

Annexure-I

NATIONAL ALUMINIUM COMPANY LIMITED (A Govt. of India Undertaking)

No. NALCO/PHY VER/RFP/2025

Dated: 25/11/2025

NOTICE INVITING REQUEST FOR PROPOSAL (RFP) FOR EMPANELMENT/APPOINTMENT OF CHARTERED ACCOUNTANT / COST ACCOUNTANT FIRMS FOR CONDUCTING PHYSICAL VERIFICATION OF STOCK OF STORES/ SPARE PARTS, RAW MATERIALS, FINISHED PRODUCTS AND MOVABLE ASSETS.

National Aluminium Company Limited (NALCO) is a Navratna CPSE under administrative control of Ministry of Mines, Govt. of India. It is looking for reputed and experienced Chartered / Cost Accountant Firms/LLPs for physical verification of Stock of Stores/Spares Parts, Raw-materials, Finished products and Movable assets for 3 years (annual renewal subject to satisfactory performance) at our various locations.

The detailed document for RFP consisting Scope of work, Selection Criteria, terms & conditions and schedule of fees etc are available on the websites: www.nalcoindia.co.in / www.icmai.in / www.pdcai.org which can be downloaded.

Considering that our geographical areas of operation are primarily situated in the Odisha and Vishakhapatnam (Andhra Pradesh), for administrative convenience and smooth auditing, the Chartered Accountant / Cost Accountant firms having their headquarters in Odisha & Vishakhapatnam would be considered for the physical verification assignments at our Corporate Office, S&P Complex and M&R Complex/Port facility.

Interested CA/CMA firms/LLPs having requisite qualification and experience may send their offer on following address in an envelope superscribing “*Appointment / Empanelment Firms for conducting Physical Verification for 2026*”, latest by **15th December’ 2025 at 05.00 pm.**

Bids received after the scheduled date shall not be considered.

Address for Correspondence

G. B. Pradhan
DGM (Finance), National Aluminium Company Ltd.,
NALCO Bhawan, P-1, Nayapalli,
Bhubaneswar-751013.
Email: gagan.pradhan@nalcoindia.co.in

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FORMAT OF APPLICATION

1. (a) Name of the Partnership

Firm / LLP:

(b) Registration of the Institute:
India /

Institute of Chartered Accountants of

Institute of Cost Accountants of India

(c) Type of Partnership Firm:

Partnership Firm / LLP

(d) Registration No. of the Partnership Firm / LLP:

(e) Date from which continuing as
Partnership Firm/ Registration of
LLP firm (whichever is earlier):

2. Details of Head Office & Branch -Head

Office:

Address	State / UT of Head Office of Audit Partnership Firm/ LLP	Contact No(s)/Fax/ Mobile No.	E-mail

Branch Office 1

Address	State / UT of Head Office of Audit Partnership Firm/ LLP	Contact No(s)/Fax/ Mobile No.	E-mail

Branch Office 2

Address	State / UT of Head Office of Audit Partnership Firm/ LLP	Contact No(s)/Fax/ Mobile No.	E-mail

[Insert further Branch Office(s), if any]

3. Details of Partners in the Partnership Firm/Limited Liability Partnership:

Sl. No	Name of the Partner	Membership No.	Membership Status ACA/ ACMA/FCA/ FCMA	Date of joining the Partnership Firm /LLP as partner
a.				
b.				
c.				
d.				

4. Details of Qualified / Semi-qualified Assistants:

Sl.No.	Name of the Qualified/Semi-qualified Assistant	Membership No. / Pass Certificate No./ Mark-sheet No.	Whether Qualified/ Semi-qualified Chartered/ Cost Accountant	Date of joining the Partnership Firm /LLP as Qualified Assistant/ Semi-qualified Assistant
a.				
b.				
c.				
d.				

5. Details of Physical verification audit Experience in any listed company from FY: 2015-16 to 2024-25:

Sl. No.	Name of the Company	Details of Assignment	Period of Assignment	Aggregated value of Net tangible Fixed Asset excluding land & building plus Inventory as at 31 st March of respective FY (Rs Crore)
a.				
b.				
c.				
d.				
e.				

6. Income Tax PAN of the Partnership Firm / LLP :

7. GST Registration No.:

8. Bank details:

a.	Bank Name	
b.	Branch Name, Address & Branch Code	
c.	Type of account- Saving/ Current	
d.	Bank Account Number	
e.	IFSC Code No. of the Bank	

9. Declaration

- a. We hereby confirm that all terms & conditions as specified in the RFP and annexures thereto have been accepted by us.
- b. This is to certify that all the information given above are accurate and any misstatement will be liable for rejection of our participation in RFP and blacklisting by NALCO as per Company's procedure.

Signature of Partner with Name & Seal of the
Audit Partnership Firm / LLP
Membership No. of Signing Partner

General conditions:

- i. Considering that our geographical areas of operation are primarily situated in the Odisha and Vishakhapatnam (Andhra Pradesh), for administrative convenience and smooth auditing, the Chartered Accountant / Cost Accountant firms having their headquarters in Odisha and Vishakhapatnam would be considered for the physical verification assignments at our Corporate Office, S&P Complex and M&R Complex/ Port facility.
- ii. The CA/CMA firms / LLPs shall be eligible to submit the bid on satisfying the following conditions:
 - The Firm should have completed at least one physical verification assignment of any listed companies having net tangible fixed asset (excluding land & building) and inventories with combined minimum value Rs.1000 crores in any financial year from FY 2015-16 to 2024-25 during the course of the assignment.
 - Assignment means completed assignment of physical verification of fixed assets and raw materials/stores & spare irrespective of length of duration of work order.
 - Any renewal of original work order shall be treated as part of same single assignment.
- iii. The self-attested documents may be submitted before the bid submission date. The RFP should be unconditional. Conditional RFP shall be out rightly rejected.
- iv. NALCO shall not compensate in any manner for the expenses incurred in connection with preparation and submission of RFP.
- v. The CA/CMA firms / LLPs who have been assigned the work of Statutory Audit/Internal Audit/ Physical Verification of Fixed Assets and Inventories under CARO in NALCO during the period ending Sep'2025, shall not be considered for current RFP. Moreover, there should be a holiday period of 1 year as on 30.09.2025 for previous auditors.
- vi. We are in the process of finalising four internal auditors wef Jan'2026 separately. In the event of completion of above process, the selected internal auditors would not be considered for Physical verification assignment against the extant RFP.
- vii. One Audit firm / LLP shall be assigned Physical verification assignment for any one of the grouped Audit units (as Zone) as mentioned in **Annexure-C**, i.e. there would be 2 separate physical verification auditors for the Zone-1 and Zone-2.

- viii. The Company reserves its right to accept or reject any application without assigning any reasons. The decision of the Company for award of current assignment/empanelment of the Firms / LLPs will be final and binding upon the participating parties.
- ix. The Physical verification auditor shall ensure that the information obtained during conduct of physical verification audit or otherwise in respect of the any Office/Unit of NALCO is maintained in strict confidence and secrecy. A Non-Disclosure Agreement (NDA) towards maintaining confidentiality is to be executed between NALCO and the Physical verification auditor at the time of acceptance of Audit assignment.
- x. The empanelment of the Audit Firms / LLPs shall be for three years w.e.f. January'2026, and appointment of the firms / LLPs shall be on yearly basis, subject to satisfactory performance of the respective firms / LLPs.
- xi. If progress/performance of the audit Firm / LLP is not found satisfactory, NALCO reserves the right to terminate the appointment of the firms / LLPs, without assigning any reason whatsoever. In the event of vacancy of auditing works due to withdrawal/revocation of the assignment during 3 years period of Jan'2026 to Dec'2028, next auditor would be selected from the empanelled list for the balance period at the prevailing fees.
- xii. NALCO reserves the right to debar any Audit Firm / LLP from getting Physical verification auditor assignments in NALCO in the following circumstances:
 - a) If the firm / LLP obtains the appointment on the basis of false information/false statement at the time of submission of application/documents for the RFP.
 - b) In case the CA Firm /CMA Firm / LLP is debarred by the respective Institute for any reason.
 - c) The firm / LLP is found to have sub-contracted the work.
 - d) If the firm / LLP does not take up audit in terms of the appointment letter or does not complete the assigned audit.
 - e) If the firm / LLP does not submit Audit Report, complete in all respect, in terms of the appointment and within the specified date.
 - f) As per related provisions of Companies Act, 2013.
- xiii. Two separate firms would be chosen for physical verification assignment of two audit zones against the extant tender,
- xiv. Query/clarification if any may be forwarded in the following mail address:
gagan.pradhan@nalcoindia.co.in

Instruction to Audit Firms/LLPs

(A) Instructions for Filling the Application

1. The Email will be used for all the correspondences and hence, the parties may ensure that the active email must be mentioned.
2. Application must be received on or before due date of submission, complete in all respect. Incomplete applications will be liable for rejection without assigning any reasons therefor.
3. Based on Application submitted by each Firm, shortlisting will be done as per methodology mentioned in **Annexure-D** of RFP. Hence, the interested parties may ensure submission of all the details accurately and complete in all respect.

(B) Instructions for submitting of Documents

Interested audit Firms / LLPs are advised to go through contents of the RFP documents carefully and submit all self-attested copies of the documents in proper sequence along with the RFPs as described below:

1. Registration certificate of the Partnership Firms / LLPs issued by the Institute of Chartered Accountants of India / Institute of Cost Accountants of India. Information related to registration of Institute, type of partnership firm/LLP, registration number of partnership firm/LLP, date from which continuing as partnership firm/LLP, Head Office & Branch Office(s) addresses, details of Partners, their Membership numbers, date of joining, etc as indicated in the Certificate will be treated as conclusive and final information for evaluation of RFP.
2. In respect of Partners, Certificates of ACA/ACMA/FCA/FCMA may be attached as issued by Institute of Chartered Accountants of India / Institute of Cost Accountants of India.
3. Membership Card/ Identity Card / Membership certificates / Final Pass Certificate of the Qualified/ Semi-qualified Assistants issued by the Institute of Chartered Accountants of India / Institute of Cost Accountants of India.

4. Copy of the Joining Certificates issued by the Firm / LLP on their Letter-head, duly sealed and signed, which shall further be counter-signed by each Qualified / Semi-qualified Assistant.
5. Copy of Appointment letter to the Firm/LLP and Performance certificate by the respective auditee companies along with copy of relevant extract of balance sheet showing net value of fixed assets and inventory of financial year for substantiating the experience as Physical verification auditor against each of the listed companies.
6. Copy of PAN Card.
7. Copy of GST Registration.
8. A cancelled cheque of the Bank account in which the Audit Fee payments will be made in case of appointment.
9. All submitted documents must be signed by a Partner with his name and under the seal of the Firm / LLP.

Scope & Terms and Conditions**1. Places of Physical verification and fee:**

- (i) Corporate Office, Bhubaneswar, Odisha
- (ii) Bauxite Mines (Panchpatmali), Koraput, Odisha
- (iii) Pottangi Bauxite Mines, Koraput, Odisha
- (iv) Alumina Refinery Plant, Koraput, Odisha
- (v) Captive Power Plant (CPP) including Lean Slurry Project, Angul, Odisha
- (vi) Coal Mines Division, Angul, Odisha
- (vii) Smelter Plant, Angul, Odisha
- (viii) Port Office, Vishakhapatnam, Andhra Pradesh

Note : Above Units have been grouped under 2 different Zones keeping in view the volume of work and the geographical locations. Separate physical verification assignments would be awarded against each Zone and only one Zone-wise Auditor would be considered during next verification period of 3 years wef Jan'2026, i.e. there would be 2 Physical verifies under the current RFP.

S.No.	Verification zone	Name of Units	Schedule of consolidated fee per annum (excl GST)
1	Zone-1	(i) Corporate Office, Bhubaneswar, Odisha (ii) Smelter- Angul, Odisha; (iii) CPP- Angul, Odisha; (iv) Coal Minies Dovision- Angul, Odisha;	Rs 7,20,000/- (Rupees Seven Lakh and Twenty Thousand only)
2	Zone-2	(i) Mines - Koraput, Odisha; (ii) Refinery; Koraput, Odisha (iii) Pottangi Mines - Koraput, Odisha (iv) Port Office - Vishakhapatnam, Andhra Pradesh	Rs 6,60,000/- (Rupees Six Lakh and Sixty Thousand only)

2. Tenure of Audit:

Initial appointment for one-year period from Jan'2026 to Dec'2026 with extension for further 2 years on annual renewal basis, subject to satisfactory performance, with a total of maximum 3 years.

3. Scope of Work:

3.1 The Company is working in a Computerised environment and maintains all its records in Computerised system viz. SAP ERP.

The assignment of physical verification covers physical verification of movable Fixed assets/

Stores, Raw materials, Finished goods and its reconciliation with Fixed Assets Register / Materials Ledger.

3.2 Following Points shall be covered by the appointed firm in its report in respect of Physical Verification of Fixed Assets and Store, Inventory, Raw material & Finished goods items.

a) In respect of Fixed Assets items:

- All movable assets are to be verified once in a year i.e as on 31st March.
- Reconciliation of physical quantities with Fixed Assets Register maintained by finance as well as Departmental Asset Register and shortage/excess of items.
- Reconciling with the Registration Certificates of vehicles.
- Insurance validity of movable assets including vehicles.
- Assets not supported by any record.
- Wrong classification of Assets.
- Comments on Action taken on previous year's Physical Verification Report.
- Any other activity relating to Physical verification of fixed asset.

b) In respect of Store/inventory/Raw material/Finished goods items:

- All the items of stores and spares including steel and cement are to be physically verified on a perpetual basis and each item is to be verified at least once in a year.
- The Monthly report of verification and reconciliation of stores and spares highlighting the progress of work to unit is to be submitted to unit Materials department/custodian of materials with a copy to Unit Finance and Corporate Finance Department. For A, B & C category items, quarterly reports are to be submitted to the management as per prescribed format.

A category – 70% of total consumption value in a year

B category – 20% of total consumption value in a year

C category – 10% of total consumption value in a year

- All raw materials, semi-finished, finished products, in-process materials, process scrap and scraps internally generated shall be verified four times in a year i.e. as on 30th June, 30th September, 31st December and 31st March. Such physical verification report of bulk material/raw materials indicating the discrepancies, if any, and the method of verification is to be submitted to concern HoD of the department or custodian with a copy to Unit Finance and Corporate Finance Department.
- Reconciliation of Book stock (SAP) vis-à-vis Bin Cards in respect of Stores and spares physically verified/ to be verified categorizing reports under class A, B & C.
- In compliance with CARO 2020, a separate report shall be submitted for each financial year ending date (31st March) clearly stating the item details and discrepancies, if any, for all those items whose discrepancies in aggregate, in value term, constitute 10% of the class of inventory to which it belongs.

- Identification of duplicate codes in the inventory and suggesting suitable rectification of the same.
 - Items of surplus spares and construction materials under expansion project not transferred to main plant for a period of more than 6 months from the date of commissioning / capitalization of the expansion project.
 - Shop floor stock at the Quarter ending day of all 4 calendar quarters, i.e as on 30th June/30th Sep/ 31st Dec/ 31st Mar.
 - Slow moving, non-moving, surplus, unserviceable items, obsolete items are identified.
 - All posting in respect of receipts, issues, adjustments etc. have been carried out in stock register.
 - Individual quantities and other particulars in respect of material received but GRNs are pending for posting.
 - The quantity of scraps lying in the store is to be ascertained and scraps available but not taken into books may be reported.
 - Existence of Proper arrangements for locking the stores and keeping the keys in safe custody.
 - Adequacy of arrangements for fire protection.
 - Adherence to guidelines for stocking of Inflammable stores/ storage of explosives.
 - Following of Calibration of scales and measurements at periodical intervals.
 - Wrong classification of stores.
 - Stores not supported by records.
 - Comments on Action taken on previous year's Physical Verification Report.
 - Comments on any other activity relating to Physical verification of Store/inventory/Ras material / Finished goods items.
- c) Such other assignment as deemed fit for discharging the function as stock verifier.

4.. Manpower:

Physical Verification audit team should consist of adequate number of qualified/semi-qualified assistants (CA/CMA) led by a partner of the Firm for the physical verification audit work of each Unit under respective Zone. The deployed persons should have adequate exposure in the field of stock verification of the company equivalent to Nalco and exposure of working in ERP environment.

- (i) Total five (5) persons for Zone-I and four (4) persons for Zone-II may be deployed for perpetual verification of stores and spares round the year for the assigned units.
- (ii) Additional two (2) persons are to be deployed for quarterly verification of semi-finished/ finished goods, process scrap & raw materials, internally generated scrap and yearly verification of movable fixed assets.

5. Deliverable:

The firm shall submit the reports covering the points as mentioned above as Sl.3 under Scope of Work as under.

- One set to Head of Unit.
- One set to Head of Stores/Custodian Department.
- One set to Head of Finance of the Unit.
- One set to Corporate Finance.

6. Remuneration and Other Facilities:

(i) Zone-wise lumpsum professional fees (per annum) have been mentioned at Sl.1 of Scope of Work and are excluding of GST. Such fees are applicable for 1st year only and would be escalated at a **simple factor of 5% per year for subsequent years.**

(ii) No TA/DA will be paid to staff members, however, they will be provided with suitable accommodation free of charge, by the Units.

(iii) Local transport facilities will be arranged by the units for the movement of staff in connection with the work. However, the verifiers have to make their own arrangements for smoothening the audit in case conveyance is not made available due to any operational reason.

(iv) Necessary manpower/ equipment assistance and technical persons will be provided by the unit for facilitating bulk material verification.

(v) Partners will be entitled to TA/DA as applicable to CGM (i.e. Grade E8) of the Company, as per Company's TA rules for a maximum period of 7 days in a month with a maximum of 2 visits in a month.

The TA/DA would be considered from the nearest address of Head Office/Branch of the Firm from the respective Units.

(vi) The deployed staff may avail OPD facility from the Plant Hospital.

7. Payments:

Equivalent monthly fixed fee will be released on monthly basis by Finance department of respective units after certification of attendance by the concerned department. Such payments are subject to deduction of tax at source.

8. Confidentiality:

The Auditors are to ensure confidentiality of the documents / reports accessed by them and shall not use such information anywhere else for any purpose what so ever. Any leakage of information due to negligence or wilful misconduct shall be treated as a criminal breach of trust

punishable under laws of the land. The auditors need to sign a Non- Disclosure Agreement (NDA) towards not to disclose any confidential information to anybody which they have seen /accessed through during the course of the audit.

9. Termination:

The assignment may be terminated by the company serving a 60 days' notice without assigning any reason thereof.

Annexure - D

Technical criteria & Bid evaluation methodology

1.1 The selection of the Physical Verification Auditor shall be as per qualitative criteria, which is based on the overall suitability of the firm and its experience in the physical verification audit. The following criteria will be the basis of marks to be assigned to the firms and selection of firms will be made on the basis of attainment of highest marks.

Sl. No.	Selection Criteria	Minimum Criteria	Basis of Marks	Marks per Criteria	Maximum marks
1.	Firm's experience in practice (From date of registration with the Institute of Chartered/ Cost Accountants of India) as on the last date of submitting RFP	Not applicable	No. of Years	2 marks per Year	20
2.	No. of Partners in the firm holding certificate of practice not less than 1 year as on the last date of submitting RFP. (The Partners must be holding Certificate of Practice issued by Institute of Chartered/ Cost Accountants of India and should be in whole time practice)	Not applicable	No. of Partners who are Chartered/ Cost Accountants	2 marks for every Partner holding certificate of practice of not less than 1 year	20
3.	No. of Qualified / Semi qualified (CA/ CMA- Inter) Assistants in employment for not less than one year as on last date of submitting RFP.	Not applicable	No. of qualified/semi qualified assistants	2 marks per assistant	10

4.	No. of Physical Verification assignments completed in any listed companies during F.Y. 2015-16 to 2024-25. (the company concerned should have net tangible fixed assets (excluding land & building) & inventories with combined minimum value of Rs.1000 Crore in any financial year during the assignment.	1 (One) Assignment of physical verification of any listed companies	No. of Physical Verification / Stock Audit Assignments	10 marks per Assignment	50
				TOTAL	100

- 1.2 From the RFP received by the Company, panel of firms of Chartered Accountant/Cost Accountant as per qualifying criteria given above shall be prepared and maintained in descending order starting from highest marks (H-1) obtained by a firm for considering the physical verification assignments.
- 1.3 The H-1 firm would be considered for the physical verification assignment of Zone-1 and next lower scoring firm would be considered for Zone-2.

1.4 Resolving of Tie position:

In case of Tie position, the following sequence shall be adopted for selection:

- (i) Firm of Chartered/Cost Accountants with longer experience shall be given preference based on the year of registration.
- (ii) Firm with a higher number of Fellow and/or Associate Members of the Institute of Chartered/Cost Accountants as partners shall be given preference.

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