

NIT / TENDER PAPER

Heavy Engineering Corporation Ltd.
FINANCE AND ACCOUNTS DIVISION
HEAD QUARTER

Tender No. HEC/FIN/Cost Audit/2021- 22/- 01

Date : 15.03.2021

Tender Fee: Rs.100.00

**Sub: Notice inviting Tender/offer to conduct Cost Audit from reputed
Cost Accountants Firm.**

Date of submission of Tender - From 16/03/2021 to 01/04/2021
From 10.30 hrs (IST) to 17.00 hrs (IST)
Due date of opening of Commercial Bid - On 05/04/2021 at 11.00 hrs (IST)

GENERAL TERMS:

(a) Offers are invited from reputed Cost Accountants Firm to conduct Cost Audit of different units ie. HMBP, FFP, HMTP & Project Division of HEC Ltd.

(b) Offer shall be received in 4 separate envelopes i.e.

- (i) Envelope for cost of tender documents (in case of tender document is down loaded from website)
- (ii) Envelope for Earnest Money Deposit
- (iii) Envelope for commercial bid [Part-I] containing documents in support of experience and other details towards fulfillment of eligibility/qualification criteria duly countersigned and numbered on all pages by the bidder
- (iv) Envelope for price bid i.e. Part-II containing fees only [amount in INR].
Part I and Part II should be inscribed on the body of the envelope.

All the four envelopes should be inserted in a separate envelope which will be duly sealed and addressed to SDGM I/C (A&B)/HQ, Plant Plaza Road, Dhurwa Ranchi-4

NIT Reference no. and Name of Bidder should be written on all the envelopes.

After opening of main cover the envelope containing cost of tender document (in case of tender document is down loaded from website) and envelope containing earnest money will be opened first and if these are found to be in order as per requirement of the NIT, then only commercial bid [Part-I] of the tender will be opened, otherwise the tender will be rejected without opening Part-I.

(c) Cost of tender documents of Rs. 100 (Rs One Hundred) only (non-refundable) is to be taken from the applicant who will collect the tender document from the Office of SDGM (A&B)/HQ, Plant Plaza Road, Dhurwa Ranchi-4 during the period of sale of tender document on payment by Demand Draft(from any nationalized/scheduled bank should be drawn in favour of Heavy Engineering Corporation Ltd, payable at SBI Hatia, Ranchi Branch Code 0207)

(d) Registered Micro and Small enterprises are exempted for payment of Tender documents and Earnest Money Deposit (Documentary proof to be enclosed).

Tender documents may also be downloaded directly from the website of HEC <http://www.hecltd.com> in and such applicant while submitting their tender will have to enclose a bank draft of Rs. 100/- (Rupees One Hundred) only (non-refundable) towards cost of tender document along with their tenders in a separate envelope.

The Bank draft from any nationalized/scheduled bank should be drawn in favour of **Heavy Engineering Corporation Ltd, payable at SBI Hatia, Ranchi (Branch Code 0207)**

Date and time of availability of tender document

From 16/03/2021 to 01/04/2021 from 10.30 hrs (IST) to 13.00 hrs (IST)

Submission of offer From 16/03/2021 to 01/04/2021 from 10.30 hrs (IST) to 17.00 hrs (IST)

Opening of Envelops no (i), (ii) & (iii) On **05/04/2021** at 11.00 hrs (IST) in the Office of SDGM (A & B)/HQ in presence of the Bidder or authorized representative of the Bidder who may like to attend the Bid opening.

In case the date of opening of tenders happens to be a holiday, the same shall be opened at 11.00 hrs (IST) on next full working day.

The bidder downloading tender document from website has to note the following in addition:

The Company shall not be responsible for any delay/difficulties/inaccessibility of the downloading facility for any reason whatsoever. The downloading facility shall be available during the period of sale of tender document.

The bidders, who will download the tender documents from the website of the company, will be required to pay the cost of tender documents (application fee) by bank draft as per NIT at the time of submission of tenders.

The bidders will be required to submit an undertaking with the offer that they will accept the tender document as available in the website and their tender shall be rejected if any tampering in the tender document is found to be done at the time of opening of tender.

In case of any discrepancy between the tender document downloaded from the website and the master copy available in the office, the later shall prevail and will be binding on the tenderers. No claim on this account will be entertained.

(a) Name, Address, Telephone no., Fax No., Email address of the bidder along with such detail of the contact person of the bidder should be indicated on the first page of the offer.

(b) The complete quotation shall be submitted in the letter heads of the bidders. If firm's letter heads are not sufficient to accommodate commercial details and if other paper is used, such sheets along with other pages of the offer should be signed by the firm's authorized signatory and duly stamped.

(c) Bidder should sign with seal on all pages of their offer including all enclosures submitted with the offers.

(d) Quotations having cuttings, erased and overwritten, will be summarily rejected unless corrections are authenticated with the bidder signatures.

(e) Offer should be submitted strictly as per terms & conditions laid down in Tender /offer documents failing which the offer will be liable for rejection. In the event of the bidder remaining silent on any terms & conditions of the NIT, it will be presumed that the bidder have accepted such terms & conditions.

(f) HEC reserves the right to reject or accept or withdraw their offer in full or part as the case may be without assigning reason thereof.

(g) Firms are required to submit their GSTIN and PAN in their offer

COMMERCIAL TERMS & CONDITIONS

1. Earnest Money/ Security Deposits

Value of earnest money to be deposited by the bidder shall be **Rs. 5000/- (Rupees Five Thousand)** only. EMD should be in the form of Demand Draft in favour of Heavy **Engineering Corporation Ltd, payable at SBI Hatia, Ranchi Branch Code 0207**, from any nationalized/scheduled bank to be submitted in separate envelopes. For unsuccessful bidder EMD shall be refunded immediately after finalization of the Tender. EMD shall be forfeited if any bidder withdraws their tender/offer after submission of offers. **The security deposit will be 3% of quoted amount.** The EMD of successful bidders will be converted into security deposit and successful bidders have to deposit balance amount in the form of Demand Draft in favour of Heavy Engineering Corporation Ltd, payable at SBI Hatia Ranchi (Branch Code 0207), from any nationalized/scheduled bank. For successful bidder security deposit shall be released after successful completion of the job and submission of satisfactory report at the end of the period. If a Party fails to start the work within the schedule date, the Security money stands to be forfeited without showing any reason thereof.

EMD/Security Money shall not carry any interest.

2. Validity of Offer

Offer shall be valid for 120 days from the date of opening of Part-I.

3. Selection of Cost Auditor will be made on qualitative and price basis. Weightage points are to be attributable on price as well as eligibility criteria. Weightage are in the ratio of 60:40 for technical and price.

A . Evaluation Criteria

Firms of Practicing Cost Accountants registered with the Institute of Cost Accountants of India (ICAI) shall be considered for Shortlisting /Appointment as Cost Auditors for conducting Cost Audit of Company. Panel of Cost Audit Firms will be prepared in order of maximum evaluated preference points as per following : -

Technical/Quality Evaluation Criteria

SL No	Selection Criteria	Minimum Criteria	Basis of Marks	Marks as 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 28.02.2021	No. of years	2 marks per year	20
2	No. of Partner(Cost Accountants) in Firm. The Partners holding valid certificate issued by the Institute of Cost Accountants of India and should be in whole time Practice.	2 nos of Partners in Firms	No. of Associates / Fellow Partners.	3 Marks for Associate Member / 5 Marks for Fellow Member	30
3	No. of Qualified or Semi Qualified Cost Accountants on payroll basis with the Firm.	5 nos of qualified / semi qualified Cost Accountants on Payroll basis	No of qualified / semi qualified Cost Accountants on payroll basis	2 marks for Qualified and 1 mark for Semi-Qualified	15
4	No. of Cost Audit Assignment Completed in PSU in Last Five Years	1 Assignment		5 marks per assignments	20
5	Head Office / Branch Office at Ranchi				10
6	Experience in HECL Cost Audit Works				5
			Total		100

Note:

1. Clear and complete details in separate sheets, for determination of Points with supporting documents of information against Items from Sl. No. 1 to 6 above are to be furnished.

The offers received from the Firms of Cost Accountants within the prescribed time limit and who have submitted the cost of tender fees (in case of tender document is down loaded from website) and EMD, shall be opened on due date and time for Part I only in presence of intending participant. Part II envelope shall be opened only after fulfilling all the criteria mentioned above and any conditional quotation shall be liable to be rejected.

Please check carefully this following clause:-

“In case two and more firms remain L1 after evaluation, L-1 shall be decided on the basis of:-

A) Year of establishment of the firm having the oldest date of establishment will be placed in number one position.

B) In case after doing the exercise given in (A) above, two or more Firms get the same position, then the above list will be re-arranged on the basis of number of Partners (Cost Accountants) in Firm. The firm having highest number of Partners in Firm will be placed in number one position and so on .

C) If still even after the exercise mentioned in (A) and (B) above , two or more Firms get the same position , the list will be re-arranged on the basis of number of Qualified or Semi Qualified Cost Accountants on payroll basis Associated with the Firm as mentioned in SL NO (3) above . The Firm having highest number of assistants will be placed in number one position and so on.

B Brief about Company: www.hecltd.com

4. Scope of Work shall be as under:

- To Carry out Cost Audit of all the three units / plants and Project Division of Company and its consolidation 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.
- Compliance with any other instruction issued in respect of cost audit under Companies Act, 2013.
- Attending formal meetings with the Company management, Audit Committee/Board of Directors of the Company in connection with the Cost Audit Work.

- Cost audit firm so appointed shall commence cost audit and submit necessary reports as per the schedule communicated by the company, along with reservation or qualification or observations or suggestion, if any in form CRA-3 and annexures as per notification or any other instructions issued by Central Government from time to time or any other section of the Companies Act, 2013.

5. Period of Cost Audit:

The appointment of the Cost Audit firms shall be subject to submission of certificate by Cost Audit Firm in regards to compliance u/s 141 (3) to the effect that the appointment, if made, will be in accordance with the provision of Section 141 (3) read with 148 (5) of the Companies Act, 2013 for the Financial Year 2021-22.

6. Cost Audit Fee:

Fee for the cost audit is to be indicated by the applicant firms in Part-II (inclusive all Charges of TA/DA, boarding & lodging, transportation, incidental charges etc.) .

In addition to the above, GST will be paid extra as applicable.

Income Tax and other statutory levies will be deducted from the bills as per rules.

7. Payment Terms:

The bills in triplicate (original copy duly pre receipted) duly certified & accepted by the Nodal Officer should be submitted to paying authority by the auditor after compliance of Necessary formalities. The firm will submit bill in triplicate along with following documents:-

1. Tax Invoice.
2. Completion certificate.
3. Proof of submission of Report.

8. Paying Authority:

Finance-Hqrs /HEC Ltd

9. 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. Neither the cost audit firm nor its partner(s) or associates should have any interest in the business of the Company,
- V. 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;
 - 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.
- VI. 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.
- VII. The partners holding Certificate of Practice issued by Institute of Cost Accountants of India are in whole time practice.
- VIII. 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.

10. **Debarring Provisions:**

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

- I. If the Firm obtains the appointment on the basis of false information/ misstatement.
- II. If the Firm does not take up audit in terms of appointment letter.
- III. If the Firm fails to maintain/honor confidentiality and secrecy of the Company's cost data, cost statement and cost information.

11 . CONFIDENTIALITY CLAUSE: Documents etc. provided to firm should be used for Audit purposes only. It should not be used or disclosed by them for any other purposes what so ever it may be even after expiry of contract. Violation of this clause will attract legal action. Successful Tender will have to execute a bond suitable on non judiciary stamp paper to honor the confidentiality clause.

12. TERMINATION OF CONTRACT: HEC reserves the right to terminate the contract at any time during validity period on account of non fulfillment of contract condition, adverse feedback regarding quality of service rendered, indulgence in unethical practice or questionable integrity.

13. DISPUTE:

Any dispute/difference of opinion shall be mutually settled with Nodal Officer.

If the dispute could not be settled at Nodal Officer's level, the same is to be forwarded to CMD, HEC for decision which will be final and binding.

Nodal
15/03/2021
Manager/Finance/HQ

Technical Data for Evaluation (Part – I):

General Information/ Documents as on NIT
(To be furnished by the bidder in Part-I)

Slno	Particulars	
1	Name of the CostAudit Firm :	
2	Office Address : I. Permanent Address II. Correspondence Address . III. Telephone No. IV. Fax No. V. Email Address VI. Website	
3	Year of establishment of firms with ICAI: I. Year of Establishment II. Firm Registration No. III. GST Registration No. IV. Permanent Account No. (PAN) of Firm (Certificate of registration / Constitution Certificate is to be enclosed)	
4.	Number of Partners (Fellow/ Associate): I. Number of Partners (Fellow/Associate) II. Date of Joining Firm (Mention Name, Address, Practicing Membership number of each Partner clearly specifying - Associate/Fellow). (Copy of certificate of Practicing as Cost Accountants and firms profile issued by ICAI is to be attached)	
4.	No. of Cost Accountants qualified / semi-qualified on payroll basis as Audit Asstt. / Audit Clerk (Excluding Partners as mentioned at sl no 3.) I. Number of Employees (qualified / semi qualified) II. Date of Joining Firm (copy of pass certificate of CMA (Inter / Final) as above is to be attached)	

5.	<p>Experience of Cost Audit in PSU during last 5 years.</p> <p>I. Name of the Company II. Year of Audit.</p> <p>(Documentary evidence in support of Cost Audit in PSU during last five years i.e. copy of Work Order and proof of completion of work is to be enclosed)</p>	
6.	<p>Experience in Cost audit in HECL (Previous letter of appointment in HECL for audit work is to be enclosed)</p>	
7.	<p>Registered Micro and Small enterprises should enclosed documentary proof for the same</p>	
8.	<p>Documentary proof for Head Office / Branch office at Ranchi is to be enclosed.</p>	

PRICE BID PROFORMA (Part – II):

UNIT	Rate in figure	Rate in word
HMBP, HMTP, FFP & PROJECT Division of HEC Ltd.		

Rate (all inclusive)

GST Extra as per applicable rate Total

Signature of the Bidder
with Date and Seal

Declaration:

It is hereby declared that the applicant Firm namely _____
(Applied for Tender) is not debarred from conducting audit by any regulating/statutory/legal Authorities.

Signature of the Bidder
with Date and Seal