



ODISHA HYDRO POWER CORPORATION LTD.

(A Government of Odisha Undertaking)

Regd. Office: ODISHA STATE POLICE HOUSING & WELFARE CORPORATION BUILDING

VANIVIHAR CHOUK, JANPATH, BHOINAGAR, BHUBANESWAR – 751022

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WEBSITE: www.ohpcLtd.com CIN: U40101OR1995SGC003963

**NOTICE INVITING EXPRESSION OF INTEREST FOR APPOINTMENT /EMPANELMENT
OF COST ACCOUNTANT FIRMS FOR COST AUDIT, PREPARATION OF COST
ACCOUNTING RECORDS, COST REVIEW AND OTHER COST RELATED
ASSIGNMENTS IN THE ODISHA HYDRO POWER CORPORATION LIMITED.**

Odisha Hydro Power Corporation Limited invites expression of Interest from Cost Audit Firms located in the State of Odisha for appointment / empanelment for Cost Audit, Preparation of Cost Accounting Records, Cost Review and Other Cost Related Assignments in OHPC Ltd & its subsidiaries & JV Companies.

| | | |
|-----------------------------------------------|---|-----------------------------------------------|
| Date of display of tender document in website | : | 12th July 2019 11.00 AM |
| Last date of submission of EoI | : | 27th July 2019 upto 1.00 PM |
| Opening of bid | : | 27th July 2019 3.00 PM |

For further details and terms & conditions please visit the official website of OHPC, i.e. www.ohpcLtd.com

**Sd/-
Chief General Manager (Finance)**

REFERENCE, TERMS & CONDITIONS

1. **Introduction:** Odisha Hydro Power Corporation Limited (OHPC) is a Gold Rated 100% State PSU under the administrative control of Department of Energy, Govt. of Odisha, which was incorporated under the Companies Act, 1956 on 21.04.1995. At present, OHPC is having 6 (six) generating units at different parts of Odisha i.e. Balimela, Jeypore, Mukhiguda, Rengali, Burla & Chiplima having installed capacity of 2062 MW. In addition OHPC is also having share in Macchakund Joint Hydro Electric Project. Further, OHPC is also venturing into new thermal & Solar Project under the joint venture scheme.

2. **Scope of Work:** OHPC is looking for engagement of eligible Cost Accountant Firms for carrying out the following jobs :-

(I) Cost Audit

- (a) Cost audit to be conducted in accordance with Section 148 of the Companies' Act, 2013 (18 of 2013) read with Companies (Cost Records & Audit) second amendment Rules 2017 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.
- (b) Unit Wise Cost sheets are to be audited.
- (c) The Cost Auditor shall file Annual Cost Audit Report in XBRL mode.
- (d) All formats as required by statute are to be certified.
- (e) All other provisions of Companies (Cost records and Audit) Rules 2014 are to be followed.

(II) Preparation of Cost Records

- (a) Preparation of unitwise cost records.
- (b) Ensure proper periodical maintenance of cost Accounting records unit wise in due compliance to the statutory requirements.
- (c) Proper periodical cost allocation & preparation of cost estimates.
- (d) Ensure proper identification of costs as variable, semi variable, fixed etc.
- (e) Periodical reconciliation of cost records & financial records.
- (f) All other provisions of Companies (Cost records and Audit) Rules 2014 are to be followed.

(III) Other assignments: As may be decided mutually from time to time.

3. Eligibility Criteria

The firm should possess the following eligibility criteria and should produce supportive documents to this effect for the following along with the other documents/information as specified below. Bids of those bidders who qualify in the following eligibility criteria only will be considered for evaluation.

| Sl. No. | Eligibility Criteria | Documents to be furnished along with the prequalification proposal |
|---------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. | The firm should be registered with the Institute of Cost Accountants of India having certificate of practice for more than 5 years. | Copy of Certificate of practice / Registration certificate of Constitution of the firm. |
| 2 | The firms should have experience as Cost Auditor / preparation of Cost Accounting Record or both at least for 5 years. | Supporting documents to be enclosed. |
| 3. | The firm should have its head office in Odisha and Branch / Head office in Bhubaneswar. | Copy of document as a proof that the office is at Bhubaneswar / Odisha as on 1 st April 2019 |
| 4. | The average annual turnover of last three financial years of the firm i.e. 2016-17,2017-18 & 2018-19 should not be less than Rs. 5 Lakhs. (Rupees Five Lakhs) | Copies of audited / certified Balance Sheet / Profit Loss Statement for the concerned period. In case audited Accounts For FY-2018-19 is not available provisional Accounts duly Certified by their auditors. |
| 5 | The eligible firm should have at least 3 partners and minimum 5 Nos of Staff. | Copy of Membership Certificate of the Partners should be furnished & Constitution Certificate of firm mentioning no of partners should be submitted. The staff strength of Firm with qualification & experience should be mentioned. |
| 6. | The Firm should have GST Registration Number and PAN . | Copy of GST Registration Number and PAN. |

Note : 1. If a firm does not qualify under Sl. No. 1, 2 & 4 above on its own strength. In such case, they can form a consortium with a firm having the requisite criteria including Sl No.1, 2 & 4 and apply for the purpose.

2. The firm, who are presently involved for either in Cost Audit or preparation of cost records or any other assignment in OHPC and its associates are not eligible to apply.

3. Non-submission of any one of the above documents along with pre-qualification proposal, leads to outright rejection of the proposal.

4. Evaluation Methodology :

The following is the distribution of marks for the selection. Selection/empanelment will be done based on attainment of highest marks obtained:

| Sl. No | Norms | Basis of Marks | Maximum Marks | Document to be submitted | |
|--------|--------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|-------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|
| 1 | Number of Years of establishment of Firms (S) since date of Registration | Up to 5 years 5 marks and 1 mark per year for each 1 year or part thereof beyond 5 years | 10 | Firm constitution certificate from concerned institute as on 01.04.2019 | |
| 2 | Number of partners in the firm * | 3 marks for each member | 15 | Firm constitution certificate from concerned institute as on 01.04.2019 | |
| 3 | Number of qualified assistants (cost/chartered accountant) in the firm. He / She should be a member of his/her respective institute. | 2 marks for each qualified Assistant | 8 | Certificate from the concerned Institute and CV of the concerned staff | |
| 4 | Number of semi-qualified assistants (inter Cost /chartered accountants) in the firm | 1 mark for each semi- qualified Assistant. | 5 | CV along with Intermediate Certificate of the concerned staff | |
| 5 | The firm having the experience of conducting statutory cost audit. | Central/State PSU | i) 3 marks for each year cost audit in Power sector PSU. | 12 | Copies of Mandate/letter of engagement and certificate of completion issued by the organization |
| | | | ii) 1 mark for each year cost audit in other than Power sector. | 5 | |
| | | Other than Central/ State PSU | i) 2 marks for each year cost audit in power sector. | 6 | |
| | | | ii) 1 mark for each year cost audit in other than power sector. | 4 | |
| 6 | The firm having the experience of preparation of cost records. | Central/State PSU | i) 2 marks for each year for preparation of cost records in Power sector PSU. | 8 | Copies of Mandate/letter of engagement and certificate of completion issued by the organization |
| | | | ii) 1 mark for each year for preparation of cost records in other than Power sector. | 4 | |
| | | Other than Central/ State PSU | i) 2 marks for each year for preparation of cost records in power sector. | 5 | |
| | | | ii) 1 mark for each year for preparation of cost records in other than power sector. | 3 | |

| | | | | |
|---|--------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|------------|-------------------------------------------------------------------------------------------------------------------------------|
| 7 | Turnover of the firm (Average annual in the last three years, Rs .in Lac) (Min Rs 10 Lacs) | 5-10 Lakhs=5 Marks >10-15 Lakhs=10 Marks For additional increase beyond 15 Lakhs, 1 mark per each 2 Lakhs. | 15 | Copies of audited / certified Balance Sheets and P&L Accounts for the financial years 2016-17 ,2017-18 & 201819(Provisional). |
| | TOTAL | | 100 | |

*He /She should be a partner in the firm for a minimum period of one year as on date of application.

Note:

- i. Documentary evidence in support of each of the above mentioned criteria is required to be submitted.
- ii. A firm should secure at least 60% of marks out of 100 to qualify for formal discussion / presentation with the management for selection of audit firms. However, securing 60% marks do not confer any right of the firm to get selected for the assignment. The management reserves the right to invite the firm for an interface with the Committee securing above 60 marks or may scale down further depending upon the requirements. 75% weightage shall be given for scores in the evaluation and 25% for interface with the Committee.

(b) Empanelment:

- i. The panel for successful Audit Firm will be made in descending order based on score secured. The shortlisted firms will be called for interaction with the selection committee.
- ii. In case of failure/denial of highest scoring firm to be the Cost Auditor of OHPC, next firm with 2nd highest marks with No. 2 rank will be selected as the Cost Auditor and so on.
- iii. In case of a tie, the following sequence shall be adopted for selection:
 - **First sequence:** Cost accountants/ firms of Cost Accountants with longer experience shall be given preference based on the year of Registration / Establishment.
 - **Second Sequence:** Firm with a higher number of Fellow and/or Associate Members of the Institute of Cost Accountants as partners shall be given preference.

(c) Audit team:

The team should consist of adequate number of qualified /semi qualified Assistants (Cost/Chartered Accountant) led by a senior partner of the Firm in Commensurate with the size of the organization/ area of work.

5. TERMS AND CONDITIONS:

I. Submission of Report:

The appointment of the empanelled Cost Accounting firms shall be initially for two years which may be extended for further One year based on the satisfactory performance. Cost Accounting firm so appointed will start the given assignment immediately and will submit

report within stipulated time frame to **Chief General Manager (Finance), OHPC Corporate Office**, Bhubaneswar.

II. Audit Fees:

(Amount in Rs.)

| Category | Fees for Audit | TA / DA Limit |
|------------------------------------------------------------------|----------------|---------------|
| Cost Auditor (C.O. & All of the 6 (six) units) | 1,25,000/- | 70,000/- |
| Cost Accounting Record (All 6 (six) units on quarterly basis) | 62,500/- | 50,000/- |

In addition to the audit fees, on out-station visits auditors shall be paid traveling allowance and daily allowance as applicable to E6 grade for partners and E3 grade for the assistant according to the applicable TA rules of OHPC, subject to the limit as mentioned above.

- (a) GST shall be paid extra as applicable from time to time.
- (b) The fees for Cost Audit & preparation of Cost Accounting Record are to be paid after submission of report.
- (c) The payments shall be released by corporate office after receipt of performance report from the concerned unit finance head.

III. Disqualification:

OHPC may at its sole discretion and at any time during the evaluation of the Proposal disqualify any Participating firm if it has:

1. Made misleading or false representations in the forms, statements and attachments submitted in proof of the eligibility requirements
2. Withdrawal of Proposal by the Participating firm after the Proposal Due Date will lead to black listing and debarring the firm in all the future assignments.
3. Declared the firm as ineligible by GoI / State Govt of Odisha or the concerned PSUs for corrupt, fraudulent practices or has been blacklisted.
4. A firms proposal may be liable for rejection, if it is determined that the firms has engaged in corrupt, fraudulent or unfair trade practices.
5. Firm proposes any alteration in the work specified or any conditions or corrections made in this EOI.
6. Firm shall submit the EOI which should satisfy each and every condition laid down in the notice and EOI documents, failing which the EOI will be liable for rejection.
7. Firm's EOI containing counter conditions shall be liable for rejection out rightly without assigning any reason for the same.
8. Stipulates its own conditions.
9. Does not fill in and sign the EOI form as well as annexure, specifications etc.
10. Does not submit the EOI before the stipulated time line to the inviting authority
11. Does not attach the required documents along with the EOI.
12. Canvassing in any manner to influence the Authority will be liable for rejection.

IV. Other Terms & Conditions:

The appointment of auditors is subject to the following declarations:

- a) The Audit Firm should 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) Any partner of the cost Auditors is not related to Managing Director/whole time Director or part time Director of company within the meaning of section 2(77) of the companies Act, 2013
- d) Neither the firm nor its partner or Associates has any interest in the business of Company;
- e) The auditor will be required to issue certificate of Independence;
- f) While a Cost Auditor shall have prime responsibility to ensure that he/she does not violate the limits specified u/s 139(2) of the companies Act.2013; The auditor/ firm shall be free from any disqualification under Sec. 141(3) of the Companies ACT, 2013
- g) Where a Cost Accountant is a Partner/Owner of more than one firm, in such case, only one firm shall be allowed to take part in the tender process either in OHPC or any of its subsidiaries. If it is found that the Firm having common partner makes application in the EOI initiated by OHPC and its Subsidiaries, such application will stand cancelled.
- h) The partners holding certificate of practice issued by Institute of Cost Accountants of India are in whole time practice.
- i) The Audit Firm will be debarred from getting, in future, the Cost audit in OHPC and its Subsidiaries 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 (i).
 - v) If during the periodical reviews the performance of the firm is found to be not satisfactory.
- j) 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.

- k) The Cost auditor shall undertake that data given to the Auditor by OHPC and any information generated from the data provided shall not be used by the Auditor for any other purpose.
- l) 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 should be sealed and super scribed with the Notice No. & date mentioning '**Appointment/Empanelment of Cost Audit Firm**'. **The name and address of the firm should be indicated on the body of the envelope.**
- m) Application may be submitted by the firm in person or may be sent by post to **Chief General Manager (Fin), The Odisha Hydro Power Corporation Ltd, Odisha State Police Housing Corporation Building, Bhoi Nagar, Bhubaneswar-751022**, as per the following timelines :
- | | |
|-----------------------------------------------|-------------------------------------------------|
| Date of display of tender document in website | : 12th July 2019 11.00 AM |
| Last date of submission of EoI | : 27th July 2019 upto 1.00 PM |
| Opening of bid | : 27th July 2019 3.00 PM |
- However, OHPC does not take any responsibility for loss of application in transit. Application sent, through Telegram, Telex, Fax, E-mail or any other means shall not be considered.
- n) Applications received after the due date and time shall be ignored. Any application received late due to any reason whatsoever will not be the responsibility of OHPC.
- o) In case of any dispute, Chairman-cum-Managing Director, The Odisha Hydro Power Corporation Ltd shall be the sole arbitrator.
- p) **Jurisdiction of Courts** : Any dispute arising out of or in respect of the contract will be subject to the jurisdiction of the High Court of Odisha, Cuttack only.
- q) **Disclaimer:** OHPC 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.

APPLICATION FORMAT FOR EMPANELMENT AS COST AUDITOR IN OHPC Ltd.

1. Name of the Audit Firm:

2. Address:

- i. Permanent Address
- ii. Correspondence Address
- iii. Telephone Number
- iv. Fax Number
- v. Email Address

| Sl. No. | Particulars | Document Page No. |
|---------|--------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|
| I | Type of firm, registration No. & date | |
| II | Numbers of partners in the firm. (Attested Copies of Associate/Fellow membership of each Partner along-with their membership no. should be enclosed). | |
| III | Number of qualified assistants (Cost/ Chartered Accountant) in the Firm. He/she should be a member of his/her respective Institute. | |
| IV | Number of semi qualified assistants (Inter Cost/ Chartered Accountant) in the firm. | |
| V | Details of the experience of Conducting Statutory Cost Audit / preparation of Cost Accounting in Central/State PSUs. | |
| VI | Details of the experience of Conducting Statutory Cost Audit / preparation of Cost Accounting Record for other than Central/State PSUs. | |
| VII | Details of the experience of conducting Cost Audit / preparation of Cost Accounting in Power Sector in Central/State/ other than Central/State PSUs. | |
| VIII | Turnover of the firm (Average annual Turnover in the last three years) (To be supported by copy of last three years audited/certified Annual Accounts) | |
| IX | Details of the registered office / branch office within State of Odisha. | |

Note:

1. Documentary evidence of all the information as stated above is 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

CERTIFICATE

I/We _____, **partner/s of the firm certify that:**

- a. The information mentioned above is true and correct,
- b. Required documentary evidences duly signed & sealed are enclosed,
- c. If appointed as Cost Auditor/ assigned any other Cost related job in OHPC Ltd.,
 - My 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,
 - Our firm will not accept any other audit job in OHPC or any other subsidiary of OHPC.
 - We will issue Certificate / Report independently.

SIGNATURE WITH SEAL.