

SOUTH EASTERN COALFIELDS LIMITED
(A Subsidiary of Coal India Ltd.)

NOTICE INVITING APPLICATIONS FOR EMPANELMENT

Sub: Empanelment of Chartered Accountants/Cost Accountants Partnership Firms registered with the Institute of Chartered Accountants of India / Institute of Cost Accountants of India for conducting Internal Audit Of Physical Verification of Stores & Spares in SECL for the year 2015-16.

Applications from Chartered Accountants / Cost Accountants Partnership Firms registered with the Institute of Chartered Accountants of India / Institute of Cost Accountants of India are invited for conducting Internal Audit for Physical verification of stores & spares in SECL for the year 2015-16. The Partnership Firms may send their applications to the **Dy.General Manager (IA), SECL, Seepat Road, Bilaspur (CG) Pin 495 006** so as to reach on or before **4th December, 2015** indicating details of the Firms such as (1) Audit Experience of Firm in Coal Industry specifying nature, year of audit and name of the Subsidiary (2) Audit Experience of Firm in other Government/Public Sector Undertakings and in Scheduled Banks for Concurrent / Internal Audit, specifying nature, year of audit and name of the Company/Institution (3) Working experience of Partners in Coal Industry as an ex-employee (4) Details of Partners enclosing therewith Photo copy of certificate of the Institute of Chartered Accountants of India / Institute of Cost Accountants of India indicating associate or fellow membership (5) No. of Qualified Assistants along with Name & membership number with certificate of the Institute and No. and Names of Semi-Qualified Assistants with their proof of qualification (6) Year of establishment (7) Whether Associate or Fellow member.

The Audit Firms may please also note as under:

- (i) The Audit Firms who have worked for preceding last three financial years (2012-13, 2013-14 & 2014-15) under SECL's appointment need not apply as per Company's Policy.
- (ii) The willing Partnership Firms should **enclose self-attested complete documentary evidence in support of their credentials under (1) to (7) above given in chronologically and separately.**
In absence of **self-attested complete documentary evidence** in regard to proof of Partnership Firm, being **the prime criteria of empanelment** of Physical Verification of Stores and Spares, the application will **not be considered** without assigning any reason.
In absence of **self-attested complete** documentary evidence, the **marks assigned** to a particular criterion **will not be accorded**, without assigning any reason.
- (iii) Application received after due date shall not be accepted.
- (iv) Kindly visit our website **secl.gov.in** for details regarding empanelment.

- (v) Audit Firms of Chartered / Cost Accountants conducting Continuous Internal Audit and Statutory/ Cost Audit for 2014-15 in SECL, CIL and in other Subsidiary Companies of CIL will not be eligible for appointment of Internal Audit for conducting Physical Verification of Stores & Spares for the year 2015-16.

(vi) **Evaluation Criteria shall be as under**

S. No.	Norms	Basis of Marks	Max. Marks
1	<u>Experience:</u> (1) Experience of Firm (i) In Coal Industry for Statutory/Internal Audit. (ii) In other Govt./ PSUs / Scheduled Banks (2) Working Experience of Partners in Coal Industry as an ex-employee.	(i) 3 marks per year of audit (ii) 3 marks per year of audit 3 Marks per year of service	15 10 15
2	Number of Partners in the Firm:	3 Marks for each Partner who is ACA/AICA(ACMA) and 5 marks for each Partner who is FCA/FICA(FCMA)	20
3	Year of Establishment of the Firm.	3 Marks per year	15
4	Number of qualified assistants (Chartered/Cost Accountants) in the firm.	3 marks per qualified Assistants.	15
5	Number of semi- qualified assistants (Inter Chartered/Inter cost) in the firm.	2 marks per Semi-Qualified assistant.	10

Other points:

- (1) Only those audit firms who have applied in response to our advertisement in the press and on SECL website as well as website on the website of ICAI (Institute of Chartered Accountants of India) and ICAI (Institute of Cost Accountants of India) are eligible for empanelment.
- (2) Firms who were appointed in the previous year and have not carried out the job and those firms not carried out the jobs satisfactorily after acceptance shall not be Considered for appointment.

- (3) Two separate panels would be prepared. One for audit firms within the State of Chhattisgarh and Madhya Pradesh and the other for audit firms outside Chhattisgarh and Madhya Pradesh. Fifty percent (50%) of appointment shall be reserved for audit firms within Chhattisgarh and Madhya Pradesh and the balance 50% for firms outside Chhattisgarh and Madhya Pradesh.
- (4) The audit team should consist of one qualified and three semi-qualified assistants. The audit firm who has been appointed for physical verification of stores & spares of Regional Stores should also conduct NL / PL reconciliation for cards in which the balance as per stores ledger differs with Cardex / bin card as on the date of Verification.

SCOPE OF WORK OF PHYSICAL VERIFICATION OF STORES & SPARES

The scope of work of physical verification of stores & spares Audit includes the following :

1. The physical verification shall be done at Central / Regional stores as well as site/colliery stores including diesel & lubricants depot.
2. Audited physical balance statement as on 31st March, of the previous year if any, shall be taken as opening balance.
3. Checking and verification of physical balances as on the day of verification, which includes counting/measuring/weighing etc.
4. Tracking the receipt and issue of the material between the intervening period with reference to Cardex / bin card / stores ledger along with necessary adjustment to arrive at the derived physical balance as on 31st March.
5. Item wise discrepancies, if any, between book balance as on 31st March, and derived physical balance as on 31st March, to be submitted to the Depot Officer for verification and acceptance.
6. List of stores and spares for which no D.S.R. / D.R.R. has been prepared as on the date of physical verification is to be submitted separately with reasons thereof.
7. Whether action taken by the management against the discrepancies observed in the physical verification report of last year is to be reported by the auditor.
8. Statement of physically verified obsolete / non moving stores and spares beyond three years and five years, if any, to be reported separately along with last date of movement.
9. Whether the records maintained in respect of scrap material are satisfactory and complete is to be reported.
10. To report the status of recovery of stores materials issued on loan, if any, to the employees and contractors.
11. Statement of insurance claims lodged with insurance company for shortage / damaged material received in store should be submitted.

12. The Auditor has to report whether the materials lying in the stores have been properly stored to avoid damage and pilferage.

Audit Fees:

- (i) Rs. 4.50 per card having transaction during the year including cards having same balance in opening as well as closing.
- (ii) Rs. 2.25 per card for NL/PL reconciliation for cards in which the balance as per stores ledger differ with Cardex / bin cards of Regional Stores on the date of verification. It is a consolidated work of Physical Verification of Stores & Spares and NL/PL reconciliation; as such audit fee will be released on completion of both the work.
- (iii) Service Tax as per Service Tax Act.
- (iv) Boarding, Lodging and Local transportation within the mines area will be provided by the company. No TA and DA will be paid for reporting to Area for commencement of the audit and back.

Paying Authority:

- concerned Area Finance Manager

Please provide Bank details in the bill e.g. Name of Bank, Bank Address, ESC Code /RTGS No. Please mention the PAN and Service Tax Registration No. in the bill. Applications received after **04/12/2015** shall not be considered under any circumstances. For further details please **contact Dy. General Manager (Internal Audit), SECL, Bilaspur Tele FAX – 07752-246334, SOUTH EASTERN COALFIELDS LIMITED (A Subsidiary of Coal India Limited)**

