

**NOTICE INVITING TENDER  
FOR  
APPOINTMENT OF INTERNAL AUDITOR  
IN**

***MADRAS FERTILIZERS LIMITED***

**(A Government of India Undertaking)**

**Regd Office: Post Bag No.2, Manali, Chennai – 600 068.**

**TELEPHONE: 044 - 25945293 / 25945291**

**E-MAIL: [ca@madrasfert.co.in](mailto:ca@madrasfert.co.in) / [ia@madrasfert.co.in](mailto:ia@madrasfert.co.in)**

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**MADRAS FERTILIZERS LIMITED**  
**(A GOVT. OF INDIA UNDERTAKING)**  
**MANALI, CHENNAI 600 068**  
**TELEPHONE: 044 - 25945293 / 25945291, FAX: 25943033**  
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**Overview of the Company**

Madras Fertilizers Limited (MFL) incorporated in the year 1966 is a PSU under the administrative control of the Department of Fertilizers (DOF), Ministry of Chemicals & Fertilizers, Government of India. MFL is engaged in the manufacture of Ammonia, Urea and Complex Fertilizers (N:P & N:P:K) at Manali, Chennai. MFL is also engaged in manufacturing Bio-fertilizers and marketing eco-friendly Agro Chemicals under the brand name " VIJAY ".

**NOTICE INVITING OPEN TENDER FOR  
 APPOINTMENT OF INTERNAL AUDITOR**

**TENDER NO: ESER/F&A/Internal Auditor/191118/001 DT.29-10-2018**

Description	Appointment of Internal Auditor
Nature of Bidding	Two Stage Bidding
Commencement of viewing and downloading tender document from Website	29-10-2018
Due date & Time of submission	19-11-2018 (14.00 hrs.)
Bid Opening Date & Time	19-11-2018 (14.30 hrs.)
Bid Submission (To receive on or before the due date and time)	1. EMD 2. Techno Commercial 3. Price
Bid Validity	90 days from the date of opening of Techno-Commercial Bid
EMD Amount	₹ 24,000/-
Security Deposit (SD)	5% of Contract Value
Period of Contract	One year from the date of order
Negotiation / Reverse Auction	If required.

**DGM- CA, IA &T**  
**MADRAS FERTILIZERS LIMITED**  
**MANALI, CHENNAI - 600 068.**

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**INSTRUCTIONS FOR APPLYING E-TENDER****1.1 Instructions to the Tenderers / Bidders for the e-submission of the bids online through the e-tender site of M/s NIC, Chennai.**

- 1.1.1 Bidders should do the registration in the tender site <https://eprocure.gov.in/eprocure/app> using the option available [online bidder enrolment]. Then the Digital Signature registration has to be done with the e-token, after logging into the site. The e-token may be obtained from one of the authorised Certifying Authorities such as nCode / eMudhra / safe script.
- 1.1.2 Bidders then need to login to the site through their user ID / password chosen during registration.
- 1.1.3 The e-token that is registered should be used by the bidder only and should ensure safety of the same.
- 1.1.4 The Bidders can update well in advance, the documents such as certificates, purchase order details etc., and these can be selected as per tender requirements and then send along with bid documents during bid submission.
- 1.1.5 After downloading / getting the tender schedules, the Bidder should go through them carefully and then submit the documents as asked, otherwise, the bid will be rejected.
- 1.1.6 If there are any clarifications, this may be obtained online through the tender site, or through the contact details. Bidders should take into account the Corrigendum published before submitting the bids online.
- 1.1.7 Bidder, in advance, should get ready the bid documents to be submitted as indicated in the tender schedule and they should be in .doc/.txt/.pdf / .xls /.dwg formats only for uploading.
- 1.1.8 Bidder should submit the EMD as specified in the tender. The original should be posted / couriered / given in person to the Tender Inviting Authority, on any working day after e-publication of NIT and up to 3 working days after the last date of submission of bids. **Scanned copy of the documents should be uploaded as part of the offer along with Techno-Commercial bid.**
- 1.1.9 It is construed that the bidder has read all the terms and conditions before submitting their offer including General Terms and conditions (GTC) and Special Terms & Conditions (STC). GTC & STC can be accessed through Company's Website.
- 1.1.10 The bidder has to submit the tender document online well in advance before the prescribed time (per server system clock) to avoid any delay or problem during the submission process.

- 1.1.11 After the bid submission, (the bid token number) given by the e-tendering system should be printed by the bidder and kept as a record of evidence for online submission of bid for the particular tender.
- 1.1.12 The details of the Earnest Money Deposit document should be submitted physically to the Dept., and the scanned copy should be furnished at the time of bid submission online. They should be same otherwise the Tender will be summarily rejected.
- 1.1.13 The Tender Inviting Authority (TIA) will not be held responsible for any sort of delay or the difficulties faced during the submission of bids online by the bidders.
- 1.1.14 The tendering system will give a successful bid updating message after uploading all the bid documents submitted and then a bid summary will be shown with the bid number, date and time of submission of the bid with all other relevant details. The documents shall be submitted **duly signed** by the bidders "**digitally using the e-token**" of the bidder.
- 1.1.15 The bid summary has to be printed and kept as an acknowledgement as a token of the submission of the bid. The bid summary will act as a proof for submission of bid against the tender and will also act as an entry pass to participate in the bid opening.
- 1.1.16 Bidder should log into the site well in advance for bid submission so that he submits the bid in time, i.e., on or before the bid submission end time. If there is any delay, due to other issues, bidder only is responsible.
- 1.1.17 Each document to be uploaded through online for the tenders should be less than 8 MB. However, if the file size is less than 8 MB, the transaction uploading time will be very fast. The total size of the documents in all the covers put together, should be less than or equal to 8 MB.
- 1.1.18 The bidder should see that the bid documents submitted should be free from virus and if the documents could not be opened, due to virus, during tender opening, the bid is liable for rejection.
- 1.1.19 The time settings fixed in the server side and displayed at the top of the tender site, will be valid for all actions of requisition, bid submission, bid opening etc., in the e-tender system. The bidders should follow this time during bid submission.
- 1.1.20 All the data being entered by the bidders would be encrypted using PKI encryption techniques to ensure the secrecy of the data. The data entered will not be viewable by unauthorized persons during bid submission and not be viewable by any one until the time of bid opening. Overall, the submitted tender documents become readable only after the tender opening by the authorized individual.
- 1.1.21 The confidentiality of the bids is maintained by using the secured Socket Layer 128 bit encryption technology. Data storage encryption of sensitive fields is done.

- 1.1.22 The bidders are requested to submit the bids through online e-tendering system to the TIA well before the bid submission end date & time (as per Server system clock).
- 1.1.23 The bidder should log out of the tendering system using the normal log out option available at the top right side corner and not by selecting (X) exit option in the browser.
- 1.1.24 **Bidders should ensure that prices should not be indicated anywhere in the un-priced part. The prices should be indicated only in the price bid and nowhere else.**
- 1.1.25 Bidders to note that if the prices are indicated in their un-priced Techno-Commercial part, their offer will be rejected and no further evaluation or communication will be entertained in this regard.
- 1.1.26 Bidders also to note that the very act of using DSC for downloading the bids and uploading their offers shall be deemed to be a confirmation that they have read all sections of the pages of the bid document including General Conditions of Contract without any exception and have understood the entire document and are clear about the requirements of the tender.

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**Annexure-1a****INFORMATION TO TENDERER**

The bidders must ensure that their bid has all the required information per Tender and there is no ambiguity of any kind in their offer.

Techno-Non Price Bid shall contain:

- EMD for ₹ 24,000/-
- Documents in support of qualification requirement as mentioned at Annexure 2a of NIT.
- Tenderer Undertaking
- Format for RTGS
- Information about Tenderer.

In case, if any clarification/additional information are required, bidders are free to approach/visit MFL and seek the necessary information/clarification before submission of the Bid documents.

**Contact details:** Mr V ChandraMouli  
DGM- CA, IA & T – 8825738642/44 25945293  
T Srinivas  
Manager Internal Audit - 94441 56945 / 044 - 25945291.

**e-procurement:** Mr AM Sridhar – Addl. Manager 9884261487  
044 – 25945318 / 25941261

**Annexure-2****SCOPE OF WORK FOR INTERNAL AUDIT & STOCK AUDIT****1.0 Objectives of Audit:**

- 1.1 To ensure that the Accounting and Financial Management Systems are reliable and effective in design and to assess the extent to which they are being followed.
- 1.2 To review the efficiency, adequacy and application of Accounting, Financial and Operating Controls and thereby ensure the accuracy of transactions / books.
- 1.3 To verify whether the system of internal check is effective in operation in order to ensure the prevention of early detection of deficiency, misappropriation and misapplications.
- 1.4 To identify areas of significant inefficiencies, if any, in the existing system and to suggest necessary remedial measures.
- 1.5 To confirm the existence of financial propriety in all operational activities and verify compliance to Government and statutory requirements.

**2.0 Scope of work:****2.1 Statutory Compliance:**

Review and recommendations on the system of deduction and timely deposit of all statutory dues / relevant returns and compliance with statutory laws.

**2.2 General Account:**

Verification of Cash, Bank and Journal Vouchers to ensure that they are approved in accordance with laid down procedures and delegation on selective basis. Periodical review of monthly listings and Quarterly / Annual Financial Results and also to check compliance with Ind AS.

**2.3 Income Recognition:**

Control over sales, subsidy claims and system & procedure of accounting to ensure timely and correct recording and compliance with Accounting Standards/Policies with particular reference to Ind AS.

**2.4 Purchase/Civil/Other Works:**

Review and verification of Tendering procedures and placement of Job Work Orders / Purchase Orders /AMC ect., in line with policies and procedures.



## 2.5 **Invitation and Awarding of tenders:**

- a. Tender process i.e. tender evaluation and award of Civil and other works to Contractors/Suppliers/Service Providers/Consultants, Checking of comparative statement through which award of work was made, checking terms & conditions, etc.
- b. Online Bills approval procedures, control on advances to suppliers, system of verification.
- c. Review of suppliers/contractors selection and their rating and suitability of the system.
- d. Certification to Accounts for payment of running on account bills/Suppliers Bills and for release of payments such as Mobilisation / Secured Advances, EMD, Security Deposit, Retention money, etc.
- e. Report on issue of purchase orders/work orders/job orders and to comment on the procedure followed.
- f. Approvals of Competent Authority to Accounts for payment of extra items/quantity not covered originally.
- g. Time extension and applicability of liquidity damages as per contract.

## 2.6 **Fixed Assets:**

Procedures/systems for sanctioning and procurement, Assets register are to be verified. Verification of supporting vouchers etc. shall be on test check basis.

## 2.7 **Loan and Advances:**

Review of all loans & advances including employee advances, Age wise analysis and control.

## 2.8 **Cash/Bank:**

Verification of cash on hand and bank reconciliation statements on test check basis.

## 2.9 **Debtors and Creditors:**

Review of age-wise analysis. Review of old/doubtful debts/advances. Procedure for periodic confirmation of balances to be verified.

**2.10 Insurance:**

Renewal of insurance policies to be periodically reviewed. Adequacy of coverage to be ensured.

**2.11 Purchase and consumption of raw materials and utilities:**

Review of purchases and consumption of raw materials, utilities and energy efficiency on with respect to the norms of FICC, Budget and/or MOU.

**2.12 Consumption of Stores and Spares**

Review of consumption of stores and spares. Identification of slow moving, non moving and insurance spares and adequacy etc. per FICC norms.

**2.13 Overheads:**

Review of procedures/systems for expenditure per approvals. Analysis of expenses with relation to work done/job completed/turn over. Verification of supporting documents on test check basis.

**2.14 Pay Roll/Funds/Pension:**

Online Verification of pay roll, attendance records, reconciliation of monthly pay roll, review of monthly variance, verification of deductions including income tax etc. Compliance with policies on payment of Gratuity/ Superannuation.

**2.15 Fixed Deposit:**

Verification of FDR/Register, Interest accrued and due on FDR, TDS on interest, etc., checking and confirming statutory compliance

**3.0 To ensure Internal Control:**

3.1 check of Income/Expenditure/Assets & Liabilities account.

3.2 Random checking of all type of transactions / bills with respect to Financial and propriety angles.

**4.0 Regional Offices Audit**

4.1 Product sales - (Fertilizers / Agrochemicals / Bio-fertilizers / Organic Manure / City compost

4.2 Collections & Transfers - (Deposits, Realisations, Funds transfer from ROs, E-receipts & RTGS transfers from Dealers, Collection charges, etc.)

4.3 Bank Guarantees – (BGs held & BG reimbursement charges, SDD, CSD)

- 4.4 Sales Accounting (Invoice, WROPA, Debit balance, Current dishonors, Rebates, Trade Advance, etc.)
- 4.5 Distribution – (FOL / STR / FTR / Railhead Deliveries / Wagon Unloading inspection)
- 4.6 RO Administration – Dealer Network, RO Imprest, RO Tenancy, Registers, Capital Assets, Analysis of adherence to Procedures and Guidelines in achieving the objectives
- 4.7 FCO / Legal cases
- 4.8 Court cases on dishonors

**5.0 Other functions covered under internal Audit:**

- 5.1 Vouching.
- 5.2 Audit of transactions involving examination of supporting documents, concurrence and approval from the competent authority.
- 5.3 Checking of Grouping, Source & Application statements, scrutiny of general ledger and reconciliation of each head of account and preparing balance sheet of the period under review & report.
- 5.4 Checking of expenditure incurred with reference to procedures, delegation of powers and budgetary provisions.
- 5.5 Checking of calculations and payments of statutory dues and all tax related matters as applicable from time to time.
- 5.6 To check financial statements i.e. Balance Sheet and P&L statement with reference to accounting standards with particular reference to Ind AS and proper maintenance of records.
- 5.7 Insurance of all assets.
- 5.8 To see whether the stocks / assets acquired / purchased are required for the smooth operation of the unit / department.
- 5.9 To check whether the physical verification of assets / stocks has been carried out at the close of financial year and variations, if any, have been accounted for and recorded properly.
- 5.10 To check the bank reconciliation statements for accuracy.

- 5.11 To check whether the surplus funds of MFL are judiciously invested to get the optimum return.
- 5.12 To check whether cash in hand has been verified at regular intervals
- 5.13 Checking of Account heads and transactions online.
- 5.14 To check the details and veracity of contingent liabilities, in the notes to Balance Sheet.
- 5.15 To check the calculations of salary and reimbursement bills of staff to ascertain the legitimacy of payments and deductions thereof.
- 5.16 Checking whether all liabilities against the accepted claims have been provided for and verifying compliance with statutory obligations towards employees viz., Gratuity, Leave Encashment, Provident Fund, Bonus, etc. Similar checks to be done in respect of TA/DA and claims for reimbursements.
- 5.17 To review compliance with laid down policies and procedures in respect of calling of tenders, related approvals, budgetary provisions made and letters of Intent (LOI) issued for work contracts.
- 5.18 To check whether the tender documents / contract documents are vetted by the Legal and Finance Departments.
- 5.19 To check whether the committees for tender opening and evaluation / negotiations, are constituted as per the prescribed norms and whether the tenders have been awarded per GOI/Vigilance and MFL guidelines.
- 5.20 To verify whether the advances for works are paid as per the terms of contract / provisions of LOI and is being adjusted from the running bills properly and regularly. To check whether the escalation bills are being paid as per the terms and formulae given in the LOI.
- 5.21 Whether provisions of penalty / damages / compensation / LD clauses are being invoked as per the LOI.
- 5.22 To verify the validity of BGs obtained from parties to whom the work is awarded.
- 5.23 To verify whether BGs are kept in safe custody of competent authority and whether related records are properly maintained.

- 5.24 To verify whether the procurements have been made after completion of all formalities laid down by MFL and whether approvals of competent authorities have been obtained.
- 5.25 To check whether the stocks have duly been accounted for as per Indian Accounting Standards(Ind AS) and whether records have been properly maintained.
- 5.26 To verify whether the funds have unnecessarily blocked due to excess procurements.
- 5.27 Checking of guest house / various clubs registers.
- 5.28 To ensure that TDS has been properly deducted and deposited with the Authorities in time.
- 5.29 To suggest modifications to the delegation of powers on need basis.
- 5.30 To verify whether TDS returns have been submitted in time.
- 5.31 To verify whether statutory levies has been properly charged and proper returns have been filed.
- 5.32 To verify whether the Works Contract Tax has been deducted from the bills and deposited in time.
- 5.33 To verify whether proper returns have filed under the Works Contract Tax.
- 5.34 Internal Auditor will impart awareness to the officers and staff also. All departments/sections will, therefore, be in a position to improve their existing system and by complying with the recommendations/suggestions of the Internal Auditor.
- 5.35 (a) To review all contracts beyond the value of Rs.50 lakhs.  
(b) To review all bills passed for payment above Rs.10 lakhs.  
(c) To review the systems & procedures and suggest improvements if required.  
(d) Any other functions/areas of Audit which Management may consider necessary during the tenure.

## **STOCK AUDIT**

**(A) Physical verification of Raw Materials, Chemicals, Packing Materials and Finished Goods at MFL Plant/Port & Warehouses**

The bulk items like Raw Materials, Chemicals, Packing Materials, Finished Goods, Semi-finished Goods and by-Products available at MFL-Plant/Port & Warehouses are required to be verified on quarterly basis.

Sl.No	Category of items	Periodicity
1	Raw Materials, Packing Materials and Chemicals, Finished & Semi – Finished goods	Quarterly basis ending 30 <sup>th</sup> June, 30 <sup>th</sup> Sep, 31 <sup>st</sup> Dec & 31 <sup>st</sup> Mar

**(B) Physical Verification of Stores & Spares**

The total number of Stores & Spares items includes Direct Charge/Surplus items will be around 36,000 are required to be physically verified and reconciled during the audit period.

Physical Verification of stores and spares will be done on regular/selective basis according to A, B & C Analysis as per the following criteria:

Category of items	Stock Value	% of Verification
A	Rs 50,000 & above	100
B	Rs 20,000 to Rs 50,000	50
C	Rs 20,000 & below	33
<b>Scrap ( Revenue / Capital)</b>		<b>100</b>

The Stores & Spares items physically verified will be compared with the On-line MIS balances. A Monthly Report on the number of items physically verified, those found to be agreeing with the On-line MIS balances, those subsequently reconciled and the number of items pending reconciliation with reasons for variation, etc., will be submitted to MFL with such modification in the format of the Report.

Surplus, Obsolete, Unserviceable & Non-moving items included in the inventory shall be identified and a list of the same to be submitted once in every quarter (Ageing Analysis).

**(C) Physical Verification of Movable Fixed Assets**

1. Physical Verification of Movable Fixed Assets are required to be made at MFL-Plant and other Offices in a phased manner so as to complete the verification of all these items before the tenure of the Contract.
2. The methodology for verification of these Movable Fixed Asset Items will be developed in close liaison with the Internal Audit Department and the User Departments in MFL.

3. The items so verified will be cross-checked with the entries in the Asset Register maintained in Corporate Accounts Department.
  - 3.1.1 Reports on verification of Movable Fixed Assets carried out in phases shall be furnished to the Management highlighting the observations and suggestions.

It may please be noted that the scope as given is only inclusive and not exhaustive. 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.

The Audit team should discuss their observations / findings with the coordinator and other concerned officials before finalization of each Quarterly Audit Report. The Auditor is required to attend all Audit Committee Meetings.

The findings of the Quarterly Audit Report together with earlier quarters' points with action taken / compliance by the Management shall be discussed with the said officials. The final audit report on quarterly basis should be submitted to CMD, MFL within a fortnight from completion of the quarter.

The Quarterly Audit Report in respect of unresolved observations along with management replies / comments shall be submitted to the coordinator.

Audit team should submit all the reports both in hard and soft copies.

The Final Report will include among others, areas for improvement if any. Flash Report should be submitted by the Internal Auditor immediately on detection of major irregularity during audit to the coordinator.

All Reports should be signed by the partner(s) of the firm.

The Final Report will include among others, areas for improvement if any, with regard to Storage and Issue of Materials & Supplies, Physical Factors, Stores Records/Security, Layout etc.

### **Pre-Qualification Criteria**

The quote / offer shall be considered only **from Chennai Based Office**, Technically competent and experienced, who meet the following pre-qualification criteria:

- 1) The firm should be in practice for the past 10 years. (supported by Date of Incorporation certificate issued by Institute of Chartered Accountants of India/ Institute of Cost Accountants of India) and office in Chennai.
- 2) The firm should have at least 2 full time partners (supported by copy of Constitution certificate of the firm issued by Institute of Chartered Accountants of India/ Institute of Cost Accountants of India) and 1(one) partner should be DISA qualified.
- 3) The firm should have at least 5(five) article assistants and 10(Ten) other staff as on the date of submission of Tender (supported by documents)
- 4) The firm should have experience in conducting Statutory Audit or Internal Audit or Stock Audit for at least 10 companies (Registered under Companies Act) as on the date of submission of Tender. Out of this, the firm should have experience in at least 5 manufacturing companies having Annual Turnover of at least ₹ 500 Crore each and 2 shall be listed companies.



**Price Bid break-up details****TENDER NO: ESER/F&A/Internal Auditor/291018/001****DT.29-10-2018**

<b>SL NO</b>	<b>Job Description</b>	<b>(in%)</b>	<b>Rate per Annuam [₹]</b>
1	[As in Scope of Work mentioned in Annexure 2]		Xxxxx
2	Statutory Levies		Xxx
	Total		Xxxxx
	[Rs..... Only]		

- ❖ Rate quoted must be firm throughout the period of contract.
- ❖ Rate quoted should be valid for a period of 90 days from the date of opening of Technical bid.

Signature of the authorized person :

Name of the authorized person :

Designation of the authorized person:

**Annexure-4****TENDERER UNDERTAKING****THE TENDERER HEREIN**

- Agrees, accepts and abides by all the terms, conditions and covenants of the tender having read and understood the tender documents in full including the specification, scope of work, instructions, forms, annexures, terms & conditions etc.
- Confirms and acknowledges that the bids placed by the tenderer are true, accurate & with the best knowledge of the tenderer
- Confirms that awarding of the contract/purchase order based on the bids of the tenderer is the sole discretion of MFL
- Undertakes to honour the bid(s), which is legally binding on, if the contract is awarded to the tenderer.
- Agrees to accept any changes, if any, to the tender that may be made subsequently after releasing the tender, but before the last date meant for submission of bids, with respect to specification, last date for bid submission and/or any other clauses/terms of the tender.
- The firm or any of its partners should not be disqualified for appointment under the applicable statutory laws.

Signature of the authorized person :

Name of the authorized person :

Designation of the authorized person:

**ANNEXURE -5**

**MADRAS FERTILIZERS LIMITED**  
**BANK DETAILS & AUTHORISATION FOR RTGS/NEFT PAYMENT**

REQUIRED DETAILS	TO BE FURNISHED BY THE VENDOR		
VENDOR NAME			
ADDRESS			
TELEPHONE NO.		FAX No.	
EMAIL ID			
CONTACT PERSON'S NAME		Designation :	
MOBILE NO.			
EMAIL ID			
COMPANY'S PAN NO.			
IMPORT EXPORT CODE			
BANK ACCOUNT NO.			
VENDOR'S BANK NAME			
BANK ADDRESS / PHONE NO.			
VENDOR'S BANK CODE (MICR) NO.		GRPT CODE	
VENDOR'S BANK ACCOUNT NO.		NEFT CODE	
		RTGS CODE	
	Type of Account	Saving Acct / Current Acct. (Strike out which is not applicable)	
ARE YOU A	Manufacturer YES / NO	Dealer-YES / NO	Agent YES / NO
CATEGORY OF THE FIRM	A. Micro	B. Small	C. Medium
REGISTERED WITH	CST No.	SSI No.	EC No. TIN No.

We hereby authorize Madras Fertilizers Limited to make all the payments due to us with respect to above referred Enquiry through RTGS/NEFT Transfer

Place: \_\_\_\_\_ Signature of Authorized Signatory:

Date: \_\_\_\_\_ Name:

SEAL: \_\_\_\_\_ Designation:

(RTGS-Real Time Gross Settlement Code NEFT-National Electronic Funds Transfer  
 IFSC- Indian Financial System Code

**ANNEXURE- 6****INFORMATION ABOUT THE TENDERER**

<b>SI No</b>	<b>Information required</b>	<b>To be filled in by tenderer</b>
1.	Name of the tenderer	
2.	Address of Registered office and branches	
3.	Telegraphic address and phone number, email etc.,	
4.	Composition of tenderer (here state whether it is Hindu joint family business, proprietorship concern or registered partnership or a Limited company) (enclose required documents)	
5.	Nature of normal business of the tenderer	
6.	Experience of, similar working (certificate to support statement must be enclosed)	
7.	Experience (attach separate sheet, if necessary). Copies of certificates to support statements must be attached.	
8.	No. of experienced professionals available with the consultant	
9.	Name of the person / company with whom reference can be made with respect to the experience / similar type of work	

<b>SI No</b>	<b>Information required</b>	<b>To be filled in by tenderer</b>
10.	Name of the bank and the branches with which tenderer has transactions	
11.	PF/ESI/Labour License Code No.	
12.	Name & address of the person with whom Company may correspond (Local address)	
13	Income Tax permanent Account No.(PAN) and IT circle & GST Registration	
14.	GST registration No & details	
15.	Whether the tenderers has been banned or delisted by any other Govt. Dept / Financial Institution / Court etc.,	

Incomplete information and non-submission of copies of supporting document will lead to rejection of the tender.

Place:

Signature of tenderer

Date:

Capacity in which signing

**SECURITY DEPOSIT (SD) TERMS & CONDITIONS**

Successful tenderer shall have to make Security Deposit (SD) to the tune of 5% of contract value within 21 days from the date of LOI / Award of Contract, either by Demand Draft or through RTGS or BG in the approved format (Annexure-8) with a validity of 60 days beyond the date of completion of the contract period. Independent confirmation for having issued the BG by the concerned bankers should be sent directly to DGM-CA, IA &T, MADRAS FERTILIZERS LIMITED, Manali, Chennai 600 068.

If the tenderer has previously held any contract and furnished SD, the same shall not be adjusted against this tender and a fresh SD shall be furnished.

The SD shall be refunded within a reasonable time after the date of completion of the supply/completion period subject to the contractor/service provider carrying out all the obligations/operations as required per tender.

Failure to pay SD shall be treated as failure to discharge the duties under the contract and shall result in cancellation of the offer of contract besides forfeiture of EMD.

MFL reserves the right to appropriate any part or the whole of the amount of SD without prejudice to other claims against the contractor for losses suffered by MFL due to breach / failure on the part of the contractor or due to termination of the contract or contractor becoming disqualified because of liquidation / insolvency or charge of composition. The decision of MFL in respect of such losses, damages, expenses; or costs shall be final and binding on the contractor and shall not be called into question.

In the event of the SD being insufficient or if the SD has been wholly forfeited, the balance of the total sum recoverable as the case may be shall be deducted from any sum then due or which any time thereafter may become due to contractor under this or any other contract with MFL. Should that sum also be not sufficient to cover the full amount recoverable, the contractor shall pay to MFL on demand the balance amount due. Whenever the SD falls short of specified amount the contractor shall make good the deficit in cash so that the total amount of security deposit shall not at any time be less than the specified amount.

SD shall be liable for forfeiture without prejudice to any other claims & in case of BG, the same shall be invoked, in the event of breach of contract/failures by the contractor, if any.

SD shall not carry any interest.

**ANNEXURE - 8****BANK GUARANTEE FOR SECURITY DEPOSIT**

(To be executed on a non-judicial stamp paper of the value of ₹ 100.00)

In consideration of the Madras Fertilizers Limited, Manali, Chennai 600 068 (Hereinafter called "the Company") having agreed to exempt \_\_\_\_\_ (hereinafter called "the said contractor (s)/ tenderer(s)") from the demand under the terms and conditions of an agreement dated \_\_\_\_\_ made between Madras Fertilizers Limited and \_\_\_\_\_ (hereinafter called "the said agreement") for the award of contract ----- DATED ----- of a Security Deposit for the due fulfillment by the said contractor(s) of the terms and conditions contained in the said agreement, on production of Bank Guarantee for Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_).

We \_\_\_\_\_ (Hereinafter referred as "Bank") at the request of \_\_\_\_\_ do hereby undertake to pay to the company an amount not exceeding Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_) against any loss or damage caused to or suffered or would be caused to or suffered by the Company by reason of any breach by the said contractor(s) of any of the terms and conditions contained in the said agreement. We (bank) \_\_\_\_\_ do hereby undertake to pay the amounts due and payable under this guarantee without any demur, merely on a demand from the company stating that the amount claimed is due by way of loss or damage caused to or would be caused to or suffered by the company by reason of any breach by the said contractor(s) of any of the terms or conditions contained in the said agreement or by reason of the said contractor(s) failure to perform the said agreement. Any such demand made on the bank shall be conclusive as regards the amount due and payable by the bank under this guarantee. However, our liability under this guarantee shall be restricted to an amount not exceeding Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_). We undertake to pay to the company any money demanded notwithstanding any dispute raised by the said contractor(s) / tenderer(s) in any suit or proceeding pending before any court or tribunal relating thereto liability under this present being absolute and unequivocal. The payment so made by us under this bond shall be a valid discharge of our liability for payment there under any said contractor(s)/tenderer(s) shall have no claim against us for making such demand.

We \_\_\_\_\_ [Bank] further agree that the guarantee herein contained shall remain in full force and effect during the period that would be taken for the performance of the said agreement and that is shall contained to be enforceable till all the dues of the company under or by virtue of the said agreement have been fully paid. And its claim satisfied or discharge or till the company certifies that the terms and conditions of the said agreement have been fully and properly carried out by the said contractor(s) and accordingly discharges this guarantee. Unless a demand or claim under this guarantee is made on us in writing on or before ----- . We shall be discharged from all liability under this guarantee thereafter.

We \_\_\_\_\_ bank further agree with the company that the company shall have the full cut liberty without our consent and without affecting in any manner or obligation hereunder to vary any of the terms and conditions of the said agreement or to extend time of performance by the said contractor(s) from time to time or to ;postpone for any time or from time to time any of the powers exercisable by the company against the said contractor(s) and forbear or enforce any of the terms and conditions relating to the said agreement and we shall not be relieved from our liability by reason of any such variation or extension being granted to the said contractor(s) or

for any forbearance or omission on the part of the company or any indulgence by the company to the said contractor(s) or by any such matter or thing whatsoever which under the law relating to sureties would, but for this provision have effect or so relieving us. This guarantee will not be discharged due to the change in the constitution of the bank or the said contractor(s)/tenderer(s).

We, \_\_\_\_\_bank lastly undertake not to revoke this guarantee during its currency. Notwithstanding anything contained this bank guarantees our liability under this guarantee is restricted to Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_). Our guarantee shall remain in force until \_\_\_\_\_ and unless a demand or claim under this guarantee is received by us in writing on or before \_\_\_\_\_, all your rights under the said guarantee shall be forfeited and we shall be deemed relieved and discharged from all liabilities there under. The beneficiary is bound to seek confirmation from the Regional Office whose address is mentioned below in respect of the genuine and authenticity of the Bank Guarantee.

(Signature of the authorized Officer of the Bank)

Name and Designation of the Officer  
Seal, Name and Address of the Bank and Address of the Branch



**BANK GUARANTEE FORMAT FOR EARNEST MONEY DEPOSIT**

To be executed on a non-judicial stamp paper of the value of ₹ 100.00)

WHEREAS \_\_\_\_\_ (hereinafter called the "Tenderer") has submitted their offer dated \_\_\_\_\_ for the appointment of contract for Appointment of Internal Auditor against the MFL's tender enquiry **TENDER NO: ESER/F&A/Internal Auditor/291018/001 DT.29-10-2018**

KNOW ALL MEN by these presents that WE ----- having our registered office at ----- are bound unto Madras Fertilizers Limited (hereinafter called 'the company') in the sum of Rs. \_\_\_\_\_/- [Rupees \_\_\_\_\_ only] for which payment will and truly to be made to the said MFL, the Bank binds itself, its successors and assigns by these presents. Sealed with the Common Seal of the said Bank this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_.

**THE CONDITIONS OF THIS OBLIGATION ARE:**

- 1) If the tenderer withdraws or amends, impairs or derogates from the tender in any respect within the period of validity of this tender.
- 2) If the tenderer having been notified of the acceptance of his tender by the MFL during the period of its validity –
  - a) If the tenderer fails to furnish the Performance Security for the due performance of the contract.
  - b) Fails or refuses to accept / execute the contract.

WE undertake to pay the MFL up to the above amount upon receipt of its first written demand, without the MFL having to substantiate its demand, provided that in its demand the MFL will note that the amount claimed by it is due to it owing to the occurrence of one or both the two conditions, specifying the occurred condition or conditions.

This guarantee will remain in force upto and including 45 days after the period of tender validity and any demand in respect thereof should reach the Bank not later than the above date.

(Signature of the authorized Officer of the Bank)

Name and Designation of the Officer  
Seal, Name and Address of the Bank and Address of the Branch

**ANNEXURE - 10****EARNEST MONEY DEPOSIT (EMD) TERMS & CONDITIONS**

- The bidder shall submit in the form of DD/ BG / RTGS drawn in favour of M/s Madras Fertilizers Limited, drawn on Chennai / BG in MFL approved format (format enclosed).
- Independent confirmation for having issued the BG by the concerned banker should be sent directly to DGM- Corporate Accounts, MFL Manali, Chennai 600 068.
- EMD shall not carry any interest. EMD shall be returned / refunded to the unsuccessful tenderer only after finalization of contract.
- EMD of the successful tenderer paid by way of Demand Draft may be adjusted towards security deposit.
- Offers without EMD will be rejected.
- EMD shall be forfeited if the tenderer withdraws from the offer or modifies the terms and conditions thereof, without prejudice to MFL's rights to initiate other legal action, for losses, if any, suffered by MFL, even after forfeiture of EMD.

EMD payment either in the form of DD or BG, or through RTGS, to be directly sent to DGM – CA, IA & T, Madras Fertilizers Ltd., Manali, Chennai 600 068 with clear superscription on the cover as "EMD for – **TENDER NO: ESER/F&A/Internal Auditor/291018/001 DT.29-10-2018**

EMD cover should reach the office of DGM – CA, IA & T, Madras Fertilizers Ltd., Manali, Chennai 600 068 on or before the date of opening of the tender.

**ANNEXURE - 11****TERMS & CONDITIONS****1. CONSTITUTION OF THE TENDERER**

The consultant shall not change the constitution of the composition during the currency of the contract without the prior approval of MFL. Any change in the composition of contractor and happenings like death / resignation of any Partner / Director / Member shall be notified within 24 hours of such change / happenings by Registered Letter to Joint General Manager, CORPORATE ACCOUNTS, Madras Fertilizers Ltd., Manali, Chennai 600 068. On receipt of such notice, MFL reserves the right either to terminate or continue the contract.

The consultant shall produce the original Power of Attorney granted in favour of the Signatory of the Tender and the Partnership Deed.

In the event of any dispute, Legal or other proceedings, by any party or parties concerning the constitution or composition of the consultant, MFL reserves the right to itself take such necessary action as it deems fit, including termination of the contract, withholding payments due to the consultant.

The Contract shall be awarded on the basis of 'Principal-to-Principal Contract' and the consultant shall be deemed to be in an independent consultant engaged for the performance of service / work / job in the manner and to the extent provided in these presents.

**2. PRICE**

Price quoted must be firm during the Tenure of the Contract.

**3. SELECTION CRITERIA**

The Price bids of tenderers will be considered for Price evaluation and arrival of cost and selection will be on overall L1 basis (inclusive of all statutory levies as applicable).

**Bid Evaluation Process:**

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

3.3 Financial Bids shall be opened only after due scrutiny of Technical Bids is completed. The day for opening of Financial Bids shall be intimated separately.

3.4 Evaluation of bids shall be done on the basis of rates quoted in the price bid separately.

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

3.6 Should there be a tie in the quotations received from different bidders, MFL retains the right to choose the Firm as it deems fit.

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

#### **4. MFL SAFETY RULES & REGULATIONS**

The consultant shall adhere to existing MFL safety rules and regulations during the tenure of the contract.

Smoking inside the factory premises is very dangerous and is strictly prohibited. The consultant shall ensure that their workmen do not smoke inside the factory premises.

#### **5. TERMS OF PAYMENT**

5.1 The bill for professional services rendered by the Audit Firm will be paid on quarterly basis based on the attendance of the Audit Team. The Audit Team will raise the bill only after the acceptance of the Audit Report by GM (F&A), MFL.

5.2 The bills in duplicate duly certified by Deputy General Manager (Corporate Accounts & Internal Audit) or his authorized representative regarding acceptance of report and the attendance shall be submitted to the concerned section of F&A for processing payment.

5.3 Company shall pay to the Audit Firm, during the term of contract, the amount due calculated according to the rates of payment set and in accordance with other provisions hereof. No other payments shall be due from Company unless specifically provided for in this contract. All payments will be made in accordance with the terms hereinafter described.

5.4 Total of Professional fees as quoted plus the statutory levies thereon at actual rate, payable to the Audit firm for the **contract** period shall be the total Contract Value under this Agreement.

5.5 Payment will be made against the invoices raised by your firm on quarterly basis only. The bill shall be paid within 30 days from the date of receipt of bill at MFL. Your quotation shall be as per the format given in the Attachment 3.

**5.6 Payment will be made only thru RTGS.**

RTGS Form (**Annexure 6**) to be filled in, signed & sent along with the offer by the Tenderer to avoid any delay in processing payment.

#### **6. PERIOD OF CONTRACT**

The Audit Firm will be appointed for the period of one year from the date of Award of Work. The contract will be extended for one more year on mutual agreement and on the same terms and conditions.

## **7. LIQUIDATED DAMAGES FOR DELAY**

In case the consultant fails to achieve the scope at any stage within the time period mentioned above (Annexure-4), the Company has the right to recover Liquidated Damage @ 0.5% of the consultancy fee of the related phase for each week of delay or part thereof, the maximum LD shall be limited to 5 % of contract value.

## **8. SUBLETTING & TRANSFER**

Tenderer shall be solely responsible for rendering any or all the services. He shall not sublet / transfer / assign the contract or any part thereof to others. All their dealing with third parties shall be without reference to MFL.

## **9. CANCELLATION OF ORDER**

Failure to comply with specification, terms & conditions or to perform or deliver as promised shall entitle the Company to cancel all or any part of this order. In the event of such cancellation, the Company shall not be required to make any payment on such cancelled items. Nothing herein shall limit the Company's right in the event of the failure to perform by the consultant.

## **10. SUMMARY TERMINATION**

MFL reserves the right to terminate the contract, without giving any notice, due to failure/breach on the part of the consultant in discharging the services under the contract or in the event of his becoming insolvent or going into liquidation inclusive breach of contract. The decision of MFL on the part of the consultant shall be inclusive of failure and breach of contract shall be final and binding on the consultant and shall not be called into question.

In the event of any failure on the part of the consultant MFL shall have the right without prejudice to any other right / remedies to get the work done thru any other agency and the consultant shall be liable to compensate MFL for all the costs, damages, expanses or losses if any incurred by MFL on this account.

## **11. LAWS GOVERNING THE CONTRACT**

Contract will be governed by Laws of India for the time being in force and as amended from time to time and the Courts within whose jurisdiction the Registered Office of the Company is situated alone will have jurisdiction.

## **12. DEFINITION**

The term "Tender" shall mean & include the bids and other attachments manually submitted. "Tenderer" shall mean and include those entering into agreement with MFL, their Heirs, Representatives, Executives, Administrators, Successors and their permitted assignees, as the case may be.

"Services" shall mean and include all items of work duties / responsibilities of the Tenderer and / or any other item of work not specified but consistent with general terms of the contract and entrusted by MFL.

"the Company" refers to "Madras Fertilizers Limited", Manali, Chennai 600068.

"Consultant" refers to the person assigned to undertake the contract.

### **13. FORCE MAJEURE**

The terms and conditions of the orders shall be subject to force majeure. Neither Tenderer nor MFL shall be considered in default of its obligation under this contract, if such performance is prevented or delayed because of war, hostilities, revolution, civil commotion, sabotage, strikes, lock outs, fires, floods, explosions, epidemics, accidents, freight embargoes on export or import to India, Acts of God, Acts of Government, should one or both parties be prevented from fulfilling their actual obligations by the state of force majeure lasting continuously for a period of 3 months the two parties should consult each other regarding future implementation of the contract.

Tenderer shall promptly notify in writing of such conditions and the cause thereof within twenty one days of occurrence of such event. Unless otherwise directed by the Tenderer in writing and shall continue to perform its obligations under the contract as far as reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the Force Majeure event.

### **14. ARBITRATION**

Any or all disputes arising out of the contract / agreement shall be settled by mutual discussions and in the event of failure to do so, such dispute (s) shall be referred to a sole arbitrator, who will be appointed by mutual consent for settlement of such dispute (s) and whose decision shall be final and binding. In the event of failure to appoint such a sole arbitrator, with mutual consent, then the sole arbitrator will be appointed through the Hon'ble High Court of judicature at Madras. Subject as aforesaid, the Arbitration and Conciliation Act 1996 shall apply to the arbitration proceedings under this clause and such arbitration shall be in English and take place in the city of Chennai, Tamil Nadu.

### **15. Termination**

MFL reserves the right to terminate the contract due to any failure on the part of the service provider in discharging the services under the contract or breach or in the event of his becoming insolvent or going into liquidation. The decision of MFL about the failure/ breach on the part of the service provider shall be final and binding on the service provider and shall not be called into question. To terminate the contract at any time during its currency without assigning any reason therefor and the service provider shall not be entitled to any compensation by reason of such termination. The action of the General Manager (Finance & Accounts), MFL under this clause shall be final, conclusive and binding on the contractor and shall not be called into question.

In case the service provider wants to withdraw from the contract in the middle of agreement period at their own, the service provider shall give 3 months' notice to MFL or

be liable to compensate to MFL for all costs, expenses or losses if any incurred by MFL on this account for the balance period, besides forfeiture of Security Deposit.

## **16. COMPLIANCE WITH STATUTORY PROVISIONS**

The contractor shall comply with the provisions of the Factories Act, 1948, Contract Labour (Regulation & Abolition) Act 1970, ESI Act 1948, Workmen Compensation Act 1923, Employees Provident Funds and miscellaneous Provisions Act 1952, Payment of Bonus Act 1965, Payment of Gratuity Act 1972, Tamilnadu Industrial Establishments (National & Festival Holidays) Act 1958. The Minimum Wages Act 1948, Service Tax Act and any other law applicable to the contract workmen for the time being in force or as amended from time to time.

In the event of any accident causing injury or death of his workmen engaged by the contractor, all responsibilities will rest with the contractor and MFL will have no obligation whatsoever in that respect. MFL shall not be liable for any action by third parties.

For any damage to MFL property due to negligence by the contractor, appropriate penalty will be levied on the contractor by MFL.

## **17. REVERSE AUCTION AND/OR NEGOTIATION :**

MFL reserves the right to go for Reverse Auction process and/or Negotiation, if required or may finalize the tender without Reverse Auction and/or Negotiation. However, the decision to conduct Reverse Auction and/or Negotiation or not will be conveyed to short-listed bidders. If Reverse Auction is necessary, the business Rules will be circulated, and the same needs to be accepted and signed by the technically shortlisted bidder.

In the case of a tie among the L1 bidders, the Company's decision will be final and binding.

### **OTHER TERMS & CONDITIONS**

1. Rate quoted should be valid for a period of 90 days from the date of opening of Bids. Other commercial terms should be kept firm till the completion of the contract, except statutory levies. Revision, if any, in the statutory levies will be applicable.
2. In the event of placing the order, the tenderer should strictly adhere to the Terms & Conditions as mentioned in Award of Contract or as advised by MFL.
3. Any unsolicited letter / fax / e-mail on price / other terms revision will not be entertained and such tenderers are liable to be disqualified from tender.
4. Any offer received against this tender after the due date will be summarily rejected.
5. Canvassing in any form is strictly prohibited and the tenderers who resort to canvassing in any form shall be disqualified.

6. MFL will not be bound by any general/printed provisions of Tenderer's offer.
7. Tenderer should clearly indicate the % of statutory levies if any.
8. MFL shall have the right to inspect work/goods at any time and to reject unacceptable work/goods. The tenderer shall arrange rectify rejected work/materials at his cost.
9. The enquiry shall not be assigned to anybody by the tenderer without obtaining the prior written consent of MFL.
10. The Firm should share the information about the Number of Partners and Professional Staff; Partner-staff ratio and other information, if warranted.
11. Weightage will be given for overall Capabilities of the Firm, Professional Team assigned for the said Audit & Firm's audit methodology, approach and use of Information Technology (IT) tools.
12. The Firm should be able to substitute staff at similar levels of qualifications and experience, if necessary, etc.
13. Your Personnel shall be present on all working days of MFL [Monday thru Friday] between 8.00 am and 4.45 pm and sign the Attendance Register maintained at Internal Audit Section.
14. Transport for your personnel from any one of the boarding points to Plant at Manali and back to the same will be provided by MFL in Company Bus depending upon the availability of seats.
15. The MFL canteen facilities will be provided to your staff at applicable rates to employees for the normal consumption. The value thereof will be recovered from the Quarterly Bills for Fees.
16. If for any reason beyond control, there is a spillover of a few items remaining to be physically verified within the cycle, your firm will undertake verification of such remaining items immediately thereafter and complete the assignment in entirety without any extra fees.
17. All the bids should be unconditional.
18. The bid, all correspondence and documents related to the bid shall be in English.
19. MFL reserves the right to accept or reject any tender including the lowest one in part or full, without assigning any reason whatsoever. The submission of offer shall have no cause of action or claim against the Company for rejection of offer. The firm, whose offer is not accepted shall not be entitled to claim any costs, charges and expenses incidental to or incurred in connection with submission of offer or its consideration by the Company, even



though the Company may opt to modify/withdraw the Invitation to Tender or does not accept the offer or cancel the tender as a whole.

20. TA bill / claim for outstation visits as per norms of MFL will be paid separately.