

BEML LIMITED

(A Government of India Mini Ratna Company under Ministry of Defence)

"BEML SOUDHA " 23/1, 4TH Main, S.R. Nagar, Bangalore 560027

Phone : 080 22963179 / 22963315. FAX: 080 22963283

Ref.: CM/IA/HQ/Div/Mktg/2017-18/02

18.01.2017

To: Firms of Chartered/Cost Accountants

Dear Sirs,

Sub: Enquiry for Expression of Interest (EOI) for conducting Transaction Auditing for F.Y.2017-18 & 2018-19.

Closing date and time 02.02.2017 at 2PM.

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BEML Limited invites expression of interest from **Partnership/ Limited Liability Firms of Chartered Accountants/ Cost Accountants with minimum 2 partners** (Excluding the firms which carried out transaction auditing of BEML Limited during the previous FYs 2015-16 and 2016-17) to conduct transaction auditing of its Regional Offices (ROs) and District Offices (DOs) for the FYs 2017-18 and 2018-19 as per the following details:

<i>Details of Regional/ District Offices of BEML Limited for carrying out transaction auditing</i>	<i>* All inclusive fee excluding service tax as applicable for FYs 2017-18 & 2018-19 (per annum)</i>	<i>Place of Audit</i>	<i>Preferred location of the firm</i>
New Delhi RO, DOs Jammu and Leh	Rs.51,700	New Delhi	New Delhi
Kolkata RO and DO Guwahati	Rs.51,700	Kolkata	Kolkata
Mumbai RO and DOs Ahmedabad, Udaipur and Panjim	Rs.51,700	Mumbai	Mumbai
Chandrapur DO	Rs.42,900	Chandrapur	Chandrapur, Warora & Nagpur
Nagpur RO (including Nagpur Global Service Centre) and DO Bhilai	Rs.51,700	Nagpur	Nagpur
Bilaspur RO	Rs.51,700	Bilaspur	Bilaspur
Hyderabad RO and DOs Bacheli, Hospet, Vishakapatnam and Vijayawada	Rs.51,700	Hyderabad	Hyderabad
Kothagudem and Ramagundam DOs	Rs.42,900	Kothagudem	Hyderabad/ Kothagudem
Ranchi RO including KDH Heslong	Rs.51,700	Ranchi	Ranchi
Dhanbad RO	Rs.51,700	Dhanbad	Dhanbad
Singrauli RO	Rs.51,700	Singrauli	Singrauli, Waidhan & Katni
Asansol DO	Rs.42,900	Asansol	Asansol, Raniganj & Burnpur
Sambalpur RO and DO Bhubaneswar	Rs.51,700	Sambalpur	Sambalpur & Jharsuguda
Chennai RO and DOs Madurai, Neyveli and Kochi	Rs.51,700	Chennai	Chennai

* Remuneration as indicated above is **all-inclusive** i.e. fees and all out-of pocket expenses including Boarding, Lodging and Conveyance per annum. The company will extend its Guest House / Boarding facility during the course of transaction audit subject to availability and recovery of charges applicable as per rules of our organization. Service tax registration certificate and PAN Number needs to be submitted by the firm.

1. Scope, Coverage and Audit Programme: As enclosed.
2. Period: FYs 2017-18 and 2018-19
3. Date of Commencement of audit: 01.04.2017
4. AUDIT TEAM:

a) The Partnership/Limited Liability Firms of Chartered Accountants /Cost Accountants registered with the Institute of Chartered Accountants of India / Institute of Cost Accountants of India, appointed to conduct Internal Audit shall depute audit team consisting of article/ audit assistants, qualified Chartered/Cost Accountants including partners to respective ROs / DOs.

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- b) The Audit Team should visit respective ROs/DOs every quarter and conduct Audit for at least 4 working days in a quarter. The attendance of the team members will be maintained by Chief of Accounts of ROs/DOs concerned.
 - c) Partner of the firm should visit at least one day for each Quarter for discussion with the Chief of Accounts along with Regional/District Manager concerned.
 - d) The Audit team shall conduct the audit as per Manual, rules and regulations, guidelines, instructions, Delegation of Power etc., and in consultation with officials concerned at the respective ROs/DOs. The Audit Program indicated is only tentative and actual program will be issued with the approval of Management and Audit Committee for each year.
5. Periodicity of Report: Quarterly.
 6. Methodology of Audit: Transaction Audit will be conducted for the full Financial Years 2017-18 and 2018-19 **on quarterly basis** by a dedicated team. Audit observations requiring written clarification shall be concurrently communicated to the Head of Regional / District office. Internal Audit Report together with check list shall be submitted for every quarter. Internal audit report containing all observations which are not resolved to the satisfaction of the internal auditor shall be submitted to the Chief of Corporate Audit, BEML Limited., BEML Soudha, Bangalore – 560027 duly juxtaposed with the replies. The report shall include the coverage, issues of material nature involving deviations from the policies of the Company, GAAP, Accounting Policies, Accounting Standards and the Internal Controls established by the Management in the form of various manuals and the required corrective action and recommendation for preventing recurrence. The report should also contain a separate section on 'Value Addition' made by Audit.
 7. Unresolved issues of material nature, involving Accounting Principles and Standards shall be coordinated by Corporate Audit in consultation with the Statutory Auditors of the Company and resolved before presentation to the Management and to the Audit Committee.
 8. Due date for submission of Report: Draft Report shall be submitted to the Chief of Regional Office / District Office within seven days from the close of the Quarter under report. Final Report shall be submitted to Chief of Corporate Audit, BEML Limited., BEML Soudha, Bangalore - 560027, within fifteen days from the close of the Quarter under report with a copy to Regional/District Manager concerned.
 9. Presentation to Management and Audit Committee: If felt necessary, the Management may invite the firm to be present at BEML HQ for discussion with Management / Audit Committee on major issues brought out in the Report, in which case, out of pocket expenses, if any, will be borne by BEML Limited.
 10. The fee for conducting transaction audit for FYs 2017-18 and 2018-19 as per scope of work enclosed is fixed as above.
 11. **Payment:** 50% of the total fees for the year as indicated above will be paid after acceptance of the internal audit reports of the first two quarters by the Management and the balance 50% will be paid after acceptance of the internal audit reports of all four quarters by the Audit Committee.
 12. The engagement, if given, is subject to confidentiality and Non-disclosure undertaking to be executed in the form and content acceptable to BEML before commencement of the assignment.
 13. The Company reserves the right to review the performance of the assignment, if given, and to terminate the services without assigning any reason and without cost or consequence on the part of the Company. On satisfactory performance the Company may also extend the contract for another year i.e. for FY 2019-20 on mutual consent.
 14. **Unconditional willingness or otherwise, with a brief profile as per the format enclosed to be downloaded from Company's website,** should be submitted to the following address in

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sealed envelope duly super scribing our letter reference **CM/IA/HQ/Div/Mktg/2017-18/(b)** dated **18.01.2017 to reach us before 02:00PM on or before 02.02.2017.**

**The Deputy General Manager, Corporate Materials, Room No.2
BEML Limited, BEML SOUDHA, # 23/1, 4th Main Road, S R Nagar,
Bangalore 560 027**

Tender shall be opened on closing date at 3PM in presence of the bidders who wish to be present at the above venue. The bids received after closing date and time will not be considered.

15. No clarifications or counter offers will be entertained.

16. In order to ensure 'rotation of auditors' firms presently engaged as Transaction Auditors of the Company for the FYs 2015-16 and 2016-17 need not submit their EoI against this enquiry.

17. The selection will be made by correlating the point score earned by each firm of Chartered Accountants/Cost Accountants based on the profile as per sl.no.14 above. The Company reserves the right to engage any firm of Chartered Accountants/Cost Accountants meeting the acceptance criteria and to change the divisions or remuneration for any reason including administrative or location convenience and as such the decision of the Company is final and binding.

18. The firms are advised not to quote if any of the disqualifications prescribed under rules / regulations and decisions of Institute of Chartered Accounts of India/Institute of Cost Accountants of India is found applicable to the firms and conditions prescribed by C&AG under section 139 of the Companies Act, 2013, to the extent applicable, are not met or debarred by any Public Sector Companies.

19. If the same firm scores highest points for more than one place of audit, assignment for one of the places of audit will be entrusted to that firm. The firm will be ignored for evaluation of all other places of audit.

20. TERMS AND CONDITIONS:

- i) The Audit Firm must not sub-contract the work in whole or in part.
- ii) Dispute/difference, if any, shall be mutually settled with Regional/District Manager along with Chief of accounts of the ROs/DOs concerned. If the dispute could not be settled at above level, it will be forwarded to the Chief of Corporate Audit for decision of CMD, which will be final and binding to all concerned.
- iii) Firm will be debarred from getting Internal Audit assignments in future in BEML Limited in the following cases:
 - a) If the firm obtains appointment on the basis of false information/false statement.
 - b) If the firm does not take up audit in terms of appointment letter.
 - c) If the firm does not submit the Audit Report, complete in all respect, in terms of appointment.

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21. GENERAL TERMS AND CONDITIONS:

(i) ARBITRATION :

For PSUs: In the event of any dispute or difference relating to the interpretation and application of the provisions of this Agreement, such dispute or difference shall be referred by either party for Arbitration to the Sole Arbitrator in Department of Public Enterprises to be nominated by the Secretary to the Government of India, in charge of the Department of Public Enterprises. The Arbitration and Conciliation Act, 1996 shall not be applicable to the arbitration under this clause. The award of the Arbitrator shall be binding upon the parties to the dispute, provided, however, any party aggrieved by such Award may make further reference for setting aside or revision of the Award to the Law Secretary, Department of Legal Affairs, Ministry of Law and Justice, Government of India. Upon such reference, the dispute shall be decided by the Law Secretary or the Special Secretary/Addl. Secretary, when so authorized by the Law Secretary, whose decision shall bind the parties finally and conclusively. The parties to the dispute will share equally the cost of Arbitration as intimated by the Arbitrator.

For firms other than PSUs: In the event of any dispute or difference relating to the interpretation and application of the provisions of this Agreement, such dispute or difference shall be referred by either party for Arbitration to the Sole Arbitrator to be appointed by BEML. The Arbitration proceedings shall be in accordance with the provisions of Arbitration and Conciliation Act, 1996 and Rules framed there under. The place of Arbitration shall be at Bangalore and all Arbitration proceedings shall be conducted in English language and governed by the above said Act and Rules.

Courts at Bangalore shall alone have sole jurisdiction to decide any issue arising out of the Arbitration or this Agreement.

(ii) FORCE MAJEURE CLAUSE:

Notwithstanding anything contained in the Contract, neither the Supplier nor the Purchaser shall be held responsible for total or partial non-execution of any of the contractual obligations, should the obligation become unreasonably onerous or impossible due to occurrence of a 'Force Majeure' conditions which directly affect the obligations to be performed by the Purchaser or the Supplier. Such events include war, military operations of any nature, blockages, revolutions, insurrections, riots, civil commotions, insurgency, sabotage, acts of public enemy, fires, explosion, epidemics, quarantine restrictions, floods, earthquake, or acts of God, restrictions by Govt. authorities over which the Supplier or the acts on which the Purchaser has no control.

The party claiming to be affected by Force Majeure shall notify the other party in writing without delay, within two weeks on the intervention and on the cessation of such circumstance. Extension of time sought by the Supplier along with supporting evidence and so granted by the Purchaser for the supply/ work affected, if any, shall not be construed as waiver in respect of remaining deliveries.

Notwithstanding above provisions, Purchaser shall reserve the right to cancel the order/ Contract, wholly or partly, in order to meet the overall delivery schedule and make alternative arrangements including arrangements with third party for completion of deliveries and other schedules. Purchaser may takeover partly processed material at a mutually agreed price.

(iii) APPLICABLE LAWS AND JURISDICTION OF COURTS:

Indian laws both substantive and procedural, for the time being in force including modifications thereto, shall govern Contract. The competent Indian courts shall have sole jurisdiction over disputes between purchaser and the Supplier.

(iv) INTELLECTUAL PROPERTY RIGHTS; LICENSES :

If any Patent design, trademark or any other intellectual property rights apply to the delivery or accompanying documentation, Purchaser shall be entitled to the legal use thereof free of charge by means of a non-exclusive, worldwide, perpetual license. All intellectual property rights that arise due to the execution of the delivery by the Supplier and by its employees or third parties involved by the Supplier for performance of the agreement belong to Purchaser.

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The Supplier shall be obligated to do everything necessary to obtain or establish the above mentioned rights. The Supplier guarantees that the delivery does not infringe on any of the intellectual property rights of third parties. The Supplier shall also be obligated to do everything necessary to obtain or establish the alternate acceptable arrangement pending resolution of any (alleged) claims by third parties. The Supplier shall indemnify the Purchaser against any (alleged) claims by third parties in this regard and shall reimburse Purchaser for any damages suffered as a result thereof. "The Supplier shall comply with all applicable Labor Laws, particularly Contract Labor (Regulation & Abolition) Act, 1970, ESI Act, Gratuity Act, Payment of Bonus Act, Payment of Minimum Wages Act, Provident Fund Act etc., and Rules framed therein from time –to- time and the Supplier shall indemnify the Company for any loss caused to it by reason of inaction, non-compliance etc., of the provisions of any Law by the Supplier".

(v) **BRIBES AND GIFTS:**

Any bribe, commissions, gift or advantage given, promised or offered by or on behalf of the supplier or his partner, agent or servant or anyone on his or on their behalf to any officer, servant, representative or agent of BEML or any person on his or their behalf in relation to the obtaining or to the execution of or any other contract with BEML Ltd., shall in addition to any criminal liability which the supplier, may incur, subject the supplier to the cancellation of this and all other contracts with BEML and also for payment of any loss or damage resulting from any such cancellation to like extent, the supplier shall be liable for any loss which BEML may sustain on that account. Any question or dispute as to the commissions of any offence under the present clause shall be settled by BEML in such manner and on such evidence of information as they may think fit and sufficient and their decision shall be final and conclusive.

(vi) **JURISDICTION:**

Courts at Bangalore alone shall have jurisdiction to decide any issue/dispute arising out of the Arbitration or this Purchase Order in exclusion of all other Courts. However, jurisdiction of any other court may be accepted by mutual discussion and agreement by and between the Company and the Supplier.

(vii) **DRAWINGS AND DOCUMENTS:**

Drawings, technical documents or other technical information received by one party shall not, without the consent of the other party, be used for any other purpose than that for which they were provided. They may not, without the consent of the submitting party, otherwise be used or copied, reproduced, transmitted or communicated to third parties.

The Supplier shall, as per agreed date/s but not later than the date of delivery, provide free of charge information and drawings which are necessary to permit the Purchaser to erect, commission, operate and maintain the product. All intellectual properties, including designs, drawings and product information etc. exchanged during the formation and execution of the Contract shall continue to be the property of the submitting party.

(viii) **NON-DISCLOSURE AND INFORMATION OBLIGATIONS:**

The Supplier shall provide Purchaser with all information pertaining to the delivery in so far as it could be of importance to Purchaser. The Supplier shall not reveal confidential information to its own employees not involved with the tender / Contract & its execution and delivery or to third parties. The Supplier shall not be entitled to use the Purchaser's name in advertisements and other commercial publications without prior written permission from Purchaser.

Further to above, the supplier shall not divulge/share any data/information collected through the survey/findings of the survey to any person /firm. The complete process/assignment shall be treated as confidential.

(ix) **DURING ARBITRATION**

"Supplies under this Purchase Order, if reasonably possible, may continue by mutual agreement during the dispute / Arbitration proceedings".

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(x) **PROGRESS REPORT:**

The supplier shall regularly inform the progress of work and in such form as may be called for by the Purchaser from time to time. The submission and acceptance of such reports shall not prejudice the rights of the Purchaser in any manner.

(xi) **CONTRACT VARIATIONS: INCREASE OR DECREASE IN THE SCOPE OF SUPPLY:**

Purchaser may vary the contracted scope. If the supplier is of the opinion that the variation in scope has an effect on the agreed price or delivery period, purchaser shall be informed of this immediately in writing along with technical details, and in the event of additional work, submit a quotation with regards to the price and delivery period and the effect this scope will have on the other contracts under execution by the supplier. The supplier shall not perform additional work/ altered scope of work without the written instructions/amendment to the Purchase Order to that effect. The Purchaser also reserves its rights to decrease the scope of supply placed against Purchase Orders under due intimation to the supplier. Such decrease may be warranted due to defective goods or Policy Decisions of the Management of the Purchaser. And in such an event, the Supplier shall not have any claims or right against the Purchaser.

(xii) **NON-WAIVER OF DEFAULTS**

If any individual provision of the Contract is invalid the other provisions shall not be affected. The failure of BEML to insist upon performance of the Contract, to enforce any of the terms and conditions of this Contract or to exercise any right or privilege granted to BEML under this Contract or under law, shall not be construed as a waiver and the same shall continue in full force and effect.

(xiii) **ASSIGNMENT OF RIGHTS AND OBLIGATIONS; SUBCONTRACTING:**

The supplier is not permitted to subcontract the delivery or any part thereof to third parties or to assign the rights and obligations resulting from this agreement in whole or in part to third parties without prior written permission from Purchaser. Any permission or approval given by the Purchaser shall, however, not absolve the supplier of the responsibility of his obligations under the contract.

(xiv) **INTEGRITY COMMITMENT IN THE EXECUTION OF CONTRACTS:**

Commitment by Purchaser:

Purchaser commits to take all necessary steps to prevent corruption in connection with the execution of the Contract.

Commitment by the Contractor:

The Contractor (s) commit (s) to take all measures to prevent corruption and will not directly or indirectly try to influence any decision for the benefit for which he is not legally entitled. The contractor (s) will not commit any offence under the relevant Acts. The Contractor (s) will not use improperly, for purpose of competition or personal gain or pass on to others, any information or documents provided by Purchaser as part of business relationship.

The Consultant (s) will not enter with other Firm (s) / Consultant(s) into any undisclosed agreement or understanding or any actions to restrict competition. If the Consultant(s), before award or during execution of the consultancy Contract commit(s) a transgression of the above or in any other manner such as to put his reliability or credibility in question, Purchaser is entitled to disqualify the consultancy contractor(s) from the consultancy process or terminate the contract and / or take suitable actions as deemed fit.

Thanking You,

Yours Faithfully,
For BEML Limited,

Dy.General Manager
Corporate Materials

Encl: As above.

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SCOPE OF TRANSACTION AUDIT

The Internal Audit of the Company should be commensurate as per scope of reporting on internal control under section 138 of the Companies Act, 2013 and the objective of internal audit is to review the accounting and internal control system as service to the Company. The function of Internal Audit inter-alia includes examining, evaluation and reporting to the Management on the adequacy and effectiveness of components of the Accounting and Internal Control System as well as control of deficiencies and weaknesses.

The Auditor shall review the systems, transactions, sanctions and internal control of the areas including cash and bank transactions, pre-paid expenses, Trade Receivables, Inventory, loans, Contracts, Sales, Purchases, Trade Payable, Provision for Expenses, Establishment records both in F&A and HR, establishment expenses, other expenses, depreciation, provision of gratuity, ex-gratia/generation incentive, Revenue from Operation, Commercial billing, confirmation of balance from banks, debtors, creditors, fixed assets, capital work-in-progress, expenditure during construction, Tangible Assets, mandatory spares, stores, RM stock, FG/Semi FG stocks, inter unit accounts review of Books of accounts, Trial Balance, guest house wherever applicable, etc.

The scope of work includes compliances of Income Tax, Sales Tax, Service Tax, VAT, GST Law, and Local Body Taxes, PF, ESIC, Professional Tax, Deferred Taxes and all other relevant taxes and duties during the course of Audit.

During the course of audit, the Management may add/delete/modify the scope of any of these areas of work.

1.1 The Auditor will also cover the following records/document in their audit as per prescribed percentage/period:

1. Accounts - Cash and Bank transaction, adjustment entries in bank accounts, obtaining and monitoring cash insurance and security, Short term Deposits and related interest review, ST bank loan and related interest repayment adherence journal vouchers, loans, inter unit accounts, review of books of accounts, trial balance etc.
2. Purchase - Purchases orders, recording of purchases, GRNs, LCs (lifting certificates), financial sanctions, and procedure followed in payment, review of stock verification reports and insurance.
3. Sales - (Marketing) - Sales recording, invoicing, rebates/discounts credit notes, procedures followed in issue of credit notes, insurance, BG register, Credit Limits and adherence to sales orders.
4. Establishment - bills with respect to rules and propriety aspects, review of subsidiary records of F&A and HR
5. Stock Accounting - Documentation and procedure. Classification of stock as moving and non moving and Confirmation of stock.
6. Works contract (pre/post award and execution).
7. Tax matters - Income tax, service tax, WC Tax, Excise, Professional Tax etc.
8. Statutory deductions, payments and compliances - Timely deposition of dues and returns i.e. Corporate Tax, TDS, Service Tax, Prof. Tax, VAT, Excise/GST.
9. Assets - Fixed Assets, investment, current assets, Capital WIP etc.
10. Service - review of service orders, drawl of materials for service orders, closure of service orders, Idle hours, Energy Consumption etc., (wherever applicable).
11. ERP - review of General IT controls around data access, data and physical security, back-up, help desk.

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12. The auditor should also check whether Regional/District Offices concerned are maintaining proper records/data in compliance with Cost Audit Report rules and Cost audit Record Rules.
13. The scope of work shall also include the other areas, though not specifically covered above, but as may be required or necessary to achieve the objectives and the scope of audit, shall be deemed to have been included for the same.
14. Auditors while ensuring the complete coverage of the scope of internal audit as mentioned above should make efforts to prioritize/provide relative emphasis between the different areas based on the professional assessment of the risk profiles of different areas.
- 1.2 The Auditors should pick up at least 1 system/sub-system in each phase of audit and indicate how specific internal controls need to be strengthened in that area. Auditor shall also report whether:
- i. There is any system deficiencies and also report on Risk Assessment.
 - ii. Guidelines issued by F & A and other Dept. from time to time has been complied with.
 - iii. Internal audit/Govt. audit/Statutory audit observations on the accounts of previous year, which are outstanding as at the end of the year, have been complied with.
 - iv. Tax deduction at source are being made in all cases, as applicable under the Income tax Act, 1961 at prescribed rates and that TDS deposit are being made within the prescribed time and also that the unit is complying with all statutory requirements under Tax and other laws.
 - v. Marketing Divisions obtain confirmation of balances under advances, debtors, creditors and materials in transit/under inspection and with contractors/fabricators, prepare statements in the books of accounts upon such confirmation/reconciliation of balances under the above heads.

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AUDIT REPORT

On completion of Audit of the respective ROs/DOs in case of each Quarter, the preliminary observation shall first be discussed with the Chief of Accounts along with Regional/District Manager concerned. Based on the outcome of the discussions, the audit report thus compiled shall be structured as per the scope of reporting on the Internal Financial Control and as outlined hereunder:-

Part-I compliance and report:

This part shall cover the point wise comments of the Auditors on the adequacy of the compliance and action taken for rectification of errors discrepancies pointed out by previous auditor pertaining to earlier Quarter. It shall also contain the confirmation regarding implementation of policies, systems, controls etc., to avoid the recurrence of such irregularities in future. It may be ensured while conducting the audit, compliance report of the audit observations pointed out in the earlier report of preceding period, is furnished along with the corrective action taken.

Part – II Important Observation/Findings:

This part shall contain all such significant discrepancies observed during the current audit and which auditors feel/require immediate attention of the management specifying the financial implication, if any. In this part auditor shall also bring out the important deviation/observations, policies, system and procedure of the Company.

Part- III Detailed Report:

In this part, the Auditor shall furnish the detailed results of the audit and Auditors' confirmation whether Company's system/guidelines/propriety has been adhered to in the areas viz., works contracts, procurement, operation, establishment, records of gratuity, ex gratia/ generation incentive, commercial billing and its realization/reconciliation, maintenance of fixed assets register, investments, current assets, capital work in progress, expenditure during construction, ERP, mandatory spares, stores, inter unit accounts, review of accounts, wherever applicable guest house and provision of liabilities etc., besides all items covered in point 1.1 and 1.2 of scope of internal audit.

The report should be supplemented in each phase by statement indicating:

- i. Particulars of records with their volume (i.e. total no. of vouchers in each category for each phase) and value checked as compared to the total volume and value of transactions.
- ii. A Summary report indicating the important observations for each Quarter and each area.
- iii. A statement indicating the audit personnel deployed their designation and the period of deployment for each Quarter.
- iv. In case of "works and procurement" items a list of the cases audited above value 5 Lakh may please be mentioned in the report.

Before commencement of Audit, Auditors shall discuss the detailed program of Audit with respective Chief of Accounts.

During internal audit auditors should finalize the draft report and discuss with respective Chief of Accounts / Regional/District Manager for further action/compliance. Draft Report shall be submitted to the Chief of Regional Office / District Office within seven days from the close of the Quarter under report. Final Report shall be submitted to Chief of Corporate Audit, BEML Limited., BEML Soudha, Bangalore - 560027, within fifteen days from the close of the Quarter under report.

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SELECTION CRITERIA:

Selection of the firms will be based on maximum points/ score obtained after evaluation of parameters and criteria given in the table below:

Sl No	Criteria	Basis of Marks	Maximum Marks
1	Years of Establishment of the Partnership /Limited Liability firm since the date of registration. (Counted from the date of constitution of the firm with one full time ACA/FCA/ACMA/FCMA partner continuing to be a partner as on date of submission of EOI from date of joining the firm by an existing partner having longest association with the firm, whichever is later)	1.5 mark / year (fraction of the year to be ignored).	15
2	* Number of partners in the firm / Limited Liability Partnership who is with the firm for a minimum period of one year as on the date of opening of tender.	3 marks for each partner who is ACA/ACMA. 4 marks for each partner who is FCA/FCMA. 1 mark extra for each partner who is with DISA/ CISA/ISA	20
3	Number of qualified assistants who is an ACA/ACMA & is working with the firm for a minimum period of 1 year on the date of opening of tender.	1.5 marks for every qualified assistant 1 mark extra for each assistant who is with DISA/CISA/ISA	15
4	Details of partners' association with the same firm		
	(a) Names of the partners above 25 years	5 point for each partner	
	(b) Names of partners above 20 years but below 25 years	4 point for each partner	
	(c) Names of partners above 15 years but below 20 years	3 point for each partner	15
	(d) Names of partners above 10 years but below 15 years	2 point for each partner	
	(e) Names of partners below 10 years but above 5 years	1 point for each partner	
5	Statutory Audit under section 139 and Cost Audit under Section 148 of Companies Act, 2013 (restricted to last five years i.e., wef., FY 2012-13) in Central/State PSEs.	3 points per assignment for initial appointment (subsequent renewal/re-appointment in the same entity will be ignored).	
6	Internal Audit Assignments of Central/State PSEs (restricted to previous five years i.e., wef., FY 2012-13).	2 points per assignment for initial appointment (subsequent appointment in the same entity will be ignored).	

* Evaluation of firms will be done on the basis of number of partners in the firm in a particular location.

Note: In case two or more firms secure same marks for audit of a particular unit, the firm which has scored maximum marks under Sl.No.6 Internal Audit Assignment, will be preferred over the other(s).

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Sl.no.	Description					
BRIEF PROFILE OF Partnership/LLP FIRMS OF CHARTERED ACCOUNTANTS/COST ACCOUNTANTS AS ON 01.01.2017 FOR TRANSACTION AUDITING FOR THE FYs 2017-18 AND 2018-19						
1	Name, Address of the firm with PAN and Service Tax Registration No. (PAN & ST Reg., certificate to be enclosed)					
2	Date of Registration of the firm with the Institute of Chartered Accountants of India/ Institute of Cost Accountants of India - (Certificate to be enclosed)					
3	Details of Full Time FCA/FCMA Partners:(associated for a minimum of 1 year as on the date of opening of tender					
	Name	Date of joining the firm	Location	Date of enrolment as FCA/FCMA	CISA/DISA/ISA (yes or no) Certificate to be enclosed	Membership No. (Certificate to be enclosed)
4	Details of Full Time ACA/ACMA Partners:(associated for a minimum of 1 year as on the date of opening of tender					
	Name	Date of joining the firm	Location	Date of enrolment as ACA/ACMA	CISA/DISA/ISA (yes or no) Certificate to be enclosed	Membership No (Certificate to be enclosed)
5	Details of Full Time CA/CMA Assistants:(working for a minimum of 1 year as on the date of opening of tender					
	Name			Date of enrolment as ACA/ACMA	CISA/DISA/ISA (yes or No) Certificate to be enclosed	Membership No (Certificate to be enclosed)
6	Details of partners' association with the same firm:		Date of joining the firm	Location	CISA/DISA/ISA (Certificate yes or no) (Certificate to be enclosed)	
	Name of the Partner					
7	Statutory Audit assigned by C&AG under section 139 of the Companies Act, 2013 / Cost Audit assigned u/s 148 of Companies Act, 2013 (restricted to last five years i.e., wef., FY 2012-13) in Central/State PSEs.					
	Name of the PSE (engagement details to be enclosed)			Year of engagement		
8	Internal Audit Assignments of Central/State PSEs restricted to last five years i.e., wef., FY 2012-13)					
	Name of the PSE (engagement details to be enclosed)			Year of engagement		

Note:
 Full time partner **does not include**
 A person who is:
 (a) a partner in other firms
 (b) employed full time/part time elsewhere, practicing in their own name or engaged in practice otherwise or engaged in other activity which would be deemed to be in practice under Section 2(2) of the Chartered Accountants Act, 1949/ Cost and Works Accountants Act, 1959.
 (c) A partner whose total compensation from the firm is less than 8%
 (Total compensation = Sum total of share of profit, remuneration and interest on capital)

Note: Points for evaluation will not be awarded to firms who fail to submit relevant certificates as indicated above.

BEML LIMITED

(A Government of India Mini Ratna Company under Ministry of Defence)

"BEML SOUDHA" 23/1, 4TH Main, S.R. Nagar, Bangalore 560027

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UNDERTAKING

(to be furnished in the letter head of the Firm)

We, M/s _____, firm of Chartered Accountants/Cost Accountants do hereby verify and declare:

(i) that the particulars given above are complete and correct and that if any of the statements made or the information so furnished is later found to be incorrect or false or there has been suppression of material information, the firm would stand disqualified from empanelment/allotment of audit assignment and might be liable for disciplinary action under the Chartered Accountants Act, 1949/ Cost and Works Accountants Act, 1959 and the regulations framed there under;

(ii) that the firm or partner(s) has/have/ has not/have not been debarred or cautioned by Institute of Chartered Accountants of India/ Institute of Cost Accountants of India during the last three years (if the answer is 'affirmative' furnish details);

(iii) that individually the partners are not engaged in practice otherwise or in any other activity which would be deemed to be in practice under section 2 (2) of the Chartered Accountants Act, 1949/ section 2(2) of the Cost and Works Accountants Act, 1959.

(iv) that the constitution of the firm as on 01.01.2017 shown in the application is the same as that in the Institute of Chartered Accountants of India/Institute of Cost Accountants of India records (if not please enclose details of revised constitution of the firm as on the date of submission of EoI).

Place:

Signature with Seal of the firm

Date: