



# इंडियन रेअर अर्थ्स लिमिटेड Indian Rare Earths Ltd.

(भारत सरकार का उपक्रम - परमाणु ऊर्जा विभाग)  
(A Govt. of India Undertaking - Dept. of Atomic Energy)

प्लॉट नं. 1207, वीर सावरकर मार्ग, सिद्धि विनायक मंदिर के पास, प्रभादेवी, मुंबई - 400 028.  
Plot No. 1207, Veer Savarkar Marg, Near Siddhi Vinayak Temple, Prabhadevi, Mumbai - 400 028.

Web Site : <http://irel.gov.in>

तार : रेअरअर्थ  
Cable: RAREARTH  
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## Request for Proposal (RFP) for Engagement of Internal Auditors for Indian Rare Earths Ltd. Head Office, Mumbai for the year 2017-18.

Indian Rare Earth Ltd. (IREL), Head Office, Mumbai invites sealed public tenders for engaging Internal Auditors at Head Office, Mumbai of IREL for the year 2017-18 as per the following:

|   |                                       |  |
|---|---------------------------------------|--|
| 1 | Office of issue                       | GM (Marketing) & I/C (Purchase),<br>M/s. IREL, HO, Mumbai. |
| 2 | Tender No.                            | IRE/HO/PT/Internal Audit/1060/2016.                        |
| 3 | Last date & Time of receipt of Tender | 29 -12-2016 at 1430 Hrs.                                   |
| 4 | Due date & time of opening of Tender  | 29 -12-2016 at 1500 Hrs.                                   |
| 5 | Validity of offer                     | 60 days from the date of opening of tender.                |

Interested parties may download the tender document containing all details from websites: <http://irel.gov.in> or <http://tenders.gov.in>. Any corrigendum/extension to above shall be hosted in above websites only.

**For Indian Rare Earths Ltd.**

**General Manager**

**(Marketing) & I/C Purchase**

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**(i) PREAMBLE**

Indian Rare Earths Limited, a Mini Ratna-I company is a Govt. of India Undertaking under the Department of Atomic Energy & its Head Office is situated at Prabhadevi, Mumbai (Maharashtra) and is operating beach sand mining and mineral separation plants at Chavara (Kerala), Manavalakurichi (Tamil Nadu) & Orissa Sands Complex (OSCOM), Chatrapur (Odisha), with installed capacity to produce 510,000 tons per annum Ilmenite and also associated minerals such as Rutile, Leucosene, Zircon, Silimanite, Garnet, etc. IREL also has its chemical unit at Rare Earths Division (RED) Aluva, Kerala which is associated with production of Rare Earth Compounds. Further, IREL has its Corporate Research Centre at Kollam (IRERC), Kerala. IREL has also commissioned a plant at OSCOM for production of Rare Earths Chloride and other associated chemicals from FY 2015-16.

This tender intends to take services from registered firms of Chartered Accountants/Cost Accountants as Internal Auditors for Head office, Mumbai.

**(ii) PRE-QUALIFICATION (PQ) CRITERIA**

Firms possessing the following PQ criteria are invited to submit documentary evidences in support of the same as mentioned hereunder in sealed envelope with superscription "Engagement of Internal Auditors in IREL, HO, Mumbai".

| <b>Sl. No.</b> | <b>PQ Criteria</b>  | <b>Documents required</b>   |
|----------------|---|---|
| 1              | Firm should be a Partnership Firm or Limited Liability Partnership Firm (LLP)   | (i) Copy of Firm Registration Certificate (FRC) issued by The Institute of Chartered Accountants of India or The Institute of Cost Accountants of India and,<br>(ii) Copy of certificate of practice of all the partners/members of firm. |
| 2              | Firm should have conducted either Statutory or Internal audit in PSUs (State PSU or Central PSU) during previous 5 years ending 31.03.2016. | (i) Copy of order received from clients in this regard and,<br>(ii) Self certificate towards conducting the same either in progress or concluded.   |
| 3              | Firm should not be less than three years old on date of tender.   | (i) FRC issued by respective institute as referred in sl.no.1   |
| 4              | The firm should have an exposure in handling tax matters during previous 5 years ending 31.03.2016.   | (i) Copy of order received from clients in this regard, and<br>(ii) Self certificate with details on the subject to that effect.  |
| 5              | Firm should have gross receipts exceeding Rs. 50 lakhs in a previous  | (i) Copy of financial statements for financial year 2015-16 in support of   |

|                              |   |
|------------------------------|---|
| financial year i.e. 2015-16. | gross receipts duly certified by practicing chartered accountant. |
|------------------------------|---|

Note:

- i) If any bidder not fulfilling any of the above PQ criteria need not submit bid as their bid shall be liable to be summarily rejected.
- ii) Overwriting /correction/erase and /or use of white ink should be avoided in the offer. However, if any overwriting/correction/erase is inevitable, the same should be authenticated with the signature & seal of the bidder.
- iii) All pages of tender documents and documents submitted in support of PQ criteria to be self attested by the bidder.

**(iii) INFORMATION TO BE GIVEN BY THE BIDDER**

- a. Name of the Bidder Firm :
  
- b. Name of the Partners/members :
- c. Address of the Firm :
- Telephone No. : Office :
- Mobile :
- FAX :
- E-mail ID :
- d. Registration particulars of the Firm & Date of Formation :
  
- e. Name/Designation /Address of the signatory of the bid with letter of authorization, if any. :
  
- f. Permanent Account Number (PAN) of the firm :
- g. Service Tax Registration No. :
- h. Details of Experience (In brief) :
- i. Details of professional Personnel/working staff :
- j. Details of Bank account for e-payment :

Certified that the information given above is true and if at any time this is found to be false or misleading the bid / contract shall be liable to be cancelled.

Name :

Signature :

(Capacity in which signed)

**(iv) PREPARTION & SUBMISSION OF BID**

1. The bidder shall fill in the particulars given in clause (iii) (Information to be given by bidder) and submit the copies of self attested relevant documents as mentioned in clause (ii) in support of the PQ criteria.  
One envelope shall contain all above documents including eligibility document meeting the PQ criteria and EMD.  
The Bid form with undertaking, deviation statement, audit calendar, scope of the work duly signed in all pages as a token of acceptance of all the conditions of the bid documents by the bidder shall be submitted in second envelope.  
The second envelope shall contain techno commercial cum financial bid as per price bid format attached. Both the envelopes shall be sealed and submitted together in a bigger envelope. If all the pages of the tender are not signed by the bidder, it shall be rejected.
2. The sealed envelope shall:
  - (a) Be addressed to M/s. IREL on the following address:  
GM (Marketing) & I/c Purchase, Indian Rare Earth Ltd., Plot No. 1207, Veer Savarkar Marg, Near Siddhi Vinayak Temple, Prabhadevi, Mumbai - 400 028.
  - (b) Bear the tender number and due date of opening of the tender.
3. The sealed envelope may also be dropped in the Tender Box at M/s. IREL, Plot No. 1207 Veer Savarkar Marg, Near Siddhi Vinayak Temple, Prabhadevi, Mumbai - 400028.  
In case the envelope cannot be inserted in the tender box, the envelope duly sealed may be delivered to the office of GM (Marketing) & I/c Purchase, Mumbai. The responsibility for ensuring that tenders are delivered in time would rest with the bidder.
4. IREL shall not be responsible if the bids are delivered elsewhere. If envelope is not sealed and/nor superscribed as mentioned above, IREL shall not accept the bid.

**(v) LATE BIDS**

Any bid received by M/s. IREL after the prescribed deadline for submission of bids, shall be rejected.

**(vi) BID OPENING AND EVALUATION**

M/s. IREL shall open the bids in the presence of bidder/s or his authorized representatives, who choose to attend at 15:30 Hrs on the due date. The bidders representatives, who will be present; shall sign in the attendance register,

authority letter to this effect shall be submitted by the bidder before they are allowed to participate in bid opening. If the last date stipulated for receipt of bids and/or for their opening happens to be a Holiday / unscheduled closure, it shall be deemed to fall on next working day at the same time.

The envelope containing PQ criteria shall be opened first and financial cum techno commercial bid shall be opened only for qualified bidders and date of opening of financial bid will be intimated later to only qualified bidders.

All the bids shall be evaluated based on the term & conditions of this tender to shortlist the qualified bidders. M/s IREL shall consider placement of order on the qualified bidder, whose offer shall be lowest i.e. sl.no.3 of the price bid format. In case of a tie with respect to fees quoted as per price bid format, criteria for selection shall be in the order of: - (i) Gross receipts for FY 2015-16 (ii) Length of experience of the firm.

**(vii) SCOPE OF WORK**

1. Scope of work shall include carrying out the internal audit of IREL, Head Office and submission of monthly audit report by end of next month. Detailed scope of audit is attached as Annexure-I
2. Audit Calendar: Audit calendar for carrying out the monthly audit shall be prepared by the successful bidder after receipt of order and submit to the management for consideration. Firm so appointed shall commence internal audit and submit monthly audit report by end of next month for FY 2017-18 i.e. 01-04-2017 to 31-03-2018.
3. As a result of study and evaluation of internal control and other auditing procedures, the auditor should inform the management regarding weakness in internal control, if any besides normal internal audit job as per scope.

**(viii) DELIVERABLES**

The successful bidder has to conduct the monthly internal audit as per the scope of work as mentioned in annexure-I and submit the monthly audit reports as per audit scope.

**(ix) TRAVELLING, BOARDING & LODGING AND OUT OF POCKET EXPENSES**

No travelling, boarding & lodging and out of pocket expenses will be paid. Payment of fee will be limited to as quoted in price schedule by the successful bidder.

**(x) EARNEST MONEY DEPOSIT (EMD):**

1. The bid shall be accompanied by EMD of Rs.5000/- (Rupees Five Thousand only) in the form of „demand draft or „bankers cheque drawn in favour of Indian Rare Earths Limited payable at Mumbai.
2. No interest shall be paid on EMD. The offer without EMD in any form other than specified herein above is liable to be summarily rejected.
3. EMD shall be dealt with as follows:
  - a) In case of unsuccessful bidder it shall be returned without any interest immediately after finalization of order but not later than 30 days after finalization of order.
  - b) In case of successful bidder it shall be adjusted without interest as Security Deposit. (SD).
4. The EMD shall be forfeited if:
  - a) The bid is revoked during its validity period.
  - b) The tenderer changes the terms and conditions or prices or withdraw his quotation subsequent to the date of opening.
  - c) The tenderer fails to accept the order when placed or fails to commence work after accepting the order.
  - d) In case bidder submits false/fabricated documents.
  - e) In case bidder fails to be submit SD within 30 days of receipt of order.

**(xi) SECURITY DEPOSIT (SD):**

1. The successful bidder shall be required to furnish demand draft in favour of Indian Rare Earths Limited, for an amount equivalent to (5)% of the contract amount towards security deposit (inclusive of EMD) for the satisfactory performance of the contract, within 30 (thirty) days of receipt of the order.
2. The SD shall not bear any interest, and is liable to be forfeited for unsatisfactory completion or on abandonment of the work order.
3. SD shall be returned to the successful bidder after issue of “No Due Certificate” by OIC duly countersigned by head of the department after ensuring that no amounts are recoverable from party.
4. The SD shall stand forfeited in favour of IREL, without any further notice to the party in the following circumstances:
  - a) In case of any failure whatsoever on the part of the party at any time during performance of his part of the contract including the extended periods of contract, where notice is given and time for rectification allowed.
  - b) If the party indulges at any time in any subletting/sub-contracting of any portion of work without approval of IREL.

**(xii) GENERAL TERMS AND CONDITIONS OF CONTRACT**

**1. PAYMENT TERMS:**

Payment for annual fee shall be released in two equal installments based on progress of the work as certified by the In-charge of Internal Audit department

at HO. The first installment shall be released in November and second and final installment shall be released after successful completion of total audit assignment for the financial year. Payment shall be made within 30 days from the date of receipt of valid invoice.

**2. VALIDITY OF OFFERS/FEES**

Bidders have to quote the fees strictly as per the Price Bid format. Fees quoted by the bidders in their bids shall remain firm and valid for the total contract period or till complete execution of the contract. However, statutory levies/taxes are payable by IREL as applicable on prevailing date of actual render of services on submission of invoice. The offered price should be valid for a period of 60 days from the date of opening of price bid.

**3. PERIOD OF CONTRACT**

The period of contract shall be one year i.e. financial year 2017-18. M/s IREL reserves the right to extend the contract on same terms & conditions for the next two financial years (2018-19 & 2019-20) subject to certain need based changes in the audit scope.

**4. RIGHT TO ACCEPT OR REJECT ANY OR ALL BIDS:**

M/s IREL reserves the right to accept or reject any bid, and to cancel the bidding process and reject all bids, at any time prior to award of contract without assigning any reason whatsoever and without thereby incurring any liability to the affected bidder or bidders on the grounds for the IREL s action.

**5. RELATED PARTY:**

Related parties should not quote for the tender separately. If it is noticed that related parties submitted separate quotation, the same shall be liable to be rejected. Parties are considered to be related if one or more partner/member be common.

**6. INCOME TAX:**

Income tax inclusive of surcharge and any other tax if applicable shall be deducted at source.

**7. SERVICE TAX:**

Service tax shall be paid extra as applicable on the date of actual render of service and billing on IREL has been made in terms of guidelines stipulated in the service tax rules. Any change in taxation during tenure of contract, will be as per applicable statute.

**8. SECRECY:**

The successful bidder shall not at any time during the tenure of contract or thereafter disclose any information furnished to them by the company or any drawings, designs, reports and other documents and information prepared for this work, without the prior written approval of the company except in so far as such disclosure is necessary for the performance of the party's work and



service hereunder. Successful bidder will be required to enter into secrecy agreement with IREL, copy of which is enclosed.

**(xiii) OTHER TERMS AND CONDITIONS**

1. Successful bidder shall depute sufficient number of competent staff for audit work at their own cost.
2. Successful bidder shall submit draft monthly audit report to the In-charge of Finance department at HO and the final report along with the views of the In-charge of Finance department at HO shall be forwarded to Director (Finance) with copy to In-charge of Finance department at HO & In-charge of (Internal Audit/IFC) department at HO.
3. The audit staff may be advised to observe all safety precautions as applicable to the department in which the work is carried out.
4. The Company shall not be responsible for any accident caused to your personnel due to their negligence.
5. Every effort shall be made to complete the internal audit work strictly as per the audit scope.
6. Successful bidder shall be in constant touch with Director (Finance), In-charge of Finance department at HO & In-charge of Internal Audit/IFC department at HO.
7. Information made available during the course of audit shall be used only for bonafide work relating to audit of the company and not for any other purpose. The auditors shall not divulge the information made available by the Company or otherwise acquired during the course of audit to any other agency.
8. The Company reserve the right to accept /reject any or all the offers without assigning any reason whatsoever therefore.
9. Estimated cost the tender is Rs.250,000/-

**(xiv) FORCE MAJEURE**

If at any time during the currency (tenure) of the order, it is not possible to execute any portion of the work stipulated in the order, due to reasons beyond the control of either IREL or the bidder, on account of emergency declared by government, reasons of go slow, strike or lockout at our / the bidder's office, war, civil commotion, earthquake, fire, storm, flood, acts of

God, acts of any government, sabotage, riot, police action, revolution, unforeseen circumstance or other hindrance beyond one's control, there shall be no liability on the part of the defaulting party for consequential losses.

**(xv) FAILURE AND TERMINATION**

If the bidder fails in the performance of the contract in the manner and within the time fixed or there is likelihood of an anticipatory breach of whole or part of the contract, the Company will have the right to rescind the contract and have it performed through other party at the risk and cost of the bidder.

**(xvi) ARBITRATION AND LEGAL JURISDICTION**

All disputes or differences whatsoever arising between IREL and bidders out of or relating to the construction, meaning and operation or effect of this tender shall be settled by the sole Arbitrator appointed by the Chairman & Managing Director of IREL and the award of such arbitrator shall be final and conclusive and binding. No objection shall be raised on the ground that the arbitrator so appointed is an employee of IREL. The seat of arbitration will be at Mumbai and only the appropriate court coming under the High Court of Mumbai will have jurisdiction to entertain all matters of litigation to the exclusion of all other courts.

**(xvii) DEVIATION STATEMENT**

Bidders have to submit the deviation statement as per the following format, if there is no deviation with tender conditions "NIL" statement must be submitted by the bidders.

| Clause reference as per tender | Terms as per tender | Terms as offered by bidder |
|--------------------------------|---------------------|----------------------------|
|                                |                     |                            |
|                                |                     |                            |
|                                |                     |                            |
|                                |                     |                            |
|                                |                     |                            |
|                                |                     |                            |

**(xviii) ETHICS IN TENDERING & OTHER BUSINESS DEALINGS**

IREL is a Government of India undertaking under the administrative control of Department of Atomic Energy is doing its business as per the rules and regulation of the Public sector undertaking and other statutory agencies. The business is done in an ethical, rational & impartial manner with good corporate governance.

In our endeavor to be more transparent in our dealings and to support our ideology all vendors, customers and business partners are requested not to provide any gift and/or inducement to any of our employees for securing/being granted favour in dealings with our company.

Report of any gifts and/or inducements sought by any employee of the company should be immediately reported to any one of the following.

|  |  |
|--|--|
| Shri D. Singh<br>Chairman & Managing Director<br>Indian Rare Earths Ltd.<br>1207 VS Marg, Prabhadevi<br>Mumbai - 400 028<br>Ph: 022 - 24225778 | Shri. Sanjay Banga,<br>Chief Vigilance Officer<br>Indian Rare Earths Ltd.<br>1207 VS Marg, Prabhadevi<br>Mumbai - 400 028<br>Ph. 022 - 24382042<br>Email: irelcvo@rediffmail.com |
|--|--|

We assure you that complaints if any made by you on the subject will be kept confidential and fair investigation will be conducted and appropriate action will be taken. Similarly, we expect your commitment to the undertaking and its violation will have consequences as per prevailing rule of the company.

For Indian Rare Earths Limited

Sd/-

GM (Marketing) & I/c Purchase, HO

**UNDERTAKING**

**Date:**

**To,  
M/s Indian Rare Earths Limited  
1207 VS Marg, Prabhadevi  
Mumbai - 400 028**

I/We .....am/are as a service provider of Indian Rare Earths Limited (now on wards to be referred as Company). I/We agree and undertake:

1. Not to provide any gift and/or inducement to any employee of the Company in connection with securing/being granted favour(s) in my/ our dealings with the Company and its field units namely OSCOM at Orissa, MK unit at Tamilnadu, Chavara, IRERC and RED unit at Kerala.
2. To immediately report any gift and/or inducement sought by any employee of the company in exchange of the company and/ or its field Units granting favour(s) to me/ us in my/our dealing with the Company and/ or its field units.

We further declare that no bid has been submitted by any related party as defined under point (v) of the tender.

Signature: .....

Name: .....

Capacity in which signed: .....

Name of the Firm& Address (With Seal): .....

**PRICE BID FORMAT**  
**(To be submitted in separate envelope)**

**Internal Auditor for the financial year 2017-18**

**Name of the Firm:**

| Sl. no | Particulars  | Amount (Rs) |
|--------|--|-------------|
| 1      | Annual fee of Internal Audit works as specified in Annexure-I,II and III |             |
| 2      | Applicable Service tax or any other tax in lieu of                       |             |
| 3      | Total (1+2) (Rupees..... only)   |             |

**Signature of the**

**Authorized person or partner of the firm with seal**

Notes:

1. Service tax shall be paid as prevailing rate at actual and if service tax is not applicable the bidder should mention clearly in the bid document.
2. Total price shall be indicated in both figures & words. In case there is any discrepancy between figures & words, words shall prevail.
3. If all the component of price bid is not quoted separately the bid shall be rejected.