

Invitation Document for
Shortlisting / Appointment of Cost Auditor
For Financial Year 2018-19

Konkan LNG Private Limited
(Promoters: NTPC Ltd. & GAIL (India) Ltd.
GAIL Jubilee Tower,
5th Floor, B-35 & 36,
Sector-1 Noida-201301



1. Introduction:

Ratnagiri Gas and Power Pvt. Limited (RGPPL) is a Joint venture company, promoted by NTPC Limited and GAIL (India) Limited. The company has taken over the assets of the erstwhile DPC Project and revived the Power Generation facility (1967 MW) and LNG Facility (5 MMTPA) situated at village Anjanwel, District- Ratnagiri, Maharashtra.

NTPC Limited, GAIL (India) Limited, Maharashtra Government and Indian Financial Institutions are the stakeholders of RGPPL.

Konkan LNG Pvt. Limited (KLPL) was incorporated on 4th December 2015 for taking over the R-LNG business of Ratnagiri Gas & Power (P) Limited u/s 230-232 of the Companies Act 2013.

The Demerger Scheme of Ratnagiri Gas and Power Private Limited (RGPPL) has been approved by NCLAT vide order dated 28th February, 2018 with Appointed Date as 1st January, 2016 thereby transferring the LNG regasification undertaking from RGPPL to Konkan LNG Private Limited (KLPL). The scheme is effective from 26th March 2018 on filing of NCLAT order along with the approved demerger scheme with Registrar of Companies. With effect from 26th March 2018 KLPL is carrying out LNG regasification business and is required to appoint Internal Auditors for FY 2018-19 in terms of companies Act 2013.

The Basic Data about the company is provided below:

Company	Konkan LNG Pvt. Limited
Promoters	NTPC Ltd. and GAIL India Ltd.
Corporate Office (Location-1)	5 th Floor, GAIL Jubilee Tower, B-35, 36, Sector 1, Noida-201301
Sector	Regasification of Liquefied Natural Gas
Existing Business	Regasification of Liquefied Natural Gas
Site Office (Location-2)	Village- Anjanwel, District- Ratnagiri State : Maharashtra
Connectivity	Nearest Airport: Mumbai (330 Km) Nearest Railway Station: Chiplun (50 Km) Nearest Highway: Mumbai-Goa National Highway (NH-17) (45 Km)

2. Maintenance of Cost Records and Cost Audit:

Cost Records are being maintained by the Company as per the extant rules. The Company intends to shortlist / appoint a firm of Cost Accountants for conducting the Cost Audit for the Financial Year 2018-19 for its LNG re-gasification units located at Village- Anjanwel, District- Ratnagiri in the State of Maharashtra.

3. Scope of Work:

The broad scope of work would be:

- 3.1 To conduct Cost audit of the Company in accordance with the provisions of the Companies (Cost Audit Report) Amendment Rules 2016. Cost audit shall be in adherence to the relevant orders/clarification issued 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, from time to time.
- 3.2 Cost audit team should consist of adequate number of qualified/semi-qualified assistants (Cost Accountants) led by a senior partner of the Firm so as to be commensurate with cost audit work requirements.
- 3.3 Verification and certification of cost proformas maintained by the Company as per Companies (Cost record & audit) Rules, 2014.
- 3.4 Verification and certification of annexures to the cost audit report.
- 3.5 Cost audit firm so appointed shall commence cost audit and submit necessary reports within 180 days from the close of the financial year along with reservation or qualification or observations or suggestion, if any in form CRA-3 and annexures as per notification or any other instructions issued by Central Government from time to time or any other section of the Companies Act 2013.
- 3.6 The cost audit firm shall ensure e-filing of cost audit report and annexures to the cost audit report to MCA, Gol, in XBRL form or in the manner prescribed by the Govt. from time to time, within the scheduled date prescribed by MCA - Gol for filing, after the Board of Directors of the Company approves the cost audit report.

4. Selection Criteria:

- 4.1 Firms of Practicing Cost Accountants registered with the Institute of Cost Accountants of India (ICAI) having its office(s) in national Capital Region (NCR) Delhi shall be considered for Shortlisting /Appointment as Cost Auditors for conducting Cost Audit of the Company.
- 4.2 The following will be the basis of Points for the selection and selection will be made on the basis of attainment of highest marks and agreeing to RGPPL terms and conditions.

SL NO.	Selection Criteria	Basis for awarding of points	Maximum Point
01	Present/Past appointed as Cost Auditors M/s GAIL (India) Limited/NTPC Limited	Present/Past Cost Auditors of M/s GAIL (India) Limited/NTPC Limited	10
02	Present/Past appointed as Cost Auditors of any	Present/Past appointed as Cost Auditors of any	20

[Handwritten signature]

	LNG terminal and regasification plant.	LNG terminal and regasification plant.	
03	Experience in practice (No: of years)	1 Point for every 1 years of Firm's Registration.	10
04	No. of Partners	2.5 Point for each Fellow Partner and 1 Pont for each Associate Partner	10
	Total points		50 (fifty)

Clear and complete details in separate sheets, for determination of Points in support of information against Item Sl. No. 1 to 4 above are to be furnished.

5. Pre-requisites for considering rankings:

5.1 Documentary evidence(s) in support of Criteria at (1) to (4) mentioned in table to para- 4.2 above is required to be submitted. Proposals without the required documentary evidence(s) shall be ignored for evaluation.

5.2 In case of a tie, the following sequence shall be adopted for selection:

- a. Firm with longer experience will be preferred based on the year of establishment
- b. Firm with a higher number of Fellow and or Associate Members of the Institute of Cost Accountants as partners will be considered.

6. Terms and Conditions:

6.1 The tenure of appointment shall be at the sole discretion of the Company. The tenure may be renewed every year for a maximum of Three Years at the sole discretion of the Company. However, it is expressly stated here that the said tenure is not to be construed as assured and the Company reserves the right not to reappoint at its sole discretion without assigning any reason therefor.

6.2 The Company reserves the right to accept / reject any or all the offers without assigning any reason whatsoever therefor.

6.3 Overwriting/correction/erase and/or use of white ink should be avoided in the Offer. However, if any overwriting/correction/erase is inevitable, the same should be authenticated with the signature & seal of authorised person of applicant firm.

6.4 Documentary evidence(s) in respect of all the information above by the applicant firm(s) must be furnished along with the proposal.

6.5 All the pages of the proposal document shall have to be signed by the applicant firm(s) with the firm's seal and documents submitted along-with the offer shall also have to be authenticated by the authorised signatory of the applicant firm(s) with the firm's seal.

6.6 The proposal should be submitted strictly as per the terms & conditions laid down in the document.

The Offer in the Prescribed Format at Annexure – I, can be submitted in physical form to following address:

**General Manager (Finance) & CFO,
Konkan LNG Private Limited
Jubilee Tower, GAIL (India) Limited,
5th floor, B-35 & 36, Sector-1,
Noida-201301, Uttar Pradesh.
9818663764 (M)**

The envelope must be sealed and super-scribed with "Offer for Shortlisting/ Appointment of Cost Auditor". The name and address of the applicant firm must also be mentioned on the body of the envelope.

Offers submitted in any other form shall not be considered.

6.7 The Company 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 at its sole discretion without assigning any reason whatsoever.

6.8 The Firms are required to submit their GST registration number in their offers.

6.9 The last date for receipt of the proposal is 29th August, 2018 by 14.00 Hrs. at KLPL, Noida. Proposals received after this date and time shall not be considered.

7. Cost Audit Fees:

Audit Fees shall be commensurate with the cost audit work and shall be decided by the Company from time to time. For FY 2017-18, fees was Rs 1, 20,000/=plus applicable service tax and actual out of pocket expenses.

8. Compliances / Declarations /Certificates by firm(s) on appointment:

The cost audit firm(s) shall have to comply with and furnish declarations and certificates as required under Statutory/Company rules, upon appointment as cost auditor(s), as under:

8.1 The Cost Audit Firm shall not sub-contract the cost audit work.

8.2 The cost audit team will work in strict confidence and will ensure that the cost data, cost statement and cost information and any other information in respect of the operation of the location / work centre /Company is dealt with in strict confidence and secrecy. A certificate towards maintaining confidentiality shall have to be provided by the Cost Auditor(s) on receipt of appointment letter from the Company or before commencement of cost audit.

8.3 No partner of the cost audit firm should be related to either Managing Director or any Whole Time Directors or Part Time Directors of the Company within the meaning of section 6 of the Companies Act, 1956.

8.4 Neither the cost audit firm nor its partner(s) or associates should have any interest in the business of the Company.

8.5 The cost auditor(s) will be required to issue & submit certificate of Independence and arm's length relationship.

8.6 Cost audit firm(s) shall have the prime responsibility to ensure that applicable provisions of Companies Act, 2013 are complied for cost audit.

8.7 The cost audit firm(s) shall be free from any disqualification in terms of Companies Act, 2013. In addition to this, the cost audit firm(s) must not be holding any assignment as Statutory Auditor(s) or Internal Auditor(s) of the Company.

9. Debarring Provisions:

The Audit Firm will be debarred from getting, in future, the Cost audit of KLPL:

9.1 If the Firm obtains the appointment on the basis of false information / misstatement.

9.2 If the Firm does not take up audit in terms of appointment letter.

9.3 If the Firm fails to maintain/honour confidentiality and secrecy of the Company's cost data, cost statement and cost information.

9.4 If the Firm fails to comply with any of condition laid down in clause 8 above.



(To be given on the Audit Firm's Letter Head)

Format for submission of Offer

1. Name of the Cost Audit Firm:
2. Registration Number of the Cost Audit Firm with Institute of Cost Accountants of India:
3. Particulars of Cost Audit Firm:
 - i) (a) Year of establishment
 - (b) Address of the Firm as registered with ICAI:
 - (c) Address of the Firm at NCR Delhi:
(if different from 'b')
 - ii) (a) Telephone Number with STD Code:
(b) Mobile No. of the Senior Partner (for Contact Purpose)
 - iii) Fax Number with STD Code:
 - iv) Email address of the Firm:
 - v) Website of the Firm, if any:
 - vi) PAN No. of the Firm:
 - vii) GST No of the Firm
4. Technical Details

1	Details of Present/Past Cost Audit work for M/s GAIL (India) Limited/NTPC Limited.	
2	Details of Present/Past appointed as Cost Auditors for any LNG terminal (Port) and regasification plant (Natural Gas).	
3	Experience in practice (No: of years)	
4	No. of Fellow Partners	
5	No. of Associate Partners	

(Details including documentary evidence for 1-4 above to be submitted in Annexure)

5. We hereby confirm the acceptance of all provisions and the terms & conditions of the Invitation without any deviation.
6. We hereby confirm that we are eligible for appointment as Cost Auditor of M/s. RGPPL in terms of Companies Act 2013 and other relevant rules and procedures in this regard.

Place :

Date

Authorized Signatory
With Official Stamp
