



WESTERN COALFIELDS LIMITED
(A. Govt. of India Undertaking)
Office Of The Chief Of Internal Audit
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**NOTICE INVITING EXPRESSION OF INTEREST FOR APPOINTMENT/EMPANELMENT
OF COST AUDIT FIRMS FOR COST AUDIT FOR THE YEARS 2016-17 TO 2018-19**

No. WCL/NGP/ IAD/2016-17 /167

Dated: 14/06/2016

EOI Notice No. hq-oth-ia-001-2016-17

M/s. Western Coalfields Limited invites expression of interest for appointment/ empanelment of Cost Audit Firms for conducting cost audit for the financial years 2016-17 to 2018-19.

The format along with schedule of fees together with annexures are available at websites www.westerncoal.gov.in, www.tenders.gov.in, <http://eprocure.gov.in> which can be downloaded. The same can also be obtained from the office of Chief of Internal Audit WCL, Coal Estate, Civil Lines, Nagpur 440001 on all working days between 10 AM and 03.00 PM from 20/06/2016

Firms may send their applications in the prescribed format along with annexures under sealed cover so as to reach this office latest by 13/07/2016 upto 3.00 PM to the Chief of Internal Audit, WCL, Coal Estate, Civil Lines, Nagpur 440001.

The offers will be opened on the same day at 4.00 PM

“Our aim is to provide better quality of Coal to Consumers ”

SELECTION AND APPOINTMENT OF COST AUDITORS

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SELECTION AND APPOINTMENT OF COST AUDITOR

1. Introduction:

Western Coalfields Limited (WCL) is a 'Miniratna' Public Sector Undertaking a subsidiary of Coal India Limited with headquarters in Nagpur, Maharashtra. It has operation in Maharashtra & Madhya Pradesh States covering 10 Areas, one Coal Washery and one Central Workshop at Tadali. divided in to Four Zones as mentioned below for the purpose of appointment of Cost Auditors :

Zone I : Consists of WCL Hqrs & Nagpur Area.

Zone II : Consists of Wani, Majri, Wani North Areas and Central Workshop Tadali

Zone III : Consists of Pench, Kanhan, Nandan Washery and Patherkhera Areas.

Zone IV : Consists of Umrer, Chandrapur and Ballarpur Areas.

2. Scope of Work: WCL is looking for engagement of eligible Cost Audit Firm for carrying out the following job:-

- (a) Cost audit for the financial years 2016-17 to 2018-19 is to be conducted in accordance with Section 148 of the Companies Act, 2013 and Rules made thereunder in adherence to the relevant orders/ clarification as issued 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 from time to time.
- (b) All formats as required by statute are to be certified. Areawise consolidation of all the cost sheets of Mines & Service Units are to be audited by the cost auditors appointed for Areas
- (c) The Auditor appointed for Zone -1 shall have to certify company's consolidation in addition to (a) & (b).

3. Selection Criteria: 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
1	Year of establishment of Firms(s) since date of registration.	2 marks per year for first 5 years and 1 mark per year for next 5 years	15

2	Numbers of partners in the Firm.	5 marks per Member in full time practice for > 10 years, 4 mark for per Member in full time practice for 5-10 years, 3 marks per Member in full time practice for < 5 years.	20
3	Number of qualified assistants (Cost/ Chartered Accountant) in the Firm. He should be a member of his respective Institute.	3 marks for each qualified assistant	15
4	The Firm having the experience of Conducting statutory Cost Audit.	(a) 20 marks - 4 marks per year per Central/ State PSU. (b) 10 marks - 2 marks per year per company (other than (a) above) with average annual turnover of over Rs.500 crore in the previous 3 years.	30
5	Location of Firm	If Registered Office/ Branch Office is located in WIRC of the Institute of Cost Accountants of India.	20
		Total	100

Note:

- i. Documentary evidence in support of each of the above mentioned criteria are required to be submitted.
- ii. In case of tie, a firm with longer experience will be preferred based on the year of establishment. If still there is a tie, a firm with a higher number of Members of the Institute of Cost Accountants will be considered.
- iii. E O I shall be submitted in general and not Zone specific. Allotment of Zone will be done by WCL management in the order of marks obtained as per above criteria.

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

4. TERMS AND CONDITIONS:

I. Submission of Report: Cost audit firms so appointed will submit the reports to the General Manager (Finance) WCL within the following scheduled period:

For Zone I : Within a period of 90 days reckoned from the end of last day of respective financial years.

For Zone II, III & IV : Within a period of 70 days reckoned from the end of last day of respective financial years.

II. Audit Fees:

a) The schedule of annual audit fees based on the Statutory Audit fees for FY 2015-16 conducting cost audit will be as follows:

Zone -I	Rs. 2,30,000/-
Zone -II	Rs. 1,23,000/-
Zone- III	Rs.1,23,000/-
Zone- IV	Rs. 95,700/-

b) Fees for cost audit shall be revised in accordance with the increase in Statutory Audit fees for WCL.

c) The travelling and out of pocket expenses will be restricted to 50% of the audit fees subject to production of documentary evidence.

d) Service Tax etc. shall be paid as extra as applicable on furnishing the registration number with the appropriate authority.

III. Other Terms & Conditions:

The appointment of auditors is subject to the following declarations:

a) Any cost audit firm who had served in WCL for the last three years shall not be considered for re-appointment for a period of three years in WCL.

b) The Audit Firm must not sub-contract the work.

c) 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.

d) No partner of the Auditors is related to Managing Director/whole time Director or part time Director of company within the meaning the companies Act, 2013.

e) Neither the firm nor its partner or Associates have any interest in the business of Company.

f) The auditor will be required to issue certificate of Independence.

g) While a Cost Auditor shall have prime responsibility to ensure that he does not violate the limits specified under section 141 (3) (g) of the companies Act.2013.

h) The auditor/ firm shall be free from any disqualification under Sec 141 of Companies Act, 2013. In addition to this, Audit Firm must not be holding any assignment as Statutory Auditor or Internal Auditor of CIL and its Subsidiaries.

i) Cost Audit firm will not be offered more than one appointment as Cost Auditor for CIL and its subsidiaries during 2016-17 to 2018-19.

- j) The partners holding certificate of practice issued by Institute of Cost Accountants of India are in whole time practice.
- k) 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 CIL standalone segment or any of its subsidiaries. If it is found that the firm having common partner makes application in the tender initiated by CIL and its subsidiaries, such application shall stand cancelled.
- l) The Audit Firm will be debarred from getting, in future, the Cost audit in CIL 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 (b) to (k).
- l) 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.
- m) The Cost auditor shall undertake that data given to the Auditor by WCL and any information generated from the data provided shall not be used by the Auditor for any other purpose.
- n) 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 must be sealed and super scribed with the Notice No. & date mentioning '**Appointment/Empanelment of Cost Audit Firm**'. The name and address of the firm must be indicated on the body of the envelope.
- o) Application may be submitted in person or by the firm in the office of the **Chief of Internal Audit WCL, Coal Estate, Civil Lines, Nagpur 440001** or sent by post to the above address. Westernen Coalfields Limited, however, does not take any responsibility for loss of application in transit. Application sent through Telegram, Telex, Fax or E-mail will not be considered.
- p) Applications received at office of the Chief of Internal Audit, WCL, as stated above after due date and closing time of submission of applications shall be ignored. Any application received late due to any reason whatsoever will not be accepted.
- q) Jurisdiction of Courts: Any dispute arising out of or in respect of the contract will be subject to the jurisdiction of Nagpur Bench of Mumbai High Court only.
- r) Disclaimer: WCL 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.

CHECK LIST

- (1) 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 and will be rejected treating it as unsolicited one. All the interested Cost Accountant firms are, therefore, advised to go through the EOI documents carefully and should submit all the required information/ documents in proper sequence along with the EOIs as described hereinafter.
- (2) **List of the documents to be submitted along with the applications/ EOIs:**
- (a) Registration certificate issued by the Institute of Cost Accountants of India indicating year of establishment of the firm.
 - (b) Latest Certificate issued by the Institute of Cost Accountants of India indicating details of the registered Head Office and Branch Office(s), if any.
 - (c) Latest Certificate issued by the Institute of Cost Accountants of India indicating names of the partners and their membership status.
 - (d) Membership certificates of the qualified assistants issued by the Institute of Chartered Accountants of India and/ or Institute of Cost Accountants of India.
 - (e) Valid Certificate of Practice issued by the Institute of Cost Accountants of India.
 - (f) Copies of appointment orders issued by the Central Govt/ State Govts. PSUs for conducting cost audit u/s 233 B (1) of the Companies Act, 1956 u/s 148 of the Companies Act, 2013 as evidence under of experience criterion.
 - (g) In case experience of other than Central/ State PSUs is furnished, authenticated evidence of their average turn over of over Rs.500 crore in previous three years.
 - (h) A copy of complete application documents (From Page No.1 to Page No.10) duly signed and sealed as a token of acceptance of all terms and conditions.
 - (i) Duly filled up Annexures- I & II which are forming part of the application.
- (3) Please submit all the supporting documents duly signed with the seal of the firm.

FORMAT OF OFFER

1. Name of the Audit Firm:
2. Address of Registered Office/
Branch Office(s) of the Audit Firm
 - i) Permanent Address :
 - ii) Correspondence Address:
 - iii) Telephone Number :
 - iv) Fax Number :
 - v) E mail Address:
 - vi) Website:
3. Year of establishment of Firms since date of registration:
(Enclose copy of certificate issued by the Institute)
4. Name of the Partners (Please give details as per the certificate of the Institute):
(Enclose copy of certificate of practice issued by the Institute)

Sl. No.	Name of the Partner	Membership No.	Date of Joining the Firm
1			
2			
3			
4			
5			
7			
8			

5. Details of qualified assistants (Cost/ Chartered Accountant) in the Firm. They should be a member of his respective Institute. (Enclose certificate of membership issued by the respective Institutes):

Sl. No.	Name of the Assistant	Membership No.
1		
2		
3		
4		

6. (a) Details of experience of Conducting statutory Cost Audit in Central /State PSUs.
(Please attach copies of appointment orders):

Sl. No.	Name of Central/ State Govt. PSU	Year of Audit
1		
2		
3		
4		
5		

- (b)Details of experience of Conducting statutory Cost Audit other Companies having average turn over of over Rs.500 crore in the previous 3 years. (Please attach copies of appointment orders and authenticated evidence of average turn over in the previous 3 years):

Sl. No.	Name of the Company	Average Turnover in the last 3 years (in Rs.)	Year of Audit
1			
2			
3			
4			
5			

N.B. : Audit conducted by the firm should be under Section 233 B (1) of the Companies Act, 1956 or Section 148 of Companies Act, 2013.

Signature with seal of the firm

ANNEXURE - II

M/s. Western Coalfields Limited
Coal Estate, Civil Lines,
Nagpur - 440001
Dear Sir,

Sub: Authorization of all payments through Electronic Fund Transfer system/RTGS/NEFT.

We hereby authorize Western Coalfields Ltd. to disburse all our payments through electronic fund transfer system/RTGS/NEFT. The details for facilitating the payments are given below:-

1.	Name of the Beneficiary, address with Telephone No.	
2.	Bank Name, address with Telephone No.	
3.	Branch Name & Code	
4.	Bank Account number with style of account (savings/current)	
5.	IFSC code no. of the Bank	
6.	PAN no. of the Beneficiary	
7.	E-mail no. & Mobile no. of the beneficiary for intimation of release of payment	

I/We hereby, declare that particulars given above are correct and complete and if the transaction is delayed or credit is not effected due to incorrect information, I/We will not hold Western Coalfields Ltd. responsible.

Note: Please enclose one
Cancelled cheque for
E-Payment.

Authorised Signatory
Name
Official stamp with Date

BANK CERTIFICATION

It is certified that above mentioned beneficiary a bank account no. _____ with our branch and the bank particulars mentioned above are correct.

Authorised Signatory Name
Official stamp with Date