

**HINDUSTAN ORGANIC CHEMICALS LIMITED
AMBALAMUGAL
KERALA**

**NOTICE INVITING TENDER FOR ENGAGEMENT OF
INTERNAL AUDITORS**

Tender for Engagement of Internal Auditor

HOC/Fin/Internal Auditor/2024-25

Date : 04 April 2024

About us

Hindustan Organic Chemicals Limited is a Government of India Enterprise under the Ministry of Chemicals with a manufacturing unit at Ambalamugal, Kochi, Kerala. It produces Phenol, Acetone and Hydrogen Peroxide. The plant runs 24x7. The main raw materials are LPG and Benzene which are procured mainly from BPCL and IOCL.

Books of Accounts - The books of accounts of the company are maintained in Tally System.

Tender Invitation

Sealed tender under two bid system (Technical and Price bid) from Chartered Accountant and Cost Accountant firms is invited for engagement as Internal Auditor for the Financial Year 2024-25 which may be renewed further for one more year subject to satisfactory performance.

The tender document with complete details along with the scope of work and terms and conditions can be downloaded from the official website of the company i.e. www.hoclindia.com

Bidders should submit the tender in accordance with requirement in sealed covers. Bids submitted with incomplete information or information not in conformity with the bid documents will summarily be rejected. All the terms and conditions stated in the bid document are final in nature and requests for any subsequent alterations/modifications will not be entertained. Submission of the bid amounts to acceptance of all terms and conditions mentioned therein.

One Firm can submit only one tender. If a firm submits more than one tender, all the tenders submitted by that firm will be rejected.

Important dates & details

Sl. No.	Activities	Dates
1	Availability of tender document in the official website	05.04.2024
2	Last date and time for submission of Tender	19.04.2024 3:00 PM
3	Date and time for opening of Technical Bid	19.04.2024 4:00 PM
4	Address for submission of tender	DGM (Finance) Hindustan Organic Chemicals Ltd Ambalamugal PO Ernakulam Dist. Kerala - 682302

5	Contact No. Email Address	0484-2727405 sk.mitharwal@hoclindia.com
6	Website	www.hoclindia.com

Note: In case the last date for receipt of tender happens to be a holiday for HOCL for any reason, the next working day shall be treated as last date for tender submission.

Eligibility Criteria

The interested bidders must meet the following eligibility criteria:-

- The bidder should be a practicing Cost Accountant/Chartered Accountant firm, LLP, Company etc. and should have been registered with Institute of Chartered/Cost Accountants of India for not less than 5 years as on 1st April 2024. (Self-Attested copy of Registration Certificate of the firm issued by institute to be furnished.)
- The bidder firm should be having minimum three partners as on 1st April, 2024 (Self-Attested copy of latest constitution of the firm to be furnished.)
- The bidder firm should have conducted internal audit in preceding 03 financial years, of a business organization having annual turnover of Rs.100 crore or more.
- The bidder must be registered under GST Act.

Scope of Work

The Firm shall be responsible for auditing of the following work: -

Sl. No.	Area	Scope of Audit Work
1	Revenue	<ol style="list-style-type: none"> Sales of finished products, and scrap items Interest on investments. Any other income including rental and training. Verification of trade and cash discounts to customers. Verification of proper accounting of all items of income, expenses, assets and liabilities.
2	Expenditures	<ol style="list-style-type: none"> Purchase of raw materials and stores and spares Vendor's and contractor's payments. Payment to transporters. Interest on loans/bank overdrafts/CCs etc. Statutory payments.
3	Procurement of Goods & Services	<ol style="list-style-type: none"> Tendering processes & selection of the vendors/ contractors. Accounting process of goods and services

4	Physical Verification of Inventory & Fixed Assets	<ul style="list-style-type: none"> i. Inventory verification on yearly basis ii. Fixed Assets verification on yearly basis
5	Statutory Compliances	<ul style="list-style-type: none"> i. Compliances to Income Tax Act ii. Compliance to GST and other Indirect Taxes iii. Compliance to Labour Laws iv. Compliance to FEMA laws v. Compliance of any other statute, as may be applicable to the company.
6	Finance & Accounts	<ul style="list-style-type: none"> i. Review of Account Payable, Accounts Receivable, Cash Books, Asset Register or any other documents required to be kept for maintaining of proper books of accounts. ii. Verification of payment and receipt vouchers and journal vouchers and all types of credit and debit notes. iii. Review the process and records of bill payment to various contractors and also to review the compliance of payments with the agreement. iv. Cash management, investments and overdrafts. v. Bank Reconciliation Statement on monthly basis. vi. Vouching/Ledger Scrutiny vii. Review the last statutory/Internal audit comments and compliances and action taken report.
7	Employee benefit Expenses.	<ul style="list-style-type: none"> i. Employee pay process system, reimbursement of TA/DA, medical expenditure, or any other payments to employees and amount spent on employee benefits. ii. Proper accounting all types of employee benefits expenses.
8	Miscellaneous	Any other work which is incidental to the above stated scope of work.

Process of Audit

- (a) Auditors will segregate the audit observations and discuss the same with the concerned department/section head for having an in depth understanding of the issue and prepare the draft audit report accordingly.
- (b) The draft audit report will be discussed by senior level personnel of the audit firm with the department heads of HOCL. If the auditor is satisfied the para will be dropped or otherwise the para could be considered and incorporated in the Audit Report.
- (c) All the document receipt during the course of audit should be returned after completion of the audit and it shall be the auditors responsibility to ensure that all documents and information received from HOCL will be used exclusively for the internal audit purposes

- and should be kept confidential and not to be disclosed to third party at any point of time.
- (d) In case any serious financial irregularities are found the same may be communicated to the management immediately without waiting for the time of submission of the report.

Audit Report :- Submission of:

- (a) Quarterly Internal Audit Reports. (04 quarters).
(b) Physical Verification of Inventory & Fixed Assets on yearly basis.

The auditor should submit Internal Audit Reports for each quarter by 10th of the subsequent month

Responsibilities of the Firm

Following are the responsibilities of the Firm:-

- (a) Engage the audit staff for at least 50 man days in a Quarter.
(i) One qualified professional (CA/CMA with at least 3 years post qualification experience)
(ii) Audit Assistants (Inter CA/CMA with three years' experience)
- (b) The audit staff deployed for the work should carry their laptops for the audit work.
(c) Auditors deployed should ensure proper conduct in the office premises and follow the rules and regulations of the company.
(d) The personnel deployed should be polite, cordial and efficient and their actions should promote goodwill and uphold the image of HOCL. The Firm shall be responsible for any act of indiscipline on the part of the audit staff deployed.
(e) The auditors submit their observations on quarterly basis with in the time limit prescribed and ensure necessary compliance along with rectification/ correction, if any.

Payment Terms

The Firm shall be paid on quarterly basis an amount equal to 1/4th of annual contracted audit fee on submission of quarterly audit reports and bills. GST shall be reimbursed as per GST Act.

Period of Engagement

The engagement shall be for a period of one year i.e. F.Y. 2024-25. However, the same can be extended for one more year on satisfactory performance of the work and on the same terms and conditions.

Instruction to the bidders

- (a) The Tender shall be in two sealed cover i.e. Cover-A and Cover-B. “Cover-A” shall contain the Technical bid and should be inscribed as “Technical Bid” and “Cover-B” shall contain the price bid and be inscribed as “Price Bid”.
- (b) Both the Technical bid and Price Bid, together to be put in a separate cover/envelope with clear inscription as “TENDER FOR ENGAGEMENT OF INTERNAL AUDITOR OF HINDUSTAN ORGANIC CHEMICALS LIMITED , 2024-25 on it and be submitted to DGM (Finance) HOCL, Ambalamugal, Ernakulam, Kerala 682 302, before the due date and time.
- (c) Any material omission in the proposal shall make the proposal unacceptable at the discretion of the management and the bid will be liable to be rejected.

Contents of the Technical Bid

The technical bid shall contain following documents

- (a) Registration certification/firm card of the bidding firm.
- (b) Latest constitutions for the firm providing names and address of all the partners of the firm.
- (c) Documentary evidence of having conducted audit of a business organisation having turnover of not less than Rs. 100 crores in preceding previous 03 financial years.
- (d) Duly filled Performa as provided as Annexure-I to this tender document. (on the letter head of the firm).
- (e) Duly signed statement as provided at Annexure-II on letter head of the bidder.
- (f) All the documents submitted by the bidding firm, shall be self attested.

Contents of the Price Bid

The bidder shall quote the price in the format of price bid as provided as annexure-III to this tender document. No other document shall be put in the price bid.

Evaluation and Selection

- (a) The proposals will be evaluated in two stages i.e. technical evaluation and financial evaluation.
- (b) The price bids shall be opened of those Firms who will qualify in the technical evaluation.
- (c) Opening date and time of price bid shall be intimated to the technical qualified bidders. Firms which choose to attend the price bid opening in person may contact to DGM (Finance), Hindustan Organic Chemicals Limited, Ambalamugal PO, Ernakulam Dt., Kerala-682302
- (d) For financial evaluation, quoted price net off of ITC of GST shall be considered for evaluation.

Award of Contract

- (a) Contract shall be awarded to the firm who quoted the lowest price in price bid.
- (b) In case two or more technically qualified firms quoted the same lowest price, the contract will be awarded to the firm scoring highest points awarded to them on the following basis.
 - (i) Point for number of partners – 01 point for each partner.
 - (ii) Points for years of registration - 01 point for each completed year after registration of the firm.

Any effort by a firm to influence HOCL in its decision on bid evaluation or placement of work order may result in rejection of the firm's offer. Any legal dispute arising out of this is subject to ERNAKULAM JURISDICTION only.

Special Conditions of Contract

- (a) HOCL may advise the firm to disengage any of its staff from service, within 24 hours in case the management of HOCL found any negligence on the part of that particular staff.
- (b) The firm shall be totally responsible for the conduct of the personnel engaged for the service and the management shall not be responsible for their conduct at any point of time.
- (c) In case of any damage/ pilferage caused to the property of HOCL due to mishandling, carelessness of the firm's personnel, the same shall be recovered from the firm adjusting the amount against their quarterly bill.
- (d) The persons deployed shall, during the course of their work, will have access to classified documents, which they are not supposed to divulge to third parties. Any breach of this condition shall make the firm liable for penal action under the applicable laws besides action for breach of contract.
- (e) The firm shall also be liable for depositing all taxes, levies, cess, etc. on account of service rendered to HOCL with the concerned tax collection authorities, from time to time, as per the applicable rules and regulations. The firm shall have the responsibility to furnish documentary evidence in support of the statutory compliance to HOCL, as and when sought for.
- (f) TDS will be recovered at source as per the provisions under Income Tax Act and HOCL shall provide TDS certificate to the firm.
- (g) In case of non-performance, part performance or non- adherence of the statutory obligations due to negligence on part of the Firm, penalty would be imposed by HOCL proportionate to the extent of default/ non- compliance.
- (h) HOCL shall not be responsible for any financial loss or any injury to any person deployed by the Firm in the course of their performing the functions/duties, or for payment towards any compensation.

General Condition of the Contract

The General Conditions of Contract of HOCL are available in the office of Chief General Manager (HR) of HOCL or it can be downloaded from our website <https://www.hoclindia.com/download-forms>

Profile of the Firm

(To be furnished along with the Technical Bid “ Cover “A” on the Letter Head of the Firm)

Sl No.	Particulars	Details
1	Name and address of the firm	
2.	Date of Registration of the firm with Institute of Chartered/Cost Accountants of India (Self- Attested copy of Registration Certificate issued by Institute of Chartered/Cost Accountants of India to be furnished.)	
03	No. of Partners as on 1st April, 2024 (Self- Attested copy of latest constitution of the firm to be furnished.)	
04	Name, Designation, Contact No. and Address of the Contact Person/ Local Representative.	
05	Years of experience (as on 31st March, 2024) From the date of registration as a firm	
06	No. of Audit Assistants in the firm	
07	GST Registration of the firm (Self-Attested copy of GST Registration Certificate to be attached.)	
08	Any other details the Firm would like to furnish (Example: Awards & Accreditations)	

Note: (i) Information may be furnished in separate sheet (s) wherever necessary. (ii) In case of documents, they should be self-attested photocopies.

1. We hereby accept all the terms and conditions of the tender and undertake to abide by them.
2. We hereby accept General Conditions of the Contract of HOCL, published on its website and we hereby undertake to abide by them.

Date:
Place:

Authorized Signatory
(Signature and seal of the authorized signatory)

(To be furnished along with the Technical Bid “ Cover “A” on the Letter Head of the Firm)

We hereby submit the tender to execute the work published vide tender document No. HOC/Fin/Cost Audit/2024-25 dated 04 April 2024.

We have understood the scope of work, the terms and conditions of the tender, special terms and conditions of the tender and general conditions of contract of HOCL (published at its website).

We hereby accept all the terms and conditions of the tender, special conditions of the tender and general conditions of contract as published on HOCL’s website and undertake to abide by all these terms and conditions.

Date:

Place:

Name of authorized signatory
(Signature and seal of the authorized signatory)

Price Bid

(To be furnished in Cover "B" on the Letter Head of the Firm)

Name and Address of the Bidder:.....

Price Details:

Sl. No	Particulars	Amount in Rupee (excluding GST)	GST Rate	Amount including GST
1	Audit Fees for the scope of work as per tender document (Total for one financial year)			

Price in Words - Rs.
(inclusive of GST)

Note:

- (a) The fee quoted by the bidder should be inclusive of all travel, lodging/boarding or all other out of pocket expenses. Food during the working hours shall be provided to the auditors in company canteen without any charges.
- (b) If there is a discrepancy between words and figures, the amount in words shall prevail.

We hereby agree with all the terms and conditions of the tender and we hereby undertake to abide by same.

Date:

Authorized Signatory

Place:

(Signature and seal of the authorized signatory)