

**BHARAT ELECTRONICS LIMITED**

**(A Public Sector Undertaking under Ministry of Defence,  
Government of India)**

**INVITATION FOR  
EXPRESSION OF INTEREST (EOI)**

**FOR**

**“VOUCHING OF BILLS PAYABLE ACTIVITIES  
- BEL BANGALORE COMPLEX**

**Last date for submission of EOI – 15.04.2021\***

**\* now extended up to 30.04.2021**

**Issued by**

**BHARAT ELECTRONICS LIMITED  
INTERNAL AUDIT  
JALAHALLI P.O  
BANGALORE - 560 013**

## EXPRESSION OF INTEREST – BEL BANGALORE COMPLEX

### **I. PREAMBLE**

1. Bharat Electronics Limited (BEL), a Navratna Company, is a Govt. of India Undertaking under the Ministry of Defence. It was set up in 1954 at Bangalore to make the country Self-reliant in Defence Electronics. It has 9 units spread across the Country. BEL is a Listed Company. BEL recorded a turnover of Rs 12,608 Crores during 2019-20. BEL is now India's foremost Defence Electronics Company. For more details, please visit [www.bel-india.in](http://www.bel-india.in).

The turnover of BEL Bangalore Unit for the FY 2020-21 is likely to be around Rs.8000 Crores and for the FY 2021- 22 turnover is planned at Rs.8500 Crores (appx)

2. a) BEL is a multi-product, multi-technology, multi-Unit conglomerate having products in the areas of Radars, Missile Systems, Military communications, Naval Systems, Electronic Warfare & Avionics, C4I Systems, Electro Optics, Tank Electronics & Gun/Weapon System Upgrade in the Defence Segment and the non-Defence segment include Homeland Security & Smart Cities, Solar Satellite Integration & Space Electronics, Railways, Artificial Intelligence, Cyber Security, Software as a Service, Energy Storage Products and Electronic Voting Machines ( EVMs) besides Composite Shelters & Masts.

b) Product Development and Innovation Centre (**PDIC**): For development of various sub-systems.

C) Central Research Laboratory (**CRL**): Carrying out futuristic, cutting-edge research activities.

d) Corporate Office (**CO**): It is an administration office for all the units of BEL across India.

3. BEL has diverse customers which include the Army, Navy, Air Force, Coast Guard, Paramilitary Force, Police, PSUs, Central / State Government Departments and consumers of professional electronic components.

4. **BEL invites Expression of Interest (EOI) in the prescribed format for Engagement of Chartered Accountant Firms/Cost Accountant Firms (hereinafter called 'the Firm') who fulfil the eligibility criteria as mentioned hereunder and are willing to have their firms engaged for conducting "Vouching of Bills Payable activities" as per the scope of the work in BEL BANGALORE Complex. The scope of vouching activities of BEL**

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### **Bangalore Complex including (a) BEL Bangalore Unit (b) PDIC (c) CRL and (d) BEL Corporate Office.**

The selected firm shall conduct the vouching activity including checking of internal controls established in the Company. The interested firm shall submit the application in the prescribed format as given in **the “Annexure A” and “ Annexure B ”** along with the requisite documents on or before **15.04.2021 (now extended up to 30.04.2021)** to the **email** mentioned below :-

Email id: <a href="mailto:iabelbg@bel.co.in">iabelbg@bel.co.in</a>
(Tel: 080-22195638 and 080-22197386)

**Note: Queries, if any, may be addressed to General Manager (Internal Audit) at [iabelbg@bel.co.in](mailto:iabelbg@bel.co.in), [gmiapa@bel.co.in](mailto:gmiapa@bel.co.in) /Tel: 91-80-22195638, 22197386 and 25039223 / Fax: 91-80-25039306 well before the due date.**

## **II. TERMS OF CONTRACT FOR VOUCHING OF BILLS PAYABLE ACTIVITIES.**

**Nature of work:** Vouching of Bills Payable – Payment documents. This is part of Internal Audit function of BEL which is being outsourced.

**Organisation/Unit:** (a) Bharat Electronics Limited, Bangalore Complex (b) CRL - Bangalore (c) PDIC (d) Corporate Office.

Bharat Electronics Limited, Bangalore Unit, PDIC and CRL Bangalore are located in Jalahalli, Bangalore. Corporate Office is located in Nagavara, Bangalore. All these offices shall be covered for vouching of bills payable activities.

### **Location of Audit Places:**

- a) Bharat Electronics Limited, Jalahalli. Bangalore – 560013
- b) PDIC, Jalahalli. Bangalore – 560013
- c) CRL Bangalore, CRL Complex, Jalahalli. Bangalore – 560013
- d) Corporate Office, Outer Ring Road, Nagavara. Bangalore - 560045

**Coverage of Audit Period** 01.04.2021 to 31.03.2022 - This period may be renewed for one more year on same terms based on satisfactory performance after necessary approvals of BEL Management.

**Contract Period:** One year from the date of issue of Service Order i.e. covering vouching of payment documents for the FY 2021-22.

## **III. INTERNAL CONTROL SYSTEM in BEL**

i) BEL has a robust system of internal controls in place. It has documented policies and procedures on Purchase, Sub-contract, Works contract, Accounting, HR, IT and Security,

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Sub-delegation of Powers, etc. covering all financial and operating functions, and revised in tune with the changing times. These controls have been designed to provide a reasonable assurance with regard to maintaining of proper accounting controls for ensuring reliability of financial reporting, monitoring of operations, and protecting assets from unauthorized use or losses, compliance with regulations, etc. File Lifecycle Management (FLM) system for procurement and other proposals has been implemented to ensure enhanced transparency in every activity. Elaborate guidelines for preparation of accounts are followed consistently for compliance with Indian Accounting Standards (IND AS) and Companies Act, 2013.

ii) BEL has implemented company-wide ERP systems with centralised deployment. Governance Risks and Compliance (GRC) Access Control module has been implemented as the primary means of addressing user access risks by embedding preventive rule-based checks while assigning authorisations to business transactions.

iii) Authorisations to users are given based on principles of Segregation of Duties and Least Privilege. Risk rules have been configured in the system in several business processes like Finance, Procure to Pay, Order to Cash, Material Management, HR and Payroll. Risk analysis reports are regularly run to ensure that processes are under control. Additional control in the form of biometric fingerprint authentication for critical transactions is also in place. Audit logs for all changes in roles and authorisations are maintained.

### **IV. INTERNAL AUDIT**

i) BEL has its own Internal Audit Department commensurate with the size of its operations, with teams of professionally qualified personnel who conduct regular and comprehensive internal audits to ensure that all checks and internal control systems are in place. Besides, the Company has sub-committee of the Board viz. Audit Committee (AC) to keep a close watch on compliance with Internal Control Systems. Also, being a Government Company, BEL is subject to Audit by Comptroller & Auditor General of India (C&AG).

ii) BEL's Internal Audit Teams are located at major manufacturing units (at BEL, Jalahalli, Bangalore for South India based units and at BEL Ghaziabad Unit for North India based units) and Corporate Office of the Company which carry out audits as per risk-based Annual Audit Programme approved by Audit Committee of the Board. All the Internal Audit teams submit audit reports to their team leaders and after considering the Auditees' replies / action taken reports, team leaders submit reports of significant issues observed during audit to Head of Internal Audit on periodical basis. Head of Internal Audit submits his/her reports to Company's Management at various levels for corrective actions and finally submits report to the Audit Committee of Board indicating status of compliance with well-established internal

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control systems of the Company and plan for mitigating the key risks associated with major activities of the Company.

iii) BEL's Internal Audit checks the adequacy and effectiveness of internal control system through regular audits, system reviews, process reviews, data analytics, etc. and provides assurance on compliance with the legal and regulatory requirements, and internal policies and procedures of the company. Functioning of Internal Audit as well as Internal Control systems are periodically reviewed by Board-level Audit Committee. The Audit Committee of the Board of Directors, comprising Independent Directors, regularly reviews the audit plans, significant audit findings, adequacy of internal controls, and compliance with accounting standards and policies from time to time and issues directives for compliance to further strengthen the internal control system keeping in view the dynamic environment in which the Company is operating.

iv) The Company continues its efforts to align all its processes and controls with global best practices, to assure the highest level of Corporate Governance.

### **V. Outsourcing of Vouching of Payments:**

The selected firm shall conduct the vouching activity including checking of internal controls established in the Company.

### **VI. OBJECTIVE OF VOUCHING OF BILLS PAYABLE ACTIVITIES.**

The broad objectives of Vouching include the following:

- 1) To provide assurance regarding reliability of financial reporting
- 2) To ensure compliance with Company's established systems and procedures
- 3) To ensure compliance with all applicable Laws & Regulations including availment of GST input tax credits etc.
- 4) To ensure maintenance of adequate accounting records and documents (including invoices for payments) in reasonable details.
- 5) To ensure that expenditures are being made only with authorizations of competent authorities.
- 6) To provide reasonable assurance regarding prevention / timely detection of fraud and other irregularities.
- 7) To provide suggestions for improvements in Internal Control system etc.
- 8) To ensure that payments made to the vendors/employees are in line with the agreed terms and conditions, Company's relevant rules and procedures etc.

**VII SCOPE OF VOUCHING ACTIVITY IN BILLS PAYABLE AREA:**

**a) BEL Bangalore Complex consists of Strategic Business Units (SBUs) as listed below:**

<b>Name of the SBUs:</b>
1. Military Radar ( MR )
2. Missile Systems ( MS )
3. Naval Systems 1 ( NS 1 )
4. Naval Systems 2 ( NS 2 )
5. Advanced Defence Systems Navy ( ADSN )
6. Military Communication and Equipment ( MCE )
7. Strategic Communication and Unmanned Systems ( SC & US )
8. Components
9. Export Manufacturing ( EM )
10. Electronic Warfare and Avionics ( EW & A )
11. Home Land Security and Smart City Business ( HLS & SCB )
12. Central Services Group (CSG) including Finance – Bills Payable & Centralized Payroll
13. Software

**Foreign Bills Payable and Payrolls Areas for all the SBUs are centralised in the Central Finance Department of the Unit.**

**In case of Local and Miscellaneous (Misc.) Bills, the selected audit firm is required to internally visit all the SBUs mentioned above, which are located within the BG Complex, in order to carry out 100% vouching activity as per the scope of this document.**

<p><b>b) PDIC</b></p> <p><b>c) CRL – Bangalore</b></p> <p><b>d) Corporate Office</b></p>	}	<p><b>Bills Payable and Payrolls are located in respective offices.</b></p>
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1. Vouching to be carried out on a Monthly / Quarterly basis.
2. The Audit firm is required to carry out the vouching activities in line with internal circulars, purchase/sub-contract procedures/manuals, sub-delegation of powers for authorisation of payment vouchers, PO terms and conditions, relevant law and regulations (GST, Income tax, Customs etc.), BEL TA DA, Medical Rules, Office Orders etc. Generally, the Scope of Audit will not be amended. However BEL

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reserves the right to add/delete or alter the scope under special circumstances with mutual consent.

### 3. Nature of Payments in BEL for vouching are as under:

- a. LOCAL VENDOR PAYMENTS including advances and Misc Payments (including Letter Orders), Ola and Oyo Payments, Payments under management sanctions without POs.
  - b. FOREIGN VENDOR PAYMENTS including advances.
  - c. Payment to agencies providing casual manpower through PO.
  - d. Payment for purchase of medicines etc. through PO
  - e. Verification of Bank Account for payments wherever required
4. Vendor's payment is generally based on the POs / Service Orders issued (Local as well as Foreign POs)

### 5. Coverage of Vouching Activity with Average volume of Transactions p.a.

#### a) BANGALORE COMPLEX

Sl. No.	Particulars	Extent of Vouching	<b><u>Indicative average Volume of vouchers &amp; value p.a. (Based on Last two years data)</u></b> <b><u>Bangalore Cx</u></b>
1	Local Vendor Payments including advances and Misc. Payments.	100%	70000 Nos. Value Rs. 3500 Cr to 4000 Cr.
2.	Foreign Vendor Payments including advances.		7500 Nos. Value Rs. 2800 Cr to 3000 Cr
3.	Medical Reimbursements to Employees – Payroll Dept	100%	14000 Nos. Value Rs.3.50 Cr to 4 Cr.
4	Travelling (TA/DA) claims for Employees including payment to agencies for Air Tickets etc.	100%	15000 Nos. Value Rs.40 Cr to Rs.42 Cr

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### b) PDIC

Sl. No.	Particulars	Extent of Vouching	<b><u>Indicative average Volume of vouchers &amp; value p.a. (Based on Last two years data ) PDIC</u></b>
1	Local Vendor Payments including advances and Misc. Payments.	100%	1300 Nos. Rs.61 Cr to Rs 61.50 Cr.
2.	Foreign Vendor Payments including advances.		400 Nos. Rs. 9 Cr to Rs. 9.50 Cr
3.	Medical Reimbursements to Employees	100%	150 Nos. Rs. 0.30 Cr to Rs. 0.50 Cr.
4	Travelling (TA/DA) claims for Employees including payment to agencies for Air Tickets etc.	100%	250 Nos. Rs. 0.50 Cr to Rs.1 Cr

### c) CRL BANGALORE

Sl. No.	Particulars	Extent of Vouching	<b><u>Indicative average Volume of vouchers &amp; value p.a. (Based on Last two years data ) CRL Bangalore</u></b>
1	Local Vendor Payments including advances and Misc. Payments.	100%	2200 Nos. Rs.36 Cr to Rs.37 Cr
2.	Foreign Vendor Payments including advances.		400 Nos. Rs. 13 Cr to Rs. 14 Cr
3.	Medical Reimbursements to Employees	100%	300 Nos. Rs. 0.30 Cr to Rs. 0.50 Cr
4	Travelling (TA/DA) claims for Employees including payment to agencies for Air Tickets etc.	100%	650 Nos. Rs.1 Cr to Rs.1.50 Cr



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### d) CORPORATE OFFICE

Sl. No.	Particulars	Extent of Vouching	<b><u>Indicative average Volume of vouchers &amp; value p.a. (Based on Last two years data )</u></b> <b><u>Corporate Office.</u></b>
1	Local Vendor Payments including advances and Misc. Payments.	100%	1300 Nos. Rs 33 Cr to Rs 34 Cr
2.	Foreign Vendor Payments including advances.		-
3.	Medical Reimbursements to Employees	100%	450 Nos. Rs. 0.09 Cr to Rs. 0.10 Cr
4	Travelling (TA/DA) claims for Employees including payment to agencies for Air Tickets etc.	100%	650 Nos. Rs. 1 Cr to Rs. 1.50 Cr

### Overall Summary of BG Cx, PDIC, CRL & CO:

Sl. No.	Particulars	Extent of Vouching	<b><u>Indicative average Volume of vouchers &amp; value p.a (based on Last two years data)</u></b>
1	Local Vendor Payments including advances and Misc. Payments.	100%	74,800 Nos. Rs.3630 Cr to Rs.4133 Cr
2.	Foreign Vendor Payments including advances.		8,300 Nos. Rs.2822 Cr to Rs.3024 Cr
3.	Medical Reimbursements to Employees	100%	14,900 Nos. Rs.4.19 Cr to Rs.5.10 Cr
4	Travelling (TA/DA) claims for Employees including payment to agencies for Air Tickets etc.	100%	16,500 Nos. Rs.42.50 Cr to Rs.46 Cr

### **CHECKLIST FOR PAYMENTS** (not exhaustive)

**1) LOCAL VENDOR PAYMENTS (GOODS):**

- a) Check for GR for the quantity supplied and Usage Decision (UD) with respect to acceptance of the quantity.
- b) Documents for claiming the payment is as per the PO.
- c) Original Invoice as per GST requirement.
- d) MIRO (Liability) is to be made for the quantity accepted based on the GR.
- e) At the time of MIRO, expenditure to be booked in correct GL as per the Account assignment.
- f) While checking MIRO, check PO terms, LD clause for delay,
- g) Payment terms as per the PO.
- h) Availment of ITC as per the GST rules.
- i) Applicable IT TDS and GST TDS or discount (if any) etc.
- j) In case the vendor is Micro or Small, payment to be made as per MSME Act after due consideration of payment terms as per the PO. As far as possible, Interest payment to be avoided.
- k) Advance, Security Deposit (SD) and Rejections (if any) to be taken care at the time of payment.
- l) In case of balance payment (5% or 10%), whether PBG required to be submitted by the vendor or not as per PO terms and conditions to be checked.
- m) Whether Payment authorizations are as per Company's Procedures/ Limits / Sub-delegation of Powers.
- n) Any other documents relevant for vouching.

**2) i) LOCAL VENDOR PAYMENTS (SERVICES)**

- a) Service Entry sheet is made and accepted by the Indenter.
- b) All the points referred above from 1 (b) to (m) are to be complied.
- c) Freight Payments inward and outward Contracts.
- d) Payments to Clearing House Agents.
- e) Any other documents relevant for vouching

**2) ii) LOCAL VENDOR PAYMENTS FOR CONTRACT NATURE OF SERVICES (CIVIL / ELECTRICAL / MECHANICAL / LABOUR / ETC.**

- a) Measurement sheets to be verified for payments.
- b) Minimum wages to be paid as per the contract.
- c) Compliance to PF, ESI Act to be verified.

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- d) Terms and conditions as per the contract to be complied for payments.
- e) Attendance Sheet and Wage Register for Labour Contract to be verified.
- f) Points referred in (b) to (m) of Sl. No. 1 above to be complied.
- g) Any other documents relevant for vouching.

### **3) FOREIGN VENDOR PAYMENTS (GOODS):**

- (a) Pricing of the MIRO is done based on INCO terms. The same to be checked.
- (b) Payment to Foreign Vendors is through LC, Sight Draft or Telegraphic Transfer.  
Documents required are Invoice, Bank Details of the Vendor, Air way bill/ Bill of Lading, Bill of Entry, FEMA Declaration, Authorized Signatory Advice to Bank.
- (c) Points referred above from 1(a) to 1(g) and 1(l) & 1(m) to be checked.
- (d) Payment of Customs Duties (including Manual payments of Customs and GST) and availment of applicable ITC
- (e) Freight Payments to the Freight Forwarder to be checked.
- (f) Whether Payment authorizations are as per Company's Procedures/ Limits/ sub-delegation of powers
- (g) Any other documents relevant for vouching

### **4) FOREIGN VENDOR PAYMENTS (SERVICES):**

- (a) In case of Foreign Service POs, Tax implication needs to be taken care (IT TDS, GST, availment of ITC and other compliances required as per the IT Act).
- (b) Points referred above from 3(a) to 3(f) to be checked.
- (c) Any other documents relevant for vouching

### **5) MISC PAYMENTS**

- (a) Are based on Management Sanction.
- (b) Request from Indenter is made in system mandatorily against which liability to be created.
- (c) Revenue WBS or IO (Internal Order) is compulsory for Misc Payments.
- (d) Along with above, Invoice to be forwarded with in-seal of Security to B/P for release of payment in case of receipt of goods.
- (e) Tax Applicability to be checked.
- (f) Wherever applicable ITC is to be taken care.
- (g) Any other documents relevant for vouching

### **6) ADVANCE PAYMENTS**

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- (a) Advance is paid strictly based on the terms of the POs.
- (b) For Advance also, request from Indenter/Down Payment request is compulsory.
- (c) Documents required are Invoices, Board approval copy, Bank Guarantee (110%), Confirmation of the BG, FEMA declaration (in case of Foreign PO), and any other documents as required by PO. Original approval file also to be seen for compliance.
- (d) Periodic review of advances to be done.
- (e) Advance to be adjusted immediately on receipt of goods.
- (f) In case items get rejected, the advance paid to be transferred to Rejection GLs.
- (g) Any other documents relevant for vouching
- (h) GST & TDS Liability on advance payments

### **7) TA DA Claims and Medical Reimbursements (Payroll)**

- (a) Checking of individual claims with BEL TA DA Rules;
- (b) Checking of individual claims with BEL Medical reimbursement rules, Office Orders etc.
- (c) Payments to Travel Agents for Air Ticket booking as per agreements, if any.
- (d) Checking of advance adjustments at the time of final payments.
- (e) Checking availment of input tax credits wherever applicable
- (f) Any other documents relevant for vouching

#### **Exclusions – Payroll related activities:**

- a. Payroll related payments viz. Salary & allowances etc. to regular employees, term contract engineers and apprentices etc.
- b. Direct Payment to Hospitals by Payroll for inpatient treatments.

The above excluded activities will be covered by Internal Audit Teams at Bangalore & Ghaziabad Centres.

## **VIII. TERMS OF PAYMENT TO THE AUDIT FIRM**

Payment to the Firm shall be made on quarterly basis after deducting applicable taxes on receipt of the claim after completion of Audit and submission of report for each quarter. All claims are to be certified by the Internal Audit department for each quarter for payment.

In view of the prevailing Corona Pandemic situation and restrictions in movement of people, transportation etc. efforts are being made by BEL to appoint audit firms/ branches which are located in the city where BEL's Unit(s) is/are situated. Hence, no travelling, boarding & lodging and out of pocket expenses will be paid separately.

**IX. ELIGIBILITY CRITERIA FOR CHARTERED ACCOUNTANTS FIRM AND COST ACCOUNTANTS FIRM.**

The minimum cut-off points to qualify for empanelment for issue of RFQ by BEL for vouching of Bills Payable activities is **"65"** points and the evaluation criteria is mentioned at "Annexure B". Hence, those firms **who score 65 points and above and meet all mandatory conditions** as mentioned hereunder only need to apply and will be considered for evaluation. The prospective Firm should meet all the eligible conditions on their own and not in combination with other firms. No joint bidding by any firms. No further outsourcing of activities will be allowed.

**MANDATORY CONIDTIONS: 5 Mandatory conditions are listed below**

- i) The Firm should be in continuous existence for a minimum period of 10 Financial Years. **The firm should have an office in Bangalore with adequate qualified partners and qualified audit assistants having working experience in audit under SAP environment to complete the assignment in time.**
- ii) Minimum 4 full time partners should be there in the firm for not less than 3 years. In case of merged firm, Copy of Partnership Deed and Copy of Constitution Certificate issued by the Institute certifying the constitution of the Firm, their branches & date from which it is continuing as a Partnership Firm (latest) to be enclosed.
- iii) The firm should have Minimum average annual turnover of **Rs.200 Lakhs** for the last 3 financial years from Internal/Statutory Audits. Income from Consultancies, Tax Audits, Bank/Branch Audits, and Interest Income etc. will be excluded for the purpose of evaluation. The copy of the audited financial statements with break-up of revenues is to be furnished.

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**Break up of Professional Income to be certified as per the following format for the last**

**3 Financial Years:**

Income [Specify FYs: 2018-19 / 2019-20 / 2020-21*]	2018-19	2019-20	2020-21
<b>SOURCES OF INCOME</b>			
Internal Audit			
Statutory Audit			
<b>Total Income from Internal/Statutory Audit (A)</b>			
<b>OTHER SOURCES OF INCOME</b>			
Income from Consultancies			
Tax Audits			
Bank/Branch Audits			
Interest Income			
Others if any			
<b>Total Other Sources of Income ( B )</b>			
<b>GRAND TOTAL ( A + B )</b>			

\*Provisional results of FY 2020-21 to be furnished.

iv) The Firm should have experience in Internal audits/statutory audits of Minimum 5 companies in manufacturing sector during last 10 years in Public sector undertaking or large Pvt. Company having minimum turnover of Rs. 50 crore. (The copy of the (i) audited financial statements to be furnished in support of the turnover (ii) self-certified turnover details in case of internal audit along with the Appointment Order / Letter for carrying out the Internal Audit.).

v) Experience in Internal and Statutory Audits under ERP (SAP) environment is essential. Documentary evidence for SAP experience to be enclosed.

Interested Firms must satisfy all these conditions on their own to participate in the bid. No joint bidding is allowed. Canvassing of any sort will disqualify the firms. Interested Firms to provide documents which are relevant in support of meeting eligibility criteria and evaluation criteria.

### **X) INFORMATION TO BE COVERED IN THE INTERNAL AUDIT REPORT FOR VOUCHING OF BILLS PAYABLE ACTIVITIES.**

**The report shall include:**

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1. The Executive Summary on the major findings in each quarter audit report together with the professional recommendations on the weakness observed & the risk involved. The significant audit observations requiring immediate corrective actions shall be summarized and to be reported in the format. The observation shall also disclose the monetary impact in respect of the significant observations.

### **Significant observations:**

Sl.No.	SBU /Unit/ Business Area	Observation	Risk	Auditee Response	Audit Recommendations

2. It is necessary to conduct a post audit meeting for each quarter with the auditees with a view to appraise the audit findings. The audit report should be finalized based on auditees feedback / action taken and further comments, if any, of the auditor. Suggested format indicated in the following table:

Sl.No.	Particulars		
1	Name of the SBU / Unit		
2	Audit period		
3	No of vouchers checked during the period and its value	No of vouchers Covered (Area wise)	Value covered (Rs in Crores)
		i) Local Bills: ii) Foreign Bills: iii) TA/DA Bills: iv) Medical Reimbursement to employees:	
4	Date of the Post Audit Meeting		
5	Names of the Company's persons who have attended the post audit meeting		
6	Names of partner, Senior		

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	Auditor, Audit staff with their qualifications who had carried out the Audit.	
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3. Audit may report any flaws in the system, suggestions for improvements, if any in Internal Financial Controls weaknesses, and irregularities of serious nature observed etc. The vouching report from the second quarter should include the fact whether the suggestions/action taken notes made in the previous report have been duly implemented by the auditees. The vouching is to be carried out monthly / quarterly and audit report to be submitted quarterly. The auditor has to highlight the critical issues, if any, immediately to General Manager (Internal Audit), BEL, Regd. & Corporate Office: Outer Ring Road, Nagavara, Bangalore 560 045 Tel: 91-80-25039223 / Fax: 91-80-25039306, which require immediate attention without waiting for the quarter to end. The report shall be submitted within the prescribed deadlines. The final audit report(s) shall be issued to the respective Unit's Finance Head, IA Teams of BEL with a copy to General Manager (IA)/BEL Corporate Office. The report shall be submitted in soft (both PDF and MS Word Files) as well as hard copies duly signed and affixed with seal. Necessary essential working papers are to be shared with IA BEL for records.

The above format is only a suggested one and actual report by auditors may be designed better than the above keeping in mind the basic reporting requirements.



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**LIST OF ANNEXURES**

**“ANNEXURE A”**

**Application Format for Empanelment of CA/CMA firms for issue of RFQ for Vouching Activities**

Sl. No	Particulars	Details / information furnished
1	Name of the CA/CMA Firm with Registration no. (enclose certificate)	
2	Address of its Head Quarters	
3	Landline No/s. (with STD Code)	
4	Name & Mobile no. of the nominated CA/CMA Partner of the CA/CMA Firm whom company may contact, in connection with the assignment applied for.	
5	Fax Nos with STD code	
6	E mail address of the Firm & Main Partners, website if any	
7	Date of Commencement of Partnership Firm (Certificate to be enclosed). Copy of updated partnership deed.	
8	Total experience as Internal/Statutory Auditors in Public Sector Undertakings / Large Private Sector in Manufacturing/Service Sector having annual turnover of minimum Rs.50 Cr (enclose the requisite proof) and Number of assignments handled. Please furnish details.	
9	Details of CA/CMA Branches with Address and email of the branches.	
10	Particulars of all Partners and Qualified Staff	
11	List of Internal/Statutory Audit Assignments handled in SAP environment.	
12	Experience, if any, in using Data Analytical Tool(s) for prevention / detection of fraud/unusual transactions may be provided.	
13	Whether the Firm or any partner has ever been debarred by the Institute/Central or State Government. If yes, details to be mentioned.	
14	Other significant details, if any	

**Note:** For Sl. No 8 to 12 mentioned above, detailed enclosures may be attached along with the application.

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### Declaration

- a) We hereby confirm that the Firm/any partner is neither Statutory Auditor nor associate concern of Statutory Auditors of Bharat Electronics Limited or its subsidiaries & have not been disqualified on any of grounds given under Sec 141 of the Companies Act. 2013.
- b) We also confirm that the details/information furnished above are / is true and correct. In case, any detail furnished above is found incorrect later on, the Company has the right to terminate the assignment given, without giving any notice.
- c) We also undertake that we will not sub-contract / sub-assign the audit assignment.
- d) We also hereby declare that if our name is included in the Company's list of approved Internal Auditors for vouching activity, we will undertake to do the tasks entrusted to us as per the scope of work in a professional manner and follow all the applicable Standards on Internal Audit (SIAs) issued by the Institute of Chartered Accountants of India (ICAI).
- e) We shall also abide by the rules and regulations of the Company in force from time to time and will always keep the company's interest foremost in our mind.
- f) If selected we will adhere to the confidentiality requirements of BEL (being a Defence PSU) with reference to all the information and comply with the non-disclosure requirements of BEL.

Signature of all Partners:

Sl. No	Name	Date of becoming partner	Signature	Institute Membership No	Office Seal

Signature of All Partners with Name and Membership No & Office Seal.

Date:

Place:

**EXPRESSION OF INTEREST – BEL BANGALORE COMPLEX**

**“ANNEXURE B”**

**Vouching of Payments – BEL Bangalore Complex, PDIC, CRL and Corporate Office**

**Name of the Audit Firm:**

**EVALUATION CRITERIA**

Sl. No	Particulars	Criteria / Points	Maximum Points	Actual score of Audit Firm (To be filled by the Audit Firm)
1	No. of years of existence of Audit firm as on the date of application (specify date & year of establishment)	Minimum 10 Years - 10 Marks >10 Years - For each year 1 mark –	15	
2	Average Annual Revenue from core audit functions (Internal/Statutory Audits – ref. eligibility criteria note of IX above)	Max 5 Marks  Minimum Rs.200 Lakhs and above	5	
3	No of qualified partners associated with the firm for not less than 3 years as on date of application.	2 points per partner – give details	10	
4	No. of assignments as Internal / Statutory Auditor in PSU in <b>Manufacturing / Service sector</b> during last 10 years – to specify whether listed / unlisted *	4 points per company audited – Details to be enclosed.	20	
5	No. of assignments as Internal / Statutory Auditor in Private Limited having annual turnover of minimum Rs.50 Cr – <b>Manufacturing / service sector</b> during last 10 years – to specify whether listed / unlisted *	3 points per company audited – Details to be enclosed.	15	

## EXPRESSION OF INTEREST – BEL BANGALORE COMPLEX

6	Experience in Internal / Statutory audits in SAP environment. To specify whether firm is experienced in use of Data Analytical Tools for detection of Fraud etc. (to enclose proof)	3 points per company audited	15	
7	No of Qualified Assistants	2 points per Qualified Assistants	10	
8	Total Manpower Strength other than at <b>Sl. No. 7 above</b> (specify details like staff / paid assistants, articled clerks etc.)	1 point per Assistant	10	
	<b>TOTAL</b>		<b>100</b>	

We hereby declare that the information given above in this application is true and correct to the best of our knowledge and belief. We understand that in case any information given is found to be false or incorrect later, we shall be liable for termination from the assignment.

**for (Audit Firm)**

**Place  
Date**

**Signature  
Membership No.**

### **Notes:**

1. Mere meeting of the above criteria does not automatically qualify any firm. Decision of BEL in this regard shall be final and binding. Canvassing of any sort will disqualify firms.
2. Audit firms to furnish their self-assessment marks in the column provided above strictly in accordance with the criteria. This will be verified and moderated by BEL based on proof furnished by Audit Firms along with the application.
3. Qualified Firms meeting the required criteria only will be issued RFQ for submission of quotation. No correspondence will be entertained from other bidders.
4. Price bid should not be submitted along with this EOI document. If any audit firm is enclosing the price bid, such EOIs will be rejected for any further processing.
5. All the documents/enclosures in support of Annexure 'A', 'B' and Eligibility criteria (mentioned at IX above) need to be attached along with Index with appropriate page numbers & serially numbered.

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