

**CENTRAL COTTAGE INDUSTRIES CORPORATION OF INDIA LTD.**  
**(An ISO 9001:2015 Certified Company)**  
**(A Govt. of India Undertaking, Ministry of Textiles)**  
**CIN – U74899DL 1976 GOI008069**



**Cottage**

- |   |
|---|
| <p><b>1. Engagement of CA Firms / Cost Accountant Firms as Internal Auditor at New Delhi (Includes New Delhi Showroom and small showrooms at Varanasi, Patna and Secunderabad, the Accounts of which are maintained at New Delhi)</b></p> <p><b>2. Engagement of CA Firms / Cost Accountant Firms as Internal Auditor for CCIC's branch / retail showroom at Chennai.</b></p> |
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**MSME Development Act, 2006 benefits including relaxation to Start-ups and Women enterprises applicable**

**E-Tender Documents**

- 1. BID DATA SHEET**
- 2. E-TENDER NOTICE**
- 3. TECHNICAL – CUM – FINANCIAL BID FORMAT**
- 4. INTERNAL AUDIT MANUAL**
- 5. PROGRAMME OF INTERNAL AUDIT**
- 6. TIME SCHEDULE OF INTERNAL AUDIT**
- 7. DEPLOYMENT OF AUDIT PERSONNEL**
- 8. BENEFITS TO MSME**
- 9. ECS MANDATE FORM**

## BIO DATA SHEET

|                           |  |  |
|---------------------------|--|--|
| 1.                        | NIT RFP NO.  | CCIC/GM(F)/INTERNAL AUDITOR/2018-19  |
| 2.                        | Project / Services   | 1. Engagement of CA Firms / Cost Accountant Firms as Internal Auditor at New Delhi (Includes New Delhi Showroom and small showrooms at Varanasi, Patna and Secunderabad. The Accounts of which are maintained at New Delhi)<br><br>2. Engagement of CA Firms / Cost Accountant Firms as Internal Auditor for CCIC's branch / retail showroom at Chennai. |
| 3.                        | Contact Person   | Sh. Baljinder Singh, D.M(F)<br>Ph. 011 – 27306423<br>E-mail – baljinder.ccic@gmail.com   |
| 4.                        | Bid to be submitted  | Online   |
| 5.                        | Bidding Process  | Two Bid (Technical and Financial)  |
| 6.                        | Website for NIT download and any other related information | www.thecottage.in  |
| 7.                        | Portal for Online submission                               | www.eprocure.gov.in/eprocure/app   |
| 8.                        | Validity of bid  | The bid shall be valid for the F.Y.2019-2020   |
| 9.                        | Selection Mode   | Lowest Price among technically qualified bidders   |
| 10                        | Time frame for implementation                              |  |
| <b>Schedule of Events</b> |  |  |
| i.                        | Submission of relevant documents                           | As per tender document   |
| ii.                       | Submission of online bids                                  | Latest by 25.03.19 up to 3.00 pm   |
| iii.                      | Opening of bids  | e-Procurement portal of NIC (eprocure.gov.in/eprocure/ap) 26.03.19 at 4.00 PM  |

**Note : In case any of the days mentioned above happens to be declared a holiday, the said event shall be held on the next following working day at the same time and venue**

**CCIC OF INDIA LTD.**  
**Jawahar Vyapar Bhawan, Janpath, New Delhi – 110 001.**  
**CIN – U74899DL 1976 GOI008069**  
**Ph. 27306425, 23326790, Fax – 23328354,**  
**E-Mail ccic@cottageemporium.in, Website – www.thecottage.in**

**CCIC/GM(F)/INTERNAL AUDITOR/2018-19**

**Dated 04.03.19**

**Sub : Notice inviting bids for :**

**1. Engagement of CA Firms / Cost Accountant Firms as Internal Auditor at New Delhi (Includes New Delhi Showroom and small showrooms at Varanasi, Patna and Secunderabad, the Accounts of which are maintained at New Delhi)**

**2. Engagement of CA Firms / Cost Accountant Firms as Internal Auditor for CCIC's branch / retail showroom at Chennai.**

1. Central Cottage Industries Corporation of India Ltd. (CCIC), a Government of India Undertaking under Ministry of Textiles, invites bid for above services from firms of Chartered Accountants / Cost Accountant Firms for the F.Y.2019-20.

2. The Corporation is engaged in Retail sale of Handicraft and Handloom products through its Showroom at Delhi (Janpath, Jawahar Vyapar Bhawan), Stores and Accounts departments at Bharat Nagar, New Delhi and branches at Kolkatta, Bangalore, Chennai and small showrooms at Varanasi, Patna and Secunderabad. The operations of Sales and purchases are made in computerized system MS Navision with LS Retail having small value but high volume. The accounting is being done on Microsoft Navision software. Total staff strength of CCIC of India Ltd. is 267 as on 31-03-2018. The unit wise annual turnover for F.Y. 2017-18 is given below.

| <b>Showrooms</b> |   | <b>Turnover (Amt.in Crores)</b> |
|------------------|---|---------------------------------|
| Delhi            | - | Rs.57.76                        |
| Varanasi         | - | Rs.0.42                         |
| Patna            | - | Rs.0.21                         |
| Hyderabad        | - | Rs.0.25                         |
| Chennai          | - | Rs.2.69                         |

**3. Electronic Submission of Bids**

- i. Bids (Technical and Financial Bid) against this Tender shall be received only electronically through the e-Procurement Portal of NIC (eprocure.gov.in). **No bids shall accepted in hard copy or in any other form. The supporting documents may be dropped in “offline Document box”.**

- ii. For submission of e-bids, bidders are required to get themselves registered with eprocure.gov.in website using Digital Signature Certificate (DSC) essentially having signing certificate.
- iii. All details regarding the Tender are available on websites: [www.thecottage.in](http://www.thecottage.in), and [www.eprocure.gov.in/eprocure](http://www.eprocure.gov.in/eprocure). Any changes/modification/corrigendum in connection with this Tender will be intimated through one or more of these websites only. Prospective bidders are therefore requested to visit above mentioned websites regularly to keep themselves updated. CCIC shall not be liable to send any individual information or issue a public notice.
- iv. Technical Bid (prepared on Company's Letter head) shall contain the duly filled-in enclosed Prequalification Data Form and other details
- v. Financial Bid (prepared on Company's Letter head) shall contain price bid.
- vi. Copy of PAN, GSTIN and relevant documents.

For any queries relating to the process of online bid submission or queries relating to CPP Portal (eprocure.gov.in), Bidder may contact CPP Portal Helpdesk on Tel Nos.:1800-3070-2232, +91 8826246593 Tel: The 24 x 7 Help Desk Number 0120-4200462, 0120-4001002.

4. No bid shall be entertained other than e-tender.

5. The **Scope of work** is given in Internal Audit Manual enclosed at Annexure 'II'.

6. The last date of submission of offer is 25.03.19 up to 3.00 PM. Offers received after the closing time shall not be considered.

7. Opening of Financial Bids - The opening of Financial bid shall be informed on our Website / E-Tender Portal / E-mail.

8. Award of Work - The internal Audit assignment shall be awarded to lowest financial bidder meeting the mandatory eligibility criteria at Pt.No.9.

i) The Financial bid in respect of audit of Delhi, Patna, Varanasi and Secunderabad will be considered on consolidated basis for L1 bidder. However, Separate Showroom-wise fees should be mentioned for accounting purposes as the Firm shall be required to raise

separate Bill in respect of Delhi Head Office and the respective showroom - Patna, Varanasi & Secunderabad. For branch at Chennai the L1 bidder shall be considered separately.

ii) In case of tie in the L1 Financial bids, the bidder Firm having the older registration date shall be considered for award of contract.

iii) The Finance department in Delhi is situated at Weaver Service Centre, Bunkar Complex, Bharat Nagar, New Delhi – 110 052. The Firm is required to attend the office at Bharat Nagar for conducting the Internal Audit for Delhi, Patna, Varanasi & Secunderabad. No TA / DA shall be allowed for attending the office for audit purposes etc. The fees quoted should be inclusive of all out of pocket / conveyance expenses.

## **9. Eligibility Criteria**

a) The firm must be empanelled with ICWAI / ICAI (attach proof).

b) The firm must have minimum experience of TEN years in Audit as on 31.3.2018 (attach proof).

c) The firm should have their own office at the location for which application is submitted i.e. for Delhi, Secunderabad, Patna and Varanasi the office must be in Delhi or NCT of Delhi and in respective cities for our branch at Chennai.

d) The firm should have a strength of minimum two working partners, two full time Qualified CA and 10 paid assistants/articled clerks The personnel deputed to Audit should have knowledge/experience in working in computerised environment for which one of the Partners / Qualified CA should possess DISA qualification. Preference will be given to experience in working in MS Navision with LS Retail software.

e) The Firm should have experience of statutory audit / internal audit of minimum five companies in last three years ending as on 31.3.2018 out of which there should be two PSUs / listed Company / Company having minimum turnover of Rs.50 lakhs (attach proof).

## **10. OTHERS-**

(i) CCIC has the right to accept / reject the quotation(s) of any firm without assigning any reason(s) thereof.

(ii) The tenderer shall not be entitled to any compensation for the expenses incurred in connection with the preparation and submission of tenders.

(iii) If some discrepancies are found between the rates given in words and figures in the financial bid, the rate as quoted in words shall be adopted.

11. Payment Terms - Payment of Internal Audit fee will be released quarterly on submission of Audit Report against bill.

Sd/-  
(Meera Somani)  
Genl. Manager (Finance)

**Bid Form**  
**(To be filled by the Bidder)**

To,  
Genl. Manager (Finance)  
Central Cottage Industries Corporation of India Ltd.,  
Bunkar Complex, Bunkar Colony,  
Bharat Nagar,  
New Delhi – 110052.

**Description of the works :** Appointment of Internal Auditor.

|     |  |  |
|-----|--|--|
| 1.  | Name of the CA / Cost Accountant Firm  |  |
| 2.  | Address Head Office  | For eligibility criteria 9(c)  |
| 3.  | Address of Dealing Branch Office   | For eligibility criteria 9(c)  |
| 4.  | Contact Person for the firm With Telephone No, Email   |  |
| 5.  | Fax No.  |  |
| 6.  | a) E-Mail Id<br>b) Website address, if any<br>c) GST Registration No.<br>d) PAN Number                               |  |
| 7.  | Empanelled with ICAI/ICWAI(Attach Proof). If yes mention empanelment number & date of enrolment                      | For eligibility criteria 9(a) & 9(b).  |
| 8.  | Experience in the Internal Audit /Statutory audit  | For eligibility criteria 9(e)<br>(Attach details as per proforma I)                                |
| 9.  | Name(s) of the Partners, their Qualification (ACA/FCA), membership No.etc.   | (Attach constitution of Firm from the Portal of ICAI / ICWAI)<br>For eligibility criteria 9(d)     |
| 10. | Names of Audit Assistants/Articled clerks, Qualified CA, qualifications and experience                               | For eligibility criteria 9(d)<br><br>Please enclose separate annexures as per Proforma II attached |
| 11. | Does your company have an existing/past relationship with CCIC? Describe the nature and extent of this relationship. |  |

## Financial Bid

| Sr. No. | Particulars of fee         | Head Office / Branches   | Amount (Rs.) excluding GST | GST (if any) / Percentage (Extra) |
|---------|----------------------------|--------------------------|----------------------------|-----------------------------------|
| 1       | Professional fee per annum | (i) Delhi Head Office    |                            |                                   |
|         |                            | (ii) Varanasi Branch     |                            |                                   |
|         |                            | (iii) Patna Branch       |                            |                                   |
|         |                            | (iv) Secunderabad Branch |                            |                                   |
|         | Subtotal of (i) to (iv)    |                          |                            |                                   |
|         | Branches -                 | (i) Chennai Branch       |                            |                                   |
|         | Grand Total                |                          |                            |                                   |

### DECLARATION:

1. All the information furnished by me / us here above is correct to the best of my / our knowledge and belief.
2. I / we have no objection if enquiries are made about the work listed by me / us in the accompanying sheets / annexure.
3. I / We have read all the terms & conditions of tender and instruction of tender document and these are acceptable to us.

Signature of Authorized Signatory: \_\_\_\_\_

Name and Title of Authorized signatory: \_\_\_\_\_

Name of Firm/Company: \_\_\_\_\_

PLACE :

DATE :



**PERFORMA- I**

**Detail of Internal Audit /Statutory audit Assignments handled**

**(Provide Minimum Five details & attach proof)**

| Sl. No. | Name of the organization (with address & telephone no.)<br>Also mention if PSU / listed company / Private company<br>having turnover of minimum Rs.50 lakhs. | Year for which worked<br>as Internal Auditor /<br>Statutory Auditor |
|---------|--|---|
| 1.      |  |   |
| 2.      |  |   |
| 3.      |  |   |
| 4.      |  |   |
| 5.      |  |   |
| 6.      |  |   |
| 7.      |  |   |
| 8.      |  |   |
| 9.      |  |   |
| 10.     |  |   |

**PERFORMA- II**  
**Detail of Key personnel**

| <b>Sl. No.</b> | <b>Name</b> | <b>Qualifications</b> | <b>Experience</b> | <b>Particulars of Audit Work</b> | <b>Employed in your firm since</b> | <b>Whether having knowledge / experience in working in computerized environment / DISA qualification</b> |
|----------------|-------------|-----------------------|-------------------|----------------------------------|------------------------------------|--|
| 1.             |             |                       |                   |                                  |                                    |  |
| 2.             |             |                       |                   |                                  |                                    |  |
| 3.             |             |                       |                   |                                  |                                    |  |
| 4.             |             |                       |                   |                                  |                                    |  |
| 5.             |             |                       |                   |                                  |                                    |  |
| 6.             |             |                       |                   |                                  |                                    |  |

**CENTRAL COTTAGE INDUSTRIES CORPORATION OF INDIA LTD.****INTERNAL AUDIT MANUAL****1. AIM AND OBJECTIVE OF INTERNAL AUDIT**

The Internal Auditors combines the functions of a pathologist and a physician. He has to study, analyse, diagnose and suggest remedies. In fact, he should develop a 'polyclinic' approach to problems. He does not look at individual cases in isolation from the limited stand-point of technical regularity with reference to rules or orders but takes a total view of the operations, analyses the reasons for the defects, if any, and suggests remedial measures not only for the immediate problems but also long term measures for improving the working of the organisation.

For internal audit in this Corporation, the role is both protective and creative -- Protective is as much as he detects irregularities, mistakes, frauds etc. through its concurrent checking of accounting records and Creative because he must constantly review internal controls, policies, procedures, financial arrangements and makes suggestions for improvement and throw up useful information as an aid to management decisions. Greater stress is laid on the creative role of Internal Audit.

**2. NATURE AND SCOPE OF INTERNAL AUDIT**

Internal Auditing is an independent appraisal activity within an organisation for the review of accounting financial and other operations as well as accounting financial and other operations as well as performance against targets that the organisation has set for itself. It is a managerial control which functions by measuring and evolving the effectiveness of other controls. The overall objective of Internal Auditing is to assist all members of the Management in the effective discharge of their responsibilities by furnishing them with objective analysis, appraisals, recommendations and pertinent comments concerning the activities reviewed.

Internal Audit is thus:

- Assigned a positive role in the Corporation's system of accountability, and;
- Made the hub of an integrated system of audits.

The accounts will be certified by the Internal Auditors in much the same way as is being done by the Statutory Auditors. The Internal Auditors observations will be placed before the Managing Director. This is with a view to ensure a measure of freedom to Internal Audit in the matter of criticizing the Management without fear

or favour. The suggestions made by the Internal Audit will be examined and whatever suggestions are accepted will be implemented. In the day-to-day working, however, the Internal Audit will continue to be responsible to the General Manager (Finance)/Head of Finance.

### **3. INTEGRATED SYSTEM OF AUDIT**

There is multiplicity of agencies at present auditing the accounts of public sector undertakings. There are the statutory auditors, CAG and Internal Auditors.

To further the development of an integrated system of audits, it is necessary that besides the checking of accounts and accounting records, Internal Audit should carry out an audit of the trading and other activities of the Corporation from propriety angle and offer their comments freely. Besides, the area in which govt. auditors/statutory auditors have given adverse comments should be further examined for compliance.

Keeping in view the requirements of independence and security, important observations of Internal Audit which arise in the course of operational audit should also be periodically reported to the Managing Director in an appropriate manner. Should the Internal Auditor feel that some of the important points raised by them have been, without adequate justification, ignored to the detriment of the Corporation's interest, they will have a right to report such matters directly to the Managing Director.

Another step involved in an integrated system of audit is drawing up of internal audit programme of work in consultation with the Government and/or statutory auditors.

### **4. PERIODICITY OF ACCOUNTS**

The books of account of the Corporation for Delhi showroom & small showroom at Varanasi, Secunderabad and Patna are prepared online on computer in Microsoft Navision ERP software in CCIC. The Accounts dept. generates vouchers online and books are kept and updated by ERP software by running the software processes. All the financial reports, statements, trial balances, registers and sub-ledgers are available online in ERP software at any point of time for which print outs can be taken and excel files can be made. Audit trails are also made available to Audit at various steps. The accounts of Delhi, Patna, Secunderabad & Varanasi are maintained at Delhi.

The financial books of accounts at Chennai branch are kept in Chennai and is tally based and purchase and sales recorded in new ERP. The internal audit is applicable under computerized environment.

## **5. FINANCIAL STATEMENTS/REPORTS**

Besides the basic books like cash imprest book, cash receipt book, bank book, journal and general ledger, various sales/purchase registers, debtors/creditors sub-ledgers etc. are also available in software online and will be finalized on monthly basis. The trial balance though made available at any given time shall also be available on hard copy on monthly basis after finalization.

The Corporation quarterly reviews the accounts lists for analysis/checking and remedial action. Half yearly results are compiled and midyear reviews/budgets prepared.

Annual Accounts shall be drawn for Audit in the quickest possible time after the close of the year and performance evaluated vis-a-vis budgets.

## **6. PROGRAMME OF WORK**

Broadly the work of Internal Audit in the Corporation will cover the following fields:

- Scrutiny of all basic books, general ledger & subsidiary books to ensure that they are accurately maintained. Full checking of vouchers to ensure that they are booked into proper accounts in ERP and on timely basis with proper supporting documents attached/available separately and are in accordance with accepted accounting principles and Accounting Standards issued by the Institute of Chartered Accountants of India.
- Sanctions of Competent Authorities exist for all payments and adjustments and the same are in accordance with relevant agreements and are properly accounted for.
- Examining that the decisions taken by the Management/Board are properly implemented at various levels while conducting the transactions.
- To ensure that the directions of Govt./controlling Ministry/Dept. of Public Enterprises are adhered to.
- To ensure that internal controls exist in every sphere of activity of the Corporation and are being implemented and updated regularly and are followed as per internal control manual of CCIC.
- Examination of contracts, agreements, important decisions, policies and procedures relating to procurement, sale, storage and services/expenses to ensure that the interest of the Corporation are adequately safeguarded.

- Whether losses are being incurred on trading operations and if so whether the same have been approved by the Competent Authority.
- To ensure that the physical stock taking of merchandise and fixed assets of the Corporation when conducted by the Management is accurately conducted and information is correctly compiled.
- Examination of all stock statements in ERP to ensure that the transactions are correctly recorded and reports are reliable/accurate.
- Examination of compliance of all statutory laws viz Companies Act, Income Tax Act, GST, Labour Laws, P.F., FEMA etc. in the transactions of the Corporation.
- Examination of all GST returns filed as per books of Accounts and correct discharge of tax liability, availment of input credit as per the provisions of the Act, Issuance of TDS certificates, including compliance to all applicable provision under GST.
- To check whether the prices for purchases and sales are determined as per laid down procedure. Quantities and quality of the merchandise is approved as per quality manual and procedure laid down by the Competent Authority and brief reasons have been recorded wherever rejections / returns are made so that measure of accountability is ensured.
- To ensure that the ERP software customization / modifications done is generating the account books / stock records accurately and they are quarterly tested and checked with dummy / live data.
- Examination of export sales vis-à-vis orders received from buyers as per pricing policies and compliance with FEMA/RBI regulations/procedures with proper discharge/filing of GR liabilities and realization of foreign currency.
- Review of legal cases for/against the company at the end of financial year and ensure that contingent liabilities are properly reflected in notes at the end of financial year.
- Review of insurance claims filed, settled to ensure realization of outstanding claims on quarterly basis.
- Compliance to provisions of Companies Act for maintenance of Statutory records/registers/books and filing of relevant returns with the appropriate authorities.

- Examination of old stocks lying in Stores/Showroom quarterly and review of action taken in this matter. Examination of disposal of damaged stocks.
- Comparison of fixed assets acquired with those of sanctioned budgets and review of stock levels against targets fixed.
- Examination of insurance risk covers taken for various Assets of the company to ensure that they are adequate.

In carrying out the above checks, the internal audit will lay greater emphasis on making constructive suggestions for streamlining procedures and effecting economies.

The detailed Audit Programme of work covering the above fields is Enclosed (Annexure III).

The programme shall cover the Accounts of Head Office as well as the branch.

The Internal Audit shall be carried out on quarterly basis with quarterly reports. An annual audit shall also be conducted to check the balance sheet, profit and loss account, schedules and consolidation with separate Annual Internal Audit Report.

## **7. INTERNAL AUDIT REPORT**

The Internal Auditors shall furnish the following reports to Managing Director:

- a) A quarterly report on working of Accounts and other departments of the Corporation.
- b) Annual report reviewing the audit of the year and highlighting areas where action has not been taken on their suggestions and
- c) Annual report on preparation of final accounts and consolidation.

The above reports shall bring out following aspects:-

1. Area of Audit covered and extent of checking as per enclosed Annexure – 1 and Routine and system errors noticed along the quarter.
2. In depth checking of area covered during the quarter and observation on adequacy of internal control procedures.
3. Conclusions and Suggestions.

**PROGRAMME OF INTERNAL AUDIT****PART – A**

| <b>SL. NO.</b> | <b>AREA OF AUDIT</b>   | <b>EXTENT OF CHECKING</b>   |
|----------------|--|---|
| <b>1</b>       | <b>VOUCHING</b>  |   |
| (a)            | Cash payment / Bank / Cash Receipt & deposits / Journal vouchers / Contra Vouchers               | 100%  |
| <b>2.</b>      | <b>RECORDING AND PAYMENTS OF PURCHASES/ EXPENSES</b>   |   |
| (i)            | Purchases (Direct) bills and returns   | 100%  |
| (ii)           | Approval purchase bills and returns  | 100%  |
| (iii)          | Concessionaire and exhibition Purchase bills   | 100%  |
| (iv)           | Sundry Suppliers & Expense bills   | 100%  |
| (v)            | Stock Transfer out invoices  | 100%  |
| (vi)           | Stock transfer in invoices   | 100%  |
| (vii)          | IDS Purchases  | 100%  |
| (viii)         | Misc. supplies and fixed assets, packing and freight and other expenses etc.                     | 100%  |
| <b>3.</b>      | <b>RECORDING OF SALES/INCOME</b>   |   |
| (i)            | Cash sales (recording in computer and generation of statement) and sales returns                 | Sample to test systems in each dept. to the satisfaction of Internal Auditors.    |
| (ii)           | Credit sales (including checking of orders received and executed) and credit sale returns        | 100%  |
| (iii)          | IDS Sales (including checking of orders received and executed)                                   | 100%  |
| (iv)           | a) Interest on investments<br>b) Interest on staff loans   | 100%<br>Sample checking under each loan to the satisfaction of Internal Auditors. |
| (v)            | Export packing and shipping bills with price fixation.   | 100%  |
| (vi)           | Export sale bills (including W.S.E. Exports) and price fixation as per policy/customer's orders. | 100%  |
| (vii)          | Export incentives  | 100%  |
| (viii)         | All types of commission  | 100%  |
| (ix)           | Miscellaneous/other receipts   | 100%  |
| <b>4.</b>      | <b>ESTABLISHMENT EXPENSES</b>  |   |
| (i)            | Checking of monthly pay bill   | One month Complete checking in two quarters.                                      |
| (ii)           | Disbursement/sanction of loans and repayments  | 100%  |



|       |   |  |
|-------|---|--|
| (iii) | Deduction of tax at source and deposit with govt.   | 100%   |
| (iv)  | Deduction of P.F. and other statutory dues and payment of contributions.  | Sample checking to the satisfaction of Internal Auditors.        |
| (v)   | Payment of overtime and other allowances as per rules   | Sample checking to the satisfaction of Internal Auditors.        |
| (vi)  | Payment of Gratuity and leave encashment and actuarial valuation  | 100%   |
| (vii) | Checking of EL/SL balances of Employees and fixation of pay in pay scales.  | 100%   |
| 5.    | Review of all sub-ledgers, Ledgers and Trial Balances<br>i) Review of all sub-ledgers of vendors / contractors / service providers.<br>ii) Review of main ledgers and trial balances for any abnormal transactions and reconciliation of main ledger balances with sub-ledger balances.<br>iii) Review of old balances in sub-ledgers for appropriate presentation / adjustments. | Every quarter – with verification                                |
| 6.    | Checking of deduction/collection of taxes under GST, income tax, TDS and issue of TDS certificates and filing of returns, GST paid under RCM, issuance to tax invoices and other provisions of the Act.   | 100%   |
| 7.    | Audit of all statutory registers required to be maintained under Companies Act, Income Tax and GST act, P.F. and Bonus Acts etc. and to ensure their maintenance and updation.  | 100%   |
| 8.    | a) Checking of markups fixed for sale on merchandise in Stores as per approved policy in Stores copy of invoice and sample checking of tags.<br>b) Markdowns and write off of stocks and price change reports.  | Sample to the satisfaction of Internal Auditors.<br>100%         |
| 9.    | Checking of orders for trading goods for pricing/costing, delivery schedules/order quantities vis a vis stock levels  | Samples for each dept. to the satisfaction of Internal Auditors. |
| 10.   | Receipt and utilization of grants   | 100%   |
| 11.   | Checking and reconciliation of Purchase and Sales in financial books with stock books and Checking that the book balances are correctly derived by the software   | 100% for each quarter  |
| 12.   | Checking reconciliation of Purchase and Sales in financial books with GST returns and GST liability and input credit availed in the GST return.   | 100% for each quarter  |

|     |  |   |
|-----|--|---|
| 13. | Checking reconciliation of Service related expenses and incomes as per financial books with GST returns.   | 100% for each quarter   |
| 14. | Checking reconciliation of all taxes paid as per financial books with the respective tax returns.  | 100% for each quarter   |
| 15. | Physical verification of cash in hand with Cashiers (including revenue stamps), franking imprest, postage imprest, Parcel Imprest and Export Imprest.  | Quarterly   |
| 16. | Checking reconciliation of input credit recorded in books of accounts, availed in GST return and appearing on GST Portal.  | 100% for each quarter   |
| 17. | Physical verification of stocks. Packing and gift wrapping material, stationery and fixed assets.  | Once a Year   |
| 18. | Checking and reporting lapses in no. of cases where payment has not been made for Direct purchase bills on due date of payment   | Exception report  |
| 19. | Internal Financial Control Systems<br>Internal Auditor is required to report on Internal Financial Control Systems. The broad scope of work is defined as under :<br>i) To check that internal checks and control system for various activities of the Company and monitoring of such systems, is in place in the company.<br>ii) To check the adequacy of the existing guidelines / procedures and Internal control system and suggest measures for their improvement / streamlining, Internal Auditor is required to report on Internal Financial Control Systems. | Every quarter   |
| 20. | Cash & Bank  | Every Quarter – with verification of monthly bank reconciliation and investments. |
|     | i) Checking of bank reconciliation statement, dishonoured / stale cheques, if any.   | 100% on monthly basis   |
|     | ii) Check the payments are as per the bank book with the relevant vouchers and verify that proper identification of the payees' bank account has been obtained for all payment.  | 100%  |
|     | iii) All bank charges, interest received on CCIC's investment have been accounted for promptly in the bank book and have been verified / checked and a suitable record of same is kept.  | 100%  |
|     | iv) Bank guarantees / FDRs and similar documents are kept in safe custody.   | 100%  |
|     | v) The cash <b>payments / receipts</b> , if any, do not exceed the   | 100%  |

|    |  |   |
|----|--|---|
|    | limit as provided under Income Tax Act 1961. As a matter of practice all payments to suppliers, contractors should be made through "Accounts Payee" cheques / drafts or through Electronic clearing systems. |   |
|    | vi) Check that available funds if any have been invested as per CCIC's Investment Policy in fixed deposits.  | 100%  |
| 21 | Central Accounts   |   |
|    | i) Review of Assets ledger, Reconciliation of assets with reference to balances in asset ledger based on physical verification reports   | Annually  |
|    | ii) Review of accounts schedules and observations, comment in particular on old out standings.   | Half Yearly   |
|    | iii) Review of depreciation rates and check the depreciation charged in accounts.  | Annually  |
|    | iv) Check that TDS, GST Returns are submitted in time, check pending cases of disputes if any at different stages there under.   | monthly   |
|    | v) Compliance with relevant Accounting Standards applicable o the CCIC's accounts.   | Annually  |
|    | vi) Check that change in Accounting Policy, which has a material effect has been disclosed to reflect the effect of such change in financial statement.  | Annually  |
|    | vii) Check that the nature and amount of extra ordinary items / exceptional items if any are disclosed in the statement of Profit & Loss Account as per the requirements of Companies Act.                   | Annually  |
| 22 | Borrowings<br>i) Review of drawl from Facility (Loan) agreement in every quarter with verification of interest payment and half yearly other than interest payment   | Quarterly   |
| 23 | Insurance  | Half yearly   |
|    | i) To check that Insurance cover has been taken for all assets   |   |
|    | ii) To check that claims along with supporting documents are lodged as becoming due against the policies undertaken by the CCIC, quarterly ageing of claims is also done.                                    |   |
| 24 | HR / Administration / IT   | Every Quarter–Random checking for major expense head. |
|    | i) Check that proper records relating to payments of telephone bills, electricity and water charges etc. are maintained.   |   |

|     |   |  |
|-----|---|--|
|     | ii) Verify that appropriate registers are maintained for all assets under its charge  |  |
|     | iii) Verify that appropriate stock and issue registers are maintained for consumables items like toner, paper etc.  |  |
|     | iv) Scrutiny of files for award of various contracts of Personnel, Administration and IT department and checking execution thereof  |  |
|     | v) To check whether leave account of each employee is maintained properly as per rules of the CCIC.   |  |
|     | vi) Check that the work orders of various contracts such as miscellaneous contracts, manpower, security, etc. are awarded as per tendering procure and laid down by CCIC. |  |
| 25. | In-depth checking of adherence to internal control systems for procurement, storage and sale/export of merchandise and service income/expenses and all the above aspects. |  |

## PROGRAMME OF INTERNAL AUDIT

### PART – B

| SL. NO.   | AREA OF AUDIT  | EXTENT OF CHECKING |
|---|--|--------------------|
| 1.  | Scrutiny/audit of quarterly and annual profit and loss account and balance sheet generated from Computer (where manual P&L account and balance sheets are prepared they should also be checked with ledgers/trial balances). | 100%               |
| 2.  | Audit of Annual consolidation of Profit and loss account and balance sheet of Head Office and branches.  | 100%               |
| 3.  | Ensuring that all liabilities and provisions have been made in the books of accounts.  | 100%               |
| Note: Items not covered under the above schedule but mentioned in Audit Programme (Para 6) will be subjected to 100% Audit. |  |                    |

### TIME SCHEDULE OF INTERNAL AUDIT

The Internal Audit has to be conducted as per Audit program of CCIC in the following phases :

- Phase I - April to June (Quarter 1)
- Phase II - July to September (Quarter 2)
- Phase III - October to December (Quarter 3)
- Phase IV - January to March (Quarter 4)
- Phase V - Annual Report

The audit reports are required to be submitted as per schedule

| Period of Audit                             | Phases    | Time Schedule                                    |
|---|-----------|--|
| April, 2019 to June, 2019 (Quarter 1)       | Phase I   | 45 days of the end quarter (15th August, 2019)   |
| July, 2019 to September, 2019 (Quarter 2)   | Phase II  | 45 days of the end quarter (15th November, 2019) |
| October, 2019 to December, 2019 (Quarter 3) | Phase III | 45 days of the end quarter (15th February, 2020) |
| January, 2020 to March, 2020 (Quarter 4)    | Phase IV  | 30 days of the end quarter (30th April, 2020)    |
| Submission of Annual Report                 | Phase V   | 31st May, 2020                                   |

**DEPLOYMENT OF STAFF FOR INTERNAL AUDIT**

| Location  | Minimum number of staff to be deployed  |
|---|---|
| Delhi, Patna, Secunderabad,<br>Varanasi & for Branch at Chennai | i) One Chartered / Cost Accountant<br>ii) Two semi qualified persons / Article Assistants for H.O and One Semi Qualified/Article/Assistant person for Branch. |

(ON LETTER HEAD OF THE BIDDER)

Annexure – IV

THIS IS TO DECLARE THAT WE DO NOT HAVE ANY DEVIATIONS FROM THE STIPULATIONS OF YOUR TENDER REFERENCE ..... DATED ..... AND ACCORDINGLY ACCEPT ALL STIPULATIONS WITHOUT ANY RESERVATIONS WHATSOEVER.

Name & Signature of Authorized Signatory of Bidder  
Seal of the Bidder

## **Benefits to Micro and Small Enterprises**

- i) Exemption from submission of Earnest Money/Bid Security : MSEs (and not their dealers/distributors) registered with District Industry Centers or Khadi and Village Industries Commission or Khadi and Village Industries Board or Coir Board or National Small Industries Corporation or Directorate of Handicrafts and Handloom or any other body specified by Ministry of MSME are exempted from submission of Bid Security/Earnest Money provided they are registered for the items they intend to quote.
- ii) Documents Required to be submitted by MSEs : Micro or Small Enterprises (MSE) registered with District Industry Centers or Khadi and Village Industries Commission or Khadi and Village Industries Board or Coir Board or National Small Industries Corporation or Directorate of Handicrafts and Handloom or any other body specified by Ministry of MSME shall submit copy of valid Registration Certificate for the items they intend to quote along with the bid. The Registration Certificate should clearly indicate the monetary limit, if any and the items for which bidder are registered with any of the aforesaid agencies. In case bidding MSE is owned by Schedule Caste or Schedule Tribe entrepreneur, valid documentary evidence issued by the agency who has registered the bidder as MSE owned by SC/ST entrepreneur should also be enclosed.
- iii) Performance Security : Micro and Small Enterprises registered with District Industry Centres or Khadi and Village Industries Commission or Khadi and Village Industries Board or Coir Board or National Small Industries Corporation or Directorate of Handicrafts and Handloom or any other body specified by Ministry of MSME however, should note that Performance Security shall be required to be submitted by them for orders/contracts placed by CCIC on them.
- iv) Purchase Preference :- In tender, participating Micro and Small Enterprises quoting price within price band of L1+15% shall also be allowed to supply a portion of the requirement by bringing down their price to L1 price in a situation where L1 price is from someone other than an MSE and such MSEs shall be allowed to supply at least 20% of total tendered value. In case more than one such MSEs, the supply will be shared proportionately (to tendered quantity).

In case of tender item is non-splitable or non-dividable, etc.: MSE quoting price within price band L1+15% may be awarded for full/complete supply of total tendered value to MSE, considering spirit of Public Procurement Policy, 2012 for enhancing the Govt. Procurement from MSE.

Out of 25% target of annual procurement from MSEs, a sub target of 5% (i.e. 20% out of 25%) will be earmarked for procurement from MSEs owned by SC/ST entrepreneurs. However, in the event of failure of such MSEs to participate in the Tender Process or meet the tender requirements and the L1 price, the 5% sub-target for procurement earmarked for MSEs owned by SC/ST entrepreneurs will be met from other MSEs.



- v) Definition of MSEs owned by SC/ST is as given under:
  - (a) In case of proprietary MSE, proprietor(s) shall be SC/ST.
  - (b) In case of partnership MSE, the SC/ST partners shall be holding at least 51% shares in the unit.
  - (c) In case of Private Limited Companies, at least 51% share shall be held by SC/ST promoters.
  
- vi) In case a supplier (other than Micro/Small Enterprise) against an order placed by CCIC procures materials from their sub-vendor who is a Micro or Small Enterprise registered with District Industry Centres or Khadi and Village Industries Commission or Khadi and Village Industries Board or Coir Board or National Small Industries Corporation or Directorate of Handicrafts and Handloom or any other body specified by Ministry of MSME, with prior consent in writing from CCIC, the complete details (i.e. name of the subcontractor, value of sub-contacted work, copy of valid MSE registration certificate etc.) of the sub-contractor(s) shall be furnished by the supplier to CCIC. All other terms and condition of the tender will remain unchanged.
  
- (vii) 3% reservation for women owned MSEs within the above mentioned 25% reservation.

**CENTRAL COTTAGE INDUSTRIES CORPORATION OF INDIA LTD.  
JAWAHAR VYAPAR BHAWAN, JANPATH, NEW DELHI-110001**

**Mandate for payment through NEFT / RTGS  
(Please use capital letters only)**

|     |                                    |  |
|-----|------------------------------------|--|
| 1.  | Name of the party / firm           |  |
| 2.  | Party Registered Address           |  |
| 3.  | Contact No.                        |  |
| 4.  | Email ID                           |  |
| 5.  | PAN                                |  |
| 6.  | Aadhar Number                      |  |
| 7.  | Name of Bank Account Holder / Firm |  |
| 8.  | Bank A/C No.                       |  |
| 9.  | Bank Name                          |  |
| 10. | Branch Code/ Address               |  |
| 11. | IFSC Code                          |  |
| 12. | MICR Code                          |  |

1. **Cancelled cheque** of above mentioned account and **Copy of Pan Card** must be enclosed.
2. I hereby declare that particulars given above Point No.1 to 12 are correct and complete, if the transaction is delayed or not effect at all for reason of incomplete of incorrect information, I would not hold the CCIC OF INDIA LTD. responsible.
3. I also undertake that I shall inform any changes in my bank account particulars in future to CCIC failing which payment shall continue to be made as details to CCIC by me, for which CCIC shall not be held responsible.
4. Certified that the particular furnished above are correct as per knowledge.

Date : \_\_\_\_\_  
(Signature of party)