

**BRAHMAPUTRA VALLEY FERTILIZER CORPORATION LIMITED  
(A Government of India Enterprises)**

**CIN No. U24123AS2002G0I006786  
GST NO:- 18AABC9399R1ZK**

**HEAD OFFICE  
Namrup, P.O – Parbatpur, Dist- Dibrugarh  
Assam-786623**

**TENDER NO:- A/III/BVFCL/F&A/INTERNAL AUDITOR /2017-18 / 05**

**Date : 04-09-2017**

**Tender Document for  
Prequalification and Appointment of Internal Auditor of BVFCL NAMRUP for the  
year 2017-18**

**Last Date & Time of Receipt of Tender At Venue :**

**HEAD OFFICE**

**Dy. General Manager (F & A)  
Namrup, P.O- Parbatpur, Dist- Dibrugarh  
Assam-786623  
10 / 10 / 2017 At 3.00 PM**

**Date and Time of opening of Technical Bid Documents  
10/10/2017 at 3.30 PM**

**Phone no: 0374 - 2500547  
Fax No: +91(0) 374-2500317**

**Website: [www.bvfcl.com](http://www.bvfcl.com)**

## **NOTICE INVITING BID**

Sub:- Enquiry for Appointment of Internal Auditor for the financial year 2017-18.

Brahmaputra Valley Fertilizer Corporation Limited, a CPSU under the administrative control of Ministry of Chemical & Fertilizer, Govt of India, is a 100 % Govt. of India undertaking. Its registered and corporate offices are at Namrup, Assam. Outside the Namrup, the company has two liaison offices at Noida and Kolkata and two area sales offices at Guwahati and Patna . BVFCL is engaged in the manufacture of Urea, Bio-fertilizer, Vermi- Compost manure at Namrup (Assam) and trading of seeds pesticides, Fertilizers( MOP, SSP, Rock Phosphate) and Micronutrients. Corporation is making its products under the brand name "Mukta". During the F-Y 2016-17, the Turnover of the Corporation was Rs. 446.00 Crores

**Sealed bids** are invited by BVFCL from practicing Chartered Accountant / Cost Accountant Firms for conducting internal audit of H.O. placed at Namrup ( Assam), in accordance with the provisions of companies Act 2013. In addition, Auditor should visit one time with prior permission of HOD finance to our two liaison offices placed in Noida & Kolkata and one sale office in Guwahati. The party who selected for the job would remain to be continued for next year (F/y 18-19) with same fees and terms & condition subject to satisfactory performance of the party internal audit. The whole bidding process will be under **two stages**.

### **1 (a) Essential documents required to be submitted for validity of Technical Bids:**

- I. The firm is required to enclose a copy of its Valid Pan Card.
- II. The firm is required to enclose a copy of its valid GST Registration certificate.
- III. The name of the partner who shall issue the Internal Audit Report.

### **1. (b) Eligibility cum selection Criteria for Pre – Qualification : (Technical Bid)**

- I. Firms of practicing Cost Accountants / Chartered Accountants registered with the Institute of Cost Accountants of India / Chartered Accountant of India shall be considered for Appointment of Internal Auditor for conducting Internal Audit of the company.
- II. In addition to the above essential requirement, the following will be the basis of points for the selection of Internal Auditor:-

Sl. No.	Selection Criteria	Points to be allocated	Maximum Points
1	Experience in practice (No.of years )	2 point for every completed year of Firm's Registration	10
2	No. of Partners in the Firm who are with the Firm for a minimum period of two years as on date of application.	2 point of each partner	6
3	No. of Audit staff on roll	1.5 point for every qualified Article.	6
		1 point for every semi qualified Article.	4
		1 point for every audit assistant / clerk.	4
4	Experience of PSU unit / PSU company (other than Fertilizer) Internal Audit / Statutory Audit.	1.5 point for each completed year Internal Audit of a PSU Unit / PSU Company (*).	6

5	Experience of the Firm as internal Auditor / Statutory Auditor in Urea Fertilizer sector.	2 points per year unit / company(*) of Fertilizers Sector (Urea)	10
6	Experience of the Firm as internal auditor / Statutory Auditor in Non PSU & other than Fertilizer Sector (Companies with Annual Turnover of > Rs 400 Crores).	1 points per year per unit / company (*) of other than Fertilizer Sector (Urea).	4
7	Firm having head office in the same district / up to 300 km as per railway measurement from Namrup.	10 points for branch / head office. (Address need to be mention for future communication).	10
	OR	OR	
	Firm having a branch office in the same district / up to 300 km as per railway measurement from Namrup	06 points for branch / head office (Address need to be mention for future communication).	6
	OR	OR	
	Firm having a branch / head office in North East.	04 points for branch / head office (Address need to be mention for future communication).	4
	OR	OR	
	Firm having a branch / head office in other then North East.	02 points for branch / head office (Address need to be mention for future communication).	2

Total marks allocable – 60

(\*) Internal Audit of multiples units of a company in a year shall be counted as 1 (one) audit. Units should not be considered as Liaison Office, Sales Depo, and Godowns.

Note:-

- a. The firm securing at least 50% marks based on above system shall be considered as qualified, provided the bidder has scored 4 marks in respect of mentioned above table sl.no. 5.
- b. Clear and complete details and documentary evidence in respect of above (as desired in **Annexure – I**), for determination of points in support of information against Items 1 to 5 is required to be furnished. Proposal without the required documentary evidence (s) shall be ignored for evaluation.
- c. The party who selected for the job would remain be continued for next year (F/y 2018-19) with same fees and terms & condition based on satisfactory performance of the party.
- d. Bids should be un-conditional. Conditional bids shall be summarily rejected.

1. (c) Format for submission of Technical Bid is enclosed at **Annexure – I**

1. (d) Format of submission of Financial Bid is enclosed at **Annexure –II.**

**2. Documents required for evaluation of Technical Bids (to be kept in Sealed Cover -1 super scribed as Technical Bid) duly signed with seal:-**

- I. Essential Documents with support of eligibility criteria is required as mentioned at Annexure –I

**3. Documents required for evaluation of Financial Bids to be kept in Sealed Cover-2 super scribed as Financial Bid.**

- I. Annexure duly signed with seal.

**4. The Quarterly report will be finalised & issued by a senior partner of the firm.**

The tender documents are available at BVFCL website – [www.bvfcl.com](http://www.bvfcl.com) and it also can be downloaded from the Govt. portal site.

In case you require any other information, please feel free to contact the undersigned on any working day.

The two sealed envelopes should be kept under one sealed envelope and must be sent / dispatched clearly super-scribing “**Application for prequalification and Appointment of Internal Auditor** “ and Tender No “**A/III/BVFCL/F&A/INTERNAL AUDITOR /2017-18 / 05** “ dated **04-09-2017**.

Representative of the firm can be present at the time of opening of Technical Bid on bringing a letter of Authority from the Partner of the Firm.

Bids are to be submitted on or before 10 /10 /2017 up to 3.00 PM by regd. Post / speed post/ courier at the following address:

**Dy. General Manager (F & A)  
BVFCL, Namrup  
P.O.- Parbatpur, Dist- Dibrugarh,  
Assam -786623  
Ph.No. 0374 - 2500547**

The bids should be valid up to 30<sup>th</sup> November 2017.

Encl:

- 1) Format for submission of Technical Bid (Annexure- I)
- 2) Format for submission of Technical Bid (Annexure- II)
- 3) General Terms & Conditions (Annexure-A )

## Annexure- I

### Format for submission of Technical Bid

1. **Name of the Cost / Chartered Audit Firm:**
2. **Registration Number of the Cost / Chartered Audit Firm**
3. **Date of Registration of the Firm:**
4. **Particulars of the Firm**
  - I. (a) Address of the Head office of the firm as registered with the Institute of Cost Accountants of India / Chartered Accountants of India.  
(b) Address of Firm /branch at same district / up to 300 km as per railway measurement from Namrup / North- East region / other than North- East region (if any) (if different from "a") ( as registered with the institute of Cost Accountant of India / Chartered Accountant of India )
  - II. (a) Telephone Number with STD code.  
(b) Mobile Nos. of the partners
  - III. Email address of the firm
  - IV. Website of the firm, if any
  - V. PAN No. of the Firm (Copy enclosed)
  - VI. GST No of the firm (Copy enclosed)

#### 5. **Technical Details:-**

1	Registration certificate of the audit firm, Experience in Practice (No. of years) (Copy of Registration certificate to be submitted in Annexure)	
2	No. of Partners / Members Name & Address of the Partners with their Membership nos. (Details to be submitted in Annexure)	
3	No. of employees / staff (a) Qualified (b) Semi- Qualified (c) Audit Assistant /clerk. (Details to be submitted in Annexure)	
4	Experience of PSU unit / PSU company (other than fertilizer ) Internal Audit ( No. of years ) (Copy of work order & completion certificate to be submitted in Annexure)	
5	Experience related to Urea Fertilizer sector manufacturing industry (No of years ) (Copy of work order & completion certificate to be submitted in Annexure)	
6	Experience of the Firm as internal auditor in Non PSU and other than fertilizer sector ( Companies with Annual Turnover of > Rs. 400 crores ) (No of years) (Copy of work order & completion certificate, Copy of P/L & B/S of the company, to be submitted in Annexure)	
7	Firm having branch / head office in the same district / up to 300 KM/ North East ( Yes/No) ( If yes provide Address in Annexure )	

6. We hereby confirm the acceptance of all provisions and terms & conditions of the invitation without any deviation.

Place:

Date:

Authorised Signatory

With Official Stamp

**Annexure-II**

**Financial Bid for Internal Audit of BVFCL for 2017-18**

<b>Sl. No</b>	<b>Particulars</b>	<b>Quoted fees in Rs. (Excluding applicable tax)</b>	<b>Quoted fees (In words)</b>
1	Fees Rs. ( Per annum) (excluding taxes)		

**Place :**

**Date:**

**Authorised Signature  
With Official Stamps**

**1. Requirements for Bid to be considered Valid.**

The bid documents complete in all respects & duly signed with seal by authorized person shall be submitted by the bidder in two sealed separate envelopes as at (a) & (b) below. These two sealed envelopes should be kept under another sealed envelope and must be sent / delivered clearly super scribing:

**“Application for prequalification and Appointment of Internal Auditor“** and Tender No. **“A/III/BVFCL/F&A/INTERNAL AUDITOR /2017-18 / 05 “**.

- a) Cover-1 **“Technical Bid for prequalification and Appointment of Internal Audit 2017-18”**
- b) Cover-2, **“Financial Bid for appointment of Internal Audit 2017-18”**
- c) Incomplete offers would be summarily rejected.
- d) No extension of time shall be permitted for the collection of Tender Documents and/or Tender opening date.
- e) No cutting or overwriting would be allowed in Financial Bid. In such cases, bid would not be considered.
- f) Offers submitted against tender documents only will be considered and the offer shall be in the name of the firm.
- g) While submitting the bid, tenderers are requested to ensure that bids are in compliance with the regulations applicable under various statutes. Any fine, penalty or expenses due to breach arising thereon will be borne by the tenderer; BVFCL will bear no financial implication on this account.
- h) BVFCL takes no responsibility for delays, loss or non-receipt of tender documents and also reserve the right to reject any offer in part or full without assigning any reasons thereof.
- i) BVFCL shall always be at liberty to reject or accept any offer or offers or part thereof at its sole discretion. The submission of offer shall have no cause of action or claim against BVFCL for rejection of offer. The firm, whose offer is not accepted shall not be entitled to claim any costs, charges and expenses incidental to or incurred in connection with submission of offer or its consideration by BVFCL, even though BVFCL may opt to modify/withdraw the invitation to Tender or does not accept the offer or cancel the tender as a whole.

**2. Evaluation criteria for Financial Bids:**

2.1 The bids should be unconditional. Conditional bids would be summarily rejected.

2.2 Financial Bids shall be opened only after due scrutiny of Technical Bids is completed. The day for opening of Financial Bids shall be intimated to the techno commercially successful bidder separately.

2.3 Evaluation of bids shall be done on the basis of rates quoted in the price bid separately. However, Expenses towards boarding/lodging and TA etc. shall not be considered while evaluating financial bid.

2.4 If some discrepancies are found between the rates given in words & figures the rate as quoted in words shall be adopted.

2.5 Should there be a tie in the quotations received from different bidders, preference would be given to the firm which score higher point under Technical bid, further should there be again tie up then preference would be given to the firm that was incorporated earliest among the bidders.

2.6 Currencies for bid and payment shall be in Indian Rupees only.

### **3. Scope of Work and Time Schedule**

1. Audit of the following work/area will be conducted during the period 01.04.2017 to 31.03.2018.

- a) Physical verification of cash (in all cash points).
- b) Review of outstanding Internal Audit Observations.
- c) Review Audit Observation of Statutory Auditors.
- d) Participation as a member of Technical Valuation of Replaced old Assets & Review of Capitalisation of Fixed Assets.
- e) Participation as a member of quarterly physical verification of Row Material, Packing Material & Finished Products.

2. Other Audits to be conducted during the financial year are as details below :

#### **A. Finance & Accounts Departments :**

- i) Purchase Accounts.
- ii) Personnel Accounts.
- iii) P.F Accounts
- iv) Transportation, Freight and Loading & Unloading Accounts
- v) Insurance Accounts.
- vi) Cost, FICC, Budget and MR Accounts.
- vii) Central Accounts.
- viii) Works Accounts.
- ix) Welfare & Estate Accounts.
- x) Store Accounts ( Store Receipt Voucher, Issue Note, Raw & Packing Materials & Finished Product)
- xi) Sales Accounts (Terms & conditions, Invoicing, Credit Policy & Control, Reconciliation of dispatch with sales Invoice, Sundry Debtors for sales, Credit Notes, Sales Tax, Excise Duty, Security Deposits & Advances).
- xii) Cash & Banks Accounts (Register of Collateral Securities and valuable documents).
- xiii) Finance Concurrence Section.
- xiv) Project Accounts Section.
- xv) Taxation Section.

#### **B. Material Management Department**

- i). Stores
- ii) Purchase
- iii) Transportation



C. Personnel Department.

- i) Policies & Procedure for Human Resource Management.
- ii) Payroll processing.
- iii) Statutory / Local compliances like Provident Fund, Professional Tax and Income Tax etc.
- iv) Review and reconciliation of loan and advances to Employees.
- v) Schools and ration stores including LPG stores.

D. Electronic Data Processing

E. Hospital

F. Administration Department.

- i) Township (Elect & Civil Maintenance Deptt., Transport Pool & Vehicles)
- ii) Guest House.
- iii) Horticulture
- iv) Legal Department.

G. Marketing Department.

H. Technical Service Department:

Verification of technical report quarterly basis as prepared by TS department in respect of Input – Output Statement, Consumption of Natural Gas & Power & Fuel etc.

**Note :** Audit will be conducted as per the details given in the Internal Audit Manual, Standard on Auditing and Guidance Notice etc. issued by the institute of Chartered Accountants of India from time to time, the guidelines issued by the Audit Committee. The audit should also be covered the provision of the company Act, 2013 and rules made there under.

The above audit work will comprise following:

- i. Checking of all the Cash/Bank, Adjustment Vouchers, Journal Vouchers, Debit/Credit Notes etc. and their posting to main ledger and subsidiary ledgers, preparation of accounts schedules, preparation of monthly Trial Balance , Profit & Loss Accounts and Balance Sheet.
- ii. Checking of Bank transactions / Bank Reconciliation of all Bank Accounts of the BVFCL.
- iii. Checking of the Stores Ledger Accounts , Pricing of Stores Receipt Vouchers and Issue Notes, valuation of closing Stores & Spares and Inventory (Audit observation in this regard has to be kept in view).
- iv. Checking of the Fixed Assets Register/Calculation of depreciation in terms of provisions of the Companies Act, 2013.
- v. Security of outstanding advances / debtors / creditors and it age wise analysis.
- vi. Checking of entries and maintenance of CWIP Account separately and on completion, capitalization of the same.
- vii. Considering of advice/guideline / assistance / to the Accounts officials on day to day / periodical basis.
- viii. Review of the Accounts and coordination with Statutory Auditors.

- ix. Carrying out of miscellaneous jobs related to Annual Closing of Accounts.
- x. Follow up of the Internal Audit points.
- xi. Review past reports/points/on Accounts of the Statutory Auditors/CAG.
- xii. The overall responsibility for preparation of final accounts till the finalization of by the Statutory Auditors.
- xiii. Above department and work are not exhaustive but indicative only. Entire departments and work of BVFCL will be under the scope of Internal Audit.

#### **4. Detailed Terms & Conditions**

- 4.1 Internal Audit of BVFCL, Namrup , assignments shall be given to one firm only.
- 4.2 Auditor should visit one time in a year with prior permission of HOD finance to our two liaison offices placed in Noida & Kolkata and one sale office in Guwahati for verification / vouching of JVs, Vouchers and ledgers as maintained there.
- 4.3 The job is to be taken up as early as possible.
- 4.4 The internal audit work will be carried out on quarterly basis (First two quarters jointly and rest two quarter separately).
- 4.5 The audit firm appointed by BVFCL must not sub- contract the work.
- 4.6 If process/ performance of the audit team are not found satisfactory, the management reserves the right to terminate the appointment of the firm at any time.
- 4.7 Shifting of Office file out of the office premises is not allowed in any case. However, in case of any urgency, the files can be taken with written consent of the concerned Head of Division/ office.
- 4.8 In case LOA (Letter of Appointment) issued is not accepted by the L1 bidder, the bidder shall be debarred for 3 (three) years from the date of default.
- 4.9 Personnel to be deployed at least one qualified Chartered Accountant / Cost Accountant are compulsory for minimum period of 3 days in a quarter and sufficient audit assistants i.e. 15 man days per quarter to be deployed for this job, so that Audit Work can be carried out continuously and submit quarterly report to the Management.
- 4.10 The Internal Audit Reports should be submitted as per the schedule as mentioned hereunder:

Period	Date of submission of report
For six months (01.04.17 to 30.09.17)	by 15.11.17
For 3 <sup>rd</sup> quarter (01.10.17 to 31.12.17)	by 15.02.18
For 4 <sup>th</sup> quarter (01.01.18 to 31.03.18)	by 31.05.18

- 4.11 While submitting Internal Audit Report, Partner/Proprietor shall visit to Namrup for discussion with the Management.
- 4.12 Payment Terms : 25% amount of contract will be released after submission of first report for the period up to 30<sup>th</sup> Sept' 2017, 25% of contract value will be released after submission of report for 3<sup>rd</sup> quarter ended 31.12.2017 and the balance payment will be released after completion of the job.
- 4.13 No advance shall be payable under any circumstances and payment shall be remitted through RTGS as per the bank details mentioned on bill submitted to Corporation. TDS shall be deducted as per Income Tax Act, 1961.
- 4.14 The Internal Audit report should be submitted to the Management along with necessary remedial suggestion for taking corrective actions.

**4.15 Travelling expenses will be paid in the following manner:**

- I. **For Partners:**
  - a) In general, to and fro 2<sup>nd</sup> AC Railway fare in the shortest rout (except in Rajdhani Express, Shatabdi Express & Duronto Express) or as per actual whichever is less on submission of documentary evidence.
  - b) For visit to Noida liaison office , reimbursement of travelling expenses (to and fro) by 2AC rail fare (Except in Rajdhani Express, Shatabdi Express & Duronto Express) / 3AC rail fare including Rajdhani Express, Shatabdi Express & Duronto Express / Air (Economy class) for one partner or as per actual whichever is less on submission of documentary evidence.
- II. **For other Audit Staff:**
  - a) In general, to and fro 3<sup>rd</sup> AC Railway fare in the shortest rout (except in Rajdhani Express & Duronto Express) or as per actual whichever is less on submission of documentary evidence. However, for audit staff this facility shall be available once in a month.
  - b) For visit to Noida liaison office TA reimbursement will be same as expressed in above point no. 'a'.
- III. Local transport at the Namrup station to and fro Railway station / Bus stand and Company's Guest house to place of work will be provided by the company free of charge. However, in respect of local transport charges at the originating destination, audit place, the reimbursement shall be limited to auto charges @ Rs. 200/- to Audit staff and Rs. 300/- for partner by taxi, or actual whichever is less.
- IV. Travelling expenditure will be reimbursed after verification of supporting documents and which will be duly signed by the partner / proprietor of the firm.

**4.16 Lodging & Fooding will be paid in the following manners:**

- I. Corporation will provide accommodation including fooding to partner of the firm and also to audit staff in the Company's Guest House at Namrup on free of cost.
- II. For visit to Noida, Kolkata & Guwahati, Auditor will get lodging and fooding reimbursement limited to Rs. 1000/- (per day) to Audit Staff and Rs. 1500/-(per day) for partner or actual whichever is less.

**4.17 The party who selected for the job would remain be continued for next year (F/y 18-19) with same fees and terms & condition subject to satisfactory performance of the party.**

**4.18 All the pages of the proposal document shall have to be signed by the applicant firm(s) with the firm's seal and documents submitted along-with the offer shall also have to be authenticated by the authorized signatory of the applicant firm(s) with the firm's seal.**

4.19 The proposal should be submitted strictly as per the terms & conditions laid down in the document.

4.20 Entire the departments and the work of BVFCL will be under the scope of Internal Audit.

## **5. Action against the Tenderer**

Failure to act according to tender conditions, non-fulfilment of any or whole of the contract may entail de-listing of the firm in addition to taking other appropriate action against the Firm.

If a tenderer resorts to any frivolous, malicious or baseless complaints/allegations with intent to hamper or delay the tendering process or resorts to canvassing/rigging/lance the tendering process, BVFCL reserves the right to debar such tenderer from participation in the present/future tenders up to a period of 3 years.

## **6. Arbitration:**

Except where otherwise provided in the contract all matters, questions, disputes or differences whatsoever, which shall at any time arise between the parties hereto, touching the construction, meaning, operation or effect of the contract, or out of the matters relating to the contract or breach thereof, or the respective rights or liabilities of the parties, whether during or after completion of works or whether before or after termination shall after written notice by either party to the contract be referred to DGM (Finance), BVFCL for appointment of Arbitrator.

The Arbitration proceedings shall be governed by the Arbitration & Conciliation Act,1996, The Arbitration & Conciliation (Amendment Act 2015) or any further statutory modification or re-enhancement thereof and the rules made there under.

If the arbitrator to whom matter is referred, vacates his/her office by any reason whatsoever then the next arbitrator so appointed by the authority referred above may start the proceedings from where his predecessor left or at any such stage he may deem fit..

It is agreed by and between the parties that in case a reference is made to the Arbitrator or the Arbitral Tribunal for the purpose of resolving the disputes/ differences arising out of the contract by and between the parties hereto, the Arbitrator or the Arbitral Tribunal shall not award interest on the awarded amount more than the rate SBI PLR / Base Rate applicable to BVFCL on the date of award of contract.

## **7. Jurisdiction**

In respect of all tender conditions, the decision of BVFCL shall be final and binding. The venue of the Arbitration shall be Namrup & Dibrugarh Court will have exclusive jurisdiction.

## **8. General**

Bidder/Tenderer shall mean the firm who submits the tender and enters into contract with BVFCL and shall include their executors, administrators and successors and permitted assignees.