



South Eastern Coalfields Limited

(A Subsidiary of Coal India Limited)

A MINI RATNA COMPANY

Office of the General Manager(Cost & Budget)

Seepat Road, Bilaspur 495006 (CG)

Tele-Fax : 07752-246331

Ref : SECL/GM(F)(C&B)/Cost Audit/ 23

Date : 21.07.16

**SUB : NOTICE INVITING EXPRESSION OF INTEREST FOR
APPOINTMENT/EMPANNELMENT OF COST AUDIT FIRMS FOR COST AUDIT FOR THE
YEAR 2016-17 IN SOUTH EASTERN COALFIELDS LTD. AND ITS AREAS**

M/s. South Eastern Coalfields Limited invites expression of interest for Appointment/Empanelment of Cost Audit Firms for Cost Audit for the year 2016-17 for its Cost Centers/Service Centers of the Areas and HQ, Bilaspur.

Please visit company website (<http://www.secl.gov.in>) and in the website of ICAI (<http://www.icmai.in>)

Firms may send their applications to the General Manager (Finance) (Cost & Budget), South Eastern Coalfields Ltd. Seepat Road, Bilaspur, Chhattishgarh-495006 by 12.30 PM within 6th August, 2016.



**EMPANELMENT AND SELECTION FOR APPOINTMENT OF COST AUDITORS
FOR
SOUTH EASTERN COALFIELDS LTD.**

FOR THE YEAR 2016-17

OFFICE OF THE GENERAL MANAGER (FINANCE) (C&B)
SOUTH EASTERN COALFIELDS LIMITED
SECL BHAWAN
SEEPAT ROAD, BILASPUR
CHHATTISHGARH - 495 006

**EMPANELMENT AND SELECTION FOR APPOINTMENT OF COST AUDITORS
FOR
SOUTH EASTERN COALFIELDS LTD.**

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**EMPANELMENT AND SELECTION FOR APPOINTMENT OF COST AUDITORS
FOR
SOUTH EASTERN COALFIELDS LTD.**

1. Introduction:

- 1.1 South Eastern Coalfields Limited (SECL) is a Mini Ratna Co and Subsidiary of Coal India Limited (CIL), a 'Maharatna' Public Sector Undertaking under Ministry of Coal, Government of India with Headquarters in Bilaspur, Chhattishgarh. It has operation in Chhattishgarh, Madhya Pradesh and West Bengal.
- 1.2 The present EOI is for empanelment and selection for appointment of Cost Auditors in all the areas, Central Workshops, Dankuni Coal Complex and HQ of SECL.

2. Scope of Work: SECL is looking for engagement of eligible Cost Audit Firms including LLP) for carrying out the following job:-

- (a) Cost Audit for the year 2016-17 is to be conducted in accordance with the Companies (Cost Records and Audit) Rules, 2014 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) Area-wise consolidation of all the cost statements of mines and service units are to be audited at respective areas/ unit. The Central (Lead) Auditor has to certify company consolidation.
- (c) All formats as required by statute are to be certified by the auditor.

3. Selection Criteria: The following will be the criteria for the selection /empanelment. Selection/empanelment will be done on attainment of marks obtained by a firm.

SL. No	Norms	Basis of Marks	Maximum Marks
1	Year of establishment of Firm since date of registration.	2 marks per year for first 5 years from date of registration 1 mark per year for next 5 years.	15

2	Number & Experience of partners in the Firm*. (The Partner should be a Fellow/Associate Member of ICAI)	a) 5 marks per Member/Partner in full time practice for more than 10 years. b) 4 marks per Member/Partner in full time practice for 5-10 years c) 3 marks per Member/Partner in full time practice for less than 5 years	20
3	Number of qualified assistants (Cost/ Chartered Accountant) in the Firm.	3 marks for each qualified assistant	15
4	Experience of the firm in conducting statutory Cost Audit	a) 20 marks-4 marks per year per Central/State PSU Cost Audit. b) 10 marks-2 marks per year per company (other than (a) above with average annual turnover of over Rs. 500 crs in the previous 3 financial years	30
6	Location of Firm	Audit Firms having registered office/branch office within the states under the control of Western India Regional Council of the Institute of Cost Accountants of India.	20
		Total	100

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

Note:

I. " The auditor who gets the highest marks shall be appointed against Sl. No.1 and the second highest for Sl No. 2 , 3rd highest for Sl No.3 and 4th highest for Sl No. 4."

II. The following documentary evidences duly signed by partner with seal of the firm should be submitted in support of each of the above-mentioned criteria:

- a. Proof of Registration of Firm clearly indicating the Registration date and firm registration number issued by ICAI.
- b. Partnership Deed, communication from ICAI or other evidence clearly indicating the partners in the firm with their membership number and date from which they are with the firm.
- c. Proof indicating Effective date of issue of Certificate of Practice (full time) shall be provided for experience of Member/Partner.
- d. Proof of Final Pass Certificates /Membership of the Institute for Qualified Assistants is to be provided along with date from which they are with the firm.
- e. Copy of Appointment/Engagement letter for Cost Audit in the PSU/Company or other evidence clearly indicating engagement of the firm as Cost Auditor in the company is to be provided.
- f. For companies in criteria 4(b) above, copy of audited financial statements indicating annual turnover of the company in the last 3 financial years should be provided. If the firm has conducted Cost Audit of one or more units in a company in a financial year, turnover of the company will be considered.
- g. The states under the control of WIRC of ICAI are Chhattisgarh, Gujarat, Madhya Pradesh, Maharashtra, Goa and the Union Territories: Daman Diu., Dadra, and Nagar Haveli.

III All documents including EOI should be duly authenticated / signed by the partner with seal of firm as a token of unconditional acceptance of all terms and conditions.

IV In case of tie, a firm with longer experience will be preferred based on the year of registration. If still there is a tie, a Firm with higher number of partners having more than 10 years experience will be given preference.

4. TERMS AND CONDITIONS:

I 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.

II. Submission of Report: Cost audit firm so appointed will start conducting the job immediately and will submit the report to the General Manager (Finance), (C&B), South Eastern Coalfields Limited, Bilaspur within 16.8.2017.

III. The Cost Auditor shall submit Performance Appraisal Report (PAR) and suggestions for effective cost control and improvement thereof to General Manager(F) (C&B), SECL.

IV. The Cost Auditor shall attend and make a presentation to the Audit Committee Meeting and Board Meeting, if required, on the Cost Audit under review.

V. The cost audit firm shall ensure e-filing of cost audit report and annexure to the cost audit report to MCA, GoI, in XBRL form or in the manner prescribed by the Govt from time to time, within the scheduled date prescribed by MCA - GoI for filing, after the Board of Directors of the Company approves the cost audit report.

VI. Cooling off Period: Firms who have served in the capacity of Cost Auditor in SECL in the last 3 (three) consecutive years will not be eligible for submitting EOI.

VII. Period of Audit : Initially the period of audit will be for one year i.e. for the year 2016-17 but it may further be extended to 2nd and 3rd year i.e., 2017-18 and 2018-19 at the same rate and terms and conditions subject to satisfactory performance. However, it is expressly stated here that the said tenure is not to be construed as assured and SECL reserves the right not to re-appoint at its sole discretion without assigning any reason thereof.

VIII. Audit Fees: The schedule of fees will be as follows for:

a) Audit Fees for the year 2016-17 (excluding out of pocket expenses) For Areas and Cost Centres/Service Centres of :

- | | |
|---|--------------|
| 1) Raigarh, Korba, Kushmunda, Gevra & Dipka, CWS-Korba, CEWS-Gevra
SECL HQ Bilaspur and also work as Central Auditor | Rs. 364631/- |
| 2) Bhatgaon, Bishrampur, Baikunthpur,
Chirimiri, and Hasdeo | Rs. 150727/- |
| 3) Johila, Sohagpur and Jamuna & Kotma | Rs. 90436 /- |
| 4) SECL Kolkata Office & Dankuni Coal Complex | Rs. 76083 /- |
- b) The above fee includes submission of PAR, attending meetings, filing of Cost Audit Report & its annexure in XBRL or other format to MCA and any other work as mentioned anywhere in EOI document.
- c) The traveling and out of pocket expenses will be reimbursed at actual limited to 50% of the audit fees subject to production of documentary evidence.
- d) Service Tax etc. shall be paid extra as applicable on furnishing the registration number with the appropriate authority.

5. GENERAL TERMS & CONDITIONS

The appointment of auditors is subject to the following terms and conditions:

- a) The Audit Firm cannot outsource the work.
- b) The information provided in the application by the firm must be current, relevant and free from mis-statements on the date of application.
- c) Partner of the firm must not be related to Managing Director/whole time Director or part time Director of company to be audited within the meaning of section 2 (77) of the Companies Act, 2013.
- d) Neither the firm nor its partner or Associates should have any interest in the business of CIL.
- e) The auditor will be required to issue certificate of Independence.
- f) Firm of Cost Accountants shall have primary responsibility to ensure that the limits specified under section 141(3)(g) of the Companies Act, 2013 are not violated.
- g) The auditor/ firm must be free from any disqualification under sub-section (3) or sub-section (4) of section 141 read with sub-section (5) of section 148 of the Companies Act, 2013. In addition to this, the Auditor/Firm must not be holding any assignment as Statutory Auditor or Internal Auditor of CIL and its Subsidiaries as on the date of appointment and during the continuity of the Cost Audit.
- h) Where a cost accountant is a partner / proprietor of more than one firm, in such case, only one firm shall be allowed to take part in the selection process of SECL. If it is found that more than one Firms having common partners makes application in the EOI initiated by SECL, then applicant with highest marks among the firms (having common partners) shall only be considered and applications of other firms (having common partners) shall stand cancelled.
- i) Under no circumstance, one firm will be allowed for Cost Audit in more than one company in CIL and its subsidiaries.
- j) Any other compliance/declaration, if any, required under Companies Act, 2013 shall be complied/furnished by the Cost Auditors.
- k) Debarring Provisions: 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/mis-statement.
 - ii. If the Firm does not take up audit in terms of appointment letter.
 - iii. If the Firm fails to maintain/honour confidentiality and secrecy of the Company's cost data, cost statement and cost information.

- iv. If the Firm does not submit the audit report, complete in all respect in terms of appointment within the prescribed time limit.
 - v. If the Firm violates any of the stipulations under clause 5(a) to 5(j).
- l) Handwritten application will not be accepted. Overwriting/correction/erase and use of white ink in the application will be liable to be rejected.
- m) Partnership/LLP firms may send their application, in sealed envelope super scribed 'Empanelment And Selection For Appointment Of Cost Auditor For SECL for the year 2016-17' through registered/speed post or courier services only, so as to reach General Manager (C&B), SECL, SECL Bhawan, 2nd Floor, Room No. 3213, Seepat Road, Bilaspur, Chhattishgarh 495006 on or before 6th August 2016 upto 1.30 PM. SECL is not responsible for loss of application in transit or postal delay. Application sent through Fax or E-mail will not be considered.
- n) Dispute/difference, if any, shall be mutually settled with the General Manager(F) (C&B), SECL. If any dispute could not be settled at GM level, it will be forwarded to the CMD, SECL, for decision, which will be final and binding to all concerned.
- o) Disclaimer: SECL reserves the right to ask for any clarifications from one or more applicants. It also reserves the right to accept or reject any or all EOI or to cancel the process entirely without assigning any reason thereof.
- w) Jurisdiction of Courts: Any dispute arising out of or in respect of the contract will be subject to the jurisdiction of Bilaspur High Court only.

FORMAT FOR SUBMISSION OF APPLICATION

1. Name of the Audit Firm :

2. Firm Registration Number :

3. Address :

i) Permanent Address :

ii) Correspondence Address :

iii) Contact no. of Partner :

iv) Telephone Number :

v) Fax Number :

vi) Email Address :

vii) Website :

4. Particulars with respect to Selection Criteria

S No.	Particulars	Details
1	Date of registration of Firm (enclosing photocopy of latest constitution certificate issued by ICAI)	
2	Name(s), Membership number & date from which they are Partner in the Firm (as a full time practicing member) along with proof of membership & COP.	
3	Name of qualified assistants with their qualifications (along with proof of qualification).	
4	Experience of the firm in Conducting Statutory Cost Audit (photocopy of appointment letter should be enclosed) (a) In Central/State PSUs: (b) Other Companies: (Mention Company name & year of cost audit)	
5	Address of the Audit Firm Registered Office: Branch Office:	

Signature of Partner with seal of the firmMembership No of the Partner

ANNEXURE II

M/s. South Eastern Coalfields Limited
SECL Bhawan
Seepat Road, Bilaspur
Chhattishgarh-495006

Dear Sir,

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

We hereby authorize South Eastern Coalfields Ltd. to disburse all our payments through electronic fund transfer system/RTGS/NEET. 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 South eastern Coalfields Ltd. responsible.

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

Authorised Signatory
Name
Official stamp with Date

Official stamp with Date

Note: If you submitted this form in this company earlier/before. Please do not submit again.