



BHARAT ELECTRONICS LIMITED
(A GOVERNMENT OF INDIA ENTERPRISE, MINISTRY OF DEFENCE)

REQUEST FOR QUOTATION (RFQ)

FOR

APPOINTMENT OF SECRETARIAL AUDITOR FOR THE FINANCIAL YEAR 2018-19

BHARAT ELECTRONICS LIMITED

NAGAVARA, OUTER RING ROAD, BENGALURU - 560045, INDIA

CIN:L32309KA1954GOI000787, www.bel-india.in

PHONE NO:+91-80-25039300, FAX:+91-80-25039266

Open Tender No. SEC/2018-19/1/R

Date: 5th November, 2018

REQUEST FOR QUOTATION (RFQ)

Preamble:

Sealed tenders under TWO – Bid System (Techno-commercial & Price Bid) are invited on behalf of **Bharat Electronics Limited (BEL)** for appointment of Secretarial Auditor for conducting “Secretarial Audit” as per the provisions of Companies Act, 2013 and as per the attached tender documents.

Introduction about Bharat Electronics Limited:

M/s Bharat Electronics Limited is a Public Sector Undertaking, set up at Bengaluru in the year 1954 under the Ministry of Defence (presently having a paid-up capital of ₹ 240 Crores) and has been conferred "Navaratna Status". Bharat Electronics Limited (BEL) has grown into India's foremost Defence Electronics Company. BEL is a multi-product, multi-technology, multi-unit conglomerate with over 350 products in the areas of Military Communications, Radars, Naval Systems, C4I Systems, Weapon Systems, Homeland Security, Telecom and Broadcast Systems, Electronics Warfare, Tank Electronics, Electro-Optic, Professional Electronic Components and Solar Photovoltaic Systems. BEL also provides turnkey system solutions. Civilian products from BEL include Electronic Voting Machines, Tablet PC, Solar Traffic Signals and Access Control Systems.

BEL's customers include the Army, Navy, Air Force, Paramilitary, Coast Guard, Police, Doordarshan, All India Radio, Department of Telecommunications and consumers of professional electronic components.

The Company's shares are listed in BSE & NSE and the turnover of the Company for the Financial Year 2017-18 is ₹ 10,084 Crores.

Pre-Qualification Criteria:

Firms satisfying the following criteria are only be eligible for applying against the Request for Quotation:

1. Practicing Company Secretary Firm should have office in Bengaluru. Lead Partner/ Proprietor/ Individual, under whose supervision the Secretarial Audit of BEL will be carried out should be based in Bengaluru.
2. Practicing Company Secretary Firm should not have been debarred/disqualified/black listed by any regulator/ PSUs/ statutory body or Government entity or any International/ National agency for corrupt or fraudulent practices. Self-declaration in this regard is to be submitted.

Tender details are given below:

Tender No.	SEC/2018-19/1/R
Description of Work	Appointment of Practicing Company Secretary Firm as Secretarial Auditor for conducting Secretarial Audit as per the provisions of Companies Act, 2013.
Scope of Work	The Detailed Scope of work is enclosed herewith at 'Annexure-1'.
Tender Category	Open Tender-Services.
Period of Audit	Initially the period of appointment will be for the financial year 2018-19, which may further be extended to next three financial years at the same rate and same terms and conditions on the basis of satisfactory performance after review at each year with the approval of competent authority.
Duration of Assignment	The Secretarial Audit shall be completed within 45 days from the end of respective financial year.
Tender Originating Location	"Bengaluru"
Bidding Schedule	<ol style="list-style-type: none"> I. Date of uploading RFQ on BEL's website – 5th November, 2018. II. Last date & time of receipt of RFQ (Techno-commercial & Price Bid) in physical form: at 05:00 p.m. on 19th November, 2018. III. Date & Time of Opening of Techno-commercial Bids: at 10:00 a.m. on 20th November, 2018. IV. Date & Time of Opening of Financial Bids: at 12:30 p.m. on 20th November, 2018.
Place of submission of tender	BEL Registered and Corporate Office, Nagavara, Outer Ring Road, Bengaluru-560045.
Person to whom to be submitted	The quote shall be submitted in two separate sealed envelopes (i.e., Techno-commercial Bid and Price Bid's separately) and addressed to : Company Secretary, BEL Corporate Office, Nagavara, Outer Ring Road, Bengaluru-560045.

	The envelope's shall be super scribed with the words "Quote against Tender No SEC/2018-19/1/R".
Place of Opening of tender	BEL Corporate Office, Nagavara, Outer Ring Road, Bengaluru-560045.
Bid Validity	60 days from the last date of submission of Price-Bid. BEL may solicit the bidder's consent to an extension of the period of bid validity. A bidder will neither be required nor permitted to modify its bid, while confirming extension of bid validity. A bidder may refuse the request, in which case, the bid shall be considered as withdrawn.
Criteria	1) Techno-commercial bid :- Refer Annexure-2 2) Price bid :- Refer Annexure-3 (Also refer pre-qualification criteria) <u>Documentary proof of the Techno-commercial eligibility criteria should be submitted along with the Bids, failing which the Bids will be rejected.</u>
Declarations to be Submitted	Declaration as per Annexure 2A shall be submitted as a Techno-commercial bid, failing which bid will be rejected.
Evaluation of bids	1. Bids of firms who do not satisfy pre-qualification criteria will be rejected. 2. Techno-commercial bid of firms meeting Pre-Qualification criteria will only be evaluated. 3. Price Bid of firms which are Technically qualified as per the Techno-commercial bid will only be opened. 4. The firm whose price quote is lowest will qualify as L1 bidder. 5. In case of tie as per point 4 above, a firm with a higher number of Secretarial Audit assignments shall be selected. In case a tie still persists, BEL management shall choose the firm at its discretion and the decision of BEL shall be final and binding on all the bidders.

Verification of Bid Documents	BEL reserves the right to verify/confirm all original documentary evidence, references submitted by the bidder in support of above mentioned clauses of pre-qualification and Techno-commercial bid. Failure to produce the same within the period as and when required and notified in writing by BEL shall result in summary rejection of the bids and/or termination of the contract with imposition of the contract clauses/penal action on the bidder by the BEL as may be due on the award of the contract and/or during the contract period extended or otherwise provided that the bidder is the successful bidder and has been awarded the contract as per the terms and conditions laid out in this tender document.
Clarification of Bids	<ol style="list-style-type: none"> 1. During evaluation of the bids, BEL may at its discretion, ask the Bidder for clarification of its bid. The bidder has to submit the clarification as desired by BEL within the specified time period. The request for clarification and the response shall be in writing and no change in price or substance of the bid shall be sought, offered or permitted. 2. No Bidder shall contact BEL on any matter relating to its bid, from the time of the bid opening to the time the contract is awarded. If the Bidder wishes to bring additional information to the notice of the BEL, it should be done in writing. 3. Any effort by a Bidder to influence BEL in its decisions on bid evaluation, bid comparison or contract award decisions may result in rejection of the bid and BEL will declare the firm ineligible, for a stated period of time from participation in future RFQs/tenders of BEL. 4. Unsolicited clarification to the Bid and/or change in price during its validity period would render the Bid liable for outright rejection.
Appointment of Secretarial Auditor	The appointment of L1 firm as "Secretarial Auditor" is subject to approval of the Board of Directors in each financial year.

Secretarial Audit Fee	The Secretarial Audit fee payable is subject to following: i) Approval by the Board of Directors of the Company each year.
Payment Terms	i) 100% Payment will be released within 45 days from the date of submission of bill(s) by the PCS/Firms after issuance of Secretarial Audit Report. ii) Payments shall be subject to deductions of TDS (Tax deduction at Source) as applicable. iii) All Payments shall be made in Indian Rupees only. iv) No Advance Payment will be made by the Company on any account. v) Price shall be deemed to be inclusive of all software, tools, utilities, patches, upgrades, accessories, equipment etc.
List of Subsidiary and Associate Companies	List of Subsidiary and Associate Companies are given at Annexure-4 .
List of Locations	List of Units of the BEL are given at Annexure-5
Other Details	1. Offers/bids in form of Telex/ Telegraphic / Fax/ Email/ Xerox/ Photo copy or offers/ Bids with scanned signature and Original bids which are not signed manually shall be rejected. 2. The parties who may seek detailed clarifications on the terms & conditions of Tender, shall submit the same in writing to the Company Secretary, BEL Corporate Office, Nagavara, Outer Ring Road, Bengaluru -560 045. The queries should reach us on or before 5:00 PM 14.11.2018 by email (sreenivass@bel.co.in). Contact Number: 080-25039266, Fax No. 080-25039266. Bidders are advised to refer our website: www.bel-india.in , in connection with clarification if any, posted in respect of the RFQ. 3. Bids must be submitted on or before the date and time mentioned in tender details at BEL Corporate

	<p>Office, Nagavara, Outer Ring Road, Bengaluru-560 045. Those bidders who intend to send their offers by post may send the same under registered post / courier so as to reach the designated place well before closing time and date. However, BEL accepts no responsibility for offers received after the due date and time.</p> <p>4. Techno-commercial Bids and Price Bid's will be opened on 20th November, 2018 at 10:00 am and 20th November, 2018 at 12:30 pm respectively, at Corporate Office of BEL. In case of an unscheduled holiday being declared in Bengaluru on the prescribed closing / opening day of the Bid, the next working day will be treated as the scheduled prescribed day of closing / opening of the Bid.</p> <p>5. <u>Disclaimer</u>: BEL reserves its right to accept/reject any/all the Bids or cancel the RFQ at its sole discretion without assigning any reason whatsoever.</p> <p>6. In case any information furnished by the Bidder is found to be incorrect/false later on after opening of bids then their Bid will be rejected and the Bidder may be debarred for next three years.</p>
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For Bharat Electronics Limited

**Sd/-
S Sreenivas
Company Secretary**

Enclosures:

- 1) Annexure-1: Scope of Work & General Terms and Conditions
- 2) Annexure-2: Techno-Commercial Bid
- 3) Annexure-2A: Declarations to be submitted
- 4) Annexure-3: Price Bid (Price bid format)
- 5) Annexure-4: List of Subsidiary and Associate Companies
- 6) Annexure-5: Location of Units

Annexure-1**Scope of Work and General Terms & Conditions****1. Scope of Work**

To Carry out Secretarial Audit of the Company in accordance with the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 as amended from time to time. Secretarial Audit shall be in adherence to the relevant notifications/clarifications issued by Ministry of Corporate Affairs, Govt. of India, the guidance note on Secretarial Audit issued by the Institute of Company Secretaries of India, from time to time and Secretarial Standards (if so issued during the course of audit).

The broad scope of Secretarial Audit includes verification of the compliances under the following enactment, rules, regulations and guidelines:-

1. The Companies Act, 1956 and the rules made thereunder or the Companies Act, 2013 & the rules made thereunder, as may be applicable;
2. Secretarial Standards issued by Institute of Company Secretaries of India;
3. The Memorandum of Association and Articles of Association of the Company;
4. The DPE Guidelines issued by Department of Public Enterprises, Government of India;
5. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
6. The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
7. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;
8. Compliance to the following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):-
 - (i) The Securities and Exchange Board of India (listing Obligations and Disclosure Requirements) Regulations, 2015;
 - (ii) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (iii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (iv) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (v) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (vi) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (vii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (viii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

9. Any other laws/regulations as may be applicable specifically to the company;
10. Any other Act/laws/ regulations as may be applicable or notified from time to time by the Competent Authority.
11. Any other specific activity as may be advised by the Audit Committee/ Board/ Regulator(s)/ Govt./Management of BEL etc., from time to time.

2. General Terms & Conditions

- i) The Audit Firm shall not assign or sub-let the whole or any portion or portions of the Secretarial Audit or allow any person to become interested therein in any manner whatsoever without the prior written approval of the Company.
- ii) **Secrecy Clause** :The Tenderer shall at all times use it's reasonable endeavors' to keep the BEL's confidential information confidential and accordingly not disclose any such confidential information to any other person other than for the performance of it's obligations under the agreement. The Tenderer shall indemnify and / or undertake that the confidential information, acquired by it during operation and/or implementation of the contract, shall not be divulged to any other firm and shall continue to apply even after expiry and/or termination of appointment.

In this connection, the appointed firm shall be required to sign a Non-Disclosure Agreement with BEL.

- iii) Submission of tender by the Tenderer implies that he has read the instructions and all other contract documents and has made himself aware of the scope of the contract.
- iv) All the pages of the tender documents submitted are to be signed and seal of the firm affixed.
- v) **Arbitration**: Any disputes, difference controversies/ difference of opinions, breach and violation arising from or related to this agreement/contract/work order etc. between the parties shall be resolved by mutual discussion/reconciliation in good faith. If disputes, difference controversies/difference of opinions, breach and violation arising from or related to this agreement/contract/work order etc. cannot be resolved within 30 days of commencement of reconciliations/ discussions then the matter shall be referred to the Sole arbitrator, nominated by Chairman and Managing Director of BEL for this purpose and his decision shall be final and binding on both the parties. There will be no objection to any such appointment on the grounds that the Arbitrator is an employee of BEL and no appeal on any order passed by the Arbitrator for this purpose shall be filed in any Court of Law on such ground.

Annexure-2

Techno-Commercial Bid

A) Qualitative Criteria

Qualitative Criteria for selection of Secretarial Auditor

1. The Lead Partner/Proprietor/Individual, under whose supervision the Secretarial Audit of BEL will be carried out, should have minimum Post Qualification (Company Secretary) Experience of 10 years, out of which minimum 7 years should be in full time practice. The cut-off date for ascertaining experience will be 31.10.2018. (Attach CVs etc.)
2. The Practising Company Secretary/ Firm should have conducted Secretarial Audit of at least two Listed Companies, among which at least one Company should be having paid up Capital of ₹ 100 Crores or more and annual turnover of ₹ 3,000 Crores or more, in last two financial years. Preference will be given to the Practising Company Secretary/ Firm(s) which has Listed Public Sector Undertakings (PSUs) as its clients (Attach Copies of appointment letter / Work orders/ contracts along with Annual Reports etc.)
3. Practising Company Secretary Firm should have minimum two active partners in full time practice or the PCS should have minimum two full time employees, who are qualified Company Secretaries. (Attach CVs etc.)
4. The PCS/ Firm should have a minimum Average Annual Turnover of ₹ 30 Lakhs from practice, during the last three financial years of 2015-16, 2016-2017 and 2017-18. (Attach copy of audited financial statements/ ITRs/ CA certificate etc.)
5. The Applicant should not have been penalized by the ICSI/MCA/ROC or any other Government Authority in any Disciplinary Proceedings during last 5 years. Self-declaration in this regard is to be submitted.

Note:

The Practising Company Secretary/ Firm meeting at least 4 of the above Qualitative Criteria (with Sl. No. 2 & 5 mandatory), will be technically qualified and its Price Bid will be opened. Undertaking for subsequent submission of any of the above documents will not be entertained under any circumstances.

Annexure-2A

Declarations to be submitted

Declaration:

We hereby certify that:

- a. We do not suffer from any disqualification as specified inter-alia under the provisions of the Companies Act, 2013.
- b. We are an independent firm of the Practising Company Secretaries and are at arm's length relationship with the company.
- c. The partners of the firm are holding Certificate of Practice issued by the Institute of Company Secretaries of India and are in whole time practice.
- d. There are no order(s) or proceeding(s) which are pending against our firm or any of our partner(s) relating to professional matters of conduct before the Institute of Company Secretaries of India or any competent authority or any court.
- e. We are aware that any false information provided herein will make our appointment as Secretarial Auditor (if appointed) liable for termination.
- f. The firm and/or partners of the firm have not been debarred/disqualified/black listed by any regulator/ statutory body or Government entity or any International/ National agency for corrupt or fraudulent practices.
- g. The firm and/or the partners of the firm have not been penalized by the ICSI/MCA/ROC any other Government Authority in any Disciplinary Proceedings during last 5 years.

I/We, _____ Partner of the Firm _____, hereby declare that the above information furnished is true & correct to the best of my knowledge and belief.

On behalf of Practising Company Secretaries Firm

Signature with seal of the firm

Date:

Place:

Annexure-3

Price BidPrice Bid Format

(Amount in ₹)

Services/Activity	Audit Fee	Out of Pocket Expenses	Total Cost	
			In figure	In words
Appointment as Secretarial Auditor for the Financial Year 2018-19.				

Conditions related to the price format:

1. The price quoted above shall be for complete scope of work inclusive of out of pocket expenses. **The price quoted should be exclusive of GST and other applicable taxes, if any.**
2. The prices must be quoted strictly as per price format in Indian Rupees. All payments will be made against invoice in Indian rupees only.
3. The evaluation of bids will be done on the Total Price as quoted in Price Bid format (i.e. Audit fee plus out of pocket expenses).
4. BEL reserves the right to continue or discontinue the work at any stage and payment will be restricted up to the last activity satisfactorily completed. The decision of BEL with regard to assessment for completion of activities/stages shall be final.
5. The above prices are firm and inclusive of all expenses (but excluding taxes).
6. Bidders shall quote their prices/rates in firm figures and without any qualifications. Each figure stated shall also be repeated in words and in the event of a discrepancy between the amount stated in figures and words, the rates quoted in words shall be deemed to be the correct amount. Tenders containing qualifying expressions such as "free" etc. will not be considered.
7. If there is any discrepancy between total and its break-up, the break-up will be taken as correct amount and the total of break up will be considered for evaluation.

Offer's shall be rejected if,

- (a) Offers which do not confirm unconditional validity of the bid for 60 days from the date of opening of Price Bid; or
- (b) Offers where prices are not firm during the entire duration of the contract and/or with any qualifications; or
- (c) Offers which do not conform to BEL price bid format; or
- (d) Offers not accompanied with a copy of valid GST registration certificate.

Annexure-4

List of Subsidiary and Associate Companies:

SL. No	Name and address of the Company	CIN/GLN	Holding/ subsidiary / Associate	% of shares held by BEL
1	GE BE Private Limited No. 60, Export promotion industrial park, Whitefield, Bengaluru-560066.	U31909KA1996PTC020482	Associate	26
2	BEL Optronics Devices Limited EL 30 J Block MIDC, Bhosari, Pune-411026.	U32100PN1990GOI058096	Subsidiary (wholly owned)	100
3	BEL-Thales Systems Limited CNP Area, BEL Industrial Estate, Jalahalli, Bengaluru-5600013.	U32106KA2014GOI076102	Subsidiary	74
4	Defence Innovation Organisation Centre for Learning and Development Bharat Electronics Limited, Jalahalli Bengaluru – 560013.	U73100KA2017NPL102118	Associate	50

Annexure-5

Locations:

A. Registered and Corporate Office:

Bengaluru
Bharat Electronics Limited,
Corporate Office, Outer Ring Road,
Nagavara, Bengaluru - 560045, Karnataka

B. Units of BEL:

- I. Bengaluru
Bangalore Complex,
Bharat Electronics Limited,
Jalahalli Post, Bengaluru - 560013, Karnataka.
- II. Chennai,
Bharat Electronics Limited,
Post Box No.981, Nandambakkam,
Chennai - 600089, Tamil Nadu.
- III. Ghaziabad,
Bharat Electronics Limited,
Site IV, Sahibabad Indl Area,
Bharat Nagar Post, Ghaziabad - 201010, Uttar Pradesh.
- IV. Hyderabad,
Bharat Electronics Limited,
Industrial Estate, Nacharam,
Hyderabad - 500076, Telangana.
- V. Kotdwara,
Bharat Electronics Limited,
Dist. Pauri Garhwal,
Kotdwara - 246149, Uttarakhand.
- VI. Machilipatnam,
Bharat Electronics Limited,
Post Box No.26, Ravindranath Tagore Road,
Machilipatnam - 521001, Andhra Pradesh.

- VII. Navi Mumbai,
Bharat Electronics Limited,
Plot No. L-1, M.I.D.C Industrial Area,
Taloja, Navi Mumbai - 410208, Maharashtra.
- VIII. Panchkula,
Bharat Electronics Limited,
Plot No.405, Industrial Area, Phase III,
Panchkula - 134113, Haryana.
- IX. Pune,
Bharat Electronics Limited,
NDA Road, Pashan,
Pune - 411021, Maharashtra.