

**THE TAMILNADU INDUSTRIAL INVESTMENT
CORPORATION LIMITED (TIIC)**

MHU Complex, 692, Anna Salai, Nandanam, Chennai - 600035

Chennai-600035



The Growth Catalyst

REQUEST for PROPOSAL (RfP)

for

**CONCURRENT AUDIT OF OPERATIONS OF TIIC
BRANCHES (24) AT VARIOUS LOCATIONS AND**

AT HEAD OFFICE at CHENNAI

QCBS

(Quality cum Cost Based Selection)

RfP Ref No.TIIC/IA/2021-22/ dated 19.10.2021

Date of Release of RfP	19.10.2021
Pre-bid Meeting	01.11.2021
Last Date for Proposal Submission	22.11.2021
Date of Opening of Technical Proposal (EMD and Technical Proposal)	23.11.2021 (R1 Region) 24.11.2021(R2 Region) 25.11.2021(R3 Region) 26.11.2021(R4 Region)
Tender Application Fee	Rs.1000/- plus GST @18% by Demand Draft in favour of "The TIIC Limited, Chennai"

Key Information on the RfP response submission:

S.No	Particulars	Time line
1	RfP Issuance date	19.10.2021
2	RfP Coordinator Telephone	The Head of the Dept. of IA&ISO Dept. 044-24331203 / 044-24306100
3	Address for proposal submission Email id Note: No bids shall be submitted via e-mail /Fax and any bids submitted by e-mail /Fax will not be accepted.	The Tamilnadu Industrial Investment Corporation Ltd., Head Office, 692, Anna Salai, Nandanam, Chennai-600 035. audit_tender@tiic.org
4	Last date of written request for Clarifications before pre-bid meeting	29.10.2021
5	Reply to individual pre bid query	09.11.2021
6	Last date of submission of RfP response (closing date)	11.00 a.m . on 22.11.2021
7	Opening of Eligibility cum Technical bid	11.00 a.m . on 23.11.2021 (R1 Region) 11.00 a.m . on 24.11.2021(R2 Region) 11.00 a.m . on 25.11.2021(R3 Region) 11.00 a.m . on 26.11.2021(R4 Region)
8	Opening of Financial Bid	The Financial proposal of only those who qualify in Technical proposal will be opened. The date for opening of the financial proposal would be communicated separately only to those bidders who are eligible and technically qualified.
10	Cost of Application	INR Rs.1000/- + GST @ 18% By way of Demand Draft favouring “The Tamilnadu Industrial Investment Corporation Ltd.”(TIIC Ltd), Chennai.
11	Earnest Money Deposit or EMD	INR Rs.15000/- By way of Demand Draft favouring “The Tamilnadu Industrial Investment Corporation Ltd.”(TIIC Ltd), Chennai

RFP for (Concurrent) audit of Operations of TIIC Branch / Head Office

12	Tender Inviting Authority	The Head of the Dept. of IA & ISO Dept. TIIC LTD., HEAD OFFICE, CHENNAI-35
13	Tender Accepting Authority	The Chairman & Managing Director, TIIC LTD., HEAD OFFICE, CHENNAI-35

Definition of Terms used in the RfP:

Following terms are used in the document interchangeably to mean:

1. “Assignment/Job/Engagement” means the work to be performed by the selected bidder pursuant to the contract.
2. “Corporation or TIIC” means The Tamilnadu Industrial Investment Corporation Ltd.
3. “Day” means business day
4. “ICAI” means Institute of Chartered Accountants of India
5. “Personnel/Resources” means professionals and support staff provided by the selected bidder.
6. “Proposal/Bid/Tender” means Response to the RfP document
7. “RBI” means Reserve Bank of India
8. “Recipient, Respondent, firms, Tenderer and Bidder” means interested and eligible applicants responding to this RfP for Concurrent Audit.
9. “Successful/selected bidder” means the bidder selected as the successful bidder by TIIC in accordance with this RfP who is also referred to as “Applicant / Concurrent Audit Firm”.
10. IAD Means Internal Audit Department, TIIC Ltd., Chennai.
11. CAG Means Comptroller and Auditor General.

Confidentiality:

This document is meant for the specific use by the Firm/person/s interested to participate in the RfP process. This document in its entirety is subject to copy right laws. TIIC expects the Firms or any person acting on behalf of the firms strictly adhere to the instructions given in the document and maintain confidentiality of information. The Firms will be held responsible for any misuse of information contained in the document, and are liable to be prosecuted by the TIIC in the event that such a circumstance is brought to the notice of TIIC. By downloading the document, the interested party is subject to the confidentiality clauses.

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IMPORTANT NOTICE

This tender procedure is governed by the Tamil Nadu Transparency in Tenders Act, 1998 read with Tamil Nadu Transparency in Tender Rules, 2000 as amended from time to time. In case of any conflict between the terms and conditions in the tender document, the Tamil Nadu Transparency in Tender Act, 1998, read with Tamil Nadu Transparency in Tender Rules, 2000 shall prevail.

Critical Information Summary

- ◆ TIIC reserves the sole right for carrying out any amendments / modifications/changes including any addendum to this RfP. Such amendments / modifications / changes including any addendum to this RfP notified on TIIC's website www.tiic.org will be binding on the bidders.
- ◆ Bidders are advised to study the tender document carefully. Submission of bids shall be deemed to have been done after careful study and examination of the tender document with full understanding of its implications.
- ◆ Any clarifications from bidder or any change in requirement will be posted in TIIC website. Hence, before submitting bids, bidder must ensure that such clarifications/changes have been considered by them. TIIC will not have any responsibility in case some omission is done by any bidder.
- ◆ In case of any clarification required by TIIC to assist in the examination, evaluation and comparison of bids, TIIC may at its discretion, ask the bidder for clarification. The response/clarification shall be in writing and no change in the price of substance of the bid shall be sought, offered or permitted.
- ◆ Please note that all the information required as per the bidding document needs to be provided. Incomplete information in bidding documents may lead to non-selection.
- ◆ Modification and/or withdrawal of Bids: Bids once submitted will be treated as final and no further correspondence will be entertained. No bid shall be modified after the deadline for submission of bids. No bidder shall be allowed to withdraw the bid.
- ◆ An eligible tenderer (Firm/LLP/company) can apply for Concurrent audit of one or more branches /Head office, subject to the above terms of eligibility. However, separate tender with separate EMD for each branch/head office shall be submitted.
The tenderer should submit each tender application with all the required/ relevant particulars, separately along with the tender application fees of Rs.1000/- plus GST @ 18% and EMD of Rs.15,000/-.

However, the tenderer (Firm/LLP/Company) shall be eligible for selection/appointment for only one branch or Head office as the case may be, which may please be noted.

- ◆ TIIC has the right to reject any or all bids received without assigning any reason whatsoever.

Note: TIIC SHALL NOT BE RESPONSIBLE FOR NON RECEIPT / NON DELIVERY OF THE BID DOCUMENTS DUE TO ANY REASON, WHATSOEVER.

DISCLAIMER

Information contained in this document for Request for Proposal (“RfP”) and/or subsequently provided to Tenderers, whether verbally and/or in documentary form by or on behalf of The Tamilnadu Industrial Investment Corporation Limited (“TIIC”) or any of its authorized employees (collectively referred to as “TIIC’s Representatives”), is provided to the Tenderers based on the terms and conditions set out in this RfP document and any other terms and conditions subject to which such information is provided. This RfP document is not an agreement and is not an offer or invitation by TIIC to any other party. The purpose of this RfP document is to provide interested parties with information to enable formulation of their proposal.

This RfP document does not purport to contain all the information each Tenderer may require. The Tenderers should conduct their own due diligence, investigations and analysis and should check the accuracy, reliability and completeness of the information in this RfP document and obtain independent advice from appropriate sources. TIIC or its Representatives make no representation or warranty and shall incur no liability under any law, statute, rules or regulations as to the accuracy, reliability or completeness of the RfP document and concerned with any matter deemed to form part of the RfP document, award of the assignment, the information and any other information supplied by or on behalf of TIIC or otherwise arising in any way from selection process. The prospective Tenderer will be responsible for all obligations to its staff, their payments, complying with provisions of law relevant for the working of the Tenderer’s staff.

1.0 Introduction

TIIC is the Premier State Level Financial Institution established way back in 1949 in the Country to foster Industrial Development in the State of Tamilnadu. It plays the catalyst foster role of Development Financial Institution to extend financial assistance to the MSME Industries, Service Sector and Large Scale Industries apart from nurturing the first generation entrepreneurs.

TIIC, since its inception, has been instrumental to help more than One lakh Entrepreneurs to realize their dream of setting up their own enterprises. Further, it plays vital role in meeting the objectives of State Government to have balanced growth of all regions and employment generation through the industries / service enterprises financed by the Corporation.

TIIC has been serving the Micro, Small, and Medium enterprises, which account for 90% of the total assistance, for more than 70 years with several financial products viz. Term Loan, Working Capital Loan, Equipment Finance, Transport Loan, Bill Financing, etc.

As of Oct 2021, TIIC has 6 Regional Offices, 24 Branch offices and 9 field/satellite offices across Tamil Nadu with the Registered Office in Chennai.

TIIC intends to ensure the following through the proposed (Concurrent) Audit of BOs/HO:

- a) To verify how far the Internal control systems and procedures are adhered to in various areas of operations of the Corporation.
- b) To make analysis of the quality of the Corporation's assets and the effectiveness of control system
- c) To evaluate the adequacy and effectiveness of Risk management, internal control systems and procedures
- d) To identify the potential High Risk areas and to suggest risk mitigants
- e) To give a fair view on the perceived risk perception of the auditee offices

TIIC invites interested Tenderer to submit their technical and financial bids under TWO cover system for the Quality and Cost-based Selection (QCBS) for "Undertaking (Concurrent) Audit of Operations of branches of TIIC / Head Office " in accordance with the scope of work, conditions and manner prescribed in this Request for Proposal (RfP) document.

1.1. Purpose of RfP

The purpose of RfP is to shortlist experienced professional firms / Limited Liability Partnerships (LLP) / Limited Companies of Chartered Accountants, for undertaking Audit of Operations of Branch Offices (BOs) at the **following locations** and select departments of the Head Office of TIIC at Chennai.

Table - I

S. No.	Regional Office	Branch Office (BO)	Loan Outstanding as on 30.09.2021 (Rs. in Crores) \$
	R1-Chennai		
	Head Office	Head Office (Select Depts., viz.) Project/Subsidy, HRM/Estate/F&R/ BCL/LM&R/REC.	
	R1-Chennai		
1	Chennai	Chennai	378.42
2	Chennai	Tamparam	126.81
3	Chennai	Tiruvallur	160.75
4	Chennai	Vellore	36.03
5	Chennai	Villupuram	21.26
	R2 -Coimbatore		
6	Coimbatore	Coimbatore	102.69
7	Coimbatore	Kurichi	48.85
8	Coimbatore	Tirupur	93.94
9	Coimbatore	Erode	83.72
10	Coimbatore	Karur	28.69
	R3 - Madurai & Tirunelveli		
11	Madurai	Madurai	58.79
12	Madurai	Dindigul	47.95
13	Madurai	Karaikudi	29.76
14	Tirunelveli	Tirunelveli	55.07
15	Tirunelveli	Thoothukudi	48.16
16	Tirunelveli	Nagercoil	93.48
17	Tirunelveli	Sivakasi	55.39
	R4 - Salem & Trichy		
18	Salem	Salem	65.79
19	Salem	Dharmapuri	47.52
20	Salem	Hosur	96.56
21	Salem	Kallakurichi	6.99
22	Trichy	Trichy	63.19
23	Trichy	Thanjavur	39.34
24	Trichy	Cuddalore	31.46

\$ including written off cases.

1.2. Information Provided

The Request for Proposal document contains statements derived from information that is believed to be relevant at the date but does not purport to provide all the information that may be necessary or desirable to enable an intending contracting party to determine whether or not to enter into a contract or arrangement with TIIC. Neither TIIC nor any of its employees, gives any representation or warranty, express or implied, as to the accuracy or completeness of any information or statement given or made in this document. Neither TIIC nor any of its employees has carried out or will carry out an independent audit or verification exercise in relation to the contents of any part of the document.

1.3. Disclaimer

Information contained in this document for Request for Proposal (“RfP”) and/or subsequently provided to Tenderers, whether verbally and/or in documentary form by or on behalf of The Tamilnadu Industrial Investment Corporation Limited (“TIIC”) or any of its authorized employees (collectively referred to as “TIIC’s Representatives”), is provided to the Tenderers based on the terms and conditions set out in this RfP document and any other terms and conditions subject to which such information is provided. This RfP document is not an agreement and is not an offer or invitation by TIIC to any other party. The purpose of this RfP document is to provide interested parties with information to enable formulation of their proposal.

This RfP document does not purport to contain all the information each Tenderer may require. The Tenderers should conduct their own due diligence, investigations and analysis and should check the accuracy, reliability and completeness of the information in this RfP document and obtain independent advice from appropriate sources. TIIC or its Representatives make no representation or warranty and shall incur no liability under any law, statute, rules or regulations as to the accuracy, reliability or completeness of the RfP document and concerned with any matter deemed to form part of the RfP document, award of the assignment, the information and any other information supplied by or on behalf of TIIC or otherwise arising in any way from selection process. The prospective Tenderer will be responsible for all obligations to its staff, their payments, complying with provisions of law relevant for the working of the Tenderer’s staff.

Subject to any law to the contrary, and to the maximum extent permitted by law, TIIC and its officers, employees disclaim all liability from any loss or damage (whether foreseeable or not) suffered by any person acting on or

refraining from acting because of any information including forecasts, statements, estimates or projections contained in this RfP document or contents ancillary to it whether or not the loss or damage arises in connection with any negligence, omission, default, lack of care or misrepresentation on the part of TIIC or any of its officers, employees, contractors or advisers.

1.4. Costs to be borne by Applicants

All costs and expenses incurred by Applicants in any way associated with the development, preparation, and submission of responses, including but not limited to the attendance at meetings, discussions, demonstrations, etc. and providing any additional information required by TIIC, will be borne entirely and exclusively by the Applicant.

1.5. No Legal Relationship

No binding legal relationship will exist between any of the Applicants and TIIC until execution of a contractual agreement.

1.6. Applicant's obligation to inform itself

The Applicant must conduct its own investigation and analysis regarding any information contained in the RfP document and the meaning and impact of that information.

1.7. Evaluation of Offers

Each applicant acknowledges and accepts that TIIC may in its absolute discretion apply selection criteria specified in the document for evaluation of proposals for short listing / selecting the eligible (Concurrent) Auditor(s). The RfP document will not form part of any contract or arrangement, which may result from the issue of this document or any investigation or review carried out by a Recipient.

1.8. Tender Inviting Authority

The tender inviting authority will be The Head of the Dept. of IA & ISO Dept., TIIC., Head Office, Chennai-600 035.

1.9 Tender Accepting Authority

The tender accepting authority will be The Chairman & Managing Director, TIIC., Head Office, Chennai-600 035.

1.10 Maintaining Secrecy and Confidentiality

The applicant shall be liable to maintain secrecy and confidentiality of all the information / data / operations, etc. of TIIC.

1.11 Errors and Omissions

Each applicant should notify TIIC of any error, omission, or discrepancy found in this RfP document.

1.9. Acceptance of Terms

An Applicant will, by responding to TIIC for RfP, be deemed to have accepted the terms of this RfP document.

2. Broad Scope of Services for the (Concurrent) Auditor

2.1 Objective:

The main objective of Concurrent cum Internal Audit are :

- a) To verify how far the Internal control systems and procedures are adhered to in various areas of operations of the Corporation.
- b) To make analysis of the quality of the Corporation's assets and the effectiveness of control system
- c) To evaluate the adequacy and effectiveness of Risk management, internal control systems and procedures
- d) To identify the potential High Risk areas and to suggest risk mitigants
- e) To give a fair view on the perceived risk perception of the auditee offices

2.2 Project Objective and Scope of audit of TIIC's Branches and HO Departments

The functions of TIIC's Branch Office(s) include credit dispensation under various loan schemes and other day to day operations of the Corporation. The selected Chartered Accountant Firms / LLP/ Companies would undertake (concurrent) audit of operations of the Branch(es) on daily / regular basis and based on their findings also regularly suggest measures to improve the functioning of operations of Branches of TIIC. Assignment would also include verification and confirmation on the adequacy of internal controls and IT system for sustaining operations. The staff deputed by the firm / LLP / Company of Chartered Accountants for carrying out the audit should be qualified and experienced in the area of work.

With regard to TIIC's select Head Office Non-operational departments *viz.*, Human Resources, Estate, Funds & Resources and BCL (GST Matters), the transactions will have to be audited by external auditors, on concurrent basis. Further, there are operational departments like Projects, Loan Monitoring & Rehabilitation / Recovery & Subsidy Departments which are also vital departments of Business whose operations also need to be audited.

The objective and scope of the Concurrent Audit to be undertaken in the above Head Office /branches are as under:

A. Objective of Audit:

The main objectives of the audit are as follows:

- i. To supplement the efforts of the Corporation in carrying out simultaneous internal checks.
- ii. To reduce the interval between transactions and its independent verification.
- iii. To verify whether the system and procedures has been properly complied with and implemented in the Corporation.
- iv. To perform substantive checking of various areas of the TIIC's operations and to make rectification of the deficiencies in the earliest possible time.
- v. To detect and arrest revenue leakage, immediately.
- vi. To bring an ongoing improvement in the standard of internal controls and processes by identifying areas of weaknesses & deficiencies and energizing the process of rectifications.
- vii. To give advisory opinion in the areas of operations of the Corporation, as and when it is necessary.
- viii. Verifying whether sanctions for advances and disbursement thereof is obtained from competent authority.
- ix. Scrutinizing the completeness of documents submitted for availing advances and other facilities.
- x. Ensuring compliance of laid down systems, procedures and policies.
- xi. Examining books of accounts, records and / or registers to ensure that they are maintained in accordance with the prescribed systems / reconciled with general ledger.
- xii. **a) Physical verification of all assets for which loan disbursement is considered (concurrent basis / every month).**
b) Physical checking of stocks financed under working capital scheme at relevant places (concurrent basis / every month).
c) Random inspection of 1 NPA unit per month (With loans above Rs.50.00 lakhs) – without any repetition of the units inspected.
- xiii. Detection and arresting of leakage of income, if any.
- xiv. To follow up with branch officials to ensure timely rectification of irregularities reported with regard to the operations of the branch and rectified on the spot / during audit period itself.
- xv. Verify prompt, timely and regular submission of the periodical and statutory returns.
- xvi. Any violation of procedure is brought to light.
- xvii. Reporting any irregularity /fraud in working which may result in financial or other loss to the Corporation.
- xviii. Feedback on regulatory compliances.
- xix. Any other areas on the operations of the Corporation which are vital, in nature.

B. Scope for all Term Loans / Bill Finance

- i. Whether the transactions or decisions are within the policy parameters laid down by the Corporation.
- ii. Sanction and Disbursement of loans & advances are within the policy parameters laid down by the Corporation. All the loan disbursements are

- to be checked / verified by the concurrent auditors before actual disbursements and all the disbursement notes need to be signed by the concurrent auditors.
- iii. Verify whether pre-sanction/pre-disbursement/post-disbursement visits are undertaken and reports are available on record.
 - iv. Sanctions / Disbursements are within the delegated authority.
 - v. Sanctions / Disbursements do not violate the instructions or policy prescriptions of RBI / SIDBI / other regulators.
 - vi. Compliance to RBI guidelines relating to defaulters list / caution advice / CIBIL list / fraudulent borrowers list, KYC / AML, etc. is done satisfactorily.
 - vii. DoP (Delegation of Power) has been exercised properly and Post Sanction Reporting, wherever applicable, is sent to Post Sanction Reporting Authority.
 - viii. Verify whether Legal clearance certificate has been issued by the Branch Manager.
 - ix. Pre-disbursement conditions are duly complied with; deviations made, if any, are within the guidelines issued, from time to time.
 - x. Verify the end use of term loan disbursed by the Branch for the purpose it is meant for (based on documents and inspection reports of Branch officials).
 - xi. Whether charge has been properly created over securities offered and CERSAI/ROC Registrations are done properly.
 - xii. a) Physically verify all the assets financed including stocks created out of working capital by undertaking field inspection in respect of all disbursed cases.**
b) Undertake inspection of units on a sample basis to cover 1 NPA unit (with loan above Rs.50.00 lakhs)per month or such number of units as may be reasonably prescribed by TIIC then and there.
 - xiii. Whether in all cases, where the statements/ documents (stock statement, project completion report, final list of machinery, Acknowledgment of Debt, Annual report, etc.) are not received, even after a reasonable time, prompt action is taken by the branch to get the same.
 - xiv. To ensure that all assets hypothecated and mortgaged to the Corporation are adequately insured as per the extant guidelines of the Corporation and are in the joint names / with TIIC clause and the policies are renewed on timely basis.
 - xv. Verify whether there is any mis-utilisation of the loans and whether there are instances indicative of diversion of funds.
 - xvi. Verify whether there are any borrowal accounts (other than those reported by the branch) which are showing symptoms of sickness and can be classified as NPAs, if so, ascertain the reasons thereof and analyse the steps taken by the branch in the matter.
 - xvii. Verify whether the classifications of loan assets of the Branch have been done properly and income recognition norms have been followed up, as

- per the Corporation's guidelines and procedure/ RBI norms by the respective branch.
- xviii. Verify whether subsidy claims are as per the respective scheme and lodged timely with Govt. authorities by the Branch through Head Office.
 - xix. Verify whether claims submitted by Branch to CGTMSE are in time.
 - xx. Verify whether guarantee fee for coverage under CGTMSE are collected and deposited with Credit Guarantee Trust Fund.
 - xxi. Verify the credit ratings and submission of a certificate in writing that the ratings are found to be correct. The discrepancies, if any, should be brought to the notice of the Corporation.
 - xxii. Verify the updation of CIBIL data and report the status in the monthly audit report.
 - xxiii. Verify the details of flow of applications, time taken for appraisal of Proposals, pending applications, etc. with Project Department of the BO concerned and report the status in the monthly audit report.
 - xxiv. Verify whether assets have been verified by the BO within 30 days from the date of classification of account as NPA. Also verify whether inspection of units financed have been done by Branch Officials as per extant guidelines.
 - xxv. Verify the proposals covered under any other Special Scheme of the Government / other Agencies and ensure whether the requisite documents prescribed for the purpose have been obtained and kept on record.
 - xxvi. Whether GST has been correctly collected on various incomes like investigation fees, upfront fee, etc., at applicable rates?
 - xxvii. Whether GST has been correctly paid on various expenditures like Legal Fees, Valuation Fees, etc., at applicable rates?
 - xxviii. Whether details of GST collected / paid has been sent to H.O. every month as per the prescribed formats?
 - xxix. To verify discounting of bills / retirement of bills, on daily basis.
 - xxx. To ensure that the visits to the vendors units have been undertaken as per the extant guidelines of the Corporation. The auditor may also undertake some sample visits along with BO officials on random basis and / or on the basis of criticality of the transactions.
 - xxxi. To verify, due date-wise, Live Bills under Bill Finance Scheme.
 - xxxii. To undertake visit to purchaser companies to verify the invoices under BFS on sample basis if necessary.
 - xxxiii. Safe custody verification as per extant guidelines.
 - xxxiv. To identify and report the BFS bill pending for more than 180 days and the action taken by branch thereon.

C. Scope for Working Capital Cases

- i. To ensure that margin on current assets; Rate of Interest & Drawing Power is considered / fixed as per the terms of sanction.

- ii. To ensure that the loans have not been made operational beyond the validity period, without approval of the competent authority for extension of the validity period.
- iii. To ensure that the periodic visits to the borrower units have been undertaken as per the Scheme guidelines. The auditor may also undertake some sample visits along with BO officials on random basis and / or on the basis of criticality of the account.
- iv. To ensure that the monthly stock statement from the borrower is obtained on time and filed.
- v. To scrutinize the monthly stock statements to ensure correct valuation to match the loan outstanding.
- vi. To ensure that the inventories as mentioned in the Stock statement furnished by borrowers are correct and as per the books of borrower.
- vii. To ensure that the CA certified book debt statements from the borrowers are obtained on half-yearly basis.
- viii. To ensure that stocks are adequately insured as per the extant guidelines of the Corporation and are in the joint names / with Bank clause and the policies are renewed on timely basis.
- ix. To ensure that financial statements are obtained, wherever applicable and indicate the observations on the general business operations / profitability, etc.
- x. To ensure that stock audit is undertaken, wherever applicable and to ensure that the compliance of stock audit observations are met.
- xi. To check the correctness of interest / penal interest.
- xii. To examine the overdue accounts closely (in terms of operations in the account, Stock & Book Debt statement, Credit Summation, Cheque Bouncing, etc.).
- xiii. To ensure compliance of extant guidelines, in case of multiple current accounts and / or multiple banking arrangement.

D. Scope for Follow-up / Recovery:

1. Whether Inspection / Visit slip of the units by LAO/LAAs available for each month in the files for all doubtful cases?

2. Whether any special remarks like change in management, change in location, missing machinery etc., have been reported and acted upon by the branch in time?

3. Whether Reschedule / Relief / concession given Registers are maintained.

(a) In the case of change of management / take over whether all the conditions stipulated during the approval have been complied with.

(b) Whether documents executed within the stipulated time for the above.

(c) If not whether action has been initiated to regularize the account.

4. In the case of waiver, whether settlement has been made within stipulated period. If not whether interest for delayed period has been collected and condonation for the delay has been approved.

5. Whether details of assets available at the time of possession were clearly indicated in the possession taken register including missing assets noticed if any during possession.

6. Whether mahazar copy of has been sent to concerned promoter / collateral owner?

7. Whether criminal complaint has been lodged for missing assets, if any?

8. Whether steps have been taken for issue of advertisement for auction sale within reasonable time.

9. Whether auction sale register is maintained with full details.

10. Whether data sheets have been prepared and updated for all doubtful cases and further course of action has been initiated as suggested in the data sheets for those cases?

11. Whether details of the assets to be auctioned, details of auction, terms and conditions of auction are sent to the promoters / guarantors / collateral owners prior to auction sale.

(a) Whether the highest bidder paid the amount within stipulated period.

(b) If the bidder has remitted the bid amount beyond the stipulated period.

(c) If the bidder has not remitted the bid amount within the reasonable time whether the amount has been forfeited as per the terms and conditions.

12. Whether promoter has been informed about the bid amount credited in the loan account, valuation of the assets and balance payable.

13. If the auction is not confirmed whether 10% bid amount has been refunded before advertising for the next auction.

14. Whether suit / SFC OP was filed against the borrower for the balance dues after the assets are sold in public auction.

15. For the unit where decree has been obtained whether branch has taken steps to identify the property owned by the promoters and Execution Petition has been filed.

16. Whether suit filed cases have been reviewed periodically.

17. Whether categorization statement of LAO/LAA is maintained.

18. In the case of WCTL availed by the units whether stock statement has been obtained every month from the unit.

19. Whether slippage of loans are placed before the Branch Sanction Committee every month.

20. Whether working results of the unit are obtained and analysed every year where loan sanctioned is 1 crore and above.

21. Acknowledgement of Debt to be obtained as per extant guidelines and kept in safe custody (copy in the file).
22. Adequacy of working capital limits to be ensured.
23. Discussion with banks and reports on such visits / discussion to be kept in the file and action to be initiated on the observations, wherever required.
24. Insurance / renewal of insurance of the assets of the borrower, incorporating TIIC's interest
25. Notice regarding TIIC's charge on the assets / machinery to be verified at the borrowers premises.
26. Maintaining close and regular contact with the promoters/ directors and key personnel of the assisted units; discreet market interaction with units in similar industry, suppliers, banks, auditors etc.
27. Periodical visits to collateral securities / encroachment / modification etc. to be taken up with borrower. Independent visits, whether undertaken in respect of consortium finance/ multiple banking projects, if there is substantial delay.
28. Fresh Valuation of collateral securities, wherever considered necessary as per the guidelines.
29. Letter of assignment to empanelled valuers/ chartered engineers is issued.
30. Existing loan portfolio (including NPAs) are reviewed and wherever immovable property is available as security to the Corporation a fresh E.C. is obtained every year.
31. Regular monitoring of cases which are rescheduled/ restructured or are in stress category is done.
32. Viability of a/cs at the time of restructuring of the loan assets are ensured before restructuring.
33. Restructuring to be done looking into the cash flows of the borrower and after assessing the financial viability.
34. Proper classification of assets / accounts as per extant guidelines.
35. Adherence to guidelines in respect of NPA cases for recovery of dues.
36. Availability of limitation period in respect of all accounts in the portfolio.
37. Whether advertisement for sale of the taken over assets under SARFAESI Act, issued in prescribed format.
38. Whether re-verification of title deeds and other documents done in respect of credit exposures of Rs.5 crores and above.

39. In BFS cases Demand advices are sent to the seller for overdue bills and penal interest.

40. On delay in retirement of any bill, interest and penal interest should be demanded and reminders should be sent regularly for any amounts remaining unpaid towards bills, interest or penal interest.

41. Dishonoured cheques should be kept separately in safe custody.

42. Whether reimbursement received for a particular bill has been adjusted against the dues for the same bill?

E. Scope for Accounts:

1. Whether loan ledger sheets are maintained in good condition?
2. Whether cashier's book is written upto date and cash balance checked
3. Whether Journal Voucher register is maintained upto date?
4. Whether Bank reconciliation statements have been prepared and are upto date?
5. Whether cash / bank entries generated in computer are checked and signed by the officer and maintained in a separate file?
6. Whether principal & interest demands are correct and sent on time?
7. Whether remittance made by loanees are properly appropriated?
8. Whether term loan, transport loan postings were made upto date?
9. Whether funds are being transferred to Head Office regularly?
10. Whether vouchers have been stitched regularly? If so, it should be signed by the Officer?
11. Whether monthly General Ledger Trial Balance is extracted and checked by the Officer?
12. Whether deletion of vouchers from the system is done with proper written authentication of the Branch Manager / Assistant Manager?
13. General Ledger codes are properly assigned in respect of the various account heads?
14. Whether loan numbers, borrower number are assigned in the natural sequence and proper records are maintained for the same?
15. Whether Computers / Systems are accessed by authorised person?
16. Whether periodical / Regular data back up are maintained?

17. Whether the interest rates are correctly mentioned in the loan ledger?
18. Whether auction sale proceeds / sale of machinery / sale of collateral etc., have been properly appropriated towards principal account?
19. Whether the Tax deducted at source details are furnished correctly. Whether the amounty remitted by Head Office tallies with the Branch figure?
20. Whether the GST paid/ input credit details are furnished correctly to Head Office every month?
21. Whether the GL code wise listing for all the GL heads are taken by the branches after the end of the financial year?
22. Whether the provisioning statement prepared by the banches at the end of the year is correct?
23. Whether the Branch is forwarding the weekly back up to Systems Department at Head Office regularly ?
24. Whether the duplicate key location is available ?
25. Whether Reset clause for Interest properly carried out ?
26. Whether foreclosure register is maintained by the Branch Office?
27. Whether Cheques inward register maintained?
28. System for issue of cheques & safe custody of cheque books available.
29. Sundry / suspense monthly reconciliation
30. Day begin / Day end is on line
31. Whether the auditee office is maintaining proper records of cash transactions / series of transactions integrally connected > Rs. 10 lakh
32. Whether the auditee office is maintaining proper records of all suspicious transactions, loans & advances, bills, Records to contain details such as nature of transactions, amount of transactions, date of transaction, parties to the transactions etc.?
33. Whether the reporting requirements regarding verification of identity of clients, maintenance of records, suspicious transactions, etc. to Financial Intelligence Unit, India (FIU-IND) are followed?

F. Scope for Administration:

To check whether the following registers are maintained/updated and report on the following administration areas given below:-

1. Attendance Register
2. Late attendance Register
3. Cash Book / Bank Book
4. Postage Register
5. PL, ML Register / records of the employees / service register
6. Casual Leave Register
7. Inward Register
8. Despatch Register
9. Miscellaneous advance Register
10. T.A. Bill Register
11. Payment Register
12. Vehicle maintenance Register
13. Vehicle log book
14. Insurance records on office assets, cash holdings, cash in transit, etc.
15. Regional / Branch Manager's residence telephone bills / recovery for excess calls, etc.
16. Inspection report for Driving Licence, Insurance, RC book etc., for all the employees who avail conveyance allowance.
17. Employment Exchange Returns
18. Contract appointments
19. Whether verification of all fixed assets (dead stock items) carried out prior to closing of annual accounts.
20. Maintenance of all files, registers and other records.
21. System of keeping Old records and their easy retrieval, in case of emergency.
22. Availability of adequate communication facilities.
23. Availability and safe custody of duplicate keys of all cupboards/furniture etc.,
Safe custody Register / its maintenance, retrieval of documents.
24. Destruction of old records as per HO guidelines.
25. Insurance coverage for housing loans.
26. Reimbursement of Official entertainment expenditure
27. Stationery / Printing
28. Reimbursement to officers for newspapers / periodicals / books, etc.
29. Rent / taxes for office premises timely renewal of lease.
30. Maintenance of dead stock / AMCs / Dead stock register / inventory for misc.
items not classified as dead stock items.
31. Repairs & maintenance of office.
32. Security arrangements for office.
33. Car hire bills / travel agent bills.
34. Liveries to workmen employees.
35. Expenditure control by auditee office as per HO guidelines issued from time to time.

G. Scope for Head Office Department:

- i. Maintenance of files, registers and other records.
- ii. System of keeping old records and their easy retrieval.
- iii. Destruction of old records as per extant guidelines.
- iv. Approval of the bills on various expenditures incurred as per DoP.
- v. Adequate coverage of Insurance on various assets and its validity.
- vi. Entering into AMC for various assets as per norms.
- vii. Claiming Refinance from SIDBI by furnishing necessary details as per their requirement.
- viii. Mobilisation of Fixed Deposits is as per the extant guidelines.
- ix. Monitoring of transfer of funds from & to branches.
- x. Investment of surplus funds at H.O., if any to avoid loss of income.
- xi. Compliance of the observations of AG Audit / Statutory Audit / SIDBI Inspection without delay.
- xii. Repayment of bank loans / FDs / Bonds on due dates.
- xiii. Provisioning of NPAs as per RBI guidelines.
- xiv. Payment of Salary, bonus and other staff related payments.
- xv. Monitoring of the expenditure budget vis-a-vis actual every month.
- xvi. Filing of TDS and other returns before the due dates.
- xvii. Collection of GST data of the previous month from all BO / FO on or before the 5th of every succeeding month through e-mail for consolidation work.
- xviii. After draft return filing, Payment of GST amount on or before 20th of every succeeding month through Funds & Resources department by way of RTGS at our Indian Bank.
- xix. Reconciliation of Annual Accounts with GST returns at the end of year and filing of annual return.
- xx. Arrangement of GST audit for the year on completion of that financial year.
- xxi. Scrutinizing the Relaxation notes regarding Special / General Conditions, Relaxation of Security, Change of Supplier, Direct payments to Supplier, CIBIL score relaxation, Age relaxation, 10% overdue relaxation, etc.
- xxii. Whether undrawn balances were reviewed at the each month end.
- xxiii. Monitoring the pendency of petitions forwarded through Hon'ble CM's Cell, Amma Call centre & Govt. of India Public Grievance Portal and others.
- xxiv. Scrutinizing the OTS Proposal received from the branches.
- xxv. Monitoring of Slippage of Units.
- xxvi. Analysis of Loans Portfolio.
- xxvii. Monitoring of BFS loans, Joint Finance cases, etc., periodically.
- xxviii. Checking the correctness of Change in Management / Constitution, Reschedulement, TLSP Clearances, Upset Price fixation, Substitution of Collateral Security.
- xxix. Whether subsidy claims made with the Government is as per Government policy and claims are made in time.

- xxx. Subsidy reimbursement received from Government is properly appropriated and accounted to the respective units.
- xxxi. Wherever subsidies disbursed but recovered from the units on account of ineligibility has been surrendered to the Government.

The above areas of operations are illustrative and not exhaustive.

2.2 The CA Firm will have to submit the following reports to the

Management:

- (i) Quarterly reports as per the format prescribed by TIIC, from time to time, covering Branch's/HO Departments day-to-day operations including its core functions such as credit appraisal, pre-sanction and post-sanction supervision mainly under Term Loan, Working Capital, Bill finance and other operations, compliance to the terms and conditions of sanction, post disbursement, supervision, documentation, review/renewal of limits, bills finance, KYC norms, monitoring of business risks and compliance of Delegation of Powers etc.
- (ii) Monthly reports covering comments on adherence to regulatory, internal policy, procedure, guidelines, compliance of Delegation of Powers etc. and areas of audit viz. Flash Report as per the formats. (Enclosed in Annexure)
- (iii) Monthly reports on physical verification of assets for all the disbursement made during the month (as per format enclosed)
- (iv) Unit Inspection Report on 1 NPA unit per month (as per format enclosed)
- (v) Bi-annual report on the compliance of audit by branch.
- (vi) Any other related reports as may be required by TIIC from time to time.

Note: The CA firm / LLP / Company shall be accountable, on its part, for wrongly verifying any document or auditing disbursement notes or such other important documents, based on which the Corporation can / will take all appropriate actions against such delinquencies.

The above reports with regard to operations mentioned above relating to the respective Branch / HO Departments including area of credit dispensation and other day to day operations should be submitted in the following manner to the Branch / Regional Offices / HoDs concerned.

S. No.	Name of the Branch	To whom reports to be submitted
1	Chennai	For 24 branches Sl.No.1 to 24 : Branch Manager of the concerned Branch, Regional Manager of the Concerned Region, and HoD of Internal Audit Department at Head Office.
2	Tambaram	
3	Tiruvallur	
4	Vellore	
5	Villupuram	
6	Coimbatore	

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7	Kurichi	
8	Tirupur	
9	Erode	
10	Karur	
11	Madurai	
12	Dindigul	
13	Karaikudi	
14	Salem	
15	Dharmapuri	
16	Hosur	
17	Kallakurichi	
18	Tirunelveli	
19	Thoothukudi	
20	Nagercoil	
21	Sivakasi	
22	Trichy	
23	Thanjavur	
24	Cuddalore	
25	Head Office, Chennai	

Note: Copy of the report should be made available in soft copy and hard copy forms within one week of the audit period for which the report pertains.

A detailed checklist and other operating guidelines will be provided to the concurrent auditors. Necessary training / consultation required would be provided to them for enhancing the quality of the audit. They would be made aware of the guidelines and circulars issued subsequent to commencement of assignment and having impact on the concurrent audit, to keep them abreast of the changes in the operational and regulatory guidelines.

TIIC will prescribe structured formats for the audit reports and also stipulate the time limits for submission of the reports. The audit formats would be reviewed on annual basis. The firm / LLP / Company should strictly adhere to the format and the time limit. TIIC may prescribe different periodicity for different reports of the same branch.

Flash Report (Monthly), Audit Report (Quarterly), Physical Verification Reports (Monthly) Unit Inspection Report (Monthly) & Bi-annual Feed back report.

2.3 The selected CA firm would also be required to comply with the following requirements:

- i. The Firm / LLP/Company shall ensure that the audit firm / company or any sister / associate concern, is not conducting the statutory audit of the Corporation or any of its branches.
- ii. The firm/ company shall execute undertaking of fidelity and secrecy on its letterhead in the format prescribed by the Corporation.

- iii. The firm/ company shall ensure that the audit be carried out in a professional manner and in case of any misconduct and negligence, the Corporation at its sole discretion report the matter to ICAI/RBI/CAG as it may deem necessary.
- iv. **The firm / company shall ensure that it will not sub-contract the audit work assigned to any outside firm / company or other persons, even though such persons are qualified Chartered Accountants.**
- v. The CA firm would do the audit work themselves and would depute qualified and experienced employees and further ensure continuity of the member(s) of the audit team for smooth audit functions at BO/HO. The team of Concurrent Audit should consist of a Principal (A qualified Chartered Accountant), a Team leader (Chartered Accountant/Retired Bank/Financial Institution employee not less than the cadre of Manager with minimum 3 years experience in Bank audit) and Audit staff (semi qualified/articled clerk). The team leader & audit staff, shall visit the branch/HO on daily basis but in any case not less than 15 days in a month. The principal / partner(s) will visit the branch/HO themselves at least once in a week (ie. not less than 4 days a month) or as and when required by the Corporation. The shortfall in attendance may attract deduction in fees payable in proportion with attendance. **The team leader allotted for audit of a branch/Head office, should not be changed without the approval of TIIC and if any changes are necessary to be made by the CA firm/Company, should be done only with the prior written approval of the TIIC.**
- vi. A declaration shall be furnished by the firm that credit facilities availed by the firm or partners or firms in which they are partners or directors, including any facility availed by a third party for which the firm or its partners are guarantor/s have not turned or are existing as non-performing assets, as per the prudential norms of RBI. In case the declaration is found incorrect, the assignment would get terminated; besides, the firm being liable for any action under ICAI Rules.
- vii. Any other terms and conditions of the assignment would be decided by the Corporation, on a case-to-case basis, with the approval of CMD of TIIC and it would be binding on the CA.

2.4 Appointment of Auditors - other conditions:

- i. **As a matter of policy, TIIC shall engage the services of a CA firm/LLP/Company for carrying out Audit of one BO only or Head Office at a time.** Accordingly, in case the CA firm / LLP/Company has been already engaged by TIIC in any of its branches/HO, such CA firm / company will not be eligible for another assignment (in the same branch/HO).
- ii. After completion of specific period (continuous three years i.e. 1 year + 2 years), cooling period of one year would be observed for a firm / company to become eligible for fresh appointment in the same BO/HO. This will be

- purely at the discretion of the Corporation and no rights whatsoever accrue to the firm / company for such appointment.
- iii. The auditor should adhere to the audit coverage strictly as per the scope as may be decided by the Corporation, from time to time.
 - iv. The auditors should not undertake any other activities / assignment on behalf of the branch or HO, without obtaining the clearance from IAD, in writing.
 - v. The auditors would not give any rating or grade to the Branch.
 - vi. Necessary arrangements would be made for providing space, workstation and access to systems (viewing rights only) to the auditors for ensuring smooth conduct of the audit. This would be the responsibility of the Corporation. However, Branch In-charge / HoD, IAD will take responsibility for arrangement of the same.
 - vii. The CA firm /LLP/Companies should continue to satisfy the eligibility norm for appointment as Auditors as prescribed by the Corporation, from time to time.
 - viii. The assignment would be subject to periodical review at the discretion of the Corporation. The Corporation reserves the right to terminate the assignment for Audit at any time, without assigning any reasons whatsoever. In such an event, the CA firm/LLP/Company shall take such steps, as are necessary to bring the services to an end in a cost effective, timely and orderly manner.
 - ix. The IAD will stipulate the time limits for submission of the reports as per the prescribed format.
 - x. The audit report format would be reviewed on an annual basis by IAD. The firms should strictly adhere to the report format and the time limit. Delay in submission of reports/incomplete reports will attract deductions from remunerations/fees payable to CA firm /LLP/ Company as decided by the Corporation.
 - xi. The Concurrent Auditors shall seek any clarification / guidance from IAD for smooth conduct of the Concurrent Audit.

3 Qualification Criteria

Tenderer must read carefully the minimum conditions of eligibility (the “**Conditions of Eligibility**”) provided herein. Proposals of only those Tenderers who satisfy the Conditions of Eligibility will be considered for technical evaluation.

3.1(a) Eligibility Criteria:

Tenderer must read carefully the minimum conditions of eligibility (The Conditions of Eligibility) provided therein. Proposals of only those Tendereres who satisfy the conditions of eligibility will be considered for Technical evaluation.

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Sl. No.	Eligibility Criteria
i.	Tenderer should have Minimum 3 years of branch audit / concurrent audit experience in Financial Institutions / Public Sector Banks, mainly in the area of credit dispensation-knowledge & experience in carrying out audit works and other day to day operations (with documentary proof for the award and completion of the assignment).
ii.	Tenderer should be a Partnership firm / LLP / company of Chartered Accountants where partners / directors are CAs and should have valid registration Certificate of Practice from ICAI (proof of registration to be furnished). Note: Tenderer should have suitable Infrastructural facilities, including office set up, adequate manpower, which are specialised in the area of audit of branch operations, mainly in the area of credit dispensation and other day-to-day operations of the Corporation. Competence and qualification of key professional staff, which shall carry out the assignment in a time bound manner, Particulars about the firm / LLP / company, including details of partners/directors, their qualifications and experience to be furnished.
iii.	The tenderer should be empanelled with RBI/any of the nationalised bank and the validity in currency
iv	Tenderer should have regular set-up, either head office or full-fledged branch offices, at respective locations (locally) of TIIC Head Office / branches (which will be subject to field verification by the TIIC; if found to be false, the tender submitted by the said firm will be summarily rejected and the next CA firm in the reserve list will be considered).
V	Tenderer shall have annual turnover not less than Rs.20.00 lakhs as on 31.03.2020.

An eligible tenderer (Firm/LLP/company) can apply for Concurrent audit of one or more branches /Head office, subject to the above terms of eligibility. However, separate tender with separate EMD for each branch/head office shall be submitted.

The tenderer should submit each tender application with all the required/ relevant particulars, separately along with the tender application fees of Rs.1000/- plus GST @18% and EMD of Rs.15,000/-.

However, the tenderer (Firm/LLP/Company) shall be eligible for selection/appointment for only one branch or Head office as the case may be, which may please be noted.

3.1. (b) Restricted Eligibility /Ineligible conditions:

viii.	The following Concurrent Auditors appointed earlier by the Corporation, for the following branches shall not apply for the same branch /HO as per Corporation's norms. But they are eligible to apply for other branches/Head office, as the case may be.		
	S. No.	Branch Name/ Head Office	Name of the CA Firm
	1	Chennai	M/s. Raghunathan & Anantharaman, Chennai
	2	Tiruvallur	M/s. Khicha & Prabu Kesavan, Chennai
	3	Maraimalai Nagar	M/s. S Sonny Associates, Chennai
	4	Coimbatore	M/s. K C S Associates, Coimbatore
	5	Tirupur	M/s. S V S S & Co, Tirupur
	6	Erode	M/s. Elangovan & Co, Erode
	7	Kurichi	M/s. SIVSM & Company Coimbatore
	8	Nagercoil	M/s. Dharmalingam & Associates, Nagercoil
	9	Hosur	M/s. Venkat & Raghunathan, Hosur
	10	Head Office	M/s. Vaithisvaran & Co LLP, Chennai
viii.	The firm/LLP/company or any of its sister/associate concern wherein the present Statutory Auditor of the Corporation is associated as a partner/director shall not be eligible to apply.		

3.1.(c) : The following documents shall be furnished without fail; alongwith documentary proofs required to support their eligibility.

- a) The Tenderer should submit copy of valid PAN Card.
- b) The Tenderer should have valid GST Registration. Copy of GST Certificate to be submitted.
- c) The Tenderer should not have been black listed by TIIC or any State or Central Government or Banks/Financial Institutions in India as on date. An undertaking must be submitted in support of the same **(Annexure – VIII)**.
- d) The Tenderer or their sister concerns should not be involved in the Statutory audit of the Corporation at present.
- e) The existing Concurrent Auditors of the Corporation shall not apply for the same branch for which they are doing Concurrent Audit at present.

Only those proposals that qualify the Eligibility Criteria will be considered for the next stage of evaluation.

3.1.1 Evaluation of Technical Proposal

Evaluation of Technical Proposal

The Technical Proposal will be evaluated on the basis of Tenderer's experience. Only those Tenderers whose Technical Proposals **score more than 60 marks out of 100** shall be considered for evaluation of the Financial Proposal.

The scoring criteria to be used for evaluation shall be as follows:

S. No.	Criteria	Maximum Marks (Weightage)
1	<ul style="list-style-type: none"> • The Tenderer should be a Chartered Accountant firm / LLP / company with year of establishment • The Tenderer should have Knowledge and experience in carrying out audit works and other day to day operations. • Less than 3 years - No Marks • Years since establishment - 3 years - 10 Marks • Above 3 years (1 marks for every additional 1 year of experience) subject to a maximum of 10 marks (Additional) 	20
2	<p>The tenderer firm/Company shall have more than 3 partners / directors.(Certificate of practice) - 10 Marks</p> <p>- 3 Partners / Directors or less - 5 Marks</p>	10
3	<p>Be the Tenderer having at least 3 years of previous track record of carrying out such audits in other Financial Institutions / Public Sector Banks mainly in the area of credit dispensation and other day to day operations of the Bank / Financial Institution (with documentary proof of the award of assignment and completion certificate)- 10 Marks</p> <p>- every additional year of experience will carry 2 marks subject to maximum of 20 - 20 Marks (Additional)</p>	30
4	Whether the Tenderer is empanelled with RBI	10
5	Whether the Tenderer is registered /empanelled with CAG	10
6	Be the Tenderer having availability of suitable Infrastructural facilities including office set up, adequate manpower - minimum 3 (other than partners/directors), who are specialized in the area of audit of Branch Operations mainly in the area of credit dispensation and other day to day operations of the Corporation. Team leader should be a qualified CA/Official of retired bank/Financial Institution not less than the cadre of Manager and other Team Members (Annexure - VII).	10
7	<p>Be the Tenderer's Turnover of minimum Rs.20.00 lakhs per annum - 4 Marks.</p> <p>Additional Turnover of every Rs.5.00 lakhs - 1 mark subject to maximum of 6 marks - 6 Marks (Additional).</p>	10
	Maximum Score	100

4 Language of the Proposal

The Proposal prepared by the Tenderer as well as all correspondences and documents relating to the Proposal shall be in English language only. If the supporting documents are in a language other than English and Tamil, the notarized translated English version of the documents should also be enclosed. Proposal received without such translation copy will be summarily rejected.

5 Availability of RFP Documents

- a) RFP document can be downloaded from www.tenders.tn.gov.in/ / www.tiic.org at free of cost. For the downloaded tender document, the Tenderer should give a declaration for not having tampered the Tender document downloaded (as per Annexure IX). However application fee of Rs.1000/- plus GST shall be enclosed alongwith each RfP submitted.

6 Pre-Bid Meeting

Pre-bid meeting will be held at **11.00 AM** on 01.11.2021 in the Head Office of TIIC, MHU Complex, 692, Anna Salai, Nandanam, Chennai - 600035, during which the prospective Tenderers can get clarifications about the tender. The Tenderers shall send their queries in writing to audit_tender@tiic.org at least two days prior to the pre-bid meeting date. The Tenderers are advised to check www.tenders.tn.gov.in/ / www.tiic.org for up-to-date information like change in date / venue etc., of pre-bid meeting. Non-attending of pre-bid meeting is not a disqualification.

7 Clarification on the RfP Document

Any discrepancies, omissions, ambiguities or conflicts in the audit clarifications tender document or any doubts as to their meaning and any request for clarification may be sent in writing to “The Head of the Dept. of IA & ISO Dept., TIIC, MHU Complex, 692, Anna Salai, Nandanam, Chennai - 600035” or through e-mail to audit_tender@tiic.org The Head of Department (IA&ISO) will review the same and where information sought is not clearly indicated or specified in the tender documents, will issue a clarifying bulletin which will be uploaded on www.tenders.tn.gov.in / www.tiic.org, The Head of Department (IA&ISO) will neither make nor be responsible for any oral instructions. Request for clarification should be brought to the notice of The Head of Department, (IA&ISO) in writing, before 48 hours of the pre-bid meeting.

8 Amendment of the RfP Document

TIIC whether on its own initiative or as a result of a query, suggestion or comment of an Tenderer, may modify the tender document by issuing an addendum or a corrigendum at any time before the opening of the tender. Any such addendum or corrigendum will be uploaded on www.tenders.tn.gov.in / www.tiic.org and the

same will be binding on all Tenderers, as the case may be. Any addendum or amendment will form part and parcel of the tender document.

9 Authorization of the Tenderer

The Proposal should be signed and sealed on each page by the Tenderer or by the person who is duly authorized for the same by the Tenderer. A Power of Attorney indicating the Authorized Signatory would be required in case the signing authority is not Director/Partner on the Board of Directors/ Firm of the Tenderer.

10. Submission of the Proposal in Two Cover System

The RfP must be submitted on or before the closing date and time

- **Fax / email copies of any submission are not acceptable and will be rejected by TIIC.**
- **Copy of bids and attachments must be provided in sealed envelopes – technical bid separately - financial bid separately with proper superscription.**

The person(s) signing the Bids shall initial all pages of the RfP. The Bids shall contain no erasures or overwriting except as necessary to correct errors made by the applicant, in which case corrections shall be initialled by the person(s) signing the Bids.

If the submission does not include all the information required or is incomplete, the proposal is liable to be rejected.

All submissions, including any accompanying documents, will become the property of TIIC. Applicants shall be deemed to license, and grant all rights to TIIC to reproduce the whole or any portion of their submission for the purpose of evaluation, to disclose the contents of the submission to other respondents and to disclose and /or use the contents of the submission as the basis for any resulting RfP process, notwithstanding any copyright or other intellectual property right that may subsist in the submission or accompanying documents.

(a) Every page of the terms and conditions of the RfP document including amendment/addendum should be signed and sealed in token of having accepted the RfP conditions, failing which the proposal will be rejected summarily.

(b) Proposals should be submitted in two parts:

Part I

Form A: Fulfilment of Basic Eligibility Criteria

Form B: Technical Proposal (to contain document in support of Eligibility and Technical Evaluation) with all relevant forms as given in the Annexure-XIII interveningly grouped in Form A and Form B .

Part II

- Financial Proposal (to contain the financial quote in lumpsum)
- (c) Tenders should ensure submission of all documents along with Part-I (Form A and Form B) and Part II as per the Check list given in **Annexure -XIII**.
- (d) A soft copy of Part-I should be provided in a Compact Disc/USB Flash Drive. This is only for reference purposes and in case of discrepancies between the two, hard copy submission shall prevail.
- (e) Tenderers are requested to submit Part I (Form A and Form B) and Part II in a **two different sealed cover superscripting as Part I and Part II respectively**. These two covers namely Part I and Part II must be placed in a **separate sealed cover** superscripted as “**RfP for the Selection of (Concurrent)Auditors for Audit Operations of Branch office _____ (Name of the Branch)/Head Office of TIIC ”** addressed to “The Head of the Dept. of IA & ISO Dept., TIIC, MHU Complex, 692, Anna Salai, Nandanam, Chennai - 600035”, containing the name and address of the Tenderer. **Proposals submitted with unsealed / not properly sealed cover would summarily be rejected.**
- (f) Tenders should be dropped only in the appropriate tender box (**R1/ R2/R3/R4**) as grouped in Table 1 - Page no.8) kept at “**TIIC**, MHU Complex, 692, Anna Salai, Nandanam, Chennai - 600035” on or before **11.00 AM of 22.11.2021**”. Proposals will not be received by hand.
- (g) Alternatively, the tenders can be submitted through registered post so as to reach the above address on or before **11.00 a.m. of 22.11.2021**. Tenders received after the specified time will not be considered and TIIC will not be liable or responsible for any postal/ transit delays.
- (h) A proposal once submitted shall not be permitted to be altered or amended.

11. Earnest Money Deposit

- a) Every Proposal/tender should be accompanied by an Earnest Money Deposit (EMD) to the value of INR 15,000/- in the form of a Demand Draft only drawn on any Indian Nationalized/Scheduled Commercial Bank in favour of “The Tamilnadu Industrial Investment Corporation Limited”, payable at Chennai. The EMD in any other form will not be accepted. The Earnest Money Deposit will be returned to the unsuccessful Tenderers.
- b) The Earnest Money Deposit will be retained in the case of successful Tenderer and it will not earn any interest and will be dealt with, as provided in the terms and conditions of the tender.
- c) Any request of the Tenderer, under any circumstances claiming exemption from payment of EMD will be rejected and their price offer will not be opened.

- d) The amount remitted towards EMD is liable to be forfeited in case the Tenderer fails to execute the contract after submission of the proposal or after acceptance of the offer by TIIC or fail to sign the Agreement or to remit the Security Deposit.

12. Validity of the Proposal

The Proposal shall be valid for a period of not less than 120 days from the Proposal Due Date (the “PDD”) or for the period that may be mutually extended but not exceeding 180 days.

13 Opening and Evaluation of the Proposal

- (a) The proposals received up to **11.00 AM** as per the office clock on 22.11.2021 will be taken up for opening. Proposals received after specified date and time will not be accepted. Only the Technical Proposal (Part I) will be opened by the Chairman & Managing Director or by the Person/Committee authorized by him/her in the presence of the available Tenderers/ representatives of the Tenderers who choose to be present as scheduled below. The Technical Proposal shall be verified as to contains all the necessary forms along with the EMD. If any of the forms are found to be not confirming with the Checklist in the Annexure XIII, those bids shall not be considered for evaluation.
- (b) The Chairman & Managing Director or Person/Committee authorized by him will inform the attested and unattested corrections, before the Tenderers and sign all such corrections in the presence of the Tenderers. If any of the Tenderers or agents not present then, in such cases the Person/Committee will open the Tender of the absentee Tenderer and take out the unattested corrections and communicate it to them. The absentee Tenderer should accept the corrections without any question whatsoever.
- (c) If the date fixed for receipt of the proposal happens to be a Government holiday, the sealed tenders will be received up to 11.00 AM on the next working day .
- (d) The Technical proposal **will be evaluated by a Tender Scrutiny Committee of TIIC in terms of the qualification criteria.** The Committee shall comprise of the members as appointed by the Chairman & Managing Director of TIIC. The Committee reserves the right to disqualify any of the Tender in case the Committee is not satisfied with the documents furnished, including the past performances.
- (e) TIIC will verify the credentials/ supporting documents, etc., submitted by the tenderers with the concerned departments/ agencies/ clients before opening of Part II cover and in case if any discrepancy is found, their Tender will be rejected, and their Part-II Cover will not be opened.
- (f) Any adverse/not satisfactory remarks on the performance of previous works will entail disqualification of the tender.

- (g) The marks scored in Technical bid will be **evaluated (normalised) individually for each branch / Head office** as follows:

$$T_N = T_B / T_{max} * 100$$

T_N = Normalised technical score of the bidder under consideration

T_B = Evaluated technical score of the bidder under consideration

T_{max} = Maximum technical score of any bidder for that branch/Head office.

- (h) The Tenderers declared as qualified by the Committee, will be informed the date of opening of Part II (Price bid).

14. Price Offer

- (a) The Price bid should be kept only in the separate Part II cover only and if not done, the same will be summarily rejected.
- (b) The price bid should be prepared as per Annexure-XII.
- (c) GST should be quoted separately as per the price bid format.
- (d) The fee quoted should be inclusive of travel, boarding, lodging and other incidentals in connection with the completion of the assignment. There shall be no out of pocket expenses in addition to the fee quoted shall be borne by TIIC.
- (e) The price should be neatly and legibly written both in figures and words.
- (f) In case of discrepancy between the fee quoted in words and figures, lowest of the two shall be considered.
- (g) Part-II bid should not contain any counter offer or financial conditions. Variation in the financial terms and conditions of the tender will not be accepted and such tenderers will be summarily rejected.
- (h) The contract is initially for a period of **ONE YEAR** from the date of signing of the agreement with the renewal option of maximum additional two years with/without enhancement in remuneration in any case not exceeding 10% at the sole discretion of TIIC.

15. Evaluation of the Financial Proposal

- a) The Financial Proposal will be evaluated in accordance with Tamil Nadu Tender Act 1998 and Tender Transparency Rules 2000 as amended from time to time.
- b) The evaluation shall include State Goods & Service Tax (SGST), Central Goods & Service Tax (CGST) and Integrated Goods & Service Tax (IGST) and other applicable duties / levies.
- c) Each Financial Proposal will be assigned a normalized Financial Score (FN). For financial evaluation, the total cost indicated in the Financial Proposal, will be considered.

- d) The Authority will determine whether the Financial Proposals are complete, unqualified and unconditional. The cost indicated in the Financial Proposal shall be deemed as final and reflecting the total cost of services. Omissions, if any, in costing any item shall not entitle the Tenderer to be compensated and the liability to fulfill its obligations as per the terms within the total quoted price shall be that of the Tenderer. The lowest Financial Proposal (F_{min}) will be given a financial score (S_F) of 100 points. The financial scores of other proposals will be computed individually for each branch/head office as follows:

$$F_N = F_{min} / F_B * 100$$

Where

F_N = Normalised financial score of the bidder under consideration

F_B = Evaluated cost for the bidder under consideration

F_{min} = Minimum evaluated cost for any bidder for the BO/HO

- e) Proposals will finally be ranked according to their combined normalized technical (T_N) and normalized financial (F_N) scores as follows:

$$B = T_w * T_N + F_w * F_N$$

Whereas, B is the combined score, and T_w and F_w are weights assigned to Technical Proposal (50% weightage) and Financial Proposal (50% weightage) that shall be 0.50 and 0.50 respectively.

- f) The Selected Tenderer (R1) shall be the Tenderer having the highest combined score. The subsequent successive highest Tenderer (R2), (R3), (R4) etc. shall be kept in reserve and may be invited in its discretion for negotiations sequentially in case the first-ranked Tender withdraws or fails to comply with the requirements stated in this document.

16. Special cases

- In the event of more than one Tenderer scoring the same highest score (B) ; TIIC shall first consider the Highest Financial Score (F_N) for ranking the Tenderers.
- In the event of further tie, highest technical (T_N) score will be considered.
- In the event of still a tie, CA firm having higher number of years of concurrent audit experience will be considered successful one.

17. Award of Contract

The Selected Tenderer for Branch Office may, if necessary, be invited for negotiations. The negotiations shall be for reducing the price of the proposal on par with minimum price of similar Branch office and the selected Tenderer for Head Office, if necessary for reconfirming the Tenderer under this RfP. Issues such as understanding of the RfP, methodology and quality of the work plan shall be discussed during negotiations.

- a) The Contract will be awarded after successful negotiations, with the selected Tenderer. If negotiations fail, the TIIC will invite the Tenderer whose score is

next higher to R1 and ranked as R2 for Contract negotiations. If negotiation with R2 fails the above process will continue with R3, R4 and so on till all the technically qualified firms are covered. Upon successful completion, the TIIC will inform the other Tenderers that their proposals have not been selected.

- b) Upon finalization of Selected Tenderer, TIIC will issue the Letter of Award. The successful tenderer shall communicate his acceptance of the Letter of Award within 2 working days from the date of issue of Letter of Award.(Annexure XIV)

C) Disqualification

Any form of canvassing / lobbying / influence / query regarding shortlisting, status, etc. will lead to disqualification.

18. Period of Contract:

The selected firm/ LLP of Chartered Accountant would initially be assigned the contract for a period of **one year** initially, and extendable for further two more years (extended for one year, at a time), provided the performance is found to be satisfactory on review and on sole discretion of TIIC, with not be more than 10% /without increase in professional/audit fee. The proposed assignment would be subject to periodical review at the discretion of TIIC and is liable to be terminated at any time, if not found satisfactory, by giving a written notice of 15 days.

19. Security Deposit

- a) On receipt of the Letter of Award from TIIC, the successful Tenderer should remit a Security Deposit (SD) of **Rs.15000/- or One month professional/audit fee which ever is higher**, in the form of a Demand Draft or Bank Guarantee drawn on any Indian Nationalized/Scheduled Commercial Bank in favour of "The Tamilnadu Industrial Investment Corporation Limited", payable at Chennai within 5 (Five) working days from the date of receipt of letter of award. The holding period of the Security Deposit shall be till a period of 90 days beyond the completion of the services by the Tenderer.
- b) The EMD shall be returned to the successful Tenderer when the Tenderer furnishes the Security deposit and signs the Agreement.
- c) If the Security Deposit amount is not paid or the contract/agreement is not signed within the time stipulated, the EMD remitted by the Tenderer shall be forfeited, besides cancelling the communication of award of the Tender.
- d) Security Deposit amount remitted will not earn any interest.

20. Service Level Agreement / Agreement

The successful Tenderer should execute a Service Level Agreement (SLA) / Agreement as may be drawn up to suit the conditions on a non-judicial stamp

paper of value, as prescribed in law on the date of remittance of Security Deposit and shall pay for all stamps and legal expenses incidental thereto. In the event of failure to execute the agreement, within the time prescribed, the EMD/SD amount remitted by the Tenderer will be forfeited besides cancellation of the Tender.

21. Force Majeure

- a) The successful Tenderer shall not be liable for penalty or termination for default if and to the extent that it's delays in performance or other failure to perform its obligations under the Contract is the result of an event of Force Majeure.
- b) For purposes of this clause, "Force Majeure" means an event beyond the control of the tenderer and not involving the successful Tenderer's fault or negligence, and not foreseeable. Such events may include, but are not restricted to, acts of the TIIC in its capacity as a buyer, wars or revolutions, terrorist attacks, fires, floods, epidemics, quarantine restrictions, freight embargoes and other acts of God. The decision of TIIC shall be final in this regard.
- c) If a Force Majeure situation arises, the Tenderer shall promptly notify the TIIC in writing of such condition and the cause thereof. Unless otherwise directed by the TIIC in writing, the tenderer shall continue to perform its obligations under the Contract as far as is reasonably practical and shall seek all reasonable alternative means for performance not prevented by the Force Majeure event.

22. Deliverables

All the documents as per the deliverables should be submitted both in hard copies 3 Sets and in soft copies (in PDF) by the Concurrent Auditors as per the indicated frequency as below:

Deliverables	To be sent to	Frequency
Flash Reports	Head Office, IA Dept.	Monthly, before 7 th of every month
Unit Inspection Report	Respective Branch Manager, RA Head /RM & Head office IA Dept.	Monthly, before 7 th of every month
Physical Verification of assets Report	Respective Branch Manager, RA Head /RM & Head office IA Dept.	Monthly, before 7 th of every month.
Audit Report	Respective Branch Manager, RA Head /RM & Head office IA Dept.	Quarterly, before 10 th of succeeding month
Feed-back Report about compliance of audit by branches	Head office IA Dept.	Bi-annually, before 15 th of November/May every year.

- ◆ The Attendance Certificate duly certified by Branch Manager shall be submitted for payment of fees. Otherwise payment shall not be made.

- ◆ The audit firm shall follow time norms for completing the Audit and submitting the Audit report to Branch/Head Office (IA Dept). If there is any delay in submission of the report, 10% of the monthly audit fee will be deducted without any further reference to the Auditor.
- ◆ Over and above this, Audit Report is required to include immediate reporting of high risk issues to TIIC and the corrective action initiated by TIIC in that regard.
- ◆ Audit reports shall also include review of Action Taken Reports(ATR) and escalation of delays in action taken, if any.

23. Penalty

Monthly reports shall be submitted within 7 days from the end of month.

Quarterly reports shall be furnished 10 days of the completion of the quarter.

Bi Annual reports are to be furnished within 15 days of the completion of HY.

If the reports are not furnished within a grace period of 7 days from the end of due dates, 10% of audit fees would be deducted from the fees payable. .

24. Termination of Contract

TIIC may, at its sole discretion and at any time after giving 15 days notice can terminate the Contract and inform the CAs of TIIC's decision by written instruction to that effect. In the event of the Contract being so terminated, the firm/ LLP shall take such steps as are necessary to bring the Services to an end, (including terminating any sub-contracts placed by the firm/ LLP) in a cost effective, timely and orderly manner. This will be in addition to TIICs right to allot the contract to another tenderer at the risk and cost of the successful Tenderer.

No further correspondence will be entertained in this regard.

25. General Terms & conditions:

- It is expected that the selected firm will have necessary expertise, experience, capabilities and knowledge in the area, which shall broadly cover the areas listed below. The listing is not exhaustive and should be regarded as an outline only. The objective is to provide "best in Class" Concurrent Audit services to TIIC. Brief roles of the selected Concurrent Auditor are mentioned below:
- Conduct of Concurrent audit for TIIC covering branches/operating units as per the scope of concurrent audit decided by TIIC which is mentioned in Sl.No.2 of RfP-Broad scope of services for the concurrent auditor.
- Consolidation of audit findings over a period to identify process improvement opportunities and control gaps.
- Provide suggestions addressing process improvement opportunities and controls gaps to the Management.

- The applicant appointed as concurrent auditor shall nominate a CA or retired bank officer(Team leader) who will head the concurrent audit team as the "Designated Team Leader" duly authorised by the FCA partner of the CA firm/LLP to act on behalf of the firm. The Designated Team Leader would be required to submit his/her identity proof and address proof together with specimen signatures.
- The team leader allotted for audit of a branch/Head office, should not be changed without the approval of TIIC and if any changes are necessary to be made by the CA firm/Company, should be done only with the prior written approval of the TIIC.
- The audit team composition for Concurrent Audit and attendance requirements should be specified as under:
 - a) The designated FCA partner of the firm / LLP who shall visit the branch office at least 4 days in a month.
 - b) Chartered Accountant / Retired Bank/Financial Institution Official / Designated Team Leader who shall visit the branch preferably on all working days but for a minimum of 15 days in a month.
 - c) Chartered Accountant / Retired Bank/ Financial Institution Official / Designated Team Leader who lead the concurrent team should have the authority to sign off the disbursement notes.
 - d) Audit assistant who shall visit the branch preferably on all working days but for a minimum of 15 days in a month.
 - A declaration to be furnished by the applicant that credit facilities availed by the firm or partners or firms in which they are partners or directors including any facility availed by a third party for which the firm or its partners are guarantor/s have not turned or are existing as non-performing assets as per the prudential norms of RBI. In case the declaration is found incorrect, the assignment would get terminated besides the firm being liable for any action under ICAI / RBI guidelines.
 - The applicant must submit an undertaking that the firm / LLP does not have any professional relationship with any of the borrowers of TIIC nor will it in future accept professional relationship with any of the borrowers of TIIC during the period during which the firm / LLP acts as the concurrent auditor for TIIC.
 - On appointment, the Applicant shall execute an undertaking of fidelity and secrecy on its letterhead in the format prescribed by the Bank.
 - The concurrent auditor should adhere to the audit coverage strictly as per the scope as may be decided by the Bank from time to time.
 - The concurrent auditors should not undertake any other activities / assignment on behalf of the branch without obtaining the concurrence of the Audit & Fraud Management Vertical at Head Office, in writing.

- The concurrent auditor should immediately report Internal Audit Department (Head Office) as also to the Chief Vigilance Officer as well as Branch Managers concerned (unless the branch manager is involved), if any fraudulent transactions are detected.
- The concurrent auditor should attend Preventive Vigilance Committee (PVC) in the Corporation which discusses and deliberates on various operational and administrative aspects concerning Vigilance administration in the ROs/ BOs. The meeting of the PVC takes place at least once in a quarter in the succeeding month of every quarter at the concerned Corporate Office of the Bank.
- The concurrent auditors will co-operate with investigative body, regarding processing or execution of the consultancy contract or any matter related with discharge of contractual obligations.
- No out of pocket expenses or traveling allowance / halting allowance would be paid to the concurrent auditors for carrying out the audit. However, the service tax, education cess / GST etc. would be paid as applicable from time to time in addition to the basic fees. The payment to the concurrent auditors would be subject to deduction of tax at source at appropriate rates.
- Necessary arrangement would be made for providing space, workstation an access to systems (viewing rights only) to the concurrent auditors for ensuring smooth conduct of the audit. This would be the responsibility of the TIIC. The Branch-incharge will shoulder the responsibility of the arrangements.
- The Applicant shall ensure that the audit firm/ LLP or any sister / associate concern, is not conducting the statutory audit of the TIIC or any of its branches.
- The Applicant shall ensure that the audit be carried out in a professional manner and if any serious acts of omission or commission are noticed in their working, the appointment shall be cancelled after giving reasonable opportunity to be heard and the facts shall be reported to ACB /RBI / ICAI any other authority, for suitable action thereon by them.
- The Applicant shall ensure that it will not sub-contract the audit work assigned to any outside firm/ LLP or other persons even though such persons are qualified Chartered Accountants.
 - The concurrent auditor shall be granted **read only viewing access** to the systems at the branch office.
 - The concurrent auditors are required to plan the audit that it results in gradual shortening of the interval between a transaction and its examination by an independent person. The concurrent auditor shall perform substantive checking in key areas and emphasis should be on 'on the spot' rectification of deficiencies. The major deficiencies/aberrations noticed during audit should be immediately brought to the notice of Head Office/Controlling Office of the concerned branch/business unit of the bank.
 - The concurrent auditor shall daily go through all the vouchers and books

of the branch for the previous day and identify areas to be scrutinised in detail.

- Should maintain and keep back up papers in support of observations made.
- Any other terms and conditions of the assignment would be decided by the TIIC on a case-to-case basis.

Conflict of Interest:

Applicants must disclose in their application, details of any circumstances, including personal, financial and business activities that will, or might, give rise to a conflict of interest; this includes any sub-contractor, if they were awarded this contract. Where applicants identify any potential conflicts they should state how they intend to avoid such conflicts. TIIC reserves the right to reject any application which, in TIIC's opinion, gives rise or could potentially give rise to a conflict of interest.

Disclosures:

The applicant must disclose:

a. If they are or have been the subject of any proceedings or other arrangements relating to bankruptcy, insolvency or the financial standing of the applicant including but not limited to the appointment of any officer such as a receiver in relation to the applicant's personal or business matters or an arrangement with creditors or of any other similar proceedings.

b. If they are OR any of the applicant's staff have been convicted of, or are the subject of any proceedings, relating to:

- a criminal offence or other offence, a serious offence involving the activities of a criminal organisation or found by any regulator or professional body to have committed professional misconduct.
- corruption including the offer or receipt of any inducement of any kind in relation to obtaining any contract, with TIIC or any contracting authority.
- failure to fulfill any obligations in any jurisdiction relating to the payment of taxes or social security contributions.

Disclosure extends to any entity in the same group of the applicant (including but not limited to parent subsidiary and sister companies, and companies with common shareholders whether direct or indirect and parties with whom the applicant is associated in respect of this application / RfP).

If an applicant or related entity or any individual discloses details of any previous misconduct or complaint, TIIC will seek an explanation and background details from them. At the sole discretion of TIIC and assessment as to whether the applicant will be allowed to submit an application, decision will then be made by TIIC.

Indemnity

The successful applicant shall exercise reasonable skill, care and diligence in the

performance of the assignment and indemnify and keep TIIC indemnified in respect of any loss, damage or claim howsoever arising out of or related to breach of contract, statutory duty or negligence by the firm/ LLP or its staff, agents or sub-contractors in relation to the performance or otherwise of the Services to be provided under this Contract.

Assigning to Others

The successful applicant shall not, without the prior written consent of TIIC, assign or transfer or cause to be assigned or transferred, whether actually or as the result of take over, merger or other change of identity or character of the CAs, any of its rights or obligations under the Contract or any part, share or interest therein. Upon any such assignment or transfer, this engagement may forthwith be terminated by TIIC.

26. Other Conditions

- (a) Conditional proposal in any form will not be accepted and the such tenders will be summarily rejected.
- (b) TIIC reserves the right to relax or waive or amend any of the RFP conditions.
- (c) The right of final acceptance of the proposal is entirely vested with TIIC and reserves the right to accept or reject any or all the Tenders in part or in totality or to negotiate or to withdraw/ cancel/ modify this proposal without assigning any reason whatsoever.
- (d) After acceptance of the proposal by TIIC, the Tenderer will have no right to withdraw his proposal.
- (e) The successful Tenderer shall not directly or indirectly transfer, assign or sublet the contract or any part, share or interest therein nor shall take a new partner without written consent of TIIC provided nevertheless any such consent shall not relieve the Tenderer from any obligation, duty or responsibility under the contract.
- (f) Any notice regarding any problems, to the Tenderer shall deemed to be sufficiently served, if given in writing at his usual or last known place of business.
- (g) In the course of discussion and instruction TIIC may disclose information of confidential and proprietary nature, knowhow, to the Tenderer. Such information shall be considered as confidential and shall not be disclosed in any firm.
- (h) At any stage, even after award of contract, if information/basic eligibility criteria found by TIIC to be not fulfilled, the contract/agreement with the CA firm/Company will be terminated and the firm/company will be disqualified for 5 years.

27. Arbitration

- (a) In case of any dispute in the proposal, including interpretation if any on the clauses of the bid or the agreement to be executed, the matter shall be referred by TIIC/ Successful Tenderer to an arbitrator who shall be selected by the Tenderer from the panel of arbitrators approved by TIIC within 15 days from the date of receipt of the letter from the TIIC along with the panel of arbitrators. If there is no reply from the Tenderer within 15 days, TIIC shall choose any of the arbitrators from the panel of arbitrators referred to above. The remuneration for the arbitrator and other expenses shall be shared equally by TIIC and the Tenderer.
- (b) The venue of the Arbitration shall be at the Head office of TIIC, Chennai. The decision of the Arbitrator shall be final and binding on both the parties to the Arbitration.
- (c) The Arbitrator may with the mutual consent of the parties, extend the time for making the award. The award to be passed by the Arbitrator is enforceable in the Court at Chennai city only.

28. Jurisdiction of the Court

Any dispute arising out of the RfP / tender process, non-fulfillment of any of the terms and conditions of Agreement signed by the Successful Tenderer or any other dispute arising out of the arbitration award will be subject to the jurisdiction of the Courts in the City of Chennai only.

SIGNATURE OF THE TENDERER:

DATE:

NAME IN BLOCK LETTERS:

DESIGNATION:

ADDRESS:

ANNEXURES

ANNEXURE -I

**Technical Proposal Covering Letter for
the Branch _____ (Name of the branch) / Head office
(in the letterhead of the CA firm/Company)**

Date: _____

From

Name :

Address :

Ph :

Fax :

E-mail :

To

The Chairman & Managing Director,

The Tamilnadu Industrial Investment Corporation Limited,

MHU Complex, 692, Anna Salai, Nandanam, Chennai - 600035

Chennai-600035.

Sir,

Sub: Request for proposal for **“Selection of Concurrent Auditor for undertaking Concurrent audit on Operations of Branch _____ (Name of the branch) / Head office ”** -- Submission of Technical Proposal –Reg.

Ref: Your Tender Notice Ref Vide notice dt.

With reference to your tender notice, we submit herewith our sealed tender for the “RFP for Selection of Concurrent Auditor for undertaking Concurrent audit on Operations of Branch _____ (Name of the branch) / Head office

We enclose the following documents:

- 1) RFP Document duly signed in each page and enclosed with Technical Proposal in token of accepting the Tender conditions.
- 2) Demand Drafts in favour of “The TIIC Limited, Chennai” towards the following:

Sl No	Particulars	Amount (Rs.)
1	Tender Application Fee	1,000/- plus GST @18%
2	Earnest Money Deposit	15,000/-

- 3) Authorization letter/ Power of Attorney from the Tenderer for the person to sign the proposal.
- 4) Details of the Tenderer (as /per Annexure-II)
- 5) The copy of certificate of incorporation/registration and copy of Memorandum and Articles of Association.
- 6) Copy of Registration Certificate (Form-C), in case of Partnership Firm.
- 7) Copy of PAN allotment Certificate/ PAN CARD issued by Income Tax Department in case of Indian Company.
- 8) Copy of GST Registration certificate.
- 9) Copy of Registration with RBI/ any Nationalised Bank.
- 10) The Auditor Certified Turnover statement with Annual Report / certified copies of Balance Sheet, Profit & Loss statement for the last 3 consecutive financial years i.e. 2017-18, 2018-19 and 2019-20. Consolidated annual turnover certificate as per Annexure III
- 11) Relevant experience of the Company/Firm as per Annexure-IV(c)
- 12) Form for Technical Eligibility as per Annexure – IV (a) and IV (b)
- 13) Undertaking letter of the Tenderer (Annexure-V)
- 14) CVs of the key personnel of the CA firm as per Annexure – VI (a) and CVs of the staff deployed having audit experience as per Annexure VI(b).
- 15) Team composition and Task assigned – Annexure VII
- 16) Declaration for not having black listed either by TIIC or by any other Govt. agencies as on date (as per Annexure-VIII).
- 17) Declaration for not having tampered the RFP documents downloaded from the website www.tenders.tn.gov.in/ www.tiic.org (Annexure-IX).
- 18) Notarized translated English version of the documents in a language other than English/Tamil, if any.

Yours faithfully,

SIGNATURE OF THE TENDERER

Encl: As stated above in two separate sets

1. In Form A – sl.no.1 to 11 along with Form IV A

2. In Form B – sl.no.3 to 11 & 13 to 18 along with Form IV B

Annexure -II

Details of the Tenderer

Sl.No.	Particulars	Description/Details
A	Name of Tenderer	
B	Contact Details	
	Registered Office Address	
	Telephone No.	
	Fax	
	Email	
	Website	
C	Incorporation Details	
	Incorporation Number	
	Date of Incorporation	
	Authority	
D	Name of Authorized Signatory	
	Position	
	Telephone	
	Fax	
	Mobile	
	Email	
E	Number & Address of Offices	
	In Chennai	
	Outside Chennai	
F	Distance of audit office from the applying branch/HO of TIIC (In Km.)	

Signature of Authorised signatory

Annexure -III

ANNUAL TURN OVER CERTIFICATE

The Annual turnover of M/s..... for the past three years are given below and certified that the statement is true and correct.

Sl.No.	Year	Turnover (Rs. in lakhs)
1)	2017-2018	
2)	2018-2019	
3)	2019-2020	
	Total	

Note: Annual Turnover in each of the three consecutive financial years will be considered i.e. F.Y. 2017-18, F.Y. 2018-19 and F.Y. 2019-20.

DATE:

SIGNATURE OF THE TENDERER (Authorised Signatory)

SIGNATURE OF CHARTERED ACCOUNTANT

(With seal and Address)

Annexure -IV (a)

(PART I / FORM A)

ELIGIBILITY CRITERIA for Concurrent Audit of Branch Operations/HEAD OFFICE**A) Audit Firm / LLP / Company Details: (TENDERER)**

S. No.	Requirements	Compliance	Remarks
1	The Tenderer should be a Chartered Accountant Firm / LLP /Company with year of establishment. The Tenderer should have knowledge and experience in carrying out audit works and other day to day operations. Valid registration / Certificate of Practice from the Institute of Chartered Accountants of India for the firm/ company / LLP (furnish documentary proof).	Yes/No	
2	Whether the firm / LLP / Company is empanelled with RBI / any Nationalised Bank (furnish documentary proof) and its validity is in currency.	Yes/No	
3	Minimum three years of previous track record of carrying out such audits in other Financial Institutions / Public Sector / Private Sector Banks mainly in the area of credit dispensation and other day to day operations of the Financial Institution / bank (furnish documentary proof of the the award and completion certificate from the Bank/Financial Institution concerned).	Yes/No	
4	Regular set-up, either Head Office or full-fledged Branch Offices at respective locations (locally) of TIIC branches (furnish the details regarding branch offices, if any) subject to verification by TIIC. If found to be false, such tenderer will be summarily rejected and next tenderer in reserve will be considered.	Yes/No	

5	Be the CA Firm / Company with minimum Annual Turnover of Rs.20.00 lakhs in FY 19-20 (Audited financial statements for the FY 19-20 shall be enclosed	Yes/No	
----------	---	--------	--

Note: All the relevant details & documentary evidences are to be furnished. The above is only a format. Information may be submitted in additional sheets.

SIGNATURE OF THE TENDERER

Annexure -IV (b)**Format for CA Firm's Technical Evaluation****(PART I / FORM B)****Technical Evaluation for Concurrent Audit of Branch Operations****B) Audit Firm / LLP / Company Details: (TENDERER)**

S. No.	Requirements	Compliance	Remarks
1(a)	Name of the Chartered Accountant Firm / LLP / Company with Date of establishment	Yes/No	
(b)	Whether CA firm/LLP/Company have minimum 3 partners/directors (Furnish documentary Proof)	Yes/No	
2	Be the firm with Knowledge and experience in carrying out audit work and other day to day operations for a minimum 3 years (Furnish documentary Proof)	Yes/No	
3	Be a Partnership firm / LLP / Company of Chartered Accountants of which 2 partners or directors should be Practicing Chartered Accountants. Details of each partner / director including experience, qualification etc. and their Registration number with CA Institute (furnish a detailed list of all the partners / directors as per format given in – Annexure VI).	Yes/No	
4	Minimum three years of previous track record of carrying out such audits in other Financial Institutions / Public Sector / Private Sector Banks mainly in the area of credit dispensation and other day to day operations of the Financial Institution / bank (furnish details in Annexure IV(c) alongwith the documentary proof of the award completion certificate from the Bank/Financial Institution concerned).	Yes/No	
5	Valid registration / Certificate of Practice from the Institute of Chartered Accountants of India for the firm/ company	Yes/No	

	/ LLP (furnish documentary proof).		
6 (a)	Whether the firm / LLP / Company is empanelled with RBI / any Nationalised Bank (furnish documentary proof and its validity in currency)	Yes/No	
(b)	Whether empanelled with CAG (Furnish documentary proof)	Yes/No	
7(a)	Availability of suitable infrastructural facilities including office set up, adequate manpower-minimum 3 (other than partners/directors) who are specialized in the area of audit of Branch Operations mainly in the area of credit dispensation and other day to day operations of the Financial Institution / bank. Team Leader should be a qualified CA/retired official of Bank/Financial Institution not less than cadre of Manager and other Team Member-furnish (CV as per format given in Annexure – VI(b) and annexure VII) for Team Compositions.	Yes/No	
7(b)	The audit team shall visit branch/HO of TIIC on daily basis/in any case not less than 15 days in a month. The partner/director shall visit the branch/HO of TIIC at least once in a week / not less than 4 days in a month or as and when required by the Corporation	Yes/No	
8(a)	Regular set-up, either Head Office or full-fledged Branch Offices at respective locations (locally) of TIIC branches (furnish the details regarding branch offices, if any) subject to verification by TIIC. If found to be false, such tenderer will be summarily rejected and next tenderer in reserve will be considered.	Yes/No	
9	The firm / LLP / Company shall ensure that the audit firm / LLP / Company or any sister / associate concern is not conducting the statutory audit of TIIC (undertaking to be given).	Yes/No	
10	The firm / LLP / Company shall agree to	Yes/No	

	execute undertaking of fidelity and secrecy, Declaration of True Information, Letter of Acceptance and Declaration of Non-disqualification on its letterhead in the format (as per the enclosed Annexure XIVa, XIVb and XVI) prescribed by the Corporation, if the contract assigned. (Declaration to be enclosed)		
11	The firm / LLP / Company shall ensure that the audit be carried out in a professional manner and in case of any misconduct & negligence, the Corporation is its sole discretion report the matter to ICAI/RBI/CAG as it may deem necessary. (undertaking to be given).	Yes/No	
12	The firm / LLP / Company shall ensure that it will not sub-contract the audit work assigned to any outside firm / LLP / Company or other persons even though such persons are qualified Chartered Accountants (undertaking to be given).	Yes/No	
13	A declaration to be furnished by the firm / LLP / Company that credit facilities availed by the firm / LLP or its partners or Company or its directors or firms or LLPs or companies in which they are partners or directors including any facility availed by a third party for which the firm / LLP or its partners or company or its directors are guarantor(s) have not turned or are existing as non-performing assets as per the prudential norms of RBI. In case the declaration is found incorrect, the assignment would get terminated besides the firm being liable for any action under ICAI / RBI guidelines (undertaking to be given).	Yes/No	
14	The firm / LLP / Company must submit a undertaking that the firm / LLP / Company does not have any professional relationship with any of the borrowers of TIIC nor will it in future accept professional relationship with any of the borrowers of TIIC during the period during which the firm / LLP / company acts as	Yes/No	

	the concurrent auditor for TIIC (undertaking to be given).		
15	Be the CA Firm / Company with minimum Turnover of Rs.20.00 lakhs in FY 19-20 (Audited financial statements for the FY 19-20 shall be enclosed- Annexure III)	Yes/No	

Note: All the relevant details & documentary evidences are to be furnished. The above is only a format. Information may be submitted in additional sheets.

Necessary undertakings called for the above at 9,10,11,12,13 & 14 shall be given in the letter head of the CA firms/LLP/Company either individually or combined together as per Annexure-V, shall be enclosed.

SIGNATURE OF THE TENDERER

Annexure - IV (C)

**Format for Firm's Relevant Experience for
Technical Evaluation**

(PART 1 - Annexure to Form B)

**C) Details of Audit of Branch Operations mainly in the area of
credit dispensation done in banks / FIs**

1. Details of Statutory /Branch audits of various banks' branches /
Financial Institutions##

S. No.	Name of the Bank / Financial Institution	Branch	Year of Audit / Period (From - To) [Data required Since establishment of your firm]

2. Details of Concurrent Audits of various banks' branches /
Financial Institutions ##

S. No.	Name of the Bank / Financial Institution	Branch	Year of Audit / Period (From - To) [Data required Since establishment of your firm]

**## Documentary evidences duly signed by Authorised Signatory of the
tenderer shall be enclosed without fail.**

UNDERTAKING

(To be furnished in the letter head of CA firm/LLP/Co.)

I/We, on behalf of the firm/LLP/Company, further declare and undertake the following:

- a)** None of our partners / directors / shareholders is an officer / employee of your Corporation.

- b)** Our Firm / LLP / Company and our partners / directors / shareholders are not otherwise disqualified to accept the audit in terms of Section 141 of the Companies Act, 2013.

- c)** We also confirm that we are full time practising Chartered Accountants/ and are Partners /Directors of the applicant firm/Company and are not employed elsewhere.

- d)** The firm / LLP / Company or any sister / associate concern is not conducting/ the statutory audit of TIIC at present.

- e)** The firm / LLP / Company undertakes to carry out the audit in a professional manner and in case of any misconduct & negligence, the Corporation is its sole discretion report the matter to ICAI/RBI/CAG as it may deem necessary.

- f)** The firm / LLP / Company undertakes that it will not sub-contract the audit work assigned to any outside firm / LLP / Company or other persons even though such persons are qualified Chartered Accountants

- g)** The firm / LLP / Company undertakes that credit facilities availed by the firm / LLP or its partners or Company or its directors or firms or LLPs or companies in which we are partners or directors including any facility availed by a third party for which the firm / LLP or its partners or company or its directors are guarantor(s) have not turned or are existing as non-performing assets as per the prudential norms of RBI. In case the declaration is found incorrect, the assignment would get terminated besides the firm being liable for any action under ICAI / RBI guidelines.

- h)** The firm / LLP / Company undertakes that the firm / LLP / Company does not have any professional relationship with any of the borrowers of TIIC nor will it in future accept professional relationship with any of the borrowers of TIIC during the period during which the firm / LLP / company acts as the concurrent auditor for TIIC.

- i)** We also confirm that we will not give any room for disqualification during the course of audit for any of the reasons mentioned above.

j) We hereby confirm that we fully satisfy the eligibility criteria prescribed by TIIC by applying for audit of operations of Branch Offices/Head Office of TIIC and if found ineligible at any point of time, our contract will be cancelled and security deposit will be forfeited.

SIGNATURE OF THE TENDERER
(Partner of Firm/LLP/ Director of Company)

Annexure -VI (A)

Curriculum Vitae for Key Personnel

Curriculum Vitae for proposed Professional Staff (Partners)

Sl. No	Details	
1	Proposed Position [only one candidate shall be nominated for each position Expert]	
2	Name of Partner / Director [Insert full name]	
3	Date of Birth	
4	Nationality	
5	Education[Indicate college/university and other specialized education of staff member, giving names of institutions, degrees obtained and dates of obtainment]	
6	Total No. of years of experience	
7	Total No. of years with the firm	
8	Areas of expertise and no. of years of experience in this area (as required for the Profile - mandatory)	
9	Certifications and Trainings attended	
10	Details of Involvement in Projects (only if involved in the same):	
11	Membership of Professional Associations	
12	Employment Record [Starting with present position list in reverse order, giving for each employment (see format here below): dates of employment, name of employing organization, positions held]	
	From :	To:
	Employer :	
	Position(s) Held :	
13	Pan No.	
14	Aadhar No.	
15	Work Undertaken That Best Illustrates Capability to Handle the Tasks Assigned	
	Name of the Assignment :	

RFP for (Concurrent) audit of Operations of TIIC Branch / Head Office

	Year :	
	Location :	
	Main Project Features :	
	Positions Held :	
	Activities Performed :	

I, the undersigned, certify that to the best of my knowledge and belief, this CV correctly describes me, my qualifications, and my experience. I understand that any willful misstatement described herein may lead to my disqualification or dismissal, from the assignment if engaged.

_____ Date: _____

[Signature of staff member or authorized representative of the staff]Day/Month/Year

Annexure VI (B)

Curriculum Vitae for Employees/Audit staff

Curriculum Vitae for Team Leader

Sl. No	Details	
1.	Proposed Position [only one candidate shall be nominated for each position (Team Leader)	
2.	Name of Staff [Insert full name]	
3.	Date of Birth	
4.	Nationality	
5.	PAN No	
6.	Aadhar No	
5.	Education[Indicate college/university and other specialized education of staff member, giving names of institutions, degrees obtained and dates of obtainment]	
6.	Total No. of years of experience	
7.	Total No. of years with the firm	
8.	Areas of expertise and no. of years of experience in this area (as required for the Profile - mandatory)	
9.	Certifications and Trainings attended	
10.	Previous audit experience in Firm/Banks/FIs (Name / Period)	
11.	For retired bank /FI official, details of experience in the cadre of Manager and above	

I, the undersigned, certify that to the best of my knowledge and belief, this CV correctly describes me, my qualifications, and my experience. I understand that any willful misstatement described herein may lead to my disqualification or dismissal, from the assignment if engaged.

_____ Date:_____

[Signature of staff member]Day/Month/Year

Annexure VII

TEAM COMPOSITION AND TASK ASSIGNED

Resource Category	Name of Staff	Qualification & experience	Area of Expertise	Tasks proposed to be Assigned as part of the assignment
Team Leader				
Team Member				

SIGNATURE OF THE TENDERER

Annexure -VIII

CERTIFICATE

Date: _____

Certified that M/s...../ the firm /company or its partners / shareholders have not been black listed so far by TIIC or any State or Central Government of India /Bank /Financial Institution in India as on date.

SIGNATURE OF THE TENDERER

(with seal and address)

Annexure IX

Declaration Form (A)

Date: _____

a) I/We having our office at do declare that I/We have carefully read all the conditions of tender made available to us by TIIC, for the tenders floated vide tender ref.no._____ for the “Selection of Concurrent Auditor for undertaking Concurrent audit cum internal audit on Operations of branches of TIIC/Head office”.

b) I/We have downloaded the tender document from the internet site www.tenders.tn.gov.in / www.tiic.org and I / We have not tampered / modified the tender document in any manner. In case, if the same is found to be tampered / modified, I/ We understand that my/our tender will be summarily rejected, and full Earnest Money Deposit will be forfeited and I /We am/are liable to be banned from doing business with TIIC or prosecuted.

**SIGNATURE OF THE
TENDERER**

(WITH SEAL AND ADDRESS)

Annexure X

TENDERER'S REQUEST FOR CLARIFICATION			
Name and Address of the Organization submitting Request		Name and Position of Person submitting request	Contact Details of the Organization / Authorized Representative
			Tel: _____
			Fax: _____
			Email:<email id
Sl. No.	Reference(s) (Section, Page)	Content of Tender requiring Clarification	Points of clarification required
1			
2			
3			

**SIGNATURE OF THE TENDERER
(WITH SEAL AND ADDRESS)**

Annexure **XI** – **Financial Proposal**

FINANCIAL PROPOSAL (PART II)

**Financial Proposal Covering Letter for
the Branch _____ (Name of the branch) / Head office**

From,

Name :

Address :

Ph :

Fax :

E-mail :

To,

The Chairman & Managing Director,

The Tamilnadu Industrial Investment Corporation Limited,

MHU Complex, 692, Anna Salai, Nandanam, Chennai - 600035

Chennai-600035.

Sir,

Sub: Request For Proposal for “**Selection of Concurrent Auditor for undertaking Concurrent audit on Operations of Branch _____ (Name of the Branch)/Head office of TIIC-** Submission of Financial Proposal – Price Offer-Reg.

Ref:- Our Technical Proposal submitted for the above mentioned tender.

In continuation of our above Technical Proposal, we submit herewith the Financial Proposal for Request for Proposal for “**Selection of Concurrent Auditor for undertaking Concurrent audit on Operations of branch _____ (Name of the Branch)/ Head office of TIIC** as specified in this RFP document. We agree to abide by the terms and conditions stipulated by TIIC and also agree to complete the entire contract, at the fees quoted by us. The fee quoted and approved by TIIC in this proposal will hold good as per RFP conditions.

Yours faithfully,

SIGNATURE OF THE TENDERER

Annexure XII - Price Bid (Lumpsum)

Name of Work : Request for proposal for Concurrent Audit of Operations of TIIC branch office/ Head office

Financial Proposal (PART II)

Name of the Branch / Head Office: -----

Description	Total fees (INR) Per month	GST	Total (inclusive of all taxes in INR) For 12 months.
Lumpsum fees for undertaking (Concurrent) Audit of Operations of TIIC's branch Offices/Head office and furnishing connected reports as required by TIIC. Note: Lump sum fee for providing services including out of pocket expenses and all other expenses.			

(Amount in Words Rupees
.....
.....)

Yours faithfully,

Signature of the Tenderer.

Annexure XIII**Checklist of Documents****Documents to be enclosed in Part-I:**

Sl. No.	Checklist	Enclosed (Yes/No)	Reference in the Bid (Page No.)									
1.	A covering letter on letter head of Tenderer addressed to The Chairman & Managing Director, TIIC (As per Annexure-I)											
2.	RfP document duly signed in each page and enclosed in token of accepting the RfP conditions.											
3.	Demand Drafts in favour of "The TIIC Limited, Chennai" towards the following: <table border="1" data-bbox="300 981 880 1245"> <thead> <tr> <th>Sl No</th> <th>Particulars</th> <th>Amount (Rs.)</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Tender Application Fee</td> <td>1,000/- plus GST @18%</td> </tr> <tr> <td>2</td> <td>Earnest Money Deposit</td> <td>15,000/-</td> </tr> </tbody> </table>	Sl No	Particulars	Amount (Rs.)	1	Tender Application Fee	1,000/- plus GST @18%	2	Earnest Money Deposit	15,000/-		
Sl No	Particulars	Amount (Rs.)										
1	Tender Application Fee	1,000/- plus GST @18%										
2	Earnest Money Deposit	15,000/-										
4.	Authorization letter/ Power of Attorney from the Tenderer for the person to sign the proposal.											
5.	Details of the Tenderer (as per Annexure-II)											
6.	The copy of certificate of incorporation/ registration.											
7.	Copy of Registrar Certificate in case of Partnership Firm.											
8.	Copy of PAN allotment Certificate/ PAN CARD issued by Income Tax Department in case of Indian Company											
9.	Copy of GST Registration certificate.											
10	Copy of Registration with RBI/ any Nationalised Bank.											

RFP for (Concurrent) audit of Operations of TIIC Branch / Head Office

11	a) The Auditor certified Turnover statement along with Annual Report / certified copies of Balance Sheet, Profit & Loss statement for the last 3 consecutive financial years i.e. 2017-18, 2018-19 and 2019-20. b) Consolidated annual Turnover certificate (Annexure-III)		
12	Relevant experience of the Company/Firm as per Annexure IV (C)		
13	Form for Technical Eligibility as per Annexure IV (a) Form A & IV (b)Form B		
14	a) CVs of key personnel / professional staff (Minimum 2 practising CAs) – Annexure VI(a). b) CVs of the Team leader to be deployed (CA/Retired Bank Employee not less than the rank of Manager) – Annexure VI(b) c) Team composition and task assigned(Annexure VII)		
15	Declaration for not having black listed either by TIIC or by any other govt. agencies as on date (as per Annexure-VIII).		
16	Declaration for not having tampered the Tender documents downloaded from the website www.tenders.tn.gov.in/ www.tiic.org (as per Annexure-IX).		
17	Notarized translated English version of the documents in a language other than English/Tamil, if any.		

Documents to be enclosed in Part-II

Sl. No.	Checklist	Enclosed (Yes/No)
1.	A covering letter on the letter head addressed to The Chairman & Managing Director, TIIC(as per Annexure-XI)	
2.	Price Bid as per Annexure-XII of the Tender document	

Sl. No.	Checklist	Enclosed (Yes/No)
3.	Declaration as per format given above - (XIV(a))	
4.	Declaration of fidelity and secrecy - (XIV(b))	
5.	Proforma letter of Acceptance - (XV)	
6.	Letter of confirmation regarding non disqualification of audit firm/LLP/Company -- (XVI)	
7.	Do's and Don'ts for Concurrent Auditors - XVII	

Note: Tenders submitted in unsealed cover would summarily be rejected.

SIGNATURE OF THE TENDERER

ANNEXURE – XIV (A)

Declaration

We have reviewed all the terms and conditions of the Tender document and would undertake to abide by all the terms and conditions contained therein.

We hereby declare that the information submitted above is complete in all respects and true to the best of our knowledge. We understand that in case any discrepancy or inconsistency or incompleteness is found in the information submitted by us, our proposal / tender is liable to be rejected.

I / We hereby declare that there are, and shall be, no deviations from the stated terms in the Tender / RfP Document.

Signature of Tenderer with Company seal.

Note:

1. The rate shall be quoted as per the above format. Taxes should be indicated separately.
2. The rates shall be quoted in figure and words.
3. Conditional tenders will not be accepted, and value once fixed shall be valid for the entire period of the contract.
4. In case of discrepancy in the bid quoted between figures and words, the lowest will prevail.

Annexure XIV(b)

DECLARATION OF FIDELITY AND SECRECY

(on the letter head of CA firm)

I, Managing partner/Director of _____, Chartered Accountants firm / LLP / company (firm name) duly authorised by the firm / LLP / company (hereinafter referred to as “firm”) on behalf of the firm, hereby declare that the firm will faithfully, truly and to the best of our skill and ability execute the duties required of the firm as Concurrent Auditor of The Tamilnadu Industrial Investment Corporation Limited (TIIC) and which properly relates to task entrusted to the firm by TIIC of conducting of concurrent Audit of _____, the Branch/HO of TIIC.

I, on behalf of the firm, also undertake and declare that the assignment of conducting Audit entrusted to the firm will be done only by appropriately professionally qualified auditors employed by our firm and under any circumstances, the firm shall not, except with the express written consent of TIIC entrust the work to any other audit firm(s) on contract or on any other basis.

I, on behalf of the firm, further declare and undertake, that the firm will not, except under legal compulsion or as a statutory obligation (under due information to TIIC), either during or after completion of any transaction, project or assignment entrusted to the firm, disclose to any person not legally entitled thereto, any information relating to the affairs of TIIC or any information disclosed / furnished by TIIC in connection with the assignment or the information collected / obtained during the course of the assignment as Concurrent Auditor of TIIC which shall include any copy, abstract, sample, note, information/data held on systems or module thereof (confidential information). I, on behalf of the firm, further undertake that our obligations respecting disclosure and confidentiality shall continue to be binding even after the completion of the assignment.

I, on behalf of the firm, also declare and undertake that the firm shall not commercially use or disclose any Confidential Information or any materials derived there from to any other person or entity other than persons in the direct employment who have a need to have access to and knowledge of the Confidential Information solely for the Purpose authorized above. The firm shall take appropriate measures prior to

disclosure to such employees to assure against unauthorized use or disclosure.

I, on behalf of the firm, further undertake to disclose to TIIC in case, the firm happens to be the auditors to the concerned borrower unit/ associate concern, whose concurrent transaction/case is to be audited by the firm on behalf of TIIC.

Signature & Seal
Registration No. of ICAI

Place:

Date:

Annexure XV

**(Proforma Letter of acceptance to
be obtained on firm's Letter head)**

Date: __/__/____

To

The Head of the Dept. of IA & ISO Dept.,
The Tamilnadu Industrial Investment Corporation Ltd,
No. 692, Anna Salai, Nandanam,
Chennai – 600 035.

Dear Sir,

Sub: Concurrent Audit on Operations of _____
Branch/Head Office.

With reference to your letter No. TIIC/HO/IA/2021-22 dated __.__.____
on the subject matter, we do hereby convey our acceptance to undertake
Concurrent audit of your above mentioned branch / HO Departments on
the terms and conditions mentioned therein.

As desired by you, we send herewith the **Declaration of Fidelity and
Secrecy and Declaration regarding non-disqualification** etc., in the
enclosed proforma.

Yours faithfully,

(Chartered Accountants)
Name of Signatory &
Rubber Stamp of Firm

Encl: as above.

Annexure XVI

Letter of confirmation regarding
Non-disqualification of Audit firm / LLP / Company
(to be submitted on letter head)

To

The Head of the Dept. of IA & ISO Dept.,
The Tamilnadu Industrial Investment Corporation Ltd,
No. 692, Anna Salai, Nandanam,
Chennai – 600 035.

Dear Sir,

Sub: Concurrent Audit of your _____ Branch / HO – reg.

With reference to your letter No. TIIC/HO/IA/2021-22 dated __.__.____ we confirm the following regarding our eligibility/qualification for appointment as Concurrent Auditors:-

- i) None of our partners / directors / shareholders is an officer / employee of your Corporation.
- ii) None of our partners or Associates firms or sister concern or Branch office, is presently assigned with Statutory Audit of your Corporation.
- iii) Our Firm / LLP / Company and our partners / directors / shareholders are not otherwise disqualified to accept the audit in terms of Section 141 of the Companies Act, 2013.
- iv) We also confirm that we are full time practising Chartered Accountants and are not employed elsewhere.
- v) We undertake not to subcontract the audit work assigned to us to any other third party or person / firm / LLP / company.
- vi) We do/will not have any professional or commercial relationship with the borrowers of the branch/HO Departments which we are auditing.
- vii) We also confirm that we will not give room for disqualification during the course of audit for any of the reasons mentioned above.

Yours faithfully,

Name of Signatory & Rubber Stamp of Firm

Annexure XVII

DO'S AND DON'TS FOR CONCURRENT AUDITORS

Do's

The Concurrent Auditors should

1. Pre-inspection study of the branch / Head Office by going through the related reports and pre requisites documents.
2. Prepare proper audit plan based on 1 above.
3. To maintain utmost secrecy with regard to inspection program and its findings.
4. Auditors to display team spirit and avoid misunderstandings / arguments in the presence of auditees.
5. Inspection of the branch / Head office departments has to be commenced before commencement of business hours to verify the physical cash, security arrangement etc.
6. To act in a normal friendly fashion and help to improve normal working of the branch / head office.
7. Discuss his/her findings with branch / HO department officials on daily basis and try to rectify the defects then and there itself.
8. Give auditees a chance to express their opinion while discussing the issues. Getting proper explanation in a co-operative atmosphere will save precious time.
9. In case of difference of opinion with auditee, the auditor should first discuss with the leader of his/her team. Further discussion with Regional Manager of concerned branch / HoD of concerned department, if required, may be made. Besides, discussion if required with the HoD, Internal Audit Department, Head Office can also be made for guidance / instruction.
10. If the inspecting officer comes across any information which causes him/her to suspect any element of fraud, gross negligence, gross

incompetence or similar unfavorable actions or tendencies, he/she should report the matter immediately.

11. The members of the team should keep continuous dialogue with the leader of the team on important findings and be guided by his advice.
12. Auditor should maintain a neat appearance and a courteous manner.

Don'ts

1. Auditor need not act overly reserved or unfriendly in order to maintain his/her independence as an inspecting officer. A forbidding attitude on his/her part may well cause others to adopt the same attitude towards him/her. This can adversely affect the work entrusted to the inspecting officer.
2. Auditor should not get involved in heated argument with the auditee office/officials.
3. Auditor should not give orders to auditee and seek requirements from the officer assigned to assist him on a particular job. The concerned officer would issue the necessary orders to their staffs if he/she accepts auditor's suggestions and recommendations.
4. Auditor should not delay the submission of audit report.
5. Auditor should not discuss sensitive matters of the auditee with others.

Annexure XVIII

Date :

FLASH REPORT

Name of the CA		Type of Audit	
Name of Branch		Period of Audit	
		Audit conducted during	

The major observations indicated in the Audit Report dated _____ are given below:

1)	Frauds / Serious Lapses	
	a)	
	b)	
	c)	
2)	Revenue Leakages	
	a)	
	b)	
	c)	
3)	Deviations in DoP	
	a)	
	b)	
	c)	
4)	Any other major observations	

Signature of Concurrent Auditor.

Annexure XVIX

UNIT INSPECTION REPORT

1.	Name of the Branch	
2.	Name of the Audit Official	Thiru.
3.	Date of Inspection	
4.	Name of the Unit	
5.	Location: Factory:	
	Office:	
6.	Type of the Unit (or nature of Business)	
7.	Name of the Proprietor	
8.	Category/Asset Classification of the unit	
9.	Information on working results As ascertained from the unit	(Rs.in lakhs)
A	i) Monthly Turnover	
	ii) Monthly Expenses	
	iii) Surplus / Net Profit	
B	Previous year working results (if available)	31/03/ (Rs. in lakhs)
	Working Results	
	Turnover	
	Net Profit	
	Cash Profit	
	Liabilities:	
	Capital	
	Reserves & Surplus	
	Secured Loans – TIIC - Bank - Others	
10.	Details of Insurance cover and Its adequacy	Insurance valid up to / / for Rs. lakhs.

11. Details of Loan Account Position: As on / /
(Rs. in lakhs)

A/C No.	Date of Sanction	Amount Sanctioned	Amt. Disbursed	Pl. O/s	OVERDUES		
					Prl.	Int.	Others

12. Details of Working Capital Facilities enjoyed

A.	Name and Address of the Bank	
B.	Facility enjoyed	
C.	Whether they are regular in Meeting the commitment of the Banker	
D.	Asset Category in Bank	
13.	Is the unit working on Single/Two/Three shifts	
14.	Whether all the assets Funded are available	
15.	Sales during last 3 months	Rs. lakhs
16.	Power consumed in Last 3 months	
17.	Number of workers on Rolls	Admn. Nos Skilled labours Nos Unskilled Nos

18. The Inspection Official shall furnish the details such as:-

		Installed Capacity (Rs. in lakhs)	Actuals (Rs. in lakhs)
a)	Present utilization capacity		
b)	If it is below the capacity assumed at the time of sanction reason be indicated for the same		
c)	Whether project is implemented as envisaged in the scheme		

d)	Is the unit attempting any expansion	
----	--------------------------------------	--

19. In case of overdues, reason or problem in servicing the loan :
- i) Diversion of funds }
 - ii) Lack of Orders }
 - iii) Dispute between promoters }
 - iv) Any other reasons }

20. Any other remarks by the Audit Officials/
Overall observation in brief :

CONCURRENT AUDITOR

ANNEXURE - XX

Audit report for the period(from _____ to _____)

Assets Verification for which disbursement made from _____ to _____ -

Branch :

Physical verification by: _____ (name and Designation of auditor)

S. No	Name of the unit	Type of loan	Date/ Amount sanctioned	Disbursement note		Date of Disbmt	Amt disb d	Cumulative disbd	Details of assets	Date of inspection	Availability of assets		Remarks
				No	Date						Yes/no		

CONCURRENT AUDITOR

ANNEXURE - XXI

AUDIT REPORT FORMAT -- (BRANCH)

Confidential

Brief on Audit :

1	Name of the Branch / Region	
2	Name and Designation of Branch In-charge	
3	Audit for the period of	
4	Audit team members	
5	Audit Duration	

INTRODUCTION

(i) **Staff position of the BO as on _____ (at the end of audit period)**
(including temporary staff)

S.no	Name of staff	Designation	Work allotted

(ii) **Branch Performance**

		Rs. in lakhs					
		Previous audit period ended on()			Current audit period ended on()		
		Annual Target	Actual	%	Annual Target	Actual	%
Sanction	TL						

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BFS						
Disbursement TL						
BFS						
Recovery – Principal						
- Interest						
-Written off principal						

(iii) Asset portfolio

Rs in lakhs

S.no	Asset type	Opening as on _____ (beginning of audit period)		Closing as at the end of _____ (Audit period)	
		No of units	Amount O/s	No of units	Amount O/s
1	STD				
	SMA 0				
	SMA 1				
	SMA 2				
2	S.STD				
3	D I				
4	D II				
5	D III				
6	LOSS				
7	W.OFF				
	TOTAL				

**(iv) Fresh NPA Slippage during audit period(Standard to Sub Standard):
(individual case wise)**

Rs in lakhs

S.no	Name of the unit	Principal O/s	Overdues			Action taken by B.Office	Audit observations
			Pri	Int	Other dues		

- (v) The Audit of _____(Name of auditee office) was conducted by ____ (Name of Auditor) comprising Shri/Smt. _____(names and designations of members of Auditor) during the period from _____to_____, as per the audit schedule
- (vi) All audit observations of Part A and Part B were discussed by the Audit officials on _____(date of holding concluding discussion) in detail with Shri_____, (name and designation of In-charge) of _____(name of auditee office / HO Department), in the presence of _____,(other officials with names and designations who were present during discussions). The BO / FO In- charge agreed with all/ all (except those enumerated in the appendix) audit observations and assured compliance thereof in a time bound manner. The views and comments of BO officials on major audit observations, wherever required, have been suitably incorporated in such observations. **The audit report in Part A and Part B is appended.**
- (vii) Further, **the uncomplied audit observations** of the previous period (s) (if any) along with latest compliance furnished by the auditee office were also discussed with the in-charge of the auditee office whose comments on / reasons for not furnishing full compliance of these pending audit observations are given in **below**

Period of audit	Pending query	Present stage	Reason for pending as per auditee statement	Auditors remark

Auditor may please note the following for (c) above :

- All pending audit observations [audit period wise] may be listed as per format with the status of latest compliance obtained from the auditee office and further course of action proposed / suggested by the Auditor concerned.
- Further, these pending observations may specifically be discussed with in-charge of the auditee office for early compliance

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- *The difficulties / practical problems being faced by the auditee office in furnishing full and satisfactory compliance may also be briefly mentioned by auditor in the report.*

(viii) Observations complied during the course of the audit :

Audit observations corrected / complied with by the auditee office during the course of current audit are given below.

Area of audit (Subject name and S.No)	Audit observations	Correction/compliance carried out	Auditors remark

[It is reiterated that audit team should endeavour to get maximum number of audit observations rectified / complied during course of the audit itself].

Branch Office's responsibility:

- (1) Branch Office to initiate rectification process immediately and submit the initial compliance report within 7 days to respective IAD Office.
- (2) The copy of this report duly signed to be kept with In-charge of the BO for future references, treated as confidential, to be used for the intended purpose only and the circulation of the report should be limited to the recipients of the report.

Signature of Auditors	Signature Of Auditee Office (Name/s, Grade & Signature)
(Auditor)	(Branch In-charge)

Place:

Date:

Enclosures:

Part A, Part B

Appendix I , Appendix II, Appendix III

Others (if any)

Part A

1. Sanction

1.1.a) Sanctions during audit period from _____ to _____

Rs in lakhs

Sl. No.	Name of the unit	Date of Sanction	Assistance sanctioned (Rs.lakh)	Scheme	Sanction Authority	Availability of minutes Yes/No	Terms and conditions issued on	Present status Documented/ Disbursed /lapsed	KYC compliance Yes/no/partly

1.1.b) Observations - individual case wise

Sl. No.	Name of the unit	Audit observations	Branch office Reply

Note: Auditor may include comments on a) The master data updation for sanction cases in the applicable software are carried out and verified for it's correctness

(In case, there are no shortcomings in the areas under 1.1 (a) and (b), the following paragraph may be added in the report).

"Appraisal Note and other papers pertaining to sanction of financial assistance in the above cases have been perused by the audit team and found to be generally in order as per the Corporation's credit policy and guidelines / instructions and other circulars issued by HO from time to time."

➤ **If there is no deviation, please mention that "No specific deficiency/shortcoming has been observed".**

1.2.a) Closure / Rejection of Cases [under all scheme of assistance]

Details regarding loan proposals, which were rejected / closed by the BO/FO during the audit period along with reasons therefor in brief are given below.

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Sl. No.	Name of the unit	Nature of activity	Date of receipt of proposal	Loan applied (Rs. lakh)	Scheme	Proposal Rejected(R)/ Temp. Closed (TC)	Rejecting Authority	Date of Rejection	Date of advising the party	Reasons for Rejection

1.2.b) Audit observations, if any individual case wise

Sl. No.	Name of the unit	Audit observations	Branch office Reply

1.3.a) Reporting of relaxations

Details of relaxations in the areas of sanction/Disbursement during audit period

S.No	Name of the unit	Brief Detail of relaxation	Approved by	Whether informed to the concerned sanctioning authority

Note: If for relaxations during previous audit periods, informed to sanction authority during current audit, the same may also be indicated above

1.3.b. Individual case wise observations by audit

(where relaxation made are yet to be informed)

Sl. No.	Name of the unit	Audit observations	Branch office Reply

2. Loan Documentation / Security Creation during audit period

Security was created in respect of the following units at BO during the audit period from _____ to _____.

2.1 a) Documentation abstract

Details of cases documented/Final security created during the period of audit

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Sl. No.	Name of the unit	Date of Sanction	Assistance sanctioned (Rs.in lakh)	Date of Issue of T & C	Date of Documentation	Final Security Creation Date		
						Dt of RM/EM	ROC	CERSAI

2.1.b) Observations –individual case wise

(cases where the time gap is more than 3 months between the date of issue of sanction letter to date of documentation / between date of documentation to final security creation)

Sl. No.	Name of the unit	Audit observations	Branch office Reply

3. Issues relating to disbursement

Disbursements were made in respect of the following units at BO during the audit period from _____ to _____.

3.1.a) Disbursement during audit period

(First and subsequent disbursements also)

Sl. No.	Name of the unit	Date of Sanction	Assistance sanctioned (Rs.lakh)	Final Security Creation Date	Date of Disb.	First (F)/Subsequent (S) disbursement	Disbursement Amount (Rs.lakh)	Comment on availability of assets yes/no (as per physical verification report of Auditor)

Important Note: Physical verification reports by Auditor on assets including cases where advance payment was made as per TIIC norms in the previous months should be enclosed (as per the prescribed format(XIV-a))- enclosed as Appendix I

3.1.b) Audit observations –individual case wise

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Sl. No.	Name of the unit	Audit observations	Branch office Reply

Note: Auditor may include comments on a)Asset register updation for disbursement,availability of legal clearance certificate, lien creation over the security deposit taken as security,master data capture and verification and Communication of repayment schedule letter for first disbursement cases,

In case, no deficiency / shortcoming has been found, following paragraph may be added in the audit report :

“Documents / papers pertaining to disbursement of financial assistance have been perused by the audit team as per the circulars and other guidelines / instructions issued by the Corporation from time to time pertaining to disbursement of financial assistance. No specific deficiency / shortcoming has been observed”.

3.2.a) Undisbursed cases

(All individual cases pending for 3 months and above in both Partly and Fully undrawn)

Sl. No.	Name of the unit	Date of Sanction	Assistance sanctioned (Rs.lakh)	Date of Documentation	Date of previous Disbursement	Reasons for pendency as reported by B.O

3.2.b) Observations on cases pending for more than 3 months(Individual case wise)

(cases where the time gap is more than 3 months between date of sanction to date of disbursement / between date of previous disbursement to current date(end of audit period)

Sl. No.	Name of the unit	Audit observations	Branch office Reply

3.3.a) Deficiencies relating to stock statements (WCTL assisted units under all schemes)

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Sl. No.	Name of the unit	No of units
	Total No of units in the portfolio (WCTL assisted units under all schemes)	
	stock statement received	
	stock statement to be received (*)	

(*) Give list of cases with reasons

- In case, no observation is there, following line may be incorporated in the audit report
“ No specific discrepancy observed”.

3.3.b) Audit observations if any –individual case wise

Sl. No.	Name of the unit	Audit observations	Branch office Reply

4.Violation of exercise of delegated powers- individual case wise

[Pertaining to sanction, disbursement, relaxation in norms made during the period of audit]

Sl. No.	Name of the unit	Description of violation	Audit observations	Branch office Reply

Note:Auditor may list out incidents, if any, in respect of violation in exercise of delegated powers in sanction, disbursement, relaxation in norms, etc.

In case, no such observation(s) are there, following line may be incorporated in the audit report

“No specific observation (s)”.

5 .Asset Quality /Overdue / NPA Management and Recovery performance:

17.1 5.1. List of NPA cases

As on _____(End of audit period), BO / FO has _____ [No.] of NPA cases amounting to Rs._____ as per asset portfolio table given at introduction

5.1 a) Details of top 10 NPA accounts with high principal outstanding and quick mortality case if any

Sl. No.	Name of the unit	category viz. Sub standard / doubtful /loss asset	Date of NPA/	principal O/S	Total Pl. overdue as at			Remarks on action taken to recover the dues
					PRL	INT	Others	
1	2	3	4	5	6	7	8	9
A	Top ten cases							
	Total							
B	Quick mortality cases							
	Total							

Note: Quick mortality cases: Units that have turned to NPA within 1 year from the date of final disbursement/ during disbursement

5.1 b) Audit observations if any –individual case wise

Sl. No.	Name of the unit	Audit observations	Branch office Reply

5.2 a) Details of top 5 Written off accounts (with asset back up) Principal outstanding wise.

Sr. No.	Name of the unit	Date of NPA/	principal O/S	Total Pl. overdue as at			Type of asset available(*)	Remarks on action taken to recover the dues
				PRL	INT	Others		
1	2	3	4	5	6	7	8	9
	Total							

(*) Land, Land and Building, Machinery and collateral security available cases.

5.2 b) Observations of Audit on top 5 written off accounts

Sl. No.	Name of the unit	Audit observations	Branch office Reply
1			
2			
3			
4			
5			

5.3.a) Details of Default Review Committee Meeting(DRM) conducted during audit period and action taken on Minutes of DRM

Rs in Lakhs

Sl.No	Date of DRM	SMA 2		Sub std		Doubtful cases	
		No of accounts reviewed	PRL O/S	No of accounts reviewed	PRL O/S	No of accounts reviewed	PRL O/S

5.3.b) Audit observations, if any

Sl. No.	Name of the unit	Brief minutes of DRM	Particulars of further action taken	Audit observations	Branch office Reply

Note:Comments of Auditor may be given on the steps taken by BO/FO for follow-up and certify that 'we have perused and convinced that necessary action was taken as per the last DRM minutes'

5.4 Follow up and monitoring

5.4 a) Details of review of sample NPA cases

(One file under each category to be perused – (a) Restructured with in two years cases,(b) Above 1 crore cases and (c) Written off cases with asset backed)

Rs. in lakhs

Sl. no	Name of the unit	Date of becoming NPA	PRL O/S	Over dues		Details of recovery action taken
				PRL	INT	

5.4.b) Observations of Audit on sample NPA cases

Sl. No.	Name of the unit	Audit observations	Branch office Reply

5.5.a) BFS cases pending for more than 180 days as on the date of end of audit period _____

Sl. No.	Name of the unit	Name of agency TANGEDCO /TANTRANSCO /TWAD etc	Bill pendency Rs in Lakhs			No of days pending	Whether counter verification of bill done by BM	Details of recovery action taken
			Disb date	Amt disb	Amt O/S			

5.5.b) Observations of Audit on BFS cases more than 180 days / 240 days

Sl. No.	Name of the unit	<u>Audit observations</u>	<u>Branch office Reply</u>

5.6.a) Unit inspections

(One unit under each category to be inspected- (a)Performing unit(SMA -2) ,(b) NPA and (c) Above 1 crore by Prl O/S.)

S.no	Name of the unit	Availability of financed assets	Insurance Valid upto	Working results available Upto	Overdues If any	
					Rs. In Lakhs Prl	Int
1						
2						
3						

Inspection reports enclosed as per format—**enclosed as appendix II**

5.6.b) Audit Observations ,if any

Sl. No.	Name of the unit	<u>Audit observations</u>	<u>Branch office Reply</u>

5.7. Status of units under possession

(physical / Constructive),(primary / collateral)

5.7 a) List of units under possession as on _____(end of audit period)

Sl.No	Name of the Unit	Type of property (Primary/ Collateral)	Type of possession (Physical/ Constructive)	SF C/ SA RF AE SI	Date of possession	Date of last auction	Further action taken by Branch

5.7 b) Audit observations of units under possession for more than 1 year

(individual case wise)

Sl. No.	Name of the unit	Audit observations	Branch office Reply

5.8. Status of pending OTS cases

5.8 a) List of OTS approved cases as on _____(end of audit period)

Rs in Lakhs

Sl. No.	Name of Unit	Out standing as on date		Date of approval	Date of settlement	Branch Remarks for approved
		Pri	Int			

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						but not settled cases

5.8 b) Audit observations of OTS approved cases

(individual case wise)

Sl. No.	Name of the unit	Audit observations	Branch office Reply

5.8 c) List of OTS requests yet to be approved

(OTS request pending cases as at the end of audit period)

Rs in Lakhs

Sl. No.	Name of the unit	Asset category (*)	Pri O/S	Dt of request	Present status

(*) as at the end of previous Financial year

5.8 d) Audit observations of OTS to be approved cases, if any

(individual case wise)

Sl. No.	Name of the unit	Audit observations	Branch office Reply

6.Detection of Fraud cases

6.1.a) Fraud cases pertaining to the previous audits and their current status

Rs in Lakhs

S.No.	Name of the Unit	Date of detection & reporting of fraud	Amount involved			Current Status
			PRL O/S	INT O/S	Other dues	

In case, no fraud case [s] have been detected, following line may be incorporated in the audit report.

“On the basis of the records / other information available in the BO/FO, no case of fraud was detected in the BO/FO.

6.1.b) Audit observations ,if any –(individual case wise)

Sl. No.	Name of the unit	Audit observations	Branch office Reply

6.2.a) Fraud cases detected during the present audit period and their status

Rs in Lakhs

S.No	Name of the Unit	Date of detection & reporting of fraud	Amount involved			Action taken by Branch office
			PRL O/S	INT O/S	OTHER DUES	

6.2.b) Audit observations ,if any –(individual case wise)

Sl. No.	Name of the unit	Audit observations	Branch office Reply

7. Revenue leakage

7.1 Quantifiable revenue leakages/excess claims

Position as on _____

[Rs in lakh]

S.No.	Name of the Unit	No. of Accounts /	Amt demanded	Actual amount due / to be demanded as per Audit	Short / excess recovery	Amount Recovered	Branch office Reply
	1	2	3	4	5	6	
	Total						

* wherever possible, details of calculations done by Auditor may be attached with the audit report for easy understanding of the BO/FO The amount of short recovery may be indicated in the column by prefixing (-) before the figure.

7.2 Non-quantifiable revenue leakages/excess claims

Sl. No.	Area/Subject	Mode of leakage	Audit observations	Branch office Reply

8. Others

8.1a Deficiencies relating to insurance policies

The status of insurance policies are indicated as under

Position as on _____(End of audit period)

Sl. No.	Name of the unit		No of units Primary	No of units collateral
1	Total No of units in the portfolio	A		
2	No of units where assets not available/ land only case	B		
3	Insurance required for	C (A-B)		
4	Insurance coverage available(adequately)	D		
5	Insurance to be effected/enhanced/ amended for correction if any	E(C-D)		

Note: Few sample cases may be checked for adequacy and validity

8.1b Audit observations,if any

Audit observations	Branch Office reply

In case, no observation is there, following line may be incorporated in the audit report

“ No specific discrepancy observed”.

8.2.a) Deficiencies relating to site visits

Sl. No.	Name of the unit		No of units
1	Total No of units in the portfolio (*)	A	
2	No of units where assets not available + units under possession	B	
3	Inspection required for	C (A-B)	
4	Inspections made during audit period	D	
5	Inspections to be made	E(C-D)	

(*) including units under possession

8.2b) Observations

Audit observations	Branch Office reply

In case, no observation is there, following line may be incorporated in the audit report

“ No specific discrepancy observed”.

8.3a) Acknowledgment of Debt (AOD)

The latest status of issue and receipt of AODs in the prescribed format is indicated as under (status given in respect of all the cases where outstanding exists as on the previous month ended of relevant audit period) :

Position as on _____(End of audit period)

Sl. No.	Name of the unit		No of units		Total
			Other than written off	Written off	
1	Total No of units where payment not received for more than 2 years	A			
2	No of units where Suit filed by TIIC	B			

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	for recovery				
3	AOD required for	C (A-B)			
4	AOD obtained	D			
5	AOD to be obtained.	E(C-D)			

8.3b) Audit observations,if any

Audit observations	Branch Office reply

8.4 a) Deficiencies relating to Encumbrance certificate as on _____ (End of audit period)

Sl. No.	Name of the unit		No of units where E.C taken for	
			All properties	Part of the properties
1	Total No of units in the portfolio	A		
2	No of units where assets not available	B		
3	E.C required for	C (A-B)		
4	E.C taken upto _____ (the end of audit period)from the beginning of Financial year	D		
5	E.C to be taken	E(C-D)		

Note:Brief on the cases with E.C for part of the properties and where any encumbrance noticed shall be detailed below

8.4b) Audit observations on cases where E.C for part of the proprties / Presence of any Encumbrance

S.no	Name of the unit	Branch office remark	Audit observations	B O reply

*In case, no observation is there, following line may be incorporated in the audit report
 “ No specific discrepancy observed”.*

8.5 subsidy status

8.5 a) List of cases where SBL is Outstanding

S.No	Name of the unit	Date of filing Subsidy application	Date of Subsidy sanction	Date of Subsiby claim with H.O	Date of Subsiby claim received from H.O

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1					
2					

8.5 b) Audit observations for individual cases

(Please indicate whether subsidy sanctioned and claimed for all SBL sanctioned cases)

S.No	Name of the unit	Audit observations.	Branch Office reply

8.5 c) Subsidy register review

The auditors to review and report on the subsidy register maintained at Auditee office as per the following format and delay if any in sanction of subsidy after project implementation and delay if any in forwaing claim to H.O after sanction of subsidy

Rs in lakh

Name of the unit	Term loan			Whether project implemented yes/No	Type of subsidy eligible (SCS/G S/CLCS /NEEDS etc.)	Subsidy		Date of claim forwarded to HO	Remarks
	Dt of Sanction	Amt Sanccd	Amt Disbd			Dt of Sanction of subsidy	Amt of subsidy Sanccd		

8.5 d) Audit observations

Audit observations	Branch Office reply

8.6(a) SFC OP to be filed Cases

Sl. No.	Name of the unit		No of units
1	Total No of NPA cases where assets disposed (at the beginning of current financial year)	A	
2	Add No of NPA cases where assets disposed (during current F.Y)	B	
3	Less No of cases where SFC OP filed for the balance outstanding	C	
4	Less No of cases settled (during current F.Y)	D	
5	No of cases where SFC OP to be filed for the balance outstanding	E (A+B-C-D)	

**8.6 b) Audit observations for top 3 cases by Principal outstanding wise
(as at the end of audit period)**

Rs in lakhs

S.No	Name of the unit	PRL O/S	Audit observations.	Branch Office reply
1				
2				
3				

8.6(c) SFC OP Decreed Cases

Sl. No.	Name of the unit		<u>No of units</u>
1	Total No of NPA cases where SFC OP Decreed (at the beginning of current financial year)	A	
2	Add No of NPA cases where SFC OP Decreed (during current F.Y)	B	
3	Less No of cases where E.P(Execution petition) filed	C	
4	Less No of cases settled (during current F.Y)	D	
5	No of cases where where E.P(Execution petition) to be filed	E (A+B-C-D)	

**8.6 d) Observations for top 3 cases by Principal outstanding wise
(as at the end of audit period)**

Rs in lakhs

S.No	Name of the unit	PRL O/S	Audit observations.	Branch Office reply
1				
2				
3				

8.7 Customer Grievance redressel system

The auditors to review and report on the system of customer grievance redressel system maintained at Auditee office

Audit observations	Branch Office reply

8.8 Any Other issues / Observations of Audit

9. Conclusion

Date : _____

Place: _____

[Signature]
Name [Head Audit Team]

For use of Branch while replying

10. Branch Office's remarks:-

Date : _____

Place: _____

[Signature of the Branch manager]
Name of signatory and Branch

Part B

Non operational areas Reporting Format

1. Administration

1.1 Leave calculations

Subject	Audit observations	Branch reply	Office
Observations relating to errors in calculation of all types of leaves, inconsistencies observed in attendance register with that of leave records, wrong / non posting of casual leaves in CL record sheet , deficiencies relating to availing of all types of leaves/absenteeism etc may be indicated under this paragraph.			

- *In case, no observation is there, following line may be incorporated in the audit report " No specific discrepancy observed".*

1.2 Staff Welfare activities

Subject	Audit observations	Branch reply	Office
Observations relating to non compliance of guidelines with regard to conduct of staff welfare activities, may be indicated under this paragraph			

- *In case, no observation is there, following line may be incorporated in the audit report " No specific discrepancy observed".*

1.3 Other facilities

a)General Expenses

Subject	Audit observations	Branch reply	Office
Observations relating to reimbursement made to staff i) News papers, ii) telephone bills /			

rentals and iii) official entertainment expenditure, etc. The deficiencies relating to excess / short payments to staff, incorrect exercise of DoP to be brought out under this paragraph.		
--	--	--

b) TA/DA / out of pocket expenses

Subject	Audit observations	Branch reply	Office
Observations relating to TA/DA, other misc. reimbursements towards conveyance charges to staff may be indicated under this paragraph. The deficiencies relating to excess / short payments to staff and incorrect exercise of DoP to be brought out under this paragraph.			

1.4.Other administrative payments to third parties :

a) Payments

Subject	Audit observations	Branch reply	Office
<p>Observations relating to payment towards stationery/printing, car hire,courier, caterer, photo-copier, travel agent, office vehicle expenditure, liveries to workmen employees, postage, calculator, news papers for office, florist etc. may be indicated under this paragraph.</p> <p>The deficiencies relating to excess/short payments, incorrect exercise of DoP, Income Tax, TDS and GST related matters, to be brought out under this paragraph.</p>			

b)Registers

Subject	Audit observations	Branch reply	Office
<p><i>Comments on various registers /statements / folios relating to General and Personnel Administration that are maintained by the auditee office in soft form in the computer, RAC/CA may specifically ensure that access to such files is restricted only to authorised officials, the data base is regularly updated and periodic back up is taken.</i></p>			

- *In case, no observation is there, following line may be incorporated in the audit report " No specific discrepancy observed".*

1.5.Premises

1.5 a Maintenance of premises/dead stock :

Observations relating to maintenance of premises / dead stock/ AMCs / dead stock register / inventory of misc. items not classified as dead stock, repairs and maintenance of office, etc., insurance coverage and timely renewal of policies, security arrangements for office, rent / taxes for office premises and timely renewal of lease, etc. may be indicated under this paragraph. The deficiencies relating to excess/short payments, incorrect exercise of DoP and Income Tax related matters to be brought out under this paragraph.

Observations relating to maintenance of various registers / files / system of keeping old records / closed files, destruction of old records as per HO guidelines, safe custody of duplicate keys, fire extinguishers - adequacy and usable condition, submission of periodical returns to HO etc. may be indicated under this paragraph.]

Subject	Audit observations	Branch reply	Office
<p>Observations relating to maintenance of premises / dead stock/ AMCs / dead stock register / inventory of misc. items not classified as dead stock, repairs and maintenance of office, etc., may be indicated under this paragraph.</p>			

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<p>Observations relating to security arrangements for office, rent / taxes for office premises and timely renewal of lease, etc may be indicated under this paragraph</p>		
<p>The deficiencies relating to excess/short payments, incorrect exercise of DoP, Income Tax, TDS and GST related matters, to be brought out under this paragraph.</p>		
<p>Observations relating to maintenance of various registers / files / system of keeping old records / closed files, destruction of old records as per HO guidelines, safe custody of duplicate keys, fire extinguishers - adequacy and usable condition, submission of periodical returns to HO etc. may be indicated under this paragraph.</p>		

1.5 b INSURANCE COVERAGE AND TIMELY RENEWAL OF POLICIES :

Observations relating to insurance coverage and timely renewal of policies as per the policy guidelines, may be indicated under this paragraph.

S.No	Description	Insurance amt	Valid upto	Audit observations	Branch Office reply
1	Cash in Transit				
2	Cash in Chest				
3	Fidelity Insurance				
4	Furniture & Fittings and office equipments etc.				
5	Any other assets				

2. Accounts

2.1a) General accounts-Abstract

Number of accounts as on _____(End of audit period)

S.No	Type of loan	No of Accounts
1	Term loan	
2	Transport loan(TPT)	
3	Bill Finance Scheme(BFS)	
4	Grow an Enterprenuer Scheme(GES)	
5	Mini loan	
	Total	

2.1b) Audit Observations on Accounts

S.No	Subject	Audit observations	Branch Office reply
1	<p>Observations on demand checking (Minimum the following demands to be checked and reported and the list of cases checked shall be annexed- <u>appendix III</u></p> <p>a) For cases foreclosed during audit period b) Foreclosure withdrawn cases c) Reschedule cases d) First disbursement cases e) Atleast 1/3 of the other demand raised cases)(so as to cover all the cases in a cyclical manner)</p>		
2	Observations on demand updation in system and date of last updation		
3	Observations relating to usage of current account codes, scrutiny of final statements, monthly reconciliation of General Account / Sundry / Suspense, daily funds management / bank reconciliation, maintenance of Cheque Inward Register, Petty Cash/Imprest Cash		

	Register, issue and safe custody of cheques/cheque books, third party payment, etc. may be indicated under this paragraph.		
4	Observations on Ledger postings including manual ledgers		
5	Observations relating to follow up of accounting procedures in accounting auction sale proceeds / OTS settlement		
6	Observations on G.L Trial Balance for the previous month		
7	Observations on Cash checking (on any one day)		
8	Observations on remittance of statutory dues like service tax, TDS etc by Branches in time.		

Note: .In case, no observation is there, following line may be incorporated in the audit report

“ No specific discrepancy observed”.

2.2. Reconciliation of account entries with GL :

Subject	Audit observations	Branch reply	Office
Reconciliation of account entries with GL			

2.3. Expenditure control

Please furnish data showing comparative position of expenditure actually incurred vis-a-vis Budget approved thereof, by the BO in respect of controllable administrative expenditure heads and comment on the status thereof. In case, there has been increase in expenditure, suitable justifications there of as spelt by BO officials be incorporated against such heads of expenditure. If BO has taken steps to control the

expenditure/ got permission from H.O for the expences may also be suitably indicated in the report.

Headwise Revenue Expenditure Details

Expenditure	Budgeted Amt.	Expen Diture as on	Difference (Budget-Actual)	Remarks/Justification as spelt by auditee office if exceeds the budget

Auditor may note to relate pro-rata budget of the BO with the expenditure incurred under each Head. If BO has taken steps to get permission from H.O for the expenses may also be suitably indicated in the report

**2.4. Details of security deposit(S.D) / Follow up deposits(F.D)
(matured and pending for more than 2 years.)**

S.No	Name of Depositor	In case of S.D, related Unit's name	S.D / F.D receipt dt	S.D / F.D amount	S.D / F.D maturity dt	Reason for pending	Audit observation	Branch Office reply

2.5. Status of computerisation

Observations relating to computerisation whether upto date data has been entered into the system,any other issues relating to computerisation that are highlighted by the Branch office

Audit observations	Branch Office remarks
--------------------	-----------------------

3. **Any Other issues / Observations of Audit**

4. **Conclusion**

Date : _____

Place: _____

[Signature]
Name [Head Audit Team]

For use of Branch while replying

5. **Branch Office's remarks:-**

Date : _____

Place: _____

[Signature of the Branch manager]
Name of signatory and Branch

Appendix I

To Audit report for the period(from _____ to _____)

Assets Verification for which disbursement made from _____ to _____-

Branch :

Physical verification by: _____(name and Designation of auditor)

S. No	Name of the unit	Type of loan	Date/ Amount sanctioned	Disbursement note		Date of Disbmt	Amt disb d	Cumulative disbd	Details of assets	Date of inspection	Availability of assets		Remarks
				No	Date						Yes/no		

Appendix II

UNIT INSPECTION REPORT

1.	Name of the Branch	
2.	Name of the Audit Official inspecting the unit	Thiru
3.	Date of Inspection	
4.	Name of the Unit	
5.	Location: Factory:	
	Office:	
6.	Type of the Unit (or nature of Business)	
7.	Name of the Promoter (Proprietor/Partner/Director)	
8.	Category/Asset Classification of the unit	
9.	Information on working results As ascertained from the unit	(Rs.in lakhs)
A	i) Monthly Turnover	
	ii) Monthly Expenses	
	iii) Surplus / Net Profit	

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B	Previous year working results (if available)	31/03/ (Rs. in lakhs)
	Working Results	
	Turnover	
	Net Profit	
	Cash Profit	
	Liabilities:	
	Capital	
	Reserves & Surplus	
	Secured Loans – TIIC - Bank - Others	
10.	Details of Insurance cover and Its adequacy	Insurance valid up to / / for Rs. lakhs.

11. Details of Loan Account Position: As on / / (Date) (Rs. in Lakhs)

A/C No.	Date of Sanction	Amount Sanctioned	Amt. Disbursed	Pl. O/s	OVERDUES		
					Prl.	Int.	Others

12. Details of Working Capital Facilities enjoyed

A.	Name and Address of the Bank	
B.	Facility enjoyed	
C.	Whether they are regular in Meeting the commitment of the Banker	
D.	Asset Category in Bank	

13.	Is the unit working on Single/Two/Three shifts							
14.	Whether all the assets Funded are available							
15.	Sales during last 3 months	Rs. lakhs						
16.	Power consumed in Last 3 months							
17.	Number of workers on Rolls	<table style="width: 100%; border: none;"> <tr> <td style="width: 70%;">Admn.</td> <td style="text-align: right;">Nos</td> </tr> <tr> <td>Skilled labours</td> <td style="text-align: right;">Nos</td> </tr> <tr> <td>Unskilled</td> <td style="text-align: right;">Nos</td> </tr> </table>	Admn.	Nos	Skilled labours	Nos	Unskilled	Nos
Admn.	Nos							
Skilled labours	Nos							
Unskilled	Nos							

18. The Inspection Official shall furnish the details such as:-

		Installed Capacity (Rs. in lakhs)	Actuals (Rs. in lakhs)
a)	Present utilization capacity		
b)	If it is below the capacity assumed at the time of sanction reason be indicated for the same		
c)	Whether project is implemented as envisaged in the scheme		
d)	Is the unit attempting any expansion		

19. In case of overdues, reason or problem
in servicing the loan :

- v) Diversion of funds }
- vi) Lack of Orders }
- vii) Dispute between promoters }
- viii) Any other reasons }

20. Any other remarks by the Audit Officials/
Overall observation in brief :

INSPECTING OFFICIAL

Appendix III

List of Demand Checked cases

S.No	Name of the Unit	Remarks
A	Foreclosure cases	
B	Foreclosure cases withdrawal cases	
C	Reschedule cases	
D	First Disbursement cases	
E	General cases (Other than above categories)	

CONCURRENT AUDIT REPORT FORMAT -- FOR HO DEPARTMENTS

SI. No.	FUNCTIONAL AREA	AUDIT OBSERVATIONS	Risk Level VH / H / M / L (*)	RESPONSE OF THE OPERATING OFFICE / COMMENTS / COMPLIANCE
1.	HR Department			
1.1	Maintenance of files, registers and other records			
1.2	Whether Employment Exchange and other Returns are sent periodically			
1.3	System of keeping old records and their easy retrieval			
1.4	Destruction of old records as per extant guidelines			
1.5	(a) Whether periodical increments are sanctioned to employees in Jan/Apr/July/Dec is in order. (b) Whether fitment for promoted employees / pay fixation is in order.			
1.6	Whether leave entries are updated in the Service Register and checked.			
1.7	Whether encashment of Privilege Leave is calculated correctly and approved as per DoP.			
1.8	Whether purchase of movable / immovable assets by the employees are properly recorded in the Service Register.			
1.9	Whether the confidential reports of the employees are obtained from the Reporting / Countersigning officials.			
1.10	Whether the bills on various expenditure incurred are approved as per DoP.			
1.11	Whether LFC bills are processed as per norms and guidelines.			

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Sl. No.	FUNCTIONAL AREA	AUDIT OBSERVATIONS	Risk Level VH / H / M / L (*)	RESPONSE OF THE OPERATING OFFICE / COMMENTS / COMPLIANCE
1.12	Whether records relating to training are properly maintained.			
1.13	Whether GST has been correctly paid on various expenditure at applicable rates.			
1.14	Whether application from employees for loans / advances / allowances are processed as per extant guidelines.			
1.15	Whether TA Bills / Medical bills of employees are passed as per norms / guidelines.			
2.	Estate Division			
2.1	Whether various expenditure bills are passed as per DoP.			
2.2	Whether attendance register for the contracted Housekeeping staff is checked before making payment.			
2.3	Whether expenses on common maintenance is shared with the co-owners on pro-rata basis.			
2.4	Whether Property Tax / Water Tax are paid on due dates.			
2.5	Whether payment of local conveyance to the employees is as per extant guidelines.			
2.6	Whether Insurance Policies on various assets are adequate and in force.			
2.7	Whether AMC for various assets have been entered as per norms.			
2.8	Whether condemnation / purchase of office vehicles are done as per extant guidelines.			

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Sl. No.	FUNCTIONAL AREA	AUDIT OBSERVATIONS	Risk Level VH / H / M / L (*)	RESPONSE OF THE OPERATING OFFICE / COMMENTS / COMPLIANCE
2.9	Whether uniform to eligible employees provided as per guidelines.			
2.10	Whether maintenance of vehicle log book and expenditure on fuel is checked.			
3.	Funds & Resources Department			
3.1	Whether details for claiming Refinance from SIDBI has been furnished as per their requirement?			
3.2	Whether Fixed Deposits are mobilized as per the extant guidelines?			
3.3	Whether transfer of funds from & to branches are closely monitored?			
3.4	Whether surplus funds at H.O., if any, are properly invested to avoid loss of income ?			
3.5	Whether interest rates are fixed based on the recommendations of Asset Liability Committee and approval of Board.			
3.6	Whether the observations of AG Audit / Statutory Audit / SIDBI Inspection are complied without delay.			
3.7	Whether repayment of bank loans / FDs / Bonds are done on due dates.			
3.8	Whether provisioning of NPAs is made as per RBI guidelines?			
3.9	Whether Bank Account Reconciliation and HO/BO reconciliation is done regularly?			
3.10	Whether cheque books are kept in safe custody and operated only by the			

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Sl. No.	FUNCTIONAL AREA	AUDIT OBSERVATIONS	Risk Level VH / H / M / L (*)	RESPONSE OF THE OPERATING OFFICE / COMMENTS / COMPLIANCE
	authorized signatories?			
3.11	Whether EPF /EGF Funds are invested as per extant guidelines?			
3.12	Whether Salary, bonus and other staff related payments are made correctly?			
3.13	Whether payments for expenditure bills are made as per the approval given by the delegated authorities ?			
3.14	Whether the expenditure budget is monitored vis-avis actual every month ?			
3.15	Whether TDS and other returns are filed before the due dates?			
4.	GST Matters			
4.1	Whether GST data of the previous month from all BO/FO received before the 5 th of every succeeding month.			
4.2	Whether GRTR-3B Return filed before 20 th every month.			
4.3	Whether payment of GST amount is made on or before 20 th of every succeeding month.			
4.4	Whether the correct GSTIN numbers are mentioned by BO/FO in their statement.			
4.5	Whether GSTR-1 return filed before 10 th of every month.			
4.6	Whether GST payment details are given to F&R Department for the purpose of HO/BO reconciliation.			
4.7	Whether the GST returns are reconciled with the Annual Accounts and annual return filed.			
4.8	Whether GST audit is completed and observations, if any, are complied with.			

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Sl. No.	FUNCTIONAL AREA	Detailed scope	AUDIT OBSERVATIONS	Risk Level VH / H / M / L (*)	RESPONSE OF THE OPERATING OFFICE / COMMENTS / COMPLIANCE
4(a)	GST – Returns checking				
1	Output GST – Verification and correction of out put supplies declared in B2B (registered) and B2C(unregistered) in GST return viz.GSTR-1 & GSTR-3B in comparison with books	<p>1.1 Whether B2B and B2C outward supplies matched with GL code, GL head taxable value with the books</p> <p>1.2 Whether GSTIN as shown in B2B verified with GST website.</p> <p>1.3 Whether CGST and SGST is calculated on appropriate taxable value and applicable rate of GST of outward supplies</p> <p>1.4 Whether there is any difference between the exempt outward supply such as interest income declared in GST returns vs.book</p>			
2	Input GST – Checking the eligibility of ITC availed on input supplies with original invoices at HO level	<p>2.1 Whether at branch level ITC availed on inward supplies with the copies of the invoices as given by branches are verified</p> <p>2.2 Whether tax invoices received have both TIIC's name & GSTIN and supplier's GSTIN</p>			
3	<p>GSTR 3B /2A Reconciliation</p> <p>1. Whether reconciliation is being prepared between ITC availed on inward supplies in GSTR 3B and the auto populating statement of GSTR-2A?</p> <p>2. Whether there is any difference amount in between GSTR-2A and GSTR-3B?</p>				
4	<p>Compliance return filing before due dates: Due date of filing:</p> <p>Whether all the returns viz.GSTR-1,GSTR-3B & GSTR -7 are filed within due date? If not the quantum of interest and late fee levied on such returns.</p>				

RFP for (Concurrent) audit of Operations of TIIC Branch / Head Office

Sl. No.	FUNCTIONAL AREA	AUDIT OBSERVATIONS	Risk Level VH / H / M / L (*)	RESPONSE OF THE OPERATING OFFICE / COMMENTS / COMPLIANCE
5.	Loan monitoring & Recovery			
5.1	Monitoring the pendency of petitions forwarded through Honble CM's cell, Amma Call Centre & Govt.of India Public Grievance portal and others			
5.2	Scrutinizing the OTS proposal received from the branches			
5.3	Monitoring of slippage of units			
5.4	Analysis of loan portfolio			
5.5	Checking the correctness of change in management /Consti-tution, reschedule, TLSP clearances, Upset price fixation, substitution of collateral security			

Sl. No.	FUNCTIONAL AREA	AUDIT OBSERVATIONS	Risk Level VH / H / M / L (*)	RESPONSE OF THE OPERATING OFFICE / COMMENTS / COMPLIANCE
6.	Project department			
6.1	Scrutinizing the relaxation notes regarding special / general conditions			
6.2	Scrutinising the relaxation of security, change of supplier, direct payments to supplier, CIBIL score relaxation, age relaxation, 10% overdue relaxation etc.			
6.3	Whether undrawn balances were reviewed at each month end			

RFP for (Concurrent) audit of Operations of TIIC Branch / Head Office

Sl. No.	FUNCTIONAL AREA	AUDIT OBSERVATIONS	Risk Level VH / H / M / L (*)	RESPONSE OF THE OPERATING OFFICE / COMMENTS / COMPLIANCE
7.	Subsidy Department			
7.1	Whether subsidy claims made with the Government is as per Government policy and claims are made in time			
7.2	Subsidy reimbursement received from Government is properly appropriated and accounted to the respective units			
7.3	Whether subsidies disbursed but recovered from the units on account of ineligibility has been surrendered to the Government			