



TENDER FOR ASSESSMENT OF FINANCE, ACCOUNTS & BUDGETING MANUAL.

TENDER NO: BNPM/Assessment of Finance, Accounts & Budgeting Manual /441/2019-20 DATED 31st July 2019

Bank Note Paper Mill India Private Limited (BNPM) invites participation from reputed and experienced firm of Chartered Accountants for vetting of Finance, Accounts & Budgeting Manual prepared by the company.

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Interested partnership firm/LLP meeting the eligibility criteria and accepting the general terms and conditions may submit their sealed tender as per the instruction below.

The due date and time for submission of bid is 11:30 hrs on 11th Aug 2019.

For and on behalf of

Bank Note Paper Mill India Private Limited

Sd/-

(Alok Kumar)

Deputy General Manager





Section 1

Background of the Company

Bank Note Paper Mill India Private Limited is a Special Purpose Vehicle (SPV) jointly promoted by Government of India through Security Printing and Minting Corporation of India Limited (SPMCIL) and Reserve Bank of India through Bharatiya Reserve Bank Note Mudran Private Limited (BRBNMPL) incorporated under the Companies Act, 1956 having its registered corporate office at Entry gate no 01, Administrative Building, Paper Mill Compound, Note Mudran Nagar, Mysore – 570003 and its factory of operation in the same campus. The main objects of the company is:

- i. To carry on the business of developing, designing, manufacturing, producing, supplying in India and abroad of currency paper and bank note paper and all allied activities.
- ii. To acquire the whole or part of any undertaking or undertakings with assets and liabilities of any manufacturing unit, company or concern engaged of bank note paper and currency paper.

The company has commissioned the project of setting up of a State of the Art Bank Note Paper Mill for manufacturing Cylinder mould vat made Water marked Bank Note Paper (CWBN paper) with rated capacity of 12,000 TPA consisting of two lines of 6,000TPA each and commenced its commercial production since April 2016. Having regard to the nature of operations, the company comes within the preview of continuous process manufacturing industry.

As the company progress in achieving its production efficiency, a well-articulated department manual will ensure consistent practice, reduce variations within a given process, timely compliances, and a sense of directions. The company has prepared Finance, Accounts and Budgeting Manual at a minimum gives the following:

- Consistency – The number one reason for procedures is consistency in the way an individual carries out a particular task or activity. The more consistent a process is from person to person, the less chance there will be quality problems:
- Reduction of errors – A written procedure details a set of instructions for performing a task. As long as each individual within the team performs the task as the process is written, there is a greater chance of reducing errors.
- Communication – Another great reason the manual facilitates for the benefit of communication. As improvements are made to processes, the manual contents are updated, and each update requires new training. Updating the manual when necessary provides a method to communicate the process changes to employees.





- Uninterrupted operations – This manual ensures that, process continues uninterrupted and are complete on a prescribed schedule.
- Compliances to the Governing Laws – This manual contribute to ensure that Governing laws and regulations are complied and also demonstrate a company's good faith intention to operate properly.
- Guidelines on activities – This manual serves as a checklist for co-workers who observe job performance to reinforce proper performance.
- Historical record – This manual act as a historical record of the how, why and when of steps in an existing process, so there is a factual basis for revising those steps when a process or equipment are changed.

The company has implemented the SAP and records all its financial transaction through integrated SAP platform. Further implemented, IFC over financial reporting.





Section 2

Eligibility Criteria

A. Firm eligibility criteria:

1. The bidder shall be a firm of Chartered Accountants either partnership firm or LLP.
2. The firm should be in continuous practice of doing Statutory and/or Internal Audit of Companies / Firms and Institutions for a period of 5 years ending on 31st March, 2019.
3. The firm should have at least 10 years of existence.
4. The firm/LLP should have at least 3 full time partners in practice. Partners' eligibility criteria is given in part B of this section.
5. The firm should have at least 1/2 paid assistance or 2/3 semi qualified assistance.
6. The firm should have conducted at least 3 statutory audits/statutory branch audit of Public Sector Company/public sector banks where Procedural Manual is in place during the last 3 years ending 31st March 2019.
7. The average annual turnover of the bidder shall not be less than Rs.20 lacs in the last three financial year i.e. 2016-17, 2017-18 and 2018-19 as per audited/provisional accounts.
8. The firm should not have been blacklisted/debarred anytime during last 3 years ending 31st March 2019 from participation in a tender floated by any central/state PSU including Security Printing and Minting Corporation of India Limited, New Delhi and Bharatiya Reserve Bank Note Mudran Private Limited, Bangalore or any state/central government department/institutes or any autonomous body funded and/or controlled by any state/central government.
9. The firm/partner associated should not been penalized for any disciplinary proceedings and no disciplinary proceedings should be pending against them as on the date of application.
10. The firm appointed as statutory auditor/Internal Auditor of BNPMIPL will not be eligible for this engagement.
11. The tenderer should have valid PAN, TAN and GST Number





B. Partners eligibility criteria:

12. Out of minimum 3 full time partners in practice at least any one of the partners:
- i. Should possess minimum 5 years' experience in continuous practice after becoming FCA;
 - ii. Should have minimum 5 years past industrial experience in manufacturing company/ bank / insurance Company handling either F&A or Internal Audit;
 - iii. Should have post qualification of DISA/CISA certified by ICAI/ISACA;
 - iv. Should possess post qualification diploma/certification in Internal Audit or in forensic audit and fraud detection from ICAI/IIA(Institute of Internal Auditors);
 - v. Should be proficient in handling direct tax/indirect tax at the appellate / tribunal level;
 - vi. Should have experience in auditing/working in ERP environment such as SAP/Oracle etc.,
 - vii. Should be CMA/CS in addition to CA;

Note: Of the partners, one may be having all the qualification as listed above or any one may be having qualification prescribed in i to iii and another partner holds qualification prescribed in iv to vii or in combination thereof. By any of the above combinations, the firm should meet all the qualification parameters as prescribed above.

It is essential that, all the above criteria prescribed in A & B are fulfilled in order to be eligible for this assignment.

The eligibility criteria shall have to be met at the time of evaluation and the firm shall continue to meet the criteria throughout the currency of the agreement.

Firm/ Partners should disclose relationship, if any, to any director/KMP of the company.





Objectives and broad scope of work

Broad scope of work

Examine, evaluate, assess, review etc., the Finance, Accounts and Budgeting Manual prepared by the company for the following:

- a. Its adequacy;
- b. Its effectiveness and relevancy;
- c. Hygiene of Internal Financial Control;
- d. Process, procedural Compliances to IND AS, GST, Companies Act and other governance;
- e. Ensuing accounting, financial policies, procedures remain current and consistent to approved accounting policies/guidelines;
- f. On meeting of its objective over delivering cost effective and efficient financial management and accounting services to the Stakeholders of the company and to comply with good governance practices;
- g. Assessment on procedures/process to ensure accuracy and completeness of the accounting records and the timely preparation of reliable financial information for prevention and detection of frauds and errors;
- h. Efficiency and reliability on tools, techniques enumerated in the manual for assessing the Management estimates;
- i. Adequacy on Key Management Information Reports;
- j. The Costing procedure adequacy;
- k. Assessment of internal benchmarking and audit approach.



Section 4

Brief estimation of volume of work

An overview of Manual

1. Procedure based guidelines: This manual focus on guidelines and governing polices applicable at present and the procedural steps for compliances to the approved polices/guidelines;
2. Illustrative based decision making: This manual provides guidelines on identifying, recording and reporting of financial transactions with an illustrative mechanism;
3. Responsibility based guidelines: This manual provides an guidelines on responsibility matrix for each layers of approvals on the element of key responsibilities and risk in association to the proposals;
4. Investment guidelines: This manual demonstrate procedures step by step basis on investment of surplus (including temporary/mid/long term) rules to systematically schedule and place the deposits;
5. Detailed checklist for bill processing: This manual gives guidelines on bill processing by prescribing the details of checking from the division and the reporting of checking thereon in the proposal texture in a detailed checklist;
6. Performance benchmarking: This manual prescribes the performance targets of F&A division in sync with the overall performance matrix of the organisation to enhance the efficiency in the operation and for segregation of key roles to the individuals.
7. Audit and attest functions: This manual provides the detailed framework of applicable audit as of now and a detailed checklist for pre-audit readiness to manage the audit more professional way.
8. Compliances matrix: This manual also provides the various applicable compliances to be adhered by F&A on various due dates in terms of term lending covenants or statutory applicability etc., Including the desired date of completion and reporting framework thereon.
9. Cost accounting and compliances thereon: This manual in detail provides the cost centres, cost drivers, allocation/apportion scenarios, guidelines on maintenance of various records and audit compliances. This also prescribes the guidelines on consideration of cost for each layer of cost centres.
10. Fixed Asset control: This manual provides guidelines on FA register, tagging, FA verification policy and control scenarios to effectively exercise the FA control.
11. Budgetary control: This manual provides details on estimate of budgets, monitoring, guidelines on estimation and factors to be considered for capital expenditure monitoring.
12. Key management information system: This manual gives the details of MIS reporting including the time frame of reporting, review and control mechanism to manage the F&A division professionally.
13. Financial propriety: This manual gives details guidelines including do and don'ts on exercising financial power on propriety peruse.
14. Maintenance of records: this manual provides detailed longevity of maintenance of records in line with Companies Act as well as Income Tax Act.
15. SAP integration: This manual address and provides guidelines in consonance with the SAP.





Section 5

General Terms and Conditions

1. The bidder shall submit the brief profile as per format – Annexure II

2. Process and time schedule

The entire evaluation and suggestion shall be furnished within 15 days of award of the assignment.

This assessment should be conducted by a team headed by a qualified CA and draft recommendations should be discussed with the company.

3. Assessment Venue

Assessment shall be conducted at Registered & Corporate Office situated in Mysore.

4. Payment terms

Payment shall be against bill and submission of final assessment report. GST shall be paid extra at actuals.

TDS as applicable shall be effected from the Professional fee.

Out of pocket expenses / conveyance/accommodation etc. shall be included in the professional fees as quoted in price bid. No reimbursement of out of pocket expenses is envisaged.

5. Evaluation process

- a) Tender (Part A – Techno Commercial) will be evaluated on the basis of technical and eligibility details furnished in Part A and the financial part (Part-B) of the qualified bidders only will be considered for evaluation. Bidders are requested to quote as per the format given.
- b) The all-inclusive price including out of pocket expenses as per price bid shall be considered for evaluation and determination of lowest responsive bid.





- c) If there is a tie among the eligible applicants: Local firm based in Mysore shall be preferred. If there is a tie between two Mysore based firms, management will invite those firms for discussion/negotiation. Based on the best judgment management will finalise the firm for award of the assignment. The decision of the organisation shall be final and shall not be open to challenge.
6. Mere meeting the qualification and / or submission of application will not confer any right for selection. Acceptance / rejection of any application will be at the sole discretion of the Management.





Section 6

Instruction for submission of bid

Duly completed bid shall be submitted in a sealed envelope as under:

Techno commercial bid should be submitted in a sealed envelope – 1 (super scribing “Techno commercial bid”) consisting of:

- Bid forwarding letter (Annexure I)
- Brief profile of LLP/partnership firm (Annexure II); and
- Documents to establish conformity with eligibility criteria

Price bid shall be in the format as prescribed in section 7 only. Price bid should be submitted in a sealed envelope – 2 (super scribing “Price Bid”)

Both envelop 1 and 2 shall be put in sealed envelope 3. The sealed envelope 3 should be super- scribed “Tender – Vetting of Finance, Accounts & Budgeting Manual”. The name and address of the bidder shall be clearly mentioned on the sealed envelope 3.

The sealed envelope 3 should be received by us on or before 11:30 Hrs of 11th Aug 2019 and should be addressed to:

The Deputy General Manager
Bank Note Paper Mill India Private Limited
Administrative Building, Entry Gate1,
Paper Mill Compound,
Note Mudran Nagar,
Mysuru-570003
Telephone No: 0821-2401111/171/161/167
Email Id:

alokkumar@bnpmindia.com/chinnaraoc@bnpmindia.com/ranjeeth@bnpmindia.com





Section 7

Price bid format

Professional fee for the assessment of Manual

(Amount in Rs.)

| Particulars | Rs in INR |
|---|------------------|
| Professional fees | |
| Out of pocket expenses/conveyance/travelling/accommodation etc | |
| Total professional fee (in figures) including out of pocket expenses etc., as above | |
| Total professional fee (in words) including out of pocket expenses etc., as above | |

Note:

1. The prices shall be excluding GST. Applicable GST shall be paid extra at actuals.
2. The total professional fees inclusive of out of pocket expenses etc., shall be considered for price bid evaluation and determination of lowest bid. Please refer the evaluation process – Section 5 Para 5
3. Price bid with conditions shall not be considered/may be rejected.

For _____

Authorised signatory

Place:

Date:





Section 8

Documents checklist to substantiate the eligibility criteria

| Sl no | Eligibility criteria | Documents to be submitted duly attested with seal & Signature |
|--------------|--|--|
| | <u>A. Firm eligibility criteria:</u> | |
| 01 | The bidder shall be a firm of Chartered Accountant either partnership firm or LLP. | Latest registration certificates of the firm issued by the ICAI w.r.t information related to the year of establishment, no of partners etc., |
| 02 | The firm should be in continuous practice of doing Statutory and/or Internal Audit of Companies / Firms and Institutions for a period of 5 years ending on 31st March, 2019. | Same as above |
| 03 | The firm/LLP should have at least 3 full time partners in practice. | Same as above |
| 04 | The firm should have at least 10 years of existence. | Same as above |
| 05 | The firm should have at least 1/2 paid assistance or 2/3 semi qualified assistance. | Self-declaration on number of paid assistance/semi qualified assistance. |
| 06 | The firm should have conducted at least 3 statutory audits/statutory branch audit of Public Sector Company/public sector banks during the last 3 years ending 31 st March 2019. | Self-certified copies of appointment/engagement letter. |
| 07 | The average annual turnover of the bidder shall not be less than Rs.20 lacs in the last three financial year i.e. 2016-17, 2017-18 and 2018-19 as per audited/provisional accounts. | Self-certified audited/provisional profit and loss statement for the said three years |
| 08 | The firm should not have been blacklisted/debarred anytime during last 3 years | Self-declaration letter. |





| | | |
|----|--|--|
| | ending 31st March 2019 from participation in a tender floated by any central/state PSU including Security Printing and Minting Corporation of India Limited, New Delhi and Bharatiya Reserve Bank Note Mudran Private Limited, Bangalore or any state/central government department/institutes or any autonomous funded and/or controlled by any state/central government. | |
| 10 | The firm/partner associated should not be penalized for any disciplinary proceedings and no disciplinary proceedings should be pending against them as on the date of application. | Self-declaration letter. |
| 11 | The firm appointed as the internal auditor/Statutory Auditor of BNPMIPL as at end of 31 st March 2019 will not be eligible. | Self-declaration letter. |
| 12 | The tenderer should have valid PAN, TAN and GST Number | Self-certified copies of the documents. |
| | B. Partners Eligibility criteria | |
| 01 | Should possess minimum 5 years' experience in continuous practice after becoming FCA; | Certificate issued by the ICAI (self-certificate copy) |
| 02 | Should have minimum 5 years past industrial experience in manufacturing company / bank / insurance Company handling either F&A or Internal Audit; | Appointment letter/experience letter specifying the area of work and experience from the organisation last worked. |
| 03 | Should have qualification of DISA/CISA certified by ICAI/ISACA; | Certificate of DISA/CISA issued by the respective institute – self certified |
| 04 | Should possess post qualification diploma/certification in Internal audit or in forensic audit and fraud detection from ICAI/IIA | Certificate post qualification diploma/certification in Internal audit or in forensic |



| | | |
|----|--|---|
| | | audit and fraud detection issued by the respective institute |
| 05 | Should be proficient in handling direct tax/indirect tax at the appellate/tribunal level | A brief of the case represented and the outcome. |
| 06 | Should have experience in ERP based audit/working such as SAP/Oracle etc., | Self- certified credentials briefing the area, size and nature of implementation. |
| 07 | Should be CMA/CS in addition to CA | Certificate issued by respective institutes- self certificate. |
| 08 | Disclosure of Partners/firm relationship, if any, to any director/KMP of the company. | Self-declaration letter. |





Annexure I

Bid forwarding letter – Specimen

Date:

To,

The Deputy General Manager
Bank Note Paper Mill India Private Limited
Administrative Building, Entry Gate1,
Paper Mill Compound,
Note Mudran Nagar, Mysuru-570003

Dear Sir,

Sub: Submission of techno commercial bid/Financial bid

Ref: Tender No. 441

With reference the above we _____ (name of the bidder) hereby submit our bid as under:

1. We have prepared and submitted the bid strictly as per the format and instruction given in the tender document.
2. Techno commercial bid and price bid have been submitted in separate sealed envelopes duly super scribing techno commercial and price bid and both the sealed envelope have been put in third envelop super scribing tender for Assessment of Finance, Accounts & Budgeting Manual.
3. The price bid is submitted un-conditionally i.e. without any condition and strictly as per the price bid format.
4. Techno-commercial bid is not having any mention of the price.
5. We perused the scope, objective as given in Section 3 & 4 including notes appended and confirm that, our bid is submitted with reference to the above scope and quantum of work





6. We accept unconditionally the general terms and condition as prescribed in Section 05 the tender.
7. We meet the eligibility criteria as under:
 - a. We are partnership firm/LLP of Chartered Accountants.
 - b. We are in continuous practice of doing statutory and/or internal audit of companies/firms and institutions for a period of _____ years ending 31st March 2019
 - c. We have _____years of existence in practice.
 - d. We have _____ no of paid assistance/semi qualified assistance working in our firm.
 - e. We have conducted at least _____ no's of Statutory audit/statutory branch audit of public sector company/public sector banks during the last three years ending 31st March, 2019. (Copy of appointment/engagement letter)
 - f. We have not been blacklisted/debarred anytime during last 3 years ending 31st March 2019 from participation in a tender floated by any central/state PSU including Security Printing and Minting Corporation of India Limited, New Delhi and Bharatiya Reserve Bank Note Mudran Private Limited, Bangalore or any state/central government department/institutes or any autonomous funded and/or controlled by any state/central government.
 - g. Our average annual turnover for 2016-17, 2017-18, 2018-19 is Rs._____ (Audited/ provisional profit and loss account is attached herewith for all the three years)
 - h. We have not been penalized for any disciplinary proceedings and no disciplinary proceedings are pending against me/us as on the date of application.
 - i. We are not the statutory auditors of the company.
 - j. We are not the internal auditors of the company for the period ending 31st March 2019.
 - k. We attach herewith the self-certified valid PAN, TAN & GST certificates.
 - l. We attach the following to meet the partners eligibility criteria:





| Sl no | Eligibility criteria | Remark from the bidder | Self-certified Documents attached |
|-------|--|------------------------|--|
| 01 | The firm/LLP should have at least 3 full time partners in practice (if it is a partnership firm/LLP). Out of Which at least one partner | | Certificate issued by the ICAI (self-certificate copy) |
| 02 | Should possess minimum 5 years' experience in continuous practice after becoming FCA; | | Appointment letter/experience letter specifying the area of work and experience from the organisation last worked. |
| 03 | Should have minimum 5 years past industrial experience in manufacturing / bank / insurance Company handling either F&A or Internal Audit; | | Certificate of DISA/CISA issued by the respective institute – self certified |
| 04 | Should have qualification of DISA/CISA certified by ICAI/ISACA; | | Certificate post qualification diploma/certification in Internal audit or in forensic audit and fraud detection issued by the respective institute |



| | | | |
|----|--|--|---|
| 05 | Should possess post qualification diploma/certification in Internal audit or in forensic audit and fraud detection from ICAI/IIA | | A brief of the case represented and the outcome. |
| 06 | Should be proficient in handling direct tax/indirect tax at the appellate/tribunal level | | Self- certified credentials briefing the area, size and nature of implementation. |
| 07 | Should have experience in ERP solution implementation such as SAP/Oracle etc., | | Certificate issued by respective institutes- self certificate. |
| 08 | Should be CMA/CS in addition to CA | | Certificate issued by the ICAI (self- certificate copy) |
| | Disclosure of Partners/firm relationship, if any, to any director/KMP of the company. | | Self-declaration letter. |

For _____

(Name of the signatory)

Partner





Annexure II

Brief Profile of the bidder

Status of the Firm*

Partnership

LLP

* Please tick whichever is applicable.

1. a. Name of the Firm (in CAPITAL letters) _____

b. Address of the Head Office / Branch Offices _____

(Please also give telephone no. and
e-mail address)

c. Permanent Account Number

d. GST Registration No.

2. ICAI Registration No.

Region Name.

Region Code No.

(Please attach the copy of the Firm's constitution Certificate issued by ICAI)

3. Empanelment number with C & AG of India

(Please attach a copy) – If Any

4. Full-time Partners

as on 31st March 2019.

(Please provide details in the table below)

| Sl. No | Name of the partners / Qualified employees or associates (full time) | Membership No. | Years of Experience in practice as on 31.03.2019 |
|--------|--|----------------|--|
| 1 | | | |
| 2 | | | |
| 3 | | | |





5. Number of Part time Partners if any, as on 31.03.2019 _____

6. Number of audit staff employed full time with the firm as on 31.03.2019.

| | |
|---|--|
| a. Articles / Audit Clerks | |
| b. Other Audit Staff (with knowledge of Book Keeping and Accountancy) | |
| c. Other Professional Staff (please specify) | |

7. Whether the firm has carried out any internal / statutory audit of company during project construction/ Implementation stage.
(if Yes please give details on a separate sheet)

8. Are there any court / arbitration / legal case (s) pending Yes / No
Against the firm (if yes, give a brief note of the Cases indicating its present status)

9. Brief profile of the partners are attached herewith along with the firm profile.

(Signature of Partner / LLP)
Of the firm with membership no. and seal

List of Annexure:

1. _____
2. _____
3. _____

