



**SELECTION AND APPOINTMENT OF COST AUDITOR
FOR THE YEAR 2013-14, 2014-15 & 2015-16**

FINANCE DIVISION
COAL INDIA LIMITED
COAL BHAWAN
10, NETAJI SUBHAS ROAD
KOLKATA
WEST BENGAL - 700 001

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SELECTION AND APPOINTMENT OF COST AUDITOR

1. Introduction:

1.1 Coal India Limited (CIL) is a 'Maharatna' Public Sector Undertaking under Ministry of Coal, Government of India with Headquarters in Kolkata, West Bengal. It has operation in North Eastern Coalfields and eleven Regional Sales Offices and Delhi office for its standalone segment

2. Scope of Work: CIL is looking for engagement of eligible Cost Audit Firm for carrying out the following job:-

(a) Cost audit of 2013-14 is to be conducted in accordance with order no. F.No.52/26/CAB-2010 dated 24th Jan.2012 as issued by Govt. of India, Ministry of Corporate Affairs and in adherence to the relevant orders/clarification as issued from time to time by Cost Audit Branch, Ministry of Corporate Affairs, Govt. of India and the Cost Accounting standards issued by the Institute of Cost Accountants of India.

(b) For CIL Standalone segment, Unit-wise consolidation of all the cost sheets of mines and service units are to be audited and the auditor has to certify the CIL Standalone consolidation.

(c) All formats as required by statute are to be certified.

3. Selection Criteria: The following will be the basis of marks for the selection/empanelment. Selection/empanelment will be done on the basis of attainment of highest marks obtained.

SL. No	Norms	Basis of Marks	Maximum Marks
1	Year of establishment of Firms(s) since date of registration.	3 marks per year	15
2	Numbers of partners in the Firm.	4 marks for each Associate Member and 5 marks for each Fellow Member	25
3	Number of qualified assistants (Cost/ Chartered Accountant) in the Firm. He should be a member of his respective Institute.	3 marks for each qualified assistant	10
4	Number of semi qualified assistant (Inter Cost/ Chartered Accountant) in the Firm.	2 marks for each Semi qualified assistant	10
5	The Firm having the experience of Conducting statutory Cost Audit in Central /State PSUs.	4 marks for each year Cost audit.	20
6	Auditor of CIL HQ: Audit Firms having registered office/branch	20 marks	20

	office within the State, in which CILHQ is situated or having its mining operation.		
		Total	100

Note:

- i. Documentary evidences in support of each of the above-mentioned criteria are required to be submitted.
- ii. **In case of tie, a firm with longer experience will be preferred based on the year of establishment. If still there is a tie, a Firm with a higher number of Fellow Member of the Institute of Cost Accountants will be considered.**

Audit team: The team should consist of adequate number of qualified /semi qualified Assistants (Cost/Chartered Accountant) led by a senior partner of the Firm in Commensurate with the size of the organization/ area of work.

4. TERMS AND CONDITIONS:

- I. **Submission of Report:** Cost audit firm so appointed will start conducting the job immediately and will submit the report to the General Manager (Finance)/IC, Coal India Limited, Kolkata for CIL Standalone segment.

Cost Audit for 2013-14 on or before 31.08.2014

- II. **Period of Audit :** Initially the period of audit will be for one year i.e. for the year 2013-14, but it may further be extended to next two 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 Director (Finance).

III. Audit Fees: The schedule of fees will be as follows for:

a) Cost Audit for 2013-14 Rs. 2,01,094/-

c) The travelling and out of pocket expenses will be restricted to 50% of the audit fees subject to production of documentary evidence.

d) Service Tax etc. shall be paid as extra as applicable on furnishing the registration number with the appropriate authority.

III. Other Terms & Conditions:

The appointment of auditors is subject to the following declarations:

- a) The Audit Firm must not sub-contract the work;
- b) The audit team will work in strict confidence and will ensure that the information in respect of the operation of the Area/Unit is dealt in strict confidence and secrecy. A Certificate towards maintaining confidentiality to be provided by the Cost Auditor before commencement of Audit;
- c) No partner of the Auditors is related to Managing Director/whole time Director or part time Director of company within the meaning of section 6 of the companies Act, 1956;
- d) Neither the firm nor its partner or Associates have any interest in the business of Company;
- e) The auditor will be required to issue certificate of Independence;
- f) Cost Auditor shall have prime responsibility to ensure that he does not violate the limits specified under section 224(1-B) of the companies Act.1956;
- g) The auditor/ firm shall be free from any disqualification under Sec. 233B(5) or Subsection (3) or subsection (4) of Section 226 of Companies Act 1956. In addition to this, Audit Firm must not be holding any assignment as Statutory Auditor or Internal Auditor of CIL and its Subsidiaries;
- h) Where a cost accountant is a partner / owner of more than one firm, in such case, only one firm shall be allowed to take part in the tender process either in CIL standalone segment or any one of its subsidiary. If it is found that the firms having common partner makes application in the tenders initiated by CIL and its subsidiaries, such application will stand cancelled.
- i) The partners holding certificate of practice issued by Institute of Cost Accountants of India are in whole time practice.
- j) The Audit Firm will be debarred from getting, in future, the Cost audit in CIL and its Subsidiaries in the following cases:
 - i. If the firm obtains the appointment on the basis of false information/false statement.
 - ii. If the Firm does not take up audit in terms of appointment letter.
 - iii. If the Firm does not submit the audit report, complete in all respect in terms of appointment
 - iv. If the Firm violates any of the stipulations under clause (a) to (i).

- k) Overwriting/correction/erase and use of white ink should be avoided. However, if any Overwriting/correction/erase is inevitable, that should be authenticated with the applicant's signature.
- l) The Cost auditor shall undertake that data given to the Auditor by CIL standalone segment and any information generated from the data provided shall not be used by the Auditor for any other purpose.
- m) The offer should be submitted strictly as per the terms & conditions laid down in the document. Application documents duly sealed and signed are to be submitted as a token of acceptance of all terms and conditions. All envelopes must be sealed and super scribed with the Notice No. & date mentioning 'Appointment/Empanelment of Cost Audit Firm'. The name and address of the firm must be indicated on the body of the envelope.
- n) Application may be submitted in person or by the firm in the Tender box kept at the office of the General Manager (Finance)/IC, CIL Finance Division. Coal Bhawan, 3rd Floor, 10. N.S. Road, Kolkata- 700 001 or sent by post to the above address. Coal India Limited, however, does not take any responsibility for loss of application in transit. Application sent through Telegram, Telex, Fax or E-mail will not be considered.
- o) Applications received at Finance Division of CIL as stated above after due date and closing time of submission of applications shall be ignored. Any application received late due to any reason whatsoever will not be accepted.
- p) Jurisdiction of Courts: Any dispute arising out of or in respect of the contract will be subject to the jurisdiction of Calcutta High Court only.
- q) Disclaimer: CIL reserves the right to accept or reject any or all responses and to request additional submissions or clarification from one or more Applicant(s) at any stage or to cancel the process entirely without assigning any reason.

Annexure-I

Format of the offer

1. **Name of the Audit Firm** :
2. **Address** :
- i) **Permanent Address** :
- ii) **Correspondence Address** :
- iii) **Telephone Number** :
- iv) **Fax Number** :
- v) **Email Address** :
- vi) **Website** :

Sl No.	Particulars	
1	Year of establishment of Firms(s) since date of registration.	
2	Numbers of partners in the firm.	
3	Number of qualified assistants (Cost/ Chartered Accountant) in the Firm. He should be a member of his respective Institute.	
4	Number of semi qualified assistant (Inter Cost/ Chartered Accountant) in the firm.	
5	The firm having the experience of Conducting statutory Cost Audit in Central /State PSUs.	
6	Auditor of CIL Standalone segment: Audit Firms having registered office/branch office within the State, in which CILHQ is situated or having its mining operation.	

Note:

1. Documentary evidences of all the information as stated above are to be furnished along with the offer.
2. All the pages of the terms & conditions and documents submitted are to be signed with the seal of the firm.

Signature with seal of the firm

ANNEXURE II

M/s. Coal India Limited
10, Netaji Subhas Road
Kolkata 700 001

Dear Sir,

Sub: Authorization of all payments through Electronic Fund Transfer system/RTGS/NEET.

We hereby authorize Coal India Ltd. to disburse all our payments through electronic fund transfer system/RTGS/NEET. The details for facilitating the payments are given below:-

1.	Name of the Beneficiary, address with Telephone No.	
2.	Bank Name, address with Telephone No.	
3.	Branch Name & Code	
4.	Bank Account number with style of account (savings/current)	
5.	IFSC code no. of the Bank	
6.	PAN no. of the Beneficiary	
7.	E-mail no. & Mobile no. of the beneficiary for intimation of release of payment	

I/We hereby, declare that particulars given above are correct and complete and if the transaction is delayed or credit is not effected due to incorrect information, I/We will not hold Coal India Ltd. responsible.

Note: Please enclose one
Cancelled cheque for
E-Payment.

Authorised Signatory
Name
Official stamp with Date

BANK CERTIFICATION

It is certified that above mentioned beneficiary is holding a bank account no. _____ with our branch and the bank particulars mentioned above are correct.

Authorised Signatory
Name
Official stamp with Date

Note: If you submitted this form in this company earlier/before. Please do not submit again.