

TRIPURA STATE ELECTRICITY CORPORATION LIMITED

(A Govt. of Tripura Enterprise)



NO. F.HRM-3.3/TSECL/2019-20/ 31680-83

Date- 11-9-2019

To
The Director,
Department of Information & Culture,
Government of Tripura, Agartala.

Sub:- Publication of Notice Inviting Expression of Interest for appointment of Cost Accountant Firms.

Sir,

Enclosed please find herewith the Matter in English for Publication in 2(Two) local Bengali News paper and 1(One) National News paper on 13.09.2019 of **Notice Inviting Expression of Interest** for appointment of **Cost Accountant Firms** under Tripura State Electricity Corporation Ltd, (TSECL).

Confirmation of letter of Publication of the same may please be sent to the Director (Finance), Corporate Office, Banamalipur, Agartala-799001

Rate for publication in News paper will be the approved rate. Bills in triplicate alongwith the News paper may also be sent to this office for making payment.

Encl:- 5(Five) nos Notice Inviting Expression of Interest.

Yours faithfully

Arnab Chakraborty
(A. Chakraborty)
Director (Finance)

Tripura State Electricity Corporation Ltd
Tripura :: Agartala

Copy to:-

1. PS to the CMD, TSECL, Tripura, Agartala.
- ✓ 2. The DGM (IT), TSECL for information. He is requested to upload the Application form (Annexure-I, II & III) along with other related documents as enclosed to the website of TSECL for interested firms and to download the application form etc for submit their interest easily.
3. The DGM (HRD), TSECL, Tripura, Agartala.

Arnab Chakraborty
Director (Finance)

Tripura State Electricity Corporation Ltd

NOTICE INVITING EXPRESSION OF INTEREST FOR APPOINTMENT OF COST ACCOUNTANT FIRMS FOR CONDUCTING COST AUDIT AFTER DUE SCRUTINY, VERIFICATION & EXAMINATION OF COST ACCOUNTING RECORDS MADE AS PER THE COMPANIES (COST RECORDS & AUDIT) RULES, 2014 AND AS AMENDED IN TRIPURA STATE ELECTRICITY CORPORATION LIMITED (TSECL) FOR THE FINANCIAL YEARS 2014-15, 2015-16 & 2016-17.

The Bid-Offer from interested Cost Accountant Firms complete in all aspects should reach as per the prescribed formats as given in Annexure 'I', 'II' & 'III' on or before **30th September, 2019 up to 5.00 p.m.** at the following address.

**The Director Finance,
Tripura State Electricity Corporation Limited
TSECL, Bidyut Bhawan,
Banamalipur, Agartala,
Tripura 799001**

A. Introduction:

Tripura State Electricity Corporation Limited (TSECL) was formed and started operation from 1st January 2005. As per Electricity Act 2003, TSECL is considered as a deemed Licensee responsible for Generation, Transmission and Distribution of power in Tripura. TSECL is mandated to get its tariff and annual revenue requirement (ARR) approved by TERC.

Tripura Power Generation Limited is a Public incorporated on 28 January 2015. It is classified as State Govt. Company and is registered at Registrar of Companies, Shillong. It is involved in Production, collection and distribution of electricity.

GENERATION

The installed capacity is 115.00 MW and total power generated within the State is 642.99 MU and power purchase from Central Sector (Grid) is 2683.17 MU respectively during the year 2018-19. The total unit sold to ultimate consumers of State in 2018-19 is 1344.41 MU at 132 KV Bus. Out of this maximum power is sold to Domestic Consumers is 486.93 MU followed by 93.70 MU for irrigation /Public Water purpose, Commercial consumption 57.20 MU and Industrial 40.10 MU.

TRANSMISSION

The transmission network of the TSECL spans over 10486 sq. km. with 8 districts comprising of 8 major town and 870 villages. In addition to state level network, it

is interconnected with other states with the transmission network of Power Grid Corporation of India Limited.

DISTRIBUTION

TSCEL is having 9 Circle Offices, 23 Divisional Offices & 79 Sub-Divisional Offices across the State of Tripura.

Pursuant to Section 148 of The Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014 Company is required to include cost records in their books of accounts & get the Cost Records audited. Notice of expression of interest for appointment of Cost Accountant Firms for conducting cost audit after due scrutiny, verification & examination of cost accounting records made as per the companies (Cost Records & Audit) Rules, 2014 and as amended is invited from eligible firms of Cost Accountants in Tripura State Electricity Corporation Limited (TSCEL) for the financial years 2014-15, 2015-16 & 2016-17. Selected firms on successful completion shall be awarded the assignment of Cost Audit for the Financial Years 2017-18, 2018-19 & 2019-20.

A) Scope of Works:

- a. The Cost Audit of TSCEL's activities in terms of Generation, Transmission & Distribution are to be carried out with respective Cost Centers and Cost Accounting Ledgers so that the cost per unit of the activities of the organization be determined.
- b. Examination and Verification of the correctness of Cost Records maintained activity wise i.e., Generation, Transmission & Distribution of Electricity at the O&M Circles and Divisions of TSCEL.
- c. Verification of the correctness of Annexure to the Cost Audit Report as prescribed in CRA-1 by the MCA, Government of India.
- d. Reconciliation of Profit as per Cost Accounting Records with Financial Accounting Records.
- e. Suggestions for improvement (requisite modifications and/or additions) to the present cost accounting system to facilitate proper cost analysis and cost record maintenance in future.
- f. Preparation & Conversion of Cost Audit Report into XBRL-Taxonomy within stipulated time as required by the Rules, Notifications / Circulars issued by MCA from time to time. The duly signed Cost Audit Report in duplicate should be submitted for placing before the Board of Directors through Audit Committee for approval. The Cost Audit & the conversion report through XBRL taxonomy is to be submitted in duplicate within the stipulated time for filing to MCA, Government of India.

- a. Attending formal meetings with the Company management, Audit Committee/Board of Directors of the Company in connection with the Cost Audit Work.

B) Criteria for Submitting Offers:

- a. The cost auditors / firm of cost auditors fulfilling the following criteria as enumerated in para 'C' below shall only be eligible to submit their offers for empanelment of cost auditors. The offer shall be submitted as per the prescribed format only. Information related to Cost Audit Firms and selection criteria shall be in **Annexure-I**, Declaration that Cost Audit Firm have not been banned/debarred/de-empanelled from business by any PSU/Govt. department during last 3 (Three) years shall be in **Annexure-II** & Payment shall only be made through electronic mode as per the information submitted as desired as per **Annexure-III**.
- b. The firm of Cost Auditors / Cost Auditors must have minimum five years of continuous experience as on 1st April, 2019 in conducting the Cost Audit particularly in PSUs (Central/State) Electricity Sector.
- c. The firms of Proprietorship or Partnership must have its office preferably in the North Eastern/Eastern Region of India.
- d. The team should consist of adequate number of qualified /semi qualified Assistants (CMA) led by a senior partner of the Firm in Commensurate with the size of the organization/ area of work.

C) Criteria for Selection of Cost Auditors for Empanelment:

The following will be the basis of marks for the selection /empanelment. Selection/empanelment will be done on the basis of 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 with the Institute of Cost Accountants of India.	2 marks for each year	20	Proof of Certificate of Practice against the claim of bidder till the F. Y. 2019-20.
2.	Number of Partners / Full time Members in the firm	2 marks for each Associate Member and 3 marks for each Fellow Member	15	Proof of Certificate of Membership against the claim of the bidder.
3.	Number of Qualified assistants (Cost Accountant) in the firm. He / She should be a member of his/her respective institute.	2 marks for each qualified Assistant	8	Certificate of Membership from the ICAI-CMA.

Sl. No	Norms	Basis of Marks	Maximum Marks	Document to be submitted
4.	Number of Semi-Qualified assistants (Inter-mediate passed from ICAI-CMA Institute) in the firm	1 mark for each semi-Qualified Assistant.	5	Pass Certificate from the ICAI-CMA
5.	The firm having the experience of conducting Statutory Cost Audit / Maintenance of Cost Records in Central/State PSUs.	i) 2 marks for each year of conducting Cost Audit in Central/State PSUs other than Electricity sector.	12	Letter of engagement/ Appointment Letter.
		ii) 3 marks for each year of Cost Audit, Maintenance of Cost Records in Central/state PSUs in Electricity Sector.	15	
		iii) 2 mark for each year Cost Audit, Maintenance of Cost Record in other than central/state PSU.	10	
6.	Turnover of the firm (Average Annual Turnover in the last three years, Rs. in Lacs)	10-15 = 5 Marks 15 to 20 = 10 Marks More than 20 = 15 Marks For additional increase beyond 20 lakh 1 mark per each 2 lakh	15	Copies of audited/certified Balance Sheets and P & L Accounts for the financial years 2014-15, 2015-16 & 2016-17.
Total			100	

Note:

- a)** Documentary evidence in support of each of the above mentioned criteria is required to be submitted.
- b)** A firm has to secure at least 60 % of marks out of 100 in Technical bid to qualify for formal discussion 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. 80% weightage shall be given for scores in the technical proposal and 20% scores for interface with the committee. Appointment of Cost auditors will be adhered strictly as per the Companies Act, 2013 including casual vacancy towards removal or to fill up the casual vacancy of Cost Auditor.

- c) In case of tie in marks, a firm with longer experience in conducting cost audit of Central / State PSU's engaged in Power Sector will be preferred. If still there is a tie, a Firm with a higher number of Fellow Member(s) of the Institute of Cost Accountants of India will be considered. If still there is a tie, a firm with longer experience in conducting cost audit of Central/State PSU's in other Service Industry will be considered. If again there is a tie, a firm with longer experience in conducting Cost Audit in Power Sector will be considered.
- d) If the firm of Cost Audit selected for appointment is not willing to accept the offer for any reason, the next ranked Cost Auditor will be considered for appointment.
- e) Where a Cost Accountant is a partner / owner of more than one firm, such partner / owner will be considered for only one firm of his choice. His marks will be considered for the firm for which choice is given and the other firms will get zero mark as partner.
- f) **The following documents will be required to submit invariably in support of above criteria notified.**
1. Copy of valid Certificate of practice issued by ICAI-CMA;
 2. Certificate of membership issued by ICAI-CMA;
 3. Copy of Firm's Constitution Certificate issued by ICAI-CMA;
 4. Certificate of Membership of ICAI-CMA in case of qualified assistants.
 5. Copy of PAN Card
 6. GST Registration Certificate.
 7. Experience Certificate in terms of Appointment / engagement letter issued by the Principal Company.

D) Other Terms and Conditions:

1. The Audit Firm must not sub-contract the work;
2. 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 with strict confidence and secrecy. No data or information in any circumstances cannot be shared or used for any other purposes.
3. No partner/owner of cost audit firm is related to Managing Director/whole time Director or part time Director of company within the meaning of Section 141 of the Companies Act, 2013;
4. Neither the firm nor its partner or associates have any interest in the business of Company;
5. If appointed, a Cost Auditor shall have the prime responsibility to ensure that he does not violate the limits specified under section 141(3)(g) of the companies Act, 2013;
6. The auditor/ firm shall be free from any disqualification under Sub-section (3) of Section 141 of Companies Act, 2013.

7. The Cost auditor shall undertake that data given to the Auditor by company and any information generated from the data provided shall not be used by the Auditor for any other purpose.
8. The Audit Firm will be debarred from getting the Cost audit assignment of the Company in the following cases.
- a. If the firm obtains the appointment on the basis of false information/evidences then such firm will be de-listed from empanelment.*
 - b. If the Firm does not take up audit in terms of the appointment letter.*
 - c. If the Firm does not submit the audit report, complete in all respect in terms of appointment.*
 - d. If the Firm violates any of the stipulations under clause (a) to (i).*
9. Overwriting/correction/erasing^e 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.
10. Applications as prescribed along with documents are to be submitted duly sealed and signed as a token of acceptance of all terms and conditions. All envelopes must be sealed and super scribed with the Notice No. & date mentioning '**Appointment/Empanelment of Cost Accountant Firm**'. The name and address of the firm must be indicated on the body of the envelope.
11. Application completed as per prescribed format as given in **Annexure - I, II & III**, may be submitted by the firm in person or may be sent by Post to the **Director (Finance), Tripura State Electricity Corporation Ltd, Bidhyut Bhawan, North Banamalipur, Agartala, Tripura - 799001**. However, TSECL does not take any responsibility for loss of application in transit. Application sent to TSECL via Telegram, Telex, Fax or E-mail will not be considered.
12. Applications received after the due date and time shall be summarily rejected.
13. The Management of TSECL is not bound to accept the lowest fees quoted or any proposal or to give any reason whatsoever towards awarding as well as rejecting the EOI.
14. Any dispute, if arises, out of or in respect of the contract will be subject to the jurisdiction of Tripura High Court only.
15. The selected firm will be required to submit the Certificates Section 148 read with 139 & 141 of The Companies Act 2013, Certificate u/s 2(1)(b) and 6(1) of the Cost & Works Accountants Act, Certificate of Independence towards Arms's Length Relationship 1959- reg. Rule 6(1)(1A) as per Clause V of the Companies (Cost Records & Audit) Amended Rules, 2016 etc.

E) Professional Fees offered:

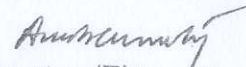
- a. The Cost Audit fees of Rs. 75,000/- per annum for TSCEL will be offered. The fees offered are inclusive of fee for converting the Cost Audit Report into XBRL taxonomy for onward filing into MCA portal of Government of India.
- b. Travelling expenses to Agartala & cost of accommodation shall be based on actual expenses incurred. The need of travel requires prior approval from the competent authority. The above fees shall be excluding GST.
- c. Fees for Verification, examination and correctness of the Cost Accounting Records will be offered at Rs. 1,25,000/- per annum.
- d. Statutory Taxes/levies & duties shall be paid extra, as applicable.
- e. The Cost Audit fee will be reviewed after every three years, if required.

F) Disclaimer:

The Company 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.

Documentary evidence of all the information are to be furnished along with the offer and all the pages of the terms & conditions and documents submitted are to be signed with the seal of the firm.

The sole discretion to select the Cost Audit Firm with necessary modifications, if any required in terms of selection criteria will lie with the top management and such decision will be final and binding to all who applies in terms of this expression of interest.


Director (Finance)
TSECL

ANNEXURE- I

**APPLICATION FORMAT FOR EMPANELMENT AS COST AUDITOR IN
TRIPURA STATE ELELCTRICITY CORPORATION Ltd.**

1. Name of the Audit Firm :
2. Address :
 - i. Permanent Address :
 - ii. Correspondence Address :
 - iii. Office Address :
 - iv. Branch Office Address, if any :
 - v. Contact Number :
 - vi. Fax Number :
 - vii. E-mail ID :
3. Year of Establishment :
4. Firm Registration No. :
5. Membership No. of Proprietor/Partner :
6. GST Registration No. :

Sl. No.	Particulars	Document Page No.
1.	No. of Years of establishment of Firms(s) since date of Registration	
2.	Numbers of partners in the firm. (Attested Copies of Associate/ Fellow membership of each Partner along-with their Membership Number should be enclosed).	
3.	Number of qualified assistants (CMA) in the Firm. He/she should be a Member of his/her respective Institute.	
4.	Number of semi qualified assistants (Inter – CMA) in the firm.	
5.	Details of the experience of Conducting Statutory Cost Audit, Maintenance of Cost Record etc in Central/State PSUs.	
6.	Details of the experience of Conducting Statutory Cost Audit, Maintenance of Cost Record etc for other than Central/State PSUs.	
7.	Details of the experience of conducting Cost Audit, Maintenance of Cost . Record etc in Electricity Sector in Central/State/other than Central/State PSUs.	
8.	Turnover of the firm (Average annual in the last three years ending 2016-17) (To be supported by the copy of last three years' audited/certified Annual Accounts)	

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.

Declaration

I, _____ Partner / owner of the Firm _____, hereby declare that the above information furnished is true & correct to the best of my knowledge & belief. I will abide by the Terms & Conditions set by the company for the appointment of Cost Auditors

Signature and seal of the firm

ANNEXURE- II

Declaration of Ineligibility

(By the Cost Audit Firm)

I/ We, M/s (Name of Cost Audit Firm) hereby certify that I/we have not been banned/de-listed/de-barred from business by any PSU/Govt. Department during last 03 (three) years.

Signature with seal of the firm

ECS -FORM

ELECTRONIC CLEARING SERVICE (CREDIT CLEARING)
(PAYMENT TO BIDDER THROUGH CREDIT CLEARING MECHANISM)

No. :

1. **COST AUDIT FIRM'S NAME :** _____

Address : _____

Phone/Mobile No. : _____

2. **PARTICULARS OF BANK ACCOUNT OF COST AUDIT FIRM:**

A. BANK NAME : _____

B. BRANCH NAME : _____

Address : _____

Telephone No. : _____

C. IFSC code of the Bank : _____

(For payments through RTGS) : _____

D. ACCOUNT TYPE : _____

(S.B. Account/Current Account or Cash : _____

Credit with Code 10/11/13) : _____

E. ACCOUNT NUMBER : _____

(As appearing on the Cheque Book): _____

I hereby declared that the particulars given above are correct and complete. If the transaction is delayed or not effected at all for reasons of incomplete or incorrect information, I would not hold the Paying Company responsible.

Date:

(.....)

Signature and seal of the firm

Certified that the particulars furnished above are correct as per our records.

(Bank's Stamp)

Date:

(.....)

Signature of the Authorized Official from the Bank

Note: This ECS Certificate may be submitted at the time of offering the letter of award to the selected firm. In case of difficulty arises to obtain the certificate from the bank, a crossed Cheque will be accepted.