



वेस्टर्न कोलफील्ड्स लिमिटेड
(मिनीरत्न कंपनी) कोल इंडिया लि. की अनुषंगी कंपनी



आंतरिक लेखा विभाग

Internal Audit Department

संदर्भ संख्या/Ref.No. **वेकोलि** /आंले/21-22 /

दिनांक/Date: 26.11.2021

EOI Notice No.hq-oth-ia-stores

NOTICE INVITING EXPRESSION OF INTEREST FOR APPOINTMENT OF FIRMS FOR CONDUCTING PHYSICAL VERIFICATION OF STORES & SPARES IN WESTERN COALFIELDS LIMITED FOR THE F.Y. 2021-22

Applications are invited from the Chartered Accountants / Cost Accountants firms in prescribed Proforma appended below for appointment / empanelment of Audit Firms for Physical Verification of Stores & Spares to be conducted at **Central Stores / Regional Stores / Colliery Stores / Nandan Washery / Central Workshop / Regional Workshops** in the Areas of WCL for the Financial Year 2021-22.

The prescribed form and detailed criteria, scope, terms and conditions and audit fees are available on **CPP Portal www.eprocure.gov.in** and CIL's e-mode portal <https://coalindiarenders.nic.in> can be downloaded from 29.11.2021 at 16.00 hrs to 15.12.2021 at 11.00 hrs.

The willing firms may upload their Expression of Interest (EOI) / applications in the prescribed proforma in A-4 size papers with seal and signature of the firm. The Expression of Interest (EOI) should be uploaded on or before 11.00 hrs on 15.12.2021. Expression of Interests (EOIs) will be opened at 11.00 hrs on 16.12.2021

The E.O.I. / application in any other form or incomplete applications are liable to be summarily rejected. E.O.I. / Applications received after the due date & time will not be considered.

PROFILE OF THE AUDIT FIRM

1. i) Name / Title of the Firm :
- ii) Year of Establishment :
- iii) Status of Firm (Proprietorship / Partnership) :
- iv) Details of Partners / Proprietor :

2. Registration No of the Audit Firm :

(Please upload the copy of certificate of Registration issued by the Institute of Chartered Accountants of India/ Institute of Cost Accountants of India in evidence of informations at Sl. No. 1 & 2.)

3. Name of Qualified Assistants with Membership No. :

(Please upload copy of the Membership Certificates issued
by the respective Institute.)

4. Name of Semi – Qualified Assistants :

(Please upload copies of marksheets/ certificates.)

5. Audit experience in Coal India Ltd & its subsidiaries:

(Please upload copies of the Appointment Orders)

Audit I) Name of the Coal Company II) Nature of Audit III) Year of

(Please upload copies of the Appointment Orders.)

6. Audit Experience in other Public Sector Undertakings:

I) Name of the Company II) Nature of Audit III) Year of Audit

(Please upload copies of the Appointment Orders.)

7. GST Registration No. :

(Please upload copy of the G S T Registration.)

8. PAN :

(Please upload copy of the PAN Card.)

9. I) Address of the Head Office :

II) Telephone No. (Land Line / Mobile):

III) E mail ID

10. I) Address of the Branch Office within 200 Km. of :

Nagpur/ Chandrapur (If any, as indicated in the certificate of
Registration issued by the respective Institute.)

II) Telephone No. (Land line / Mobile) : III) Email ID :

11. BANK A/C DETAILS FOR EFT

I) NAME OF BANK :

II) ACCOUNT NO. :

- III) NAME / STYLE OF ACCOUNT :
- IV) NATURE OF ACCOUNT :
- V) BRANCH ADDRESS :
- VI) RTGS / IFSC No. :

Place:

Date:

Signature of Partner with Name
and Office Seal

CRITERIA FOR APPOINTMENT OF AUDITORS FOR PHYSICAL VERIFICATION OF STORE & SPARES

SL. No.	PARTICULARS	CRITERIA FOR STORES AUDIT	MAXIMUM POINTS
1.	Year of Establishment (Maximum 10 Years)	2 Points Per Year up to maximum of 10 points for firms formed up to 10 years. Firms formed more than 10 years will only be given a maximum of 5 points (See Note No 6).	10
2.	No. of Partners (Maximum 2 Partners.)	2 Points Per Partner (up to 2 Partners) Maximum 4 Points.	4
3.	No. of Qualified persons Employed (CA / ICWA)	1 Point Per Qualified Person	3
4.	Experience in Public Sector as Internal / Wages / Stores Auditors	1 Point Per Year.	5
5.	Location within 200 K.ms. of Nagpur / Chandrapur /		8
TOTAL POINTS			30

1. For Physical Verification of Stores & Spares, the appointment is to be given for small audit firms of Cost Accountants / Chartered Accountant firms having two or less Partners.

2. Firms which have done Stores Audit for three consecutive years in WCL, will not be considered for subsequent 3 years.
3. If a firm has been allotted any other type of audit i.e. Wages Audit, P & M Audit, Internal Audit, cost audit, Statutory audit in WCL will not be considered for appointment for Stores Audit for that year. Therefore, a firm can be considered for appointment only for one type of Audit in WCL for a particular year.
4. For giving Points, completed years as on 31.03.2021 are to be taken into consideration.
5. While drawing out list on the basis of Selection Criteria, the firms securing same number of points will be sorted out as follows : In order to give encouragement to new Proprietary firms / Partnership firms, the firms which are formed latest shall be ranked higher.
6. The firms which have done store audit for 3 consecutive years in WCL shall not be considered for appointment against this tender. Firms which have done Stores Audit for 1 or 2 years may be considered for re-appointment for a further term limiting it to 3 years (including the years already done) if their performance is satisfactory and if they fulfill the criteria.
7. Total 11 (Eleven) Firms are to be appointed. Based on the ranking, the firm which secures highest points shall be given the appointment for the stores with maximum number of cards in the FY 20-21. The next ranked firm will be appointed for stores with next maximum number of cards and so on so forth.....

SCOPE OF WORK FOR PHYSICAL VERIFICATION OF STORES & SPARES AUDIT

The Scope of the work of Physical Verification of Stores & Spares will be as under:

1. The physical verification shall be done at **Central Stores / Regional Stores / Colliery Stores / Nandan Washery / Central Workshop / Regional Workshops in the Areas of WCL** including diesel & lubricants under Central / Regional Stores,
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 kardex / bin card / stores ledger along with necessary adjustment to arrive at the derived physical balances as on 31st March of FY 21-22.
5. Itemwise discrepancies, if any, between book balance as on 31st March 2022, and derived physical balance as on 31st March 2022, 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 date of physical verification is to be submitted separately with reasons thereof.
7. Whether action taken by the management against 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 & 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 store materials issued on loan, if any, to the employees and contractors.
11. Age-wise insurance claims lodged with insurance company for shortage / damaged materials received in stores and their current status should be submitted.
12. The auditor has to report whether the materials lying in stores have been properly stored to avoid damage and pilferage.
13. All the stock and stores are to be physically counted even if quantity in Kardex is nil. Nil card having physical balance will be paid.
14. At the time of verification with kardex, in case the physical balance and kardex / computer system balance vary, the deficit / excess shall be reconciled by going into details of transaction and physical balance will be matched with kardex balance & tallied with priced stores ledger.

TERMS AND CONDITIONS:

For appointing the firms for conducting physical verification of stores & spares as on 31-03-2021 in respect of accounting stores of different Areas as specified below with the following terms and conditions:

<u>Name of the Area.</u>	<u>Name of Stores</u>
Pathakhera	Regional Stores / Colliery Stores / Regional workshop.
Pench	Regional Stores / Colliery Stores / Regional workshop.
Kanhan	Regional Stores / Nandan washery / Colliery Stores / Regional workshop
Nagpur	Regional Stores / Colliery Stores / Regional workshop.
Umrer	Regional Stores / Colliery Stores / Regional workshop.
Majri	Regional Stores / Colliery Stores / Regional workshop.
Chandrapur	Regional Stores / Colliery Stores / Regional workshop.
Ballarpur	Regional Stores / Colliery Stores / Regional workshop.
Wani	Regional Stores / Colliery Stores / Regional workshop.
Wani North	Regional Stores / Colliery Stores / Regional workshop.
Central Stores / CWS,	Central Stores / Central Work Shop.

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SCOPE OF WORK:

1. Physical verification of all stores items available in **Central stores / Regional Stores/ Colliery Stores / Nandan Washery / Central Workshop / Regional Workshops** in the Areas of WCL. It includes counting/ measurement / weighing the physical balances on the day of verification. All stock and stores are to be physically counted even if quantity in kardex card is nil. Nil cards having physically balance will be paid. Verification sheets will be prepared in duplicate as per the Annexures enclosed which has to be signed duly by respective Store Keepers, Head of Department and Store Auditors of all the WCL Areas / Sub Areas & Nandan Washery / Central Works Shop / Central Stores/ / Regional Works Shop as the case may be and one copy shall be furnished to depot holder of the Area. At the time of verification with kardex in case physical balance and kardex vary, the deficit / excess shall be reconciled by auditors with the help of Store Keeper / Depot Officer / Head of Department, Nandan Washery / Central Works Shop / Central Stores / Regional Works Shop in the Areas of WCL and duly corrected balance will appear on kardex.

2. Considering the quantity, value, diversity of physical storage & declining % of closing stock, ABC analysis should be adopted as follows :

Items	Cost Per Unit (Rs)	% of Physical Verification
“A”	Rs 10,000/- & more	100 %
Safety Items	All Items	100 %
“B”	Rs 2000/- to 9999/-	25 %
“C”	Less than Rs 2000/-	5 %

3) It should be ensured that at least 70 % of value of closing stock should be verified by Store Auditor.

4) The following criteria may be considered for ascertaining Obsolete & Non Moving Stores
a) Where there is no movement in the stock of Stores & Spares in the Bin for a period of 5 years & more may be treated as “Obsolete Stock” (Annexure - II (D), b) where there is no movement in the stock of Stores & Spares in the Bin for a period of 3 years & more may be treated as “Non Moving Stock” (Annexure - II (C).

5) The following criteria may be considered for physical verification of Slow Moving / Non moving / Obsolete Stock
a) 100 % physical verification for “A” category Obsolete / Slow

Moving/ Non moving items by Store Auditor, b) 20 % physical verification for “B” category Obsolete Non moving / Slow Moving items by Store Auditor on rotation basis.

6) The details of Scrap Materials are to be maintained by store officer regularly. The Store Auditor will examine the records of scrap & will submit his report in the prescribed format as per Annexure II (E).

The duly reconciled kardex balance will be matched with the Price Ledger prepared/ maintained by the Area as on 31.03.2021 and discrepancies, if any, will be pointed out and reconciled. All the Annexures uploaded i.e. Annexure - I, Annexure II (A), Annexure II (B), Annexure II (C), Annexure II (D), Annexure II (E) & Annexure – II (F) shall be prepared and will be signed by Store Keeper, Officer in charge of the stores & Store Auditor of all the WCL Areas / Sub Areas, Nandan Washery/ Central Works Shop/ Central Stores / Regional Works Shop, as the case may be, alongwith the Auditors.

7. A detailed report of above reconciliation will be prepared and submitted to the following:
 - a. Depot Officer / General Manager, Nandan Washery/ Central Works Shop/ Central Stores/ Sub Area Manager/ In- Charge, Regional Works Shop
 - b. Area Finance Manager & Area General Manager.
 - c. General Manager (MM) (Stores) WCL Hq., Nagpur.
 - d. Chief of Internal Audit, WCL Hq., Nagpur.

8. **PERIOD OF WORK:**

The physical verification work is to be started at the earliest (i.e) 01.04.2022 and to be completed by 04.04.2022. Final report should be submitted by 08.04.2022. Detailed programme to be drawn by Auditors in consultation with the Areas concerned. While drawing out the programme, Area should confirm completion of Price Ledger and provide Guest House accommodation.

9. **REMUNERATION:**

(a) For carrying out the Physical Verification of Stock of Stores & Spares, the Auditors may be paid a remuneration of Rs 20 /- (Plus GST) per verified Bin Card. No fees may be payable for Bin Card having Nil stock on the date of Physical Verification. Further for reconciliation of Numerical Ledger (NL) with Priced Ledger (PL), an additional fee @ 50 % of the Rate Per Live Card may be paid.

(b) In addition to above, Travelling expenses, Boarding, Lodging & Local Transportation expenses shall be reimbursed as per existing policy of the company.

10. **PAYMENT TERMS:**

(1) Payment will be made on the basis of actual number of cards/ items physically

verified excluding cards having no physical balance. More than one card for the same material are to be treated as one card only for the purpose of report and also for payment.

- (2) Bills of audit fees will be submitted at the concerned area on prescribed format in quadruplicate.
 - (3) After acceptance, the bills submitted by the Store Auditors will be passed & paid at the WCL Areas. The following documents will be enclosed along with the bill:
 - (i) Pre-receipted bills in quadruplicate.
 - (ii) A certificate from Depot officer indicating number of items physically verified.
 - (iii) GST registration Certificate.
 - (iv) Copy of PAN Card.
 - (4) A certificate from AFM that all the discrepancies pointed out have been admitted for rectification.
11. PAYING AUTHORITY: The paying Authority will be Area Finance Manager, WCL Areas.

Subject: Matter to be published in the newspapers, uploading in WCL, Govt. and C.P.P.P. Websites for inviting Expression of Interests (EOIs) for selection of Auditors for Physical Verification of Stores & Spares for the year 2021-22.

A committee consisting of following executives was constituted by COIA under the approval of the Competent Authority vide Office Order Ref No. 179 dated 16/11/21 is placed in file as **(Annexure -A)** :

1. Shri K. P. Pathak, Chief Manager (Min) IAD
2. Dr Y. V. Ramana, Chief Manager (MM),
3. Shri Sanjay Kumar, Sr Manager (Fin.)

The Committee met on 23.11.2021 at Internal Audit Dept, WCL HQ to finalize EOI and to recommend the matter to be given in the newspapers and uploading in WCL, Govt. & CPPP websites for selection of Auditors for Physical Verification of Stores & Spares for the year 2021-22 as required under Item Sl. No. (1) of the aforesaid office order.

The Committee perused the matter for selection of Auditors for Physical Verification of Stores & Spares for inviting Expression of Interests (EOIs) for the year 2021-22 to be published in newspapers & uploaded in WCL / Govt. websites **(Annexure B) as per circular no CIL/C2D/Purchase procedures/1341 dt 13.02.2020**. The Committee further noted that the criteria for appointment of Store Auditors is based on the following points:

1.The criteria for appointment of Auditors for Physical Verification of Stores & Spares as approved by FDs under Item No. 295/6 in its meeting held in its 295th meeting held on 23/03/2005 (**Annexure - C**) & 395th meeting of Board of Directors of CIL held on 25.11.2019 (**Annexure - D**) and Item No.861/2 on its 861st meeting of the FDs of WCL held on 26.12.2020 (**Annexure - E**).

2.Uniform policy of CIL for fee & norms / criteria for boarding, lodging and transportation for Physical Verification of Store Auditors for adoption as approved in 395th meeting of Board of Directors of CIL held on 25.11.2019 (**Annexure - F**).

3. The integrated scope of work devised by CIL in addition to scope of work in vogue in WCL as incorporated in Notice Inviting Expression of Interest for the year 2021-22.

4. The criteria for appointment of Store Auditors proposed to be followed this year is same as being followed for the last year.

In view of the above, the Committee recommends that the matter placed as (**Annexure -B**) may be approved to invite EOIs for selection of Auditors for Physical Verification of Stores & Spares for the year 2021-22.

Submitted to Chief of Internal Audit for needful action please.

(**K. P. Pathak**)
Chief Manager (Min)

(**Dr Y. V. Ramana**)
Chief Manager (MM)

(**Sanjay Kumar**)
Sr Manager (Fin)

Chief of Internal Audit, WCL HQ.



आंतरिक आंकेक्षण विभाग

email- coia_wcl@ymail.com

वेस्टर्न कोलफील्ड्स लिमिटेड
Western Coalfields Limited
(मिनीरत्न कंपनी) (A Miniratna Company)
(कोल इंडिया लि. की अनुषंगी कंपनी)
(A Subsidiary of Coal India Limited)



Department of Internal Audit

☎/FAX: 0712 -2512359

CIN – U10100MH1975GOI018626

ISO 9001:2008 Certified

🌐 www.westerncoal.nic.in

पंजी. का. : कोयला विहार, सिविल लाइन्स, नागपुर (महाराष्ट्र)-440001 / Regd. Off. : Coal Estate, Civil Lines, Nagpur(MS) – 440001

संदर्भ संख्या/Ref.No

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दिनांक/Date 26.11.2021:

सेवा में,
महाप्रबंधक (System)
वेकोलि Nagpur.

Subject - Notice Inviting Expression of Interest (EOI) for appointment of Audit Firms for Physical Verification of Stores and Spares for the FY 2021-22.

Enclosed please find a copy of Notice Inviting Expression of Interest (EOI) Ref no WCL/IA/21-22/190 dtd-26.11.2021 for appointment of Audit Firms for Physical Verification of Stores and Spares for the FY 2021-22.

You are requested to kindly arrange to upload the enclosed matter as per schedule.

Thanking you.

Encl: As above

Yours Faithfully
Chief of Internal Audit, WCL