

**V.O.CHIDAMBARANAR PORT AUTHORITY**  
**NOTICE INVITING TENDER(NIT)**

TENDER DOCUMENT FOR WORK OF "APPOINTMENT OF A SERVICE PROVIDER (C&AG EMPANELLED CHARTERED ACCOUNTANT FIRM) TO RENDER INTERNAL AUDIT SERVICES TO V.O.CHIDAMBARANAR PORT AUTHORITY FOR A PERIOD OF TWO(2) YEARS".

**TENDER No. E-896 FIN-TAX0GENE/1/2021**

## CONTENTS

<b>SECTION I- NOTICE INVITING TENDER (NIT) .....</b>	<b>3</b>
<b>SECTION II -INSTRUCTIONS TO THE BIDDERS.....</b>	<b>4</b>
<b>SECTION III-QUALIFICATION CRITERIA FOR THE BIDDERS .....</b>	<b>6</b>
<b>SECTION IV - EVALUATION OF THE BID DOCUMENT .....</b>	<b>7</b>
<b>SECTION V - INSTRUCTION TO SUCCESSFUL BIDDER.....</b>	<b>9</b>
<b>SECTION VI - SCOPE OF WORK, STATUTORY COMPLIANCE .....</b>	<b>11</b>
<b>SECTION VII - GENERAL CONDITIONS OF CONTRACT .....</b>	<b>12</b>
<b>SECTION VIII - ANNEXURES AND FORMS .....</b>	<b>15</b>

**V.O.CHIDAMBARANAR PORT AUTHORITY**  
**FINANCE DEPARTMENT**  
**TENDER No. E-896 FIN-TAX0GENE/1/2021**  
**SECTION I-NOTICE INVITING TENDER (NIT)**

Electronic Tenders (Two Cover System) are invited by V.O.Chidambaranar Port Authority, Tuticorin from bidders fulfilling the Eligibility Criteria for pre-qualification as stipulated in this notice for the work of **“APPOINTMENT OF A SERVICE PROVIDER(C&AG EMPANELLED CHARTERED ACCOUNTANT FIRM) TO RENDER INTERNAL AUDIT SERVICES TO V.O.CHIDAMBARANAR PORT AUTHORITY FOR A PERIOD OF TWO(2) YEARS”**.

1.	Estimate Amount	: Rs.36,93,000/-
2.	Contract period	: Two Years (Extendable up to one year)
3.	Earnest Money Deposit	: Rs.73,860/-
4.	Downloading of Bid document	: From 31.01.2024 upto <b>17.30 Hrs</b> at <a href="https://etenders.gov.in/eprocure/app">https://etenders.gov.in/eprocure/app</a> <a href="http://www.vocport.gov.in">www.vocport.gov.in</a>
5.	Pre-bid meeting	: 09.02.2024 at <b>11.00 Hrs.</b> at Administrative Office, Harbour Estate, Tuticorin.
6.	Last Date and Time for submission of Tenders	: 20.02.2024 upto <b>15.00 Hrs.</b>
7.	Date and Time for opening of Part I (Cover I) (Commercial bid)	: 21.02.2024 at <b>15.00Hrs.</b>
8.	Validity of tender	: <b>120 days</b> from the date of opening the Part-I(Cover-I) -Commercial bid Documents.
9.	Bid Security	“Bid Security Declaration” has to be furnished vide Form III.
10.	Submission of Tender*.	: Through CPP Portal. <a href="https://etenders.gov.in/eprocure/app">https://etenders.gov.in/eprocure/app</a> .

**Note:**

1	The Bidders are advised to read the whole document carefully and submit their tender/bid strictly meeting with the requirements spelt out in the bid document.
2	While uploading bid all the supporting documents, bidders ensure that all documents are duly signed along with seal in each & every page and serially numbered, scanned properly and uploaded in the CPP Portal.
3	On submission of bid, if it is found deficient with reference to the requirements spelt out in the bid document, it will be summarily rejected, without assigning any reason.

## **SECTION II -INSTRUCTIONS TO THE BIDDERS**

### **1. GENERAL:**

V.O.Chidambaranar Port Authority is an autonomous body functioning under Ministry of Ports Shipping and waterways, governed under Major Port Authorities Act, 2021. The “Port Service’ are subject to Income Tax, GST any other Tax laws proposed by Government time to time. The information about the Port is available in the website of the Port at [www.vocport.gov.in](http://www.vocport.gov.in).

V.O.Chidambaranar Port Authority is located strategically close to the East- West International sea routes on the South Eastern coast of India. Located in the Gulf of Mannar, with Sri Lanka on the South-East and the large land mass of India on the West, is well sheltered from the fury of storms and cyclone winds. The Port is operational round the clock all through the year.

### **2. UPLOADING OF BID DOCUMENTS:**

The bidder shall on his own responsibility have to download and upload the bid document in the provided E-Tender Portal. The Bidder has to make his own arrangements to overcome the Internet, electricity or other connectivity failures to complete the Tender filing online at his own risk and cost and Port will not be responsible for such failures or shall not be liable to extend or accept such delayed or incomplete tender, for reasons whatsoever.

The terms of the Tender schedule, conditions of firm any other documents attached to the bid document shall not be defaced or detached from it and the same has to be uploaded in whole as per the instruction provided in the bid document or in the e-portal.

### **3. EARNEST MONEY DEPOSIT:**

- i. In order to be considered for the bid, the Bidder shall make payment of EMD of Rs.73,860/- (Rupees Seventy three thousand, Eight hundred and sixty only), the EMD through online payment gateway mode in CPP E-tendering Portal. Otherwise, the tender will be rejected.
- ii. EMD in the form of such as cash/ Demand Draft or anyother form shall not be accepted.
- iii. The Earnest Money Deposit (EMD) furnished by all unsuccessful bidders will be returned through the e-payment system of CPP Portal, after the expiry of the final tender validity period or 30 days from the date of issue of the work order. The Earnest Money Deposit (EMD) of the successful bidder shall be adjusted against Security Deposit.
- iv. If the successful bidder fails to remit the Performance Security after the issue of work order within the specified or extended time, the EMD shall be forfeited and the bidder shall be debarred/ black listed for a period of three years.
- v. No interest shall accrue or is payable on the EMD from the date of its remittance till it is returned to the bidders.
- vi. Any bidder who is claiming exemption from payment of EMD based on any Central/State Government certification, shall furnish a Bid Security declaration and undertaking as per Form III

### **4. INCOMPLETE DETAILS AND CANVASSING:**

The Port does not bind itself to accept the lowest tender and may reject any or all tenders received without assigning any reason, whatsoever. Tenders in which any of the particulars and prescribed information is inadequate or incomplete in any respect and / or the prescribed conditions are not fulfilled such tenders are liable to be rejected. Canvassing in any form by the Bidders will result in their tender being rejected.

### **5. TENDER SUBMISSION THROUGH :**

The tenders should be submitted online through CPP Portal. Tenderers can download the tender document from the V.O.Chidambaranar Port Authority’s website: [www.vocport.gov.in](http://www.vocport.gov.in) and <https://etenders.gov.in/eprocure/app>.

**6. CORRECTION/VARIATION:**

All corrections and alterations in the entries of the bid documents shall be attested with full signature of the Bidder with date. No erasures or over-writings shall be made.

The Bidders should not submit any revised or amended offers after the opening of the tender. If any such document is found in the bid, the same will be rejected.

The bidder's proposals deemed to include all prices for the Scope of Work specified in this Tender document.

Tender should be complete in all respects for taking a decision immediately on opening of the Tender.

**7. TRANSFER OF BID DOCUMENTS**

Transfer of bid documents submitted by one intending Bidder to another is not permissible.

**8. ADDENDA / CORRIGENDA**

Addenda/Corrigenda, if any, to the bid document will be issued by the Port only in the Port's website/CPP Portal, prior to the date of opening of the tenders.

**9. OTHER PROFESSIONAL ASSIGNMENTS**

In order to have Independence of Internal Audit Work, the firm should not undertake any other professional assignment/certification directly or indirectly during the term of this contract with the Port.

**10. BID OPENING:**

The Part I (Cover I) -Techno Commercial Bid containing the Qualification Criteria documents and Part II(Financial Bid) will be opened on the scheduled date and time as indicated in the NIT, in the presence of such bidders and/or their authorised representatives, who wish to be present at the time of opening, at their own cost.

**11. COMMUNICATION:**

Any further information regarding the subject tender may be obtained in writing from the undersigned.

**Financial Adviser and Chief Accounts Officer,**  
**Finance Department,**  
V.O.Chidambaranar Port Authority ,  
Thoothukudi, Tamilnadu.  
Phone: 0461-2352254  
Fax:0461-2352201  
E-mail id: fa@vocport.gov.in  
Website:www.vocport.gov.in.

### SECTION III-QUALIFICATION CRITERIA FOR THE BIDDERS

#### PART-I (COVER-I) – Qualification Criteria(Techno Commercial Evaluation)

Qualifying criteria to be met by bidders to qualify for award of the contract is specified as follows:

##### 1. Requirement & Eligibility:

The work is proposed to be given to a reputed firm having the following criteria:

- a. Experience in **similar works\*** with One Internal Audit of Major Port (or) Internal Audit experience of the three different PSUs/Autonomous Bodies having turnover of more than Rs.200.00 crores during the last Seven(07) years as on the date of Tender. The bidder should submit Proof of **Work Order and Work Completion Certificate** for the experience claimed duly filling **FORM-I**, attaching the enclosures. Only completed work as on the date of the Tender should be provided, ongoing works shall not be considered for evaluation.
- b. The firm should also have at least 3 full-time Partners.
- c. The Chartered Accountant firm should be empanelled by the Comptroller& Auditor General of India (or) Reserve Bank of India.

**\*Similar Works:** The Firm should have conducted Internal Audit toOne Internal Audit of Major Port (or) Internal Audit experience of the three different PSUs/Autonomous Bodies having turnover of more than Rs.200.00 crores during the last Seven(07) years as on the date of Tender.

## **SECTION IV - EVALUATION OF THE BID DOCUMENT**

### **1. Determination of Responsiveness:**

A responsive tender is one which inter-alia confirms to all the terms and conditions including general and special conditions of the entire bid documents without any deviation or reservation and the same shall be determined as described below:

The bidders should submit the following documents, failing which their offer will be treated as non-responsive and their bid will be summarily rejected without techno commercial evaluation.

- i. Proof of EMD Payment (or) Certificate issued by the Central Government/State Government for claim of exemption of EMD.
- ii. Self-attested copy of ICAI Firm registration Certificate, CAG/RBI Empanelment Proof, PAN and GST registration Certificate for place of registration and principal place of business.
- iii. A self-certified list showing details of Partners, Paid Chartered Accountants, staff and Articled/Audit Assistants with their Qualification & date of joining this firm attached to the Tender.
- iv. (a) The bidder must not have been terminated or declared ineligible/blacklisted by any Major Ports/ Central / State Government / Autonomous bodies /PSUs/Nationalized Banks in the past 3 years prior to the date of publication of NIT.  
(b) Information regarding any litigation and arbitration against the Port during the past five years prior to the date of publication of NIT, in which the Bidder is involved, the party's concerned.  
(c) A declaration to the effect of iv(a) & (b) should be furnished as per format prescribed as **FORM-II**.

### **2. Techno Commercial Evaluation:**

- i. The documents submitted by the bidder as specified in **Section-IV(1)** will be evaluated based on details furnished for responsiveness to the Tender. Non furnishing of the details as per Section IV(1) shall be summarily rejected.
- ii. The responsive bidders further evaluated for Experience criteria as per details furnished in **Form-I** substantiating similar Work experience.
- iii. After scrutiny of the documents submitted, the eligible bidders will be pre-qualified based on the details provided by them. The tenders, which do not satisfy the qualifying criteria as mentioned under **Section-III -Qualification criteria** shall be summarily rejected.
- iv. The Port may verify the original documents of the Copies submitted by the Bidder during evaluation or at any time, if required. In case the documents submitted by the bidders found to be forged/ false, the port will take appropriate penal action including cancellation of the work order issued and blacklisting of the firm for a period of 3 years and forfeiture Bank Guarantee either jointly or severally.
- v. The shortlisted bidders after the evaluation will be informed through e-mails after short listing and the same will also be published in the Port website. Any bidders who had participated in the tender having any objections or observations shall inform the same to the designated e-mail id, within the specified days from the date on which published in the Port website. Objections, if any, received after this date will not be entertained.
- vi. Objections so received will be duly examined as per the terms and conditions of the tender and the decision will be posted on the website. The decision of the competent authority, in this regard, will be final and binding and no further objections will be entertained once the decision is finalized.

### 3. Price Bid Evaluation:

- i. The bidders shall quote the rates as **Part-II (Cover-II) – Price bid** provided in **Schedule-A** of the bid document. The Price bid of the shortlisted bidders i.e., technically qualified bidders will alone be opened by the Port on a date and time to be notified later. The bid shall be opened either in the presence of such bidders and/or their authorised representatives, who wish to be present at the time of opening, at their own cost.
- ii. The price bid will be evaluated based on the rate quoted by the bidders in **Part-II (Cover-II) – Price bid** and the bidder quoting the lowest percentage rate will be declared as the successful bidder.
- iii. If the lowest percentage quoted happens to be the same for more than one bidder, the concerned bidders alone will be asked to again submit revised price quotes in sealed covers within the time to be prescribed by Port.
- iv. No conditionality is to be attached in the Price bid other than furnishing the Price quote.

## **SECTION V - INSTRUCTION TO SUCCESSFUL BIDDER**

### **1. Letter of Intent**

The letter of intent will be issued to the successful bidder through e-mail/post after evaluation and obtaining approval of the competent authority, after verification of the copy of certificates/originals of the documents submitted by the bidder and for fulfilment of the formalities. The successful bidder has to fulfil the same within 15 days from the date of issue of letter of intent or within the extended date as the case may be.

### **2. Performance Security:**

- i. The successful bidder shall deposit an amount equal to **5% of the Work Order value** as Performance Security in the form of irrevocable Bank Guarantee obtained from a Nationalised Bank or a Scheduled Bank having net-worth of above Rs.100 crores having its branch at Tuticorin and encashable at Tuticorin in the form as per specimen in the Form IV, shall be in compliance with for a digital confirmation(SFMS) for the Bank Guarantee within 15 days from the date of issue of letter of intent/Work Order, with a claim period of throughout the contract period and additional 180 days.
- ii. The successful bidder may also deposit the Performance Security amount through NEFT/RTGS/E-payment to Port Bank Account in lieu of Bank Guarantee.
- iii. The Port may relax the above time limit in extraordinary circumstances based on the reasons furnished by the bidder. If the Performance Security is not deposited within the stipulated period as prescribed, the Work Order stands cancelled and the Earnest Money Deposit will be forfeited.
- iv. In case the Port is obliged to make any recoveries on any account from the Performance Security Deposit of the firm either in part or full, upon encashment by the Port, the firm shall be obliged to make good the Performance Security Deposit amount within a period of 10 (ten) days after the receipt of information in this regard, failing which the firm shall have to pay an interest 6% per annum for the period of delay in making good the Performance Security Deposit.
- v. Performance Security may also be submitted in the form of Insurance Bond (or) a Deposit to Port Account.
- vi. **Additional Security Deposit:** In case of quotes less than 10% of Cost put to Tender, the additional Performance Security at 50% shall be applicable for difference between cost put to Tender and Quoted value, to be remitted along with Performance Security, stated Sl.no-(i) of this section.
- vii. The Performance Security should remain valid for a period of 180 days beyond the date of completion of all contractual obligations of the Successful Tenderer including statutory obligations and will be refunded/discharged thereafter without any interest after adjusting any dues to the Port.

### **3. Branch at Tuticorin/Tirunelveli/Tiruchendur**

The Successful Tenderer shall have branch/has to establish its Office/Branch at Tuticorin/Tirunelveli/Tiruchendur/with the approximate vicinity of 60 kms(Approx) from the Port within 3 Months/further extended period of Six Months for exceptional circumstances, from the date of contact agreement with Minimum one Chartered Accountant, as Partner stationed at this Branch failing which the Performance Security submitted by the Successful Tenderer shall be forfeited and also Terminated from the Contract.

### **4. Award of Work:**

- i. The work will be awarded to the successful bidder(s) for providing Internal Audit as specified in the **Scope of Work of Section VI.**

- ii. The decision of this Port shall be final in this regard.
- iii. The Port reserves the right to accept or reject any or all the tenders without assigning any reason and not bound itself to accept the lowest tender.

**5. Signing the Contract Agreement:**

- i. The successful bidder shall be required to execute a Contract agreement at his own cost in the pro-forma prescribed by the Port as per the **Contract Agreement Form** provided in **ANNEXURE-A** of the bid document on Tamil Nadu State Government stamp paper of the value of Rs.100/- within stipulated time from the date of issue of work order before commencement of Work.
- ii. Non-fulfilment of the above condition of executing a Contract agreement by the successful bidder would constitute sufficient ground for annulment of the award.
- iii. Further, the Port reserves the right to take necessary action as deemed fit against such default bidder. The penal action may include reference to C&AG/RBI and also to the ICAI/Indian Ports Association for necessary action. Also, the bidder shall be Blacklisted for a Period of 3 years from participating in the Bids issued by the Port.

**6. Security Deposit:**

Security Deposit at the rate of **10%** will be deducted from each running bill after adjusting the EMD subject to a maximum accumulation of **5%** of the tendered value. The Security Deposit shall remain with the Port till the date of completion of all contractual obligations of the firm including statutory obligations and will be refunded without any interest after adjusting any dues payable to the Port/ Statutory Authorities.

**7. Deployment of Manpower:**

(i) The Chartered Accountant firm shall nominate a Partner exclusively to deal with the Internal Audit and co-ordinate with VOC Port Authority at all times. The partner shall be in a position to visit the Port at any time on any number of occasions for the purpose of carrying out the Internal Audit work. Apart from that the Partner of the firm shall also be in a position to come for any discussion/meeting convened to deliberate on the Internal Audit Report on any number of occasions at any point of time. Any non-response/default in this regard will be considered as deficiency in service. The Chartered Accountant firm shall give the details of the partner so nominated along with the address, telephone no., mobile no., fax no., e-mail ID, etc. Any change in the Manpower deployed shall be made only after getting prior written intimation from Port Authority.

(ii) The Audit Team should be headed by a Partner who shall be a Chartered Accountant stationed at Tuticorin.

(iii) The firm shall deploy an Audit Team minimum of 1 CA-Inter / CMA Inter-Highly Skilled and 3 Nos of M.Com with 2 years experienced, highly skilled staff to be deployed complying to the Minimum Wages Act for the Whole Month, for entire term of the Internal Audit.

**8. Debarment:**

If the bidders are debarred by this Port shall not be eligible to participate in any of the Tenders of this Port for a period of three years commencing from the date of debarment.

## **SECTION VI – SCOPE OF WORK, STATUTORY COMPLIANCE**

### **1. Scope of Work:**

The detailed scope of work is as mentioned in **ANNEXURE-B** should commence the work from the date to be specified in the Work Order at V.O.Chidambaranar Port Authority.

### **2. Internal Audit Report:**

1. The report shall be submitted in two parts. The first part will contain a summary of significant irregularities and second part will contain all the other irregularities, deficiencies etc. noticed requiring rectification recoveries or adjustments.
2. The report should be submitted with 2 hard copies and by PDF Format by mail to FA&CAO mail. (fa@vocport.gov.in).
3. The report should not be a repetition of C&AG'S audit remarks or it should not be just generated report available in the System either fully or partially. Report should concentrate/give more attention to improvement in System Controls / Office procedures etc. Qualitative information to management on cost /benefit analysis various operation /investments etc.
4. The report should state the Name, Qualification etc of all the persons who in charge/Conducted the Internal Audit of that quarter.
5. The report of each quarter should be submitted before end of the subsequent Month.

The Audit opening & closing meeting of Internal Auditor with the HOD shall be enclosed with the quarterly report. Reports submitted are supported by basic records. Draft report should be submitted on or before 12<sup>th</sup> of the successive Quarter April to June-12<sup>th</sup> July, similarly 12<sup>th</sup>October, 12<sup>th</sup> January & 12<sup>th</sup> April), Meeting with the respective HOD's should be completed before 22<sup>nd</sup> of the respective quarter and final report should be submitted before end of the upcoming Month of the respective Quarter.

### **3. Compliance with the EPF , ESI, any other labour laws:**

- a. The firm should adhere to the Employees State Insurance Act, 1948 (34 of 1948) and Employees Provident Fund Act, 1952 and the rules/orders framed there under from time to time.
- b. Any interest or penalties payable to EPF/ ESI Authorities due to the default of the firm, the same shall be adjusted against any dues payable to the firm or from Performance Security/ Security deposit.
- c. The firm ensure necessary compliance with ESI, EPF or any other labour laws.

## SECTION VII – GENERAL CONDITIONS OF CONTRACT

### **1. Payment Terms:**

- The firm shall raise Invoice for 70% of the payment claimed proportionately on monthly basis and the remaining 30% of payment will be made after completion of Final Audit Report/Submission to Port and also after considering the Compliance Report submitted by respective Departments for the Action Taken on the queries of the concerned departments.
- The bidder must attach the attendance sheet, Details of Bank Statement for payment made to staff complying with Minimum Wages Act, alongwith Invoice.
- The 30% of payment for fourth quarter of the respective financial year will be made after completion of Internal Audit of all Departments. Further, will be subject to submission of final report consolidating all the quarterly reports and covering the entire scope for every financial year after considering the compliance report submitted by respective Departments for action taken on the Audit queries/observations of the concerned Department with Internal Auditor comments.
- The applicable GST claimed at the rates applicable from time to time on submission of bills/invoices as prescribed under GST Act/Rules thereon. The GST shall be reimbursed by the Port once the GST claimed is reflected in GSTR-2A against the Port GST number.
- TDS and GST TDS deductions shall be governed as per the provisions of the Income Tax Act, 1961 and GST Act/rules therein.

### **2. Period of Contract:**

The Contract is valid for a period of **Two years** from the date specified in the Work Order. The Contract **may be extended for a further period of one year subject to Satisfactory Performance, at the convenience of the Port** on the basis at the same rates, terms and conditions.

### **3. Non-performance of Contract/ Breach of Contract:**

3.1 In the event of unsatisfactory performance or non-compliance with regard to the provisions of the Contract or if any breach is committed by the firm of the terms and conditions of the Contract, the Port will issue show cause notice to the firm indicating such unsatisfactory performance or non-compliance by the firm, for compliance and if the firm fails to comply within a period of 30 days from the date of issue of notice by the Port, the Port reserves the right to terminate the contract. In such event, the Performance Security and Security Deposit will be forfeited, for the loss or damages suffered by the Port due to the breach of the Contract committed by the firm or its employees or the manpower deployed for the performance of the Contract.

### **4. Discontinuance by the firm:**

If the firm is not in a position to continue the contract, the firm should give 90 (Ninety) days in writing, prior to the proposed date of discontinuance of the contract to the Port. In such case, the Performance Security and the Security Deposit shall be forfeited.

### **5. Foreclosure of the Contract by Port:**

The Contract may be foreclosed by the Port by giving 30 (Thirty) days advance notice to the firm during the subsistence of the contract period without assigning any reasons. In such cases, the Performance Security Deposit and Security deposit will be refunded to the firm, subject to recoveries, if any.

### **6. Penalty for Delays/Liquidated Damages:**

- (i) The Quarterly Report on Internal Audit for each Quarter shall be submitted within one calendar month following the completion of each Quarter. For delayed submission of Quarterly Report, Penalty of 1% of the quoted Audit fee for each quarter will be levied for each week or part thereof the delay subject to a maximum of 10% of total value of the contract throughout the contract period.
- (ii) Non deployment of Manpower, for CA/CMA Inter Rs.1,000/- per day and Others Rs.500/- per day.

**7. Dispute Resolution:**

- i. Except as otherwise provided elsewhere in the Contract, if any dispute, difference, question or disagreement or matter whatsoever, arises, before/after completion or abandonment of work or during extended period, between the parties, as to the meaning, operation or effect of the contract or out of or relating to the contract or breach thereof, the same shall be referred to the concerned Head of the Department, V.O.Chidambaranar Port Authority, Tuticorin.
- ii. In case, the dispute is not resolved, the same shall be referred to the committee headed by Deputy Chairperson and other members to be nominated by Chairperson, VOCPA.
- iii. If the dispute remains unresolved, the same shall be referred to the Chairperson, VOCPA whose decision, in this regard, is final and binding on both the parties to the contract.

**8. Applicable Law and Jurisdiction:**

The contract shall be governed by and constructed according to the laws in force in India. The firm shall hereby submit to the jurisdiction of the courts situated at Tuticorin for the purpose of actions and proceedings arising out of this contract and the courts at Tuticorin shall have the sole jurisdiction to hear and decide such actions and proceedings.

**9. Other Conditions of Contract:**

- a. All requirement of stationery, computer system/laptop/Printer shall be provided by the professional firm himself and they should bear the firm's name for identification of reports/documents generated by them.
- b. The general place of work shall be the Administrative Office of V.O.Chidambaranar Port Authority. However, in case of necessity they may have to visit the work site/divisional offices with prior intimation/appointment of the officer in charge.
- c. Access to computer terminals connected to the Integrated Computer System of the Port will be provided. Place of work and furniture will be provided by the Port free of cost at the Administrative Offices. The tenderer and his employees shall maintain strict confidence of all information received by them in the course of performance of their duties. Any violation in this regard will be viewed seriously and will be liable for appropriate action. They shall not take any document/materials outside the Port premises without the written permission of the designated officers of the Port.
- d. The normal working hours of Office shall be 10.00 AM to 6.00 PM.
- e. **Adoption:** The Contract shall be governed by the provisions or amendments or clarifications of Major Ports Act, 1963, Indian Ports Act, 1908, Merchant Shipping Act, 1958 and any other relevant Acts and directives issued by the Government of India from time to time. It shall be binding upon the firm to comply with all such acts, rules, regulations, and directives issued by the Government of India and/or others communicated by the Port from time to time.

**10. Conflicting relationships**

A firm found to have a close business or family relationship with any official of Port who is directly or indirectly related to tender or execution process of contract and who has held/is holding any post in the Port may not be awarded a contract, unless such conflicting relationship has been resolved in a manner acceptable to the Port throughout the tendering / contract execution process.

**11. Malpractice or furnishing of false information:**

In case of suppressing of any facts or furnishing of false information or malpractice committed by the firm anytime during the tender process and/or during the contract period, the Port shall reject the bid in whole or terminate the Contract Agreement. In the event of such omission, the Port reserves right to forfeit encashment of the Bank Guarantee/Performance Security and/or Security Deposit lying with the Port. In addition to the above, the Port may also black list or suspend or debar the firm from participating in future tenders, as the Port thinks deem fit.

**12. Change in Constitution**

The firm/ Contracting entity shall not make change in the formation, constitution or composition of its business or its name without the written consent of the Port, during the existence of the Contract.

**13. Insolvency / Bankruptcy / Winding up/Black listing etc.**

The Port shall be entitled to cancel / terminate the Contract before expiry of contract period, if the firm is declared as Blacklisted/insolvent or bankrupt or is unable to pay its debts or makes a composition with its creditors or if a trustee, liquidator, receiver or administrator is appointed to take over the assets or the business or the undertaking of the firm or if a substantial portion of the assets, property, revenues or business of the firm is confiscated or expropriated by the Central / State Government or any governmental agency or third party or if the law relating to the sick companies applies to the firm or the firm is dissolved or wound up or if an order shall be made or an effective resolution is passed for the winding up of the firm or the firm is reconstituted or the business or operations of the firm is closed either due to disputes inter-se amongst its stakeholders or otherwise.

**14. Confidentiality:**

The firm and the manpower deployed as per the terms and conditions of this Contract for performance of the rights and obligations of the firm shall keep confidential, the data and other information of the Port shared or obtained during work in any form during and after expiry/termination/cancellation of the Contract, except the information that which are available in the public domain. In the event of receipt of any legal/ statutory notice to disclose the information shared by the Port, the same shall be done by the firm only after giving a prior intimation to the Port.

**15. Damage to Property:**

The firm shall be responsible for making good to the satisfaction of the Port, any loss or damage to any structures and properties within the Port premises. If such loss or damage is due to fault and/or the negligence or wilful acts or omission of the firm, his employees, agents, representatives and/or manpower deployed by the firm, the firm shall make good the loss as assessed by the Port.

**16. Indemnification:**

The firm shall defend, indemnify and keep indemnified and hold the Port, its officers and employees harmless from any and all claims, demands, injuries, damages, costs, charges, compensation, losses, expenses, proceedings or suits including attorney fees, arising from any breach or default in the performance of any obligation on the firm's part to be performed under the terms and conditions of this Contract or arising from any negligence of the firm, or any of its agents, or its employees or the person provided for the purpose of this Contract or non-fulfilment/non-adherence/non-compliance of any statutory provisions which is as per law the firm is required to comply with. The provisions of this section shall survive even after the expiration or termination of this Agreement.

**17. Identity Cards/Entry Passes:**

Port shall arrange for providing identity cards/entry passes on payment by the successful bidder to his representative and manpower deployed under this Contract. All such deployed manpower shall wear the identity card at all times while at Port premises and on duty.

**18. Notice:**

Any notice to the firm shall be deemed to be sufficiently served to the firm directly or to any person in the details provided to this Tender, if given or left in writing to the address or sent through E-mail ID. Responsibility to notify any change in address and/or email-id, entirely lies with the firm.

**SECTION VIII - ANNEXURES AND FORMS**

**FORM-I**

**DETAILS OF INTERNAL AUDIT EXPERIENCE:**

Sl. No	Name& Address of Organization	Period of Work	Appointment/Work Order		Work Completion Certificate		Turnover of the Client
			(Ref. No. & Date)	Pg. No	(Ref. No. & Date)	Pg. No	
1							
2							
3							

**Note:**

1. The copies of the documents containing above information like work order and Work Completion Certificate in the format attached **Form-I** properly scanned, Page numbered and attached for evaluation.
2. The bidder must fill the Turnover of the Client and attach proof thereon.
3. The bidder must fill the **Form-I** of Tender document failing which the Bid will not be considered for further evaluation.

**TENDER ACCEPTANCE AND DECLARATION ON LITIGATION AND BLACKLISTING****(To be provided on the bidder's company letter head with signature and seal)**

To

Sir,

Subject: \_\_\_\_\_

Tender Reference No.:\_\_\_\_\_ for "APPOINTMENT OF A SERVICE PROVIDER(C&AG EMPANELLED CHARTERED ACCOUNTANT FIRM) TO RENDER INTERNAL AUDIT SERVICES TO V.O.CHIDAMBARANR PORT AUTHORITY FOR A PERIOD OF TWO (2) YEARS".

WE DECLARE THAT:

1. I/We have not been involved in any litigation for the past five years that may have an impact of affecting or compromising the delivery of service as required under this tender.
2. Information regarding any litigation and arbitration against the Port during the past five years prior to the date of publication of NIT, the parties concerned and disputed amount is as given below:
  1. \_\_\_\_\_
  2. \_\_\_\_\_
3. I/We am / are not blacklisted or debarred in the last three years from providing service by any Central/State Government/Autonomous bodies/PSEs/ PSUs /Nationalized Banks / Public Limited or Private Limited Companies, etc., in India.
4. I/We have downloaded / obtained the tender document(s) for the above mentioned Tender / work from the website(s) namely:\_\_\_\_\_ as per your advertisement, given in the above mentioned website(s).
5. I/We hereby certify that I/we have read the entire terms and conditions of the tender documents from Page No.\_\_\_\_ to \_\_\_\_ (including all documents like annexure(s), schedule(s), etc.), which form part of the contract agreement and I/we shall abide hereby and agree the terms / conditions / clauses contained therein.
6. The corrigendum(s) issued from time to time by V.O.Chidambaranar Port Authority for the above subject work has also been taken into consideration, while submitting this acceptance letter.
7. I / We hereby certify that there is no deviation from the Tender conditions either technical or commercial or tender enquiry.
8. I / We hereby unconditionally accept the tender conditions of above mentioned tender document(s) / corrigendum(s) in its totality / entirety.
9. I / We certify that all information furnished by me / us is true & correct and in the event that the information is found to be incorrect / untrue or found violated, then V.O.Chidambaranar Port Authority shall without giving any notice or reason therefore, summarily reject the bid or terminate the contract, without prejudice to any other rights or remedy including the forfeiture of the full earnest money deposit absolutely.

**Yours faithfully,****(Signature of the Bidder, with  
Official seal)**Witness with signature

1) Name &amp; Address

2) Name &amp; Address

**Bid Security Declaration**

To,  
 The FA&CAO,  
 Finance Department,  
 V.O. Chidambaranar Port Authority,  
 Tuticorin- 628 004.

I/We. The undersigned, declare that:

I/We understand that, according to your conditions, bids must be supported by a Bid Securing Declaration.

I/We accept that I/We may be disqualified from bidding for any contract with you for the time specified in the tender document if I am /We are in a breach of any obligation under the conditions specified in the bid document, because I/We

(a) have withdrawn/modified/amended, impairs or derogates from the tender, my/our Bid during the period of bid validity specified in the form of Bid; or

(b) having been notified of the acceptance of our Bid by the purchaser during the period of bid validity (i) fail or reuse to execute the contract, if required, or (ii) fail or refuse to furnish the Performance Security, in accordance with the Instructions to Bidders.

I/We understand this Bid Securing Declaration shall cease to be valid if I am/we are not the successful Bidder, upon the earlier of (i) the receipt of your notification of the name of the successful Bidder; or (ii) thirty days after the expiration of the validity of my/our Bid.

Signed: (insert signature of person whose name and capacity are shown)

in the capacity of (insert legal capacity of person signing the Bid Securing Declaration) Name: (insert complete name of person signing the Bid Securing Declaration) Duly Authorized to sign the bid for an on behalf of (insert complete name of Bidder)

Dated on day of (insert date of signing)

**SCHEDULE A- PRICE BID**

Sl.No	Particulars	Estimate (Rs.)	Amount in figures(Rs.)	Amount in Words(Rs.)
1.	Internal Audit fee for Two years	36,93,000/-		
	<b>Total</b>			

**Note:**

1. The work will be awarded based on the quote for Sl.No.1 of the Price bid, Schedule-A to the Lowest quote(L1) bidder among the qualified Bidders. In case of a tie, the Bidders who have quote identical rates will be asked to quote again to decide on the lowest among them.
2. The quote is exclusive of GST.

**CONTRACT AGREEMENT FORM**

(To be entered in Rs...../- - non-judicial stamp paper)

This AGREEMENT is made on this ..... day of .....Month of..... Two Thousand .....  
(....., 20....) between

M/s. Board of Members, V.O. Chidambaranar Port Authority, an autonomous body under Major Port Authority Act, 2021, represented by its ..... Shri. ...., s/o..... having its office at Administrative building, V.O. Chidambaranar Port Authority, Tuticorin – 628 004 (herein after referred to as the 'Board' which expression shall unless excluded by or repugnant to the subject or context be deemed to include the successor in office) of the one part**And**

M/s....., (a partnership firm /) having its place of business at ..... represented by its ..... (Description) Shri....., s/o..... (herein after referred to as 'Firm' which expression shall, unless excluded by, or repugnant to the context be deemed to include his heirs, executors, administrators, representatives and assigns or his successors in office) of the other part

**WHEREAS** the Board of V.O.Chidambaranar Port Authority, Tuticorin is desirous of the work comprising "PROVIDING INTERNAL AUDIT OF FINANCIALTRANSACTIONS OF V.O.CHIDAMBARANAR PORT AUTHORITY, TUTICORIN".

**WHEREAS** the Firm has offered to execute and complete such works and whereas the Board has accepted the tender of the Firm and

**WHEREAS** the Firm has furnished a sum of Rs...../- (Rupees ..... only) as Earnest Money Deposit (EMD) at the time of tendering, which will be adjusted against Security deposit as stipulated in **Para No.3** of the **Section-V** of the bid document and the Security deposit will be collected by deductions from the monthly running bills, at the rates mentioned therein for the due fulfilment of all the conditions of the Contract.

**NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:**

In this agreement words and the expressions shall have the same meanings as are respectively assigned to them in the conditions of the contract hereinafter referred to. The following documents shall be deemed to form and be read and construed as part of this Agreement viz.

1. Tender document.
2. Corrigendum.
3. Response to Pre Bid Queries.
4. Work Order No.....dt.....
5. Any correspondence and documents that relevant to this Tender/Contract.

The Board hereby covenants to pay the Firm in consideration of such services for the "Contract Price" at the time and in the manner prescribed in the Tender/Agreement.

**IN WITNESS WHEREOF** the parties here into have set their hands and seals the day and year first written. The common seal of the Board of members of V.O.Chidambaranar Port Authority was here into affixed and

The ..... thereof, has set his Hand in the presence of

V.O.Chidambaranar Port Authority.

Signed and sealed by

The Firm in the presence of

Witness with signature:

1. Name & Address

2) Name & Address

**SCOPE OF WORK:****1.Scope:**

- The Internal Audit is to be conducted with a view to see whether:
  - i. All the transactions involving financial implications are properly accounted for;
  - ii. The initial accounts records are maintained correctly and accurately;
  - iii. To ensure that there are no delays and /or irregularities in maintaining the Accounts and reports, statutory regulation;
- **Reliability and Integrity of Information:** The internal auditor should review the reliability and integrity of financial and operating information and examine the effectiveness of the means used to identify, measure, classify, and to report such information.
  - **Compliance with Policies and Procedures:** The systems and procedure also have considerable impact on the operation of the business enterprise. The internal auditor should gauge the effectiveness and impact of such systems and report thereon.
  - **Safeguarding the Assets:** The Internal auditor should review the existing system for safeguarding the assets and if necessary should verify the existence of such assets.
  - **Economical and Efficient Use of Resources:** The Internal auditor should also appraise the economy and efficiency with which the resources are employed.
- **Accomplishment of the Established Objectives and Goals:** The internal auditor should make a review of the operations or programmes of the enterprise and should ascertain whether the results are not inconsistent with the established goals and objectives of the enterprise. He should also ascertain whether the programmes are carried out as per plan.
- Ensure the provisions of the accounting standards, accounting procedure, rules and regulations, orders and procedure in force and instructions issued by the Chairperson /FA&CAO from time to time are followed.
- The role of internal audit should be such that it will be envisaged as a service input in an organization and should be a valuable focal point for management planning and control.
- Extent of sampling / test checking will be the responsibility of internal audit depending upon the generally accepted audit principles and methodology. The process of Internal Audit should start with the identification of the objectives laid down by the Management, verification of the plan of action, its execution, and critical analysis.
- Internal Audit not be confined only to finance audit, should go beyond vouching, verification, checking the arithmetical accuracy etc. Adequate emphasis would need to be accorded to testing the IT systems & operational risks and controls on which the generation of financial information is dependent.

**2. Broad Anticipated scope of the Internal Audit is as follows:****A. Revenue Receipts / Traffic Department:**

<b>Sl.No.</b>	<b>Particulars</b>
1.	Verification of Accuracy of processing the transactions, Billing, Service Charge in line with Scale of Rates with that of SAP/POS of ERP, other circulars/Notifications issued.
2.	Scrutiny of high balance (Dr./Cr.)Sundry Debtors/ Crediting Accounts.
3.	Verification of Tri Party Agreements entered with the Customers.
4.	Verification of Bank reconciliation with the Collection
5.	Scrutiny of all types of refunds issued to the Customers

6.	<b>Rent, Electricity &amp; Water Charges:</b> It should be checked whether demand for rent, charges for supply of water and energy are raised promptly in all cases as per approved tariff and with reference to Building and Land allotments in force. Also it should be verified whether all demands have been realized as per demand and credited to Port account immediately.
7.	<b>Miscellaneous Receipts:</b> The basis for assessment of charges for miscellaneous services, charges for hire of Machineries, Equipments, Centage charges for deposit works/works done for outside parties, raising of demands, collection of dues and crediting the dues collected in Port account should be verified.

#### **B. General Admin Department/HR:**

Sl.No.	Particulars
1.	Payment of staff salaries and statutory dues ( including leave records, PF & TDS deductions / deposits )
2.	Review of Pay roll process for selected months-end to end process including generation of salary voucher and payment thereof.
3.	Approved policy on monthly basis along with payout cycle.
4.	<b>Verification of Service Books of Employees:</b> The service books including the leave accounts of all the employees should be checked to verify whether they are maintained properly as per instructions contained in Rules 196 to Rule 203 of the Supplementary Rules.
5.	Verification of Advances/Claims: Recoverable Advances given to Employees & recoveries thereon, Reimbursements under the Schemes etc. to be verified by the Internal Auditors.
6.	The records relating to Port Guest House on occupation collection and remittance of rent and other charges shall be verified.

#### **C. Finance Department :**

Sl.No	Particulars
1.	Checking the authority of expenditure as per delegation of authority matrix (including capital expenditure)
2.	Verification of Cash Book transactions.
3.	Scrutiny of general ledger & reconciliation status for all general ledgers.
4.	Scrutiny of Income and expenses
5.	Scrutiny of Bank Reconciliation statements
6.	Verifications of Income and expenses related to all business segments.
7.	Reviewing of computation of Advance tax, verification of timely deduction of TAX (TDS)
8.	Compliance of Accounting standards & Accounting policies of the port, if any.
9.	Fixed assets accounting, depreciation verification.
10.	Verification of wage bill payments made for off-roll employees.
11.	<b>Vouching Contract Payments &amp; Tenders of High Value:</b> The important activities like finalization of Tenders for supply of Machinery, award of contract and payment to Contractors/Suppliers and high value firms are to be audited by Internal Auditors in full adequate manner.
12.	<b>SAP Related:</b> The Port has implemented the ERP by adopting SAP for all operations of Port. The Internal Audit is to ensure continuously the control system is in the place for raising demand, collection of revenues, TDS and other deductions in the payments and interfaces points between POS, HR, etc. with FI and also like PPP operations and highlight all receipts and payments are as per authorized transactions and no duplicate or triplicate triggering of receipts and payments take place. Verification the reports generated through SAP meeting the

	purposes for which they are designed for.
13.	Action Taken on files with respect to remarks of Chairperson/Dy.Chairperson/HOD & Dy.HOD.

**D. Mechanical / Civil/ Marine/Medical Departments:**

Sl.No.	Particulars
1.	Review of Annual Maintenance Contracts.
2.	Checking of inventory of numbered stationeries- including cheque rolls.
3.	Review of expenses processed through Admin department w.r.t Agreements, approvals etc including TA/DA bills.
4.	Review of all purchases including E-Transactions in line with the procurement policy GFR& DOP
5.	<ul style="list-style-type: none"> <li>i. The log books of vehicles, including buses, lorries, light vehicles. two wheelers etc.</li> <li>ii. Cranes, Machines should be checked regarding mileage run, working hours, consumption of fuel, lubricants, furl, etc. It should be seen whether the log books have been properly maintained and entries thereon have been duly attested by proper authorities where the log books exhibits use of vehicle, machine etc. by private parties, it should be seen whether full and correct hire charges have been recovered. If the log book reveals misuse the reason there for should be investigated and brought to notice.</li> <li>iii. In case of purchases it should be verified whether purchase have been made as per the prescribed procedure.</li> <li>iv. Internal audit is expected to test check entry of items from the goods received statement and indents to the bin cards. The balancing of the bin cards should also be checked in order to ensure the correctness of the quantitative balances.</li> <li>v. Where Material At Site (MAS) Accounts are maintained, it should be seen whether the accounts are maintained as per provisions of CPWD "A" Code and ground balances are verified at least once a year.</li> </ul>
6.	<p><b><u>Stores &amp; Spares including Medical Stores:</u></b></p> <ul style="list-style-type: none"> <li>• Categories the Total Store Inventory into the following classification. <ul style="list-style-type: none"> <li>(i) Slow moving inventory items that have moved slowly during the period of audit (A criteria may be set in this regard).</li> <li>(ii) Non moving inventory item that have not moved during the period of audit (A criteria may be set in this regard)</li> </ul> </li> </ul> <p>The classification into Slow Moving / Non Moving inventory should be made for all the stores RM / Engineering / Finished Goods.</p> <ul style="list-style-type: none"> <li>• The Slow / Non moving inventory should be further classified into the following categories - The value and quantity of - <ul style="list-style-type: none"> <li>(a) Item that will be consumed in the next few months.</li> <li>(b) Items that can be sold off being not required.</li> <li>(c) Insurance spares - in case of Engineering stores.</li> <li>(d) Items that have to be scrapped - useful life being over.</li> </ul> </li> <li>• Check the Goods Received Notes (GRN) to ensure that the GRN are properly filled in. Ensure that all the columns of the GRN have been completely filled in.</li> <li>• Ensure that inspection by the proper person has been made and his remark has been entered on GRN. Locate the cases where unreasonable delay has taken place in carrying out the inspection of the material. Check that the date of inspection is put on the GRN by the person who has carried out the inspection.</li> <li>• Check the Material Requisition Notes / Material Issue Note (MRN / MIN) in respect of the issue of material to production. Ensure that the Material Requisition Notes /</li> </ul>

	<p>Material Issue Notes are properly and completely filled in.</p> <ul style="list-style-type: none"> <li>Further check that details of – quantity of stock in hand are filled in all the Material Requisition Notes before the MRN are sent to the Purchase Department for effecting further purchases. All the columns in the NMRN / MIN should be filled in. Ensure that the MRN / MIN are authorized by a responsible official.</li> <li>Ensure that the stores ledgers are kept upto date and entries in respect of receipts / issues are made on a daily basis.</li> <li>Carry out a physical verification of say 10% items in the stores inventory (All 'A' items should be verified 100%) and check whether the physical balances agree with the book balances appearing in the stores ledger. Comment upon the discrepancies, if any.</li> <li>Enquire whether there is a system of Perpetual Inventory in force where at any point of time the book balances agree with the physical balances. The system of continuous stock taking - perpetual inventory should be such that every single item is covered at the physical stock take at least once in a year.</li> <li>Check that Norms (Noof days consumption) have been determined in respect of inventory level of Raw Material. The inventory level should be maintained at that level. Comment if the inventory levels are at a higher level as compared to the Norms.</li> <li>Ensure that the stores - warehouse inventory is kept properly segregated with clear identification marks. Further, the imported material and the material bought under Advance licence should be stored separately and with prominent identification tags.</li> <li>Ensure that a proper control is kept by Stores over items sent outside for job work/repair etc. (Material sent under a Returnable Gate Pass) Check that the list of pending items (RGP) is prepared on a regular basis and the materials sent are received back within a reasonable period.</li> </ul>
7.	<p><b><u>Physical Verification of Fixed Assets:</u></b></p> <p>Port's Fixed assets to be physically verified once in a year. The First verification shall be by beginning of year 2024.</p>

**Note:** While conducting Audit of the Mechanical/Civil/Marine/Medical corresponding Finance Department Section to be audited simultaneously in the respective Quarters and the sampling atleast by 20% of the Total Bills Processed/Files cleared.

### **3. MANDATORY SCRUTINY OF BILLS AND RECORDS ON RANDUM SAMPLING BASIS:**

#### **I. REVENUE SIDE:**

Sl.No	Area	No. of files/bills to be Checked on random basis p.m.
1.	Vessel Related Charges	Samples verified shall be reported along with the remarks to the Port
2.	Cargo Related charges	
3.	Miscellaneous charges	
4.	Lease of Lands- rental charges	
5.	License of Lands- Rental charges	
6.	Water charges	
7.	Electric charges	
8.	Temporary Power supply	
9.	Guest House charges (Collection & Remittance)	
10.	Cash collections including Bus Pass Collection(Staff)	

11.	RFID/Gate Pass Collections	
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## II. PAYMENT SIDE:

Sl.No.	Area	No. of files/bills to be Checked on random basis p.m.
1.	Refund of Revenue Bills	Samples verified shall be reported along with the remarks to the Port
2.	Work bills more than Rs.Crore each	
3.	Purchase Bills less than Rs.1 crore	
4.	EMDRefunds	
5.	Medical Bills(Firm Bills)	
6.	Pay bill recovery refund	
	Previous Month	
	A. No.of Officials	
	B.Pay bill drawn	
	C.No. of contract employees	
	D. Bill drawn on (c)	
7	Pay bill / Pension drawn	
8	Sanction of Increments , withholding of pay, Tax calculation with respect to Pensioners , Senior Citizens for automatic implementation in System	

## III. PHYSICAL VERIFICATION:

Sl.No.	Area	No. of bills to be Checked
1.	<b>CASH VERIFICATION:</b>	
	a. Cash Section	Once in a month
	b. Green gate Check post/Zone A/Truck Park/Toll Gate 1	Pass issue once in a month
2.	<b>STOCK VERIFICATION:</b>	
	a. Stores	Once in a month at least 25%of items on rotation basis.
	b. Petrol Bunk	Once in a month
	c. Sub division Stores	5 Sub divisions once in a month
	d. Hospital/Dispensary	Medical Stores once in a month
	e. Fixed Assets	Once in a year in the month of March.
3.	<b>ACCOUNTING SIDE:</b>	
	a. Suspense Register Review	10 Suspense Register every month
	b. Cash book Rev./Fund/Other Fund Cash Books	Every month
	c. TDS Recovery/Payment	Once in a month
	d. Remittance including ITC Credit adjustment	Once in a month
	e. GST Recovery/Payment	Once in a month
	f. Monthly Accounts Review	Once in a month

Verification of Agreements Signed on scientific sampling basis as deem fit by the Internal Auditor and the Internal Auditor shall ensure the Interest of the Port is protected better through this exercise.

#### **4. PERIODICITY AND METHODOLOGY:**

The period of this contract is to cover all transactions relating to two years. The audit will be conducted as per scope of work (1) above specified in the tender on a continuous basis throughout the year. Internal Audit will cover all the departments at least once in a year and a program for the same is as follows:

#### **I/II/III/IV QUARTERS:**

**Ist Quarter-** Finance Department (Revenue-I Section and Works Section) and Medical Department and EDP Department.

**IIInd Quarter-**Finance Department (Revenue-II Section and Mechanical and Electrical Works Section and Civil Department.

**IIIrd Quarter-**Finance Department (Pay bills Section, Pension Section and Advances Section and Mechanical and Electrical Engineering Department.

**IVth Quarter-** Finance Department (Tax Section, Admin, Medical, Marine and Establishment Section) and Traffic Department and General Administration Department.

#### **ANNEXURE C**

#### **FORM OF BANK GUARANTEE** **(For Performance Security)**

In consideration of the Board Members of V.O.Chidambaranar Port Authority (hereinafter called as "Port") represented by its....., having agreed to exempt..... (hereinafter called "Firm") from the demand, under the terms and conditions of Contract awarded with No..... on ..... made between the Board and the Firm for "APPOINTMENT OF A SERVICE PROVIDER (C&AG EMPANELLED CHARTERED ACCOUNTANT FIRM) TO RENDER INTERNAL AUDIT SERVICES TO V.O.CHIDAMBARANAR PORT AUTHORITY FOR A PERIOD OF TWO(2) YEARS"(hereinafter called "Agreement") of Performance Security for the due fulfilment by the said Firm(s) of the terms and conditions contained in the said Agreement, on production of Bank Guarantee for Rs. .... (Rupees ..... only).

2. We,..... (hereinafter referred to as the Bank) at the request of the Firm(s) do hereby undertake to pay to the Port an amount not exceeding Rs...../- (Rupees..... only) against any loss or damage caused to or suffered or would be caused to or suffered by the Port by reason of any breach or non-performance by the said firm(s) of any of the terms and conditions contained in the said Agreement.
3. We, the Banker of the firm do hereby undertake to pay the amounts due payable under this Guarantee without any demur, merely on a demand from the Port stating that the amount claimed is due by way of loss or damage caused to or would be caused to or suffered by the Port by reason of any breach by the said firm(s) of any of the terms and conditions contained in the said Agreement or by reason of the firm(s) failure to perform the said Agreement. Any such demand made on the Bank shall be

conclusive as regards the amount due and payable by the Bank under this Guarantee. However our liability under this Guarantee shall be restricted to an amount not exceeding Rs...../-.

4. We undertake to pay to the Port any money so demanded notwithstanding any dispute or disputes raised by the firm(s) in any suit or proceedings before any Court of Tribunal relating thereto our liability under this present being absolute and unequivocal.
5. The payment so made by us under this bond shall be valid discharge of our liability for payment there under and the firm(s) shall have no claim against us for making such payment.
6. This Bank Guarantee shall be valid upto..... ("Period"). We, the Bank further agree that the Guarantee herein contained shall remain in full force and effect during the Period and that it would be taken for the performance of the said Agreement and that it shall continue to be enforceable till all the dues of the Port under or by virtue of the said agreement have been fully paid and its claims satisfied or discharged or till the Port certified that the terms and condition of the said Agreement have been fully and properly carried out by the said firm's and accordingly discharges this Bank Guarantee. Unless a demand or claim under this Guarantee is made on us in writing within three months from the date of expiry of the validity of the Bank Guarantee period we shall be discharged from all liability under this Guarantee thereafter provided further that the Bank shall at the request of the Port but at the cost of firm(s) renew or extend this Guarantee for such further period or periods as the Port may require.
7. We, the Bank further agree the Port, that the Port shall have the fullest liberty without consent and without affecting in any manner our obligations hereunder to vary any of the terms and conditions of the said Agreement or to extend time of performance by the said firm(s) from time to time or to postpone for any time or from time to time any of the powers exercisable by the Port against the said firm(s) or for any forbearance, act or omission on the part of the Port or any indulgence by the Port to the said firm(s) or by any such matter or thing whatsoever which under the Law relating to sureties would but for this provision, have effect of so relieving us.
8. This Guarantee will not be discharged due to the change in the constitution of the Bank or the firm(s).
9. We, the Bank hereby undertake not to revoke this Guarantee during its currency except with the previous consent of the Port in writing.

Dated the ..... day of ..... month of 20..... at .....