



INTERNAL AUDIT DEPARTMENT

THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED
(A Government of India Undertaking)

REGISTERED OFFICE
UDYOGAMANDAL, ELOOR, KOCHI,
KERALA 683501.

TENDER NO: -02/FACT/INTERNAL AUDIT /2019-22

Tender for Appointment as Internal Auditors for
Marketing outstation offices in FACT

Last Date & Time of Receipt of Tender: 11.00 am on 03.10.2019

Date and Time of Opening of Bid Documents : 11.00 A.M on 04.10.2019

At Venue: Registered Office

THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED,
Udyogamandal, Eloor, Kerala 683501.

CIN L24129KL1943GOI000371

GSTIN : 32AAACT6204C1Z2

Phone: 0484 – 2545022/2567340

Website: www.fact.co.in



INTERNAL AUDIT DEPARTMENT

NOTICE INVITING TENDER

1.0 FACT Profile:

The Fertilizers and Chemicals Travancore Limited., popularly known as FACT set up the first large scale Nitrogenous factory in the country in 1944, on the banks of Periyar at udyogamandal, near the Cochin Port. From a single product fertilizer plant of the forties, FACT has through the years grown into a large multi-product, multi-divisional corporation today - a legend of our times and triumph of the public sector.

FACT's two fertilizer manufacturing divisions at [Udyogamandal](#) and [Cochin](#) together have so far produced and distributed millions of tonnes of fertilizer nutrients, which has helped farmers to produce over 50 million tonnes of food grains.

[FACT's marketing division](#) has a well-organised sales network, which ensures that even the farmer in the remotest village is fully benefitted through its agronomy and rural development services.

The rich fund of expertise, experience and skills gained over the years in manufacturing units of FACT were pooled together in the mid-sixties to form two separate engineering divisions, [FACT Engineering & Design Organization \(FEDO\)](#) & [FACT Engineering Works \(FEW\)](#). These two divisions between them cover the entire spectrum of consultancy and engineering services and have contributed a great deal to attain self-reliance in fertilizer and chemical technology in the country.

In 1990, FACT further diversified into the field of petrochemicals by setting up a [Carprolactam unit](#). Today, FACT is on the threshold of further diversification and backward integration.

The Registered office is situated at Udyogamandal, Eloor, Cochin.

1.2 FACT is a leading producer and marketer of Complex fertilizers and Ammonium Sulphate industrial products in India. FACTAMFOS (20:20:0:13) is the flagship brand of the company. The Company also manufactures and markets AMMONIUM SULPHATE fertilizers under the brand name FACT Ammonium Sulphate, Bio-fertilizers in addition to traded products like Urea, MOP and a wide range of industrial products like Caprolactum, Nitric Acid, etc.

1.3 FACT is a listed company with an authorized share capital of Rs.1000crore and paid up capital of Rs.647.07 crore. The shares of the company are listed at National Stock Exchange (NSE).

1.4 FACT operates under the administrative control of the Ministry of Chemicals & Fertilizers, Department of Fertilizers, Government of India.

1.5 Further details regarding the operational and financial performance of the company including Annual Reports of the Company is available on company's website www.fact.co.in.

1.6 Financial Accounting & Reporting Systems at FACT:

FACT maintains Books of Accounts as required under the applicable regulations and statutes. The Company's books of accounts are maintained in SAP ERP systems and FACT has implemented various SAP modules i.e. FI/CO, MM, PP, PM, SD, HR/Payroll etc. The accounts of the Company are prepared Profit Centre / Cost Centre wise, with each Profit Centre / Cost Centre representing areas of operation like Head office, Udyogamandal Division, Cochin Division, Petrochemical Division, FEDO, FEW and Marketing divisions and Corporate Office based on which the accounting and operations are recorded and controlled. The company prepares Interim and Annual financial results as per the Companies Act 2013 and the listing Agreements with the Stock Exchanges.

1.7 Present scenario of Internal Audit

The Company has a well-defined Internal Control System that is adequate and commensurate with the size and nature of its business comprising an in-house Audit Department, which conducts internal audit of various operational and financial matters on on-going basis.

As required by the Companies Act, 2013, the Audit Committee has formulated the Scope, Functioning, Periodicity and Methodology for conducting the Internal Audit.

1.8 Reporting to Audit Committee:

The significant observations along with suggestions made in the audits performed, replies received from the auditees and Internal Audit department's further comments are put up to the Audit Committee for their review and further directives, if any, on quarterly basis. The directives received from the Audit Committee are communicated to the concerned departments for compliances.

The Action Taken Reports by the concerned section in respect of directives are also put up to Audit committee. The performance of the Audit department as regards to the audits conducted during the previous quarter is also reviewed by Audit Committee.

2.0 Tender:

2.1 E-tender is invited in two part system (Part A - Technical and Part B Financial/Price) by The Fertilizers and Chemicals Travancore limited from the firms of Chartered Accountants/ Cost Accountants Firms or LLPs for Pre-qualification and Appointment as Internal Auditors for the period from 01.04.2019 to 31.03.2022 for audit of **Outstation offices of Marketing Division**. The list of Storage points with Zonal Wise and Marketing state offices is enclosed at **Annexure I**

2.2 The Pre-qualified firms would remain valid for a period of three years.

3.0 Eligibility Criteria for pre-qualification:

Eligibility for prequalification is limited to CA/CMA firms on Partnership/LLP. The pre-qualification criteria for the firms are given below:

A. MANDATORY:

3.1 The firm (Partnership/LLP etc.) should be in practice for the **past 10 years** as on the date of submission of Tender. (Supported by date of Incorporation certificate issued by Institute of Chartered Accountants of India/ Institute of Cost Accountants of India).

3.2 The firm should have **at least 3 full time** Chartered Accountants / Cost Accountants, (inclusive of two full time partners/directors) as on the date of submission of Tender (supported by copy of Constitution certificate of the firm issued by Institute of Chartered Accountants of India/ Institute of Cost Accountants of India)

3.3 The firm should have **at least 3(Three) semi-qualified** assistants as on the date of submission of Tender (supported by institute documents)

3.4 The firm should have **at least 10(Ten) Audit staff/assistants / Article clerks** as on the date of submission of Tender.

3.5 The firm should have experience in conducting Statutory Audit or Internal Audit for **at least 10(Ten) companies** (Registered under Companies Act) as on the date of submission of Tender.

3.6 Out of the 10 Companies as mentioned at 3.5 above, for getting eligible for 2.1, the firm should have experience in **at least 3 companies having Annual Turnover of at least Rs.500 Crores each during last 7 years** and out of these 3 companies, **at least one** should be a **listed company**.

B. NON-MANDATORY

3.7 The firm have experience in conducting audit in **SAP ERP system (MM, SD & FICO module)** in **at least 1 manufacturing company/ organization/co-operative** having Annual Turnover of at least Rs. 500 Crore each during last 7 years (to be supported by documents by the firm).

3.8 The firm having experience in conducting Statutory Audit or Internal Audit in **at least one fertilizers manufacturing Company/organization/co-operative** having Annual Turnover of Rs. 500 Crore or more each during last 7 financial years will be given weightage in selection.

3.9 The firm having experience in the area of Direct, Indirect taxation, GST and IND AS will be given weightage in selection.

3.10 The firm having Registered / Head office or Branches in the Southern states i.e., Kerala, Tamil Nadu, Karnataka, Andrapradesh and Telangana will be given weightage in selection.

The firms, which are not fulfilling any of the mandatory pre-qualification criteria, will not be considered.

4.0 Submission of Bids

4.1 **Part A - PRE-QUALIFICATION- BID** shall contain the following

- a) Annexure A – Scanned copy of General Terms & conditions duly signed with seal towards acceptance.
- b) Annexure B – Scanned copy of Declaration sheet duly signed with seal.
- c) Annexure C—unpriced bid
- d) Annexure E – Application form for Internal Audit Assignment along with Annexures E1 to E9 duly signed with Seal.
- e) Annexure F-Scanned copy of Undertaking duly signed with Seal.
- f) Annexure G-Scanned copy of List of Documents to be attached.
- g) Scanned copy of Documents in support of Pre-Qualification Bid mentioned at Para 3 above duly signed with seal.

4.2 Part B Price Bid:

- a) Price Bid i.e. Bill of Quantity (BoQ) attached to the enquiry shall be uploaded after filling all relevant information such as name of The bidder in Financial Bid, lump sum fee that is inclusive of Travelling, Boarding, Lodging and all other expenses but excluding Taxes for conducting the assignments are to be quoted.
- b) The priced BoQ shall be uploaded strictly in the format attached with the enquiry, failing which the offer is liable to be rejected. Renaming or changing format of the BoQ sheet will not be accepted by the System.
- c) Please fill-in all the relevant fields. Blank fields in the uploaded BoQ shall be taken as that particular tax / duty / charge is not applicable or as included in the basic price. No claim afterwards will be entertained.
- d) Prices shall be quoted only in the prescribed BoQ and those indicated elsewhere, if any, shall not be considered.
- e) BoQ shall be uploaded only in Part B
- f) Bidders shall quote the unit prices in figures strictly in the order of serial numbers and units as per the Price Bid (BOQ). The rates of all applicable taxes/duties shall be clearly indicated. The prices shall be firm without any escalation on any account till the order is completely executed.

g) Both Part-A and Part-B of the Bid shall be uploaded with all relevant documents before due date & time in the above portal. The system does not allow submission of bids or any other document forming part of the bid after the due date & time of bid submission. Non-submission of any document or submission of incomplete documents may result in rejection of offers.

h) Timely submission of offers along with all the relevant documents online is the responsibility of the bidders. The bids shall be submitted well in advance to avoid last minute issues like non availability of internet, server etc., FACT shall not be held responsible for bidder's inability to submit documents in time due to power failure, non-availability of internet etc., and for incomplete submission of offers or non-submission of any documents forming part of the offers.

5.0 Bid Opening

a) Part-A of the bids of all bidders who submit their Bid as per the instructions by the due date and time as above and which are in conformity with the instructions specified in the enquiry documents shall be opened online, on the specified bid opening date & time.

b) Part-B - Price bids of bidders whose Part-A bid is found acceptable based on pre-qualification evaluation only will be opened on a subsequent date. Price bid opening date & time shall be intimated to the qualified bidders by email through the system.

c) . In Financial Bid, lump sum fee that is inclusive of Travelling, Boarding, Lodging and all other expenses but excluding Taxes for conducting the assignments are to be quoted.

6.0 The scope of work, extent and periodicity of checking, reporting formats etc. are mentioned in Attachment - 2 to Annexure D is enclosed. It may be noted that the scope as given under this Attachment is **only indicative and not exhaustive**. The Audit Plan for the year 2019-20 will be finalized with some replacement/ addition/deletion etc. The number of Audit reports can vary by +/-10%. The firm may be asked to look into any other activity as may come to the notice during the course of audit and/or render any advice/opinion in the area of audit.

7.0 Time schedule: The Internal Audit has to be conducted as per Audit Plan of FACT (Placed at Annexure D) in the following 11phases:

- Phase I April 2019 to September 2019
- Phase II October 2019 to December 2019
- Phase III January 2020 to March 2020
- Phase IV April 2020 to June 2020
- Phase V July 2020 to September 2020
- Phase VI October 2020 to December 2020
- Phase VII January 2021 to March 2021
- Phase VIII April 2021 to June 2021
- Phase IX July 2021 to September 2021
- Phase X October 2021 to December 2021

Phase XI January 2022 to March 2022

The Audit Reports are required to be submitted as per following schedule:

Time Schedule for Phase Audit Reports

Period of Audit	Draft Audit Report submission by Auditors	Reply by FACT Offices	Final Report along with draft significant observations to be submitted by auditors
April to September 2019	On or before 20 th day of November 2019	Within 15 days from receipt of draft report.	Within 7 days from date of reply of draft report
Oct to Dec 2019	On or before 20 th day of Feb 2020	--DO--	--DO--
Jan to Mar 2020	On or before 20 th day of April 2020	--DO--	--DO--
Apr to June 2020	On or before 20 th day of July 2020	--DO--	--DO--
July to Sept 2020	On or before 20 th day of Oct 2020	--DO--	--DO--
Oct to Dec 2020	On or before 20 th day of Jan 2021	--DO--	--DO--
Jan to Mar 2021	On or before 20 th day of April 2021	--DO--	--DO--
Apr to June 2021	On or before 20 th day of July 2021	--DO--	--DO--
July to Sept 2021	On or before 20 th day of Oct 2021	--DO--	--DO--
Oct to Dec 2021	On or before 20 th day of Jan 2022	--DO--	--DO--
Jan to Mar 2022	On or before 20 th day of April 2022	--DO--	--DO--

- a. The Final audit reports with Executive Summary and Significant observations of Auditors (**Attachment 3 to 5 to ANNEXURE – D**) are to be submitted to FACT Head of Internal Audit Department for issue to concerned Auditee department.
- b. The replies to the reports will be received by FACT Head of internal Audit department and forwarded to the concerned Internal Audit firm.
- c. All the working papers during course of audit will be the property of the FACT and handed over to Head of Internal Audit (FACT) on submission of final audit report.

8.0 The selected firms would have to deploy sufficient number of Chartered Accountant/ Cost Accountant, semi-qualified persons and article assistants / Audit staff for reasonable duration of time for conducting and completion of each Audit report.

The indicative chart of expected deployment of minimum staff / man-days for conducting Internal Audit is given below.

Sl. No.	Units / Offices	Minimum No. of Staff	Minimum No. of Man-days
1	Marketing State /Zonal / ASC / SPD / Pvt Warehouses	i)One Chartered/Cost Accountant. ii) Two semi-qualified person. iii) Two Audit staff / article assistants.	60 Man-days in 3 months period

9.0 Coverage of Audit Period:-

For Marketing outstation offices **previous 3 months for every quarter** for all the State / Zonal / ASC / SPD / Private Warehouses.

10.0 Payment Terms:-

The details of total audit reports to be covered during 2019-20 are given at **Attachment 1 to ANNEXURE – D**. The number of audit reports to be covered during each phase will be **167** reports for the areas of marketing outstation offices respectively for the year 2019-20. Similarly, based on Audit Plan for 2020-21 and 2021-22, the number of audit reports are to be covered during each phase during the respective years. The payment of audit fees would be made in terms of percentage specified below within 30 days from submission of these minimum number of final audit reports, summarized executive reports and significant observations pertaining to that phase along with tax Invoice. The tax invoice will be verified and certified by FACT Internal Audit Department and payment will be released by Finance Department, subject to deduction of Income –Tax at source as applicable from time to time.

Statutory Taxes etc.: All other taxes or other statutory levies etc. shall be paid extra.

The payment would be released on Phase basis (for both the areas), as under:

S. No.	Phase/ Period	% age of Total Fee Payable
1	April 2019 to September 2019	16.66%
2	October 2019 to December 2019	8.33%
3	January 2020 to March 2020	8.33%
4	April 2020 to June 2020	8.33%
5	July 2020 to September 2020	8.33%
6	October 2020 to December 2020	8.33%
7	January 2021 to March 2021	8.33%

8	April 2021 to June 2021	8.33%
9	July 2021 to September 2021	8.33%
10	October 2021 to December 2021	8.33%
11	January 2022 to March 2022	8.33%

11.0 **Period of Contract:** The period of contract will be from 01.04.2019 to 31.03.2022.

12.0 General:

a. Tender Ref. No. : 02/FACT/INTERNAL AUDIT /2019-22

b. Last Date and Time for receipt of offer: 11.00 am on 03.10.2019

c. Date and Time of opening of Technical Bid: 11.00 a.m. on 04.10.2019

d. VALIDITY OF BIDS: Validity period of Bids should be up to 31.12.2019. No revision in the bids would be allowed during the validity period of the bids.

e. The tender documents are available at FACT website www.fact.co.in and CPP portal at www.eprocure.gov.in / <https://eprocure.gov.in/eprocure/app> . The tender has to be uploaded through online in the cpp portal (Only Online Tender Bid Submission).
Helpline Number : 9497334230/04842568374

g. Every page & supporting document forming part of the tender need to be numbered, signed & sealed by the bidders.

For further details log on to www.fact.co.in & www.eprocure.gov.in

In case of requirement of any further information, please feel free to contact the undersigned.

M. Aravindan
DGM (IA)

Encl:

1. General Terms & Conditions (**Annexure-A**)
2. Declaration Sheet (**Annexure-B**)
3. Unpriced Bid (**Annexure – C**)
4. Scope of work, Quantum, periodicity and Reporting Formats (**Annexure-D**)
5. Application form for Internal Audit Assignment (**Annexure E along with its proforma under Annexure E1 to E9**)
6. Undertaking format (**Annexure F**)
7. List of documents to be attached (**Annexure G**)

GENERAL TERMS AND CONDITIONS

1.0 Requirements for Bid to be considered Valid.

1.1 In Financial Bids, lump sum fee that is inclusive of Travelling, Boarding, Lodging and all other expenses but excluding Service Tax for conducting the assignments are to be quoted.

1.2 No cutting or overwriting would be allowed in Financial Bids. In such cases, bid would not be considered.

1.3 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.

1.4 FACT takes no responsibility for delays, loss or non-receipt of tender documents or any letters sent by post/courier either way and also reserve the right to reject any offer in part or full.

1.5 The submission of offer shall have no cause of action or claim against FACT for rejection of offer. The bidding firms 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 FACT, even though FACT may opt to modify/withdraw the Invitation to Tender or does not accept the offer or cancel the tender as a whole.

1.6 The successful bidders engaged for Internal Audit work will not be allowed to sub-contract the job awarded to them.

1.7 The successful bidders engaged for Internal Audit work will be provided with infrastructure facilities like office space for staff, computers (not lap tops) with SAP, internal telephones and printer.

2.0 Bid Evaluation Process & Award of Contract

2.1 Technical Bid Evaluation

The bidder firms, which are pre-qualified as per Tender Document Clause No. 3 (i.e. Eligibility criteria for pre-qualification), would be evaluated by a designated Committee on the following line:

1. The Committee would evaluate the bidder firms based on the documents submitted against pre-qualification criteria and assign the points / marks out of total points/marks as below:

2. Evaluation criteria

Clause No	Particulars	Minimum Requirement	Points/Marks to be allocated	Maximum Points/Marks
3.1	Existence of the firm as on date of Tender in completed years	10 Years	1 mark per Year	15
3.2	Number of full time Chartered Accountants / Cost Accountants (inclusive of two full time Partners / directors) as on date of Tender.	3 Numbers	3 marks for each person	15
3.3	Number of Semi-qualified Assistants as on date of Tender	5 Numbers	1 Mark for each Semi-Qualified	8
3.4	Number of Article Assistant/Audit Staff as on date of Tender.	10 Numbers	0.20 Mark for each Article / Audit Staff	3
3.5	Number of companies audited by the firm.	10Companies	1 Mark for each Company	15
3.6	Number of manufacturing companies having Annual Turnover of Rs. 500 Crore or more each audited by the firm during last 7 years. Out of these, at least one should be listed company.	3 Companies (including One listed Company)	3 Marks for each Company	12
3.10	Audit firm having Registered Office/Main Office in Kerala	desirable		2
	TOTAL			70

3. The area wise total of points / marks as above will be considered as the scores for Technical Bid Evaluation of each firm.

4. These scores of points/marks of each firm would be disclosed before opening of financial bids.

2.2 Financial Bid Evaluation

1. The pre-qualified bidder firms would be informed regarding the date, time and place of opening of financial bids and can remain present at the time of opening of financial bids.

2. After evaluation of technical bids as above, the financial bids of only pre-qualified bidder firms would be opened.

3. The lowest bidder firm would be given 30 points / marks and the next higher bidder would be given proportionate points / marks out of total 30 points / marks.

For example: If first three lowest quotations received are for Rs. 100, Rs. 120 and Rs.150, then the firm quoting Rs.100 would be given 30 points, the firm quoting Rs.120 would be given 25 points ($100/120*30$) and the firm quoting Rs.150 would be given 20 points ($100/150*30$)

This process would be carried out for all the bidders for this area.

2.3 Ranking of Bidders

The combined score of technical bid (out of 70) and financial bid (out of 30) would determine the ranking of bidders for this area. The bidder scoring the highest combined score for this area would be considered as the Most Preferred bidder (P1) for this area. The bidder having next highest combined score with respect to this area would be considered as Second Preferred bidder (P2) and so on.

2.4 Award of Assignment / Contract

The contract shall be awarded to the P1 bidder firm as determined at 2.3 above.

2.5 In case of any tie within the bidders, preference would be given to the bidder firm that has scored more points / marks out of total 70 in Technical Bid evaluation.

3.0 Other Terms and conditions.

1. The bids should be unconditional. Conditional bids would be rejected.
2. FACT reserves the right to negotiate with the bidders.
3. If some discrepancies are found between the rates given in words & figures the rate as quoted in words shall be adopted.
4. The acceptance of tender will rest with FACT and FACT reserves itself full right to reject any or all tenders.
5. The tenderer are not entitled to any compensation for the expenses incurred in connection with the preparation and submission of tenders.
6. Currencies for bid and payment shall be in Indian Rupees only.
7. The successful bidder would ensure that the information obtained during the audit in respect of FACT is maintained in strict confidence and secrecy. An undertaking towards maintaining confidentiality is to be provided by the successful bidder.
8. The manpower engaged by the successful bidder Audit firms for FACT Audit work shall be the employees of the bidder Audit firms for all intends and purposes. The manpower should be engaged on need basis and should not be engaged for more than 240 days in a year for the subject contract. The Audit firms have to withdraw the manpower deployed by them after

expiry/completion/termination of the contract and FACT will not take any responsibility of them.

9. The firm must have at least one branch office in Kerala desirably at Ernakulam.

4.0 Termination of contact

FACT reserves the right to terminate the contract if the progress/performance of the audit firm is found unsatisfactory or any part/whole of the contract terms are not fulfilled. FACT also reserves right to de-list such audit firms and take other appropriate action against them.

5.0 Arbitration:

Except where otherwise provided in the contract, all matters, questions, disputes or difference 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 the arbitration of Director Finance, Fertilizers And Chemicals Travancore Limited or his/her nominee.

The Arbitration proceedings shall be governed by the Arbitration and Conciliation Act, 1996 or any statutory modification or re-enactment there-of and the rules made there under.

The bidders hereby agree that they shall have no objection if the arbitrator so appointed is an employee of FACT and had to deal with the matter to which the contract relates and that in the course of his/her duties as such he/she has expressed his/her views on all or any of the matter in dispute or differences.

6.0 Jurisdiction

In respect of all tender conditions, the decision of FACT shall be final and binding. The venue of the Arbitration shall be Udyogamandal & Ernakulam courts will have exclusive Jurisdiction.

7.0 Force Majeure:

Neither party shall be liable for any claim on account of any loss, damage or compensation, whatsoever, arising out of any failure to carry out the terms of this contract where such failure is caused due to war; rebellion, mutiny, civil commotion, fire riot, earthquake, drought, floods, crop failure, or Act of God or due to any restraint or regulation of the State or Central Government or a local authority/authorities provided a notice of such occurrence is given to be other party in writing within 10 days from the date of occurrence of the force condition, furnishing therewith a documentary evidence supporting the invoking of the force majeure clause. On cessation of the force majeure, the party invoking force majeure shall inform the other party of the period for which the force majeure condition continued and shall also give documentary evidence thereof to this effect.

8.0 General

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

Location of Offices for Marketing outside offices

1. KERALA

KERALA STATE OFFICE - UDYOGAMANDAL

South Kerala Zonal office - Udyogamandal

1.	Trivandrum ASC & Mixing centre
2.	Pathanamthitta ASC
3.	Alappuzha ASC & Mixing centre
4.	Chingavanam ASC & Mixing centre
5.	Kottayam ASC
6.	Thodupuzha ASC
7.	Muvattupuzha ASC
8.	Aluva ASC
9.	Anad Agency Depot - Anad FSCB
10.	Ottasekharamangalam Agency Depot - Mylachal FSCB Ltd
11.	Kilimannur - Agency Depot - Pazyakunnumel SCB Ltd
12.	Edathua - Agency Depot - Edathuva SCB Ltd
13.	Vaikom - Agency Depot - Vadayar Karshaka SCB Ltd
14.	Kattappana - Agency Depot, Kattappana SCB Ltd
15.	Kattappana - Agency Depot, A.K.Raghavan
16.	Karikkamancode - Agency Depot, Karikkamancode SCB Ltd
17.	Attingal SPD - Rekha Vijayakumar
18.	Parakkode KSWC , Adoor
19.	Kottarakkara KSWC
20.	Kayamkulam KSWC

North Kerala Zonal office - Palakkad

1.	Thirssur ASC
2.	Chittur ASC
3.	Palakkad ASC & Mixing Centre
4.	Mannarkkadu ASC
5.	Nilambur ASC
6.	Perinthalmanna ASC
7.	Kannur ASC

8.	Kanhangad ASC
9.	Kozhikode ASC
10.	Alathur - Agency Depot - Alathur SCB Ltd
11.	Mananthavady - Agency Depot - Mananthavady Farmers SCB Ltd
12.	Kodungallur SPD - T.S.Balan
13.	Valancherry SPD - Sundheer P. Malapuram
14.	Kozhikode CWC
15.	Iritty KSWC
16.	Kasaragod KWSC

State Office	1
Zonal Office	2
ASC & MC	4
ASC	13
Agency Depot	10
SPD	3
CWC	1
SWC	5
TOTAL	39

II. TAMIL NADU

TAMIL NADU STATE OFFICE - CHENNAI

CHENNAI ZONAL OFFICE

1.	Vellore ASC
2.	Villupuram ASC
3.	Kancheepuram I - SPD - Hariharan & co
4.	Kancheepuram II - SPD -P.Kothandan & co
5.	Tiruvallur - SPD - Suryakumari Stores
6.	Takkolam - SPD - Shaik Meera Agencies
7.	Arakonam - SPD - Tamil Nadu Agro Service Centre
8.	Sankarapuram - SPD - Janani Agencies
9.	Villupuram - SPD - T.Natarajan - Sri Sankthi Fertilisers
10.	Tiruvannamalai - SPD - Navarang Agro Chemicals
11.	Kallakurichi - SPD - Karpaga Vinayagar Traders
12.	Tindivanam TNWC
13.	Arani - TNWC

COIMBATORE ZONAL OFFICE

1.	Coimbatore ASC
2.	Salem ASC
3.	Erode - SPD - Sri Venkatalapathy Manure Mixing Works
4.	Udumalpet - SPD - Universal Fertiliser Corporation
5.	Attur - SPD - Selvalakshmi Stores
6.	Dindigul - SPD - S.Annamalai
7.	Gobichettipalayam - SPD - Universal Fertiliser Corporation
8.	Namakkal - SPD - Jayam Traders
9.	Dharapuram - SPD - S.Chellamuthu
10.	Oddanchatram - SPD - Senthil Agencies
11.	Kanakkanpatti - SPD - Sellamuthu Traders
12.	Kamalapuram piriya - SPD - Gnanasuryaprakash Traders
13.	Eriyodu - SPD - M.Natarajan
14.	Kallimandayam - SPD - Mahalakshmi Traders
15.	Ooty - SPD - National Agro Service
16.	Gudalur - NCMS warehouse
17.	Mettupalayam - NCMS warehouse

TRICHY ZONAL OFFICE

1.	Trichy ASC
2.	Thanjavur ASC
3.	Ariyalur - SPD - S.Vanithamani, Venganur
4.	Pudukottai - SPD - N.Krishnamurthy
5.	Aranthangi - SPD - R.Murugaiyan & co
6.	Tottiyam - SPD - M.Murugan, Tamil Nadu Agro Service Centre
7.	Thuraiyur -SPD - M.Baskar stores
8.	Virudhachalam - SPD - Popular Traders
9.	Padalur - SPD - Sri Krishna Trading Co
10.	Perambalur - SPD - V.Venugopal, Cauvery Agencies
11.	Panrutti - SPD - Sri Selvavinayagar Store
12.	Embalam - SPD - Kumaran Agencies
13.	Karur - TNWC

MADURAI ZONAL OFFICE

1.	Madurai ASC
2.	Nagarcoil ASC
3.	Theni ASC
4.	Theni - SPD - P.S.Veluchamy Gowder & sons
5.	Madurai - SPD - O.K.M.K.Natarajan
6.	Usilampatti - SPD - R.Chandra Bose
7.	Srivaikundam - SPD - Sri Arulmani Fertiliser Agency
8.	Tirunelveli - SPD - Sri Arulmani Agency
9.	R.S.Mangalam - SPD - N.S.Bakurudeen
10.	Melachinnanampatti - SPD - Vijaya Varman Urakkadai
11.	Devakottai - SPD - S.Gopalan
12.	Ayankarisalkulam - SPD - A.Mariappan

State office	1
Zonal office	4
ASC	9
SPD	41
Warehouse	5
Total	60

III. KARNATAKA

KARNATAKA STATE OFFICE - BANGALORE

BANGALORE ZONAL OFFICE

1.	MYSORE ASC
2.	MANDYA ASC
3.	BANGALORE - SRINIVASA TRANSPORTS
4.	MANDYA - CWC
5.	TUMKUR - SRINIVASA TRANSPORTS
6.	DAVANAGERE - SRINIVASA WAREHOUSING AGENCIES

BELGAUM ZONAL OFFICE

1.	HUBLI - BALAJI WAREHOUSING CO.PVT LTD
2.	BELGAUM - CWC
3.	BELGAUM - KSWC
4.	HAVERI - BALAJI WAREHOUSING CO.PVT LTD

HASSAN ZONAL OFFICE

1.	HASSAN ASC
2.	CHICKMANGALORE - KSWC
3.	SHIMOGA - KSWC
4.	MANGALORE - CWC
5.	SHIMOGA - CWC

HOSPET ZONAL OFFICE

1.	BELLARY ASC
2.	RAICHUR - BALAJI WAREHOUSING CO.PVT.LTD
3.	SINDHANUR - KSWC
4.	KOPPAL - KSWC
5.	GULBARGA - KSWC
6.	GANGAVATHI - KWSC
7.	SHORAPUR - KWSC

STATE OFFICE	1
ZONAL OFFICE	4
ASC	4
PVT WARE HOUSE	6
KSWC	8
CWC	4
TOTAL	27

IV. ANDHRA PRADESH

ANDHRA PRADESH STATE OFFICE - HYDERABAD

VIJAYAWADA ZONAL OFFICE

1.	GUNTUR ASC
2.	NARASARAOPETA - AWANTHI WREHOUSING SERVICES PVT LTD
3.	NARASARAOPETA - APSWC
4.	TADEPALLIGUDEM - JAYARAM FERTILISERS
5.	TADEPALLIGUDEM - VIJAYARAM TRANSPORT

6.	MANDAPETA - TEJA WAREHOUSING
7.	MANDAPETA - APSWC
8.	VIJAYAWADA - CWC
9.	GUDIWADA - APSWC
10.	TADEPALLI - APSWC
11.	GUNTUR - CWC
12.	GUNTUR - AVANTHI WAREHOUSING SERVICES PVT LTD
13.	PIDUGURALLA - APSWC
14.	KAKINADA - AVANTHI WAREHOUSING SERVICES PVT LTD
15.	IPPANA PADU - TEJA WAREHOUSING

NELLORE ZONAL OFFICE

1.	ONGOLE ASC
2.	NELLORE - AVANTHI WAREHOUSING SERVICES PVT LTD
3.	KADAPPA - AVANTHI WAREHOUSING SERVICES PVT LTD
4.	RENIGUNTA - AVANTHI WAREHOUSING SERVICES PVT LTD
5.	ANANTHAPUR - AVANTHI WAREHOUSING SERVICES PVT LTD
6.	KURNOOL - CHITANYA CHEMICALS AND FERTILISERS
7.	KURNOOL - AVANTHI WAREHOUSING SERVICES PVT LTD
8.	NANDYAL - AVANTHI WAREHOUSING SERVICES PVT LTD
9.	NANDYAL - N.RAMAKRISHNA REDDY GOOWN
10.	NELLORE - BALAJI WAREHOUSING COMPANY PVT LTD
11.	ADONI - AVANTHI WAREHOUSING SERVICES PVT LTD
12.	CHITTOOR - APSWC

STATE OFFICE	1
ZONAL OFFICE	2
ASC	2
APSWC	6
CWC	2
PRIVATE WAREHOUSES	17
TOTAL	30

V. TELENGANA

TELENGANA STATE OFFICE - HYDERABAD

HYDERABAD ZONAL OFFICE

1.	HYDERABAD - AVANTHI WAREHOUSING SERVICES PVT LTD
2.	NIZAMABAD - OMKAR AGRO SERVICES
3.	JADCHERLA - AVANTHI WAREHOUSING SERVICES PVT LTD
4.	GADWAL - AVANTHI WAREHOUSING SERVICES PVT LTD
5.	KAMAREDDY - AVANTHI WAREHOUSING SERVICES PVT LTD

WARANGAL ZONAL OFFICE

1.	WARANGAL URBAN - AVANTHI WAREHOUSING SERVICES PVT LTD
2.	KARIMNAGAR - AVANTHI WAREHOUSING SERVICES PVT LTD
3.	KHAMMAM - AVANTHI WAREHOUSING SERVICES PVT LTD
4.	MIRIALGUDA - AVANTHI WAREHOUSING SERVICES PVT LTD

ZONAL OFFICE	2
PRIVATE WAREHOUSE	9
TOTAL	11

DECLARATION SHEET

I/we, hereby certify that all the information and data furnished by me/us with regard to this tender specification are true and complete to the best of my/our knowledge. I/we have gone through the Terms, conditions and stipulations in detail and agree to comply with the requirements.

I/we, further certify that I am / we are the duly authorized representative of the under mentioned tenderer.

I/We, further certify that the following close / distant relative(s) of partner/director of our firm are presently working in Fertilizers And Chemical Travancore Limited (FACT):

Sl.No.	Name	Designation	Department
1			
2			
3			

I/We, further certify that the following Ex-employees of Fertilizers And Chemical Travancore Limited (FACT) are presently working/associated with our firm:

Sl.No.	Name	Last Designation in FACT
1		
2		
3		

I/We, further certify that no sister concern / Common Partner is bidding separately in this tender in the name of other concern/firm.

I/We also undertake that the terms and conditions of Notice Inviting Tender and Annexure-A of NIT is acceptable to us without reservations and no deviation to NIT has been taken while making the offer.

I/We further agree to abide by the conditions of contract and to carry out all work that would be assigned (as per Annexure D) within the specified time in accordance with instructions referred to in the Notice Inviting Tender.

In case of acceptance of the Bid by Fertilizers And Chemical Travancore Limited (FACT), I/We bind myself/ourselves to execute the contract as per the conditions mentioned in the Assignment awarded.

Yours faithfully

For M/s _____

(Signature of Bidder with Seal)

Address: _____

E-Mail-ID : _____

Contact No : _____

Unpriced Bid for Internal Audit of FACT for 2019-22.

Name of the Firm :

Address:

E-Mail ID :

Contact Numbers :

S. NO	Area of Audit (Refer clause no 2.1(ii) of Tender Document)	Lump sum Audit Fee (All Inclusive) (Rupees In figures) for the Period 01.04.2019 to 31.03.2022 excluding GST	Lump sum Audit Fee (All Inclusive) (Rupees In words) for the Period 01.04.2019 to 31.03.2022 excluding GST
1	Outside Marketing Offices of Marketing Division (Covering five southern states Kerala, Tamil Nadu, Karnataka, Andra Pradesh, Telangana)	Quoted / Not Quoted	Quoted / Not Quoted

Note 1 The quoted bids are valid for entire contract period: FY 2019-20 to 2021-22 and no escalation will be claimed during the contract period.

2 GST / statutory levies will be extra as applicable.

3 Above fees is in Indian Rupees and inclusive of all i.e. TA, DA, Lodging, Boarding, incidental expenses etc.

(Signature of Partner with Membership number and seal of the firm)

Annexure - D

For Internal Audit of Marketing outside offices in Southern States:-

1. Attachment 1 -Proposed Audit Plan, Quantum & Periodicity for 2019-2020.
2. Attachment 2 -Overall Indicative Scope.
3. Attachment 3 -Reporting formats for Quarterly Final Audit Reports.
4. Attachment 4 -Reporting formats for Executive Summary of Audit Reports.
5. Attachment 5 -Reporting formats for Quarterly Significant Observations Reports.

Attachment 1 -Marketing Outside Offices

S. No.	Areas to be covered	Place	No. of Reports
1	Kerala	State Office	1
		Zonal Office	2
		ASC & MC	4
		ASC	13
		Agency Depot	10
		SPD	3
		CWC	1
		SWC	5
1.	Tamilnadu	State office	1
		Zonal office	4
		ASC	9
		SPD	41
		Warehouse	5
2.	Karnadaka	STATE OFFICE	1
		ZONAL OFFICE	4
		ASC	4
		PVT WARE HOUSE	6
		KSWC	8
		CWC	4
3.	Andra Pradesh	STATE OFFICE	1
		ZONAL OFFICE	2
		ASC	2
		APSWC	6
		CWC	2
		PRIVATE WAREHOUSES	17
4.	Telangana	ZONAL OFFICE	2
		PRIVATE WAREHOUSE	9
Total Programs			167

MARKETING AUDIT

Attachment 2

Checklist for Marketing Audit of the broad areas to be covered are mentioned below

1. Cash

- a) Physically verify the imprest cash.
- b) Cross check with manual register and SAP
- c) Take summary of expenditure – **verify the vouchers** with respect to account wise and see the nature, correctness of accounting, authority for payment, supporting documents, contracts etc., if any.
- d) Balance held on any day does it exceeds the authorized limit.
- e) See the employee vendor line items with Spl.GL indicator for imprest and ensure that all entries are journalized regularly.
- f) Any other items which requires Management's attention and corrective action.

2. Stock Reconciliation:

- a) The status of completion of stock reconciliation is obtained to ascertain whether the stock reconciliation is being done timely.
- b) From the stock reconciliation, to scrutinize whether any inter-district movements of material have been done, if so, whether the competent authorities approval has been obtained giving proper justifications.
- c) The quantities of closing stock of all the godown are verified as given in the stock reconciliation along with the godown stock reports.
- d) From the stock reconciliation, the status of damaged stock and sweeping is obtained to check the age of the damaged / sweeping stock and the reasons for not disposing of the same are to be ascertained.
- e) The details of goods in transit are checked, to ascertain whether any material has been lying in transit for longer period and whether claims have been preferred with Railways/Transporters for these goods in time.
- f) The quantity of transit loss & storage loss is checked to see, whether they are on the higher side and reasons for the same.

- g) The rake disposal reports are checked to ascertain the position of disposal of material i.e. for ex-rake point sales transferred to godown. If delay is observed in raising the invoices for ex-rake point / cash and carry sales the same are reported.
- h) SAP T-Code ZSD084, MB5B to view Godown wise report.
- i) Compare Physical stock quantities with SAP balances and with Godown stock register are to be mentioned in the audit report and note differences if any.
- j) SPD stock limit – Verify whether actual stock exceeds the limit by BG or Deposit.
- k) Verify whether stocks are properly kept in a countable manner and stack cards are properly maintained. Atti wise details are to be enclosed in the Audit report.
- l) Temporary godowns hired, approval, location in SAP, vacation after need is over, Godown utilization etc to be verified.

3. Customer Ledger:

- a) The customer ledger of the latest month is scrutinized. The line item wise list is available in FBL5N.
- b) To check and prepare a list of cases where the amounts have been realized after due dates i.e. delay in realizing the sale proceeds.
- c) To check the customer ledger for cases where amounts are outstanding for more than one year and whether any legal action has been taken for recovery and the same are reported.
- d) The clearing/review of open items of customer ledger needs to be done regularly.
- e) To check Security deposit, Fixed deposits are accounted in Special G/L key in SAP.
- f) Interest on FD / Trade advance see approvals / Circulars / rate calculation etc., to be verified.

3. Sales Invoices

- a) Sales invoices are scrutinized in respect of sales terms, which are approved by the management and whether the same has been adhered to. The sales invoices can be viewed in ZSD005.
- b) The invoices are checked to see whether all columns in respect of mode of delivery, product code, discounts applicable if any, payment details have been entered.
- c) To check some invoices, at random, for the date of issue of the invoice with the actual date of lifting from warehouse stock reports. If delay is observed the same is reported.

- d) To check reason of cancellation of Invoices and approval of Competent Authority.
- e) Verify the pricing terms, trade terms in SAP T-code VK13.
- f) To check delay in cancellation and preparation of new Invoice. If delay in days are substantial between the two, the same has to be reported.
- g) Verify for huge quantity of sales just prior / after to price increase / decrease.

4. Verification of Bank Guarantees

- a) To check the Bank Guarantees obtained from SPD for security against stocks stored and verify date of purchase of stamp paper and compare with the date of entering into agreement so as to ensure that the agreement has been entered within six months from the date of purchase of stamp paper.
- b) To check the Bank Guarantees whether all the clauses have been included which are as per our standard format.
- c) To check and verify whether the finance department has obtained the confirmation of issue of bank guarantees from the respective bankers.
- d) To check the Bank Guarantees, whether the claim period has been allowed for six months from the date of expiry of the guarantee.
- e) To check whether stocks are stored in SPD without a valid Bank guarantee.

5. Verification of Dealership Agreement / SPD Agreement

- a) To check the dealership /SPD agreements and compare with the list of dealers to see whether agreements have been entered with all the dealers.
- b) The agreements are checked, to ascertain whether all the clauses have been incorporated as per our standard formats and whether both the parties have properly filled all the columns with initials in the margins.
- c) To check whether the names and addresses of the witnesses and the signing parties have been given. In case discrepancies are found for the above points, the same are reported for rectification.
- d) To check whether the SPD are appointed as per the norms and terms and conditions circulated by the management.

6. Checking of reports

- a) Inspection report done by the Sales officers in SAP / manual – Frequency of inspection, any discrepancies noted in the inspection report / note in the Zonal / Depots.
- .
- b) To check the rake clearing committee reports with respect to the clearing of wagon.
- c) See that in the RO party code and party name is appearing similar to one given in the dealer's / MO's forwarding letter.
- d) See that RO indicates correct invoice no. as mentioned in dealer's / MO's forwarding letter.
- e) A copy of the RO must be sent to dealer acknowledging receipt of DD / Cheque.
- f) Any cancellation of RO should be authorized by responsible Officer. Delay in cancellation of R.O to be scrutinized and reported.
- g) E-receipts to be encouraged.

7. Bank Reconciliation

- a) To check whether the bank Reconciliation is done on month to month basis.
- b) While going through the latest bank reconciliation, it is checked whether there are any old pending items in respect of instruments deposited but the credit for which has yet not been received and the reasons for the same are obtained.
- c) To check whether there have been any cheques issued, but have not been debited from our account for a longer period.
- d) The bank statement is also scrutinized to verify the balances in our account on day to day basis.
- e) The bank statements are checked to see whether there is regular / full / partial transfer of funds to our collection account at SBI, Udyogamandal Branch.
- f) To see Monthly posting of reconciled items of bank in Main Account in SAP.
- g) To check whether the sales realisations are made only through NEFT / RTGS.
- h) To check any reversal of payment receipt as per the bank statement, please collect the reason for reversal and also ensure that it was reversed with the prior approval from the competent authority.

8. TA and Miscellaneous Advances

- a) To check Special G/L of TA and Misc. Advances from SAP T-code FBL3n, FAGLB03 as on the date of audit to check whether the employees have been regularly submitting their bills against their advances. The delay in submission to be reported.
- b) It is also ascertained whether second advance has been given, to any of the employee, without submission of bills for the first advance. Such cases are reported.
- c) To check the status of recovery of the advances outstanding for more than one month from the date of drawal.
- d) To check whether advances have been adjusted against proper bills and supporting documents.

9. Godown Utilization

- a) For ascertaining whether the godown are being utilized properly a statement showing opening stock, receipt, issue, closing and peak stock monthwise is to be obtained for some of the godowns, where the turnover of material is high.
- b) From the statement obtained it is ascertained whether the godown has been utilized considering the reservations. Wherever there is higher variation for over and under utilization, the same are brought to light so as the reservations can be done in a judicious manner to avoid payment of higher reservation charges in cases of overutilization and unnecessary payment of godown rent on account of underutilization.

10. Sales Performance

- a) To obtain a statement showing season wise / Zone wise sales along with targets and achievements compared with previous year's figures.
- b) To check whether the sales have increased or decreased with respect to previous year. In case performance is poor the reasons for the same are obtained from the concerned Zonal manager and are reported for necessary action.

11. Voucher verification

While verifying the vouchers the following points are to be checked.

- a) Whether proper classification of expenses i.e. Capital and Revenue has been done.
- b) Whether the payments are released with competent authority's approval.

- c) Whether tax if required to be deducted at source from payment of suppliers and contractors has been done as per rules and whether the same have been deposited in the bank before the 7th of the subsequent month.
- d) Whether payments have been released within the budget provisions.
- e) Whether all payments for regular services are routed through SAP system by raising the bills by creating service orders i.e., payments for office / godown rent, rake clearing bills, transportation bills, loading / unloading bills etc., are to be processed only through the above mode in SAP.
- f) Whether tender procedures, if applicable, have been followed for any contract awarded in the zonal / state offices.

12. Credit / Debit Notes

- 1. To see the credit notes are auto generated in SAP, if not check arithmetical accuracy of the calculations.
- 2. To check whether the quantities for which rebates are given in credit notes have been confirmed from the stock reconciliation.
- 3. To check whether the rebates allowed in credit notes are as per the approved sales terms.
- 4. To check whether the accounting entries passed for issue of credit notes have been done correctly and whether the same has been credited to individual party's accounts.
- 5. To check and analyze whether any debit notes were raised for reversal of wrong credit notes and vice-versa.

13. Subsidy Claims

- 1. To obtain the details of claims raised by the State Office on account of subsidy to be received.
- 2. To check whether the quantity as per the subsidy claims and sales accounted for the corresponding period have been tallied.
- 3. In case if the subsidy has been less claimed action is to be suggested for raising supplementary claims.

14. Transportation Contracts

1. To check the tender are procedures in respect of issue of press advertisements, limited tenders, issue of NIT, preparation of comparative statement, award of work to the lowest bidder, etc.
2. To check and compare the rates finalized for the current contract with the rates as per previous contracts for the increase / decrease in current year rates and analyze the reasons thereof.
3. To check from the bills submitted by the contractors as to whether slab wise movement of quantity has been recorded for proper control of movement of material in different kms as per NIT terms; else, it could lead to increase / decrease in transportation cost (per metric ton).

15. Marketing Cost

1. To obtain the statement of marketing cost of the current period and marketing cost of the past year for the corresponding period.
2. To compare and check whether there has been much variation in the cost between both the periods and analyze the reasons for increase /decrease in the marketing cost.
3. To study the marketing cost vis-à-vis sales performance of the area and ascertain the causes for increase, if any.
4. To ascertain whether marketing cost was taken into account correctly for arriving at margin for working out various rebates.

16. Sales & Debtors

1. Documents like Invoices, Delivery Challan, Cancelled Invoices, reasons for cancellation, delay in creation of Invoices should be checked and investigated.
2. Check the quantity of goods dispatched and quantity of goods Invoices before monthly closing.
3. Check the arrangement made for stock transfer between Units.
4. Check prices on invoices are as per approved pricing.
5. Check clearing of Invoices with receipt of payments on continuous basis or with Auto generating entries in SAP.
6. Check system of issuing credit notes.
7. Check Customer balance are reconciled half-yearly with parties.
8. Check classification of debts for a period exceeding 6 months, other debts and provision for doubtful debts.

17. State offices

A separate Audit report for State office showing all the following actives to be covered.

- i) Comparison with current year sales performance of the state with the corresponding previous year, along with audit observations and comments.
- ii) Scrutiny of monthly GST account and payment made towards GST.
- iii) Ensure that all expenditures pertaining to state office are booked under the cost centre of state office only.
- iv) To obtain the details of claims raised by the State Office on account of subsidy to be received. To check whether the quantity as per the subsidy claims and sales accounted for the corresponding period have been tallied. In case if the subsidy has been less claimed action is to be suggested for raising supplementary claims.
- v) Other commendable activities of 'state' if any.
- vi) Rent agreement – Validity, renewal etc.
- vii) Ensure that all the assets of the state offices are accounted and physical verification of Fixed assets and comparison with the SAP. Check whether Asset Identification Number (AIN) is there on all Fixed assets and whether it is in agreement with the SAP Fixed assets register.

18. Zonal Office

A separate Audit report showing the following activities of the concerned Zonal office.

- i) Comparison of current year sales performance of the Zonal office with the corresponding previous year, along with audit observations and commends.
- ii) Report the delay in transfer of funds if any. Ensure that all collection accounts daily balance with minimum / zero balance all the days.
- iii) Ensure that interest claims are put up to bank for the delay in fund transfer and the same is informed to HO for further action.
- iv) Ensure that Bank reconciliation statements are prepared in time.
- v) Scrutiny of Dealer / Customer account and its transactions.
- vi) Scrutiny of Vendor account and its transactions.
- vii) Sales pattern to dealers / SPDs.

- viii) Ensure that
 - a) FD/BG as per rule are collected from all SPDs and Dealers.
 - b) All BGs are renewed in time.
 - c) Confirmation of BGs from banks.
 - d) Only approved BG format received from Ho is used.
- ix) Details of BGs encashed, reason for non-enhancement of BGs if any.
- x) Agreement with SPDs and its renewal, only approved format received from HO is used.
- xi) Ensure that the agreement with dealers and its updating, is only on approved format.
- xii) Ensure that ERP license fees and its yearly renewal fees are collected from all the SPDs regularly.
- xiii) Monthly ASC/SPD inspection carried out by Sales officers / Manager Sales and the reports thereon on a monthly basis and the same was uploaded in SAP.
- xiv) Check whether TDS, GST and all other statutory payments have been made within the time schedule.
- xv) Status of Legal cases.
- xvi) Ensure that all expenditure pertaining to Zonal offices are booked under the cost centers of respective Zonal offices only.
- xvii) Rent agreement and its updating.
- xviii) Ensure that all the assets of the state offices are accounted and physical verification of Fixed assets and comparison with the SAP. Check whether Asset Identification Number (AIN) is there on all Fixed assets and whether it is in agreement with the SAP Fixed assets register.
- xix) Ensure that clearing of transactions and postings in SAP are carried out consistently.

19. ASC / SPD

A separate Audit report on each of the ASC / SPD to be prepared for every quarterly.

- i) Maintenance of Statutory registers and its updating to be verified.
- ii) Cash imprest verification where ever cash is maintained, including verification of payment vouchers with supporting bills.

- iii) Stock balance – Physical stock, SAP stocks and stock register stock to be shown in the report – product wise and notice any difference in the above three.
- iv) Ensure that the stocks are stacked in a countable manner. Stacking wise details are to be enclosed in the report. Duly updated stack cards are displayed on each stack.
- v) Authorisation to raise sale order.
- vi) Ensure that the collection from dealers are by RTGS / NEFT mode only.
- vii) Abnormal sales if any immediately prior / after to price revision.
- viii) Storage capacity of the godown, capacity utilization of godown, condition of godowns to be checked.
- ix) Hire charges of Temporary / permanent godown.
- x) Details of damaged stock stored in godowns.
- xi) Date and time of visit of Auditors.
- xii) Verification of inspection register maintained at ASC / SPD and report the adverse remarks if any therein.
- xiii) Ensure that all transactions pertaining to ASC / SPD / CWC / SWC etc., are only booked under respective cost centre.
- xiv) Godown occupancy report in respect of each godown in the format given.
- xv)** Ensure that all the assets of the state offices are accounted and physical verification of Fixed assets and comparison with the SAP. Check whether Asset Identification Number (AIN) is there on all Fixed assets and whether it is in agreement with the SAP Fixed assets register.

20. OTHERS

- i) Regular review of the entire operations of the ASC / SPD / CWC / SWC / MC etc
- ii) Highlight significant areas of weakness in the existing policies and procedures recommend changes where applicable.

- iii) Determine whether adequate controls are in place, whether they are operating effectively and recommend desired improvements.
- iv) The Audit will also identify areas where further improvement in systems or processes is required.
- v) The Internal Auditor should report on the payment status of statutory dues.

In addition to the above, system anomalies (including SAP ERP) and / or serious observation (like shortage in physical stock found out during physical verification etc.) which requires Management attention for corrective action to be reported immediately.

The above scope of work is not exhaustive, which may change according to the requirement of the Management.

Report No.: _____

Dated: _____

DRAFT INTERNAL AUDIT REPORT

1. Draft Report Number and Subject/Area Audited :
 - i) Date of submission :
 - ii) Due date of submission :
2. Name of the Auditee Unit/Office:
3. **Period covered in the Audit:**
4. **Date of start/completion of Audit:**
5. **Detail/Names of Auditors:**
6. Audit Scope/Area of transactions covered in the Audit and extent of verification/sampling technique:
(Actual area covered may be indicated here, in brief even if there is no observation. If required, separate sheet may be attached)

S. No.	Particulars/ Area Audited	Scope and extent covered as per scope defined	Draft Audit Observations
1			
2			
3			
4			
5			

7. Methodology and process of Audit employed:
8. Brief of the Internal Control Systems/Procedures examined for its adequacy, short comings /weaknesses/appreciable points observed and suggested measures/viable solutions suggested:
9. Constraints in conducting the Audit :

Final Audit report, executive summary and significant observations indicating there in the financial implication and risk category (High/Medium/Low) will be given after receipt of replies from the Auditees (Attachment 4 and 5):

(Signature)

Name & Address of the Auditors/Firm

Attachment-4

Report No _____

Dated: _____

**Final Audit Report and Executive Summary of the Internal Auditors of
_____ (Unit/Office) for the Period _____ to _____.**

Sr. No	Draft Audit Queries/Observations	Reply as given by the Auditee Unit/Office	Internal Auditor's Comments/Suggestions with Financial implication	Final Grading of Risk (High / Medium/Low)

Signature
Name & Address of the Auditors/Firm

Attachment-5

File No. _____ Dated: _____

Head of Internal Audit Department,
FACT

Subject: Significant Observations of Internal Audit in respect of
_____ (Unit/Office) for the period _____ to _____

Sirs,

We have conducted the Internal Audit of _____ (Unit/Office) for the period _____ to _____. The significant points observed during the Audit are indicated below for kind information and necessary action:

Sr. No	Audit Queries/ Observations given	Reply as by Auditee Unit/Office	Internal Auditor's Final Comments/ Suggestions with Financial implication	Grading of Risk (High/Medium/Low)
1				
2				
3				
4				

Thanks,

Yours faithfully,
(Signature)
Name & Address of the
Auditors/Firm

Annexure -E

Application form for Internal Audit Assignment
(Please strike off whichever is not applicable)

Sr. no.	Particulars	Details	
1.	a)	Name of the firm (in Capital letters)	
	b)	Address of the Head Office	
	c)	Name of the Senior Partner, who shall issue/sign the Internal Audit report.	
	d)	Telephone Number	
	e)	E-mail address	
	f)	PAN of the firm	
	g)	GST No.	
2.		Firm Registration No. (As Issued by Institute of Chartered Accountants of India/ Institute of Cost Accountants of India)	
3.		Date of Incorporation (as per certificate issued by Institute).	
4.		Number of full Time Partners of the firm as on date of tender (Please fill up Annexure-E1)	
5.		Number of qualified Chartered Accountants / Cost Accountant Employed with firm (Please fill up Annexure-E2)	
6.		Number of Semi-qualified and Article Assistants/Audit Staff. (Please fill up Annexure-E3)	
7.		Yes	No
	Whether the firm has experience of statutory/Internal Audit in at least 10 companies (Registered Under Companies Act) as on date of tender– (If yes, please fill up details at Annexure-E4)		
8.		Yes	No
	As per clause no.3.6 of Notice Inviting Tender, whether the firm has experience in at least 3 companies having Annual Turnover of at least Rs.500 Crore each and out of these 3 manufacturing companies at least 1 should be listed company. (If yes, please fill up details at AnnexureE5)		
9.		Yes	No
	Whether the firm has experience of audit in at least one fertilizers manufacturing company/organization/Co-operative having Annual Turnover of at least Rs.500 Crore each during last 7 years. (If yes, please fill up details at Annexure-E6)		
10.		Yes	No
	Whether the firm has experience in conducting audit in SAP ERP system (MM, SD & FICO module) in at least one company having Annual Turnover of at least		

	Rs.500 Crore each during last 7 years audited by the firm (If yes, please fill up details at Annexure-E7)		
11.	As per clause no.3.9 of Notice Inviting Tender, whether the firm has experience in the area of Direct, Indirect taxation and IND AS. (For considering weightage in selection) (If yes, please fill up details at Annexure-E8)	Yes	No
12.	Whether the firm has Regd. Office/Head Office in Kerala (If yes, please fill up details at Annexure-E9)	Yes	No

(Name & Signature of Managing/senior partner of the firm with seal)

Firm's Name _____

Details of Full Time Partners of the Firm as on date of Tender.

(Please refer to Sl. No.4 of the application form at Annexure E)

Sl. No.	Name of the Partner	Membership No.	Whether Associate/ Fellow member	Additional Qualification CISA/DISA/etc.	Date of joining the Firm as Partner Full time)

- Please attach a self attested copy of the Membership certificate in support of above.

(Name & Signature of Managing/ senior partner of the firm with seal)

Firm's Name _____

Details of Qualified Chartered Accountants/Cost Accountants employed with the firm as on the date of Tender.

(Please refer to Sl. No.5 of the application form at Annexure E)

S.No.	Name of the Chartered Accountant/Cost Accountant	Membership No.	Whether Associate/ Fellow member	Additional Qualification CISA/DISA/etc.	Date of joining the firm (Full time)

- Please attach a self attested copy of the Membership certificate in support of above.

(Name & Signature of Managing/senior partner of the firm with seal)

Firm's Name _____

a. Details of Semi-qualified Assistants as on date of Tender

(Please refer to Sl. No.6 of the application form at Annexure E)

S.No.	Name	Qualification	Date of joining the firm (Full time)

b. Details of Article Assistants / Audit Staff as on date of Tender

(Please refer to Sl. No.6 of the application form at Annexure E)

S.No.	Name	Qualification being studied or completed	Date of joining the firm (Full time)

(Name & Signature of Managing/ senior partner of the firm with seal)

Annexure –E4

Firm's Name _____

List of Firm's experience of Statutory /Internal Audit in at least 10 companies (Regd.Under companies Act), as on date of Tender.

(Please refer to Sl. No.7 of the application form at Annexure E)

S.No.	Year of Audit	Name of the Company	Type of Audit Statutory/Internal

Please attach the copies of work order/letter placed by above companies on the firm's name along with copies of relevant documents supporting completion of Audit

(Name & Signature of Managing/ senior partner of the firm with seal)

Firm's Name _____

Please indicate name of at least 3 companies having annual turnover of at least 500 crore each whose statutory/ internal audit has been handled by the firm. Out of these 3 manufacturing companies at least one should be listed company.

(Please refer to Sl. No.8 of the application form at Annexure E)

S.No.	Name of the Manufacturing Company	Whether Listed Company (Yes /No)	Year of Audit	Type of Audit Statutory/Internal

Please attach the copies of work order/letter placed by companies on the firm's name along with copies of relevant documents supporting completion of Audit.

(Name & Signature of Managing/ senior partner of the firm with seal)

Firm's Name _____

Please indicate out of 3 companies at least one fertilizer manufacturing company having annual turnover of at least Rs.500 crore each whose statutory/ internal audit has been handled by the firm during last 7 years.

(Please refer to Sl. No.9 of the application form at Annexure E)

S.No.	Name of the Company	Whether Listed Company (Yes /No)	Year of Audit	Type of Audit Statutory/Internal

Please attach the copies of work order/letter placed by companies on the firm's name along with copies of relevant documents supporting completion of Audit

(Name & Signature of Managing/ senior partner of the firm with seal)

Firm's Name _____

Please indicate name of the Companies having Annual Turnover of at least Rs.500 Crore each during last 7 years in which the firm has experience in conducting audit in SAP ERP system (MM, SD & FICO module).

(Please refer to Sl. No.10 of the application form at Annexure E)

S.No.	Name of the Company	Turnover of the company	Whether Manufacturing Company (Yes /No)	Year of Audit	Type of Audit Statutory/Internal

Please attach the copies of work order/letter placed by companies on the firm's name along with copies of relevant documents supporting the existence of SAP ERP system during the period of Audit and completion of Audit.

(Name & Signature of Managing/ senior partner of the firm with seal)

Firm's Name _____

Please indicate name of the Companies in which the firm has experience in the area of Direct, Indirect taxation and IND AS.

(Please refer to Sl. No.11 of the application form at Annexure E)

S. No.	Name of the Company	Turnover of the company	Whether listed Company (Yes /No)	Year of Audit	Type of Audit Statutory/Internal

Please attach the copies of work order/letter placed by companies on the firm's name along with copies of relevant documents supporting the experience during the period of Audit and completion of Audit.

(Name & Signature of Managing/ senior partner of the firm with seal)

Firm's Name _____

Please mention name and address of Regd. Office/Head Office in Kerala
(For considering weightage in selection)

(Please refer to Sl. No.12 of the application form at Annexure E)

S.No.	Address of Regd. Office / Head office in Kerala

Please attach the copy of branch incorporation issued by institute of Chartered Accountant/
Cost Accountant.

(Name & Signature of Managing/ senior partner of the firm with seal)

Undertaking

I _____, the Managing Partner/Sr. Partner of M/s
_____, Chartered Accountant/ Cost Accountant firm do hereby
verify and declare:

- i) That the particulars given under Annexure E and related Annexures enclosed are complete and that if any of the statements made or the information so furnished in the application form is later found to be in-correct or false or there has been suppression of material information, the firm would not only stand disqualified from award of job but would be liable for disciplinary action under relevant Acts.
- ii) That the firm or partners has not been debarred or disqualified or cautioned by Institute of Chartered Accountants of India/ Institute of Cost Accountants of India during the last three years. (If debarred/disqualified, give details).
- iii) That the constitution of the firm as on date of tender shown in the application is same as that in the constitution certificate issued by the Institute of Chartered Accountants of India/ Institute of Cost Accountants of India.
- iv) That the information obtained in respect of FACT will be maintained in strict confidence and secrecy.

(Signature of Managing/ senior partner of the firm with seal)

Firm's Name _____

LIST OF DOCUMENTS

ATTACHED

S. No.	Name of Document	Document attached		
		Yes	No	At Page No.
1.	Duly signed with seal towards acceptance - Annexure A			
2.	Duly signed & stamped copy of Annexure B-Declaration Sheet			
3.	Duly signed & stamped copy of Service Tax Registration Certificate / GST No. (ST-2)			
4.	Duly signed & stamped copy of PAN Card (in the name of the Firm)			
5.	Duly signed & stamped copy of Application form for Internal Audit Assignment as per Annexure E			
6.	Duly signed & stamped copy of Annexure F - Undertaking Sheet			
7.	Duly signed & stamped copy of Annexure – E1 to E3 stating Particulars of partners, qualified Chartered Accountants / Cost Accountants and Article assistants / Audit staff, along with Membership Certificate copies of partners, qualified Chartered Accountants / Cost Accountants.			
8.	A copy of incorporation certificate issued by Institute of Chartered Accountants of India/Institute of Cost Accountants of India.			
9.	A copy of Firm's constitution certificate of firm issued by the Institute of Chartered Accountants of India/ Institute of Cost Accountants of India to the firm containing inter-alia, the details of partners as on date of tender.			
10.	Duly signed & stamped copy of Annexure E4, (stating company-wise experience of having audited 10 companies)			
11.	Duly signed & stamped copy of Annexure E5 to E7 along with the copy of work orders placed by Fertiliser Manufacturing Companies /			

	organizations / co-operatives and other manufacturing companies on your firm's name.			
12.	Duly signed & stamped copy of Annexure E8 and E9.			
13	Unpriced Bid (Indicate Quoted / Not Quoted)			

(Note: All the above documents should be signed, certified, page numbered and properly tagged. FACT owns no responsibility for the loss of any documents which are not properly tagged along with the application or documents sent subsequently in piecemeal.)

(Signature of Managing/senior partner of the firm with seal)

