



MOIL LIMITED
(A Government of India Enterprise)
MOIL BHAWAN, 1-A, KATOL ROAD,
NAGPUR-440 013
CIN No.L99999MH1962GOI012398

Ref No: MOIL/I. Audit/2023-24/ETA/01

Date:06.01.2024

To,

The Firms of Chartered Accountants /Cost Accountants

Dear Sirs,

Sub Applications for empanelment of firms for conducting Transaction Auditing for two years extendable to three years (2+1).

MOIL LIMITED invites applications from the **Partnership firms of Chartered Accountants / Cost Accountants** for empanelment to conduct transaction auditing of its Mines, Plants and Head Office (hereafter referred to as “the units”) initially for one year from **1stApril 2024 to 31st March 2025** on the following terms.

1. Scope, Coverage and Audit Program is **as per Annexure-II and Annexure III.**
1. Period: 1stApril 2024 to 31st March 2025.
2. Date of Commencement of audit: Fifteen days from the date of issue of engagement letter.
3. Periodicity of Reporting: Quarterly basis. However, work can be commenced before / during the completion of the quarter.
4. Methodology of Audit: Transaction Audit will be conducted for one year initially from 1stApril 2024 to 31st March 2025 at all the above units on **quarterly/monthly basis** by a dedicated team however report will be presented on quarterly basis. Audit observations requiring written clarifications shall be concurrently communicated to the designated authorities of units with copies to Finance and Internal Audit Departments of

the unit. Written replies shall be obtained and compared against the audit observations and a draft report will be prepared indicating vetting remarks as to tenability or otherwise of each one of the points. Draft report and executive summary along with the replies and vetting remarks will be submitted to **Head of Internal Audit, MOIL LIMITED, MOIL BHAVAN, 1-A, Katol Road, Nagpur-440013**. Separate report for status of audit paras pending resolutions and also separate report on value additions made by the auditors will be required to be submitted along with the audit reports.

5. The dedicated team for internal audit should be deployed, consisting of at least 125 man days of semi qualified Staff / Article clerks and 25 man days of professionally qualified accountants (CA/CMA) with sufficient supervision of lead partner/s of the firm per quarter for a group of audit location.
6. Unresolved issues of material nature and involving Accounting Principles and Standards shall be coordinated by Internal Audit Department at Head Office in consultation with the Statutory Auditors of the Company.
7. Due date for submission of Report: Draft Report shall be submitted to the concerned Manager /Mine Managers within fifteen days from the close of the Quarter under report. Final Report with executive summary shall be submitted to Head of Internal Audit, MOIL LIMITED,1-A, Katol Road, Nagpur, within one month from the close of the Quarter under report. Time is the essence of contract and hence delay in submission of report will be liable for penal action.
8. Presentation to Management and Audit Committee: If felt necessary, the Management may invite the firm to be present for discussions with Statutory Auditors/Management/Audit Committee on major issues brought out in the Report. In such a case, necessary arrangements for travel outside Nagpur shall be made by the company and out of pocket expenses, if any, will be borne by the company.
9. Remuneration: Following all-inclusive annual remuneration is fixed for the tenure of three years.

Sr.No.	Group wise audit location	No. of Firms	All-inclusive annual remuneration(Excluding GST) for one year (Rs.)
(i)	Head Office (Nagpur)	1	5,00,000

(ii)	1. Beldongri Mine 2. Gumgaon Mine 3. Kandri Mine and 4. Munsar Mine (Including Parsoda)	1	5,00,000
(iii)	1. Balaghat Mine and Ferro Manganese Plant 2. Ukwa Mine 3. Tirodi and Sitapatore Mine	1	5,00,000
(iv)	1. Dongri-Buzurg Mine and Electrolytic Manganese Di-oxide Plant 2. Chikla Mine	1	5,00,000

Remuneration as indicated above is **all-inclusive** i.e., fees and all out-of-pocket expenses. Conveyance for visiting Mines will be arranged from Nagpur/ Tumsar / Gondia railway station by the Company maximum thrice for a quarter, i.e,for dropping and pick up, if required, and the company will extend its lodging and boarding facility during the course of transaction audit at units, subject to availability. However, arrangements for conveyance and stay will not be made for audit at Nagpur.

10. **Payment:** Fees will be paid twice in a year i.e. on half yearly basis. Fees for the Year 2024-25, as indicated above, will be paid within 30 days from the receipt of final audit report of the September 2024 quarter and March 2025 quarter and so on.
11. The engagement, if given, is subject to confidentiality and Non-disclosure undertaking to be executed in the form and content acceptable to MOIL LIMITED before commencement of the assignment.
12. Unconditional willingness with a brief profile (as per Annexure IV and V) has to be sent to the following address in sealed envelope duly superscribing our letter reference to reach us before **2.00 PM on or before 29.01.2024.**

ADDRESS : DGM (Finance)I/A
MOIL Limited,
MOIL BHAWAN,
1-A, Katol Road,
Nagpur – 440013
13. Conditional offers or counter offers shall not be entertained in any respect. Clarifications, if required, are to be obtained beforehand.
14. The empanelment of firms for initially two years, extendable to three years, will be made based on the point score (as per Annexure VI) earned by each firm of Chartered Accountants / Cost Accountants based on the profile as per

Annexure IV and V. In case of tie of points scored among two or more firms, tie will be broken based on the number of partners at the location and their experience. The Company reserves the right to engage any firm of Chartered / Cost Accountants meeting the acceptance criteria and to change the divisions or remuneration for any reason including administrative or location convenience and as such the decision of the company shall be final and binding. The same firm(s) can be re-engaged for any other year with the existing/modified terms and conditions, based on performance in the year 2024-25.

15. Four firms out of empanelment, having higher point score will be engaged initially for the year 2024-25 (1st April 2024 to 31st March 2025). The company reserves the right to rotate the firms amongst four groups of audit locations at any point of time without assigning any reasons thereof. Engagement for subsequent year(s) will be made based on performance and out of empanelled firms.
16. In case of refusal/inability/incompetency to accept/continue the assigned group location for any reasons whatsoever, the concerned firm may be blacklisted for a period of two years and the subject assignment shall be awarded to another firm among empanelled firms.
17. Transaction Auditors shall not sub-let its assignment to any other firm failing which MOIL shall have right to take necessary action including discontinuing the assignment, debarring the firm from any future dealing with the company, withholding payments.
18. The firms are advised not to send their application (a) if any of the disqualifications prescribed under rules / regulations and decisions of ICAI/ICMA is found applicable to the firms and/or (b) conditions prescribed by C&AG under section 139 of the Companies Act, 2013 are not met. The firms with common partner/s are also advised to apply through one firm only and multiple applications with common partner/s will be liable for rejection. MOIL reserves the right to make enquiries about the credentials submitted, if deemed necessary.

Kindly arrange to forward your willingness strictly in line with the above, noting that there is no assurance of engagement.

Thanking You

Yours faithfully,

For MOIL Limited,

DGM (Finance) - I/A

Head of Internal Audit

Encl: As above

SCOPE OF TRANSACTION AUDIT

1. The present system for capturing transactions is ERP-SAP system. Thus all transactions are to be verified in ERP with physical records and guidelines. All transactions recorded in Books of Accounts and reported in Financial Statements as per audit program and Internal Audit Manual and personnel manual/ other rules/ procedures of our Company (a copy of which will be made available at the place of audit).
2. Audit of Schedules of balances including verification of Stock.
3. Corporate Governance covering internal control system with respect to Financial Reporting, Directors Responsibility Statement under Section 134 of Companies Act, 2013, CEO/CFO certification under Listing Agreement, Compliance under Listing Agreement / SEBI Guidelines, Statutory Compliances, Compliance with IND AS / Accounting Policies & GAAP, Bench marking practices, Dividend payment, Public Issues, etc.
4. Audit of Sales recognized in terms of Sale Orders, DOs and Lab Reports. Further audit of accounting of advances from customers, LC and realization from customers and penalty on EMD. A separate quarterly report is required to be submitted latest by 15th of the following month of the respective quarters.
5. Audit of Interest accrued, due and accounted on Fixed Deposits on quarterly basis.
6. Audit of Contracts, Purchase Orders and rate contracts.
7. Audit of salaries, wages and all other related payments
8. Audit coverage as henceforth given.

AUDIT COVERAGE

The audit coverage of the transaction of various departments shall be as follows. The present system for capturing transactions is ERP-SAP. Thus all transactions are to be verified in ERP with physical records and guidelines. The extent of coverage indicated are intended for **broad guidance and can be varied depending on circumstances from time to time** (Month indicated below is to be selected by the Head of Internal Audit and will be intimated before commencing the audit).

1.0 Purchase Department

1.1. Review Of Purchase Files including purchase/tender procedures- Head Office		
a) Purchase below	Rs.10,000	10%
b) Purchase between	Rs.10,001 and Rs.25,000	15%
c) Purchase between	Rs.25,001 and Rs.50,000	25%
d) Purchase between	Rs.50,001 and Rs.1,00,000	50%
e) Purchase above	Rs.1,00,000	100%
f) Rate Contracts		100%
g) Emergency Purchases		100%
h) All other transactions	Any Six selected months in a Year	

1.2. Review Of Purchase Files including purchase/tender procedures- Mines		
a) Purchases below	Rs.10,000	50%
b) Purchases above	Rs.10,000	100%
f) Rate Contracts		100%
g) Emergency Purchases		100%
h) All other transactions	Any Six selected months in a Year	

2.0. Production, Engineering, Projects, Mining, Maintenance & other related Dept. for mines and head office	Six Alternate months transactions in a year
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3.0. Review Of all contracts like Civil Works Contracts, Mining Contracts, Technical/Project Contracts, Development Contract, Transport Contract, AMC, etc – Head Office	
All contracts above Rs.1,00,000	100%
Above Rs.50,00 but less than Rs.1,00,000	50%
Above Rs.10,000 but below Rs.50,000	25%
Below Rs.10,000	10%

3.1. Review Of Civil Works Contracts, Mining Contracts, Technical/Project Contracts, Development Contract, Transport Contract and Sub-Contracts, AMC etc- Mines	
Rs.10,000 and above	100%
Below Rs.10,000	50%

4.0.Stores	Any Six selected months transactions in a year	
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4.1. Disposals	100%
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4.2. Physical Verification of Inventory(Raw Materials, Stores, Explosives, Timber, POL,ETC)	‘C’ Class Items : Inventory as of 31st January to be verified during February	100%
	‘B’ Class Items : Inventory as of 28th February to be verified during March ‘A’ Class Items : To be verified as on 30 th September and 31 st March every year.	
	Stationery, Medicines: Inventory as of end of any one month to be verified on 1st day of next month	

5.0. Sales	
Invoicing and EMD Forfeiture	100%
Other transactions (Discounts, Interest, partial freight reimbursement etc.)	Any Six selected months transactions in a year
Debtors	Any Six selected months transactions in a year
Auction sales	100%
Despatches at Mines	100% with physical records

6.0. Expenditure on Welfare Activities i.e. estate, Medical, Guest House etc		100%
6.1. Payroll including Terminal, Gratuity, PF, Leave, OT, Incentive, Bonus, PRP, Advances , Recovery, etc.	Terminal	100%
	Routine	50%

7.0. Finance & Accounts	
7.1.0. Bills Payable	
a) Checking paid vouchers : Head Office	
i) Invoices for imported materials, if any	100%
ii) Invoices for indigenous materials	
Above Rs.25,000	100%
Above Rs.10,000 but below Rs.25,000	50%
Above Rs.5000 but below Rs.10000	25%
Below Rs.5000 :	General Review
b) Checking paid vouchers : Mines	
i) Invoices for imported materials, if any	100%
ii) Invoices for indigenous materials	
Rs. 2,000 and above	100%
Below Rs.2,000	50%
c) Suppliers Account	: Any Six selected months transactions in a year

7.2.1. Payment vouchers of Civil Works Contracts, Mining Contracts, sub-contractors, AMC Technical/Project Contracts, Development Contract, Transport, etc	
a) Checking paid vouchers : Head Office	
Above Rs.25,000	100%
Above Rs.10,000 but below Rs.25,000	50%
Above Rs.5,000 but below Rs.10,000	25%
Below Rs.5,000	10%
b) Checking paid vouchers : Mines	
Rs.5,000 above	100%
Below Rs.5,000	50%
c) Contractors Account	Any Six selected months transactions in a Year
7.3.0 All Other Payments	Any Six selected months transactions in a Year

7.4. 0. Compilation and Consolidation	
a) Trial Balance, Quarterly / Half Yearly / final accounts	100%
b) Other transactions including Fixed Assets and Depreciation	Any Six selected months in a year
7.5.0 Interest on Fixed Deposits	100%
7.5.1 Physical verification of Fixed Deposits and its title	Quarterly 100%
7.6.0. General Accounts	
7.6.1. Cash & Bank	100%
a) Cash Verification	Regular : Once in a month
	Surprise : Once in year
b) Bank Reconciliation	100%
c) Loans and Advances including Sundry Receivable	Any Six selected months transactions in a Year
7.7.0 Returns Filling, GST, IT-TDS, IT CORPORATE, PF & ESI, Excise Duty etc.	100%

Note : Audit program will be communicated along with engagement

**BRIEF PROFILE OF FIRMS OF CHARTERED ACCOUNTANTS/COST ACCOUNTANTS AS
ON 01.01.2024 FOR TRANSACTION AUDITING FOR THE YEAR 2024-25**

(All documents to be enclosed, as required for SL. No. 1 to 11 below, should be properly tagged with marking of Sl. No. 1 to 11 as mentioned below. Submission of improper information/documents/ tagging is liable for rejection)

Sl.no	Description					
1	Name, Address of the firm with PAN No. and GST Registration No.					
2	Date of Registration of the Firm with relevant institute (Copy of certificate to be enclosed)					
3	Details of Full Time FCA/FCMA Partners (Copy of certificate to be enclosed)					
	Sl No	Name	Date of enrolment as FCA/FCMA	Membership No.	Age	Date of joining of the firm by the Existing partner
	1					
	2					
	3					
	4					
4	Details of Full Time ACA/ACMA Partners (Copy of certificate to be enclosed)					
	Sl No	Name	Date of enrolment as ACA / ACMA	Membership No.	Age	Date of joining of the firm by the Existing partner
	1					

	2																													
	3																													
	4																													
	5																													
5	<p>Details of association with the same firm including date of joining to the firm(Copy of partnership deed to be enclosed) :</p> <p>(a) Names of the partners above 20 years and date of joining to the firm</p> <p>(b) Names of the partners above 15 years and date of joining to the firm</p> <p>(c) Names of the partners above 10 years and date of joining to the firm</p> <p>(d)Names of the partners below 10 Years but above 5 Years and date of joining to the firm</p>																													
6	<p>Details of Full Time CA/CMA Employees:</p> <table border="1"> <thead> <tr> <th>Sl No</th> <th>Name</th> <th>Since employed when</th> <th>Date of enrolment asACA/FCA/ACMA/FCM A</th> <th>Membership No.</th> </tr> </thead> <tbody> <tr> <td>1</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>2</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>3</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>4</td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>					Sl No	Name	Since employed when	Date of enrolment asACA/FCA/ACMA/FCM A	Membership No.	1					2					3					4				
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3																														
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8	<p>Internal Audit / Concurrent audit assignments of PSUs/ PSBs in last 15 years (Copy of appointment letter to be enclosed)</p> <table border="1"> <thead> <tr> <th>Name of the PSUs</th> <th>Year of audit.</th> <th>Description of Assignment</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> </tr> </tbody> </table>					Name of the PSUs	Year of audit.	Description of Assignment																						
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9	Internal Audit Assignment in PSUs having SAP system of accounting (Copy of proof to be submitted)		
	Sl No	Name of the PSUs and year of implementation of SAP	Year of audit.
10	Details of CISA/DISA qualified partner/ full time employee		
	Name of only one partner/ full time employee to be specified	Date of acquiring CISA/DISA	Copy of certificate to be enclosed
11	Turnover of the firm must be above Rs.50 lacs p.a.		
	Sl No	Financial year	Rs.
	1	2022-23	
	2	2021-22	

Note :

Full time partner does not include a person who is

- (a) A partner in other firms
- (b) Employed full time/part time elsewhere, practicing in his own name or engaged in practice otherwise or engaged in other activity which would be deemed to be in practice under Section 2(2) of the Chartered Accountants Act, 1949/ Cost and Works Accountants Act, 1959.
- (c) A partner whose total compensation from the firm is less than 5 %

(Total compensation = Sum total of share of profit, remuneration and interest on capital)

UNDERTAKING

We, M/s _____ firm of Chartered Accountants/ Cost Accountants, do hereby verify and declare

- (i) That the particulars given in the application are complete and correct and that if any of the statements made or the information so furnished as above is later found to be untrue or false or there has been suppression of material information, the firm would stand disqualified from empanelment/allotment of audit and would be liable for disciplinary action under the Chartered Accountants Act, 1949 / Cost and Works Accountants Act, 1959 and the regulations framed there under;
- (ii) That the firm or partners have not been debarred or cautioned by applicable governing body during the last three years.
- (iii) That individually the partners are not engaged in practice otherwise or in any other activity which would be deemed to be in practice under section 2 (2) of the Chartered Accountants Act, 1949 / Cost and Works Accountants Act, 1959.
- (iv) That the constitution of the firm as on 01.01.2024 shown in the application is same as that in the ICAI records.
- (v) That the firm or partners have no objection if MOIL makes any enquiries.

Name of Authorised person and

Place

Signature with Seal of the Firm

Date

Full time partner does not include :

A person who is

- (a) A partner in other firms
- (b) Employed full time/part time elsewhere, practicing in his own name or engaged in practice otherwise or engaged in other activity which would be deemed to be in practice under Section 2(2) of the Chartered Accountants Act, 1949/ Cost and Works Accountants Act, 1959.
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ANNEXURE VI**SELECTION CRITERIA OF FIRMS OF CHARTERED / COST ACCOUNTANTS FOR
TRANSACTION AUDITING OF
MINES/PLANTS/HEAD OFFICE FOR THE YEAR 2024-25**

Sl.No	Description	Maximum Point Score	Criteria
1	Name, Address of the firm with PAN No. and GST No.	20	20 points if location of firm is Nagpur/Bhandara/Balaghat Districts 10 points if the location of branch office of the firm having more than 2 full time partners is in Nagpur/Bhandara/Balaghat For this purpose, the location as on 01.01.2024 shall be considered and the same shall be disclosed by the applicant firm.
2	Experience of the firm: - a) Date of Registration of the Firm with ICAI / ICMA. b) Date of joining of the firm by the Existing partner having longest association with the firm Minimum eligibility of 10 years is reckoned as on 01.01.2024 [No. of calendar years as per (a) or (b) whichever is less]	15	1 point for every calendar year (Counted from the date of constitution of the firm with one full time FCA/FCMA or date of joining of the firm by the existing partner having the longest association with the firm whichever is later). Fraction to be ignored.
3	Name of Full Time FCA / FCMA Partners	15	5 points each partner who is FCA/FCMA (Maximum restricted to 15 points) 2 points for each partner who is ACA/ACMA (Maximum restricted to 10 points)

			Combined total points restricted to maximum 15 points.
4	Points for long association with the same firm for first five partners	10	
	(a) No. of partner above 20 years.		5 points if first two partners above 20 years association.
	(b) No. of partner above 15 years.		3 points if next two partners above 15 years association.
	(c) No. of partner above 10 years.		2 points if remaining partners above 10 years association.
5	No. of Full Time CA / CMA Employees	5	2.5 point each for C.A/CMA Employees for first two CA/CMA Employees
6	No. of Assignments by C&AG u/s 139 of the Companies Act, 2013 and cost audit u/s 148 of Companies Act 2013.	8	2 points each for audit assignments - for latest four assignments during last fifteen years
7	Internal Audit / Concurrent Audit Assignments of PSUs/ PSBs	8	2 points each for audit assignments for latest four assignments during last fifteen years.
8	Internal Audit Assignments of PSU having SAP system of accounting	3	1.5 points each for audit assignment during last three years.
9	Peer review audit of the firm	2	2 points if peer review audit is conducted of the firm during any year of the last five years
10	CISA/DISA qualified partners or employees	2	2 points if copy of Certificate is produced as a proof.

11	Partners having completed Internal audit certification course of ICAI or equivalent course of ICMA	5	5 points if copy of Certificate course is produced as a proof.
12	Experience of conducting statutory/ internal audit of Mining PSU	5	2.5 points each for audit assignment during last five years.
13	Turnover of the firm during last 2 financial years must be above Rs. 50 lacs in each FY.	2	Certified copy of proof of turnover for the financial year 2021-22 and 2022-23 to be attached.
	Total	100	

1. In case of tie in the marks scored, the number of partners at the location and their experience will be preferred.
2. A firm which had been appointed as Internal / Transaction auditors in MOIL Ltd in the last five years (i.e. F.Y. 2019-20 to 2023-24) would not be considered for appointment of Internal Auditor for next two succeeding years (cooling period). However, the firm will be empaneled and may be considered after the expiry of the cooling period.
3. Audit firms which are found guilty by the ICAI / ICMA Disciplinary committees would not be considered.
