

एअर इंडिया एसेट्स होल्डिंग लिमिटेड
AIR INDIA ASSETS HOLDING LIMITED

(Wholly owned Govt. of India PSU)

TENDER No. AIAHL/Internal Auditor/2021/03

AIR INDIA ASSETS HOLDING LIMITED (AIAHL)

TENDER

FOR APPOINTMENT OF INTERNAL AUDITORS

FOR CARRYING OUT INTERNAL AUDIT

AT DELHI

OF

AIR INDIA ASSETS HOLDING LIMITED (AIAHL)

FOR THE 2 Years PERIOD FY 2020-21 and 2021-22

REGISTERED OFFICE

AIR INDIA ASSETS HOLDING LIMITED (AIAHL) LIMITED,

**AIRLINES HOUSE,
113 - GURUDWARA RAKABGANJ ROAD,
NEW DELHI-110001**

3rd March, 2021

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AIR INDIA ASSETS HOLDING LIMITED (AIAHL)
DISCLAIMER

The information contained in this TENDER or subsequently provided to bidder(s) whether verbally or in documentary or in any other form or on behalf of Air India Assets Holding Limited (AIAHL), is provided to the bidder(s) on the terms and conditions set out in this TENDER and such other terms and conditions subject to which such information is provided.

This TENDER is not an agreement and is neither an offer nor invitation by Air India Assets Holding Limited (AIAHL) to the prospective bidder(s) or any other person.

The purpose of this TENDER is to provide interested parties with information that may be useful to them in making their technical and financial offers pursuant to this TENDER.

While the document has been prepared in good faith, no representation or warranty, express or implied, is or will be made, and no responsibility or liability will be accepted by Air India Assets Holding Limited (AIAHL) or any of its employees, in relation to the accuracy or completeness of this document and any liability thereof is expressly disclaimed.

No contractual obligation on behalf of Air India Assets Holding Limited (AIAHL), whatsoever, shall arise from the offer process unless and until a formal contract is signed and executed by duly authorized officers of Air India Assets Holding Limited (AIAHL) and the bidder.

Air India Assets Holding Limited (AIAHL) makes no representation or warranty and shall have no liability to any person, including any bidder under any law, statute, rules or regulations or tort, principles of restitution or unjust enrichment or otherwise for any loss, damages, cost or expense which may arise from or be incurred or suffered on account of anything contained in this TENDER or otherwise, including the accuracy, adequacy, correctness, completeness or reliability of the TENDER and any assessment, assumption, statement or information contained therein or deemed to form part of this TENDER or arising in any way in the bidding process.

Air India Assets Holding Limited (AIAHL) also accepts no liability of any nature whether resulting from negligence or otherwise howsoever caused arising from reliance of any bidder upon the statements contained in this TENDER.

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Important Information

AIR INDIA ASSETS HOLDING LIMITED TENDER FOR APPOINTMENT OF INTERNAL AUDITOR FOR CARRYING OUT INTERNAL AUDIT for two years FY 2020-21 and 2021-22 AT DELHI		
1	TENDER Ref. No	No. TENDER No. AIAHL/Internal Auditor/2021/03 Dated 3rd March 2021
2	Last date for receipt of queries from bidder	9 th March 2021
3	Last date for hosting of clarifications / amendments, if any.	15 th March 2021
4	Last date and time for bid submission	22nd March 2021 at 1500 hrs.
5	Place of submission of Bids	Office of Chief Financial Officer -CFO, AIR INDIA ASSETS HOLDING LIMITED (AIAHL) AIR INDIA BUILDING, AIRLINES HOUSE, GROUND FLOOR, 113 - GURUDWARA RAKABGANJ ROAD, NEW DELHI-110001
6	Date and Time of Technical Bid Opening	22nd March 2021 at 1600 hrs.
7	Earnest Money Deposit (EMD)	Rs. 10,000/- (Rupees Ten thousand only)
8	Address for Communication	Mr. G.R.Vats Manager-Finance AIR INDIA ASSETS HOLDING LIMITED (AIAHL) AIR INDIA BUILDING, AIRLINES HOUSE, GROUND FLOOR, 113 GURUDWARA RAKABGANJ ROAD, NEW DELHI-110001 Email ID : gr.vats@airindia.in Tel: 011-23422093

Bids will be opened in the presence of bidders' representatives who choose to attend. The bidders' representatives must carry a letter of authority on the firm's letter-head from the authorized signatory of the applicant/bidder, or any other valid document, authorizing them to attend the bid opening, failing which they will not be permitted to participate in bid opening process.

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AIR INDIA ASSETS HOLDING LIMITED

Regd. Office: Airlines House, 113 Gurudwara Rakabganj Road
New Delhi-110001
CIN: U74999DL2018GOI328865

**Sub: Invitation of bids for appointment of Internal Auditor for carrying out Internal
Audit of Air India Assets Holding Limited (AIAHL)
For the Financial Year 2020-21 and 2021-22**

Air India Assets Holding Limited (AIAHL) established under the Companies Act, 2013 having its registered office at Airlines House, 113 Gurudwara Rakabganj Road, New Delhi -110001 is a 100% Government of India PSU Company) incorporated in January 2018 as a Special Purpose Vehicle (SPV) formed by the Govt. of India for the purpose of disinvestment of Air India Limited, incorporated mainly to acquire from Air India i) shares held in identified Air India subsidiaries, ii) non-core non-operational assets, iii) identified immovable properties and pay-off the identified loans of Air India Limited from refinancing by raising fresh debt and through monetization proceeds from sale/disposal of such identified assets of Air India Limited and Air India's identified subsidiaries. The shortfall to be supported through the budgetary support from the Govt. of India for servicing these identified loans and interest.

In compliance of the decision taken by Government of India for refinancing the debt of Rs. 29,464 Crore transferred from AI to AIAHL, company has issued and allotted the non-convertible debentures (NCDs) amounting Rs. 21,985 Crore through private placement. Three Series of NCDs were issued in September and Oct 2019 which are Unsecured, Redeemable, Taxable, Non-Convertible Debentures listed on BSE, assured for servicing and repayment by GOI.

AIAHL has its Registered office, which is the only office in Air India Hqrs, Building, at New Delhi. The company's Finance Department of Air India Assets Holding Limited (AIAHL) is located at its registered address and outsourced to a professional accounting firm with accounting records maintained.

To comply with the Companies Act 2013 requirements having listed debts issued in Sept and Oct 2019, AIAHL now intends to appoint a Practicing Chartered Accountant Firm to conduct Internal Audit of the Company for the initial two year term i.e. Financial Year 2020-21 and 2021-22, extendable by another 1 year at the sole discretion of AIAHL as per the company requirements and the overall performance review of the Internal Audit firm.

1. Scope of Work

The illustrative (but not exhaustive) Scope of Work Internal Audit is given in **Annexure-I** for understanding, ready reference and unconditional acceptance by the Bidder.

2. Mandatory Pre-Qualifications (PQs) -Eligibility criteria for submission of bid

(i) Practicing Chartered Accountant Firm should have been in existence since last 5 years as on 31st December 2020 having functioning office of its own based in Delhi/ New Delhi as per the current records of Institute of Chartered Accountants of India (ICAI).

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(ii) Practicing Chartered Accountant Firm should have successfully conducted Internal Audit for at least 3 CPSE or PSUs companies whose equity/debt capital is listed in BSE / NSE, during the last 5 financial years i.e. 2015-16 to 2019-20.

(iii) The Lead Partner under whose supervision the Internal Audit will be carried out, should have minimum Post Qualification (Chartered Accountant) Experience of 5 years, out of which minimum 3 years should be in full time practice. The cut-off date for ascertaining experience in this regard will be 31st December 2020.

(iv) Practicing Chartered Accountant Firm Peer Review status as displayed in List of Peer Reviewers appearing in the website of ICAI as on 31st December 2020.

(v) Practicing Chartered Accountant Firm should not have been debarred/disqualified/black listed by any regulator/statutory body or Government entity or any International/National Agency/institution for corrupt or fraudulent practices or for any other reason.

(vi) Bidding Firm and/or its partners should not be currently associated (directly/indirectly) in any professional capacity (not limited to audit assignments) with any airlines competing with Air India as AIAHL is SPV for disinvestment of Air India and has to confirm this in an undertaking.

(vii) Bidder to submit with the Technical bid, the required Undertaking as required at Clause 4 of this tender towards confirming unconditional Compliances/Declaration/Certificates by Firm(s) for Technical Evaluation pertaining to “No Sub-Contracting”, “Non-Disclosure” and “Confidentiality”, “No Conflict of Interest”, “Independence”, “Maximum Secretarial Audit Limits not exceeding” and “No Disqualification” declarations..

(viii) EMD of Rs.10,000 as per the requirement of the Tender has been submitted with the bid and proof of such EMD deposit is attached to the technical bid submitted.

(ix) Bidder has confirmed through an Undertaking Unconditional compliance to all the terms and conditions of this tender and abide by these in the event of being awarded the contract.

2.2 Bidder is required to submit compliances to each of the aforesaid PQs in the format provided at **Annexure-III** with the required supporting Documentary Evidence(s) in support of above including a Self-certified Undertaking, confirming compliances to each of the 9 PQs- Mandatory eligibility requirements, on an official Letterhead duly dated, signed and stamped by the Authorised signatory, is required to be submitted.

Bid Proposal without the required documentary evidence(s) and the required Undertaking shall be ignored for evaluation.

2.3 AIAHL reserves the right to cancel/ restrict/ enlarge/ modify/ postpone and/or extend the date of receipt/ opening of Bid or withdraw the Bid notice without assigning any reason(s) whatsoever. In such case the bidders shall not be entitled to any form of compensation from AIAHL.

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3. Terms and Conditions:

3.1 Periodicity of Audit: In the year 2020-21, an initial audit be conducted at the time of appointment to gain an understanding of the existing procedures and practices and to make suggestions with regard thereto.

1. The audit should be conducted on regular basis for the transaction audit with reporting on a six monthly basis for each of the two years period.
2. Time being the essence of the contract, it is expected that the Internal Audit Report is submitted as per the format covering six monthly review periods and the observations reported are required to be discussed with the action taken report with the Company Management and observations pending action to be carried forward for reporting in the subsequent reporting period.
3. Annual Internal Report with an executive summary to be also provided as part of the assignment.

3.2 Place of Audit: The audit work has to be conducted at the Registered Office of the Company at Air India Assets Holding Limited (AIAHL at Airlines House, 113 Gurudwara Rakabganj Road, New Delhi -110001.

However, due to ongoing COVID situation, as far as feasible the review for the audit can be done through online exchange of documents for which due cooperation for documents provisioning (other Confidential or bulky or original documents, which can be reviewed at AIAHL office only) shall be arranged by the company against written requests from the selected Auditors

3.3 Bid Prices, Invoicing and Payment Terms:

Bidder should quote rates in respect of each year 2020-21 and for FY audit of 2021-22 which will be valid for the period of contract from the date of signing of contract. The charges indicated should cover the manpower and other resources costs including costs of preparation of reports, attending meetings, visits/travel for executing assignment, out of pocket expenses etc.. Applicable GST should be quoted separately in the sealed financial bid.

AIAHL will not be making any other payment except those mentioned in the award letter based on the financial bid and negotiations outcome.

Payments will be released, upon invoicing after completion of the Internal audit work, submission and acceptance by AIAHL of the Internal audit reports in respect of each year 2020-21 and for FY audit of 2021-22, within sixty (60) days from the date of submission of bills, based on the agreed rates as per the awarded terms.

No advance payment shall be made for conduct of the internal audit.

3.4 The Company reserve the right to accept/ reject any or all the offers without assigning any reason whatsoever.

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3.5 **Dispute resolution**: In case of any dispute arising during execution of contract, an amicable solution may be arrived at with discussion and reconciliation. However, in case of any dispute remaining unresolved, decision of Director, AIAHL (presently CMD, Air India) will be final and binding on both the parties to the Contract.

3.6 **Clarifications on TENDER by bidders**

Interested bidders can seek clarification on TENDER from AIAHL by submitting their queries either in official hard copies or e-mails.

The queries should be submitted on or before the last date for submission of queries for clarifications as mentioned in bid details.

Clarifications, will be published under 'TENDER' on the AIAHL website (<http://www.aiahl.in>), upto 7 days before closing date.

No individual clarifications will be sent to the Bidders.

Any query submitted after the expiry of the time line for submission of queries will be rejected.

3.7 **Bid Submission** requirements

a. Overwriting/ correction/ erasing and /or use of white ink should be avoided in the Offer. However, if any overwriting /correction/erasing is inevitable, the same should be authenticated with the signature & stamp of authorised person of applicant Firm.

b. Documentary evidence(s) in respect of all the information above by the applicant Firm(s) must be furnished along with the proposal.

c. All the pages of proposal document shall be signed by the applicant Firm with Firm's stamp and documents submitted along with the offer shall also have to be authenticated by the authorised signatory of the Applicant Firm(s) with the Firm's stamp affixed .

d. The proposal should be submitted strictly as per the terms & conditions laid down in the document.

e. The Sealed Two Bid offers in the Prescribed Format of the Technical Bid (**Annexure-II- Bidder's Profile and Annexure-III- PQs compliances**) and the Financial Bid format at **Annexure-IV**, has to be submitted in printed physical mode in two separately sealed envelopes in a Master Sealed envelope containing the two separately Sealed Technical Bid in one Sealed envelope and the Financial Bid in a separate Sealed envelope. Such Master sealed envelope containing the Sealed bid offer to be submitted to AIAHL at the below mentioned address:

Chief Financial Officer(Atten:-Sh.G.R. Vats, Manager-Finance)
AIR INDIA ASSETS HOLDING LIMITED (AIAHL)
Regd. Office: Airlines House, 113 Gurudwara Rakabganj Road
New Delhi-110001
Ph. No: +91-11-23422093
Email : gr.vats@airindia.in

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- e. The Sealed offer containing Bid documents should be submitted in the AIAHL office (either by post/courier or in person) as above up to 1500 hrs on or before 22nd March, 2021. Proposals received after this time of the last date shall not be considered for technical bid evaluation.
- f. **The Bid envelope must be sealed and super-scribed with “Offer for Appointment of Internal Auditor of AIAHL for the Financial Year 2020-21 and 2021-22”.**
- g. The Name & Address of the Applicant Firm must also be mentioned clearly on the Master Bid envelope and the two Sealed envelopes containing the technical and financial bids.
- h. Offers submitted in any other form and after above-mentioned date shall not be considered.
- i. **Online or email or fax submissions of the proposals shall be summarily rejected**
- j. The Company reserve the right to accept or reject any or all responses and to request additional submission or clarification from one or more applicant(s) at any stage or to cancel the process entirely at its sole discretion without assigning any reason whatsoever.

3.8 Earnest Money Deposit (EMD)

- i. The applicants / bidders are required to submit an earnest money deposit (EMD) of Rs. 10,000/- (Ten thousand only) by way of Demand Draft / Bankers Cheque in favour of AIAHL along with the technical bid, before last date and time of bid submission. This EMD amount should be kept in the envelope containing Technical Bid. **Any bid not accompanied with requisite EMD will be rejected.**
- ii. EMD shall be forfeited as pre-estimated damages without prejudice to any other right or remedy that may be available to AIAHL under the TENDER or the Contract or otherwise, under any of the following circumstances:
- If an applicant / bidder withdraws its bid after opening of the TENDERS but before the award of Contract.
 - In case of successful bidder, if it fails within the specified time limit to sign the contract, if awarded; or
 - In case the successful bidder, having signed the contract, commits any breach thereof.
- iii. EMD in case of unsuccessful bidder will be returned without any interest within 60 days of the completion of TENDER process i.e. after the award of Contract and its acceptance thereof by the successful bidder.
- iv. No interest will be payable on EMD amount.
- v. EMD refund shall be in the form of an account payee cheque/bank transfer in favour of the unsuccessful bidders.
- vi. The refund of EMD shall be only to the applicant/bidder drawn in the name of the unsuccessful bidder and shall be mailed to the address given in the technical bid.
- vii. The EMD, in case of successful bidder, will be returned without any interest within 60 days upon commencement of awarded assignment subsequent to the appointment letter and/or contract signing.

3.9 Term of Appointment- This contract for appointment of an Internal Audit firm for two years i.e. FY 2020-21 and 2021-22 which may be extendable, subject to AIAHL discretion, on the same/improved terms and conditions, for one more year as per the company requirements. Based on the company requirements satisfactory overall performance shall be assessed on the basis of periodic review of by the AIAHL Audit Committee/Board of the Company subject

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to the peer review guidelines issued by the ICAI, the first review period being after completion of the first full FY 2020-21 i.e., period from April 2020 to March 2021 and last such review period being the 2nd half of FY 2021-22 i.e. 1st Oct 2021 to 31st March 2021 for considering further 1 year extension, if any.

3.10 Validity of bids :- Bids shall remain valid for 120 days from date of submission mentioned in this document. **A bid valid for shorter period will be rejected.** The bidders may be required to give consent for the extension of the period of validity of the bid beyond initial 120 days, if so desired by AIAHL in writing or by email. Refusal to grant such consent would result in rejection of bid without forfeiture of the EMD. However, any extension of validity of bids will not entitle the bidder to revise/modify the bid for higher amount or any unfavourable terms for AIAHL.

3.11 Revealing of Prices- The rates and/or prices in any form or for any reasons should not be disclosed in the technical or other parts of the bid except in the financial bid. Otherwise it will lead to such bid being rejected.

However, Bidder is required to submit a **blank financial bid format signed and stamped** with a declaration that the duly filled financial bid form has been submitted in the separate financial bid sealed envelope.

Technical Bids not having such blank financial bid form OR submitting filled financial bid details in the technical bid envelope OR bidder quoting for only one year shall stand rejected at the technical bid stage..

3.12 Contacting, lobbying or putting outside influence Any effort on the part of the bidder to influence bid evaluation process or award of contract decision may result in the rejection of the bid.

3.13 Price negotiation and Release of Contract: The applicants / Bidders are advised to submit their best quotes in a Sealed financial bid format as at **Annexure-IV** in response to this Tender in the attached Bid format. The lowest evaluated financial bidder (L1) would be called for discussions on the proposed methodology for work plan and for award. For carrying out the assignment as per the scope of work broadly indicated at **Annexure-I** with changes as determined during the course of the audit.. The award of the work will be at the sole discretion of AIAHL.

3.14 Practicing Chartered Accountant Firm may send "Regret Response" if uninterested in participating of this Bid.

3.15 Exit clause / Termination of contract: The contract may be terminated under the following circumstances:

- i. In the event of unsatisfactory performance of the contract / deficiency of service by the successful Bidder, AIAHL will have the right to terminate the contract by giving one (1) month prior written notice.
- ii. If there is a change in AIAHL's requirement, AIAHL will be entitled to terminate the contract by giving one (1) month' advance notice in writing.
- iii. If the successful Bidder desires to terminate the contract, a minimum of 6 (six) months advance notice must be given to AIAHL in writing.

3.16 Jurisdiction Any unresolved dispute (Refer 3.5 above) whatsoever shall be subject to the jurisdiction of the Courts of New Delhi, India only.

4. Compliances/Declaration/Certificates by Firm(s) for Technical Evaluation:

The Practicing Chartered Accountant Firm(s) shall have to comply with and furnish for all the below items from 4.1 to 4.6 signed Mandatory Undertaking to be submitted with the Technical

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Bid and confirm compliances on their letterhead duly signed by the authorised signatory declaring and certifying as required under Statutory /Company rules, as under:

4.1 No Sub-Contracting- The Practicing Chartered Accountant Firm shall not sub contract the Internal Audit Work.

4.2 Non-Disclosure and Confidentiality- The Internal audit team will work in strict confidence and ensure that the data, statement and any other information in respect of the operation of the location/ work centre/ Company is dealt with strict confidentiality and secrecy. A Non-disclosure Undertaking in this regard may be submitted duly signed and stamped.

4.3 No Conflict of Interest- No partner of Practicing Chartered Accountant Firm should be related to any Director or Key Managerial Personnel or employee of the Company within the meaning of Companies Act, 2013..

4.4 Independence- Neither the Practicing Chartered Accountant Firm nor its partner(s) or associate should have any interest in the business of the Company. The Internal auditor(s) will be required to issue & submit Certificate of Independence.

4.6 No Disqualification declaration- The Practicing Chartered Accountant Firm and its partners/ employees in individual capacity shall be free from any disqualification under the Companies Act, 2013. An Undertaking in this regard as part of the Eligibility requirement has to be submitted.

5. Debarring Provisions:

The Audit Firm will be debarred from getting, in future, the Internal Audit of Air India Assets Holding Limited:

5.1 If the Practicing Chartered Accountant Firm obtain the appointment on the basis of any false information/mis- statement.

5.2 If the Practicing Chartered Accountant Firm does not take up audit in terms of appointment letter.

5.3 If the Practicing Chartered Accountant Firm fails to maintain/ honour confidentiality and secrecy of the Company's data , statement and any other information.

5.4 If the Practicing Chartered Accountant Firm fails to comply with any of the condition laid down in Clause 4 above.

6. Indemnity

The bidder, in the event of being selected under this TENDER, assumes responsibility for and shall indemnify and keep AIAHL harmless from all liabilities, claims, costs, expenses, taxes and assessments including penalties, punitive damages, attorney's fees and court costs which are or may be required to be paid by reasons of any breach of the bidder's obligation under this tender or for which the bidder has assumed responsibilities under this contract including

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those imposed under any contract, local or national law or laws, or in respect to all salaries, wages or other compensation to all persons employed by the bidder in connection with the performance of any system covered by the contract. The bidder shall execute, deliver such other further instruments to comply with all the requirements of such laws and regulations as may be necessary there under to conform and effectuate the contract and to protect AIAHL during the tenure. In the event of any third party raising claim or bringing action against AIAHL including but not limited to action for injunction in connection with any rights consequential to performance or non-performance of the assigned tasks by the selected bidder or its employees, the bidder agrees and undertakes to defend and / or to assist AIAHL in defending at the bidder's cost against such third party's claim and / or actions and against any law suits of any kind initiated against AIAHL

6. Opening of Bids

6.1 Opening of Technical bid: Technical Bids will be opened on 22nd March, 2021 at 16:00 hrs. at the Registered Office of the Company in the presence of the authorised representatives of the bidders who have chosen to attend the bid opening. The Sealed financial bids shall be identified, separated and all the financial bids shall be placed and kept safely with Chartered Accountant, AIAHL in a sealed envelope to be opened for financial bid evaluation after completion and approval of the technical bid evaluation process.

6.2 Opening of Financial Bid: - After evaluation of technical bids, Financial Bids will be opened on a date and time to be intimated in due course in the presence of authorised representatives of the bidder applicants, who desire to be present for such financial bid opening.

7. Evaluation Criteria:

i. Technical Evaluation –

The Technical Evaluation shall be carried first by AIAHL based on the compliances confirmed on the Mandatory Eligibility criteria, the required documentary evidences provided and the bidder having accepted unconditionally the other tender requirements.

AIAHL reserves the right at its sole discretion to seek more information, documents, clarifications etc. from the bidder, as it may consider necessary for the purpose of technical evaluation of the bids.

ii. Financial Bid Evaluation

Upon the successful determination after the Technical Evaluation process carried by AIAHL team, the technically evaluated successful firms' financial bids shall be opened in the presence of successful bidders authorised representatives for which such successful bidders would be notified by individual emails for financial bid opening date and time at the AIAHL office as noted above.

8. Award/Appointment letter to Successfully Evaluated Bidder

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The Bidder whose quotation (as per the Financial Bid format as submitted in **Annexure –IV**) will be the lowest, will be determined as the L-1 bidder for the award/appointment letter. Within 7 days or within such extended period per AIAHL, a letter containing terms and conditions determined by AIAHL to be necessary for the due performance of the work by the Internal Auditors, in accordance with the tender, the bid response and the acceptance thereof including required changes in the work-scope, as required by AIAHL, incorporated and Appointment letter issued for acceptance of the Internal Audit Assignment.

9. Implementation of Internal Audit Assignment and Reports

The selected bidder will be required to submit acceptance of award of contract within the period of 7 business days from the date of communication of award/appointment letter.

Delay on part of the selected bidder in taking up Internal Audit assignment will attract a penalty towards liquidated damages and Air India would also be entitled to terminate the contract.

The Internal Audit Programme implementation would be monitored closely

For Air India Assets Holding Limited

G.R.Vats
Manager-Finance

CFO-AIAHL

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Annexure-I

Scope of Work-Internal Audit

The broad scope of Internal Audit includes:

Major areas to be covered during the course of Internal Audit the Internal Audit shall be carried out in accordance with the Auditing Standards and Accounting Standards prescribed by the Institute of Chartered Accountants of India and will include such tests and controls, as the Auditor considers necessary under the circumstances.

The scope of Internal Audit encompasses the examination and evaluation of the adequacy and effectiveness of the organization's system of internal control with special emphasis on the following:

1. Financial Accounting & Financial Reporting Systems:

The overall Financial accounting & Financial reporting system to be checked thoroughly with the special stress on the below items:

- a) All Accounting is being done as per the Accounting Standards and Accounting Policies of AIAHL.
- b) Cash, bank, journal vouchers including rectification vouchers are prepared correctly and trial balance is prepared accordingly.
- c) Bank statements & monthly bank reconciliation statements.
- d) Sanctions and Grants received from Govt. of India for Interest servicing
- e) Monetization proceeds, Rentals and other credits received
- f) Utilization of Grants and monetization and rental proceeds
- g) Interest payments processing for servicing the NCDs
- h) Investment of Surplus funds, FDRs details and their utilization.
- i) Recoverable accounting and control
- j) Balance confirmation with Debtors & Creditors.
- k) TDS & payment of statutory dues in time, Tax Returns, litigations.
- l) GST, input credit, GST-TDS, and Returns matched with the challans.
- m) Prior period adjustments.
- n) Provisions and contingent liabilities.
- o) Timely recovery of advances.

2. Internal Financial Control (IFC) audit and reporting

3. A audit program/plan shall be documented in discussions with the management beforehand for taking up each audit period assignment.
4. Six Monthly Reports to be submitted to AIAHL management, containing
 - i. Detail of documents / activity/area checked with % checks and value limits checked.
 - ii. Methodology adopted in Audit scrutiny.
 - iii. Audit observations if any.
 - iv. Financial implications of the observations.
 - v. Suggested recommendations;

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- vi. Management's comments/agreed actions and
 - vii. Status of actions on the previous recommendations.
 - viii. The extent of work covered during the month and the cumulative work performed upto the end of each Reporting period
 - ix. In addition, the Internal Auditor should submit 'Signed and Stamped' Six Monthly Report within 30 days of the close of each Half Yearly period with 'Executive Summary', highlighting the critical issues which require the immediate attention of management of Air India.
 - x. the Internal Auditor should submit, Final Internal Audit Report within 3 months of closure of each Financial year, including executive summary of the Half yearly reports and highlighting the open observations pending action for information of the management.
The above Half Yearly report to include report on verification and reconciliation of 'year-end activities' and highlighting the open observations pending action for information of the management.
 - xi. All Reports in hard copies containing observations arranged in order of the audit program/plan documented and shall be page numbered, signed and stamped on all pages.
 - xii. The Reports and supporting documents prepared for Internal Audit assignments will be the property of AIAHL and the Internal Auditor will also provide soft copy in open format (MS-Word and MS-Excel) for use of AIAHL
5. Compliance report submitted on the Action taken on the previous Half Yearly report
 6. The internal auditor may be required to give a presentation to the Audit Committee after final submission of the report(s) to the management of the company.
 7. Any other specific activity as may be advised by the Audit Committee/Board / Regulators(s) / Govt. /Management of the company etc., from time to time.

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(On the Letter head of Practicing Chartered Accountant)
To be submitted in Sealed Technical Bid Envelope

Annexure-II

TECHNICAL BID EVALUATION-BIDDERS PROFILE

To,
CFO (Atten Manager-Finance),
Air India Assets Holding Limited (AIAHL) Assets Holding Limited
Airlines House
113 Gurudwara Rakabganj Road,
New Delhi-110001

Sl. No	Particulars	Description (Fill the required information in the format)
1	<u>Registration details</u> :- Name of the Bidding Firm	
2	a. Date of Registration with ICAI. b. Firm Registration Number (Attach documentary evidence)	
3	<u>Locational details</u> - Complete Postal Address and date since when functioning: Head Office : ii. Office –Delhi a. Indicate the name of Other City as additional location b. Indicate the date since operational for each office	
4.	<u>Contact Details</u> – Contact Person (s), Telephone Numbers, Fax Number, E-Mail Address	
5.	a. Bank Details including Account Name, Account Number, Bank & Branch Details, IFSC Code b. PAN No. of Firm c. GST Tax Registration No. of Firm (Attach documentary proof of PAN no and GSTIN)	

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6.	<p>Skilled Qualified Resources: -</p> <p>a. Numbers of Full Time Partners</p> <p>b. Numbers of CA Qualified full time Employees</p> <p>(i. Attach list of Partners and Employees showing their Names, Details of Experience in practice, membership no, client company names and Internal experience, etc.</p> <p>ii. List out similar details of Lead Partner in practice for last 5 Financial Years under whose supervision the Internal Audit will be conducted. Attach documentary evidence of COP, etc. for each such members)</p>			
7	<p>Experience Details</p> <p>Provide list for</p> <p>a. at Least 5 (Five) equity/debt Listed companies for which Internal audit conducted and Reports issued during the last 5 financial years. (More Listed Companies for which Internal Audit/other Audits conducted in last 5 years be listed as Annexure to this Profile,) (Attach Self certified copies of the Award letters of the 5 companies for which Internal Audit assignments done)</p>	Name of Company audited	Year of Audit	Date of Internal Audit Report
8	<p>Please indicate whether any proceedings initiated by the ICAI/any other body against the Bidder or its partner(s) at any point in time in the last 5 years. (, Self-certified details to this effect be enclosed on Firm's letterhead)</p>			
9	<p>Peer Review Status and certification from Peer Review Board of ICAI (State details)</p>			

Name & Designation of the Authorised Signatory
Membership No:
Stamp of the Firm:
Place & Date:

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ANNEXURE-III

TENDER No. AIAHL/ INTERNAL AUDIT / 2021/03

To be submitted in Sealed Technical Bid Envelope

PRE-QUALIFICATION CRITERIA (Mandatory Minimum Eligibility Criteria)

Technical Bid Evaluation

1. Bids of the applicants / Bidders who fulfil the following Pre-qualification requirements, and who have submitted the relevant documentary proof thereof along with the Technical Bid, will only be eligible for evaluation of the technical bids.
2. Bidders are required to indicate the compliance status for each of the PQ criteria by stating Yes or No.
3. The relevant supporting documentary evidences as required be attached with this Annexure in sequence of the criteria.
4. No to any one of the criteria could result in disqualification of the bid as these are mandatory PQs.

S. No	Pre-Qualification (PQ) Eligibility Criteria- MANDATORY REQUIREMENTS	PQ Criteria	Documentary evidence to be attached with the Technical Bid	Compliance Status (Yes/No)
1.	Practicing Chartered Accountant Firm should have in existence since last 5 years, as on 31 st Dec 2020, having functioning office of its own based in Delhi/ New Delhi as per the current records of Institute of Chartered Accountants of India (ICAI).	5 yrs	Firm Registration Certificate (FRC) issued by the Institute of Chartered Accountants of India (ICAI). Attach documentary evidence (Rental agreement, Utilities bills, etc) for functioning office at Delhi	
2.	Practicing Chartered Accountant Firm should have successfully conducted Internal Audit and should have issued the Internal audit report for at least 3 CPSE or PSUs companies whose equity/debt capital is listed in BSE / NSE, during the last 5 financial years i.e. FY 2015-16 to 2019-20..	3 CPSE/5 Yrs.	Attach list indicating PSU name, listing data, and the year and attach a Self- certified Declaration on letterhead signed and stamped	
3.	The Lead Partner under whose supervision the Internal Audit will be carried out, should have	5 Yrs/3 Yrs.	Self- Certified details and Undertaking	

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	minimum Post Qualification (Chartered Accountant) Experience of 5 years, out of which minimum 3 years should be in full time practice. The cut-off date for ascertaining experience in this regard will be 31 st December 2020.		duly signed by the Lead Partner as per details required	
4.	Practicing Chartered Accountant Firm should be subjected to Peer Review as displayed in List of Peer Reviewers appearing in the website of ICAI as on 31 st December 2020.	Peer Review Certificate	Self- Certified details and Undertaking duly signed by the Lead Partner as per details required	
5.	Practicing Chartered Accountant Firm should not have been debarred/disqualified/black listed by any regulator/statutory body or Government entity or any International/National Agency/institution for corrupt or fraudulent practices or for any other reason.	No debarring	Self- Certified details and Undertaking duly signed by the Lead Partner as per details required	
6.	Bidding Firm and/or its partners should not be currently associated (directly/indirectly) in any professional capacity (not limited to audit assignments) with any airlines competing with Air India as AIAHL is SPV for disinvestment of Air India		Self-certified Undertaking in this respect be given under two partners signatures on the firms letterhead	
7.	Bidder has to submit the required Undertaking with the Technical Bid as required at Para 4 of this tender towards confirming unconditional Compliances / Declaration / Certificates by Firm(s) for Technical Evaluation pertaining to No Sub-Contracting, Non-Disclosure and Confidentiality, No Conflict of Interest, Independence, and No Disqualification declaration.	NDA, No Conflict of Interest, No disqualification.	Self-certified declaration in this respect be given under two partners signatures on the firms letterhead	

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8.	Earnest Money deposit	Rs.10,000	Proof of submission of EMD to be attached	
9.	Bidder has confirmed through an Undertaking Unconditional compliance to all the terms and conditions of this tender and abide by these in the event of being awarded the contract		Self-certified Undertaking in this respect be given under two partners signatures on the firms letterhead	

Name & Designation of the Authorised Signatory
Membership No:
Stamp of the Firm:

Place & Date:

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Annexure-IV

TENDER No. AIAHL/Internal Audit/2021/03

Financial Bid Format –(To be submitted in Sealed Financial Bid Envelope)

Outsourcing of Internal Audit for the financial year 2020-21 and 2021-22

<u>S.No.</u>	<u>Description</u>	<u>Amount</u> <u>(Rs.)</u> <u>FY 2020-21</u>	<u>Amount</u> <u>(Rs.)</u> <u>FY. 2021-22</u>	<u>Amount</u> <u>(Rs.)</u> <u>Total</u>
1.	Professional Fee (in figures and words) for Internal Audit activities as specified in Scope of Work at Annexure-I and for providing required reports as per the desired time-lines Above fee should be inclusive of out of pocket expenses including hotel,travel and other expenses if any since same will not be separately borne by Air India Assets Holding Limited (AIAHL) Assets Holding Limited			

Signature:

Authorized Signatory's Name:.....

Firm Name:.....

Date :.....**Notes :**

1. GST to be quoted and shall be paid as per applicable rates
2. Indicate prices both in figures and words. In case there is any discrepancy between figures and words, the price in words shall prevail.
3. There should not be any cutting / overwriting. In case of cutting/overwriting, the bidder has to initial the same, otherwise such bid shall be rejected.
4. Bid with the Total lowest evaluated rates by adding the two years quoted amounts would be declared as successful bidder and after discussions with AIAHL as may be considered required, award for the work shall be awarded to such bidder.