



V. O. CHIDAMBARANAR PORT TRUST
FINANCE DEPARTMENT



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Certified under
ISO 9001 : 2008 ; ISO 14001 : 2004 and
ISPS CODE

Administrative Office,
Tuticorin – 628 004.
Web:www.vocport.gov.in

Tender No	:	FIN-OFFCT-PRJ-PROJE-V1-14(20757)
Name of the Work	:	AUDIT OF PPP OPERATIONS AT V.O.CHIDAMBARANAR PORT TRUST
Date of downloading of tender	:	07.06.2019 to 24.06.2019
Date & Time of receipt of tender	:	28.06.2019 upto 15:00 hrs
Date & Time of opening of tender	:	28.06.2019 upto 15:30 hrs
Period of completion of work	:	2 Years
Validity of Tender	:	90 days from the date of opening of Price Bid (Cover-II)
Name of office issuing and receiving Tender	:	Financial Adviser & Chief Accounts Officer, Finance Department, V.O.Chidambaranar Port Trust Tuticorin - 628004

For further details visit the Port website www.vocport.gov.in before applying for tender schedule.

Sd/-

FINANCIAL ADVISER & CHIEF ACCOUNTS OFFICER

V.O.CHIDAMBARANAR PORT TRUST, TUTICORIN
FINANCE DEPARTMENT

TENDER DOCUMENT

FOR THE WORK: “AUDIT OF PPP OPERATIONS AT V.O.CHIDAMBARANAR PORT TRUST”

1. General:

V. O. Chidambaranar Port Trust, Tuticorin is an Autonomous Body under the Major Port Trust Act, 1963 and functioning under Ministry of Shipping, Government of India. The Port operations are being carried out through Port as well as under PPP model with Revenue sharing/Royalty. It is proposed to outsource the work of audit of the operations carried out through the operators on BOT basis and License basis, to confirm the correctness of revenue share received on the Gross earnings earned by the respective Operators as per the relevant clauses of Agreement entered with the BOT/License Operators. The information about the Port is available in the website of the Port at www.vocport.gov.in

1. Requirement & Eligibility

The work is voluminous in terms of number of transactions. The organizations and work sites thereat are also spread over much larger area. In view of the above, the following criteria need to be fulfilled:

- a) Experience in similar works in organization like the Port with a turnover of more than Rs.150.00 crores.
- b) The firm should also have at least 4 partners with professional qualification of Chartered Accountant and in the field of work, i.e Port experience.
- c) The Auditor’s firm should furnish evidence for having audited Five Companies under Companies Act 2013 in the last five years.
- d) The firm should have at least one system Audit qualified Chartered Accountant and also be a CAG empanelled Audit Firm.
- e) The firm should have adequate manpower in the category of Chartered Accountant (Final and Intermediate) and Audit Assistants for carrying out the

Audit as per the scope and terms and conditions of PPP Operations Audit of subject tender.

2.Scope of work:

The scope of work covered in this is given in detail in Annexure- I.

3.General instructions for Tendering:

A. Tenders are invited in two covers. These covers should contain the following:

I. In cover I:

a) The evidence in support of information about the Audit firm submitting the tender stipulated in (a) to (e) of Sl.1 above, duly attested by Notary as Annexure-VIII (attachment serially numbered as (a) to (e)). The following are essentially required:

(i) Brief Profile of the auditing firm indicating atleast 4 numbers of partners and giving evidence from Institute of Chartered Accountants of India (ICAI) for the existence of the firm for a period of atleast seven years and having one partner with not less than 10 years practice.

(ii) Work order, Completion Certificate, Balance Sheet and P&L Account of minimum five different Public/Private Limited companies with an Annual Turnover of Rs.150 crores or more for which the Tax Audit/Statutory Audit have been conducted during the last five years period ending 2017-18. The Completion Certificates shall clearly specify the year of audit, work order reference number and date and self attested by Registered Associate/Fellow Member and Partner of the Institute.

(iii) Self attested copy of the audited Balance Sheet and Profit and Loss Account of the Audit Firm certified by the Chartered Accountant for the last three years ended 31.03.2018

b) This tender document duly signed (including the Format prescribed as Annexure-II to the Tender Document duly filled in corresponding to information furnished vide Annexure-VIII to Cover I specified in (b) above) in Cover I

- c) The Fax/E-Mail offers will be treated as defective, invalid and rejected.
 - d) Only complete offers received prior to closing time and date specified in the Notice Inviting Tenders only will be taken as valid for evaluation
- II. In Cover II: Price bid
- a) The price bid for undertaking this work shall be furnished in the prescribed form to the tender.
 - b) No conditionality is to be attached in the Price Bid other than furnishing the Price Quote of the tenderer for the Bill of Quantities prescribed in the Price Bid format and Notes furnished below Schedule of Price Bid as per tender.
 - c) Tenders with conditionalities if any to the Price Bid shall be withdrawn in the Price Bid attached by the Bidder; otherwise, if not withdrawn, shall be summarily rejected.
- B. Both these two covers will be sealed independently and enveloped in the main cover. The main cover will also be sealed and submitted. All covers shall be superscribed to identify the covers viz. Cover-I, Cover-II, and Main Cover indicating the name of work as “AUDIT OF FINANCIAL TRANSACTIONS OF PPP OPERATORS OF V.O.CHIDAMBARANAR PORT TRUST”, To Determine Revenue Share payable by Concessionaire to VOCPT, the Concessionary authority for PPP Projects.
- C. Price quoted shall be valid for a period of 90 days from the date of submission of Cover II.
4. Evaluation Method:
- a) Since the tender involves selection based on pre-qualification criteria, FA&CAO, V.O. Chidambaranar Port Trust will arrange examination and seek clarification if any and list out the firms, which are found eligible in conformity with tender requirements. Price Bid of such tenderers who are eligible only will be opened.
 - b) The date and time will be intimated to bidders whose offers are found eligible as per tender and Cover - II of such bidders only will be opened on the specified date and time.

- c) The successful Bidder shall execute an undertaking (Section 5) on a Rs.100/- non-judicial stamp paper for undertaking the services as per the scope of work and complying with the terms and conditions.
- d) The following conditionalities shall apply:
- 1) All pages of the tender document should be signed by a person authorized for the purpose by the firm submitting the tender.
 - 2) The Port reserves the right to ask for clarifications from any tenderer on the details given in the tender.
 - 3) Tender price will not be allowed to be changed after opening the Main Cover on due date and time.
 - 4) The tender documents downloaded from the Port's website should be used as such without making any alterations.
 - 5) Any alterations /additions made shall not be considered and shall have no effect.
 - 6) The tenderer shall not specify any additional conditions. Any additional condition shall be ignored and shall have no legal sanctity.
 - 7) Curriculum vitae of personnel to be deployed for the work shall be enclosed.
 - 8) The Port reserves the right to modify the whole or any part of the tender by issuing an amendment in writing and this will be sent to all bidders by registered post / uploaded in website also. Such amendments will be numbered and the same shall form part of this "Tender Document".
 - 9) (A) The tender should be sent to the Financial Adviser & Chief Accounts Officer, so as to reach before the due date/time in case of tender submission through hard copy is chosen by the tenderer. The address is given below:

**The Financial Adviser & Chief Accounts Officer,
V.O.Chidambaranar Port Trust,
Administrative Office,
Tuticorin - 628 004.
Telephone No: (0461) 2352254 Fax No.(0461) 2352201
E-mail: fa@vocport.gov.in Website: www.vocport.gov.in
CPP Portal: www.vocport.gov.in > Tenders > CPP Portal**

(B) E-payment procedure with e-payment format for making payments to the successful tenderer is to be furnished with information and duly signed by the tenderer.

5.Tender Prices:

- 1) Tenders will be received only upto the date and time specified in the Notice inviting tender. Tenders received after that date and time will not be considered and will be treated as rejected.
- 2) All tenders received by the due date/time will be opened at the date/time prescribed for opening. i.e. the main cover containing Cover-I and Cover-II will be first opened. Thereafter the Cover-I containing the technical bid or the information about the tenderer will be opened. Cover -II will be kept unopened.
- 3) Tenders received within the due date and time specified in the tender will be considered for further process to analyze the capability of the firm to take up the work. Those found to satisfy the pre-determined criteria will be treated as qualified. The qualified tenderers will be informed of their selection by Registered Post/Mail. They will be allowed for witnessing the opening of Cover-II which will be informed in advance, tenderers who wish to attend may attend at their own cost.
- 4) On the appointed day, Cover-II of the qualified tenders will be opened.
- 5) The work will be awarded to the lowest offer. In case of a tie, the tenderers who have quoted identical rates will be asked to quote again to decide the lowest among them.
- 6) Upon final selection, the successful tenderer shall be issued with a written work order to commence the work.

6.Issue of work order and commencement of work:

The firm to whom the work is awarded shall acknowledge the receipt of work order, furnish the performance security as per clause 7 of this tender and sign a formal agreement as per Annexure -III of this tender within 15 days from the date of

work order. Upon signing the contract agreement, the contractor shall commence the work within a week. If the work is not commenced within the stipulated date, the Port shall proceed to cancel the work order and reserve the right to forfeit the Performance Security.

7. Performance Security:

The successful tenderer to whom the work order has been issued shall pay a performance security equal to 10% of the tendered value to the Port before signing the contract agreement and commencing the work. The deposit will be with the Port till the work is completed and will be returned thereafter. The deposit will not carry any interest. If the work is abandoned, or if the contract is terminated by the Port or serious violation of the contractual terms, the deposit will be forfeited. The tenderer has the option in the form of RTGS/NEFT Transfer to Ports Account as per tender or to furnish the performance guarantee in the form of RTGS/NEFT Transfer to Ports Account as per Tender from a Nationalized/ Scheduled Commercial bank having a branch at Tuticorin. The form of Bank Guarantee is enclosed as Annexure-IV.

8. Performance of work:

- a) The work shall be carried out as set out in the scope of work covered in the contract. The Chartered Accountant firm on award of the work shall commence the work by deploying the required manpower for executing the scope of work.
- b) All requirement of stationery shall be provided by the contractor himself and they should bear the firm's name for identification of reports/documents generated by them.
- c) The assignment shall be completed within five working days after each month.
- d) The tenderer and his employees shall maintain strict confidence of all information received by them in the course of performance of their duties. Any violation in this regard will be viewed seriously and will be liable for appropriate action. They shall not take any document/materials outside the Port premises without the written permission of the designated officers of the Port.
- e) The work shall be carried out as per the scope and procedure indicated in the tender. On completion of audit for each month, a detailed report in the

prescribed form is to be submitted indicating the work done covering revenue earned and revenue share due thereon to the port with respect to upfront tariff for each PPP Project (List and scope of operation is enclosed as Annexure-VII) as well as running note highlighting the observations submitted within five working days after completion of each (calendar month).

9. Payment for work done:

The bill for each month shall be claimed enclosing the relevant Report for each month after completion of work within 10 days of completion of each calendar month to the Financial Adviser & Chief Accounts Officer along with the prescribed documents to be enclosed as per Section in Serial No. 1 Annexure-I of this tender.

10. Taxes:

Income tax and all statutory taxes, surcharges, etc. shall be deducted from the payments and TDS will be made by the Port at the time of each payment as per Indian Direct and Indirect Tax Laws from time to time.

11. GST:

GST if any payable by Port as per applicable Rules/laws will be paid on submission of required documents as per the Act with due Invoice for the same.

12. Termination of contract:

The Port reserves the right to terminate the contract for any violation of the contractual terms and non- performance of work to be carried out under the contract. The Port shall however proceed to terminate the contract only after giving an opportunity to the contractor in the form of a notice to be given in writing to explain the reasons for the violations and slippages. If the contractor fails to rectify the violation / slippages, the Port may proceed further to terminate the contract. All deposits relating to this contract will be forfeited.

Similarly, the contractor may also terminate the contract by giving one month notice in writing explaining the reasons for seeking termination. If the reason for termination is due to his inability to continue the work, all deposits/Performance Guarantees relating to this contract will be forfeited. If the contract is terminated by the Port for its own administrative reasons, the deposits/Performance Guarantee shall be refunded to the contractor. In that event, payments to the contractor will be made to

the extent of satisfactory completion of the scope of work upto the period of termination.

13. Penalty for delays:

The Report as per tender for each calendar month shall be submitted within one calendar month following the completion of each month specified in Clause 8(g) above. For delayed submission of monthly Report, Penalty of 1% of Monthly Audit Fee quoted in the Price Bid will be levied for each week or part thereof of delay subject to a maximum of 5% of total value of contract throughout the contract period.

14. Period of contract:

The term of the firm of Chartered Accountants will be initially for a period of two years.

15. Right of rejection of tender by Port:

The Port reserves the right to reject the tenders without any liability and without assigning any reason.

16. Note:

The last date & time for receipt of tender:28.06.2019 at 15.00 hours

Date & time of opening the tender:28.06.2019 at 15.30 hours

1. Scope of Work

- 1) The Audit is to be conducted with a view to see whether:
 - a) All the earnings earned by the respective PPP operator Specified below is covered under Gross earnings reported by the Operator as well as Earnings considered for the Revenue share due to the Port.
 - (1) M/s.Dakshin Bharat Gateway Terminal Private Limited - Operation of 8th Berth
 - (2) M/s.Imcola crane company pvt. Ltd. - Operation of 3 Nos. of HMC
 - (3) M/s.Chennai Radha Engineering Pvt. Ltd - for operation of conveyor at 9th berth
 - (4) M/s. Seaport Shipping Private company for operation of Hoppers.
 - b) There are no delays and /or irregularities in maintaining the Accounts and reports, as per statutory regulation; specified in article 9.4 of Concession Agreement/ clause in specified License Agreement.
 - c) The Audit is to ensure the compliance of all clauses relevant to Financial issues viz., Gross Earnings earned, Financial closure, Amount due to Port etc., as per the respective Concession Agreement/License Agreement entered with VOCPT by the respective PPP Operator/License Operator.
 - d) Reports submitted are supported by basic records.
- 2) For this purpose, the approach should be on a selective basis.
- 3) The coverage will be relating to all transactions carried out through PPP - mode for the month under Report.
- 4) The Audit shall cover the compliance of relevant Articles of Concession Agreement relating to Revenue related matters and Finance related issues like Shareholding pattern etc.,

2. Periodicity and Methodology

The period of this contract is to cover all transactions relating to two years starting from the financial year 2017-18. However, the continuance for the 2nd year is subject to Port giving in writing after completion of the assignment for the previous year. The audit will be conducted as per scope of work specified in the tender on a continuous basis throughout the year on month -on - month basis. The Audit will cover all the BOT/License Operators in VOCPT.

3. Audit Report

- i. a) The report shall be submitted in two parts. The first part will contain a general report on Revenue earned and second part will contain revenue share to be remitted warranting report on omissions and evasions and appropriate rectification/compensation to the Port.
b) Compliance of relevant section of Concession Agreement with Concessionaire/License Operator.
- ii. The report should be submitted with 1 CD and 2 hard copies and by mail to FA mail (fa@vocport.gov.in) endorsing copy to relevant BOT Operator/License Operator.
- iii. The Report should concentrate/give more attention to improvement in System Controls in the collection of Revenue share and monitoring the operators of BOT/License Operators with respect to compliance of Revenue Related and Financial issues related clauses of the Concession Agreement.
- iv. The opening & closing meeting of Auditor with the concerned HOD shall be enclosed with the quarterly report.

4. Requirements to be fulfilled as part of Scope of Work

A. REVENUE SHARE:

It should be verified whether all charges collected by the respective Operator are as per the upfront tariff approved by Tariff Authority for Major Ports and the same is considered as Gross Earnings for the purpose of calculating Revenue Share. Other Financial issues like shareholding pattern, Penalty for work achievement of performance standard etc., as per

concession agreement shall also be verified and reported in the monthly report.

A. TERMS OF PAYMENT

- i. The fees shall be quoted on Monthly basis.
- ii. The payment will only be made on monthly basis after completion and submission and acceptance of audit report on this PPP Operators after considering the Compliance Report submitted by respective Departments as Project Proponent of PPP Project. The tax invoice of bill shall be raised as per GST provision and the payment shall be made after deducting applicable TDS and other recoveries.

Information to be furnished along with the tender
For evaluating the status of firms participating in the tender for the work
“AUDIT OF PPP OPERATIONS AT V.O.CHIDAMBARANAR PORT TRUST”

1. Name of the firm :
2. Registration no. and date :
3. CAG empanelled details :
4. Validity of the registration :
5. Address of the firm :
6. Telephone no. :
7. E-mail address : FAX no:
8. No. of years in the business : PAN No.:
9. Statistical information about the firm for the past three years:

Sl. No.	Particulars	2015-16	2016-17	2017-18
1	Total man power in the firm - all inclusive			
2	a) Total number of licensed professionals (Chartered Accountants and Cost Accountant) b) System Audit certified Personnel (with proof to be attached)			
3	Total number of audit assistants			
4	Total number of assignments of similar nature done so far Copies of the works orders and Completion reports in respect of assignments already completed to be given.			
5	Total number of assignments on hand Copies of work orders on hand to be given			
	Enclose the details of assignments done so far/on hand in the annexure.			

Enclose copies of:

1. Copies of Certified Statement of Accounts of the firm for the past 3 years
2. Xerox copy of income tax PAN card.
3. Power of attorney to establish the authenticity.
4. Copy of the Registration Number under Goods and Services Tax Rules.
5. Evidence for Qualification for Chartered Accountants/System Audit Certified personnel.

Form of agreement

This agreement made this Day of2018 between the Board of Trustees of the V.O.Chidambaranar Port Trust, a body corporate under the Major Port Trust's Act 1963(hereinafter called the 'Board')which expression shall, unless excluded by, repugnant to the context, be deemed to include their successors in office) on one part AND.....
.....
.....(hereinafter called the 'Contractor' which expressed shall, unless excluded by, or repugnant to the context be deemed to include his heirs, executors, administrators, representatives and assigns or successors in office)on the other part.

WHEREAS the Board is desirous of executing the work, WHEREAS the Contractor has offered to execute and complete such work and WHERE AS THE BOARD has accepted the tender and WHERE AS the Contractor has furnished a sum of Rs.....
(Rupees.....
.....) as Performance Security as per terms of contract for the due performance of this Contract.

Now this agreement witnesseth as follows:

1. In this agreement words and expressions shall have the same meaning as are respectively assigned to them in the tender document hereinafter referred to.
2. The following documents shall be deemed to form and be read and construed a part of this Agreement, namely,
 - i. Tender document with all Annexures
 - ii. All amendments to tender document;
 - iii. Work order;
 - iv. Letter of acceptance/acknowledgement; and
 - v. Agreement deed
3. The contractor hereby covenants with the Board to execute and complete the work in conformity and in all respects with the provisions of the Contract.

4. The Board hereby covenants to pay the Contractor in consideration of the execution and completion of the works, the contract price at the time and in the manner prescribed by the Contract.

IN WITNESS WHEREOF the parties hereunto have set their hands and seals the day and year first written.

The Common Seal of the Trustees of V.O.Chidambaranar Port was hereunto affixed and

1. The Chairman/other authorized officer thereof has set his hand in the presence of:
2. Signed and sealed by the Contractor in the presence of:

Form of Bank Guarantee for Performance Security

In consideration of the Chairman representing the Board of Trustees of V.O.Chidambaranar Port Trust (Hereinafter called the “Board”) having agreed to extend..... (hereinafter called the ‘said agreement’) of Performance security for the due fulfillment by the said contractor of the terms and conditions contained in the said agreement on production of Bank Guarantee for Rs.....(Rupees)

1. We(hereinafter referred to as ‘The Bank’) at the request of contractor do hereby undertake to pay to the Port on amount not exceeding Rs..... against any loss or damage caused to or suffered or would be caused to or suffered by the Port by reason of any breach by the said contractor of any of the terms or conditions contained in the said agreement.

2. We do hereby undertake to pay the amount due and payable under this guarantee without any demur, merely on a demand from the Port stating that the amount claimed is due by way of loss or damage caused to or would be caused to or suffered by the Port by reason of any breach by the said contractor of any of the terms and conditions contained in the said agreement or by reason of the contractor failure to perform the said agreement . Any such demand made on the bank shall be conclusive as regards the amount due and payable by the bank under this guarantee. However, our liability under this guarantee shall be restricted to an amount not exceeding Rs.....

3. We undertake to pay to the Port any money so demanded notwithstanding and dispute of the disputes raised by the contractor in any suit or proceedings before any court or tribunal relating thereto our liability under this present being absolute and unequivocal.

4. The payment so made by us under this bond shall be valid discharge of liability for payment there under and the contractors shall have no claim against us for making such payment.

5. We further agree that the guarantee herein contained shall remain in full force and effect during the period that would be taken for the performance of the said agreement and that it shall continue to be enforced till all the dues of the Port under or by virtue of the said agreement have been fully paid and its claims satisfied or discharged or till the Finance department , V.O.Chidambaranar Port Trust certifies that the terms and conditions of the said agreement have been fully and properly carried out by the said contractor and accordingly discharges this guarantee. Unless a demand or claim under this guarantee is made on us in writing within three months from the date of expiry of the validity of the guarantee period we shall be discharged from all liability under this guarantee thereafter provided further that the bank shall at the request of the Port but at the cost of contractor renew or extend this guarantee for such further period or periods as the Port may require.

6. We further agree with the Port, that the Port shall have the fullest liberty without our consent and without affecting in any manner our obligations hereunder to vary any of the terms and conditions of the said agreement or to extend time of performance by the said contractor and to forbear or enforce any of the terms and conditions relating to the said agreement and we shall not be relieved from our liability by the reason of any such variations or extension being granted to the said contractor or for any forbearance, act or omission on the part of the Port or any indulgence by the Port to the said Contractor or by any such matter or thing whatsoever which under the law relating to securities would but for this provision have effect of so relieving us.

7. This guarantee will not be discharged due to the change in the constitution of the bank or the contractor.

8. We..... lastly undertake not to revoke this guarantee during its currency except with the previous consent of the Port in writing.

9. This guarantee is valid upto(Period)

Dated theday of.....

Seal of Bank.

FINANCIAL BENEFIT STATEMENT

(Should be a annex to each audit report vide Annexure - l - Rules3(1))

Sl. No.	Month	Para No.	Amount indicated in the report - Lower income realization (or) over payment	Amount recovered	Details of Recovery

COMPLIANCE REPORT

(Should cover reports which are submitted 2 months earlier) with reference to Annexure I - Para(7)

Sl.No.	Month	Para No.	Brief remarks	Reply accepted/ or not	Present status

List of Prevailing Projects through PPP / License basis

Sl.No	Name of the Project	Operator
1	Operation of 8 th berth Container Terminal	M/s Dakshin Bharat Gateway Terminal
2	Operations of 3 nos. of Harbour Mobile Crane - at Berth No. I to VI and IX	M/s Imcola Crane Company Pvt Ltd
3	Operation of Conveyor Handling Facility at Berth No. IX	M/s Chennai Radha Engineering Works
4	Operation of 8 Nos. of Hoppers at Berth No. III & IV	M/s Sea Port Shipping

PRICE BID

“AUDIT OF PPP OPERATIONS AT V.O.CHIDAMBARANAR PORT TRUST”

Rate in rupees

Description of work	Rate in lump per month	Amount for 2 years
Conducting Audit of all financial transactions of all the Operators carrying operations on PPP basis/ License basis in V.O.C. Port Trust, in accordance with the Accounting Standards, Income Tax Act and as per applicable clauses under the ‘Scope of work’ for a period of two years.		

Note:

1. Payment will be made on or after submission of monthly report within 10 days of completion of each Calendar month.
2. Rate shall be indicated in figures as well as in words. In case of differences, the amount stated in words will prevail.
3. The rate should be written or typed legibly and free from erasures, overwriting and corrections.
4. Corrections/overwriting if unavoidable shall be made by scoring out and rewriting afresh and it shall be attested with dated signature.
5. The rate shall be all inclusive. Only GST as applicable will be reimbursed extra.
6. The amount payable is subject to TDS of all kinds.
7. The provisions of ESI Act 1948 and EPF&MP Act 1952 shall be complied with.

Signature with Seal of the Company