

**BHARAT HEAVY ELECTRICALS LIMITED
ELECTRONICS DIVISION, MYSORE ROAD
BANGALORE - 560026.**

Tender No: EDN/IA/539/Ext.Audit/16/01

Dated: 05.02.2016

Dear Sir/ Madam,

Subject: Open Tender for Internal Audit of EDN Bangalore Unit
(in the state of Karnataka) of BHEL.

Quotation is invited in Two Parts on Open Tender basis in sealed cover with Tender no, Tender date, Tender due date, legibly super-scribed on it, as per the terms and conditions of the Tender. The bid should reach us on or before 1 PM on 24.02.2016. Tender received after this will not be considered and BHEL will not be responsible for loss of Tender documents or delay in delivery for any reason whatsoever.

Tender documents are enclosed herewith.

Bidders must go through the Tender documents including all the Annexures and terms and conditions laid down in it before submitting the bid. Offer should be submitted at the address and manner as described in NIT enclosed herewith. The rates must be quoted in the enclosed Price Format only. The Technical bid shall be opened on 24.02.2016 at 1.15 PM in the presence of authorised representatives of the Bidders who wish to be present.

Thanking You,

Yours' faithfully,
For & on behalf of BHEL

M.S.SREENIVAS
AGM(IA-BO)
BHEL-Electronics Division

Notice Inviting Tender (NIT)/ Bids from the Firm of Chartered/Cost Accountants (strike off whichever is not applicable) for Internal Audit of EDN Bangalore Unit (in the state of Karnataka) of BHEL

Opening date for submission of Bid	:	13.02.2016
Closing date for submission of Bid	:	24.02.2016 on or before 1PM
Address for submission of Bid	:	BHARAT HEAVY ELECTRICALS LIMITED, ELECTRONICS DIVISION, MYSORE ROAD BANGALORE - 560026.
Address of EDN where bid to be submitted	:	Tender documents shall be dropped in to the Tender Box No.09 kept at our reception counter.

Bharat Heavy Electricals Limited (BHEL) is a Maharatna Central Govt. undertaking. BHEL is an integrated power plant equipment manufacturer and one of the largest engineering and manufacturing Company of its kind in India engaged in design, engineering, manufacture, construction, testing, commissioning and servicing of a wide range of products and services for the core sectors of the economy, viz, Power, Transmission, Industry, Transportation (Railway), Renewable energy , oil & Gas and defence. BHEL has a widespread network of manufacturing Units, Regional Offices & marketing centres, Service Centres across India and project sites across India & abroad.

BHEL has an Electronics Division located at Mysore Road in Bangalore in state of Karnataka (hereinafter referred as “EDN Bangalore”). The main products manufactured in this Unit like Automatic Voltage Regulators (AVR), Photo Voltaic Modules and Cells, Semi-Conductor Devices, Traction Electronics, Defence Training Simulators and Controls, etc.

BHEL intends to appoint a firm of Chartered Accountants/Cost Accountants for the Internal Audit of its EDN Bangalore Unit.

The Bidding Firms may submit their tender in the prescribed proforma provided herein, which includes Notice Inviting Tender, Technical Bid as per Part-A (containing Minimum Eligibility Criteria, Scope of Work and other Terms & Conditions) along with Annexure referred in Tender document, and Price Bid as per Part-B.

The Tender Documents may also be downloaded from BHEL website: www.bhel.com/www.bheledn.com to enable submission of bid as per aforesaid schedule.

Two part Bid:

The Tender in the form of sealed bid may be submitted in one big envelope super-scribing “Bid for the Internal Audit in EDN Bangalore” containing two separately sealed envelopes, one for “Part-A: Technical Bid” and another for “Part-B: Price Bid” super-scribing as such and addressed to Additional General Manager (Internal Audit/Bangalore), BHARAT HEAVY ELECTRICALS LIMITED, ELECTRONICS DIVISION, MYSORE ROAD BANGALORE 560026.

The sealed bid must be dropped in the Tender Box No.9 kept at the Reception counter of BHARAT HEAVY ELECTRICALS LIMITED, ELECTRONICS DIVISION, MYSORE ROAD BANGALORE 560026. Before 1 PM on 24.02.2016.

The Technical Bid envelope must contain information and Annexure strictly as per **Part-A** of the Tender.

The Price Bid envelope must contain Price Bid strictly in the **Part-B** Format of the Tender.

The Price Bid shall include Professional fee / charges for all services including all expenses (i.e. travelling expenses, local conveyance & any other out of pocket expenses) to be incurred in carrying out the proposed services. However, it is clarified that vehicle for the commutation of Audit team to and from EDN Bangalore premises shall not be provided by BHEL and expenses on account of this should be considered in quoting the price.

The Bid will be opened in BHARAT HEAVY ELECTRICALS LIMITED, ELECTRONICS DIVISION, MYSORE ROAD BANGALORE 560026. by 1.15 PM on the due date 24.02.2016 in the presence of authorised representatives of the Bidders who wish to be present in the reception area.

The Price Bid will be opened only of those Bidders who are found technically qualified after evaluation of Technical Bid. Date and time of price bid opening will be intimated over mail.

The bidding Firms are advised to read carefully the entire Tender document before submitting their bid and the tender document not received in prescribed format and/ or received late and/ or found incomplete in any respect, will be rejected.

In case you have any clarifications, the same can be sought from the personnel as per the address given below:-

Shri.M.S.SREENIVAS AGM(IA-BO), BHEL/EDN BANGALORE.

Mobile NO: 9945530278

Internal Telephone :080-26989177

Part-A: Technical Bid

Important terms & Conditions of the tender notice and assignment are mentioned as below:

1. Minimum eligibility criteria

Bidding Firm must comply with all the following eligibility criteria:

Sl. No.	Eligibility Criteria for the Bidder	Required to be furnished by the Bidder
1.	The bidding Firm may be a Firm of Chartered Accountants or a Firm of Cost Accountants.	Document issued by the Institute of Chartered Accountants of India/ the Institute of Cost Accountants of India, as the case may be in support of: (a)the registration of the Firm, and (b)Membership of the Partners of the Firm. -To be furnished with Annexure- I
2.	The Firm (either Head Office or Branch) must be based at Bangalore	Telephone bill, Electricity bill or any other authentic document in support of address of the Firm -To be furnished with Annexure- I
3.	The minimum number of partners in the Firm must be 5 (Five).	A Statement showing the details of the Firm and Partners of the Firm. -To be furnished with Annexure- I
4.	One of the partners of the firm must be having DISA of the Institute of Chartered Accountants of India or DISAC of the Institute of Cost Accountants of India.	Certificate issued by the respective Institute in support of qualifying the diploma of the concerned partner. -To be furnished with Annexure- I
5.	The firm must have conducted the Internal audit during the last 5 years (date of Audit Report on or after 01.01.2011) of at least two manufacturing companies (one out of which must be PSU) with minimum annual Revenue/Income from operations of Rs 500 crore each in the year internal audit was carried out by the bidding firm.	Documents of the respective two entities required as per the eligibility criteria: (i) Copy of relevant extract of Annual Report showing Annual Revenue/Income from operations(Net) ,and (ii)Copy of letter of engagement issued to the bidding firm, and (iii) Proof of conducting Internal audit by the bidding firm. \ -To be furnished with Annexure- I
6.	The Firm must not have been associated with any unit of BHEL as a Statutory Auditor or as a Cost Auditor or as any other Auditor or Consultant for past 5 years from the date of tendering.	Declaration in Annexure -I
7.	Arm's Length relationship with BHEL	Declaration in Annexure -I
8.	The Firm is not banned or de-listed by any PSU / Government Department / Financial Institute / Court and no case is pending with the Police / Court against the Firm or Partner	Declaration in Annexure -2

Note: The photocopy or the downloaded copy of the document referred above in the table from the concerned Institute's or Agency's website, are required to be authenticated by the

nodal partner of the firm under his signature and seal of the bidding firm. Copy of the Documents of Partnership Deed and Authorized signatory confirmation should be attached.

2. Coverage of period :

Transaction taken place, processes and controls existing for adherence to Policies and Procedures of the Company, during the period of 1st April'2015 to 31st December'2015, will be covered for Internal Audit of EDN Bangalore.

3. Scope of work:

Internal Audit as per generally accepted Audit Procedures to the extent applicable, covering following activities taken place in the above period:

- Accuracy & completeness of accounting records based on transactions.
- Physical verification of stock/fixed assets.
- Adherence to the Company's Policies and Procedures.
- Compliance with the provisions of the applicable Laws.

After the completion of Internal Audit, a Report covering the above activities is required to be submitted to BHEL Management, expressing opinion on the audit conducted by the firm on BHEL- EDN Bangalore, giving suggestions for improvements in the same.

4. Audit team composition:

The team must comprise one no. partner and at least one no. CA/CMA (Inter) qualified and two no. Audit assistants. The team will herein after be referred as "Audit team".

The Audit team should have reasonable awareness of Internal Audit processes, relevant pronouncements of the Institute and applicable legal and regulatory requirements, business environment and internal audit issues relevant to the business of EDN Bangalore. They should also possess skills and competence as are necessary for the purpose of discharging their duties.

5. Duration for completion of assignment and Submission of Report:

- (i) After the award of work , there will be a meeting of the Audit team with the designated official of EDN Bangalore (hereinafter referred to as the "Co-ordinator") to facilitate Audit team to know the controls and processes in the Unit, to prepare work schedule plan and Audit programme
- (ii) The venue of the meeting will be EDN Bangalore and the date for the same will be intimated through the mail.
- (iii) The Audit Team will prepare work schedule and Audit programme after the meeting and will provide the same to the "Co-ordinator".
- (iv) The work will start from the next working day of the meeting and will have to be completed within continuous 10 working days from the date of start of work. There will be an exit meeting in succession of audit work. In this meeting, the draft Report with findings and recommendations shall be discussed with EDN Bangalore Management at Bangalore, who will provide comments on the draft Report within 10 days from the date of exit meeting (excluding the date of exit meeting). Hence, one day each is assigned for meeting before the start of work and for discussion meeting before the submission of Final Report, besides the period of continuous 10 working days for the execution of work.

- (v) Final Report shall be prepared after incorporating all the comments from EDN Bangalore and shall be submitted to BHEL, EDN within 10 days from the receipt of the comments (excluding the date, comments were received) .
- (vi) Specific date of Schedule, the Co-ordinator at EDN Bangalore, will be communicated through Engagement Letter.

6. Maintenance of confidentiality of the records:

The Audit team should maintain the confidentiality of the information acquired in the course of his work and should not disclose any such information to any third party, including the employee of BHEL, without the specific authority from the Co-ordinator or unless there is a legal or a professional responsibility to do so.

7. Commutation of Audit team to & from EDN Bangalore:

Audit team as mentioned in clause 4 will have to commute to & from EDN Bangalore for the execution of work, at their own cost.

8. Validity of the Offer:

The offer shall remain valid for a period of 90 days from the date of opening of Part-A Bid or 60 days from the opening of Price Bid, whichever is later. The quoted rates shall remain firm till the validity of offer.

9. No Deviation Certificate:

Any deviation by the Bidder from the terms and conditions of NIT will not be acceptable to BHEL and the quote is liable for rejection. A declaration is required in **Annexure-3**

10. Other important Terms & Conditions of the NIT:

- (i) All the Annexure mentioned forms integral part of the Notice Inviting Tender (NIT).
- (ii) All the pages and Annexures of the bid submitted must be duly signed by Nodal Partner of the Firm under the Seal of the bidding Firm. The Nodal Partner of the Firm will be the Partner authorised by the Firm to submit Tender and furnish necessary information / documents on behalf of the Firm.
- (iii) The Bid shall have to be submitted as per the terms of NIT and in the prescribed format annexed with the NIT.
- (iv) If any date mentioned above happens to be a declared as holiday after Release of NIT (Only for Tender opening), then the next working day will be the relevant date.
- (v) Mere submission of tender document and bids does not necessarily qualify for consideration of bids. BHEL reserves the right to accept/ reject any / all offer(s) without assigning any reason. Decision of BHEL in this connection shall be final.
- (vi) BHEL reserves the right to cancel this Tender process at any time without assigning any reason before the selection of the Firm and the bidding Firm shall not be entitled to claim any damage / compensation due to such cancellation.
- (vii) Engagement Letter will be issued to the lowest (cost to BHEL) Financial Bidder (L1) on completion of the process of selection already mentioned in the Tender. In case of 2 or more parties quoting the same value, L1 shall be arrived at from the Technically qualified Bidders who has conducted more number of internal audits of manufacturing companies (one out of which must be PSU) with minimum annual

Revenue/income from operations of Rs.500 crore each in the year internal audit was carried out by the bidding firms.

- (viii) Sub-letting of assignment or permitting others to carry out the work by third party in any manner would not be permitted.
- (ix) The firm shall not be eligible for the payment of audit fee if the specified stipulations regarding attendance, submission of reports and other specified conditions of NIT are not adhered to.
- (x) The payment will be made through NEFT as per details in **Annexure-4**.
- (xi) The participating firms has to enclose a copy of the PAN and copy of service tax registration Certificate.
- (xii) Payment shall be made on completion of the work and on submission of Bills, within 30 days of receipt of Final Report by BHEL. The payment will be subject to TDS as per Income Tax Act & Rules.

(on company's letter head)

Tender No:

Dated:.....

Annexure-1

Certificate and documents in support of eligibility criteria

1. It is certified that we are independent Chartered/Cost Accountants (strike off whichever is not applicable) and are in full time practice as Chartered/Cost Accountants (strike off whichever is not applicable) within the meaning of the Act of the respective Institute and holding a valid Certificate of Practice .
2. We are in arm's length relationship with BHEL and at present, are not associated with BHEL as a Statutory Auditor or as a Cost Auditor or as any other Auditor or Consultant.
3. The details of Firm and Partners of the Firm are as below :

1. Name of the Firm	2. Address of the Firm
3. Firm Registration No.	4. Mobile Nos.
5. Phone Nos.	6. Fax No.
7. Email ID	8. Web site address, if any
9. Name and Membership no. of the Partners of Firm	10. Qualification of the Partners of the Firm
11. Name of the partner Authorised to sign the Tender document.	12. Specimen Signature of Authorised signatory

4. As required :

(a) The following document issued by the Institute of Chartered/Cost Accountants of India (strike off whichever is not applicable) in support of validity of the registration of the Firm with the respective Institute are enclosed:

(b) Certificate of Membership of the above Partners of the Firm issued by the Institute of Chartered/Cost Accountants of India (strike off whichever is not applicable) are enclosed.

(c) Certificate of the DISA/DISAC qualified partner issued by the Institute of Chartered/Cost Accountants of India (strike off whichever is not applicable) is enclosed.

(d) The following document in proof of present address of Branch or Head Office (strike off whichever is not applicable) of the Firm at Bangalore is enclosed.

(e) The following document in proof of having conducted internal Audit work of manufacturing companies, required as per eligibility criteria, are enclosed. (minimum two)

(i).....

(ii).....

(iii) If the firm has conducted Internal audit of more than two manufacturing companies as per eligibility criteria, the details of the same can be given here with supporting documents which will be used when two or more firms quote the same value for the work tendered.

Signature of the Nodal Partner of the Firm
(With name, Designation & Seal of the Firm)

Place:

Date:

(on company's letter head)

Tender No:

Dated:.....

Annexure-2

DECLARATION

I/We hereby declare that I/We have not been banned or de-listed by any PSU / Government Department / Financial Institute / Court and no case is pending with the Police / Court against our Firm or Partner.

Signature of the Nodal Partner of the Firm
(With name, Designation & Seal of the Firm)

Place:

Date:

**Electronic Funds Transfer (EFT) OR
Paylink Direct Credit Form**

Please Fill up the form in **CAPITAL LETTERS** only.

TYPE OF REQUEST(Tick one): _____ CREATE _____ CHANGE

BHEL Vendor / Supplier Code:	
Company Name :	
Permanent Account Number(PAN):	
Address	

City: _____	PINCODE	_____	STATE	_____
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Contact Person(s)			
Telephone No:			
Fax No:			
e-mail id:			

Bank Name:			
Bank Address:			
Bank Telephone No:			
Bank Account No:			
Account Type: Savings/Cash Credit			
9 Digit Code Number of Bank and branch appearing on MICR cheque issued by Bank			
Bank swift Code(applicable for EFT only)			
Bank IFSC code(applicable for RTGS)			
Bank IFSC code(applicable for NEFT)			

I hereby certify that the particulars given above are true, correct and complete and that I, as a representative for the above named Company, hereby authorise BHEL, EDN, Bangalore to electronically deposit payments to the designated bank account.
If the transaction is delayed or not effected at all for reasons of incomplete or incorrect information, I would not hold BHEL / transferring Bank responsible.
This authority remains in full force until BHEL, EDN, Bangalore receives written notification requesting a change or cancellation.
I have read the contents of the covering letter and agree to discharge the responsibility expected of me as a participant under ECS / EFT.

Date:

Authorised Signatory:

Designation:

Telephone NO. with STD Code

Company Seal

Bank Certificate

We certify that _____ has an Account No _____ with us and we confirm that the bank details given above are correct as per our records.

Date:

(.....)

Place:

Signature

Please return completed form along with a blank cancelled cheque or photocopy thereof to:

Bharath Heavy Electricals Ltd,

Attn:

Electronics Division, Mysore Road,

BANGALORE - 560 026

In case of any Query, please call : 080-26998xxx / 2674xxxx or fax no. 080-2674xxxx

(on company's letter head)

Tender No:.....

Dated:.....

Annexure-3

No Deviation Certificate

Notwithstanding anything mentioned in our bid, we hereby accept all terms and conditions of the above tender without any deviation.

Signature of the Nodal Partner of the Firm
(With name, Designation & Seal of the Firm)

Place:

Date:

Tender No:

Dated:.....

Part-B :Price Bid

Quotation of the competitive rates is to be given in the following format:

Particulars	Amount excluding Service Tax (in Rs.)	
	In Figures	In Words
1. Total fees for Internal Audit of EDN, Bangalore		
2. Applicable Service Tax % as on Date		

Note: Service tax shall be payable extra as per service tax Rules.

Confirmation:

1. The bid has been quoted for the entire scope of the work as per Price Bid format.
2. No change has been made in the Price Bid format.
3. No additional charges (other than quoted in the Price Bid format) by whatever name called will be claimed.
4. Price quoted should be firm and is inclusive of cost for all activities. In the event of quoted value in Figures and words are not matching, the value in words will be taken for determining L1.

Signature of the Nodal Partner of the Firm
(With name, Designation & Seal of the Firm)

Place:

Date: