



INTERNAL AUDIT 02

**TENDER FOR APPOINTMENT OF INTERNAL AUDITORS
OF AIR INDIA AT DELHI, MUMBAI, CHENNAI, HYDERABAD AND KOLKATA
FOR THE PERIOD JANUARY 2019 - MARCH 2020**

:

REGISTERED OFFICE AIR INDIA LIMITED, AIRLINES HOUSE ,
113 - GURUDWARA RAKABGANJ ROAD,
NEW DELHI-110001

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, 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 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 (AI) 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, whatsoever, shall arise from the offer process unless and until a formal contract is signed and executed by duly authorized officers of Air India and the bidder.

Air India make 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 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.

Important Information

	AIR INDIA TENDER FOR APPOINTMENT OF INTERNAL AUDITORS	
1	TENDER Ref. No	INTERNAL AUDIT 02 Dated 07-02-2019
2	Last date for receipt of queries from bidder	14-02-2019
3	Last date for hosting of clarifications / amendments, if any.	22-02-2019
4	Last date and time for bid submission	01-03-2019 at 1200 hrs.
5	Place of submission of Bids	Office of Executive Director (Materials Management) Materials Management Department Air India Ltd. Safdarjung Airport, New Delhi-110003
6	Date and Time of Technical Bid Opening	01-03-2019 at 1230 hrs.
7	Earnest Money Deposit (EMD)	Rs. 50,000/- (Fifty thousand only) for each location for which bid is submitted.
8	Address for Communication	Mr. Pradeep Kumar Mittal AGM (Internal Audit) Air India Ltd., IGI Airport, Terminal 1 New Delhi 110037 Email: pradeep.mittal@airindia.in

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 bidder's letter-head from the authorized signatory of the 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.

INDEX

A. Contents

1. Background Information
2. Objective of Tender
3. Structure of the Document
4. Submission Procedure and Information for Bidders
5. Scope of Work
6. Technical Evaluation Criteria-Mandatory
7. Bidding Process
8. Evaluation process and selection criteria
9. Signing of Contract
10. Implementation of Internal Audit Assignments and Reports
11. Confidentiality - NON DISCLOSURE AGREEMENT (NDA)
12. Subcontracting or Assignment
13. Indemnity
14. Obligation of Air India as auditee

B. Annexures

ANNEXURE-I General Terms and Conditions
ANNEXURE-II-Scope of Work
ANNEXURE-III Technical Evaluation Criteria - Mandatory
ANNEXURE-IV Bidder's Profile
ANNEXURE-V Certificate of Undertaking and Compliance
ANNEXURE-VI Authorisation letter for attending bid opening
ANNEXURE-VII Non-Disclosure Agreement
ANNEXURE-VIII Check List of Documents
ANNEXURE-IX Financial Bid Format

C. Appendix

APPENDIX –1 (Attached to Annexure-II) Scope of Work.
APPENDIX- A (Attached to Annexure –IV) Bidder Profile.

1. **Background Information**

Air India Limited (AIL) is a fully owned Government of India public sector undertaking. Air India Limited (hereinafter referred to as "Air India") has been incorporated under the Companies Act 1956. Earlier, the erstwhile Indian Airlines Ltd. and erstwhile Air India Ltd. were amalgamated effective 1st April, 2007 into National Aviation Company of India Ltd.(NACIL) renamed Air India. Air India, now a Star Alliance Partner, is a full service airline and currently operates to 80 stations on the domestic network and 44 stations worldwide with substantial presence in Gulf, South East Asia, Far East, Australia, America & Europe. Air India has a fleet consisting of various types of aircraft including Boeing, Airbus, CRJ & ATRs. Air India competes with both Full Service Carriers as well as Low Cost Carriers (LCCs) on domestic as well as international routes. As on 31st Mar 2018, Air India had estimated Total Revenue of about Rs.24,000 crores in 2017-18. Turn-Around Plan (TaP) for transition to targeted profitability by improving operational efficiencies, Financial Restructuring Plan (FRP) for Lenders' support for easing debt burden, and Government support entailing equity infusion are being implemented in phases for turning around the airline's operations. The Paid up Equity Capital as on 31.03.2018 of Air India is about Rs.28,690 crores.

Air India Ltd has three operational airline units consisting of Air India (AI) operating full service flights, with narrow and wide-body aircraft covering both Domestic and International markets; Air India Express (IX), a fully owned airline subsidiary company, that operates low- cost services, primarily to Gulf and South East Asia and Airlines Allied Services Ltd.(AASL), a fully owned airline subsidiary company operating domestic feeder services using turbo props and regional jets. Air India also has a fully owned operational hotel subsidiary namely Hotel Corporation of India Limited (HCI) operating as Centaur Hotels & flight kitchens. Air India also has a fully owned subsidiary company – Air India Air Transport Services Limited (AIATSL) providing ground handling services to Air India and to other airlines at Indian airports and a fully owned subsidiary company – Air India Engineering Services Limited (AIESL) providing engineering services to Air India and to other airlines. Air India also has a 50:50 joint venture with SATS (Singapore Airport Terminal Services) for carrying out ground handling activities at Hyderabad, Bangalore, Delhi, Trivandrum and Mangalore. The transactions with the above subsidiaries would also require to be reviewed by the selected Internal Auditors being inter-company and related party transactions.

For controlling the financial and accounting issues for these operations including the transactions handled at stations, Air India has its Regional Accounting offices in India at Delhi, Mumbai, Chennai, Hyderabad and Kolkata. There are several systems of international standards which are being used in Air India, which include Passenger Reservation System through SITA, Sabre Flight Planning System, Revenue Management Accounting System reports through outsourcing agency, RAMCO System for managing, controlling and reporting of aircraft inventories and Fuel Efficiency and Gap Analysis (FEGA) conducted with the help of IATA. In December, 2012, accounting has been automated through SAP ERP integrating financial accounting all over the Air India network including payroll processing with interfaces for other real-time integration of processes into financial accounting.

Air India has outsourced processing of its all revenue documents to M/s Accelya solutions ltd. and scrutiny of all pax sales document for correctness of collected fares to M/s. Sutherland Global Services.

For details related to operative network and financial results prospective bidder may refer to Air India's website www.airindia.in.

2. OBJECTIVE OF TENDER

This TENDER is floated for the purpose of outsourcing Internal Audit activities of Air India in Delhi, Mumbai, Chennai, Hyderabad and Kolkata in compliance to the applicable provisions of Companies Act and Standards of Internal Audit. So, Air India now invites proposals from the CAG empanelled firms/LLPs who meet the required eligibility criteria and are having required skilled resources and capabilities for carrying out this assignment as indicated under the given work-scope for Internal Audit of Air India and who may be qualified to participate in the evaluation exercise.

The selected bidder will take up the Internal Audit assignment under this TENDER for Air India's operations controlled through offices located at Delhi, Mumbai, Chennai, Hyderabad and Kolkata. It may be clarified that no Joint venture or consortium or association (before bid or after bid) would be allowed for the purposes of this TENDER.

Based on above, Air India invites offers for each of the afore-stated five locations i.e. Delhi, Mumbai, Chennai, Hyderabad and Kolkata from interested and the eligible CAG empanelled firms/LLPs to conduct risk based assessment, identifying the potential risk areas and agree on concurrent Internal Audit Plan for an initial period from January 2019 to March 2020 extendable for a further period of one financial year subject to satisfactory performance of the Internal Audit assignment.

3. STRUCTURE OF THE DOCUMENT

1	Annexure I	General Terms and Conditions
2	Annexures II – VIII (include Appendix-1 & A)	Technical Bid Requirements :- Work scope & Reports, Technical Evaluation Criteria, Bidders Profile, Resources details, Bidders Undertaking for compliance and Bidders authority letter, NDA and Checklist of documents
3	Annexure IX	Financial Bid Format

Please complete the Annexures with the required information and submit as a part of the bid.

4. SUBMISSION PROCEDURE AND INFORMATION FOR BIDDERS

- a. A bidder may submit bids for one or more locations.
- b. Bidders are required to submit their bids in HARD COPIES in two separate sealed envelopes consisting Technical Bid and Financial Bid duly super-scribing "TENDER No. XXXXXXXX (Technical Bid)" and "TENDER No. XXXXXXXX (Financial Bid)" respectively.
- c. The envelope containing Technical Bid must also contain all the documents provided in evidence as required as per details in TENDER document.
- d. There should be no indication whatsoever, of any pricing information in the Technical Bid.
- e. These two separate sealed envelopes containing the Technical Bid and Financial Bid, shall further be sealed in another master envelope, duly super-scribed with the "TENDER reference No. XXXXXXXX, due for opening on XXXXXXXX 2019 at 1230 hrs." and should be submitted in the TENDER box placed at the address given below. Last date of receipt of bids is XXXXXXX 2019 latest by 1500 hours IST.

Office of Executive Director (Materials Management)
Materials Management Department
Air India Limited
Safdarjung Airport, New Delhi – 110 003, INDIA

- f. Bids should be submitted on Firm's letter head, duly signed and stamped on every page by authorized signatory of Bidder.
- g. **Name of the locations for which bids have been submitted must be stated on each of the three sealed envelopes i.e. Master Envelope containing the Technical bid & Financial bid, envelope containing Technical bid and envelope containing Financial bid.**
- h. After downloading this document, please communicate your intention to participate in this TENDER with your name, telephone number, postal and email addresses to the following email IDs:-
js.dahiya@airindia.in, ak.mondal@airindia.in, pradeep.mittal@airindia.in
- i. Air India is not responsible for the quotation lost in transit or not received in time including postal delay.
- j. Any queries with regard to this TENDER may be addressed to:

Mr. Pradeep Kumar Mittal
AGM(Internal Audit),
Northern Region,
Air India Ltd.,
IGI Airport, Terminal 1
New Delhi 110037
Email: pradeep.mittal@airindia.in

5. SCOPE OF WORK

Detailed work-scope has been given in **Annexure-II**.

6. TECHNICAL EVALUATION CRITERIA - MANDATORY

- 6.1 The qualification for selecting a bidder will primarily depend upon the level of expertise and experience, capacity and capability of the bidder to successfully execute the Internal Audit assignment for Air India. The qualification criteria for eligibility of the bidder to participate in the TENDER process are attached as **Annexure III**. The eligibility criterion as indicated in the Annexure-III is for each of the locations for which bid is being submitted.
- 6.2 Non-fulfilment of the prescribed Technical Evaluation Criteria and not providing any of the requisite documents or furnishing incomplete/incorrect submissions as per the above list would lead to disqualification of bid / proposal and no correspondence whatsoever would be entertained by Air India in this regard. Air India reserves the right to call for clarification / submission of additional documents, if deemed fit from the bidder.
- 6.3 A Compliance certificate duly signed and stamped by the authorized signatory of acceptance of all the terms and conditions of the TENDER should be submitted on the bidder's letter head in the format as given at **Annexure V**.
- 6.4 The bidders must comply with all criteria mentioned in the TENDER and shall furnish all relevant documents in support of the information submitted in the bid / proposal. Air India reserves the right to verify/evaluate the information submitted by the bidders independently and the decision of Air India taken in that regard shall be final, conclusive and binding upon the bidder.

7 BIDDING PROCESS (TWO STAGES)

For the purpose of the selection of the successful bidder for Internal Audit assignment as per Air India requirements, a two-stage bidding process will be followed. The bidders are required to submit their proposals in response to the TENDER in two parts:

- Technical Bid (Part-I)
- Financial Bid (Part-II)

The bidders will have to submit the Technical and Financial Bids along with supporting documents in physical form.

7.1 TECHNICAL BID (Part I)

The bidder will have to submit the Technical Bid in sealed envelope, duly super scribing "Tender No.XXXX (Technical Bid)". Technical Bid will also contain all the Annexures and supporting documents as required under this TENDER. Technical bid needs to be provided with full details and supporting documents as per the requirements of this TENDER for each of such locations.

Technical Bid should contain true photocopy of Financial Bid with Charges/Fees written as 'XXXXX' (bidder should ensure that no Charges/Fees figures have been mentioned in the copy submitted with the Technical Bid, failing which bid is liable to be rejected).

In the first stage, only Technical Bids will be opened and evaluated. The Technical Bids submitted shall be evaluated in respect of each of the locations for which Internal Auditor appointment has been sought under this TENDER. Only those bids satisfying the technical eligibility requirements as specified and determined by Air India as meeting the terms and conditions of this document shall be evaluated for next stage.

The Technical Bid should consist of the following:

- i. Earnest Money Deposit as specified in this document
- ii. Technical Evaluation Criteria as per **Annexure III** on bidder's letter head along with supporting documents.
- iii. Bidder's Profile as per **Annexure IV** on bidder's letter head.
- iv. Certificate of Undertaking and Compliance as per **Annexure V** on bidder's letter head including acknowledgement to execute Work Scope and specifications as per **Annexure-II**
- v. Check List of documents as per **Annexure VIII** on bidder's letter head

7.2 FINANCIAL BID (Part II)

To be sealed and super scribed with "Tender No.XXX (Financial Bid)" must confirm to the followings:

- i. Fees/ charges to be quoted as per **Annexure-IX** in the given Financial Bid format only.
- ii. Unconditional discount, if any, should be clearly indicated and would be applied to the quoted Charges/Fees during evaluation.
- iii. Conditional discount, if offered, will not be considered for the evaluation.

The Financial Bids of only those bidders, whose Technical Bids are qualified, will be opened.

8 EVALUATION PROCESS AND SELECTION CRITERIA

8.1 Technical Bids Evaluation –

The Technical Bids will be evaluated in respect of each of the locations i.e. Delhi, Mumbai, Chennai, Hyderabad and Kolkata for their 'compliance to the technical requirements' of the TENDER as indicated in **Annexures I to VIII**. Air India reserves the right at its sole discretion to seek whatever information, documents, etc. from the bidder, as it may consider necessary for the purpose of evaluation of the bids.

The evaluation of Technical Bids shall be done in respect of each of the locations for which bids have been invited under this TENDER.

Technical Bid evaluation would be based on Bidders meeting all the Technical Evaluation criteria (**TEC**). Bidders not meeting any of the essential TEC listed at Annexure-III will be summarily rejected. The remaining bids, meeting all the TEC, and otherwise meeting all the terms and conditions of the TENDER, would qualify the technical evaluation.

8.2 Financial Bids Evaluation

- a) The date and time of opening of the Financial Bids would be intimated in advance to the bidders who have qualified, and their authorized representatives only would be permitted to participate in the opening of the Financial Bids.
- b) The Financial Bids of only those bidders who qualify and are shortlisted in respect of any of the five locations i.e. Delhi, Mumbai, Chennai, Hyderabad and Kolkata, after complete technical evaluation of their Technical Bids, would be opened.
- c) The bid for each location with the lowest financial charges shall be evaluated for appointment as Internal Auditor for such location. Accordingly, appointment for each required location i.e. Delhi, Mumbai, Chennai, Hyderabad and Kolkata would be finalised and appointment letters / contracts executed.
- d) In case of 'Tie' in the lowest evaluated financial bid amongst two or more bidders for any particular location, the bidder with more CAG ranking points will be selected as L1.

9 SIGNING OF CONTRACT

The successful bidder for each location i.e. Delhi, Mumbai, Chennai, Hyderabad and Kolkata, shall be required to enter into a contract with Air India ("Contract"), within 30 days or within such extended period as may be specified by Air India. The letter of acceptance and such other terms and conditions as may be determined by Air India to be necessary for the due performance of the work in accordance with the bid and the acceptance thereof including required changes in the work-scope, as required by Air India, would be incorporated in the contract. Contract document conforming to all agreed terms and conditions including those of TENDER shall be agreed upon and executed with the successful bidder. Pending execution of detailed contract, Air India may issue appointment letter to selected bidder on same terms and conditions as specified in TENDER, in which case, such letter is to read as with TENDER Terms and Conditions and bidder's response thereto will be the governing documents.

The term of the Contract shall be initially for the period from January 2019 to March 2020. Air India reserves the right to extend the validity of contract for further period of one more financial year.

Air India reserves the right to stipulate, at the time of finalization of the contract, any other document(s) to be enclosed as part of the final contract.

10 IMPLEMENTATION OF THE INTERNAL AUDIT ASSIGNMENT AND REPORTS

The selected bidder will be required to submit acceptance of award of contract within the period of 10 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 by respective Air India Regional Heads of Internal Audit at Delhi, Mumbai, Chennai, Hyderabad and Kolkata, who would certify such implementation.

11 CONFIDENTIALITY / NON DISCLOSURE AGREEMENT (NDA)

- 11.1 Selected Bidder for each location will have to execute the Non-Disclosure Agreement (with no amendments) as per the format of Air India (**Annexure VII**)
- 11.2 The selected bidder (and his employees) shall not, unless Air India gives permission in writing, disclose any part or whole of any document, of the proposal and/or contract, or any specification, plan, drawing, pattern, sample or information furnished by the airline, in connection therewith to any person other than a person employed by the bidder in the performance of the proposal and/or contract. The employees engaged by the bidder in performance of this contract will maintain strict confidentiality for all data / information which come into their possession during the course of such performance.
- 11.3 The bidder, his employees and agents shall not without prior written consent from Air India make use of any document or information given by the user, except for purposes of performing the contract award.
- 11.4 In case of breach, Air India may take legal action as deemed fit.

12 SUBCONTRACTING OF ASSIGNMENT

No Sub-contracting of Assignment in part or whole of the work will be permitted. In the case of reconstitution of the selected bidder, Air India, at its discretion may allow the changed entity to continue to perform on same terms and conditions. Otherwise, such sub-contracting would be sufficient grounds for termination of contract under this TENDER for Air India without any notice.

13 INDEMNITY

The bidder, in the event of being selected under this TENDER, assumes responsibility for and shall indemnify and keep Air India 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 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 Air India during the tenure.

In the event of any third party raising claim or bringing action against Air India 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 Air India 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 Air India.

14 OBLIGATIONS OF AIR INDIA AS AUDITEE

- I. Pay fees for the services rendered as stated in Clause 11(Invoicing and Payment) of Annexure-I.
- II. Provide office working space, office equipment, telephone line, internet connection and access (Ids, PCs) to applicable systems such as SAP, RAMCO and such other applications at Air India Offices at Delhi, Mumbai, Chennai, Hyderabad and Kolkata.
- III. Provide information/documents/records/books of accounts, etc., that would be required by the Internal Auditors during the course of the Audit. The Internal Auditors shall verify the records in the concerned Division and photocopies, if needed, could be provided on special requisition and at Air India's discretion.

GENERAL TERMS AND CONDITIONS

1. GENERAL TERMS :**a. Air India's Right to Accept or Reject Any or All Bids**

Air India reserves the right to accept or reject any bid and annul the bidding process or even reject all bids at any time prior to award of contract, without thereby incurring any liability to the affected bidder or bidders or without any obligation to inform the affected bidder or bidders about the ground for the Airline's action. Air India reserves the right to accept or reject any proposal by the bidder.

b. Liabilities of Air India

This TENDER is not an offer by Air India, but an invitation for Bids. No contractual obligation on behalf of the airline, whatsoever, shall arise from the TENDER process unless and until a formal contract is signed and executed by duly authorized officers of Air India and the Bidder. However, until a formal contract is prepared and executed, this offer together with airline's written acceptance and notification of award shall constitute a binding contract with the bidder.

c. Amendment of Bidding Document

At any time prior to one week of the closing date for receipt of the bid, Air India may, for any reason, whether at its own initiative or in response to a clarification requested by any of the prospective bidder, modify the TENDER document by an amendment.

The amendment will be notified by posting the same on website **www.airindia.in**. In order to afford prospective bidders reasonable time to take the amendments into account in preparing their bids, Air India may, at its discretion, extend the target date for the submission of the bid and the same will be notified on the said website.

d. Contents of Bidding Document

The bidder is expected to go through all the instructions, terms, forms and specifications of the TENDER document. Failure to furnish all information required by the TENDER document or submission of bid not substantially responsive to the TENDER document in every aspect will be at bidder's risk and may result in the rejection of the bid.

e. Language of Bids

The bids prepared by the bidder and all correspondence and documents relating to the bids exchanged by the bidder and Air India, must be written in English.

f. Bid Charges/Fees

Bidder should quote charges/fees, which will be valid for the entire period of contract from the date of signing of contract. The charges/fees indicated should be all-inclusive and cover the manpower and other resources costs including costs of preparation of reports. Applicable Taxes to be quoted separately. Air India will not be making any other payment except those mentioned in the financial bid.

g. 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 summarily rejected by Air India. 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 Air India 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 Air India.

h. Revealing of Charges/Fees

The rates and/or Charges/Fees 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 the bid being rejected.

i. Local conditions

The bidder must acquaint himself with the local conditions and factors, which may have any effect on the performance of the contract and / or the cost. No exceptions will be acceptable on any account for variation in these conditions.

j. Sealing and Marking of Bids

The complete bid documents to be serially numbered and each page shall be stamped and signed. Non-compliance may lead to such bid being rejected.

k. Last date of receipt of Bids

Bids must be received by Air India at the address specified not later than the time and date specified there in. Air India, may at its discretion extend the bid submission date. The modified target date & time, if any, will be notified on the web site of Air India.

l. Late Submission of Bids

Any bid received by Air India after the notified closing date and time will be rejected and / or returned unopened to the bidder at his risk and responsibility

m. Modification and Withdrawal

The bid shall contain no alterations, erasures or over writing except as necessary to correct errors made by the Bidder, in which case such corrections shall be duly confirmed under signature/initials of the person(s) signing the bid, failing which the Tender Bid is liable to be rejected. Bids once submitted will be treated as final and no further correspondence will be entertained on this. No bidder (including successful bidder) shall be allowed to withdraw the bid. The bid's earnest money in such eventuality shall be forfeited and all interests/claims of such bidder shall be deemed as foreclosed.

n. Bid Currency

Charges / Fees shall be expressed in Indian National Rupees only

o. Preliminary Examination

The bids will be examined by Air India to determine whether they are complete, and whether the bids are generally in order. A bid determined as not substantially responsive will be rejected.

p. Contacting Air India, 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.

q. Cost of Bid

The bidder will bear all cost(s) associated with the preparation and submission of bid, including cost of presentation(s), reference site visit, etc. for the purposes of clarification of the bid. Air India will not be responsible or liable for these costs, regardless of the conduct or outcome of the bidding process.

r. Cost of contract etc.

All cost relating to signing of contract and other documents including NDA etc will be borne by selected bidder. All charges related to making of entry pass/permit wherever required in the course of audit will also be borne by selected bidder.

s. Clarifications by Air India

If deemed necessary, Air India may seek clarifications on any aspect from the bidder. However that would not entitle the bidder to change or cause any change in the substance of the bid already submitted or the Charges/Fees quoted. The bidder may also be asked to give presentation for the purpose of clarification of the bid. All expenses for this purpose, as also for the preparation of the documents and other meetings/presentations, will be borne by the bidders.

t. Clarifications on TENDER by bidders

Interested bidders can seek clarification on TENDER from Air India 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 Air India website (<http://www.airindia.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.

u. Submission of Bids

The process has been elaborated in the main TENDER.

v. Other Terms

- i. The bids should be neatly presented on Letter Head of bidder.
- ii. It shall be deemed that by submitting the bid, the bidder agrees and releases Air India, its employees, agents and advisers, irrevocably, unconditionally, fully and finally from any and all liability for claims, losses, damages, costs, expenses or liabilities in any way related to or arising from the exercise of any rights and / or performance of any obligations hereunder and / or in connection with the bidding process, to the fullest extent permitted by applicable law, and waives any and all rights and / or claims it may have in this respect, whether actual or contingent, whether present or in future.

- iii. Air India shall not be liable for any omission, mistake or error in respect of any of the above or on account of any matter or thing arising out of or concerning or relating to the TENDER or the bidding process, including any error or mistake therein or in any information or data given by Air India.
- iv. The bidder shall provide all the information sought under this TENDER. Air India will evaluate only those bids that are received in the required formats and complete in all respects. Incomplete and / or conditional bids shall be liable for rejection.
- v. Bidders are advised that technical qualification of bidder will be entirely at the discretion of Air India. Bidder will be deemed to have understood and agreed that no explanation or justification on any aspect of the bidding process or selection will be given by Air India.
- vi. Any information contained in the bid submitted by the bidders shall not in any way be construed as binding on Air India, its agents, successors or assignees, but shall be binding against the bidders if any project is subsequently awarded to it under the bidding process on the basis of such information.
- vii. Air India reserves the right not to proceed with the bidding / TENDER process at any time without notice or liability and to reject any or all TENDER(s) / bid(s) without assigning any reasons whatsoever.
- viii. All documents and other information supplied by Air India or submitted by any Bidder to Air India shall remain or become the property of Air India. Bidders are to treat all information as strictly confidential and shall not use it for any purpose other than for preparation and submission of their bids. Air India will not return any bid or any information provided along therewith.
- ix. Air India shall not entertain any correspondence with any bidder in relation to the acceptance or rejection of this TENDER / bid.

2. EARNEST MONEY DEPOSIT (EMD)

The bidders are required to submit an Earnest Money Deposit (EMD) of Rs. 50,000/- (Rupees Fifty thousand only) for each location for which the Bidder is submitting the Bid by way of Demand Draft / Bankers Cheque in favour of Air India Limited along with the technical bid, before last date and time of bid submission. For the sake of clarity, it is stated that if a bidder is bidding for (n) number of locations, then the bidder is required to submit EMD of $n \times \text{Rs.}50,000$.

This EMD amount should be kept in the envelope containing Technical Bid. Any bid not accompanied with requisite EMD will be rejected.

EMD shall be forfeited as pre-estimated damages without prejudice to any other right or remedy that may be available to Air India under the TENDER or the Contract or otherwise, under any of the following circumstances:

- a. If a bidder withdraw its bid after opening of the TENDER but before the award of Contract.
- b. In case of successful bidder, if it fails within the specified time limit to sign the contract, if awarded; or
- c. In case, the successful bidder, having signed the contract, commits any breach thereof.

In case of unsuccessful bidder, EMD 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. EMD refund shall be in the form of an account payee cheque/bank transfer in favour of the unsuccessful bidders and information shall be mailed to the address given in the technical bid.

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. Negotiation and Release of Contract:

The Bidders are advised to submit their best quotes in response to this TENDER. The lowest evaluated financial bidder would be called for discussions on the proposed methodology for work plan etc. for carrying out the assignment, as per the scope of work at **Annexure-II**. The award of the work will be at the sole discretion of Air India.

4. Documentation:

All relevant documents (whether required under the TENDER or sought for by Air India at a later stage) will be submitted by the bidders at their own cost. Air India reserves the right to verify all statements, information and documents submitted by the bidders in response to the TENDER and the bidder shall, when so required by Air India, make available all such information, evidence and documents as may be necessary for such verification. Any such verification or lack of such verification, by Air India shall not relieve the bidder of its obligations or liabilities hereunder nor will it affect any rights of Air India hereunder.

5. Rejection of bids (Technical Bid & Financial Bid):

The Tender response to the Technical Bid & Financial Bid will be rejected forthwith without evaluation on the following grounds:

- a. If the Technical bid or the Financial Bid has been received after due date and time of closing of the TENDER.
- b. If only the Technical bid has been received and Financial Bid has not been received, and vice versa. If the Technical Bid or the Financial Bid has been received by fax or email.
- c. If the Technical bid has been received without relevant data.
- d. If the Technical bid or the Financial Bid received unsigned.
- e. If the Financial bid received in an open condition in the master envelope containing the Technical Bid or if both the Technical Bid & Financial Bid are received in the same envelope and/or in an open condition.
- f. If the Technical Bid received without EMD, or the EMD submitted in a mode other than specified in the TENDER.
- g. The validity of the bid is lesser than 120 days.
- h. Quoting lumpsum fees for two or more locations without location-wise breakup.
- i. Such other grounds noted at the discretion of Air India not meeting TENDER requirements.

6. Inspection Clause:

As part of the evaluation of the Technical Bids, Air India reserves the right to inspect at its own cost the facility / facilities of the Bidders in order to assess their infrastructure and capability for fulfilling the contract as indicated in this TENDER.

7. Termination / Exit clause 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, Air India will have the right to terminate the contract by giving one (1) month prior written notice without any liability to Air India.
- II. If there is a change in Air India's requirement, Air India will be entitled to terminate the contract by giving three (3) months' advance notice in writing. In case of such termination, the financial obligation will be proportionate to the work completed by the selected bidder.

- III. In case of breach of contractual terms and conditions of the contract, Air India shall be entitled to rescind the contract at any time without assigning any reason whatsoever and without any liability to Air India.

8. Arbitration:

Any dispute arising between the parties in respect of the construction, interpretation, application, meaning, scope, operation or effect of this TENDER document and/or the bidding process, or the validity or breach thereof, shall first be settled by mutual consultation. If the dispute remains unresolved after a period of 90 (ninety) days from the date when the mutual consultation has started, the matter shall be referred for settlement to 'SCOPE FORUM OF CONCILIATION AND ARBITRATION', Govt. of India, and the award made in pursuance thereof shall be final and binding on the parties.

9. Jurisdiction

Any dispute whatsoever shall be subject to the jurisdiction of the courts of New Delhi, India only.

10. Force Majeure

Any failure or delay by bidder or Air India in performance of its obligations, to the extent due to any failure or delay caused by fire, flood, earthquake or similar elements of nature, or acts of God, war, terrorism, riots, civil disorders, rebellions or revolutions, acts of governmental authorities or other events beyond the reasonable control of non-performing Party, is not a default or a ground for termination. The affected Party shall notify the other party within reasonable time period of the occurrence of a Force Majeure Event.

11. Invoicing and Payment Clause:

- a. For each quarter, 15% of the awarded audit fees will be paid after completion of Audit work and submission of quarterly Audit Report alongwith with executive summary duly accepted by AI.
- b. The quarterly reports of period ending on 31st Mar, is to include report on the verification and reconciliation of year end activities as given in work scope at appendix 1 to annexure II, to qualify for the payment of that quarter.
- c. The balance audit Fees of the contracted value will be paid on completion of entire Audit, including conduct of audit up to and including final accounts of 2019-20 and subsequent discussion and acceptance of 'Final Internal Audit Report' by the Audit Committee.
- d. Invoice for Audit Fees will be submitted to the respective Regional Heads of Internal Audit along with the final signed periodic report, such other supporting documents indicating that audit work has been completed as per the agreed terms and conditions and a certificate stating that awardee had completed the audit assignment as per given work scope and/ or any other assignment from time to time as per terms of this TENDER.
- e. For the awarded location, the selected bidder will not be paid for local travelling, transport, office and stationary expenses for report preparation and/or presentations, or visits for meetings for any purposes related to the Internal Audit assignment. With specific approval of Air India for travel outside the awarded location in connection with the Internal Audit assignment, Air India will provide the required air tickets on its services and hotel accommodation on bed and breakfast basis at contracted hotels at the place of visit. Reimbursement of other travel related expenses will be admissible as "Out of pocket expenses" over the contract duration, subject to a maximum of 10% of contract value for the relevant location excluding GST. Such out of pocket expenses will be reimbursed alongwith final invoice.

12. Penalties for delay / deficient / non-performance :

There will be penalties applicable under the contract with the selected bidder. These penalties will be for delays attributable to such selected bidder in taking up the assignment, in the form of liquidated damages @ 0.5% / week of the delay subject to a maximum of 10% of contract value. Penalties will also be applicable for delay / deficiency / non-performance, attributable to selected bidder post award subject to overall maximum of 20% of the contract value.

13. Others :

- a) All the Reports, working papers, supportings and collected records / data / information in hard copy and / or soft format will be property of Air India and to be handed over to respective Internal Audit units in hard copy / soft copy in open format (MS-Word and MS-Excel) for use by Air India at the end of assignments.
- b) The selected bidder shall ensure that the staff deployed by them do not violate any rules of Air India Ltd. and/or regulations of any Authority (Govt or public) i.e. MIAL/DIAL/AAI/BCAS etc and that they do not indulge in any unlawful activity. If any such incidence happens, the selected bidder will be held responsible.

INTERNAL AUDIT WORKSCOPE, TERMS OF REFERENCE AND REPORTS

1. Objective

- a) The Internal Auditor will consider the adequacy of controls necessary to secure propriety, economy, efficiency and effectiveness in all areas. It will seek to confirm that management has taken the necessary steps to achieve these objectives and manage the associated risks.
- b) The Internal Auditor should cover all projects, operational and management controls and should not restrict itself only to the audit of systems and controls.
- c) The audit will be carried out in accordance with the relevant standards of auditing and will include such tests and controls as the Internal Auditor considers necessary under the circumstances.
- d) The scope & responsibilities of the Internal Auditor include the following:-
 - 1. To monitor the achievement of organizational objectives.
 - 2. To identify, assess and suggest to manage risks to those objectives.
 - 3. To ensure compliance with manuals, policies, delegation of powers, laws and regulations including all statutory requirements.
 - 4. To ascertain the integrity and reliability of financial and other information provided to management and stakeholders, including that used in decision making.
 - 5. To review the efficacy, adequacy and application of accounting, financial and operating controls and thereby ensure the accuracy of the books of accounts.
 - 6. Verify that the system of internal check is effective in design and operation in order to ensure the prevention of and early detection of defalcations, frauds, misappropriations and misapplications.
 - 7. Identify areas of significant inefficiencies in existing systems and suggest necessary remedial measures.
 - 8. To ensure that capitalization of assets is done accurately.
 - 9. To provide all requisite information and support on effectiveness of the accounting and control in the SAP- ERP system and also to suggest/recommend steps/areas for adequate controls within the SAP-ERP system to serve the above objectives.
 - 10. Conducting special assignments and investigations on behalf of the management into any matter or activity affecting the probity, interests and efficiency of the Air India.
 - 11. To ensure adequacy of various manuals in the Company and advice suitable modifications to the Management from time to time.
- e) This assignment of Internal Audit will be done on **concurrent and full time basis** under control of qualified Chartered Accountant(s), at each of the offered location for which bid is submitted.
- f) The selected bidder shall deploy required number of qualified personnel to administer the day-to-day audit activity.
- g) The selected bidder shall furnish the list of personnel deputed for Air India audit with Qualification/Experience details before commencement of audit. The list shall be reviewed and approved by Air India with or without modification. There should not be frequent changes of deployed persons for effective working. If for any reason beyond the reasonable control, it becomes necessary to replace any of the Personnel, the selected bidder shall forthwith provide a replacement of equivalent or superior qualification with the prior approval of Air India.

- h) All work done by the Internal Audit Team should be properly documented, evidenced and filed for reference. The documentation shall comply with the guidelines prescribed by the ICAI including the Standards of Internal Audit (SIA-8).
- i) Detailed **scope of work is enclosed in Appendix-1 of Annexure-II which is only illustrative and not exhaustive.**

2. INTERNAL AUDIT REPORTS

- a) Each month the Internal Auditor will be required to submit audit observations in given format to respective Auditee Departments for their action. The monthly report of such observations to be submitted to Regional Audit units and Internal Audit Hqrs.
- b) The Internal Auditor should also submit to Regional Audit units and Internal Audit Hqrs, monthly progress report within 15 days of the end of the preceding month which should be structured in a manner to provide the following:
 - i. Detail of documents / activity/area checked.
 - ii. Methodology adopted in Audit scrutiny.
 - iii. Audit observations if any.
 - iv. Financial implications of the observations.
 - v. Suggested recommendations;
 - 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 that month.
- c) In addition, the Internal Auditor should submit a 'Signed and Stamped', Quarterly Report, within 30 days of the close of each quarter with 'Executive Summary', highlighting the critical issues which require the immediate attention of management of Air India.
- d) For the period Jan-Mar'19, the Internal Auditor should submit, Final Internal Audit Report within 4 months i.e. by 31st July, 2019, including executive summary of the quarterly reports and highlighting the open observations pending action for information of the management of Air India. *The above quarterly report to include report on verification and reconciliation of 'year-end activities'.*
- e) Upon completion of the assignment, the Internal Auditor should submit, within 4 months from the end of the financial year i.e. by 31st July, 2020, a Final Internal Audit Report for the Financial Year 2019-20, including executive summary of the quarterly reports and highlighting the open observations pending action for information of the management of Air India. *The above quarterly report to include report on verification and reconciliation of 'year-end activities'.*
- f) All Reports in hard copies must be numbered, signed and stamped on all pages.
- g) The Reports and supportings prepared for Internal Audit assignments will be the property of Air India and the selected bidder will also provide soft copy in open format (MS-Word and MS-Excel) for any use by Air India.

3. RESPONSIBILITY

The responsibility of the Internal Auditor would be as under:

- a) Develop a flexible Annual Internal Audit Plan using an appropriate risk based methodology, including any risks or control concerns identified by management, and submit that plan to the management of Air India for review and approval as well as periodic updates.

- b) Implement the Internal Audit Plan, as approved by Air India, including as appropriate any special tasks or projects requested by management.
- c) Maintain a professional audit staff with sufficient knowledge, skills, experience, and professional certifications to meet the requirements.
- d) Evaluate and assess significant merging/consolidating functions and new or changing services, processes, operations, and control processes coincident with their development, implementation, and/or expansion.
- e) Issue periodic reports to the management summarizing results of audit activities, including significant audit issues and management action plans.
- f) Keep the management informed of emerging trends and successful practices in internal auditing.
- g) Assist in the investigation of significant suspected fraudulent activities within the organization and notify management,
- h) Conduct Internal Audit in accordance with the Companies Act 2013.
- i) Report to the management any serious weakness, significant fraud or major accounting breakdown discovered during the normal course of audit.

4. **Expected Nature of work**

Each of the locations represents Regional Finance Unit of accounting set-up for Air India with variation in nature, number, frequency and amount of transactions handled which could affect the workload of Internal Audit. Small preview of the locational work distribution is given below:-

- a. **Mumbai** location has the Corporate Accounts Office, which handles on centralized basis, being hub for SAP accounting, some key activities of Revenue accounting, Aviation Turbine Fuel (Bonded) accounting, Payroll processing, Insurance accounting, Aircraft financing, Working Capital requirements and other operational expenses for Wide-body (Boeing) aircraft fleet. Additionally, Mumbai has the Regional finance office (Western Region) controlling operational accounting requirements for Narrow Body (Airbus) fleet for Regional- payroll processing, assets management, operational agencies' (airport agencies, caterers, transporters, hoteliers, manpower services etc.) transactions. Air India has outsourced processing of its all revenue documents to M/s Accelya solutions ltd. and scrutiny of all pax sales document for correctness of collected fares to M/s. Sutherland Global Services. The output of these service providers would also require to be reviewed by the selected Internal Auditors.
- b. **Delhi** location has the Registered Office, which handles on centralized basis some key activities of accounting, such as, Aviation Turbine Fuel (Domestic duty paid) accounting, operational expenses for Narrow-body (Airbus) aircraft fleet such as Aircraft leasing, Aircraft financing including consolidation of accounts. Additionally, Delhi location has the Regional finance office (Northern Region) having inventory accounting and control on centralized basis through RAMCO system and catering to operational accounting requirements for Regional- payroll processing, assets management, operational agencies' (airport agencies, caterers, transporters, hoteliers, manpower services etc.) transactions. Delhi also has a revenue accounting unit which handles Cargo revenue accounting and passenger revenue accounting (partial) for web/package sales, etc.
- c. **Chennai** location has the Regional finance office (Southern Region) controlling operational accounting requirements with key activities, Regional- payroll processing, assets management, operational agencies' (airport agencies, caterers, transporters, hoteliers, manpower services etc.) transactions.
- d. **Hyderabad** location has the Finance office including Store Accounts controlling operational accounting requirements with key activities, assets management, operational agencies' (airport agencies, caterers, transporters, hoteliers, manpower services etc.) transactions. It also has Centre for Training Establishment (CTE), which handles additional accounting for training activities.

- e. **Kolkata** location has the Regional finance office (Eastern Region) controlling operational accounting requirements with key activities, Regional- payroll processing, assets management, operational agencies (airport agencies, caterers, transporters, hoteliers, manpower services etc.) transactions.

SCOPE OF WORK

S. No.	Activities	Limits of the Vouchers	Extent of Checking
1	EXPENDITURE Verify all payments as per limits given with reference to contracts, certification, authorizations, service rules, HR module etc.	a) Payments ≥ Rs. 2,00,000 b) Payments < Rs. 2,00,000 c) Penalties/ Fines/ interest on delayed payments	100% 10% 100%
2	CASH & BANK MANAGEMENT Cash & Bank Statements comment specifically in respect of delays in deposit of collections, dishonoured cheques, bank charges, other debits and transfer/ repatriation of surplus funds.	All Accounts	100%
3	STATUTORY COMPLIANCES Comment specifically <ul style="list-style-type: none"> On delay in deduction & deposit of Taxes e.g. TDS, GST, Custom & Excise etc. Submission of returns to authorities Non-availing of Input Credit 	All taxes	100%
4.	Accounting policies / Applicability of IndAS		100%
5.	INVENTORY/ STORES ACCOUNTS / MMD	Aircraft Material POs ≥ \$10000 Aircraft Material POs < \$10000 Aircraft Material AOG Non Aircraft Material POs ≥ Rs.1,00,000 Non Aircraft Material POs < Rs. 1,00,000 Utilization of Manufacture/Supplier credits Utilization of warranties / Guarantees Cases of Advance Payments & adjustment thereof Items scrapped at foreign vendors premises	100% 10% 100% 100% 10% 100% 100% 100%
6.	FIXED ASSETS	Capitalization of Aircraft Capitalization of Non Aircraft Changes in Ownership of various land & Building and other premises Availability of title deeds of various properties Special Tools issued to employees on Temporary/ Permanent loan basis	100% 10% 100% 100% 10%
7.	SALES (Including Refunds) & REVENUE	System / process to be checked (Pax & Cargo Revenue Accounting Systems)	
		Discrepancies reports generated by M/s.Accelya	100%
		Transfer of Revenue from / to Subsidiaries	100%
		Handling / charter/ other incidental & misc.	100%

		Revenue etc.	
		Revenue sharing with AISATS	100%
		Action taken in case of default by Agents	100%
		Appointment / Termination and Bank Guarantees of Pax & Cargo Agents.	100%
		ADMs Reports of M/s. Sutherland Global Services	1 Month in each Qtr
		ACM issuance	100 %
		Interline Billing (Pax & Cargo) – 3 rd Rejection	100 %
8.	YEAR END ACTIVITIES (A) 2019-20	<ol style="list-style-type: none"> 1. Scrutiny of preliminary Trial Balance as at the end of the year and raising queries in respect thereof for necessary accounting action. 2. Physical Verification as on 31st March & Reconciliation of Airframes, Engines, APUs, GS Equipment, Vehicles and Land & Buildings as per financial books vis-à-vis records of holding departments. 3. Balance confirmation certificates in respect of Sundry Debtors/Sundry Creditors/Deposits/Loans and advances at the end of the year. 4. Repair components lying with foreign bidders-certificates thereof at the end of the year. 5. Items given on loan - certificates thereof at the end of the year. 6. Cash verification as on 31st Mar, for all locations including imprest cash and reconciliation with main books. 7. Balance confirmation certificates received from the banks 8. Checking of depreciation 9. Fraud cases for provisioning and for departmental action and/or staff accountability. 10. Transactions with subsidiary companies being related party transactions 	
9.	YEAR END ACTIVITIES (B) 2018-19 & 2019-20	<ol style="list-style-type: none"> 1. Open Work order as on 31st March – Status and justification thereof 2. Open Purchase Orders as on 31st March – Status and Justification 	

Notes:

- a) The above work scope is only illustrative and not exhaustive. The management reserves the right to revise the same from time to time.
- b) The Internal Auditor should conduct risk based assessment, identify the potential risk areas and based on the same include other activities also in their scope of work.
- c) The Internal Auditors should provide optimal audit coverage commensurate with the size and nature of the Company's business.
- d) The Internal Auditors may also be assigned to conduct special reviews in respect of any activity/department.
- e) The Internal Auditors may also be assigned to conduct review of out station on Air India's network.
- f) Internal Audit should be conducted in accordance with the provisions of Companies' Act 2013 duly amended.
- g) Based on the Internal Audit activities performed by them the Internal Auditors should suggest measures to the management for :
 - I. Enhancement of revenues
 - II. Reduction in expenditure
 - III. Strengthening of internal control systems and procedures
 - IV. Adoption of industry best practices
 - V. Elimination of wasteful practices
 - VI. Increase in operational efficiency and
 - VII. Improvement in financial performance

TECHNICAL EVALUATION CRITERIA (Mandatory Eligibility Criteria)

1. Bids of the Bidders who fulfil the following Technical Evaluation Criteria (TEC), and submit documentary proof thereof along with the Technical Bid, will only be eligible for evaluation of the bids.
2. Bidders are required to indicate the compliance status for each of the Mandatory criteria by stating 'Yes' or 'No'.
3. The documentary evidences as required be attached with this Annexure in sequence of the criteria.
4. 'No' to compliance status of any one of the criteria could result in disqualification of the bid as these are mandatory criteria.

S. No	MANDATORY REQUIREMENTS	Criteria	Documentary evidence to be attached with the Technical Bid	Compliance Status (Yes/ No)
1.	The bidder must be presently empanelled with C&AG.		As per the Certificate issued by the C&AG as on 1st Jan., 2018	
2.	C&AG ranking points for empanelment as on 1.1.2018	Minimum 70 Ranking Points	Empanelment letter of C&AG showing ranking points.	
3.	Minimum number of Full Time Partner (FTP) and Qualified CA (QCA) in full time employment with CISA / DISA qualification available for Audit requirements at the location for which the bid submitted	Minimum 02(Two) FTP / QCA	Certified copy of Qualification certificate	
4.	Minimum number of assignments in the last 5 years as Internal/Statutory Auditor of Companies except Bank / Branch Audit having an annual turnover of not less than Rs.1000 crores.	Min 02 Companies	<i>To give at least 2 Experience Certificate / Appointment letter from Client Companies along with self-certified List of companies audited under the signatures of at least two partners of the bidder containing details such as -</i> <i>i. Name of Auditee with location</i> <i>ii. Type of Audit (Statutory/ Internal) done</i> <i>iii. Years of Audit</i> <i>iv. Duration</i> <i>v. Turnover (Rs.in crores) of company audited for relevant period</i>	
5.	Number of companies (Registered under Cos Act) audited in the capacity of Internal / Statutory Auditors since registration	At least 5 PSUs.	<i>To give at least 2 Experience Certificate / Appointment letter from Client Companies with Self-certified details signed by two Partners on Bidder's letterhead.</i>	
6.	Earnest Money deposit- Per Location	Rs 50,000 per location for which Bid submitted	Proof of submission of EMD to be attached	

Bidder's Profile

Sl. No	Particulars	Description (Fill the required information in the format)		
1	<u>Registration details</u> :- Name of the Bidder			
2	a. Date of Registration with ICAI. b. Indicate type ie. Firm or Limited Liability Partnership (LLP) etc.			
3	<u>Locational details-</u> Complete Postal Address and date since when functioning for : i. Head Office ii. Office –Delhi iii. Office –Mumbai iv. Office-Chennai v. Office-Hyderabad vi. Office-Kolkata vii. Office- Other City <i>a. Indicate the name of Other City as additional location.</i> <i>b. Indicate the date since operational for each office.</i>			
4	<u>Contact Details -</u> Contact Person (s), Telephone Numbers, Fax Number, E-Mail Address, for each office at Sr.No.3, i.e. Head Office and Branch offices at Delhi, Mumbai, Chennai, Hyderabad Kolkata, and Other City/cities			
5	a. Bank Details including Account Name, Account Number, Bank & Branch Details, IFSC Code b. PAN No. of Bidder c. GST No. of Bidder			
6	<u>Financial Details</u> (To ensure that the data given below matches with the audited Annual Reports copies filed with technical bid)	2015-16	2016-17	2017-18*
	i. Total Turnover –Rs. In lacs			
	ii. Certified Turnover from Internal Audit- Rs.in lacs (Attach a Self-Certified Certificate			

APPENDIX –A
(Attached to Annexure-IV)
TENDER No. XXXXXX

Details of Manpower Resources (Partners and Assistants of Bidding Entity to supplement information provided at Sr.No.7 of Annexure-IV

1	Details of Partner	Name	Membership No.	Mem.Type FCA/ACA (Indicate separately for DISA/CISA holders)	Date of Joining	Location	Full Time (Y/N)	Total Audit Experience a. Overall experience (in Years)- b. Airlines / Aviation Industry (in Years) c. SAP/ERP experience. (in Years)
2	Details of Qualified Assistants	Name	Membership No.	Mem.Type FCA/ACA (Indicate separately for DISA/CISA holders)	Date of Joining	Location	Full Time (Y/N)	Total Audit Experience a.Total experience (in Years) - b.Airlines / Aviation Industry (in Years) c.SAP/ERP experience (in Years)
3	Details of Semi-Qualified Assistants	Name	Indicate Inter CA		Date of Joining	Location	Full Time (Y/N)	a.Total Experience (in Years) b.SAP / ERP Experience (in Years)
4	Details of Domain Expert, if any associated with Bidder	Name	Indicate Expert / Professional Field in which qualified		Date of Joining	Location	Full Time (Y/N)	Total Experience in Years- Also, state Airlines/ Aviation experience (in Years), if any

Indicate (*) against those Associates / Assistants who possess experience in handling auditing on SAP environment.

Name of the Bidder

Bidders's Stamp & Signature

**CERTIFICATE OF UNDERTAKING and COMPLIANCE CERTIFICATE
(ON BIDDER'S LETTER HEAD)**

To
ED (MMD)
Air India Ltd
Safdarjung Airport,
New Delhi-110003.

Sir,

It is certified that we have studied and understood the terms and conditions of the TENDER for Nature of the work: Internal Audit for Air India Limited and agree to abide and comply unconditionally with all the terms and conditions contained in this TENDER.

- 1) Having examined the Conditions of Assignment for the above Contract, i.e. Appointment for Internal Audit of Air India, we qualify under the minimum eligibility criteria and offer to undertake the work in conformity with the Conditions of Assignment for the following mentioned locations :-

Delhi
Mumbai
Chennai
Hyderabad
Kolkata

(Put tick marks against the location (s) for which bids submitted.)

- 2) We specifically undertake to complete and deliver the work-scope comprised in the TENDER and agree to abide by the General Terms and Conditions also.
- 3) The required EMD of Rs.50,000 (for each location) has been submitted vide details such as DD No. _____ dated _____
- 4) We confirm that the bid is valid for 120 days from the notified last date of submission of TENDER.
- 5) List of documents attached with the TENDER.
- 1
2
3
4
5
6

Dated day of

Signaturein the capacity of

Name

I am duly authorised to sign TENDER for and on behalf of

AUTHORISED SIGNATORY

Name of the Bidder

Bidder's Stamp & Signature

AUTHORIZATION LETTER FOR ATTENDING BID OPENING
(On Bidder's letterhead)

Dated XXXXX

To

ED (MMD)
Air India Ltd
Safdarjung Airport,
New Delhi-110003.

Sub: Authorization for attending opening of TECHNICAL / FINANCIAL BID

Opening Date:

Time:

The following person(s) is/are hereby authorized to attend Technical/ Financial Bid opening of subject TENDER.

S. No.	Name	E.Mail	Contact No	Signature

Signature:

Authorized Signatory's Name:.....

Bidder Name:

NOTES:

1. Permission for entry to the Hall where bids are opened may be refused in case authorization as prescribed above is not received.
2. The authorized representatives, in their own interest, must reach venue of bid opening well in time.
3. The authorized representatives must carry a valid photo identity.
4. Separate authorization letters would be required for Technical and Financial Bid opening.

TENDER No. XXXXXX

NON-DISCLOSURE AGREEMENT*(NDA to be discussed and executed with successful bidder)*

This Non-Disclosure Agreement (this “**Agreement**”) is made on this _____ day of _____, 2019 at _____.

BY AND BETWEEN

AIR INDIA LIMITED, a company incorporated under the Companies Act, 1956, having its registered office at Air India Limited, Headquarters, “Airlines House”, 113 Gurudwara Rakabganj Road, New Delhi-110001 (hereinafter referred to as “**AIL**” which expression shall, unless it be repugnant to the context or meaning thereof, mean and include its representatives, successors, affiliates and permitted assigns) of the ONE PART.

AND

_____, a empaneled entity with the CAG with its registered office at _____ (hereinafter referred to as “**Entity**” which expression shall, unless it be repugnant to the context or meaning thereof, mean and include its representatives, successors, affiliates and permitted assigns) of the OTHER PART.

Both parties hereto collectively referred to as the "Parties" and individually as a "Party".

WHEREAS:

- A. AIL is a Government of India undertaking and is inter-alia engaged in the business of transportation services of passenger and cargo to and from various permitted destinations in India & abroad in accordance with the permissions and approvals granted by the Director General of Civil Aviation, India.
- B. _____ is inter-alia engaged in the profession of providing various types of accounting and auditing services.
- C. Pursuant to Tender dated _____ bearing No. _____ for “TENDER FOR APPOINTMENT OF INTERNAL AUDITORS OF AIR INDIA AT DELHI, MUMBAI, CHENNAI, HYDERABAD AND KOLKATA”, AIL has agreed to award the Internal Audit to M/s _____ and accordingly, issued a Letter of Appointment dated _____ to enable the selected bidder to commence its internal processes required for carrying out the required Internal Audit services as per the tender. The parties are currently, in the process of finalizing the terms of the definitive final agreement.
- D. During the course of procurement of the Internal audit, AIL may disclose/share AIL’s proprietary and confidential information with the selected bidder and/or it may have access to/receive certain technical, non-technical, financial, business and other Confidential Information (as hereinafter defined) of AIL.
- E. The Parties recognize that there is a need to protect such Confidential Information from unauthorized use and disclosure and accordingly, have decided to enter into this Agreement to establish and set forth the obligations of each Party with respect to any such Confidential Information.

For purposes hereof, the term “Disclosing Party” shall refer to “AIL” and the term “Recipient” shall refer to “Entity”.

NOW THEREFORE, in consideration of the above premises the sufficiency of which is hereby acknowledged, the Parties mutually agree as follows:

1. Definition. "Confidential Information" shall mean any and all information disclosed to, or otherwise acquired or identified or observed by, Recipient including its affiliated companies, directors, officers, employees and agents of such affiliated companies (collectively, "Recipient's Representatives"), from and its affiliated companies, relating to the business of AIL, whether communicated in writing, orally, electronically, photographically, or in recorded or any other form of media, including, but not limited to, all sales and operating information, employee and other human resource information, existing and potential business and marketing plans and strategies, financial information, cost and pricing information, data media, know-how, source codes, technical information, concepts, reports, methods, processes, techniques, operations, devices, and the like, whether or not the foregoing information is patented, tested, reduced to practice, or subject to copyright or any other intellectual property right. The term "Confidential Information" does not include information which (i) is or becomes generally available to the public other than as a result of disclosure by Recipient in breach of this Agreement; (ii) was available to Recipient on a non-confidential basis as shown in written records prior to its disclosure to Recipient by AIL; (iii) becomes available to Recipient on a non-confidential basis from a source other than AIL; *provided* that such source is not bound by a confidentiality agreement with AIL or is otherwise prohibited from transferring the information to Recipient by a contractual, legal or fiduciary obligation; or (iv) is independently developed by Recipient without any use of or benefit from the Confidential Information and such independent development can be documented by Recipient with written records.
2. Scope. This Agreement is intended to cover Confidential Information disclosed by AIL both prior and subsequent to the date hereof.
3. Obligations of Recipient. In consideration for the receipt of Confidential Information, Recipient shall hold all Confidential Information in confidence and with the same degree of care it uses to keep its own similar information confidential, but in no event shall it use less than a reasonable degree of care; and shall not, without the prior written consent of AIL, disclose such information to any person for any reason at any time. The term "person" as used in this letter shall be broadly interpreted to include, without limitation, any corporation, company, partnership or individual.

The recipient will grant access to the Confidential Information only to its employees on a need to know basis (who have clear need to know the Confidential Information for the purposes of execution and completion of Internal audit) and shall impose the same obligation on its employees, who obtain knowledge of Confidential Information.

4. Compelled Disclosure. In the event that Recipient or any of Recipient's Representatives is requested or required (by oral questions, interrogatories, requests for information or documents, subpoena, civil investigative demand or similar incidents) to disclose any of the Confidential Information, it is agreed that Recipient or such Recipient's Representative, as the case may be, will provide AIL with prompt notice of such request(s) so that AIL may seek an appropriate protective order or other appropriate remedy and/or waive compliance with the confidentiality provisions of this Agreement. In the event that such protective order or other remedy is not obtained, or AIL grants a waiver hereunder, Recipient or such Recipient's Representative may furnish that portion (and only that portion) of the Confidential Information which Recipient is legally compelled to disclose and will exercise its reasonable best efforts to

obtain reliable assurance that confidential treatment will be accorded any Confidential Information so furnished.

5. Use. Recipient shall not use any Confidential Information for any reason other than as may be necessary for the Purpose. Recipient agrees to make no other use of the Confidential Information or to incorporate any Confidential Information into any work or product.
6. Ownership. Recipient recognizes that all tangible information relating to Confidential Information, including notes, reports and other documents prepared by Recipient in connection with the evaluation of the proposed Relationship, including all copies thereof, are and shall be the sole property of AIL, and Recipient shall keep the same at all times in its custody and subject to Recipient's control and shall return the same upon completion of the specified Purpose. Recipient does not hereby and shall not acquire by implication or otherwise any right in or title to or license in respect of the Confidential Information disclosed to it by AIL.
7. Return of Confidential Information. Promptly following the earlier of (i) the termination of this Agreement or any other agreement for the proposed potential business relationship and (ii) the written request of AIL, Recipient will deliver to AIL all documents or other materials furnished by AIL to Recipient constituting Confidential Information, together with all copies thereof stored in any form of media in the possession of Recipient. In the event of a written request from AIL, all other documents or other materials constituting Confidential Information, together with all copies thereof stored in any form of media in the possession of Recipient, will be destroyed with any such destruction confirmed and certified by Recipient in writing to AIL.
8. No Obligation. Neither Party shall make any commitment or incur any expense or charge for or in the name of the other Party. Neither Party has any obligation by virtue of this Agreement to procure any products or services from the other Party or to enter into any further business relationship or to refrain either of the parties from entering into an agreement with any other party. Neither execution nor performance of this Agreement shall be construed or deemed to have established any joint venture or partnership or have created the relationship of principal and agent between the Parties.
9. Remedies. Recipient acknowledges that money damages would be both incalculable and an insufficient remedy for any breach of this agreement by Recipient and that any such breach would cause AIL irreparable harm. Accordingly, Recipient also agrees that, in the event of any breach or threatened breach of this Agreement, AIL, in addition to any other remedies at law or in equity it may have, shall be entitled, without the requirement of posting a bond or other security, to equitable relief, including injunctive relief and specific performance.

Notwithstanding the above, the Recipient will indemnify and hold AIL harmless from and against any and all loss, liability, damages, costs, claims and expenses, including all court costs, attorney fees and legal fees, which AIL might suffer/incur as a result of any violation whatsoever of this Agreement by Recipient.
10. Termination. This Agreement may be terminated by either Party by giving the other Party no less than thirty (30) days prior written notice; *provided, however*, that, notwithstanding anything herein to the contrary, Recipient's obligations with respect to each item of AIL's Confidential Information will survive for a period of three (3) years following the disclosure of the applicable Confidential Information unless such survival is stipulated by law for a longer period.
11. Governing Law. This Agreement shall be governed by and interpreted in accordance with the laws of India and shall be subject to the jurisdiction of courts situated in Delhi, India to the exclusion of all other courts situated elsewhere.

12. Amendments. This Agreement may not be and shall not be deemed or construed to have been modified, amended, rescinded or cancelled in whole or in part, except by written instrument signed by the Parties hereto which makes specific reference to this Agreement and which specifies that this Agreement is being modified, amended, rescinded or cancelled.
13. Severability. If any provision of this Agreement shall be declared invalid or illegal for any reason whatsoever, then, notwithstanding such invalidity or illegality, the remaining terms and provisions of this Agreement shall remain in full force and effect in the same manner as if the invalid or illegal provision had not been contained herein.
14. Waivers. No failure on the part of either Party to exercise, and no delay in exercising, any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right or remedy hereunder preclude any other or a future exercise thereof or the exercise of any other right or remedy granted hereby, or by any related document, or by law. Any failure of a Party to comply with any obligation contained in this Agreement may be waived by the Party entitled to the benefit thereof only by a written instrument duly executed and delivered by the Party granting such waiver, which instrument makes specific reference to this Agreement and the provision to which it relates and describes the right or obligation consented to, waived or purported to be violated.
15. Entire Agreement; No Assignment; Counterparts. This Agreement contains the entire agreement and understanding between the Parties hereto relating to the subject matter hereof and supersedes all other prior agreements and understandings, both written and oral, between the Parties with respect to the subject matter hereof. This Agreement may not be assigned by Recipient by operation of law or otherwise without the written consent of the other Party, which consent shall not be unreasonably withheld or delayed. This Agreement may be executed in several counterparts, each of which will be deemed an original, and all of which taken together will constitute one single Agreement between the parties with the same effect as if all the signatures were upon the same instrument.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their duly authorized representatives effective as of the date and year first above written.

AIR INDIA LIMITED

By:

Name:

Title:

Selected Bidder

By:

Name:

Title:

WITNESSES:

1.

2.

TENDER No. XXXXXX

Check List of Items/Documents to be attached
(On Bidder's letterhead)

1. EMD in original
2. Technical Evaluation Criteria (Mandatory Minimum Eligibility) compliance as per ANNEXURE-III
3. Bidder's Profile at ANNEXURE-IV duly filled in with required supporting documents including Appendix-A.
4. Certificate of Undertaking and Compliance as per ANNEXURE-V.
5. Non-Disclosure Agreement as per ANNEXURE-VII.
6. Financial Bid Format duly filled in as per ANNEXURE-IX

Note: The list above is indicative. Bidders should go through the tender document carefully and provide documents/details in support of their bid.

Financial Bid Format

Outsourcing of Internal Audit for the period Jan' 2019 to Mar' 2020

<u>S.No.</u>	<u>Description</u>	<u>Amount (Rs.)</u>
1.	Consolidated Fees for concurrent Internal Audit activities as specified in Scope of Work and for providing required reports as per the desired timelines :- i. For Audit at Delhi ii. For Audit at Mumbai iii. For Audit at Chennai iv. For Audit at Hyderabad v. For Audit at Kolkata (Indicate fees against each of the locations offered in terms of the technical bid submitted)	

Signature: _____
Authorized Signatory's Name: _____
Selected Bidder : _____
Date: _____

Notes :

1. A bidder may submit bids for one or more locations.
2. Bidder must quote fees separately for each location for which bid is submitted.
3. Quoting lumpsum fees for two or more locations would result in rejection of the financial bid.
4. Based on the tender evaluation, Air India may select the bidder for none or one or more locations.
5. GST shall be paid as per applicable rates.
6. Indicate Charges/ Fee both in figures and words for each location for which bid is submitted. In case there is any discrepancy between figures and words, the Charges/Fees in words shall prevail.
7. 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.