



ALCOCK ASHDOWN (GUJARAT) LTD.

(A Gujarat Gov. Unit)

SHIP BUILDERS, SHIP REPAIRERS & ENGINEERS

TENDER NOTICE NO: ALCOCK/ACCTS/2013-14/02

DT: 26.04.2017

INVITATION OF OFFER FOR APPOINTMENTMENT OF INTERNAL AUDITOR

Inviting Offers/Bid from firms of Chartered Accountants / Cost Accountants for appointment as Internal Auditors of the company for the year 2016-17.

For further details visit on to www.alcockshipyard.com

**Sd/-
Executive Director**

ALCOCK ASHDOWN (GUJARAT) LIMITED
(A Govt. of Gujarat Undertaking)

Sub: Appointment of Audit Firms for conducting Internal audit of ALCOCK ASHDOWN (GUJARAT) LIMITED (AAGL) for the Financial Year 2016-17.

Chartered Accountants / Cost Accountants Firms are requested to quote for conducting Internal Audit of AAGL for the Financial year 2016-17 as per the scope of work detailed below (Para-D).

A. INTRODUCTION

Our Company is Government of Gujarat Undertaking and is incorporated under the Companies act, 1956 in the year 1994-95. Company is engaged in the business of ship building and ship repairing work for the last 30 years and turnover of Rs. 4.00 Crores (approx) in last year. The present order booked position of the AAGL is Rs.619 Crores. The company's registered office is situated at Bhavnagar and is having two shipyards at (1) Bhavnagar Juna Bunder and (2) Chanch village in Amreli.

B. PROCESS OF APPOINTMENT

The company is in the process of appointing internal auditors for the FY 2016-17. Based on their satisfactory performance, the tenure may be extended on year to year basis for a maximum further period of two years. In this regard the company invites sealed tenders from firms of Chartered Accountants/ Cost Accountants to be submitted in two Bids, Part – I (technical bid) and Part II (Financial Bid) separately sealed and super scribed with the of nature of bid i.e. Technical or Price bid and name of the work **along with a Demand Draft of Rs. 500/- (non-refundable) towards cost of tender in favour of ALCOCK ASHDOWN (GUJARAT) LIMITED, Payable at BHAVNAGAR.**

Both the Bids i.e. Technical bid and Price bid shall be sealed in a 3rd separate envelope with complete tender details super scribed - Tender Notice No, Date & Name & Address of the Bidder.

Part- I – Technical bid shall contain profile of the firm (in the given format) containing the eligibility criteria documents. **Financial bid (Part II) will be considered for opening only in respect of the firms who qualify in the technical bid.**

Part II –Financial bid shall contain the financial offer.

Tenders to be submitted addressing to Assistant Manager (Accounts), **ALCOCK ASHDOWN (GUJARAT) LIMITED**, Old Port, Ramsar Works, Bhavnagar. -364 001 on or before scheduled date and time.

Part I will be opened as per schedule in the presence of the bidders who desire to attend. After examining the stipulation and fulfilment of the eligibility criteria, Part II will be opened at a stipulated date to be duly intimated to the qualified bidders. The company has the right to accept/reject any/all tenders without assigning any reason. **L1 bidder may be awarded the job.**

C. AUDIT OBJECTIVE & APPROACH

The role of Internal Audit is expanding from that of 'Value Protectors' to 'Value Creators'. The focus is changing from 'compliance' to improving the quality of business processes and managing risks in the ever changing business environment.

The key purpose of the Audit will be to install an independent, ongoing and effective review and feedback mechanism. This function would support the role of the Audit Committee and complement the statutory audit function. The primary objectives of the internal audit will be to:

- (a) Support and Assist the Board and the Management in discharging Corporate Governance responsibility.
- (b) Provide Control Assurance for all key Risks through validation of internal controls, systems and processes.
- (c) Independent evaluation of compliances with policies, procedures and applicable laws.
- (d) Assess integrity and reliability of data for use in various decision processes including periodical reporting.

D. SCOPE OF WORK

- (a) Preamble:
 - I. Review of systems and procedures to ascertain whether the internal control procedures are commensurate with the size and nature of the activities of the company and making suitable recommendations for improvement in efficiency and effective of operations of AAGL.
 - II. The audit should be carried out on monthly basis. Audit should be commenced immediately after appointment and the first report should be issued within month. Thereafter the audit should be carried out on monthly basis and the quarterly report should be submitted within one month from the end of relevant quarter.
 - III. However if an incident occurs or a matter comes to notice during the course of audit which requires immediate intervention, attention of the management will have to be drawn immediately through special report.
 - IV. Examination of financial and operating information in order to ascertain whether:
 - i) each transaction is executed in accordance with the authorization, general or specific, granted for it and
 - ii) each transaction is recorded correctly, completely, and promptly during the relevant accounting period.
- (b) 100 % verification (i.e. verification each & every voucher) of prime records
 - I. Cash Book,
 - II. Bank Book,
 - III. Purchase Register
 - IV. Sales Register,
 - V. Expenses Register
 - VI. Journal voucher

- (c) Physical verification:
- I. Fixed Assets - once in a year
(It should be reported whether the assets of AAGL are acquired, used and disposed off with due authorization and that adequate arrangements exist to preclude unauthorized use of such assets)
 - II. Inventory - twice a year on half yearly basis (or on phased manner)
(It should be reported that the inventory is physically verified, the basis of valuation of inventory is as per consistently followed practice of AAGL and report whether adequate provision is made for slow moving inventory)
- (d) Department wise Specific scope of audit and to report remarks observed during verification:
- I. **Accounts Department:**
 - (i) General Ledger Scrutiny.
 - (ii) Provision for all known liabilities at year-end
 - (iii) Review of Advances to suppliers
 - (iv) Review of LC / Bank Guarantee Register
 - (v) Fixed Assets Register
 - (vi) Review of bank reconciliation statement in each quarter and comments thereon.
 - (vii) 100 % review of advances given to staff for expenses for various purposes and of recovery made & comments thereon
 - (viii) Certification of Monthly /Quarterly / Yearly Trial Balance along with Internal Audit / Management Audit Report.
 - II. **Stores Department:**
 - (i) Verification of Stores Inward Register for one month in a quarter.
 - (ii) Verification of Stores Issue Register for one month in a quarter.
 - (iii) Verification of cut off transactions at year-end
 - (iv) Valuation of stock at year-end
 - III. **Personnel Department**
Verification of following records maintained by the department for one month in a quarter:
 - (i) Attendance Card with Presence Register
 - (ii) Attendance Card with Muster Cross Check
 - (v) Muster with wage sheet & Salary sheet
 - (vi) Overtime Payment Records.
 - (vii) Leave Report with Presence Register
 - (viii) Presence Register with Leave Register
 - (ix) Workers Daily Arrival Report
 - (x) Leave Encashment Register
 - (xi) Checking of pay roll – four months in a year
 - (xii) Calculation of increment / Pay revision / Pay fixation
 - IV. **Purchase Department**

- (i) Thorough verification for all purchases having value of Rs. 10.00 lakhs or more in terms of purchase order issued, compliance with purchase procedures of AAGL vis-à-vis final bill received.
- (ii) Thorough verification for 25 % of purchases having value between Rs 1.00 Lakh & Rs. 10.00 Lakh in terms of purchase order issued, compliance with purchase procedures of AAGL vis-à-vis final bill received.
- (iii) Thorough verification for 10 % of purchases having value less than Rs 1.00 Lakh in terms of purchase order issued, compliance with purchase procedures of AAGL vis-à-vis final bill received.

V. Planning / Production / Quality Control / Administration Department:

- (i) Thorough verification for all the contracts entered into with sub-contractors / vendors having value of Rs. 10.00 lakhs or more in terms of contract terms, compliance with purchase procedures of AAGL vis-à-vis bill received from contractors.
- (ii) Thorough verification for 25 % of contracts entered into with sub-contractors / vendors having value between Rs 1.00 Lakh & Rs. 10.00 Lakh in terms of contract terms agreed, compliance with purchase procedures of AAGL vis-à-vis bill received from contractors.
- (iii) Thorough verification for 10 % of contracts entered into with sub-contractors / vendors having value less than Rs 1.00 Lakh in terms of contract terms agreed, compliance with purchase procedures of AAGL vis-à-vis bill received from contractors.

VI. Marketing Department:

- (i) Issue of Stage wise bills vis-à-vis contract terms for vessels under construction.
- (ii) Verification of subsidy claims made for eligible vessels under construction as per Subsidy Scheme of Government of India.

VII. General:

100% verification of accuracy and compliance of relevant statues in case of deductions under Income tax / TDS, Provident Fund, Professional / other taxes and verification of payments to appropriate authorities within stipulated time and submission of statutory returns /statements and issue of TDS certificates and comments thereon.

E. OTHER REQUIREMENT

The audit should be executed by a competent team of professionals, comprising of at least 1 qualified Chartered Accountant and 2 qualified staff (CA/CMA, CS, Inter CA/CMA, MBA(Finance) M.Com) who have strong exposure and experience and should be closely supervised by a Partner level person, who shall be the relationship partner and who will oversee the audits and attend all meetings with the Top Management and Audit Committee, when required.

F. REPORTING:

The internal audit reports need to be submitted to the Managing Director on the completion of Internal Audit. Action taken or not and compliance made or not in terms of the internal audit report should be stated for management action.

G. ELIGIBILITY CRITERIA:

- Criteria to be considered for selection of the firms of Professional Accountants –
- (a) I. The firm to be selected shall have at least 1 qualified full time partner in case of partnership firm or proprietor in case of proprietorship has experience at that position for more than 5 years.
 - II. The firm shall have at least 2 full time Chartered Accountants / Cost Accountants as an employee of the firm. In case of partnership firm, Partners may be considered.
 - III. The firm shall have at least 2 on roll qualified staff.
(Inter CA/CMA, MBA (Fin), M.Com).
 - (b) I. The firms shall have minimum 5 years experience in Internal Audit.
 - II. Experience in Internal Audit/ process review in Government Undertaking/Units/ Departments in the last 3 years.
 - (c) Currently, the firms shall have the assignments of Audit of minimum 2 Limited companies having turn over more than Rs. 10 cores of each of the clients.
 - (d) At least one of the full time partners relevant to the assignment shall have minimum 5 years' experience in Internal Audit preferably Government Undertaking / Unit / Departments (CV to be attached).
 - (e) The firm should have a valid registration number as provided by The Institute of Chartered Accountants of India/The Institute of Cost Accountants of India.
 - (f) The average annual professional receipt during the last 3 financial years of the company/firm should be minimum Rs.10 lacs.

H. SUBMISSION OF OFFER

Sealed offers by super scribing the Envelope with “Appointment for Internal Auditors” along with required information of the Tender Document and Part – I (technical bid) & Part II (Financial Bid) separately sealed and super scribed with the name of the work to be submitted to:

Asst. Manager Accounts
Alcock Ashdown (Gujarat) Limited.
Old Port, Ramsar Works, Bhavnagar -364 001

I. TIME SCHEDULE

- a) Last date & time of receipt of tender: On 05.05.2017 by 3.00 P.M
- b) Date & time of Opening of Part-II of the tenders: To be intimated separately to the eligible bidders as per Tender condition.

J. PLACE OF OPENING OF TENDER

Alcock Ashdown (Gujarat) Limited
Old Por, Ramsar Works, Bhavnagar-364001

K. The required information related to the company can be obtained from the website. For any further clarification please contact Krunal Trivedi AM (Accounts) **MOB 9727738656**

Technical Bid
Part – I

A Place: Bhavnagar
Date: 23.04.2017

Asst. Manager (Accounts)

Sl. No.	PARTICULARS	Supporting Documents required to be submitted along with this Form
1	Name of the Firm	
2	Addresses of the Firm:	
	Head Office Phone No: Fax No:	
	Mobile No. of Head Office In-charge:	
	Date of establishment of the firm Date since when the H.O.is at the existing Station Branch Office 1,2,3 (Particulars of each branch to be given) Phone No: Fax No: Mobile of each Branch Office In-charge:	
3	Firm Income Tax PAN No.	Attach copy of PAN card
4	Firm Service Tax Registration No.	Attach copy of Registration
5	Firm's Registration No. with ICAI	
6	No. of Years of Firm Existence & Date of establishment of Firm	
7	Turnover of the Firm in last three years	
	Attach balance sheet and P&L Account of the last three years or a C.A. Certificate give Break-up of Audit Fee and Other Fees Received.	
8	Annual Average Turnover with Break-up of fee towards Audit, Income Tax matters and others (Specify)	Provide a Chart
9	Details of Partners: Provide following details: • Number of Full Time Fellow Partners associated with the firm • Name of each partner, • Date of becoming ACA and FCA • Date of joining the firm, • Membership No., • Qualification • Experience • Whether the partners is engaged full time or part time with the firm. • Their Contact Mobile No., email and full Address	

B. Details of Qualified Staff (Chartered Accountants)

(Please provide a self attested copy of Certificate of ICAI for each qualified staff.)

S. No.	Name of staff	Length of Association with the Firm (in years)	Educational Qualifications	Area of Key Expertise	Membership No.	Relevant Experience
1						
2						
3						
4						

C. Details of Semi-qualified Staff (including Article Clerks etc)

S. No.	Name of Staff	Length of Association with the Firm(in years)	Educational Qualification	Area of Key Expertise	Relevant Experience	Remarks
Semi Qualified Staff:						
1						
2						
3						
Article Clerks:						
1						
2						
Others:						
1						
2						

C. Experience of audit in Government Organization / Units / Deptt. / PSUs etc.						
S. No.	Name of the Auditee Organization	Turnover of the Auditee Organization	Type/Nature of Assignment	Scope Coverage the & of Assignment	Duration of Completion of Assignment	Proof of the letter of Work or Assignment awarded by the Auditee Organization (PI attach a copy of the letter) And Mention the Fee Received.

Note: The firm should submit a signed copy of all the pages of the Tender document while submission of technical bid and price bid as per quote sheet as an acceptance of all terms and conditions mentioned there in.

Part - II

PRICE-BID

Date:

Sub.: Internal Audit of ALCOCK ASHDOWN (GUJARAT) LIMITED For the financial year 2016-17

Name of the bidder:

Sl. No.	Description	Lump Sum Price Per Annum ()
<p>(A) Internal Audit Fees for the Financial Year 2016-17 excluding Service Tax.</p> <p>(B) Service Tax (if Applicable)</p> <p>Note: (1) After completion of audit satisfactorily and submission of internal audit report, may be paid on against of bill. (2) Audit will be conducted at Bhavnagar, and no incidental charges, local transport accommodation exp will be provided.</p>		

Note:

- 1. The rates quoted should be per annum basis.**

(Signature of the Bidder with Date & Seal)