

COASTAL AQUACULTURE AUTHORITY

Department of Fisheries

Ministry of Fisheries, Animal Husbandry and Dairying, Govt. of India
5th Floor, Integrated Office Complex For Animal Husbandry and Fisheries Departments,
Veterinary Hospital Road, Fanepet, Nandanam, Chennai – 600035.
Phone: +91 44 24353784 / 24353502

No.42-3/2021-Admn

Date: 01.02.2024

NOTICE INVITING QUOTATIONS

The Coastal Aquaculture Authority (CAA) invites sealed quotations from the **CAG Empaneled Chartered Accountant Firms only** for providing the Internal Audit services to CAA for the Financial Years 2023-24 to 2025-26. The quotations should reach the Office of CAA, Chennai on or before 1500 hrs on 12.02.2024. The quotations shall be opened on same day at 1530 hrs, where the bidders may also be present.

Sl. No.	Description	Period
1.	Providing Internal Audit Services to the Coastal Aquaculture Authority for three years	For the Financial Years 2023-24 to 2025-26.

Grant-in-Aid & Internal Revenue Details:

Sl. No.	Description	Grant / fees details
1.	Grant-in-Aid for Salaries	Rs.2.60 Crores
2.	Grant-in-Aid for General	Rs.2.60 Crores
3.	Internal Revenue Generation	Rs.2.00 Crores (approx.)

2. The detailed Terms of Reference and Scope of work for providing internal audit services to CAA is attached as **Annexure**.

Terms and Conditions:

- (i). Rates must be quoted in figures and words with proper signature and date by the authorized signatory in the prescribed format as per Annexure "A" only and submit in a sealed envelope superscripting "**QUOTATIONS FOR PROVIDING INTERNAL AUDIT SERVICES FOR THE FINANCIAL YEARS 2023-24 TO 2025-26**". In case of discrepancy, the rates quoted in words will be taken as valid.
- (ii). The successful CA Firm has to arrange their own manpower for the purpose it is engaged by CAA. CAA will provide required device with Tally Software for the said job in its office premises. No official record shall be allowed to be taken out of CAA premises.
- (iii). Firm should provide their service for revision of accounts and / or financial statements to the extent of observations made by CAGI Audit (Certification & Compliance) and PAO Audit of the Administrative Ministry, if any.
- (iv). Quotation should be valid for six months which will be reckoned from the last date of receipt of the quotation.



- (v). The firm has to submit a self-attested copy of PAN Card.
- (vi). The bidder has to sign on all pages of the NIQ in acceptance of the terms and conditions of the NIQ. Sub-contracting is not allowed. The firm should not disclose the information to any person / media etc. it has to maintain confidentiality.
- (vii). In case of any dispute, the decision of Member Secretary, CAA, Chennai shall be final and binding.
- (viii). The rates quoted shall be inclusive of all such as tax, TA/DA of employees deployed by firm etc.
- (ix). CAA is not liable for death of personal injure or theft caused to Firm's employees who are involved the job.
- (x). No additional payment shall be made other than the quoted rates. TDS will be deducted as per applicable rules at the time of payment.
- (xi). CAA reserves the rights to accept or reject any or all quotations in part or full, without assigning any reason thereof and without any liability to the CAA.




**Member Secretary
CAA, Chennai**

Signature of Bidder

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Phone: +91 44 24353784 / 24353502

Financial Quote and Details of bidder for providing Internal Audit Services to the Coastal Aquaculture Authority for the Financial Years 2023-24 to 2025-26

1	Name of Bidder			
2	Communication Address of Bidder			
3	Contact Phone Number			
4	E-Mail ID			
5	PAN Number (Enclose self-attested copy of PAN Card)			
6	GST Registration Number (Enclose self-attested copy of GST Registration Certificate)			
7	Bank Account Number			
8	Name of Bank and Branch			
9	IFSC Code			
10	Financial Quote for providing Internal Audit Services to CAA (Excluding GST)	2023-24	2024-25	2025-26
11	Rate of GST in percentage (GST %)			
12	Total rate including GST			

Signature of Bidder with Seal

Place:

Date:



COASTAL AQUACULTURE AUTHORITY, CHENNAI

Terms of Reference (ToR)

Section I

Background

The Coastal Aquaculture Authority (CAA) was established under the Coastal Aquaculture Authority Act, 2005 notified vide Gazette Notification dated 22nd December, 2005. The main objective of the Authority is to regulate coastal aquaculture activities in coastal areas in order to ensure sustainable development without causing damage to the coastal environment. The Authority is empowered to make regulations for the construction and operation of aquaculture farms in coastal areas, inspection of farms to ascertain their environmental impact, registration of aquaculture farms, fixing standards for inputs and effluents, removal or demolition of coastal aquaculture farms, which cause pollution etc.

It is mandatory that all persons carrying out coastal aquaculture shall register their farms with CAA for which CAA is assisted by State Level Committees (SLC) and District Level Committees (DLC), constituted in the coastal States. Applications for registration of farms are to be made to the DLC along with the prescribed fee payable to the Member Convener of DLC in the form of Demand Draft. DLCs inspect the farms that are above 2 ha. and send their recommendations to State Level Committee who upon satisfaction, forward to CAA. If the farm is less than 2 ha., DLC directly send the applications to CAA for consideration.

Government of India, vide Notification dated 15th October, 2008, issued by the Department of Animal Husbandry, Dairying & Fisheries (DAHD & F), Ministry of Agriculture, under the Livestock Importation Act, 1898, (as amended by Livestock Importation Act, 2001), has authorized CAA to grant permission for importing broodstock of SPF *Litopenaeus vannamei* an exotic shrimp and to grant approvals for seed production in bio-secured hatcheries and farming in bio-secured farms.

Functions

Under Section 11(1) of the Coastal Aquaculture Authority Act, 2005 the Authority shall exercise the following powers and perform the following functions, namely:

- (a). To make regulations for the construction and operation of aquaculture farms within the coastal areas;
- (b). To inspect coastal aquaculture farms with a view to ascertaining their environmental impact caused by coastal aquaculture;
- (c). To register coastal aquaculture farms;



- (d). To order removal or demolition of any coastal aquaculture farms which is causing pollution after hearing the occupier of the farm; and
- (e). To perform such other functions as may be prescribed.

The broad areas of activities of CAA as stated under Rule 5 of the Coastal Aquaculture Authority Rules, 2005 are:

- i. deal with any issues pertaining to coastal aquaculture including those which may be referred to it by the Central Government;
- ii. carryout or sponsor investigations and studies/ schemes relating to environment protection and demonstration of eco-friendly technologies;
- iii. collect and disseminate the data and other scientific and socio-economic information related to coastal aquaculture;
- iv. prepare manuals, codes and audio visual materials relating to sustainable development of coastal aquaculture and activities relating to coastal aquaculture;
- v. plan and organize training of personnel engaged or likely to be engaged in programmes for sustainable utilization and fair and equitable sharing of the coastal resources;
- vi. make suitable recommendations to the Government for amending the guidelines from time to time.
- vii. Granting permission to coastal aquaculture farms to culture SPF L. vannamei in the farms;
- viii. Granting permission to hatcheries for import broodstock of SPF L. vannamei and production of seeds;
- ix. Inspection and monitoring of coastal aquaculture farms and hatcheries;
- x. Conducting awareness programmes for the coastal aquaculture farmers;
- xi. Conducting workshops / seminars to promote Good Aquaculture Practices with State Government officials and stakeholders;

Fees Collection and Management

Particulars	Rate (Rs.)	Last revision date	Authority
Service 1 (Farm Registration Fees) 30% of the fees collected for Registration and Renewal of Registration	Rule 9(2) of Chapter V of CAA Rules, 2005 (copy enclosed)	22.12.2005	CAA Act, 2005 and as resolved in the 17 th meeting of the Authority



Service 2 (Processing Fees(L. v Farms)	Rs. 500/ha water spread area	18.11.2008	Application for permission to culture SPF <i>L. vannamei</i> with processing fee was approved in 18 th meeting of Authority
Service 3 (Processing Fees (L. v Hatchery)	Rs. 5000/year	12.12.2008	It was resolved in the 19 th meeting to collect Rs. 5000 /- per annum for processing fee from the hatcheries
	Rs. 10,000/year	24.06.2015	It was resolved in the 53 rd meeting to raise the processing fee to Rs. 10,000 /- per annum from the hatcheries.
Service 4 (Feed Products)	Rs. 10,000/year	26.08.2015	Voluntary registration by Public Notice approved by the Authority in its 54 th meeting.

The Authority resolved that the registration fees collected by the DLCs shall be shared in the ratio of 70:30 between the DLC/SLC and the CAA. The 30% share of the fee to CAA shall be remitted in the form of a Demand Draft by the DLC to the CAA once in six months. DLCs are required to send a half-yearly statement showing the monthly deposits and closing balance to the CAA.

The norms for expenditure by CAA on the 30% share (under earmarked funds) are as stated below:

- (a). For inspection and periodic monitoring of farms, hatcheries etc.
- (b). For organizing awareness programmes, sensitization, workshops, special drives, capacity building etc.
- (c). For preparation of technical manuals, printing of field manuals, leaflets, pamphlets and production of audio-visual materials on sustainable development of coastal aquaculture.
- (d). Miscellaneous expenses in connection with the publicity campaign on current issues, consultancy studies
- (e). To meet contingent expenditure

Accounting:

Under Section 20(1) of the Coastal Aquaculture Authority Act, 2005, the Authority shall cause to be maintained such books of account and other books in relation to its accounts in such form and in such manner as may, in consultation with the Comptroller and Auditor General of India, be



prescribed. Being statutory body, Authority prepares and maintains the accounts as per the formats prescribed by the Government as applicable for the autonomous bodies.

Accounting Policy of CAA:

The CAA has a defined Accounting Policies which can be obtained from the office of the CAA.

Auditing:

Under Section 20(2) of the Coastal Aquaculture Authority Act, 2005, the Authority shall, as soon as may be, after closing its annual accounts, prepare a statement of accounts in such form, and forward the same to the Comptroller and Auditor-General of India by such date, as the Central Government may, in consultation with the Comptroller and Auditor-General of India, determine. Under Section 20(3) the accounts of the Authority shall be audited by the CAGI, Chennai at such times and in such manner as he thinks fit.

Submission of Audit Report:

Under Section 20(2) of the Coastal Aquaculture Authority Act, 2005, The accounts of the Authority as certified by the CAGI or any other person appointed by him in this behalf together with the audit report thereon shall be forwarded annually to the Central Government and that Government shall cause the same to be laid before both Houses of Parliament. The due date for submission of annual report containing accounts and audit reports is 30th December.

SECTION-II

1. Objectives of internal audit services:

The objective of the internal audit is to ensure that Ministry receives adequate, independent, professional audit assurance that the Grants provided by them are used for purposes intended in line with approved Guidelines and other procedures laid down by them for achieving the objectives of CAA.

The objective of internal audit of the financial transactions - Right from receipt of Grants-in-aid from Ministry up to utilization of funds with reference to the relevant accounting policies, Bank Reconciliation Statements, Books of Accounts etc., is to enable and strengthen the hands of the statutory auditor to express a professional opinion as to whether the funds were utilized for the purposes for which they were provided.

2. Standards:

The internal audit will be carried out in accordance with the relevant guidelines issued by the Institute of Chartered Accountants of India in this regard, as applicable for similarly-placed Organizations in India. The auditor should accordingly consider materiality when planning and performing the audit to reduce the risk to an acceptable level that is consistent with the objective



of the audit. In addition, the auditor should specifically consider the risk of material misstatements in the financial statements resulting from fraud.

3. Scope & Coverage of Audit:

In conducting the internal audit special attention should be paid to the following:

On the accounts of CAA :

An assessment of adequacy of financial controls. This should include aspects such as adequacy and effectiveness of accounting, financial and operational controls; level of compliance with established policies, plans and procedures; reliability of accounting systems, data and financial reports; methods of remedying weak controls; verification of assets and liabilities; a specific report on this aspect would be provided by the auditor quarterly as part of the Quarterly Management Letter.

Funds have been spent in accordance with the conditions laid down under various rules by the Government of India as applicable to the Central Government Offices, from time to time with due attention to economy & efficiency, and for only purpose for which the financing was provided.

Goods and Services financed have been procured in accordance with the relevant procurement guidelines issued by the Government of India. However, for certain activities the same would be carried out in accordance with the specific guidelines issued by competent authority viz., CAA. For such activities, the specific guidelines would be the source of reference for audit.

Expenditures/Releases have been made after due technical scrutiny by competent technical executives of the CAA and financial sanctions are issued by competent financial authorities who are vested/delegated with financial powers.

All necessary supporting documents, records and accounts have been kept in respect of Releases/Expenditures and receivables / income.

The Internal Audit has been entrusted with the task of 100% post-audit of all Releases/Expenditures.

4. Monthly Expenditure Reports (MERs):

In addition to the primary internal audit of the financial transactions of the CAA, the auditor is required to audit each quarter MER (quarter ending June, September, December and March). The auditor should apply such tests as the auditor considers necessary under the circumstances to satisfy the audit objective. Where ineligible expenditures are identified as having been included in the financial reports, these should be separately noted by the auditors. The audit report should include a separate paragraph commenting on the accuracy and propriety of expenditures included



in the financial statements and MERs including whether procurement procedures have been followed, and the extent to which the GoI can rely on periodical / MERs.

5. Management Letter:

In addition to the audit reports, the auditor will prepare a "Management Letter" (in suitable format) in which the auditor should summarise the observations on the internal control issues as under:

- (i). Give comments and observations on the accounting records, systems and internal controls that were examined during the course of the audit;
- (ii). Identify specific deficiencies and area of weakness in the system and internal controls and make recommendations for their improvement;
- (iii). Report on the level of compliance with the financial internal control, procedures as documented in the Guidelines / prescribed Manuals / GoI Instructions.
- (iv). Report any procurement which has not been carried out as per the procurement procedure outlined in GFR 2005 and GoI instructions on the subject as issued/amended from time to time.
- (v). Communicate matters that have come to the attention during the audit which might have significant impact on the achievement of objectives; and
- (vi). Bring to attention of CAA any other matter that the auditor considers pertinent. The observations in the management letter must be accompanied by the implications, suggested recommendations from the auditors and comments of CAA on the Observations/ recommendations have to be obtained and reported.

6. Reporting and Timing

The Internal Audit Reports should be submitted on Quarterly basis (quarters ending June, September, December and March). By completing internal audit and compliance of those observations/ suggestion within 30th June, the accounts are to be submitted to CAGI for its statutory audit.

7. Additional Instructions to Auditors

- (a). Audit Report of CAA shall include audit of all the transactions pertaining to the Activities as mentioned at Section I above.
- (b). Audit for the financial year will include all the components such as Grant-in-aid and Earmarked Fund.



- (c). The auditor will specifically mention in the audit report about the coverage of audit on these components and also will ensure that the releases and expenditures are duly separately reflected in relevant financial statements.
- (d). Management Letter (or Audit Opinion or Internal Audit Report) in suitable format more in nature of financial advice (than as a Statutory Audit Report) on internal controls, procedures and all major issues having financial bearing. This should be a source of reference for the CAA to ensure internal controls more in the context of financial administration.

8. General:

The auditor will be given access to any information relevant for the purpose of conducting the audit. This will include all financial, procurement records, the Note Files, Minutes of the Screening Committee meeting, Minutes of the CAA meetings & other important meetings, Correspondence files, Agreements, and legal documents, etc.

