

CONFIDENTIAL



GAIL (INDIA) LIMITED

(A Government of India Undertaking)
16, Bhikaji Cama Place, New Delhi – 110066
Phone : 011-26172580, Fax : 011-26185941

GAIL/F&A/COST AUDIT/2015-16/01

Dated:

To,

Sub: Empanelment of Cost Auditors for Financial Year 2015-16 to 2019-20

Sir,

We are in the process of empanelment of Cost Auditors for GAILs' products and services, viz., LPG and allied products, Natural Gas and LPG transmission, Wind / Solar Power, Inorganic Chemicals (Propylene, Mixed Fuel Oil (MFO) and C4 Mix) and Polymers for the Financial Year 2015-16 to 2019-20 to meet the requirement of Companies (Cost Records and Audit) Rules, 2014 notified by Ministry of Corporate Affairs (MCA) on 30th June 2014 and subsequent amendment notified on 31st December 2014, Government of India.

In case you are willing for empanelment, you are requested to submit the details of your Cost Audit Firm as per attached format as **Annexure-I**.

1.0 About GAIL (India) Limited

GAIL (India) Ltd., a Maharatna Company, is India's principal Natural Gas Company with activities ranging from Gas Transmission and Marketing to Processing (for fractionating LPG, Propane, Naphtha and Pentane); transmission of Liquefied Petroleum Gas (LPG); production and marketing of Petrochemicals like HDPE and LLDPE and leasing bandwidth in Telecommunications. The Company has also extended its presence in Wind & Solar Power, City Gas Distribution and Exploration & Production through equity and joint venture participations.

GAIL is one of the leading public enterprises with a consistently excellent financial track record. The Company's turnover during FY 2014-15 was Rs.56,569 crore and Profit After Tax (PAT) was Rs.3,039 crore.

2.0 Scope of Work

GAIL (India) Limited has to get its Cost Accounting Records audited by reputed Cost Audit Firms having exposure and proficiency in auditing in ERP environment.

The scope of work will be as under:

- a) Senior Partner of the firm will devote minimum three days at site for finalizing Audit and Cost Audit Report etc. and will held meetings with OIC. He will also attend Audit Committee Meeting at Corporate Office in Delhi.
- b) Other Partners and other qualified Cost Accountants will spend all their stipulated man days at site.
- c) Cost Records will be audited by the qualified personnel only and will submit Cost Audit Report as per stipulated time schedule.

3.0 Evaluation Criteria

Panel of Cost Auditor Firms will be prepared in order of maximum evaluated preference points as per following:-

SL NO.	Evaluation Criteria (Bidder should be Partnership Firm)	Minimum Preference Points	Remarks	Maximum Preference Points
01	The firm of Cost Accountants must have at least Five years of standing in the profession.	10	Extra 1 point for each year for having more than 5 years of standing in the profession subject to maximum of 5 such points.	15
02	The firm should have at least four qualified Cost Accountants for audit of Cost Records including partners. (Please provide the name & address of Partners and qualified Cost Accountants).	10	Extra 2 points for each qualified Cost Accountants employed by the firm or partners subject to maximum of 16 points.	26

CONFIDENTIAL

03	The firm should have the experience of conducting Statutory Cost Audit of at least two central PSU organizations where each of the clientele should have turnover above Rs. 500 crores. (please provide copy of the documentary evidence).	10	Extra 2 points for each audit which is in excess to minimum requirement of two subject to maximum of 4 points.	14
04	The firm should have experience of conducting Statutory Cost Audit of at least one Oil and Gas Sector Company having turnover above Rs. 500 crores (please provide copy of the documentary evidence).	10	Extra 1 point for each audit which is in excess to minimum requirement of one audit subject to maximum of 5 points.	15
05	Preference will be given to the firm for empanelment located in same region where GAIL's Plants/ Units are located (i.e. Northern, Southern, Western, Central and Eastern regions).	10	-----	10

Note: -

1. The first ten Cost Audit Firms will be empanelled on the basis of points assigned above from (01) to (05), out of which six Cost Audit Firms will be appointed.
2. The empanelment of the Cost Auditors shall subject to submission of certificate by Cost Audit Firm in regards to compliance u/s 141 (3) to the effect that the appointment, if made, will be in accordance with the provision of Section 141 (3) read with 148 (5) of the Companies Act, 2013 for the **Financial Year 2015-16 to 2019-20.**
3. *Cost Audit firms appointed during last five year in GAIL shall not be considered for re-appointment.*

CONFIDENTIAL

4. Out of the appointed Cost Audit Firms, one will be designated as **Lead Cost Auditor having maximum point preferably Delhi / NCR based** for the purpose of consolidation of Cost Audit Reports and filling the same with Central Government.

You are requested to furnish the details as sought above in a sealed envelope superscribed as "**Empanelment of Cost Auditors in GAIL**", which should reach on or before **21st July' 2015 by 1500 HRS** at the following address:-

Senior Manager (F&A)
Cabin No.-6317
GAIL (India) Ltd
16, Bhikaiji Cama Place,
New Delhi-110066.

Thanking you,

(B.Satapathy)
Sr. Manager (F&A)

GAIL/F&A/COST AUDIT/2015-16/01

Annexure-I

Details for Empanelment of Cost Auditors

Sub: - Empanelment of Cost Auditor for Financial Year 2015-16 to 2019-20.

1. **Name & address of the Firm** :
2. **Year of Establishment** :
3. **PAN No. & Service Tax Registration No. of Firm** :
4. **(a) Number of Partners (Full Time)** :
(b) Name & Address of the Partners :
(Including Practicing Membership Number)
(c) Cost Audit Experience of the Partners
(Number of years)
(d) Name of Qualified Personnel for Cost Audit
5. **Experience of Statutory Cost Audit in PSUs:**
(Where Audited Company's Turnover is above Rs.500 Crores)
(a) Name of the PSU company:-
(b) Year of Audit:-
6. **Experience of Statutory Cost Audit in Oil and Gas Sector company:**
(Where Audited Company's Turnover is above Rs.500 Crores)
(a) Name of the company:-
(b) Year of Audit:-

(Please provide self attested copy of the documentary evidence for SL. No 4&5 above)

Brief of Units of GAIL

Cost Audit of the following units of GAIL in pursuant to Section 148 (5) read with Section 141 (3) of the Companies Act, 2013 and as per Companies (Cost Records and Audit) Rules, 2014 and compliance with all statutory requirements in this regard.

Northern Region

Location	Nature	Unit	Capacity (P.A) / No. of Units
Pata, U.P.	Petrochemical Unit	MT	8,10,000
	LHC Unit	MT	3,83,583
Jaipur, Rajasthan	LPG Transmission Pipeline	MT	25,00,000
Jaipur, Rajasthan	Solar Power	MW	5
Corporate Office, New Delhi	Work as a Lead Cost Auditor for Consolidation of Cost Audit Reports, Conversion in XBRL mode & other associated works.		

Southern Region

Location	Nature	Unit	Capacity (P.A.)
<u>Natural Gas Transmission Pipeline</u>			
Rajahmundry, Andhra Pradesh	Pipeline	MMSCM	5,840
Pondicherry, Tamilnadu	Pipeline	MMSCM	3,162
Bangalore, Karnataka	Pipeline	MMSCM	5,840
<u>LPG Transmission Pipeline</u>			
Vizag, Andhra Pradesh	Pipeline	MT	11,70,000
<u>Wind Power</u>			
Pondicherry, Tamilnadu	Wind Power	MW	38.10
Bangalore, Karnataka	Wind Power	MW	60.65

Western Region

Pipeline	Nature	Unit	Capacity P.A.
<u>Natural Gas Transmission Pipeline</u>			
Mumbai, Maharashtra	Pipeline	MMSCM	9,832
Vadodara, Gujarat	Pipeline	MMSCM	6,686
<u>LHC Plants</u>			
Vaghodia, Gujarat	LHC Unit	MT	81,580
Gandhar, Gujarat	LHC Unit	MT	2,51,116
Usar, Maharashtra	LHC Unit	MT	81,497
<u>Wind Power</u>			
Gandhar, Gujarat	Wind Power	MW	19.20

Central Region

Location	Nature	Unit	Capacity P.A.
<u>Natural Gas Transmission Pipeline</u>			
Vijaipur, Guna, M.P	Pipeline	MMSCM	40,515
<u>LPG Plant</u>			
Vijaipur, Guna, M.P	LHC Unit	MT	6,02,000

Eastern Region

Location	Nature	Unit	Capacity P.A.
<u>Natural Gas Transmission Pipeline</u>			
Agartala	Pipeline	MMSCM	825
Lakwa, Assam	Pipeline	MMSCM	913