

Engineering Projects (India) Ltd.
(A Govt. of India Enterprise)
Corporate Office, New Delhi

EPI/CON/CAA/2014-15/422

11.09.2014

Short Notice Tender

**Proposal for Appointment of Cost Auditor(s) in
Engineering Projects (India) Limited for the year 2014-15**

EPIL invites Proposal from experienced Cost Accountants firms for appointment in Engineering Projects (India) Limited as Cost Auditor, for the scope of work given in Para-1, for the Financial year 2014-15

Brief about Engineering Projects (India) Limited

Set up in April, 1970, Engineering Projects (India) Ltd. is a public sector enterprise under the Department of Heavy Industry, Ministry of Heavy Industries & Public Enterprises with paid-up Share Capital of Rs.35.42 crores.

The Company has been a pioneer in the field of turnkey project management and project exports and process expertise in the areas like Civil & Structural work, Material Handling Systems, Metallurgical Sector, Process Plants, Environment & Pollution Control, Oil & Petrochemicals, Defense-related projects, Transmission Lines/Substations, etc. The services rendered by the Company include the specialized activities such as Feasibility Studies, Detailed Project Reports, Design & Engineering, Supply of Plant & Equipment, Quality Assurance, Civil & Structural Works, Erection, Trial-runs & Commissioning and Overall Project Management.

Operating Turnover of the Company for the FY 2013-14 was Rs.855 crores.

Selection of the Firm will be from amongst those who submit Proposal.

Interested firms may submit their proposal in prescribed Performa for relevant Experience/ Capability Criteria given in Annexure-I in an envelope super scribed with “offer for shortlisting/ appointment of Cost Auditor-Technical bid” and indicative Professional Fee given in Annexure-II in a separate envelope super scribed with “offer for shortlisting/ appointment of Cost Auditor-Finance bid” addressed to Shri H. Pal, Group General Manager/Contracts, ENGINEERING PROJECTS (INDIA) LIMITED, Core-3, SCOPE Complex, 7 Institutional Area, Lodhi Road, New Delhi-110003 latest by 18th September, 2014 at 15.00 Hrs.

The firms may carefully read the Scope of work given in Para-1.

1. SCOPE OF WORK:-

The Broad Scope of work would be:

- To Conduct Cost Audit of the Company in accordance with the provisions of the companies (Cost Record and Audit) Rules 2014. 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.

- Cost Audit team should consist of adequate number of qualified / semi qualified assistants (Cost Accountants) led by senior partner of the firm so as to commensurate with cost audit work requirements.
- Verification and certification of cost performas maintained by the Company as per Companies (Cost records and Audit) Rules, 2014.
- Verification and Certification of Annexure to cost Audit report.
- Cost Audit firm so appointed shall commence Cost Audit and submit report as per Companies (Cost records and Audit) Rules, 2014 by 31st July 2015.
- The Cost Audit firm shall insure submit of Cost Audit report and Annexure to Cost Audit report along with its reservations or qualification or observation or suggestion, if any in form CRA – 3.
- The aforesaid scope of work is illustrative/indicative and may be modified and finalized based on discussions with successful firm.

2. SELECTION CRITERIA:-

- Firms of Practicing Cost Accountants registered with the Institute of Cost Accountants of India (ICAI) having its office's in Delhi & NCR region shall be considered for short listing/ Appointment as Cost Auditors for conducting Cost Audit of the Company. The work shall be awarded to the firm qualifying the selection criteria with lowest quote.
- The following shall be the basis of point for the selection and selection will be made on the basis of attainment of higher points.

Sl. No.	Selection Criteria	Basis for awarding of Points	Maximum Points
1	Experience in practice (No. of Year)	1 Point for every year of Firms Registration.	5
2	Experience of PSU Audit (Cost)	1 Point for each completed Cost Audit of a PSU Unit/ Company	5
3	Experience related to Infrastructure/ Construction Industry	2 Points for a completed Cost Audit/cost compliance of Infrastructure/ Construction Industry.	10
4	No. of Partners/ Members	1 Point for each partner.	5
5	Majors clients (i.e., Companies with Annual Turnover > Rs.100 Crores)	1 Point for each such client.	5
Total			30

Note:

1. Clear and complete details in separate sheets, for determination of Points in support of information against item Sl. No. 1 to 5 above are to be furnished.
2. The Firm securing at least 50% marks based on above system shall be considered as qualified.

PRE-REQUISITES FOR CONSIDERING RANKINGS:-

- Documentary evidences in support of criteria at (1) to (5) mentioned in table to para-2 above is required to be submitted. Proposals without the required documentary evidence's shall be ignored for evaluation.
- In case of the tie, the following sequence shall be adopted for selection.
 - a) Firm with longer experience will be preferred based on the year of establishment.
 - b) Firm with a higher number of Fellow and/ or Associate Members of the Institute of Cost Accountants as partners will be considered.

3. OTHER TERMS AND CONDITIONS

- The tenure of appointment shall be at the sole discretion of the Company. The tenure may be renewed every year for a maximum of 3 years at the sole discretion of the Company. However, it is expressly stated that the said tenure is not be construed assured and Company reserves the right not to reappoint at its sole discretion without assigning any reason therefore.
- The Company reserve right to accept/ reject any or all the offers without assigning any reason whatsoever therefore.
- 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 by signature and seal of authorized person of applicant firm.
- Documentary evidences in respect of all the information above by the applicant firms must be furnished along with the proposal.
- All the pages of the proposal document shall have to be signed by the applicant firms with the firm's seal and document submitted along with the offer shall also have to be authenticated by authorized signatory of the applicant firm with firm's seal.
- The Company reserve the right to accept or reject any or all the responses and to request additional submission or clarification from one or more applicants at any stage or to cancel the process entirely at its sole discretion without assigning any reason whatsoever.
- The firms are required to submit their service tax registration number if applicable in their offer.

4. COMPLIANCES/ DECLARATION/ CERTIFICATE BY FIRMS ON APPOINTMENT:

The Cost Audit firm has to comply with and furnished declaration and certificates as required under statutory/ Company rules, upon appointment of cost auditor, as under

- The cost audit firm shall not sub-contract the cost audit work.
- The cost audit team will work in strict confidence and will ensure that the cost data,

cost statement and any other information in respect of operation, location/ work centers/ Company is dealt with in strict confidence and secrecy.

- No partner of the cost audit firm should be related to either Managing Director or any Whole Time Director or Part Time Director of the Company within the meaning of the Companies Act, 2013.
- Neither the cost audit firm nor its partners or associated should have any interest in the business of the Company.
- The cost auditors will be required to issue & submit certificate of Independence and arm's length relationship.
- Cost audit firms shall have prime responsibility to ensure that the maximum number of audit limits specified under Companies Act, 2013 are not violated.
- Cost audit firms shall have to free from any disqualification mentioned under The Companies Act, 2013. In addition to this, the cost audit firms must not be holding any assignment as Statutory Auditors or Internal Auditors of the Company.

Annexure-I

(Preferably to be given on the Audit Firm's Letter Head)
Format for submission of Offer

1. Name of Cost Audit Firm:
2. Registration Number of the Cost Audit Firms with Institute of Cost Accountants of India
3. Particulars of Cost Audit Firm:
 - i) (a) Address of the Firm as registered with ICAI:
(b) Address of the Firm at Delhi (if different from a)
 - ii) (a) Telephone No. with STD code:
(b) Mobile No. of the Senior Partner (for contact purpose)
 - iii) Fax No. with STD code:
 - iv) Email address of the Firm:
 - v) Websites of the Firm, if any:
 - vi) PAN No. of the Firm:
 - vii) Service Tax No. of the Firm:
4. Technical Details

1	Experience in practice (No. of years) (Details to be submitted in Annexure)	
2	Experience of PSU Audit (Details to be submitted in Annexure)	
3	Experience related to Infrastructure /Construction Industry (Details to be submitted in Annexure)	
4	No. of Partners / Members Name & Addresses of the partners along with their Membership Nos to be given (Details to be submitted in Annexure)	
5	Majors clients, if any (i.e., companies with annual turnover > Rs. 100 Crores) (Details to be submitted in Annexure)	

5. We hereby confirm the acceptance of all provisions and the terms & conditions of the invitation without any deviation.

Place:

(Authorized Signatory)
With Official Stamp

Date:

PROFESSIONAL FEE (INDICATIVE)

The Firm may quote their indicative professional fees in the following Format in separate envelope:

1. Indicative Professional Fees (Exclusive of taxes) -

Rupees in Words	Rupees in Figure

Note:

- a. Professional Fees should not include TA/DA and out of pocket expenses which will be paid on actual for visits outside Delhi/NCR subject to certain limits as per Company Rule.
- b. The fee will be payable on completion of assignment and submission of report/ filing of Compliance.