



Central Coalfields Limited
(A Miniratna Company)
(A subsidiary of Coal India Limited)

Sub. Expression of interest for appointment of Cost Auditors.

Central Coalfields limited, Ranchi herewith invites expression of interest from Cost Accounting firms to be engaged for doing the cost audit job of the units of the company for the **Financial Years 2016-17, 2017-18 and 2018-19** .

Please visit the website of Central Coalfields Limited – www.ccl.gov.in – for details.

The last date of receiving the EOI will be on or before 21 days from the date of publication in newspaper(In case of different date of publication in various newspaper, the last date of publication will be considerate for last date of submission of profile) at the following address :-

Sd/-
General Manager (Finance)
Central Coalfields Limited
Darbhanga House, Ranchi -834001
(Jharkhand)

SELECTION AND APPOINTMENT OF COST AUDITOR

Ref: CCL/FPC/2016-17/ 157



Central Coalfields Limited
Darbhanga House, Ranchi-834001
(Jharkhand)

SELECTION AND APPOINTMENT OF COST AUDITOR	
TABLE OF CONTENTS	
Sl No.	DESCRIPTION
1	Introduction
2	Scope of Work
3	Selection Criteria
4	Terms and Conditions

ANNEXURE	
I	Format of the offer

SELECTION AND APPOINTMENT OF COST AUDITOR

1. Introduction:

1.1 Central Coalfields Limited (hereinafter referred as CCL) is a subsidiary of Coal India Limited (CIL) and is a 'Miniratna' Public Sector Undertaking under Ministry of Coal, Government of India with Headquarters in Ranchi, Jharkhand. It has operation in the state of Jharkhand.

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


- (a) Cost audit of Cost records of different units, areas and HQ of CCL for FY 2016-17 , 2017-18 and 2018-19 as per notification dated 31st Dec, 2014 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 and the Cost Accounting Policy of CIL.
- (b) Area-wise consolidation of all the cost sheets of mines and service units in prescribed format of CIL are to be audited. For all the areas/units the central auditor, has to certify company consolidation.
- (c) All formats as required by statute are to be certified.
- (d) CCL will engage five nos. of cost auditors - one as Central Cost Auditor for HQ with few of the units and other four cost auditors as Branch Cost Auditors, who will audit the cost records of different areas of CCL and its units for the FY 2016-17 , 2017-18 and 2018-19.
- (e) The Central Cost Auditor will also file the audit report to MCA, GOI in XBRL format after getting approval from Board of Directors of CCL before the scheduled date on behalf of CCL.

3. Selection Criteria:

Under the provisions of Section 148(3) of the Companies Act , 2013, Cost Audit shall ordinarily be conducted by a Cost Accountant in practice within the meaning of Cost and Works Accountants Act , 1959.

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	Establishment of Firm	2 marks per year for first 5 years & 1 mark per year for next 5 years.	15

2	Numbers of partners in the Firm.	<ul style="list-style-type: none"> • 5 marks per Member in full time practice for >10 years • 4 marks per Member in full time practice for 5-10 years. • 3 marks per Member in full time practice for <5 years. 	20
3	Qualified assistants.	3 marks for each qualified assistant	15
4	Firm experience in Cost Audit.	 <p>(a) 20 marks- 4 marks per year per Central/State PSU.</p> <p>(b) 10 marks -2 marks per year per company(other than(a) above) with average annual turnover of over ₹ 500 Crores in the previous 3 years.</p>	30
5	Location of firm.	If Regd. Office /Branch located in Region of the respective Subsidiary HQ/CIL HQ. [Region here shall refer to the region covered under the four Regional Councils of the Institute of Cost Accountants of India)	20
		Total	100

Note:

- i. Documentary evidences for verification of conditions such as constitution date of the firm and Certificate of Practice (COP) details of members such as full time /part time COP & COP effective date to be provided from ICAI's website.
- ii. All documents submitted must be duly authenticated by any Partner of the firm.

- iii. For evaluating experience criteria in Clause no.4 for PSU each year of Audit will be considered as one year i.e. if Cost Audit of PSU is done for 2 years the marks will be considered for two years but other than PSU's each company would be considered once only irrespective of Years/period of Cost Audit.
- iv. **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 Members of the Institute of Cost Accountants will be considered.**
- v. CCL will engage five nos. of cost auditors - one as central cost auditor, who will also audit the cost records of some of the units and other four cost auditors as Branch Auditors, who will audit the cost records of remaining different areas of CCL and its units.

Audit team: The team should consist of adequate number of qualified /semi qualified Assistants (Cost/Chartered Accountants) 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 Director (Finance), Central Coalfields Limited, Ranchi on or before 30.08.2017 for 2016-17, 30.08.2018 for 2017-18 and 30.08.2019 for 2018-19.
- II. The Central Cost Auditor will also file the audit report to MCA, GOI in XBRL format after getting approval from Board of Directors of CCL before the scheduled date on behalf of CCL.

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

- (a) Cost Audit fee for each year of 2016-17, 2017-18 and 2018-19 and may be subject to revision :-

(I) HQ, Barkasayal, CWS, Argada, Rajrappa, Kolkata	Rs. 257438.00
(II) Kathara, Dhori,	Rs. 95625.00
(III) NK, Piparwar, Rajhara, Magadh-Amrapali	Rs. 85613.00
(IV) Charhi & Kuju	Rs. 75875.00
(V) B&K, Giridih	Rs. 75875.00

- b) The travelling and out of pocket expenses will be restricted to 50% of the audit fees as mentioned in clause 4(III)(a) subject to production of documentary evidence .

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

- IV. **Cooling off Period :** There shall be a cooling off period for a cost audit firm who has served for the last three years in any subsidiary company for a period of three years for re-appointment in the same subsidiary .

III. Other Terms & Conditions:

The appointment of auditors is subject to the following declarations by the Cost Auditors :

- 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 Sub-section (76) and (77) of Section 2 of Companies Act , 2013.
- d) Neither the firm nor its partner or Associates should have any interest in the business of Company;
- e) As per Sec 14(5) of the Companies Act,2013 qualifications , disqualifications, rights , duties and obligations applicable to auditor (financial) also apply to Cost Auditor ;
- f) The following documents are required to be submitted by Cost Auditor before issuing Appointment Letter :
 - Letter of Consent to Act as Auditor.
 - Declaration that they are free from disqualification u/s 141 of the Act.
 - Declaration that appointment will be within ceiling limits prescribed u/s 141(3)(g) read with Sec 148 of the Act.
 - Declaration of Independence and that they are at arm's length relationship with company.
- g) The partners must be holding certificate of practice issued by Institute of Cost Accountants of India and should be in whole time practice.
- h) The Audit Firm will be debarred from getting, in future, the Cost audit in CCL 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 (g).

- i) 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.
- j) The Cost auditor shall undertake that data given to the Auditor by CCL and any information generated from the data provided shall not be used by the Auditor for any other purpose.
- k) 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.
- l) Application may be submitted in person or by the firm in the Tender box kept at the office of the General Manager (Finance), Darbhanga House, Ranchi - 834001 (Jharkhand) or sent by post to the above address. CCL does not take any responsibility for loss of application in transit. Application sent through Telegram, Telex, Fax or E-mail will not be considered.
- m) Applications received 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.
- n) Jurisdiction of Courts: Any dispute arising out of or in respect of the contract will be subject to the jurisdiction of Jharkhand High Court only.
- o) Disclaimer: CCL 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.

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.	
5	Firm experience in Cost Audit.	
6	Location of firm.	

Note:

1. Documentary evidence 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

To,

General Manager (Finance)
Darbhanga House,
Ranchi - 834001

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

We hereby authorize Central Coalfields Limited to disburse all our payments through electronic fund transfer system/RTGS/NEFT. 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	

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 Central Coalfields Limited responsible.

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

Authorized Signatory
Name
Official stamp with Date

BANK CERTIFICATION

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

Authorized Signatory
Name
Official stamp with Date

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