

Outsourcing of internal audit services:

Sealed offers are invited from reputed firms of Chartered Accountants/ Practicing CA /Firms of Cost and Management Accountants/ Practicing CMA/ firms of practicing Company Secretaries/ practicing Company Secretary to outsource internal audit of the company for the financial year **2019-20** as per details given below:

A. Bid Qualification Criteria (BQC):

- a. The firm should be continually in practice at least last five years.
- b. The firm should have experience of undertaking internal audit and other related work assignments (Refer scope of work for details) of a medium size company/PSU:
- c. Annual turnover of the firm from accounting, taxation and auditing services shall not be less than 10 lakhs during the last 2 years, i.e. **2017-18 and 2018-19**.
- d. Preference shall be given to firm(s) having successfully completed similar assignment for state/ central PSUs, other govt. institutions/departments.

B. Scope of work and time of completion:

The audit Scope would cover both compliance and substantive work on a test check basis which would include budgetary control, authorization for expenditure, bank operations, reconciliations, balance confirmation and petty cash, employee payments, contractor's payment compliance of taxes and duties, book keeping, asset accounting including fixed assets verification, purchase and hiring and general review of IT security.

The Audit Firm would carry comprehensive internal audit with review of the following functions:

1. Finance and Accounting

- a. Review of system
- b. Authorization of expenses and payments.
- c. Cash and bank and Treasury management
- d. Accounts Reconciliations
- e. Revenue and Receivables including consumers billing.
- f. Fixed assets accounting including audit of physical verification of fixed assets and idling of assets.
- g. General Accounting
- h. Budget controls
- i. Cash payments
- j. Direct and Indirect Taxation
- k. Compliance of Accounting Standards and other pronouncements issued by ICAI
- l. Compliance of provisions of statutory levies applicable to the company.
- m. Ledger, vendors and customers scrutiny
- n. Audit of pay roll input

o. Review of items such as:

- *Status of Capital work in progress
- * Status of each cash and bank account balance thereof
- * Recovery of each item of loans and advances
- *Details of sundry Debtors and age wise analysis with recovery status
- *Details of creditors with age wise analysis and status of payments
- *Review of various long term loans
- *Details of all other assets or liabilities of the company and various provisions

2. Material Management:

- a. Review of materials / services planning and budgeting.
- b. Review of material/ service requisitioning and procurement/ hiring.
- c. Procedure of vendor development and evaluation
- d. Material/ services receipt and payments
- e. Review of contract awarded on nomination basis including property contracts.
- f. Review adequacy of materials, procurement and material controlling procedure, together with procedure for identification of surplus material and scraps.
- g. Review method of inventory control and if necessary, perform warehouse physical inventory counts and valuations, and reconcile material movements with charges and credits to the accounts.
- h. Ascertain that no unnecessary build up of inventory has occurred through transfer of non essential to inventory.
- i. To ensure any disposal of surplus, idle or junk items has been duly approved and in accordance of the policy of the company
- j. Review of procedure relating to the control of inventories to determine that proper safeguards are provided, storage, warehousing and transit to site.
- k. Review of high value non-moving/ slow moving inventory.

3. Tendering and contracts:

- a. Review solicitation of bids, contracts and contract administration and review of competitive bid process in various department of the company.
- b. Ensure that all tendering evolution and award of contracts are in compliance with the tender and contract procedure.
- c. Ensure any contract variances and extension of contracts awarded are properly approved and endorsed.
- d. Review and follow up previous year internal audit observations
- e. The entire audit assignment has to be completed with a period of **45** days from the end of each Half Year.

4. Project Audit:

5. Insurance and Claim Audit:

6. CSR Audit:

7. Deployment of Man Power:

The firm shall deploy sufficient number of adequately qualified and experienced staff including Chartered Accountant/ Cost Accountant to complete the assignment within given time frame.

8. Fee and Other charges:

Fees shall be quoted as per format given at annexure-1

9. Terms and Conditions:

- (1) The CA/CMA and the staff should be proficient in working with tally accounting software shall have adequate knowledge of prevailing direct and indirect tax laws and application thereof in day to day work.
- (2) The firm shall provide bio-data of the persons proposed to be deployed along with its offer for the management to scrutinize the same before acceptance and such staff shall be deployed only on receipt of our clearance.
- (3) The Firm shall maintain strict confidentiality of all information and records made available to it by the company and shall stand guarantor for faithful performance and honest and disciplined behavior of all the personnel deployed by it on the job. The Firm shall enclose such undertaking with its offer.
- (4) The firm shall replace the manpower immediately if performance and/or conduct of any staff deployed are found to be unsatisfactory.
- (5) The Principal Chartered Accountant shall have professional experience of not less than 5 (Five) years in the fields of Audit (both Statutory & Internal) and Taxation matters.
- (6) The Principal CA/CMA shall visit at least once a week to supervise and guide the works performed by persons deployed by the firm.
- (7) The company's normal working hours are from 7:00 AM to 3:30 PM (Mon-Fri) and 7:00 AM to 11:00 AM on Saturdays. Each person deployed by the firm shall have to attend office for a period of 8 hours on working days on full time basis.
- (8) The firm will have to prepare and preserve all the workings related to the assignment in the office of the company and provide both the hard copy and staff copy of the same to the management.
- (9) No deviation/counter terms and conditions shall be acceptable to the company with regard to this contract.
- (10) The Company will not pay any TA/DA or other incidental expenses.

- (11) Accommodation and fooding facilities will be provided by the company to the principal as well as the audit staff at the company's guest house.
- (12) The company reserves the right to accept or reject any or all bids without assigning any reason thereof.
- (13) Fixed charge will stand reduced @2% for delay in completion of assignment within stipulated time subject to a maximum of 10%.
- (14) The company reserves the right to terminate the contract in case of undue delay by the firm in completing the assignment or violating any of the conditions stated therein.

10. Last Date & Time for submission and opening of Bids:

The offer, complete in all respect enclosing all required documents, undertakings etc. in support of the firm's registration, functioning, experience in handling similar type of work, available resources, details of manpower to be deployed, Turnover etc. shall be submitted in a sealed envelope addressing the **Managing Director, Assam Gas Company Limited** in the following manner latest by 2:00 PM on **15/06/2019** in the office of **Assam Gas Company Limited** at the address given below:

- (1) Each sheet of documents submitted should be signed and sealed by the bidding firm's partner or proprietor as the case may be.
- (2) Main envelope containing the offer shall be super-scribed as **"Offer for providing Internal Auditing services."**
- (3) Inside the main envelop one sealed envelope should contain all relevant details in support of eligibility criteria and other documents as specified above except the **Schedule of Fees** and shall be super-scribed as **"Commercial Bid"**.
- (4) The second sealed envelope inside the main envelop shall contain only the **"Schedule of Fees"**, and shall be super-scribed as **"Price Bid"**.
- (5) The commercial bids will be opened on the same day **15/06/2019** at **2:30 PM** and after evaluation of the same as per prescribed criteria price bids of successful bidders shall be opened on or before **30/06/2019** for which advance intimation will be sent by email at the email ID provided by the firm in its contact details.
- (6) Queries, if any, may be addressed to hcmahanta@rediffmail.com
- (7) Address for communication: Assam Gas Co. Limited, P.O. Duliajan, Dist- Dibrugarh, PIN- 786602, Assam.

Annexure-I

Schedule of Fees

- 1. Fixed Charge (Quarterly) Rs.....
- 2. Service Tax: Rs.....
- 3. Total Fees: Rs.....

No other charges, whatsoever, will be payable except service tax, as applicable, shall be on COMPANY'S account.