Request for Proposal for Appointment of Cost Auditor(s) For Financial Year 2015-16

भारत प्रतिभूति मुद्रण तथा मुद्रा निर्माण निगम लिमिटेड

Security Printing and Minting Corporation of India Limited

मिनिरत्न श्रेणी-I, सीपीएसई

Miniratna Category-I, CPSE

(भारत सरकार के पूर्ण स्वामित्वाधीन)

(Wholly owned by Govt. of India)

16वां तल, जवाहर व्यापार भवन, जनपथ, नई दिल्ली-110001

16th Floor, Jawahar Vyapar Bhawan, Janpath, New Delhi-110001

APPOINTMENT OF COST AUDITORS FOR FINANCIAL YEAR 2015-16

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Last Date for Submission of Offers
18.02.2016

At SPMCIL, Corporate Office,
16th Floor, Jawahar Vyapar Bhawan,
Janpath, new Delhi-110001.

REQUEST FOR PROPOSAL FOR APPOINTMENT OF COST AUDITOR(S) FOR FINANCIAL YEAR 2015 -16

1. Introduction:

Security Printing and Minting Corporation of India Limited (SPMCIL) was formed after corporatization of nine Government Units including four Mints, four Presses and one Paper Mill which were earlier working under the Ministry of Finance. The Company was registered on 13.01.2006 with its headquarters at 16th Floor, Jawahar Vyapar Bhawan, Janpath, New Delhi. SPMCIL, a Miniratna Category-I CPSE, and wholly owned Schedule 'A' Company of Government of India, is engaged in the minting of coins, printing of currency and banknotes, passports and other travel documents, non-judicial stamp papers, postal stationery and allied security documents. The demands for these items are projected by RBI, State Governments, Ministry of External Affairs and Department of Posts etc.

SPMCIL is headed by Chairman & Managing Director. The Board of Directors of SPMCIL comprise of officials from the Ministry of Finance, Ministry of Home Affairs, Ministry of External Affairs and RBI. All the 9 Units of SPMCIL headed by General Managers are industrial organizations and are regulated in accordance with the labour laws and directions of Government issued from time to time. Details of the products and Units are available at their websites which are linked to the website of the Company at *www.spmcil.com*.

The company has an employees' strength of about 11,784 as on 31.03.2015 in all its nine Units and the Corporate Office. For further details please visit the website of the company at *www.spmcil.com*.

2. Maintenance of Cost Records and Cost Audit:

Cost Records are being maintained by the Company as per the extant rules and Cost Audit became applicable in Financial Year 2015-16 for two products of SPMCIL i.e. Security Paper and Coin blank.

The Company intends to appoint a firm of Cost Accountants for conducting Cost Audit for the Financial Year 2015-16.

3. Scope of Work:

The broad scope of work would be:

3.1 To conduct Cost audit of the Company in accordance with the provisions of the Companies (Cost Records 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.

3.2 Cost audit team should consist of adequate number of qualified/semi-qualified assistants (Cost Accountants) led by a senior partner of the Firm so as to be commensurate with cost audit work requirements.

3.3 Verification and certification of cost proformas maintained by the Company as per Companies (Cost Records and Audit) Rules, 2014.

3.4 Verification and certification of annexures to the cost audit report.

3.5 Cost audit firm so appointed shall commence cost audit and submit report as per Companies (Cost Records and Audit) Rules, 2014 by 31st July 2016.

3.6 The cost audit firm shall ensure submission of cost audit report and annexures to the cost audit report along with their reservation(s) or qualification(s) or observation(s) or suggestion(s), if any, in form CRA – 3.

4. Selection Criteria:

4.1 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 Appointment as Cost Auditors for conducting Cost Audit of the Company.

4.2 The following will be the basis of Points for the selection of Cost Auditor.

Sl. No.	Selection Criteria	Basis for awarding of Points	Maximum Points
1	Experience in practice (No. of years)	**1** Point for every years of Firm's 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 paper and steel product manufacturing industry	**2** Points for a completed Cost Audit of manufacturing 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. Documentary evidence(s) in support of Criteria at (1) to (5) mentioned in table to para-4.2 above is required to be submitted. Proposals without the required documentary evidence(s) shall be ignored for evaluation.

3. The Firm securing at least 60% marks based on above system shall be considered as qualified.

4. In case of a tie in the L1 bid, 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.

5. Terms and Conditions:

5.1 The tenure of appointment shall be at the sole discretion of the Company. The tenure may be renewed every year for a maximum of three 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 make reappointment at its sole discretion without assigning any reason for there.

5.2 The Company reserves the right to accept / reject any or all the offers without assigning any reason whatsoever therefore.

5.3 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 authorized person of applicant firm.

5.4 Documentary evidence(s) in respect of all the information above by the applicant firm(s) must be furnished along with the proposal.

5.5 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 authorized signatory of the applicant firm(s) with the firm's seal.

5.6 The proposal should be submitted strictly as per the terms & conditions laid down in the document.

The Offer in the Prescribed Format at Annexure – I, can be submitted in physical form to following address:

Additional General Manager (Finance & Accounts),
Security Printing & Minting Corporation of India Limited,
Corporate Office,
16th Floor, Jawahar Vyapar Bhawan,

Janpath, new Delhi-110001
Ph. No. 011-43582223

The sealed offer containing expression of interest should be submitted separately for technical and financial bid in the office of above mentioned up to 2:30 pm on 18.02.2016. The Technical bid envelope must be sealed and super – scribed with "Offer for Appointment of Cost Auditor – **Technical Bid**" and the **Financial Bid** envelope must be sealed and super - scribed with "Offer for Appointment of Cost Auditor – **Financial Bid**. The Name & Address of the Applicant firm must also be mentioned on the body of both envelopes. The financial bid will be open only for those firms who qualified technical bid.

Offers submitted in any other form shall not be considered.

5.7 The Company reserves the right to accept or reject any or all responses and to request additional submissions or clarification from one or more applicant(s) at any stage or to cancel the process entirely at its sole discretion without assigning any reason whatsoever.

5.8 The Firms are required to submit their Service Tax registration number if applicable in their offers.

5.9 The last date for receipt of the proposal is 2:30 pm on 18.02.2016 at SPMCIL, Corporate Office, 16th Floor, Jawahar Vyapar Bhawan, Janpath, New Delhi-110001. Proposals received after this date shall not be considered.

6. Compliances / Declarations /Certificates by firm(s) on appointment:

The cost audit firm(s) shall have to comply with and furnish declarations and certificates as required under Statutory/Company rules, upon appointment as cost auditor(s), as under:

6.1 The Cost Audit Firm shall not sub-contract the cost audit work,

6.2 The cost audit team will work in strict confidence and will ensure that the cost data, cost statement and cost information and any other information in respect of the operation of the location / work centre/ Company is dealt with in strict confidence and secrecy.

6.3 No partner of the cost audit firm should be related to either Managing Director or any Whole Time Directors or Part Time Directors of the Company within the meaning of the Companies Act, 2013,

6.4 Neither the cost audit firm nor its partner(s) or associates should have any interest in the business of the Company,

6.5 The cost auditor(s) will be required to issue & submit certificate of Independence and arm's length relationship.

6.6 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.

6.7 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 as Statutory Auditor(s) or Internal Auditor(s) of the Company.

6.8 Payments shall only be made through NEFT, hence Bank Details as per Annexure – II need to be submitted at the time of acceptance of the appointment.

6.9 An undertaking with regard to clause 7.1 to 7.8 is to be executed by successful Cost Audit Firm before acceptance of the assignment.

7. Debarring Provisions:

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

7.1 If the Firm obtains the appointment on the basis of false information / miss-statement.

7.2 If the Firm does not take up audit in terms of appointment letter.

7.3 If the Firm fails to maintain/honour confidentiality and secrecy of the Company's cost data, cost statement and cost information.

7.4 If the Firm fails to comply with any of condition laid down in clause 7 above.

8. Cost Audit Fees:

The Cost audit fee for the year 2015-16 may be quoted by eligible firm and the work shall be awarded to the firm who quoted lowest fee. Fee Quote should be in separate sealed envelope and super – scribed with "Offer for Appointment of Cost Auditor – Financial Bid. The Name & Address of the applicant firm must also be mentioned on the body of the envelope.

9. Earnest Money Deposit/Performance Guarantee

9.1 The RFP must be accompanied with Earnest Money Deposit (EMD) of amount Rs. 10,000/- (Rupees Ten Thousand only) and RFP fee of Rs. 500/- (Rupees Five Hundred only) in the form of two separate Demand Drafts/Banker's cheques drawn on a scheduled commercial bank favoring SPMCIL. Without EMD and RFP fee, the bid shall not be considered. No Bank Guarantee towards EMD will be accepted. EMD of the unsuccessful firms will be returned without interest after finalization of RFP. EMD of successful firm will be returned without interest, after empanelment on receiving a Bank Guarantee of Rs. 20,000/- (Rupees Twenty Thousand only) towards performance guarantee. The period of bank guarantee will be due date of submission of Cost Audit report plus 3 months. The performance guarantee will be returned to Cost Auditor on submission of Cost Audit and its acceptance by Board of Directors of the company.

(Preferably to be given on the Audit Firm's Letter Head)

Annexure - I

Format for submission of Offer

1. Name of the Cost Audit Firm:

2. Registration Number of the Cost Audit Firm 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 Number with STD Code:
   (b) Mobile No. of the Senior Partner (for Contact Purpose)
   iii) Fax Number with STD Code:
   iv) Email address of the Firm:
   v) Website 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 paper and steel product manufacturing industry (Details to be submitted in Annexure)	
4	No. of Partners/Members Names & Address 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:
Date:

Authorized Signatory
With Official Stamp

Annexure-II

(Format for NEFT – To be submitted in Firm's Letter Head, along with acceptance of Appointment)

Ref. No.:
Date:

To,

Addl. General Manager (F & A)
SPMCIL, Corporate Office,
16th Floor, Jawahar Vyapaar Bhawan,
Janpath, New Delhi-110001.

Dear Sir,

Sub: Details for National Electronic Fund Transfer.

We request and authorize you to effect payment through NEFT to our Bank account, subject to RBI Guidelines, as per the details given below:

A. Name of the Firm :
B. PAN of Beneficiary :
C. Service Tax No. of Beneficiary :
D. Email Address of Beneficiary :
E. City (of Beneficiary) :
F. Bank Name :
G. Branch (of Bank) :
H. A/c Number :
I. A/c type (Savings or Current) :
J. MICR Code of the branch (9digit) :
K. IFSC for NEFT (11 char) :
L. IFSC for RTGS (if different from K) :

Thanking you,

(Signature with Seal)
Authorised Signatory
Name
Designation

Certified that the particulars furnished above are correct as per our record.

Date:

(Signature of authorized official of bank)
Bank Stamp