

**NLC TAMILNADU POWER LIMITED
HARBOUR ESTATE, TUTICORIN**

2 X 500 MW Coal Based Thermal Power Plant

Notice Inviting

EXPRESSION OF INTEREST

For

**APPOINTMENT OF PARTNERSHIP / LIMITED LIABILITY PARTNERSHIP
FIRMS OF COST ACCOUNTANTS**

FOR

CONDUCTING COST AUDIT IN NLC TAMILNADU POWER LIMITED (NTPL)

FOR THE FINANCIAL YEAR 2017-18, 2018-19 AND 2019-20.

Ref no:

CEO/NTPL/EOI/ FINANCE & ACCOUNTS Branch /Cost Audit /1327R/2017

dt.05.09.2017

NLC TAMILNADU POWER LIMITED

HARBOUR ESTATE, TUTICORIN

NLC TAMILNADU POWER LIMITED

EXPRESSION OF INTEREST

DETAILED NOTICE INVITING EXPRESSION OF INTEREST (EOI) FOR APPOINTMENT OF PARTNERSHIP / LIMITED LIABILITY PARTNERSHIP FIRMS OF COST ACCOUNTANTS FOR CONDUCTING COST AUDIT IN NLC TAMILNADU POWER LIMITED (NTPL) FOR THE FINANCIAL YEAR 2017-18, 2018-19 AND 2019-20.

1.0 TENDER NO: CEO/NTPL/EOI/ FINANCE & ACCOUNTS Branch /Cost Audit /1327R/2017 dt.05.09.2017

1.1 NLC Tamilnadu Power Limited is a Joint Venture between NLC India Ltd and Tamilnadu Generation and Distribution Corporation Limited is a 2X500 MW coal based Thermal Plant in Tuticorin, Tamilnadu. The Company invites expression of interest (EOI) from reputed Indian Cost Audit Firms (Partnership/ Limited Liability Partnership) for Appointment as Cost Auditors for the period 2017-18, 2018-19 and 2019-20. Appointment will be initially for one year subject to renewal based on performance with a cap of three years

The format of application, instructions, Terms and Conditions, selection criteria etc. which can be downloaded are available on www.nlcindia.com or CPPP Website www.eprocure.gov.in from 05.09.2017

Firms may send their applications in the prescribed format along with the details as per EOI requirements under sealed cover to "**DGM Contract & Purchase, NLC Tamilnadu power Limited, Tuticorin Harbour Estate, Tuticorin-628004 Tamilnadu, India** " so as to reach this office latest by 19.09.2017 up to 14.30 Hrs. (IST)

2.0 ABOUT NTPL:

NLC Tamilnadu Power Ltd is promoted by NLC India Ltd and Tamilnadu Generation and Distribution Corporation Ltd (TANGEDCO) with equity participation in the ratio of 89:11.

UNITS COVERED IN THE AUDIT - Power Station 2x500 MW unit I & II at Tuticorin.

- 3.0 **AUDIT SCOPE AND COVERAGE** The scope of work is detailed as under:
- 3.1 Cost audit in accordance to the provisions of the Companies (Cost Records and Audit) Rules, 2014 in respect of designated locations/ work centers of the Company. Cost audit shall also be in adherence to the relevant orders / clarification, 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.
- 3.2 Cost audit team should consist of adequate number of qualified/semi-qualified Assistants (Cost / Chartered Accountants) led by a senior partner of the Firm, being commensurate with the size of the Company's work centre.
- 3.3 Verification and certification of cost proforma maintained at work centers as per (Cost Records and Audit) Rules, 2014.
- 3.4 Suggesting / assisting NTPL for any improvements /modifications of data/records maintained by the Company
- 3.5 Verification and certification of annexures to cost audit report..
- 3.6 Submission of Cost Audit Report to the Company in addition to the presentation to Management/Audit Committee/Board of Directors. A partner of the cost auditor firm to devote a minimum of 12 to 15 man days and audit assistants to a minimum of 18 to 20 man days.
- 3.7 Cost audit firms so appointed shall commence cost audit and submit Cost Audit Report for the Company as a whole as per guidelines issued from time to time.
- 3.8 Assisting the company in Filing of cost audit report and Annexures to the cost audit report to Ministry of Corporate Affairs (MCA) Government of India within the scheduled date prescribed by MCA. XBRL Filing, in Form CRA-4 to be submitted to Central Govt within the scheduled date
- 3.9 Compliance with any other instruction issued in respect of cost audit under Companies Act, 2013.

4.0 Cost audit shall be conducted in half yearly

Period of Audit	Time of Audit	Report to be submitted by
1 st Interim Audit (April – Sep)	1 st December Onwards	31 st December
2 nd Interim Audit (Oct – March)	1 st May Onwards	31 st May
Annual Audit	1 st June Onwards	30 th June

4.1 AUDIT TEAM

Auditors should deploy a suitable team for undertaking the audit, after a thorough perusal of the requirements of the appointment letter, terms & conditions contained therein. The Head of Finance of the Unit will coordinate with the Audit Team for smooth functioning of the audit.

4.2. PAYMENT OF AUDIT FEES

Audit Fee is as follows :

- a) FY 2017-18 – LumpsumFec : Rs.2,25,000/- p.a.
- b) Subsequent 2 Years (FY 2018-19, 2019-20) – 10% increase p.a. subject to approval
- c) Taxes as applicable
- d) Travelling Expenses: Reimbursed at actual as mentioned in clause 4.3
- e) Local Travel and out of pocket exp: Reimbursed at actual on self-certification/ Documentary evidence subject to the Maximum of 50% of Cost Audit Fee.
- f) Boarding & Lodging: Provided by company.

4.2.1 Payment terms

80% of audit fee is payable on submission of Cost Audit Report (Annual Audit Report as mentioned in clause 4.0) to the company and presentation to Management/Audit Committee/Board of Directors.

20% of audit fee is payable on completion of all formalities including XBRL filing with Ministry of Corporate Affairs (MCA) as per Para 3.8 above.

4.3. TRAVELLING EXPENSES

Travelling expenses shall be reimbursed at actual against documentary evidence as detailed below.

- a) Partners -- Air fare(Economy class)
- b) Audit staff/others — 2 tier A/C Train fare .

Travelling expenses include — Local Travel at Tuticorin to be provided by the company; The Company shall provide free lodging facilities wherever available.

5.0 SELECTION CRITERIA (POINT ALLOCATION) FOR APPOINTMENT OF AUDIT FIRMS WILL BE AS FOLLOWS

- 5.1. i) Firm shall have minimum of three partners out of which one member shall have experience of not less than 10 years
 - ii) Only Firms of Cost Accountants registered with the Institute of Cost Accountants of India (ICAI) shall be considered for appointment as Cost Auditors for conducting Cost Audit of the Company.
 - iii) Firms or members shall have cost audit experience in power sector or any other processing industry.
- 5.2. The firm or partner shall be free from any disqualification and limits as specified under Sec 141 of the Companies Act,2013 and the firm will comply with Section 141 (3) and 148 (3) of Companies Act,2013.
- 5.3.The firm or partner should not have been removed from the services by the Auditee due to any professional misconduct or breach of professional ethics.
- 5.4. The following will be the basis of marks for the selection and selection will be made on the basis of attainment of highest marks.

5.5 Evaluation Criteria

Allocation of points for Appointment of Cost Audit firms is proposed as follows

SI No	Particulars	Points to be allocated	Maximum Points
1	Year of Establishment(since the date of registration with the institute)	2 points per year of existence (for each completed year)	20
2	No. of Partners in the firm	5 points for each FCMA 3 points for each ACMA	20
3	No. of qualified or semi qualified assistants (either chartered accountant or cost accountant)	3 points for Qualified assistant and 2 points for semi qualified assistant	10
4	Experience of Firm as Cost Auditor in Power Sector having turnover Rs.500 cr or more	5 points per year per company (multiple units of company shall be counted as one cost audit only)	30
5	Experience of Firm as Cost Auditor in Companies other than Power Sector having turnover Rs.1000 cr or more	4 points per year per company (multiple units of company shall be counted as one cost audit only)	20
		Total	100

In case of Tie following will be considered

The Highest Turnover of the PARTNERSHIP / LIMITED LIABILITY PARTNERSHIP FIRMS OF COST ACCOUNTANTS under tie for the Financial Year 2016-17 will be considered for further selection.

In case of Further Tie following will be considered

Firm with Longer experience among the firms under tie will be considered based on the year of establishment.

Minimum marks to be scored is 60 for considering the credentials.

- 5.6. Only those Audit firms, that secures 60% marks and above as per criteria given above shall be considered for further Evaluation.

6.0. GENERAL TERMS AND CONDITIONS

1. The Company reserves its right to accept or reject any application/s without assigning any reasons therefore. The decision of the Company for Appointment of the Firms will be final and binding upon the parties participating in the short-listing/Appointment.
2. The Cost Auditor will ensure that the information obtained in respect of the operation of the Unit is maintained in strict confidence and secrecy. A Certificate towards maintaining confidentiality is to be provided by the Cost Auditor to whom appointment letter has been issued, at the time of acceptance of Audit assignment.
3. The appointment of the Cost Audit Firm will be for three years w.e.f. 2017-18, renewable in 2nd and 3rd year (i.e. 2018-19 and 2019-20 respectively) subject to satisfactory performance of the Firm in the 1st and 2nd year.
4. If progress/performance of the audit team is not found satisfactory, NTPL's management reserves the right to terminate the appointment of the Firm.
5. The Audit Firm will be debarred from getting, in future Audit assignments in NTPL in the following cases:
 - a) If the Firm obtains the appointment on the basis of false information/false statement at the time of submission of application/documents for the EOI.
 - b) The Audit Firm is found to have sub-contracted the work.
 - c) If the Firm does not take up audit in terms of the appointment letter.
 - d) If the Firm does not submit the Audit Report, complete in all respect, in terms of the appointment.

6.1. Instructions to Audit Firms:

1. Format of Application enclosed herewith must be completely filled in. Incomplete applications will be rejected out rightly.
2. Please ensure that date of opening of Registered Office, Branch Office, entrance dates of all Partners into the firm, date of joining firm as qualified & semi-qualified assistants should be invariably indicated in the application.
3. All EOIs will be evaluated on the basis of the documents furnished along with applications only. **No further documents will be called for during the scrutiny of the EOIs.** Any additional document received, after last date & time of receiving the EOIs as stipulated in the Notice Inviting EOIs will not be entertained.
4. Since, all the applications will be evaluated strictly on the basis of Selection Criteria please avoid attaching unsolicited information / documents for processing applications expeditiously.
5. All submitted documents should be signed by a Partner with his name and under the seal of the firm.
6. Applications must be submitted under sealed cover super scribing the EOI Notice No. & date and the words 'Application for Appointment of Cost Auditors for 2017-18 to FY 2019-20. The name and address of the firm must also be indicated on the body of the envelope.
7. Application may be submitted in or by post/ courier to :

**DGM Contract & Purchase,
NLC Tamilnadu Power Limited,
TuticorinHarbour Estate,
Tuticorin-628004
Tamilnadu, India .**

NLCTamilnadu Power Limited does not take any responsibility for loss of application in transit. Applications sent through Fax or E-mail will not be considered.

8. Any application received after the stipulated date & time, due to any reason whatsoever, will be rejected out rightly. The documents submitted by the firms on the Scheduled date of opening in response to the EOI floated will be treated as the final and no further supplementary documents/clarifications will be entertained.

6.2. List of documents to be submitted along with the applications/ EOIs:

Interested Cost audit firms are advised to go through contents of the EOI documents carefully and submit all attested copies of the following documents in proper sequence along with the EOIs as described hereinafter:

1. Format of Application enclosed herewith must be completely filled in. Incomplete applications will be rejected outrightly.
2. Registration certificate of the firm issued by the Institute of Cost Accountants of India, Information related to year of establishment of Head Office & Branch Office(s), addresses, details of partners and their membership nos. etc. as indicated in the Certificate will be treated as conclusive & final information for evaluation of EOIs.
3. Membership certificates of the qualified assistants issued by the respective Institutes along with the documentary evidence establishing payment of the salaries by the Cost Audit Firm.
4. Certificates issued by the respective Institutes in evidence of qualifications of semi-qualified assistants.
5. Copies of appointment orders for Cost audit in evidence of experience.
6. Copy of PAN Card.
7. Copy of Goods and Service Tax Registration.
8. A cancelled cheque of the Bank to which payments will be made.
9. A copy of complete EOI document duly signed and sealed as a token of acceptance of all terms and conditions.

7.0 **PARTICIPATION FEE:**

The participation fee (non-refundable) for an amount of Indian Rupees 5,900/ (Rupees Five Thousand Nine Hundred Only), amount inclusive of GST in the form of Demand Draft drawn in favour of **NLC Tamilnadu Power Limited**, payable at **Tuticorin** is to be submitted along with the EOI documents. The participation fee (non-refundable) may also be remitted through RTGS / NEFT mode to NLC's Account No. 31037748056 Beneficiary Name: NLC Tamilnadu Power Ltd., A/c in State Bank of India, Branch: SPIC Nagar, Muthiahpuram (IFS Code No. SBIN0003143) and the UTR No. shall be indicated in the

EOI document. The Bank commission charges will be to the account of the bidder. The remittance details shall be clearly indicated by the bidder in their offer and the qualification of the bidder is subject to receipt of participation fee stipulated in the EOI.

8.0 EOI DOCUMENTS SUBMISSION AND OPENING:

- 8.1 The EOI documents shall be submitted in one original and 6 (six) identical copies indicating clearly as 'original' and 'copy'.
- 8.2 The EOI documents prepared by the bidder and all correspondence and documents relating to the EOI shall be in the English language.
- 8.3 The EOI must contain the name and place of business of the person or persons making the EOI and each page of the EOI must be signed and sealed by the Bidder with his usual signature. The name of all persons signing shall be provided below the signature,
 - 8.3.1 Satisfactory evidences of authority of the person signing on behalf of the Bidder shall be furnished with the Bid.
 - 8.3.2 The Bidder's name stated on the proposal shall be the exact legal name of the firm.
- 8.4. The EOI documents (one original and Six identical copies) bearing the tender reference No. shall be submitted in SEALED COVER(S) to DGM Contract & Purchase, NLC Tamilnadu power Limited, Tuticorin Harbour Estate, Tuticorin-628004 Tamilnadu, India.
- 8.5. The outside of the covers should indicate clearly the name of the bidder and his address. In addition, the envelope or container should indicate the "Tender No. and Name of the work for which the EOI is submitted, EOI opening date and time". EOI with no indication given on the outside of the envelope to indicate that it is an EOI, which therefore gets opened before the due date shall be liable to be disqualified. All the pages of the EOI shall be serially numbered. The Bidders are instructed to properly paste the covers before applying wax seal and it is warned that failure to do so would result in rejection of such EOI.
- 8.6. Submission of EOI, documents through Fax, E-Mail will not be accepted.
- 8.7. EOI submitted without the proper documentary evidence to substantiate fulfillment of the qualifying requirements as specified are liable for rejection without assigning any reason
- 8.8 NLC Tamilnadu Power Ltd. takes no responsibility for delay, loss or non-receipt

9.0 LATEST TIME FOR RECEIPT OF EOI DOCUMENTS:

EOI Documents must reach this office on or before 14.30 Hours (1ST) of 19.09.2017 to the officials and address mentioned below. Any EOI offer received after the expiry of the time specified for receiving the EOI documents is liable for rejection.

**DGM Contract & Purchase,
NLC Tamilnadu power Limited,
TuticorinHarbour Estate,
Tuticorin-628004
Tamilnadu, India**

10.0 EOI OPENING:

The EOI documents received from the bidders as above will be opened at Tuticorin Office, NLC Tamilnadu Power Limited, Harbour Estate, Tuticorin - 628004 on 19.09.2017 at 15.00 Hours (1ST).

11.0 The documents shall be opened on the date set for opening of the EOI in the presence of such bidders who may be present. The bidders are at liberty to be present or authorize their representatives not more than two to present at the time of opening of EOI

12.0 Clarification request, if any, should reach DGM Contract & Purchase, NLC Tamilnadu power Limited, TuticorinHarbour Estate, Tuticorin-628004 Tamilnadu, India. Phone No. 0461-2352840

E.Mail : candp.ntpl@nlcindia.com, finance.ntpl@nlcindia.com on or before 11.09.2017


Chief Executive Officer 2/2

Details of Experience In POWER SECTOR having Turnover Rs.500 Crore or more

Sl.No.	Name of the company	PSU/Pvt Sector	Turnover of the company	Year of Cost Audit Conducted	Name of the firm/partner in whose name Audit Conducted

Details of Experience In OTHER THAN POWER SECTOR having turnover Rs.1000 Crore or More

Sl.No.	Name of the company	PSU/Pvt Sector	Turnover of the company	Year of Cost Audit Conducted	Name of the firm/partner in whose name Audit Conducted

Signature of Partner with
Name & Seal of the Cost Audit Firm