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GAIL (INDIA) LIMITED

(A Government of India Undertaking)
16, Bhikaji Cama Place, New Delhi – 110066
Phone : 011-26172580, Fax : 011-26185941



GAIL/F&A/COST AUDIT/2013-14/01

Dated: 12th Feb'2014

To,

Sub: - Empanelment of Cost Auditors for Financial Year 2014-15 to 2017-18.

Sir,

We are in the process of empanelment of Cost Auditors for our Pipelines (Natural Gas & LPG), Petrochemicals, LPG Plants, CNG Unit, Wind / Solar Power, E&P and Telecom Activities for the Financial Year 2014-15 to 2017-18 to meet the requirement of Cost Audit Order no-52/26/CAB-2010 dated 02/05/2011 and 52/26/CAB-2010 dated 24th January, 2012 issued by the Cost audit Branch, Ministry of company Affairs, Government of India.

In case you are willing for empanelment, you are requested to submit the details of your Cost Audit firm as per attached format as **Annexure-I**.

1.0 About GAIL (India) Limited

GAIL (India) Ltd., a Maharatna Company, is India's principal Natural Gas Company with activities ranging from Gas Transmission and Marketing to Processing (for fractionating LPG, Propane, Naphtha and Pentane); transmission of Liquefied Petroleum Gas (LPG); production and marketing of Petrochemicals like HDPE and LLDPE and leasing bandwidth in Telecommunications. The Company has also extended its presence in Wind & Solar Power, City Gas Distribution and Exploration & Production through equity and joint venture participations.

GAIL is one of the leading public enterprises with a consistently excellent financial track record. The Company's turnover during FY 2012-13 was Rs.47,333 crore and Profit After Tax (PAT) was Rs.4,022 crore.

2.0 Scope of Work

GAIL (INDIA) LIMITED has to get its Cost Accounting Records audited by qualified professional having exposure and proficiency in auditing in ERP environment.

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The scope of work will be as under:

- d) Senior Partner to devote minimum three days at site for finalizing Audit and Cost Audit Report etc. and hold meetings with OIC. He will also attend Audit Committee Meeting at Corporate Office at Delhi.
- e) Other Partners and other qualified Cost Accountants will spend all their stipulated man days at site.
- f) Cost Records will be audited by the qualified personnel only and submit Cost Audit report as per stipulated time schedule.

3.0 Evaluation Criteria

Panel of Cost Auditor Firms will be prepared in order of maximum evaluated preference points as per following:-

SL NO.	Evaluation Criteria	Minimum Preference Points	Remarks	Maximum Preference Points
01	The firm of Cost Accountants must have at least 5 years of standing in the profession.	10	Extra 1 point for each year for having more than 5 years of standing in the profession subject to maximum of 5 such points.	15
02	The firm should have at least four qualified Cost Accountants for audit of Cost Records including partners. . (Please provide the name & address of Partners and qualified Cost Accountants).	10	Extra 2 points for each qualified Cost Accountants employed by the firm and or partners subject to maximum of 10 points.	20
03	The firm should have the experience of conducting Statutory Cost Audit of at least two central PSU organizations where each of the clientele should have turnover above Rs. 500 crores. (please provide copy of the documentary evidence).	10	Extra 2 points for each audit which is in excess to minimum requirement of two subject to maximum of 4 points.	14

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04	Preference shall be given to a firm having experience of conducting Statutory Cost Audit of at least one Energy Sector Company having turnover above Rs. 500 crores (please provide copy of the documentary evidence).	10	Extra 2 point for each audit which is in excess to minimum requirement of one audit subject to maximum of 4 points.	14
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Note: -

1. The first eight Cost Audit Firms will be empanelled on the basis of points assigned above from (01) to (04).
2. The empanelment of the Cost Auditors shall be subject to
 - (i) A confirmation that your firm is a firm of cost accountants as defined in clause (b) of sub-section (1) of section 2 of CWA Act of 1959 (23 of 1959) along with a copy of certificate of practice.
 - (ii) Certificate regarding compliance of section 224 (1)(B) of the Companies Act, 1956.
 - (iii) Certificate that the cost auditor is free from any disqualification as specified u/s 233B (5) read with section 224 and subsection (3) or (4) of section 226 of the Companies Act, 1956.
 - (iv) A certificate certifying the independence of cost auditors (including firm of cost accountants) being at arm's length relationship with GAIL (India) Limited.
3. *In order to avail expertise of other Cost Audit firms, Cost Audit Firms appointed during last eight year in GAIL shall not be considered for re-appointment.*

You are requested to furnish the details as sought above in a sealed envelope superscribed as "Empanelment of Cost Auditors in GAIL", which should reach on or before 28th February' 2014 by 1500 HRS at the following address:-

Senior Manager (F&A)
Cabin No.-6303
GAIL (India) Ltd
16, Bhikaiji Cama Place,
New Delhi-110066.

Thanking you,

N Priyadershi
(Niraj Priyadershi)
Sr. Mgr (F&A)

GAIL/F&A/COST AUDIT/2013-14/01

Annexure-I

Details for Empanelment of Cost Auditors

Sub: - Empanelment of Cost Auditor for Financial Year 2014-15 to 2017-18.

1. **Name & address of the Firm :**
2. **Year of Establishment :**
3. **PAN No. & Service Tax Registration No. of Firm :**
4. **(a) Number of Qualified Cost Accountants including Partners (Full Time):**
(b) Name the Qualified Cost Accountants including Partners:
(Including Practicing Membership Number)
(c) Cost Audit Experience of the Qualified Cost Accountants including Partners (Number of years)
5. **Experience of Statutory Cost Audit in PSUs:**
(Where Audited Company's Turnover is above Rs.500 Crores)
(a) Name of the PSU company:-
(b) Year of Audit:-
(c) Turnover of PSU Company :-
6. **Experience of Statutory Cost Audit in Energy Sector company:**
(Where Audited Company's Turnover is above Rs.500 Crores)
(a) Name of the company:-
(b) Year of Audit:-
(c) Turnover of Company:-

(Please provide self attested copy of the documentary evidence for SL. No 4to 6 above)

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