brought in the report.
8. **REPORT SUBMISSION:** The maximum period to carry out the Internal audit will be 45/35/30 days for A class, B class & C class city airports respectively. The Audit report is to be submitted to Executive Director (Finance)/RED/Airport Director within 15 days from the completion of the audit. - After an exit meeting with Executive Director (Finance)/RED/Airport Director, Immediate corrective action after the exit meeting may be taken to ensure to cover the deficiency in the Audit, if any for acceptance of audit report. The final Audit Report shall be submitted by within 10 days from the date of communication. The Internal Audit report along with relevant information should be submitted in the prescribed format only (Format 1 to 14 of Section I). No statement other than the prescribed format will be accepted and no payment will be made till the acceptance of the report by the Competent Authority. The auditor has to submit detailed content of the audit carried out in the respective format for the better understanding of the management as well as for making decision systematic improvement.
Reporting may be made in the desired format made in the Google sheet.
9. **CONFIDENTIAL REPORT:** The Auditors are required to report all cases of revenue leakages, excessive or unreasonable expenses, misuse of powers, favours or disfavours having financial impact, fraud on or by authority, improper awarding of contracts, theft, unlawful or unprofessional activity or activity beyond the ethical boundaries or any other aspects without any limitation of any kind where interest of the authority or any stake holder is getting adversely affected. Such report shall be dealt with in a confidential manner and actions will be initiated without any reference of source. The secrecy in terms of Official Secrets Act will be followed by all concerned about such

report and will be shared only on need to know basis. A copy of the confidential report may please be sent to ED (Finance)/ RED /Airport Director of the AAI.

- 10. PENALTY:** If Internal Audit is not conducted and Audit Report is not submitted as per the requirement no payment will be made till the report complete in all respect is submitted to the competent authority for acceptance. A penalty @ 2% of the awarded value of the contract per week to a maximum for 10% of the awarded value will be levied for the delay in submission of report beyond the prescribed period of time. Delay in finalization of Internal Audit and submission of Audit Report for reasons beyond the control of the Auditors may be condoned with the approval of the competent Authority at CHO/RHO/Airport.

GENERAL TERMS ND CONDITIONS

1. CLARIFICATIONS ON TENDER DOCUMENTS

A prospective Tenderer requiring any clarification on the Tender Document may notify through GEM portal, only within the specified period.

In case of any clarification on the terms/clauses mentioned in the tender, decision of the Tender Issuing Authority shall be final.

2. AMENDMENT OF TENDER DOCUMENT

Before the deadline for submission of tender, the Tender Document may be modified by AAI by issue of addendum/corrigendum.

Addendum/corrigendum, if any, will be hosted at GEM Portal and shall become a part of the tender document. All Tenderers are advised to see the GEM Portal for any addendum/ corrigendum to the tender document which may be uploaded up to 1 day prior to the deadline for submission of Tender as finally stipulated.

To give prospective Tenderers reasonable time in which to take the addendum/ corrigendum into account in preparing their tenders, extension of the deadline for submission of tenders may be given if considered necessary by AAI.

3. REJECTION OF BID/CANCELLATION OF CONTRACT

AAI reserves the right to reject the conditional or incomplete offer.

AAI also reserves the right to accept or reject all Bids and to annul the bidding process and reject all Bids, at any time prior to award of Contract, without thereby incurring any liability to the affected bidder, or bidders or any obligation to inform the affected bidder or bidders of action.

AAI reserves the right to cancel the tender/contract without assigning any reason. If the firm/organization gives wrong information in its offer, AAI reserves the right to reject such offer at any stage or to cancel the contract, if awarded & forfeit the EMD.

4. WORK NOT TO BE LET OUT

Sub-contracting in part or full of the assignment awarded to the successful Bidder is not permitted, except as specifically approved by AAI.

5. CONFIDENTIALITY CLAUSE

Any and all information in written, electronic media or oral form and disclosed to the Auditor shall at all times remain the legal and absolute property of AAI and the Auditor shall have no rights to use the information for any purpose other than that expressly authorized by AAI.

6. TERMINATION OF SERVICES

The engagement of Auditor can be terminated by the Management of AAI without assigning any reason, whatsoever, at any time during the contract period by giving 30 days' notice.

7. SETTLEMENT OF DISPUTES

Except as otherwise specifically provided in the contract all disputes concerning questions of fact arising under the contract shall be decided by AAI management subject to a written appeal by the Auditor to the management whose decision shall be final to the parties hereto.

Any disputes or differences including those considered as such by only one of the parties arising out of or in connection with the contract shall be to the extent possible settled amicably between the parties.

If amicable settlement cannot be reached, then all disputed issues shall be settled by arbitration.

8. SIGNATURE OF BIDS/OFFERS

The offer must be duly signed and stamped on each page by the Authorized Representative of the Bidder.

The Firm's (Bidder's) name stated on the proposal shall be the exact legal name of the firm.

Erasures or other changes in the offer shall be authenticated by the initials of the persons signing the bid.

- 9.** Canvassing in any form by the bidder or by any other agency on their behalf may lead to disqualification of their bid.
- 10.** In case any bidder is found to be involved in cartel formation, his bid will not be considered for evaluation / placement of order. Such Bidder will be debarred from bidding in future.
- 11.** Bidder shall have proper infrastructure including Laptop, internet connection, stationery, etc. to carry out the work when they are required to work in AAI premises. Authority shall be providing only necessary furniture and electric connection to the Auditor when they are required to work in AAI's premises.
- 12.** The soft copies of the data/ information as well as the printouts of the data/ information provided during the contract period, shall be the property of AAI and the Auditors shall not have any right to claim possession on use of data/information for any purpose other than for and on behalf of AAI at any stage.
- 13.** AAI shall be authorized to make statutory deductions as applicable from the amount payable to the Auditor.
- 14.** The successful bidder shall intimate the names of the persons employed by him or going to employ, who are relatives (wife, husband and dependent parents, grand- parents, children, grandchildren, brothers, sisters, uncle, aunts, cousins and their corresponding in laws) of AAI employees.
- 15.** All the above terms & conditions, scope of work and guidelines as mentioned shall form part & parcel of NIT and would be treated as terms and conditions of the contract.
- 16.** The unconditional acceptance letter (Format - II) and Undertaking (Format-III) of section IV are prerequisite documents and to be submitted in technical bid (Envelope I). In case of any deficiencies & requisite documents are not submitted in Envelope I by the firm, the bid of the firm will be rejected and financial bid (Envelope II) of the firm will not be opened.
- 17.** The Audit Assignment will be terminated / cancelled in the following cases:
 - a) If the firms obtain the appointment on the basis of false information / false statement.
 - b) If the firm does not take up audit in terms of appointment letter within one month. (c) If the firm does not submit the audit report, complete in all respects, as per terms of appointment within stipulated time.
 - c) If the performance of the firm is not found satisfactory.

- d) If any fraud/embezzlement is detected subsequently and not reported to AAI.
 - e) If the firm does not maintain the confidentiality requirement in terms of professional code of conduct and appoint/utilize the services of those who are not employee/ partner/director of the firm.
- 18.** Payments shall be made on production of original invoices indicating GST No. and after acceptance of the report by the Competent Authority.
- 19.** The Audit firm must be familiarized with the scope of the audit and consider the same before quoting for the tender. To obtain first-hand information on the Assignment and scope, firm may visit concerned section / Internal Audit Team (RIAC) CHQ/RHQ/Airport for any clarification.

INSTRUCTIONS FOR ONLINE BID SUBMISSION

Bidders to follow the following procedure to submit the bids online through the e- Procurement portal <http://gem.gov.in>.

- 1.** The bidders shall go through the Additional Terms and Conditions(ATC) document and shall comply with each clause of all the sections of the ATC document.
- 2.** Online bids through GeM portal are invited by Airports Authority of India(AAI) for "Engagement of Auditor for conducting Internal Audit for LEH Airport for FY 2022-23".
- 3.** Not more than one Bid shall be submitted by a bidder or by a firm of bidders. No two or more concerns in which an individual is interested, as Managing Director/Partner shall bid for the execution of the same works. If they do so, all such Bids shall be liable to be rejected.
- 4.** The tender document consists of two volumes –Volume-I Technical Bid (all Technical documents including unconditional acceptance of the offer) and Volume-II – Financial(Price) Bid.
- 5.** The offer (both Technical & Financial bid) must be valid for a minimum period of 120 days from the last date of submission of bid on GeM Portal.
- 6.** Bidding is open to all eligible bidders meeting the eligibility criteria as defined in Section-II Volume I Technical Bid and accordingly bidders are advised to submit below mentioned documents in support of eligibility criteria.
 - i) The bidder shall submit self-declaration in the covering letter (Format-I) stating that the bidder has not been blacklisted/debarred by any Government department/agency / falling under the denied entity list of DGFT, Reserve Bank of India, Nationalized banks, or any Public Sector Unit or any other body recognized by Government of India.
 - ii) Letter of Unconditional acceptance of the offer as per Format-II.
 - iii) All the documents required to meet the eligibility criteria, as per Section-VI Format- I in the Tender Document i.e., Technical Bid shall be uploaded through GeM procurement portal after scanning in .pdf

format. The tenderer may submit either Notarized or Self attested copies of the documents. The successful bidder has to produce the original documents for verification before issuance of letter of award.

7. Self-declaration needs to be signed by Managing Partner/Senior Partner or by authorized signatory(s) authorized by the Partner to sign the document. Bidder should do Online Enrolment in this Portal.
8. Bidder then login into the portal giving user id / password chosen during enrolment.
9. After downloading / getting the tender schedules, the Bidder should go through them carefully and then submit the documents as per the tender document, otherwise, the bid will be rejected.
10. Bidder should take into account of the corrigendum published before submitting the bids online.
11. Bidder, in advance, should prepare the bid documents to be submitted as indicated in the tender schedule and they should be in PDF/XLS formats. If there is more than one document, they can be clubbed together.
12. The bidder should read the terms and conditions and accepts the same to proceed further to submit the bids.
13. The bidder has to submit the tender document(s) online well in advance before the prescribed time to avoid any delay or problem during the bid submission process.
14. There is no limit on the size of the file uploaded at the server end. However, the upload is decided on the Memory available at the Client System as well as the Network bandwidth available at the client side at that point of time. In order to reduce the file size, bidders are suggested to scan the documents in 75-100 DPI so that the clarity is maintained and also the size of file also gets reduced. This will help in quick uploading even at very low bandwidth speeds.
15. The **Tender Inviting Authority (TIA)** will not be held responsible for any sort of delay or the difficulties faced during the submission of bids online by the bidders due to local issues.
16. The bidder may submit the bid documents online mode only, through this portal. Offline documents will not be handled through this system.

- 17.** After the bid submission, the bid summary has to be printed and kept as an acknowledgement as a token of the submission of the bid. The bid summary will act as a proof of bid submission for a tender floated and will also act as an entry point to participate in the bid opening event.
- 18.** Successful bid submission from the system means, the bids as uploaded by the bidder is received and stored in the system. System does not certify for its correctness.
- 19.** The bidder should see that the bid documents submitted should be free from virus and if the documents could not be opened, due to virus, during tender opening, the bid is liable to be rejected.
- 20.** Tenderer is required to submit their tender through online in the form of Two Cover System on or before scheduled bid due date of closing and time as notified in NIT. The tender received after the due date and time will not be entertained.
- 21.** Tenderer should submit the tender for Engagement of Chartered Accountants/ Cost and Management Accountants firm by AAI in accordance with the Instructions to Bidders & Terms & Conditions of Tender.

FORMAT – I (TO UPLOADED ONLINE)**SUBMISSION OF TENDER****LETTER OF SUBMISSION-COVERING LETTER TO BE SUBMITTED IN COVER 1**
(ON THE LETTER HEAD OF THE BIDDER)

Date: _____

To,

Sir,

Sub: E -TENDER FOR ENGAGEMENT OF CHARTERED ACCOUNTANT / COST AND MANAGEMENT ACCOUNTANT FIRM FOR INTERNAL AUDIT

Being duly authorized to represent and act on behalf of (Hereinafter referred to as "the Bidder") and having reviewed and fully understood all of the requirements of the bid document and information provided, the undersigned hereby apply for the project referred above.

We are submitting our Bid enclosing the following, with the details as per the requirements of the Bid Document, for your evaluation.

Sl. No.	Particulars	Page No. of Scanned Documents
i.	Copy of the financial instrument or letter containing complete remittance details of NEFT/ RTGS transfer towards EMD or certificate issued by the concerned department (like –MSME, NSIC) for exemption of depositing EMD.	
ii.	Scanned copy of the Self-Certified copy of Registration issued by The Institute of Chartered Accountants of India/ The Institute of Cost Accountant of India as per Eligibility Criteria no. i	

iii.	Scanned copy of duly certified Audited financial statement (Balance Sheet & Profit and Loss Account) for FY 2019-20, 2020-2 and 2021-22 as per Eligibility Criteria no. ii	
iv.	Scanned copy of the List of Partners and Resume of the partners giving the brief details of relevant experience with membership no., same should be attested by Managing partner /senior partner as per Eligibility Criteria no. iii	
v.	Scanned copy of Payroll listing for the qualified CA/CMA along with membership no., the Segment handled and years of post- qualification experience in Internal Audit, same should be certified by Managing partner/ senior partner as per Eligibility Criteria no. iv.	
vi.	Scanned copy of List of Assignments with organization name, nature of assignment undertaken, F.Y. for which assignment undertaken, date of completion of the assignment certified by Managing Partner/ Senior Partner AND Proof of execution of services/ other credentials (Award Letter and certificate of completion/ continuation of service in case of ongoing assignment indicating services provided, Financial year/ Time Period of provision of service etc. on letterhead of the client duly certified by the client) as per Eligibility Criteria no. v	
vii.	Audited Balance Sheet & P&L of the client as per Eligibility Criteria no. v	
viii.	Scanned Copy of Proof of Address as per Eligibility Criteria no. vi	
ix.	Scanned copy of the Self declaration as mentioned in Format I. The bidder should not have been debarred/ black listed/ disqualified by any regulators/ statutory body in India as per Eligibility Criteria no. vii	
x.	Scanned copy of PAN, TAN, and GST No. of the Firm/LLP	

xi.	Scanned copy of filed Format I, Format II and Format III	
xii.	Scanned copy of entire set of tender documents including blank format of Price bid, duly signed and sealed by the authorized signatory in all pages, as a token of acceptance	

We hereby agree to fully comply with, abide by and accept without variation, deviation or reservation all technical, commercial and other conditions whatsoever of the Bidding Documents and Amendment/ Addendum to the Bidding Documents, if any, for subject Tender.

We understand that any deviation/exception in any form may result in rejection of Bid. We, therefore, certify that we have not taken any exceptions/deviations anywhere in the Bid and we agree that if any deviation/exception is mentioned or noticed, our Bid may be rejected.

We hereby further confirm that any deviation/exception with reference to instructions and terms and conditions if mentioned in our Bid, shall not be recognized and shall be treated as null and void.

We hereby declare that we have not been black listed/ debarred by any Government department/agency / falling under the denied entity list of DGFT / Reserve Bank of India, Nationalized banks, or any Public Sector Unit or any other body recognized by Government of India.

Signature of the bidder or: '--_____.

Authorize Signatory Name of the bidder.....

Company Seal.....

FORMAT – II

UNCONDITIONAL ACCEPTANCE LETTER
TO BE SUBMITTED IN E-TECHNICAL BID IN COVER 1

(Refer Clause for technical bid of NIT)

To,
The General Manager (F&A),
AIRPORT AUTHORITY OF INDIA
Regional Head Quarter, Northern Region
Rangpuri, New Delhi 110037

Subject: - ACCEPTANCE OF AAI's E -TENDER CONDITIONS

Sir,

1. E-tender documents have been downloaded by me. I/we hereby certify that I/we have inspected and read the entire terms and conditions of the e-tender documents made available to me/us which shall form part of the contract agreement and I / we shall abide by the conditions / Clauses contained therein.
2. I/We hereby unconditionally accept the e-tender conditions of AAI's e-tender documents in its entirety for the above services.
3. The contents of Additional Terms & conditions and guidelines of the NIT of the E-Tender Documents has been noted wherein it is clarified that AAI reserves the right to reject the e-tenders without assigning any reason thereto.
4. I/We declare that I/We have not paid and will not pay any bribe to any officer of AAI for awarding this contract at any stage during its execution or at the time of payment of bills and further if any officer of AAI asks for bribe/gratification, I/We will immediately report it to the appropriate authority in AAI.

Yours faithfully,

Date: _____
(Signature of the e-tenderer)

FORMAT – III

UNDERTAKING TO BE SUBMITTED BY BIDDER'S (ON LETTER HEAD) IN COVER 1

I/ we, _____, Proprietor/Partner/Legal Attorney/Director/ Accredited Representative of _____, solemnly declare that:

1. I/We am/are submitting Offer/Bid for the work of _____ against NIT No./ Tender ID_Dated _____ and I/We offer to execute the work in accordance with all the terms & conditions of the bid.
2. Myself/Our Partners/Directors don't have/had any relative as employee of **Airports Authority of India.**
3. All copy of documents, credentials and documents submitted along with this Bid are genuine, authentic, true and valid.
4. I/We hereby authorize department to seek references/clarifications from the Bankers and/or other departments/statutory bodies.
5. We hereby undertake that we shall register and obtain license from the Competent Authority under the contract labour (Registration and Abolition Act) as relevant, if applicable.
6. *I/We hereby confirm that we have registration with CMPF/EPF Authorities. We shall make necessary payments as required under law.
Or
*I/We hereby undertake that we shall take appropriate steps for registration as relevant under CMPF/EPF Authorities. We shall make necessary payments as required under the law. (***Delete whichever is not applicable**)
7. I/We have not been banned or delisted by any Govt. / Quasi Govt. Agencies or PSUs (In case of joint venture all partners are covered).
8. If any information and document submitted is found to be false/incorrect at any time, authority may cancel my/our Bid and action as deemed fit may be taken against me/us, including termination of the contract, forfeiture of all dues including Earnest Money and banning/delisting of our firm and all partners of the firm etc.

Signature (with Stamp of Firm): _____

Name & Designation of Authorized Signatory: _____

Date _____ Place _____

FORMAT – IV

(to be uploaded online and submitted in cover 1)

TECHNICAL BID

1.	Name of the Firm/ LLP	
2.	Complete Postal Address:	
3.	Pin code/ Zip code	
4.	Contact Information Office Phone Number: Mobile Number: E-Mail ID: Name & Designation of Contact Persons:	
5.	Year of Establishment: (enclose the copy of the Registration Certificate)	
6.	Nature of Business	
7.	Registration Details <i>(attach proof)</i> Firm/LLP Registration Number & Date: PAN & TAN: GST Registration No: Others, if any:	
8.	Details of Partners with professional qualifications: The Partner who will associate/ deal with AAI should be specified. The Partner having 10 years of post-qualification experience and more should only be named.	
9.	Details of Employees with professional qualifications. The employee who will associate/ deal with AAI should be specified Employees having 5 years of post-qualification experience and more should only be named.	

10.	Details of experience supported with copy of work order/ agreement and Completion Certificate	Sl. No.	Year for which appointed	Name of the PSU/ Unit	Nature of Assignment	Date of Completion of Assignment
11.	Turnover of Partnership Firm/LLP (Year wise)	Sl. No.	FY 2019-20	FY 2020-21	FY 2021-22	
12.	Debarred/black listed by CBI/CVC/any other	Yes/ No				
13.	Details of EMD(if applicable): -	Demand Draft no. / RTGS /NEFT UTR No.	Date	Name and address of Bank	Amount (INR)	
14.	Bank Account Particulars: Name of the A/c holder Complete Bank Account No., Account type (SB/ CA) Name of the Bank Branch & Address Branch contact phone Nos.11- digit IFS code					

I / we hereby confirm that the particulars given above are correct and complete and also undertake to inform any future changes to the above details.

Name, seal & signature of the Authorized signatory

FORMAT – V

SECTION – VI

FINANCIAL BID

(to be uploaded online and submitted in cover 2)

SOP FOR CONDUCTING AUDIT

- 1.** The senior partner of CA/CMA Firms appointed for conducting Internal Audit of respective Region/Airport/CHQ, AAI along with his team members will approach respective ED's at CHQ /REDs/APDs and discuss the Scope of work and the Audit Plan of the firm.
- 2.** The EDs/REDs/APDs after discussing with the Internal Auditor, will intimate and coordinate with all the Officials to keep the records as requisitioned by the Auditors and ready for their inspection/verification/Auditing as per the schedule submitted by the firm.
- 3.** The EDs/REDs/APDs will immediately deploy a Nodal Officer from the Section /Department to co-ordinate with all other Officers/Officials to facilitate the Auditor to carry out the assigned work of Internal Audit by them smoothly.
- 4.** A system should be evolved to record the number of visits made by the Sr. Auditor and his team to the Section for carrying out Audit inspection/ Job.
- 5.** As required in the reporting system, designed for Internal Audits, the compliance status of previous Audit Reports and Government Audit Reports / Para needs to be made available to the Auditors.
- 6.** All the related documents, files, approvals, reports, work orders, agreements, correspondence with the statutory bodies/Authorities, vouchers / invoices / bills etc. should be made available to Auditors. EDs/REDS/APDs may ensure for full cooperation and timely submission of requisite documents to the Auditors during the course of Audit.
- 7.** Regarding viewing the SAP (ERP) System by the Auditor, it has been decided that the Coordinator /Nodal Officer from the concerned Section will open the SAP system by using his ID to enable the Auditor to verify the details.
- 8.** Reports as per requirement can also be downloaded by the concerned officer from SAP system for handing over to the Auditor for their verification.
- 9.** During the course of Audit, the EDs/REDs/APDS should also interact with Auditors time to time and review the progress of Audit Program in the Scope of work meeting the requirement of records of the section.

SECTION – VIII

PROFORMA OF AGREEMENT

(To be executed on a stamp paper of Rs.100/- to be obtained by the bidder in its name)

AGREEMENT NO. _____

This AGREEMENT (herein after called the "Agreement") is made on the ___ day of the month of ___ 2023, between, AAI (hereinafter called t h e "**AAI**" which expression shall include their respective successors and permitted assigns, unless the context otherwise requires) and,

_____ (hereinafter called the "**AUDITOR**" which expression shall include their respective successors and permitted assigns).

WHEREAS

- a. AAI issued a tender vide NIT No. **AAI/RHQ-NR/INTERNAL AUDIT/2022-2023 dated** for Appointment of Chartered Accountants/ Cost and Management Accountants Firm for Internal Audit Services of AAI for the FY 2022-23.
- b. The Auditor submitted its proposals for the aforesaid work, whereby the Auditor represented to AAI that it had the required professional skills, and in the said proposals the Auditor also agreed to provide the Services to AAI on the terms and conditions as set forth in the tender and this Agreement; and
- c. AAI, on acceptance of the aforesaid proposals of the firm, awarded the audit to the Auditor vide its Letter of Award dated (the "LOA"); and
- d. In pursuance of the LOA, the parties have agreed to enter into this Agreement.

NOW, THEREFORE, the parties thereto hereby agree as follows:

1. SCOPE OF WORK AND DELIVERABLES: The scope of work shall be as per details given under clause "Scope of Work" in tender document. The scope is illustrative and not exhaustive. The Auditor should understand the scope of the audit from GM(Finance) NR before submission of the tender.

2. TERMS OF PAYMENT:

- I. While making the payment, statutory deductions as applicable, shall be made by AAI.
- II. AAI will make the payment through e-mode only to Auditor's Bank account as per e-payment details submitted in the tender document.

3. COMMENCEMENT AND COMPLETION

- A. **Effective date of Agreement:** This Agreement shall come into force and effect on the date of this Agreement (the "Effective Date"). All terms and conditions given in above mentioned tender shall be treated as integral part of this agreement.
- B. **Commencement of Services:** The Internal Auditor shall commence the Services within a period of 10 (Ten) days from the date of Letter of Award (LOI), unless otherwise agreed by the Parties, in writing.
- C. **Completion of Services:** The time schedule for completion of various elements of services will be as given as per clause "**Terms of Payments**" in tender document.

4. CONFIDENTIALITY

- a) Auditor shall treat all matters in connection with the Contract as strictly confidential and undertakes not to disclose, in any manner whatsoever, information, documents, technical data, experience, etc. given to him by AAI without the prior written consent of AAI.
- b) Auditor further undertakes to limit the access of confidential information to those of its employees, Implementation Partners etc. who reasonably require the same for the proper performance of the Contract and the Auditor shall ensure that each of them has been informed of the confidential nature of the information and made aware of the confidentiality and non-disclosure clause stated at Clause 4(a).

5. EXPIRATION OF AGREEMENT

Unless terminated earlier, this Agreement shall, unless extended by the Parties by mutual consent shall expire upon expiry of a period of 90 (ninety) days from the delivery of the final deliverable as per clause "**Terms of Payments**" in tender document.

6. TERMINATION OF AGREEMENT

AAI reserves the right to terminate the contract on occurrence of any of the following events:

- i. Any document, information, data or statement submitted by the firm in its Proposals, based on which the Auditor was considered eligible or successful, is found to be false, incorrect or misleading;
- ii. The Auditor fails to commence services as required under this agreement.
- iii. The Auditor fails to complete any of the required services as per the tender due to which AAI fails to meet statutory time limit for finalization and submission of Internal Audit Report.
- iv. The Auditor fails to perform as per the scope of the audit.

7. LIABILITIES:

Without prejudice to any express provision of this contract, Auditor shall be solely responsible for any delay, lack of performance, breach of agreement and/or any default under this contract. Auditor shall remain liable for any damages due to its gross negligence within the next 18 months after the issuance of the provisional acceptance certificate of the contract. The amount of liability will be to 100% of the contract value.

8. FORCE MAJEURE:

If at any time during the existence of this contract either party is unable to perform in whole or in part any obligations under this contract because of war, hostility, military operations, civil commotion, sabotage, quarantine, restrictions, acts of God and acts of Government (including but not restricted to postponement or deferment of implementation of Ind AS), fires, floods, explosions, epidemics, strikes, or any other labour trouble, embargoes, then the date of fulfilment of any obligations engagement shall be postponed during the time when such circumstances are operative. Any waiver/ extension of time in respect of the delivery of any instalment or part of the service shall not be deemed to be waiver / extension of time in respect of the remaining deliveries.

If operation of such circumstances exceed three months, either party will have the right to refuse further performance of the contract in which case neither party shall have the right to claim eventual damages.

The party which is unable to fulfill its obligations under the present contract must within 15 days of occurrence of any of the causes mentioned in this clause shall inform the other party of the existence or termination of the circumstances preventing the performance of the contract. Certificate issued by Chamber of Commerce or any other competent authority connected with the case shall be sufficient proof of the existence of the above circumstances and their duration. Non-availability of professional manpower will not be an excuse to the Internal Auditor for not performing their obligations under the Contract.

9. SETTLEMENT OF DISPUTES

A. Amicable settlement

The parties shall use their best efforts to settle amicably all disputes arising out of or in connection with this Agreement or the interpretation thereof.

B. Dispute resolution

The Parties agree to use their best efforts for resolving all Disputes arising under or in respect of this Agreement promptly, equitably and in good faith, and further agree to provide each other with reasonable access during normal

business hours to all non- privileged records, information and data pertaining to any Dispute. Any dispute, difference or controversy of whatever nature how so ever arising under or out of or in relation to this Agreement (including its interpretation) between the Parties, and so notified in writing by either party to the other Party (the "**Dispute**") shall, in the first instance, be attempted to be resolved amicably within thirty (30) days of notice. After the expiry of said period of notice of 'dispute' without any written amicable settlement, it shall be deemed that such a dispute is not resolvable by amicable settlement. However, at any time, both the parties can extend the said period of 30 days by mutual agreement in writing

10. ARBITRATION

- a) Any dispute or difference whatsoever arising between the parties out of or relating to the construction, meaning, scope, operation or effect of this contract or the validity or the breach thereof shall be settled by arbitration by a sole arbitrator to be appointed by Chairman of AAI. The provisions of Arbitration and Conciliation Act 1996 shall apply to such arbitration proceedings.

The venue of arbitration shall be New Delhi.

- b) This Agreement and the rights and obligations of the Parties shall remain in full force and effect, pending the Award in any arbitration proceedings hereunder.

In witness whereof the parties have executed these presents in the day and the year first above written.

Signed and delivered for and on behalf of

M/s _____

(Authorized Signatory)

Date: _____ Place: _____

IN PRESENCE OF TWO WITNESSES

1. _____

2. _____