

**AIRPORTS AUTHORITY OF INDIA
SAFDARJUNG AIRPORT, INTERNAL AUDIT DEPARTMENT
NEW OFFICE COMPLEX, NEW DELHI – 110 003.**

Invitation of Expression Of Interest.

Airports Authority of India invites Expression of Interest (EOI) for empanelment of partnership firms of Chartered Accountants for conducting Internal Audit in the various airports and Regional Headquarters at Delhi, Mumbai, Kolkata, Chennai and Guwahati for the F.Y. 2014-15 and 2015-16

The interested partnership firms of Chartered Accountants may send their applications in the prescribed format along with details as mentioned there in, in sealed envelope containing the financial bid and technical bid separately, superscribing, "**Expression Of Interest (EOI) for empanelment of Internal Auditor for the F.Y. 2014-15 and 2015-16 to be opened by authorised person only**", through Registered Post/Speed Post so as to reach **General Manager (Finance), Internal Audit, Airports Authority of India, New Office Complex, Safdarjung Airport, New Delhi – 110 003 by 7th July 2014.** The applications will be received till 1500 hrs on 7th July 2014 and will be opened on the same day at 1530 hrs. AAI will not be responsible for any delay or loss of applications in transit.

The maximum fees for the above audit work will be paid as follows:-

Airports / RHQs	Professional Fees
Northern Region (RHQ, Delhi), Western Region (RHQ, Mumbai), Southern Region (RHQ, Chennai), Eastern Region (RHQ, Kolkata), North Eastern Region, (RHQ, Guwahati i/c Guwahati Airport), Kolkata Airport & Chennai Airport.	Rs. 1,92,500/- + Service Tax + Conveyance Rs. 13,500/-
Jaipur, Lucknow, Ahmedabad, Pune, Goa Calicut & Trivandrum.	Rs. 88,000/- + Service Tax + Conveyance Rs. 6,600/-
Amritsar, Chandigarh, Raipur, Bhubaneswar, Agartala, Dimapur & SAP.	Rs. 44,000/- + Service Tax + Conveyance Rs. 3,300/-

- The application form (technical/financial bid) along with the information and guidelines, terms and conditions and the scope of audit work are available in the website (<http://www.aai.aero>). Annexure-I to Annexure-VI.

TECHNICAL BID (To be given in Envelope 1) Annexure-I

EXPRESSION OF INTEREST FOR APPOINTMENT OF CHARTERED ACCOUNTANTS FIRMS FOR INTERNAL AUDIT OF ACCOUNTS OF AIRPORTS AUTHORITY OF INDIA FOR THE YEAR 2014 – 15.

1. (a) Name of the firm / organization (in Capital letters) _____

(b) Address of the Head Office _____
(Please also give Telephone No. _____
and E-mail address) _____

(c) PAN of the firm / organization _____

(d) TAN of the firm/ organization _____

2. ICAI Registration No. _____

3. Date of constitution of the firm / organization: _____

4. Details of Partners of the firm as on June 2014.

Sl. No.	Name of the Partner	Membership No.	Whether FCA/ ACA	Date of becoming FCA/ACA	Date of joining Partnership/ Organization

5. Whether the firm/organization is in the panel of CAG YES/ NO
If yes enclose the copy on the proof of empanelment

6. Particulars of Branches :

Sl. No.	Complete address with Telephone No.	Name of the partner in charge of the branch	Date of opening the branch

7. Details of experience :

Sl. No.	Name of the PSU /Unit	Nature of Assignment	Year of audit for which appointed

8. Name of the Unit interested for audit: 1. _____ 2. _____ 3. _____

9. Whether debarred by CBI/ICAI for conducting the audit YES/ NO.

Place _____

Date _____

Signature with Name & Seal

UNDERTAKING
(To be submitted in Envelope 1)

Annexure-II

I / we the following partners /.....
Chartered Accountants do hereby jointly and severally verify and declare:

- i)** That the particulars given are complete and correct and that any of the statements made or the information so furnished in the application form is later found not correct or false or there has been suppression of material information, the firm / organization would not only stand disqualified from allotment but would be liable for disciplinary action under the Chartered Accountants Act, 1949 and the regulations framed there under ;

- ii)** That the firm / organization, proprietor or partners has not been debarred or cautioned by ICAI during the last three years.(if debarred, give details);

- iii)** That individually we are not engaged in practice otherwise or in any other activity which would be deemed to be in practice u/s 2(2) of the Chartered Accountants Act, 1949;

- iv)** That the constitution of the firm / organization as on date as shown in the Expression of Interest is same as that in the constitution certificated issued by ICAI.

(Signature with the name and seal)

Place:

Date:

FINANCIAL BID

(To be given in Envelope 2)

1. Name of the Firm:

2. Address:

3. Professional Fees (both in figures and words):

4. Service Tax Applicable:

Yes/No

5. Service Tax No.:

6. TAN / PAN No

Place

(Signature with the name & seal)

Date

INFORMATIONS & GUIDELINES

Annexure-IV

The applications should be sent in sealed single master envelope containing technical bid & undertaking (Envelope-1) and financial bid (Envelope-2) separately, super scribing "Expression of Interest for empanelment of Internal Auditor for the Financial Years 2014-15 and 2015-16 to be opened by authorised person only." The technical bid should be accompanied with the proof of following eligibility criteria:-

1. The Chartered Accountant Firms should have been established for more than 10 years as on 31.03.2014. (The Firm should enclose the photocopy of latest constitution certificate issued by the Institute of Chartered Accountants of India).
2. The firm should have a minimum of 3 qualified partners out of which minimum 1 partner should be an FCA. (Details of the partners along with the proof of membership, professional qualification and the date from their association with the firm should be enclosed).
3. The firm must be in the panel of CAG for doing audit of PSUs in any one of the last 2 years.
4. The firm should have it's Head office/Branch office locally available in the place of audit.
5. The firm should have experience of conducting Internal Audit / Statutory Audit in other PSUs/Nationalised Banks in each of the last 5 years prior to the date of making application (copy of the work order to be enclosed). Experience of the firm in conducting Internal Audit in Airports Authority of India will be given preference.

The firm meeting the above criteria will be considered for the opening of their financial bid for the stations for which the quotation is made. **The firm quoting the lowest price will be shortlisted for audit of concerned station.**

- The assignment will be for a period of two years i.e for the F.Y. 2014-15 and 2015-16
- Each firm can give its choice of place maximum for 3 nos. of station for which they are interested to take up the audit against which AAI can assign maximum number of 2 stations.
- The applicants should enclose documentary evidence (self attested) in support of their credential under **Sl. No. 1 to 5** above. In absence of documentary evidence the marks assigned to a particular criterion will not be awarded.
- No EMD or SD is required to be submitted for applying for Expression of Interest.
- The fees payable for the audit of different units is the maximum amount payable by AAI.
- A return air fare for a single partner whereas to & fro second AC rail fare for 2 audit assistants may be reimbursed on actual basis for each place of out-station audit, if any.

- AAI shall shortlist the applicants as per the needs and requirements. Merely satisfying the eligibility criteria will not entitle an applicant to be shortlisted. Depending upon the number of applications received the AAI reserves the right to shortlist only the required number of applicants as it deems fit.
- The empanelment is for the purpose short listing of firms only and would not carry any assurance of allotment of Internal Audit assignments from AAI.
- The decision of AAI in all matters regarding number of applicants to be shortlisted, their eligibility, the documents to be produced, short listing / award of assignment will be final and binding on the applicants. No correspondence or personal enquiries shall be entertained by the AAI in this regard.
- The Authority reserves the right of accepting the single application received against the invitation of Expression of Interest.
- The Authority reserves the right to accept or reject any application without assigning any reasons there to..
- Audit firm will be debarred from conducting the audit in the following cases :-
 - i) If the firms obtains the appointment on the basis of false information.
 - ii) If the firm does not take up audit in terms of appointment of appointment letter.
 - iii) If the firm does not submit the audit report complete in all respects in terms of appointment.

TERMS & CONDITIONS:

Annexure-V

- The Audit firm so selected will have to start the audit within 10 days of receipt of letter of appointment from AAI or as decided by AAI.
- Internal Audit has to be carried out in two phases, one during October and second during April or as to be decided by Airports Authority of India
- The audit as per the assigned work has to be completed in a time bound manner which will not exceed more than 21 working days for RHQs, Chennai & Kolkata Airports, 14 working days for Jaipur, Lucknow, Ahmedabad, Pune,Goa,Calicut & Trivandrum Airports and 7 working days for the other stations, per each phase of audit.
- The Audit party is to consist of sufficient number of experienced and qualified professionals.
- The Partner of the Firm should be available for at least 2 days in each phase of audit to guide the audit team and for discussions with the management.
- The Audit team will conduct the audit as per manual, rules and regulations, guidelines, instructions, delegation of power etc. and in consultation with the concerned officials at stations.
- The scope of work (Annexure-III) is only illustrative and not exhaustive and may vary from station to station as per the need of AAI.
- The firm will submit the audit report to General Manager(Finance)-Internal Audit (CHQ), New Delhi in consultation with the Administrative/Finance Head of the station.
- The payment of fees as fixed will be made only after completion of audit work and issue of audit report. Bill for the fees will be submitted to General Manager (Finance) - Internal Audit along with a certificate indicating that audit has been conducted as per the guidelines framed by AAI and the work has been completed as per the agreed terms and conditions duly attested by the Finance In-charge of the respective station.
- In case of any dispute, the decision of Member(Finance), AAI shall be final and binding.

SCOPE OF WORK

Annexure-VI

DISCIPLINE	Areas to be vouched (Illustrative Only)
1. Finance & Accounts	<ol style="list-style-type: none"> 1. Vouching of payments. 2. Scrutiny of Traffic Revenue bills. 3. Reconciliation of Fixed Assets Registers vis-à-vis physical verification.. 4. Review of Liabilities/contingent liability. 5. Timely deposit of all TDS, WCT, etc to the appropriate authorities. 6. Review of staff advances vis-à-vis recovery in terms of guidelines. 7. Revenue expenditure of the project such as Pay & allowances etc. are capitalized and charged to CWIP/cost of the work. 8. TDS Certificates for amount deducted by clients on payments have been received. 9. Status of sundry debtors - Detailed analysis of old outstanding dues particularly in r/o Private Airlines, Foreign Airlines & Non-scheduled Airlines etc. which need persuasive action at the local level should be carried out. In addition checking whether interest on delay / default have been levied as per AAI Policy or not. The cases which are felt as fit for write off action may also be brought out in the audit report.
2. Cash/Bank Book	<ol style="list-style-type: none"> 1. Maintenance of Cash Book and Cash verification including position of soiled notes 2. Reconciliation of bank statement. 3. Position of remittances to and fro RHQ/CHQ. 4. Review of cash imprest with officials. 5. Insurance coverage of cash chest/cash in transit.
3. Personnel & Administration	<ol style="list-style-type: none"> 1. Scrutiny of advances and compliance with reference to the relevant guidelines/rules. 2. Maintenance of leave records and service books of employees. 3. Compliance of documents/mortgage agreements for advances. 4. Scrutiny of Pay fixation of employees. 5. Recovery of licence fee towards Electricity/Housing colony as per the rules.
4. Engineering.	<ol style="list-style-type: none"> 1. Scrutiny of Tenders from NIT to award a work. 2. Scrutiny of bills of the contractor in terms of the conditions of contract. 3. Grant of extension of time for the contract to be correlated with the hindrance register at site. 4. Principle approval for extra and deviated items in the contract from the appropriate authority. 5. Statutory compliances like EPF, ESI etc. are complied with by the contractor before release of payment. 6. Completion Certificate/All approval for deviations in the contract are duly approval before release if final payment. 7. Review of CWIP and completed works are put to use. 8. Details of work held up/delayed due to non availability of site/drawings/ requisite approvals after the award of work.

5. Stores (Aerodrome & ACS)	<ol style="list-style-type: none"> 1. Scrutiny of procurement proposals, 2. Maintenance of Stores ledgers, 3. Lost & Found register vis-à-vis physical availability of the items, 4. Status of Survey Reports of old obsolete/non moving stores, 5. Disposal action taken on the items surveyed.
6. Commercial	<ol style="list-style-type: none"> 1. Fixation of MRLF in terms of Commercial Manual before tendering. 2. Scrutiny of Tenders from NIT to award a work. 3. Scrutiny of the bills raised with reference to agreement. 4. Vouching of actual area in possession of the party through system of space audit. 5. To ensure that Electricity bills are inclusive of service charges at the current rates. 6. Periodical review of debtors and confirmation of the balances outstanding from the clients.
7. Land Management	<ol style="list-style-type: none"> 1. Area of land under possession and their title's deed. 2. Area of land under encroachment and action taken for eviction. Area of land under lease.
8. Motor Transport & Fire Department	<ol style="list-style-type: none"> 1. Procurement/transfer of new vehicles and its accounting. 2. Maintenance of Log Books, History sheet, consumption of diesel and petrol for each vehicle. 3. Status of pending survey reports of vehicles & equipments.
9. Aerodrome & ACS Operation	<ol style="list-style-type: none"> 1. Performance, utilization and maintenance of equipments, telephone and related payments. 2. Maintenance of asset registers and equipments log books. 3. Review of non-moving & accumulated Stores & Equipment.
10. Audit Reports	<ol style="list-style-type: none"> 1. Review of previous Internal Audit, Govt. Audit Reports (Phase Audit) and corrective action /compliance of assurance given to audit. 2. Review of Compliance of Vigilance Report and Space Audit
11. Legal Cases	<ol style="list-style-type: none"> 1. Pending Legal cases and their present status 2. Pending cases under PPE Act and their present position. 3. Payments to lawyers are as per approved rates.
12 Statutory Compliance of Taxation Rules & Regulations	<ol style="list-style-type: none"> 1. Compliance with all statutory rules & regulations with particular emphasis on Service Tax/TDS/VAT(WCT)/EPF/ESI etc. and timely submission of Returns thereof. 2. Payment for input services is supported by Registration number etc. of the party. 3. Claims are raised on the parties at prescribed rates. 4. Input credit for service tax is correctly availed.
13. General	<ol style="list-style-type: none"> 1. Compliance of guidelines on the Implementation of Official Language (Hindi). 2. Statutory compliance in respect of contract labour under the provision of EPF and Miscellaneous Provision Act, 1952 in respect of contracts. 3. Compliance of the various manual provisions on the subject. 4. Details of equipments/assets lying idle or not commissioned after receipt, resulting in expiry of warranty. 5. Insurance coverage of assets. 6. Impair Assets and their utilization 7. Lost and found items and action taken 8. Ensure the adequacy and effectiveness of internal controls over financial reporting.