

## APPOINTMENT OF COST AUDITOR FOR FINANCIAL YEAR 2016-17, 2017-18, 2018-19

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Corporate Office: JBVNL, Engineering Building, HEC, Dhurwa, Ranchi - 834004

Website: [www.jbvnl.co.in](http://www.jbvnl.co.in)



**Jharkhand Bijli Vitran Nigam Limited**  
(CIN : U40108JH2013SGC001702)  
Engineering Building, HEC, Dhurwa , Ranchi -834004

**NOTICE INVITING EXPRESSION OF INTEREST (EOI) FOR EMPANELMENT/APPOINTMENT  
OF COST AUDITORS FOR THE FINANCIAL YEAR 2016-17, 2017-18, 2018-19.**

JBVNL invites Expression of Interest (EOI) for Empanelment/ Appointment of cost Auditors for the financial Year 2016-17, 2017-18, 2018-19. The scope of work along with detailed terms & conditions and schedule of fee together with Annex-I, II and III are available at the website [www.jbvnl.co.in](http://www.jbvnl.co.in) which can be downloaded. The empanelment/selection of the Cost auditor shall be based on qualifying criteria given in EOI document.

Interested firms having requisite experience in Cost Audit may send their application in prescribed format in sealed envelope super scribing “**Expression of Interest (EOI) For Empanelment/Appointment of Cost Auditors**” so as to reach in the office of Finance Controller ,JBVNL, Engineering Building, HEC Dhurwa, Ranchi-834004 on or before 31.08.2017 upto 3:30 PM.

Finance Controller  
Jharkhand Bijli Vitran Nigam Limited  
Regd. Office:- Engineering Building,  
HEC, Dhurwa, Ranchi-834004,  
Contact No. 94311-35535

## **INVITATION OF EXPRESSION OF INTEREST (EOI) FOR EMPANELMENT/APPOINTMENT OF COST AUDITORS FOR THE FINANCIAL YEAR 2016-17, 2017-18, 2018-19**

### **1. Introduction:**

**JBVNL**, (Jharkhand Bijli Vitran Nigam Limited) is a subsidiary company of Jharkhand Urja Viaks Nigam Limited (JUVNL) with headquarters in Ranchi, Jharkhand and has operation in the entire state of Jharkhand.

It has 7 Electricity Supply Area and 15 Electricity Supply Circles operating at different area of Jharkhand.

### **2. Cost Auditors are to be empanelled.**

Company intends to empanel/appoint Cost Auditors for F.Y 2016-17, 2017-18, 2018-19. Firms having Head office / branch office located at Ranchi, in the state of Jharkhand shall be considered for empanelment/Appointment of Cost Auditors.

### **3 Scope of Work:**

Detailed scope of work shall be as under:

3.1 To Carry out Cost Audit of all the Accounting Units of Company in accordance with the provisions of Section 148 of the Companies Act, 2013 and provisions of the Companies (Cost Records and Audit) Rules 2014 as amended from time to time. Cost Audit shall be in adherence to the relevant orders/clarification 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.

3.2 Compliance with any other instruction issued in respect of cost audit under Companies Act, 2013.

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

### **4 Cost Audit Team**

Cost audit team should consist of adequate number of qualified/semi-qualified assistants (Cost Accountants) led by a senior partner of the Firm for the cost audit work.

## 5 Cost Audit Fees:

5.1 The firm has to quote their fees for each financial year i.e 2016-17, 2017-18, & 2018-19.

No T.A / D.A shall be payable to the firm. The firm shall make its own arrangement for their travel to different accounting units.

5.2 Statutory Taxes/levies & duties shall be paid extra, as applicable.

## 6 Selection Criteria:

6.1 The selection of the Cost Auditor shall be as per qualitative criteria, which is based on the overall suitability of the firm and its experience in the cost audit of Central/State Power sector PSUs. The following criteria will be the basis of marks assigned to the firms and selection will be made on the basis of attainment of highest marks in final Score Sheet Prepared by Co.

Sl. No.	Selection Criteria	Minimum Criteria	Basis of Marks	Marks per criteria	Maximum marks
1.	Firm's experience in Practice (From date of Registration with the Institute of Cost Accountants of India)	5 Years as on 31.07.17	No. of years	2 marks per year	20
2.	No. of Partners/Cost Accountants associated with the firm for not less than 3 Years. (The Partners must be Holding valid Certificate of Practice issued by the Institute of cost)	2 Cost Accountant/ Partner	No. of Partners / Cost Accountants	2 Marks for every Partners / Cost Accountants	20

	Accountants of India and should be in whole time practice).				
3	No. of Cost audit assignment completed in PSUs from F. Y. 2011-12 to 2015-16. (PSU concern should have minimum annual turnover of ₹ 500 Crore in each year)	1 Assignment	No. of Cost audit assignments	2 marks per assignment	30
4	No. of Cost audit assignment in Power Sector Companies from 01/04/2011 onwards	1 Assignment	No. of Cost audit assignments	2 marks per assignment	30
				Total	100

6.2 From the EOI received by the Company, a panel of Cost Accountants/ firms of Cost Accountants who secures at least 50 marks as per qualifying criteria given above shall be prepared and maintained in descending order on the basis of attainment of highest marks. In other words, the Cost Accountants /Firm of Cost Accountants securing highest marks shall be kept at no.1 in the list.

6.3 In case of a tie, the following sequence shall be adopted for selection:

- a) Cost Accountants /Firm of Cost Accountants with longer experience shall be given preference based on the year of registration.
- b) Firm with a higher number of Fellow and/or Associate Members of the Institute of Cost Accountants as partners shall be given preference.

6.4 Pre-requisites for considering rankings:

- i. Requisite documentary evidence(s) in support of Criteria at 6.1 (1 to 4) mentioned in table above is required to be submitted. Proposals without the required documentary evidence(s) shall not be considered for evaluation.

6.5 Empanelment of Cost Accountant/Firm of Cost Accountants for appointment as cost auditor shall remain valid for Three Financial Years.

## 7 Terms and Conditions:

- i. The tenure of appointment shall be at the sole discretion of the Company. The tenure shall be for a maximum of three Financial Years at the sole discretion of the Company. However, it is expressly stated here that the said tenure is not to be construed as assured and the Company reserves the right not to reappoint at its sole discretion without assigning any reason therefore.
- ii. Maximum tenure of appointment for a cost auditor shall be a continuous period of three (3) years. After that Cost Auditor shall be considered for re-appointment after the cooling period of at least one year.
- iii. The Company reserves the right to accept / reject any or all the offers without assigning any reason whatsoever therefore.
- iv. Firms who have served in the capacity of Cost Auditor of the Company upto F. Y. 2015-16 for consecutive two years shall not be considered for appointment as Cost Auditor for financial year 2016-17. However, that firm may be considered for the financial year 2019-20 or thereafter in case he satisfies other laid down criteria.
- vi. Overwriting/correction/erase and/or use of white ink should be avoided in the offer. However, if any overwriting/correction/erase is inevitable, the same should be authenticated with the signature & seal of authorised person of applicant firm.
- vii. Information related to Cost Audit Firms and selection criteria shall be submitted in the Annexure-I.
- viii. Declaration that Cost Audit Firm have not been banned/de-listed/de-barred from business by any PSU/Govt. Department during last 03 (three) years shall be submitted in Annexure-II.
- ix. Payments shall only be made through Electronic Mode, hence Bank Details as per Annexure - III need to be submitted at the time of acceptance of the appointment.
- x. Company shall deduct TDS/any other tax/levy as per prevailing rules/rates.
- xi. All the pages of the proposal document shall have to be signed by the applicant firm(s) with the firm's seal and documents submitted along-with the offer shall

also have to be authenticated by the authorised signatory of the applicant firm(s) with the firm's seal.

- xii. The offer should be submitted strictly as per terms and conditions laid down in the document. The Invitation of offer in the Prescribed Format at Annexure - I, II & III shall be submitted in physical form to following address:

Finance Controller  
Jharkhand Bijli Vitran Nigam Limited  
**Regd. Office:- Engineering Building,  
HEC, Dhurwa, Ranchi-834004,**

Application documents consisting all the documents placed on website duly sealed and signed are to be submitted as a token of acceptance of all terms and conditions. Envelope must be sealed and super scribed mentioning ***“Invitation of Offers for Expression of Interest for Appointment of Cost Auditor”***. The name and address of the firm must be indicated on the body of the envelope.

#### **8 Compliances / Declarations /Certificates by firm(s) on appointment:**

- i. The Cost Audit Firm shall not sub-contract the assigned cost audit work, to any Cost auditor Partnership firm / Proprietorship firm.
- ii. The cost audit team shall work in strict confidence and shall ensure that the cost data, cost statement and cost information and any other information in respect of the Company is dealt with in strict confidentiality and secrecy. A certificate to maintain confidentiality to be provided by cost auditor before commencement.
- iii. Assigned Cost audit work of the Company shall be completed within time frame specified by the Company.
- iv. No partner of the cost audit firm should be related to either C. M. D. or any Whole Time Directors or Part Time Directors of the Company within the meaning of the Companies Act, 2013,
- v. Neither the cost audit firm nor its partner(s) or associates should have any interest in the business of the Company,
- vi. The cost auditor will be required to submit a certificate that
  - a. the individual or the firm, as the case may be, is eligible for appointment and is not disqualified for appointment under the Companies Act 2013,

- the Cost and Works Accountants Act, 1959 (23 of 1959) and the rules or regulations made there under;
- b. the individual or the firm, as the case may be, satisfies the criteria provided in section 141 of the Companies Act 2013, so far as may be applicable;
  - c. the proposed appointment is within the limits laid down by or under the authority of the Companies Act 2013; and
  - d. the list of proceedings against the cost auditor or audit firm or any partner of the audit firm pending with respect to professional matters of conduct, as disclosed in the certificate, is true and correct.
- vii. If appointed, Cost audit firm(s) shall have prime responsibility to ensure that the maximum number of audit limits specified under Companies Act, 2013 are not violated.
  - viii. The cost audit firm(s) shall be free from any disqualification under The Companies Act, 2013. In addition to this, the cost audit firm(s) must not be holding any assignment of physical Verification or Internal Audit of JBVNL.
  - ix. The partners holding Certificate of Practice issued by Institute of Cost Accountants of India are in whole time practice.
  - x. The Cost auditor shall ensure 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.

## **9 Debarring Provisions:**

The Audit Firm will be debarred from getting, in future, the Cost audit of JBVNL

- 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 fails to comply with any of condition laid down in clause 7 & 8 above.



## Format of the offer

<b>1</b>	Name of the Cost Auditor / Firm of Cost Auditor (Indicate whether Proprietary Concern or Partnership Firm)	
<b>2</b>	Office Address  i) Permanent Address  ii) Correspondence Address  iii) Telephone No.  iv) Fax No.  v) Email Address  vi) Website	
<b>3</b>	a) Year of Establishment  b) Firm Registration No. (In case of Partnership Firm/Sole proprietary Firm)  c) Proprietor's Membership No. (In case of members not having Firm Name)  d) Service Tax Regn. No. / GST IN  e) Permanent Account No. (PAN) of Firm/Proprietor	

## Selection Criteria

Sl. No.	Selection Criteria	
1.	Firm's experience in practice (From date of registration with the Institute of Cost Accountants of India)	

2	No. of Partners /Cost Accountants associated with the firm for not less than 3 Years (The partners must be holding certificate of practice issued by Institute of Cost Accountants of India and should be in whole time practice).	
3	No. of Cost audit assignment completed in PSUs from F. Y. 2011-12 to 2015-16. (PSU concern should have minimum annual turnover of ₹ 500 Crore in each year)	
4	No. of Cost audit assignment in Power Sector Companies from 01/04/2011 onwards	

Note:-

- 1) Documentary evidences of all the information as stated above are to be furnished alongwith the offer.
- 2) All the pages of offers and documents are to be signed by the partner/owner of the firm alongwith 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 and I will abide by the Terms & Conditions set by the company for the appointment of Cost Auditors

**Signature and seal of the firm**

**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 and 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 user 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 Authorised  
Official from the Bank