

**NOTICE INVITING TENDERS (NIT) FOR  
APPOINTMENT OF COST AUDITOR OF JKSPDCL FOR  
2011-12 to 2015-16 &  
2016-17 to 2018-19**



*The Jammu & Kashmir State Power Development Corporation Limited  
(A Government of Jammu & Kashmir undertaking)  
Corporate Office: - Exhibition Ground, Opposite Civil Secretariat, Srinagar-190001  
Camp office: -Ashok Nagar, Satwari, Jammu-180004*

## IMPORTANT INFORMATION

**Table A: - Important Information about the e-NIT no. 06 Dated 12.09.2017**

Item Description	Notice inviting e-tenders (e-NIT) for the appointment of Cost Auditor of JKSPDCL for the period 2011-12 to 2015-16 and 2016-17 to 2018-19
Site Location	Corporate Office, Jammu/Srinagar
Date of issue of Tender Document	12.09.2017
Availability of Tender Document	e-NIT is available at <a href="http://www.jktenders.gov.in">www.jktenders.gov.in</a> , However, the e-NIT is also available on JKSPDCL official portal <a href="http://www.jkspdcl.nic.in">www.jkspdcl.nic.in</a>
Tender system	Sealed Tenders are invited in two covers i.e. Cover A: - Technical bid and Cover B: - Financial Bid. The bids shall be uploaded in electronic format on the website <a href="http://www.jktenders.gov.in">www.jktenders.gov.in</a> .
Cost of Tender Document	Rs. 500 (Rs. Five hundred only) to be submitted in the form of Demand Draft in favour of General Manager, Accounts, JKSPDCL, Jammu.
Earnest Money Deposit (EMD)	Rs. 5000/- (Five Thousand only) for Part- A and Rs. 3000/- (Three Thousand Only) in the form of Demand Draft in favour of General Manager (Accounts), JKSPDCL, Jammu payable at Jammu. Both cost of tender document and EMD in the form of DD's shall reach the GM Office by or before the last date of bid submission, however, scan copies of DD's shall be attached with the technical bid.
Period of Assignment	Eight years (07) in two parts i.e. Part - A of FY 2011-12, 2012-13, 2013-14, 2014-15 & 2015-16 and Part- B of 2016-17, 2017-18 & 2018-19 <i>A firm is allowed to participate only in one part i.e. Part- A either Cost Audit of 2011-16 or Part-B Cost Audit of 2016-19.</i>
Last date & Time for Tender submission	12.00 Noon on 03.10.2017
Opening of Technical and Financial Bids	Technical bid on 03.10.2017 and date of opening of financial bids will be intimated separately to the eligible bidders.
Venue and Time of Tender Opening	GM (Accounts), Jammu, Corporate office, Ashok Nagar, Satwari, JKSPDCL, Jammu-180004 at 2.00 PM.
Contact officer for correspondence and clarifications	<b>Archana Kumari</b> <b>General Manager, Accounts, Jammu</b> <b>Ashok Nagar, Satwari, Corporate office, JKSPDCL, Jammu-180004</b> <b>Cell no:- 9419162293, 9419702700</b> <b>Email:- gmajmu@gmail.com, shekhar5728@gmail.com</b>





## 1. Introduction

- a) The Jammu & Kashmir State Power Development Corporation Limited, a public sector enterprise of Government of Jammu & Kashmir, is a power generating utility having 21 hydro projects across the State of Jammu & Kashmir and one Gas Turbine at Pampore, Kashmir. The Corporation in addition to generation of power and operation and maintenance of hydro projects is also identifying, harnessing and developing the hydro projects in the State of Jammu and Kashmir.
- b) The Corporation intends to appoint two firms as Cost Auditor for audit of its cost records. One firm for the assignment of Part -A i.e Cost Audit of FY 2011-12, 2012-13, 2013-14, 2014-15 & 2015-16 and Second firm for the assignment of Part-B i.e Cost audit of FY 2016-17, 2017-18& 2018-19.

## 2. Scope of work

- a) To conduct the cost audit for the financial years 2011-12, 2012-13, 2013-14, 2014-15, 2015-16, 2016-17, 2017-18& 2018-19 in accordance with the relevant provisions of the Companies Act, 1956/2013 and relevant orders/clarification/rules as issued from time to time by the Cost Audit Branch, Ministry of Corporate Affairs, Govt. Of India & the Cost Accounting standards issued by the Institute of Cost Accountants of India (ICAI).
- b) XBRL compilation of cost audit report and e-filing to MCA in prescribed forms.
- c) Attend the Audit committee meetings, if required.
- d) All formats as required under statute are to be certified.
- e) Specific suggestions for cost control/reduction for each plant.

## 3. Eligibility Criteria

- a) Cost Accountant or firm of Cost Accountants registered with the Institute of Cost Accountants of India (ICAI) having registered office in Northern region.
- b) The firm should have experience of filling online cost audit returns using XBRL software.
- c) Only one participation of one Cost Accountant either as a partner or proprietor shall be allowed.
- d) *A firm is allowed to participate only in one part i.e. Part- A either Cost Audit of 2011-16 or Part-B cost Audit of 2016-19.*

*The selection criteria shall be as per the table B as under. Minimum marks required for technical qualification of the firm shall be 60%.*

**Table B - Selection criteria for engaging Cost Auditor**

S.No	Criteria	Basis	Maximum Marks
1	Year of establishment of Firm(s) since date of registration with ICAI.	5Marks/year over three years	20
2	The Firm having the experience in conducting statutory Cost Audit in Companies whose average turnover is equal to or more than Rs.100 Crore during the period of audit.	8 Marks/ year of audit in case of Central / State PSUs 5 Marks/ year of audit of private sector company	40
3.	Experience in Cost Audit or maintenance of Cost records of Power Sector Companies.(Experience claimed here shall not be considered at point no. 2 above)	10 Marks/ year	20
Total Marks			80

*\*The firms should have a minimum of 3 year experience.*

*d) In case of tie, the following sequence shall be adopted for selection:-*

- (i) Number of Cost Audit assignments of Power sector companies. Supporting documents like letter of appointments required to be submitted for evaluation.
- (ii) Number of cost audit assignments of other companies as at point no. 2 above
- (iii) Firms with longer experience based on the years of registration.

#### **4. Professional Fee:-**

##### **4.1. Minimum Cost Audit fee:-**

*The council of Institute of Cost Accountants of India vide its decision dated 18<sup>th</sup> of April 2017 has issued guidelines for minimum fee for participating in tender procedure for its practising member. On the basis of such guidelines, minimum cost audit fees (excluding GST) will be Rs. 80000/- (Eighty thousand only) per year of audit assignment. No other charges, except GST shall be paid extra. However, if any firm quote cost audit fees less than Rs. 80000/- (Rs. Eighty thousand only), their offer will not be accepted and rejected.*

*4.2 The bidder should submit their offer as per the following Price Bid format:-*

##### **Price Bid format:-**

Description	Part-A:-Amount in Rs. (Consolidated for five years i.e. 2011-16)	Part-B:-Amount in Rs. (Consolidated for three years i.e. 2016-19)
Professional fee for the assignment of Cost Audit (except GST cost) (including XBRL compilation and e-filing fee)		



***A firm is allowed to participate only in one part i.e. Part-A either Cost Audit of 2011-16 or Part-B cost Audit of 2016-19.***

- 4.3 The professional fee per year shall be determined for payment purpose by dividing the consolidated amount equally.
- 4.4 Professional fee quoted shall be inclusive of all travel, stay, office expenses, out of pocket expenses, cost of producing documents etc.
- 4.5 The Corporation will not be required to pay and / or reimburse anything over and above the contract price.
- 4.6 The offer should include all tax liability under income tax, service tax, professional tax and any other tax applicable in J&K State or any other authority of the GoI or the State Govt except GST which shall be paid extra.
- 4.7 The price quoted by the firm shall be firm and final.

**5. Payment Schedule:**

- 5.1 80% of the payment for respective year shall be released after submission of Cost Audit Report for the respective year and balance 20% shall be released after e-filing of the same with MCA.
- 5.2 All the statutory deduction shall be made at the time of release of payments.

**6. Term and Completion of Audit**

- 6.1 Initially the period of audit will be for five years i.e. for the years 2011-12, 2012-13, 2013-14, 2014-15 & 2015-16 for assignment of Part – A and two years i.e. F.Y. 2016-17, 2017-18 & 2018-19 for Part- B but it may be extended further for the subsequent years at the same rate and same terms and conditions on the basis of satisfactory performance
- 6.2 The Audit shall be completed within a period of 30 days after the date of issuance of LOA to the selected bidder.

**7. ARBITRATION**

In case a dispute arises between the parties as to the terms and conditions of contract agreement, the same shall be resolved by mutual discussion of the parties concerned. In case the parties fail to reconcile, the matter shall be referred to an independent Arbitrator who shall be jointly appointed by both the parties. The proceedings shall be governed under the J&K Arbitration and Reconciliation Act 1997.

**8. Submission of offer**

- 8.1 The NIT intends to appoint two different firms for the assignment of Cost Audit of the Cost Records of the Corporation. One firm will do the cost Audit for the period 2011-12 to 2015-16 and the second firm will audit the cost records for the period 2016-17 to 2018-19.



8.2 The interested bidder shall upload the Cover-A: - Technical bid as per the Clause 3 above in **Cover – A for E-NIT no. 6 Dated 12.09.2017.**

8.3 The list of documents to be attached in the technical bid by the firm is as under:-

- ✓ Standard format for submission of technical details as per the **Annexure A attached.**
- ✓ *Earnest money deposit (EMD) of Rs. 5000/- in case of Part-A and Rs. 3000 in case of Part-B in the form of demand draft.*
- ✓ *Demand draft of Rs.500/- for the cost of tender document.*
- ✓ Constitution/ Registration certificate of the firm issued by the Institute of Cost Accountants of India. Information related to year of establishment of Head office, addresses, details of partners and their membership nos.etc.as indicated in the certificate will be treated as conclusive and final information for evaluation of bids.
- ✓ Copies of appointment orders for Cost audit/Cost Records preparation in evidence of experience.
- ✓ All the bids will be evaluated on the basis of the documents furnished along with application only.
- ✓ All submitted documents should be signed by a partner with his name and under the seal of the firm.

8.4 The bidder shall quote its Cost inclusive of all applicable taxes except GST as per clause - 4 above in **cover- B**

## **9. Other terms and conditions:-**

### **9.1 The appointment of auditors is subject to the following declarations:-**

9.1.1 The Cost Accountant in practice / Cost Accountant Firm must not sub-contract the work

9.1.2 The Cost Accountant in practice / Cost Accountant Firm 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.

9.1.3 Neither the Cost Accountant in practice / Cost Accountant Firm nor its partner or Associates have any interest in the business of Company

9.1.4 The Cost Accountant in practice / Cost Accountant Firm will be required to issue Certificate of Independence.

9.1.5 The Cost Accountant in practice / Cost accountant Firm shall have prime responsibility to ensure that he does not violate the limits specified under section 141(3)g of the Companies Act, 2013 read with sub-section (3) of Section 141 of the Companies Act, 2013.

9.1.6 The Cost Accountant in practice / Cost Accountant Firm shall be free from any disqualifications specified under Sec 148(5) of Companies Act 2013 read with sub-section(3) of Section 141 of the Companies Act, 2013.

9.1.7 The Cost Accountant in practice / Cost Accountant Firm partners holding certificate of practice issued by Institute of Cost Accountants of India are in whole time practice.

9.1.8 The proprietor/ managing partner shall also declare that the proprietor/ any partner in the firm have not participated in any manner for this tender.

9.1.9 The Cost Accountant in practice / Cost Accountant Firm shall undertake that data given to the Auditor by the corporations and any information generated from the data provided shall not be used by the Auditor for any other purpose.



- 9.2 EMD of all unsuccessful bidders shall be released after determination of lowest bidder.
- 9.3 The successful firm shall be required to sign a Contract Agreement with JKSPDC for completion of the job and shall furnish a performance security in the shape of D.D @ 5% (Five Percent) of the assignment value. Performance security will be returned only on successful completion of the Contract. EMD of the successful firm will be adjusted in the performance security.
- 9.4 Failure of successful bidder to furnish Performance Security within 14 days of receipt of Letter of Award (LoA), shall constitute breach of contract, cause for annulment of the award, forfeiture of Bid Security.
- 9.5 The Bidder shall bear all costs associated with the preparation and submission of its bid and JKSPDC will in no case be responsible or liable for those costs regardless of the outcome of bidding process.
- 9.6 JKSPDC reserves the right to accept or reject any bid, and to annul the process and reject all bids, at any time prior to the award of contract, without thereby incurring any liability to the affected bidder or bidders.
- 9.7 JKSPDC shall reserve the right to terminate the Contract at any point of time if it is convinced that the appointed auditor has defaulted in timely supply of the services. In the case of default in timely performance of assignment or unilaterally withdrawal from the assignment, penalty of 20% of the cost of the assignment shall be levied and strict action will be taken against the firm.
- 9.8 Cost Records maintained by the corporation are available at the Corporate Office, Jammu. However, Cost Auditor may visit field offices if deemed necessary by him.

**For & on behalf of JKSPDC Ltd.**



**(Archana Kumari)**  
**General Manager Accounts**  
**JKSPDCL, Corporate Office, Jammu**

**No:-PDC/Fin/Audit**

**Date: 12.09.2017**

**Copy to the:-**

1. Director Finance, JKSPDC.
2. Company Secretary, JKSPDC.
3. Email to Director Information, Jammu for publishing the Gist of NIT attached herewith in two daily newspapers and one national daily.
4. Assistant General Manager (Mr. Bunt Bhola)
5. AM (IT) for uploading the tender on the JKSPDC website.
6. PA to MD for Information of Managing Director, JKSPDCL.
7. Receipt section for receiving the tenders and keep them in safe custody.
8. Notice Board/Website.

**Annexure A to the e-NIT No. 6 Dated 12.09.2017**  
**Standard format for submission of Technical Bid**

1. Name and address of the firm  
(Contact no.)
2. Year of Establishment
3. PAN & GST No:-
4. (a) Number of Partners (Full Time) :  
(b) Name & Address of the Partners :  
(Including Practicing Membership Number)
5. Experience of Statutory Cost Audit in PSU/Others:  
(Where Audited Company's Turnover is above Rs 100 Crores)  
(a) Name of the company:-  
(b) Year of Audit :-
6. Details of Experience in Power Sector Companies.

S. no	Name of the Company / Unit	Year of Audit/ records
1.		
2.		
3.		
4.		

7. Details of Experience in PSUs/government companies or other companies(Other than Power Sector):-

S. no	Name of the Company / Unit	Year of Audit
1.		
2.		
3.		
4.		

(Please provide self-attested copy of the documentary evidences for S. No. 5, 6 & 7 above)





**8. Bank details of NEFT/RTGS:-**

1.	Bank Name	
2.	Branch Name and Address	
3.	Bank Account Number with style of account, Saving/ Current	
4.	IFSC Code No. Of the Bank	

9. We confirm that we have not taken any deviation from the specified terms & conditions, of the NIT documents. A copy of complete NIT document duly signed and sealed on all pages as a token of acceptance of all terms & Conditions are attached.

**Signature of Partner with  
Name & Seal of the firm.**

