

TERMS OF REFERENCE

1. Project Information

The Natural Resources Development Corporation Limited (NRDCL) intends to engage a qualified and experienced consultancy firm to undertake a comprehensive revaluation of identified assets. The revaluation is required to ensure that the carrying values of assets reflect their fair value in accordance with applicable accounting standards and relevant regulatory guidelines of the Kingdom of Bhutan.

The results of the revaluation will be used for financial reporting, audit compliance, insurance purposes, and strategic asset management.

2. Objective

The objective of this engagement is to perform a comprehensive valuation of NRDCL's identified assets – specifically those machines and assets installed and operated by furniture making unit at Langjophakha - ensuring accurate, fair market value assessment and harmonization with the requirements of FDI policy, corporate regulations, and subsidiary governance structure.

The main objectives of this consultancy are to:

- Determine the fair value of the specific assets identified by NRDCL management as at a specified valuation date;
- Ensure compliance with applicable accounting standards adopted in Bhutan (e.g. BAS, IFRS, or other standards prescribed by the Royal Government of Bhutan);
- Meet audit and reporting requirements of the Royal Audit Authority (RAA);
- Provide an independent, reliable, and professionally substantiated valuation;
- Support accurate financial reporting and improved public asset management.

3. Scope of the work

The scope of works for the valuation encompasses the following tasks:

i. Condition and Functionality Assessment

- Conduct physical inspection, technical assessments, and functional evaluations of all identified assets to determine their current condition.
- Provide diagnostics on operational capabilities (e.g., machinery breakdown analysis, expected useful life) and maintenance history.

ii. Compliance with Regulatory Requirements

- Ensure that the valuation process aligns with FDIRR 2025 and the Companies Act 2016, particularly in aspects of equity injection reporting and independent valuation protocols.
- Include all necessary data and compliance-oriented appendices to support regulatory submissions.

iii. Valuation Methodology

- Propose appropriate valuation methodologies for different classes of assets as applicable;
- Apply valuation techniques consistent with international best practices and applicable accounting standards (IFRS/BAS);
- Clearly document assumptions, valuation bases, and methodologies used.

iv. Asset Revaluation

- Determine the fair value of each asset or asset class as of the agreed valuation date;
- Assess the fully depreciated and estimate extended useful life of each asset or asset class;
- Identify and quantify revaluation surpluses or deficits;

v. Data Analysis and Reconciliation

- Reconcile valuation results with the existing asset register;
- Highlight discrepancies, anomalies, or data gaps;
- Provide recommendations for updating and improving the asset register.

vi. Valuation Report Development

- Develop a detailed valuation report, including but not limited to:
 - Prepare a comprehensive asset revaluation report;
 - Provide detailed valuation schedules and summaries by asset category;
 - Clearly explain valuation methods, assumptions, limitations, and conclusions
 - Present findings to management and respond to queries.
 - Supporting annexures, photographs, and other evidentiary materials.

vii. Stakeholder Engagement

- Liaise with NRDCL's project management team for recurring updates and feedback.
- Present preliminary valuation findings to NRDCL Management for verification and discussions before finalizing the report.

viii. Deliverables

- Detailed asset valuation report, both in hard copy and electronic format;
- Valuation certificates or statements suitable for audit and regulatory purposes;
- Final presentation to the Client's management

4. Expected Outcomes

- Accurate and transparent valuation of NRDCL's identified assets.
- Comprehensive reporting is suitable for fulfilling FDI equity injection requirements.

5. Duration

The valuation firm is expected to complete this scope within a timeframe of **3 weeks**, beginning with the date of contract signing.

6. Consultant's Qualifications and Experience

The consultancy firm must:

- Be a legally registered firm in Bhutan or an international firm legally permitted to operate in Bhutan in association with a local firm;
- Have experience in similar assignments, preferably for public sector agencies, state-owned enterprises, or large organizations;
- Preference will be given if the firm have certified and accredited valuers recognized under relevant professional bodies;
- Possess adequate technical, professional, and logistical capacity to carry out the assignment.

7. Evaluation Criteria

Proposals will be evaluated based on:

- Relevant experience and qualifications of the firm;
- Understanding of the assignment and proposed methodology;
- Quality and experience of the proposed team;
- Financial proposal.

8. Payment terms

The applicable valuation fee shall be payable within 15 working days of submission of valuation reports acceptable to the NRDCCL Management. All payments shall be in compliance with the relevant policies of the country, including the taxation policy.

9. Security deposit

Successful bidder shall furnish a performance security amounting to 10% of the quoted amount prior to execution of agreement.

10. Applicable Law and Jurisdiction

The contract shall be governed by and construed in accordance with the laws of the Kingdom of Bhutan. Any disputes arising out of or in connection with this contract shall be subject to the jurisdiction of the courts of Bhutan

11. Bid submission

Eligible bidders, interested to bid for this service shall submit the dully filled bid no later than 5PM of 16th January 2026 to neten.tshomo@nrdcl.bt and for details contact Ms. Neten Tshomo at 17737775.

Date: _____

Chief Executive Officer

NRDCL

Sub: QUOTATION FOR ASSET VALUATION

The undersigned firm, authorized to provide consultancy service as per the ToR, would like to submit the quote for performing valuation of identified assets/ business as follows;

#	Work	Amount	Remarks
1	Valuation of Identified Assets as per the ToR		

We understand that NRDCL has right to award these consultancy works to any firms at their discretion.

Seal and Sign of the firm