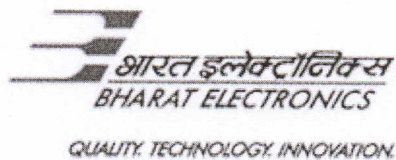


**BHARAT ELECTRONICS LIMITED**  
**(A GOVERNMENT OF INDIA ENTERPRISE, MINISTRY OF DEFENCE)**

**REQUEST FOR QUOTATION (RFQ)**  
**FOR**  
**APPOINTMENT AS COST AUDITOR FOR THE FINANCIAL YEAR 2016-17**



**BHARAT ELECTRONICS LTD**  
**NAGAVARA, OUTER RING ROAD, BENGALURU - 560045, INDIA**  
**CIN:L32309KA1954GOI000787, [www.bel-india.com](http://www.bel-india.com)**  
**PHONE NO:+91-80-25039300, FAX:+91-80-25039233**

Tender No. 18260/Cost\_Audit/ 2016-17/1

Date: 10.05.2016

## REQUEST FOR QUOTATION (RFQ)

### Preamble

Sealed tenders under TWO – Bid System (Techno-commercial & Price Bid) are invited on behalf of **Bharat Electronics Limited (BEL)** for appointment of Cost Auditor for conducting "Cost Audit" as per the provisions of Companies Act 2013, as per the attached tender documents.

### Introduction about Bharat Electronics Ltd

The Company is a Public Sector Undertaking, set up at Bengaluru in the year 1954 under the Ministry of Defence and has been conferred "Navaratna Status". Bharat Electronics Limited (BEL) has grown into India's foremost Defence Electronics Company. BEL is a multi-product, multi-technology, multi-unit conglomerate with over 350 products in the areas of Military Communications, Radars, Naval Systems, C4I Systems, Weapon Systems, Homeland Security, Telecom and Broadcast Systems, Electronics Warfare, Tank Electronics, Electro-Optic, Professional Electronic Components and Solar Photovoltaic Systems. BEL also provides turnkey system solutions. Civilian products from BEL include Electronic Voting Machines, Tablet PC, Solar Traffic Signals and Access Control Systems.

BEL's customers include the Army, Navy, Air Force, Paramilitary, Coast Guard, Police, Doordarshan, All India Radio, Department of Telecommunications and consumers of professional electronic components.

The Turnover of the company for the Financial Year 2015-16 is ₹ 7,510 Crore (provisional & Unaudited).

### Pre-Qualification Criteria

Firms satisfying the following two criteria are only be eligible for applying against the Request for Quotation:

1. Head office of the firm should be located at Bengaluru.
2. The firm should satisfy the eligibility criteria as specified under section 141 of the Companies Act 2013 read with Rule 10 of Companies (Audit and Auditors) Rules, 2014 and section 148 of the Companies Act 2013.

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Tender details are given below:

Tender No.	18260/Cost_Audit/ 2016-17/1
Description of Work	Appointment as Cost auditor for conducting Cost Audit as per Companies Act, 2013.
Scope of Work	Described under the section " Scope of work" enclosed at <b>Annexure-1</b> .
Category	Open Tender-Services
Period of Audit	Initially the period of appointment will be for the financial year 2016-17, which may further be extended to next three years at the same rate and same terms and conditions on the basis of satisfactory performance after review at each year with the approval of competent authority.
Tender Originating Location	"Bengaluru"
Date of issue of Tender/Publishing	10 <sup>th</sup> May, 2016
Closing of Tender	10th June, 2016. at 11:00 hrs
Place of submission of tender	BEL Corporate Office, Nagavara , Outer Ring Road, Bengaluru-560045.
Person to whom to be submitted	<p>The quote shall be submitted in two separate sealed envelopes ( ie., Techno-commercial Bid and Price Bid's separately) and addressed to :</p> <p>Additional General Manager (Accounts), BEL Corporate Office, Nagavara , Outer Ring Road, Bengaluru-560045.</p> <p>The envelope's shall be super scribed with the words "Quote against Tender No 18260 / Cost_Audit / 2016-17/1".</p>

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Date & Time of opening of Tender	Techno-commercial Bid: 13 <sup>th</sup> June, 2016 at 11:00 hours
	Price Bid: 20 <sup>th</sup> June, 2016 at 11:00 hours
Place of Opening of tender	BEL Corporate Office, Nagavara , Outer Ring Road, Bengaluru-560045.
Bid Validity	60 days from the last date of submission of Price-Bid.
Criteria	<p>1) Techno-commercial bid:- Refer <b>Annexure-2</b></p> <p>2) Price bid :- Refer <b>Annexure-3</b></p> <p>(Also refer pre-qualification criteria)</p> <p><u>Documentary proof of the Techno-commercial eligibility criteria should be submitted along with the Bids, failing of which the Bids will be rejected.</u></p>
Declarations to be Submitted	Declaration as per <b>Annexure 2A</b> shall be submitted as a Techno-commercial bid, failing of which bid will be rejected.
Evaluation of bids	<ol style="list-style-type: none"> <li>1. Bids of firms who do not satisfy pre-qualification criteria will be rejected.</li> <li>2. Techno-commercial bid of firms meeting Pre-Qualification criteria will only be evaluated.</li> <li>3. Price Bid of firms which are Technically qualified as per the Techno-commercial will only be opened.</li> <li>4. The firm whose price quote is lowest will qualify as L1 bidder.</li> <li>5. In case of tie as per point 4 above, a firm with highest technical qualifications marks will be selected. If still there is a tie, a firm with a higher number of Cost Audit assignment shall be selected. In case a tie still persists, BEL management shall choose the firm at its discretion and the decision of BEL shall be final and binding on all the bidders.</li> </ol>

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Appointment of Cost Auditor's	The appointment of L1 firm as "Cost Auditor" is subject to approval of the Board of Directors each year.
Cost Audit Fee	<p>The Cost Audit fee payable is subject to following:</p> <ol style="list-style-type: none"> <li>Downward revision of Fee, if there is substantial reduction in Scope of Work under Companies Act 2013.</li> <li>Approval by the Board of Directors and subsequent ratification by shareholders of the company each year.</li> </ol>
Payment Terms	<ol style="list-style-type: none"> <li>90% of Cost Audit Fee to be released on submission of Cost Audit Report, after approval of Annexures to the Cost Audit Report, by the Board of Directors.</li> <li>Balance 10% with the re-imbursement of out of pocket expenses, if any immediately after the company completes the filing of the Cost Audit Report in XBRL mode with MCA.</li> <li>Out of pocket expenses will be reimbursed based on actuals.</li> </ol>
List of Locations	List of Units are given at <b>Annexure-4</b>
Other Details BEL's website: <a href="http://www.bel-india.com">www.bel-india.com</a>	<ol style="list-style-type: none"> <li>Offers/bids in form of Telex/ Telegraphic / Fax/ Email/ Xerox/ Photo copy or offers/ Bids with scanned signature and Original bids which are not signed manually shall be rejected.</li> <li>Offers not accompanied with a declaration that neither the bidders themselves, nor any of its allied concerns or partners or associates or directors or proprietors involved in any capacity, are currently serving any banning orders issued by BEL debarring them from carrying on business dealings with BEL shall be rejected.</li> <li>The parties who may seek detailed clarifications on the terms &amp; conditions of Tender, shall submit the same in writing to the Additional General Manager (Accounts), BEL Corporate Office, Nagavara, Outer Ring Road, Bengaluru -560 045. The queries should reach us on or before</li> </ol>

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	<p>20<sup>th</sup> May, 2016 by email (<a href="mailto:vmurali@bel.co.in">vmurali@bel.co.in</a>). Contact Number : 080-25039284 , Fax No 080-25039233. Bidder are advised to refer our website : <a href="http://www.bel-india.com">www.bel-india.com</a> , in connection with clarification if any, posted in respect of the RFQ.</p> <p>4. Bids must be submitted on or before the date and time mentioned in tender details at BEL Corporate Office, Nagavara, Outer Ring Road, Bengaluru-560 045. Those bidders who intend to send their offers by post may send the same under registered post / courier so as to reach the designated place well before closing time and date. However, BEL accepts no responsibility for offers received after the due date and time.</p> <p>5. Techno-commercial Bids and Price Bid's will be opened on 13th June, 2016 and 20<sup>th</sup> June, 2016 at 11:00 hrs respectively, at Corporate Office of BEL. In case of an unscheduled holiday being declared in Bengaluru on the prescribed closing / opening day of the Bid, the next working day will be treated as the scheduled prescribed day of closing / opening of the Bid.</p> <p>6. <u>Disclaimer</u>: BEL reserves its right to accept/reject any/all the Bids or cancel the RFQ at its sole discretion without assigning any reason whatsoever.</p> <p>7. In case any information furnished by the Bidder is found to be incorrect/false later on after opening of bids then their Bid will be rejected and the Bidder may be debarred for next three years.</p>
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For Bharat Electronics Limited

  
(V. MURALI)

Additional General Manager (Accounts)

**Enclosures:**

- 1) Annexure:1 -Scope of Work & General Terms and Conditions
- 2) Annexure:2 -Techno-Commercial Bid
- 3) Annexure:2A- Declarations to be submitted
- 4) Annexure:3 -Price Bid (Price bid format)
- 5) Annexure:4 -Location of Units

**Scope of Work and General Terms & Conditions**

**Annenxure-1**

**1. Scope of Work**

The scope of work shall be as per the scope of audit stipulated in the Companies Act 2013 and the Companies (Cost Record and Audit) Rules, 2014.

Broadly the Scope of Work shall be as follows:

- i) Conduct the Cost Audit for the financial year 2016-17 for all the Nine Units of the company (where ever applicable) and issue of Cost Audit Reports in respect of the respective Units in accordance with the relevant provisions of the Companies Act, 2013 and relevant orders/clarification/rules as issued from time to time by the Cost Audit Branch, Ministry of Corporate Affairs, Govt. of India.
- ii) Issue of Consolidated Cost Audit Report for the year 2016-17 for the company as whole, in accordance with the relevant provisions of the Companies Act, 2013 and relevant orders/clarification/rules as issued from time to time by the Cost Audit Branch, Ministry of Corporate Affairs, Govt. of India.

**2. General Terms & Conditions**

- i) The Audit Firm shall not assign or sub-let the whole or any portion or portions of the Cost Audit or allow any person to become interested therein in any manner whatsoever without the prior written approval of the Company.
- ii) **Secrecy Clause** :The Tenderer shall at all times use it's reasonable endeavors' to keep the BEL's confidential information confidential and accordingly not disclose any such confidential information to any other person other than the performance of it's obligations under the agreement. The Tenderer shall indemnify and / or undertake that the confidential information, acquired by it during operation and/or implementation of the contract, shall not be divulged to any other firm and shall continue to apply even after expiry and/or termination of appointment.

In this connection, the appointed firm shall be required to sign a Non-Disclosure Agreement with the BEL.

- iii) Submission of tender by the Tenderer implies that he has read the instructions and all other contract documents and has made himself aware of the scope of the contract.
- iv) All the pages of the tender documents submitted are to be signed and seal of the firm affixed.

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- v) **Arbitration:** Any disputes, difference controversies/ difference of opinions, breach and violation arising from or related to this agreement/contract/work order etc. between the parties shall be resolved by mutual discussion/reconciliation in good faith. If disputes, difference controversies/difference of opinions, breach and violation arising from or related to this agreement/contract/work order etc. cannot be resolved within 30 days of commencement of reconciliations/ discussions then the matter shall be referred to the Sole arbitrator, nominated by CMD, BEL for this purpose and his decision shall be final and binding on both the parties. There will be no objection to any such appointment on the grounds that the Arbitrator is an employee of BEL and no appeal on any order passed by the Arbitrator for this purpose shall be filed in any Court of Law on such ground.

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Techno-Commercial BidAnnexure-2A) Qualitative CriteriaQualitative Criteria for selection of Cost Auditor

Sl.No	Criteria	Minimum Criteria	Evaluation Criteria	Maximum Marks
1	Number of Cost Accountant associated with the Firm for not less than 3 (three) years as on the date of application.	02 Cost Accountants	Four marks each for each member, who is associated with the firm for more than three years as on the date of application.	20
2	Existence of the Firm as on the date of application.	05 years	5 to 6 = 8 Marks 7 to 9 = 10 Marks 10 to 15 = 14 Marks Above 15 = 20 Marks	20
3	Turnover of the Firm (average annual of the last three preceding years)	The average annual turnover of the firm during last three years must be at least ₹ 10 lacs. The firm shall submit its Audited Annual Accounts of last three year.	10 to 12 lacs = 4 Marks 13 to 15 lacs = 6 Marks 16 to 20 lacs = 10 Marks Above 20 lacs = 15 Marks	15
4	Number of Cost Audit assignment of the Public Sector Undertaking (Central/State) during the financial year 2012-13 to 2015-16.	03 Assignment	3 to 5 = 6 Marks 6 to 7 = 10 Marks 8 to 10 = 16 Marks 11 to 12 = 20 Marks Above 12 = 25 Marks	25
5	Number of Semi qualified assistant (i.e. passed Intermediate exam conducted by ICAI) in Cost Accountant firm, as on the date of application.	04 assistant	2 marks for each semi qualified assistant.	20
Total				100

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**B) Qualification parameters under Qualitative Criteria**

1. A firm should meet the minimum criteria specified in each of the sub clauses specified in Qualitative Criteria.
2. In addition to meeting the condition specified above, at serial no 1, the firm should obtain minimum 40 marks out of 100 marks in Qualitative Criteria.
3. If a firm does not meet any of the above two criteria, it will be technically disqualified and its Price Bid will not be opened.

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Annexure-2A

Declarations to be submitted

**Declaration:-**

We hereby certify that:

- a. We do not suffer from any disqualification as specified inter-alia under section 141 of the Companies Act, 2013 read with section 148 of the Companies Act, 2013 .
- b. Our appointment, if made, will be within the limits prescribed under Section 141 (3) (g) read with Section 148 of the Companies Act, 2013
- c. We are an independent firm of the Cost Accountants and are at arm's length relationship with the company.
- d. The partners of the firm are holding Certificate of Practice issued by the Institute of Cost Accountants of India and are in whole time practice.
- e. There is no order or proceeding which are pending against our firm or any of our partner(s) relating to professional matters of conduct before the Institute of Cost Accountants of India or any competent authority or any court.
- f. We are aware that any false information provided herein will make our appointment as Cost Auditor (if appointed) liable for termination.

I/We, \_\_\_\_\_ Partner of the Firm \_\_\_\_\_, hereby declare that the above information furnished is true & correct to the best of my knowledge and belief.

On behalf of Cost Audit firm

Signature with seal of the firm

Date:

Place:

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## Annexure-3

Price BidPrice Bid Format

Services/Activity	Audit Fee	Out of Pocket Expenses	Total Cost	
			In figure	In words
Appointment as Cost Auditor for the Financial Year 2016-17.				

Conditions related to the price format:

1. The price quoted above shall be for complete scope of work inclusive of out of pocket expenses. The price quoted should be exclusive of Service Tax and other applicable taxes, if any.
2. The prices must be quoted strictly as per price format in Indian Rupees. All payments will be made against invoice in Indian rupees only.
3. The evaluation of bids will be done on the Total Price as quoted in Price Bid format (i.e. Audit fee plus out of pocket expenses).
4. BEL reserves the right to continue or discontinue the work at any stage and payment will be restricted up to the last activity satisfactorily completed. The decision of BEL with regard to assessment for completion of activities/stages shall be final.
5. The above prices are firm and inclusive of all expenses (but excluding taxes).
6. Bidders shall quote their prices/rates in firm figures and without any qualifications. Each figure stated shall also be repeated in words and in the event of a discrepancy between the amount stated in figures and words, the rates quoted in words shall be deemed to be the correct amount. Tenders containing qualifying expressions such as "free" etc. will not be considered.
7. If there is any discrepancy between total and its break-up, the break-up will be taken as correct amount and the total of break up will be considered for evaluation.

Offer's shall be rejected if,

- (a) Offers which do not confirm unconditional validity of the bid for 60 days from the date of opening of Price Bid; or
- (b) Offers where prices are not firm during the entire duration of the contract and/or with any qualifications; or

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- (c) Offers which do not conform to BEL price bid format; or
- (d) Offers not accompanied with a copy of valid registration certificate under Service Tax or an undertaking for submission of copy of requisite service tax registration certificate within one month.

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Annexure-4

LOCATION

A. CORPORATE OFFICE

BENGALURU  
Bharat Electronics Limited,  
Corporate Office, Outer Ring Road,  
Nagavara, Bengaluru - 560045, Karnataka

B. UNITS

- I. BENGALURU  
BG COMPLEX,  
Bharat Electronics Limited,  
Jalahalli Post, Bengaluru - 560013, Karnataka.
- II. CHENNAI,  
Bharat Electronics Limited,  
Post Box No.981, Nandambakkam,  
Chennai - 600089, Tamil Nadu.
- III. GHAZIABAD,  
Bharat Electronics Limited,  
Site IV, Sahibabad Indl Area,  
Bharat Nagar Post, Ghaziabad - 201010, Uttar Pradesh.
- IV. HYDERABAD,  
Bharat Electronics Limited,  
Industrial Estate, Nacharam,  
Hyderabad - 500076, Telangana.
- V. KOTDWARA,  
Bharat Electronics Limited,  
Dist. Pauri Garhwal,  
Kotdwara - 246149, Uttarakhand.
- VI. MACHILIPATNAM,  
Bharat Electronics Limited,  
Post Box No.26, Ravindranath Tagore Road,  
Machilipatnam - 521001, Andhra Pradesh.
- VII. NAVI MUMBAI,  
Bharat Electronics Limited,  
Plot No. L-1, M.I.D.C Industrial Area,  
Taloja, Navi Mumbai - 410208, Maharashtra.

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- VIII. PANCHKULA,  
Bharat Electronics Limited,  
Plot No.405, Industrial Area, Phase III,  
Panchkula - 134113, Haryana.
- IX. PUNE,  
Bharat Electronics Limited,  
NDA Road, Pashan,  
Pune - 411021, Maharashtra.

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