

Haryana Power Generation Corporation Limited

(A Government of Haryana Undertaking)

Urja Bhawan,
Sector-6, Panchkula
Haryana-134109



E- Tender Documents

For

NOTICE INVITING TENDER FOR SHORTLISTING AND ENGAGEMENT OF FIRMS OF CHARTERED ACCOUNTANTS/ COST ACCOUNTANTS FOR CONDUCTING INTERNAL AUDIT IN HARYANA POWER GENERATION CORPORATION LTD , FOR THE FINANCIAL YEARS 2016-17, 20017-18 AND 2018-19

Ref No.: **COA/IA/NIT/16-17/1**

Dated: 27.10.2016

Last Date of Submission: **25.11.2016 UPTO 15.00 Hours**

HARYANA POWER GENERATION CORPORATION LIMITED
(A Govt. of Haryana Undertaking)

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No. COA/IANIT/16-17/1

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NOTICE INVITING TENDER

Haryana Power Generation Corporation Ltd., a Government of Haryana Undertaking, invites bids from reputed Indian Chartered Accountant/ Indian Cost Accountant Firms for conducting Internal Audit for F.Y. 2016-17, 2017-18 and 2018-19.

The format of application along with annexures on areas and extent of coverage, reporting requirements, terms of reference, list of units and locations, selection criteria etc. can be downloaded from website www.hpgcl.org.in. Any updates to the NIT shall be hosted on our website from time to time. The interested firms are requested to ensure that all updates to the NIT are strictly considered while submitting the bids.

Firms may send their applications in the prescribed format along with annexure and EMD of Rs. 30,000/- so as to reach latest by 25.11.2016 up to 15.00 hrs. EMD of successful bidders shall be converted into security deposit which shall be released on faithful completion of the work. EMD of the unsuccessful bidders shall be returned without any interest immediately after awarding the work to the successful bidder/s.

Validity of the bids shall be up to 120 days from the date of opening of financial bid.

Shortlisted firms shall remain on the panel of the HPGCL for a period of three years from 2016-17.

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INFORMATION REGARDING ONLINE PAYMENT OF TENDER DOCUMENT , E SERVICE AND EMD FEES.

The Bidders can download the tender documents from the Portal: <https://haryanaeprocurement.gov.in>.

The Bidders shall have to pay for the Tender documents, EMD Fees & eService Fee online by using the service of secure electronic payment gateway. The secure electronic payments gateway is an online interface between contractors and online payment authorization networks. The Payment for Tender Document Fee and eService Fee is amounting to Rs. 2132/- (Rs. 1132 cost of tender documents + 1000/- e-service charges) can be made by eligible bidders/ contractors online directly through **Debit Cards & Internet Banking Accounts** and the Payment for **EMD** amounting to Rs. 30,000/- (Rs. Thirty thousand only) can be made online directly through **RTGS / NEFT**.

NOTE: If the tenders are cancelled or recalled on any grounds, the tender document fees & e-service fee will not be refunded to the agency.

The Tenders can submit their tender documents (Online) as per the dates mentioned in the key dates:-

Key Dates

Sr. No.	Department Stage	Tenderer's Stage	Start date and time	Expiry date and time
1	-----	Downloading of Tender Documents, Bid Preparation & submissions	27.10.2016 1200 Hours	25.11.2016 15.00 Hours
2	Technical Opening (Part-I)	-	25.11.2016 1530 Hours	
3	Opening of Price Bid (Part-II)		Will be intimated through email	

INSTRUCTION TO BIDDER ON ELECTRONIC TENDERING SYSTEM

These conditions will over-rule the conditions stated in the tender documents, wherever relevant and applicable.

1. Registration of bidders on e-Procurement Portal:-

All the bidders intending to participate in the tenders processed online are required to get registered on the centralized e-Procurement Portal i.e. <https://haryanaeprocurement.gov.in>. Please visit the website for more details.

2. Obtaining a Digital Certificate:

2.1 The Bids submitted online should be encrypted and signed electronically with a Digital Certificate to establish the identity of the bidder bidding online. These Digital Certificates are issued by an Approved Certifying Authority, by the Controller of Certifying Authorities, Government of India.

2.2 A Digital Certificate is issued upon receipt of mandatory identity (i.e. Applicant's PAN Card) and Address proofs and verification form duly attested by the Bank Manager / Post Master / Gazetted Officer. Only upon the receipt of the required documents, a digital certificate can be issued. For more details please visit the website – <https://haryanaeprocurement.gov.in>.

2.3 The bidders may obtain Class-II or III digital signature certificate from any Certifying Authority or Sub-certifying Authority authorized by the Controller of Certifying Authorities or may obtain information and application format and documents required for the issue of digital certificate from:

M/s Nextenders (India) Pvt. Ltd.

Nirman Sadan (PWD/B&R)

Plot No. 1, Basement

Dakshin Marg, Sector -33A

Chandigarh - 160020

Help Desk: 1800-180-2097 **(Toll Free Number)**

0172-2582008, 2582009

2.4 Bid for a particular tender must be submitted online using the digital certificate (Encryption & Signing), which is used to encrypt the data and sign the hash during the stage of bid preparation & hash submission. In case, during the process of a particular tender, the user loses his digital certificate (due to virus attack, hardware problem, operating system or any other problem) he will not be able to submit the bid online. Hence, the users are advised to keep a backup of the certificate and also keep the copies at safe place under proper security (for its use in case of emergencies).

- 2.5** In case of online tendering, if the digital certificate issued to the authorized user of a firm is used for signing and submitting a bid, it will be considered equivalent to a no-objection certificate/power of attorney /lawful authorization to that User. The firm has to authorize a specific individual through an authorization certificate signed by all partners to use the digital certificate as per Indian Information Technology Act 2000. Unless the certificates are revoked, it will be assumed to represent adequate authority of the user to bid on behalf of the firm in the department tenders as per Information Technology Act 2000. The digital signature of this authorized user will be binding on the firm.
- 2.6** In case of any change in the authorization, it shall be the responsibility of management / partners of the firm to inform the certifying authority about the change and to obtain the digital signatures of the new person / user on behalf of the firm / company. The procedure for application of a digital certificate however will remain the same for the new user.
- 2.7** The same procedure holds true for the authorized users in a private/Public limited company. In this case, the authorization certificate will have to be signed by the directors of the company.

3 Opening of an Electronic Payment Account:

Tender document can be downloaded online. Bidders are required to pay the tender documents fees online using the electronic payments gateway service. For online payments guidelines, please refer to the Home page of the e-tendering Portal <http://haryanaeprocurement.gov.in>.

4 Pre-requisites for online bidding:

In order to bid online on the portal <http://haryanaeprocurement.gov.in> , the user machine must be updated with the latest Java. The link for downloading latest java applet is available on the Home page of the e-tendering Portal.

5 Online Viewing of Detailed Notice Inviting Tenders:

The bidders can view the detailed N.I.T and the time schedule (Key Dates) for all the tenders floated through the single portal e-Procurement system on the Home Page at <http://haryanaeprocurement.gov.in>

6 Download of Tender Documents:

The tender documents can be downloaded free of cost from the e-Procurement portal <http://haryanaeprocurement.gov.in>

7 Key Dates:

The bidders are strictly advised to follow dates and times as indicated in the online Notice Inviting Tenders. The date and time shall be binding on all bidders. All online activities are time tracked and the system enforces time locks that ensure that no

activity or transaction can take place outside the start and end dates and the time of the stage as defined in the online Notice Inviting Tenders.

8 Bid Preparation (Technical & Financial) Online Payment of Tender Document Fee, eService fee, EMD fees and Submission of Bid Seal (Hash) of online Bids:

8.1 The online payment for Tender document fee, e-Service Fee & EMD can be done using the secure electronic payment gateway. The Payment for Tender Document Fee and eService Fee can be made by eligible bidders/contractors online directly through Debit Cards & Internet Banking Accounts and the Payment for EMD can be made online directly through RTGS / NEFT.

The secure electronic payments gateway is an online interface between contractors and Debit card / online payment authorization networks.

8.2 The bidders shall upload their technical offer containing documents, qualifying criteria, technical specification, schedule of deliveries, and all other terms and conditions except the rates (price bid).

The bidders shall quote the prices in price bid format.

8.3 Submission of bids will be preceded by submission of the digitally signed & sealed bid (Hash) as stated in the time schedule (Key Dates) of the Tender.

NOTE:-

(A) If bidder fails to complete the Online Bid Submission stage on the stipulated date and time. His/hers bid will be considered as bid not submitted, and hence not appear during tender opening stage.

(B) Bidders participating in online tenders shall check the validity of his/her Digital Signature Certificate before participating in the online Tenders at the portal <https://haryanaeprocurement.gov.in> .

(C) For help manual please refer to the 'Home Page' of the e-Procurement website at <https://haryanaeprocurement.gov.in>, and click on the available link "How to...?" to download the file.

FORMAT OF APPLICATION

1. Name of the Firm:
2. Registration No. of the Firm :
3. Date of Registration of the Firm:
4. Details of Head Office & Branch Office(s):

Head Office:

Address	Date of Establishment	Contact No./Fax	E-mail

Branch Office 1:

Address	Date of Establishment	Contact No./Fax	E-mail

Branch Office 2:

Address	Date of Establishment	Contact No./Fax	E-mail

5. Details of Partners in the Firm/Limited Liability Partnership:

Sr. No.	Name of the Partner	Membership No.	Membership Status ACA/ FCA/ACMA/ FCMA	CISA/DISA/ ISA or equivalent qualification	Date of joining the firm as partner
1.					
2.					
3.					
4.					

6. Details of Qualified Assistants:

Sr. No.	Name of the Assistant	Membership No.	Membership Status ACA/ FCA/ACMA/ FCMA	CISA/DISA/ ISA or equivalent qualification	Date of joining the firm as Assistant
1.					
2.					
3.					
4.					

7. Details of Semi-Qualified Assistants:

Sr. No.	Name of the Assistant	Whether Intermediate/IPCC completed	Date of Joining the firm as Semi-Qualified Assistant
1.			
2.			
3.			

8. Details of Technical Experts:

Sr. No.	Name of the Expert	Engineering field in which qualified	Date of Joining the firm
1.			
2.			
3.			
4.			

9. Details of Experience of the firm in Power Sector:

Sr. No.	Name of the Company/Unit	Year of Audit	Type of Audit — whether Financial Audit/Cost Audit / Internal Audit
1.			
2.			
3.			
4.			

10. Details of Experience in PSUs other than Power Sector:

Sr. No.	Name of the Company/Unit	Year of Audit	Type of Audit — whether Financial Audit/Cost Audit / Internal Audit
1.			
2.			
3.			
4.			

11. Details of Experience in other assignments:

Sr. No.	Name of the Company/Unit	Year of Audit	Type of Audit — whether Physical verification of Fixed Assets/
1.			
2.			
3.			

12. Income Tax/ PAN No. of the Firm:

13. Service Tax Registration No.:

14. Bank details:

1.	Bank Name, Address and Telephone No.	
2.	Branch Name, Address & Code	
3.	Bank Account Number with style of account, Saving/ Current	
4.	IFSC Code No. of the Bank	
5.	A cancelled cheque of the said Bank	

15. It is confirmed that all the requirements as per Annexure- to the NIT documents have been complied with.

16. We confirm that we have not claimed any deviation from the specified terms & conditions, of the NIT documents. A copy of complete NIT document duly signed and sealed on all pages as a token of acceptance of all terms & conditions is attached.

Signature of Partner with Name & Seal of the Audit Firm

ANNEXURE- A**LIST OF LOCATIONS TO BE AUDITED**

Consequent upon the restructuring of erstwhile HSEB, Haryana Power Generation Corporation Limited (HPGCL) came into existence on 14th August 1998 with the objective of generating power from State Owned Sources and supplying the same to Discoms i.e. UHBVNL and DHBVNL). The Company on the date of formation had a total generation capacity of 863 MW which has now been gone up to 2782.70 MW.

The present list of Audit locations of HPGCL (Corporate Office and Power Stations along with their installed capacity) is given below:

Sr. No.	Location	Installed Capacity	Commissioning Date
1.	Corporate Office Panchkula		
2.	Panipat Thermal Power Station, Panipat	Unit No-5: 210 MW Unit No-6: 210 MW Unit No-7: 250 MW Unit No-8: 250 MW	28/03/1989 31/03/2001 28/09/2004 28/01/2005
3.	RGTPP, Hisar	Unit No-1: 600 MW Unit No-2: 600 MW	24/08/2010 01/03/2011
4.	DCRTPP, Yamuna Nagar	Unit No-1: 300 MW Unit No-2: 300 MW	14/04/2008 24/06/2008
	Western Yamuna Canal Hydro Project (Yamuna Nagar)	Power House A Unit No-1: 8 MW Unit No-2: 8 MW Power House B Unit No-1: 8 MW Unit No-2: 8 MW Power House C Unit No-1: 8 MW Unit No-2: 8 MW Power House D Unit No-1: 7.2 MW Unit No-2: 7.2 MW	29/05/1986 13/06/1986 15/05/1987 01/06/1987 27/03/1989 18/04/1989 16/04/2004 12/05/2004
	Micro Hydro Power Station, Kakroi	0.30 MW	
	Total	2782.70 MW	

MAJOR AREAS TO BE COVERED DURING THE INTERNAL AUDIT OF HEAD OFFICE/PROJECT OFFICES OF HPGCL

I.	Works including O&M Contracts (Pre-award and Execution)
II.	Procurement (Pre-award and Execution)
III.	Stores
IV.	Colony
V.	Petrol Pump
VI.	Vehicles Maintenance
VII.	Guest House/ Field Hostel/Shops
VIII.	School
IX.	Dispensary/Health Center
X.	Operations i) Thermal Energy – Fuel: Coal, Liquid fuel & Gas ii) Hydel Energy iii) Solar Energy
XI.	Books of Accounts
XII.	Commercial Accounts
XIII.	Establishment Accounts
XIV.	Human Resource Department
XV.	Loan Accounts
XVI.	Invoicing and Debtors for sale of energy
XVII.	Review of implementation of System and Procedures of the Corporation.
XVIII.	Land & Building
XIX.	To review budgetary control.
XX.	Reconciliation of inter unit transactions.
XXI.	Review of compliance of statutory obligations under various statutes.
XXII.	Any other area decided by the Controller of Accounts

Note:

1. While auditing the above areas the contents of the internal audit manual of HPGCL and the specific instructions given by the office of Controller of Accounts at the time of appointment or during the currency of the audit should be strictly followed.
2. The list of the above areas is illustrative only and not exhaustive. Special emphasis should be given to the key areas with a view to prudent and proprietary checks such as:
 - Guidelines issued by Corporate Finance from time to time have been complied with.
 - Physical verification of fixed assets and inventory is being carried out as per the system laid down in this regard. Further to report that the adjustments for excess and shortage are being carried out in the books in the same year.
 - Outstanding Internal audit or any other audit observations of the previous years have been complied with.
 - TDS and other statutory deduction are being made and deposited with the appropriate authority in all cases as per the relevant statute.

EXTENT OF COVERAGE OF AUDIT

Sr. No.	Area	Coverage in each phase
I **	<u>WORKS INCL. O&M CONTRACTS</u> (Pre-award and execution) i) W.Os with value more than Rs.20 Lakh ii) W.Os with value from Rs.10 lakh to Rs.20 Lakh iii) W.Os with value less than Rs.10 lakh	100% 50% 25%
II **	<u>PROCUREMENT</u> (Pre-award and execution) i) P.Os with value more than Rs.20 Lakh ii) P.Os with value from Rs.10 lakh to Rs.20 Lakh iii) P.Os with value less than Rs.10 lakh	100% 50% 25%
III	<u>STORES</u> i) Documentation and procedures ii) Claims iii) Store Accounts	2 Months 50% 50%
IV	<u>OPERATIONS</u> A. Thermal Energy (Coal, Liquid Fuels, Gas) i) Operational Data Analysis ii) Review of Fuel Accounting records for Receipt, Consumption and Stock iii) Verification of Fuel Price Adjustment iv) Review of Monthly Operating Results B. Hydel Energy C. Solar Energy D. Coal Mining Activities	3 Months
V	<u>BOOKS OF ACCOUNTS, FUNDS AND BANKING ARRANGEMENTS</u> Books of Accounts i) Review of GL and Sub-Ledgers ii) Voucher Verification Bank Payment Documents (for 3 complete months) Documents for Bank Receipt (-----Do-----) Documents for Adjustments (-----Do-----) iii) Review of Employee Compensation / Accounts Pay Bill Review Other Employee Benefits Funds and Banking Arrangements (including BRS) Maintenance of Cost Accounting Records	50% GL / 25% SL Apr, Sep, Nov, Mar and any one(1) more month 25% 50% 50% To Comment
VI	<u>INVOICING AND DEBTORS FOR SALE OF ENERGY</u>	100%

VII	<u>PERSONNEL AND ADMINISTRATION</u> A. <u>Employee Related</u> i) Service Book ii) Employee Benefits B. <u>Other Administrative Matters</u> Land Mutation / Adverse Possession issues Unauthorized occupation of COA	 25% 25% 50% 50%
VIII	<u>PROJECT / STATION / OFFICE related FACILITIES</u> (viz., Colony, Shops, Petrol Pump, Guest House / Transit Camp / Field Hostel, School, Dispensary / Health Centre and Vehicle Maintenance) i) Proprietary Aspects ii) Accounts	 100% 100%
IX	<u>LOANS</u> i) Domestic Loans ii) Foreign Loans	 100% 100%
X	<u>BONDS and DEBENTURES</u>	Test Check

REPORTING REQUIREMENTS

On completion of the Audit of the respective Audit Unit of each phase, the following steps should be followed before finalization of the report and the partner of the Firm should meet and discuss the audit observations.

- (i) The preliminary audit observations shall first be discussed with the FA&CAO of the Audit Unit along with the Chief Engineer.
- (ii) Pursuant to the above discussions, the preliminary Audit observations of the respective Audit Unit shall be prepared.
- (iii) The salient audit observations of the respective preliminary Audit shall be discussed with the FA&CAO along with the Chief Engineer so that timely corrective action may be taken and based on the outcome a draft composite Audit Report covering all the Audit Units within the scope shall be compiled / prepared, including additional information if any, that may be provided / obtained during such discussions and rectifications carried out at the instance of audit. The report should also contain specific suggestions for improvements, if any.
- (iv) Based on the outcome of the discussions, the Audit Report thus compiled shall be structured as outlined hereunder:

Internal Audit Reports should be divided into four separate parts, namely:

Part-I Compliance Report:

This part shall cover the comments of the Auditors on the adequacy of the compliance and action taken for rectification of errors/discrepancies pointed out by previous auditor pertaining to earlier phase and also Phase-I of the current year. It shall also contain the confirmation regarding implementation of policies, systems, controls etc. to avoid the recurrence of such irregularities in future. It may be ensured that the compliance report on audit observations pointed out in reports relating to earlier audits is made and corrective actions taken on those points are furnished in the Audit Report. In other words it may be ensured while conducting the audit, compliance report of the audit observations pointed out in the earlier report of preceding period, is furnished along with the corrective action taken.

Part-II Important Observations/ Findings:

This part shall contain all such significant discrepancies observed during the current Audit and the observations in which, the auditor feels immediate attention of management specifying the financial implications, if any. In this part Auditor shall also bring the important areas requiring improvement and their recommendation, if any. Also to indicate the improvements made by the Company based on the audit observations. Further to report any deviations/observations from policies, systems and procedures of HPGCL.

PART – III Report on Contracts/Pos placed on single tender & nomination basis:

It has been decided that internal auditors will report separately on Contracts/Purchase Orders (P.Os) placed on single Tender/Nomination basis. The coverage of such contracts and the format for such reporting is included in the statement below which may be adhered to.

A report indicating the number of contracts awarded on single tender & nomination basis in two categories viz, (i) Contracts more than Rs. 5 Lac and (ii) Contracts up to Rs. 5 Lac and furnish the same in the following statement indicating the contracts selected for review.

Sr. No	Contract Name	Party Name	LOA No. and date	Value of Contract	Whether proprietary item/urgency	Policies & procedures followed (Y/N), if no, reasons.

Part- IV Detailed Report:

In this part, the Auditor shall furnish the detailed results of the Audit and Auditors confirmation whether Company's system/guideline/propriety has been adhered to in the areas viz. works including O&M contracts, procurement, operation, establishment records in Finance & HR, establishment expenses, other expenses, depreciation, Commercial billing & its realization/reconciliation, maintenance of fixed assets register, current assets, capital work in progress, expenditure during construction, IDC, mandatory spares, stores, inter unit accounts, review of accounts, township, transit camp and provision of liabilities, scrap income etc.

The report should be supplemented, in each Phase, by a statement indicating:

- (I) Particulars of records along with their volume (i.e. total no. of vouchers in each category for each phase) and value/volume checked as compared to the total volume and value of transactions viz. Bank receipt vouchers/Bank payment vouchers/Cash receipt vouchers/Cash payment vouchers/JV etc. Similar statistics are required with reference to audit of contracts with the total no. of contracts awarded and the percentage of audit done.
- (II) A summary report indicating the important observations for each phase and for each area.
- (III) A statement indicating the audit personnel deployed (designation) including the visits of partners and the period of audit for each substation. The partner is expected to carry out the audit by himself so that the entire scope is covered in a systematic manner and to facilitate the reporting as per the requirement.
- (IV) Any other observation of interest.
- (V) The report should be furnished for each audit unit/office separately.

TERMS OF REFERENCE OF INTERNAL AUDIT

The terms and conditions for conducting Internal Audit in HPGCL are indicated hereunder:-

1. Audit Team

Auditors should deploy suitable teams for undertaking the audit, after a thorough perusal of the requirements of the engagement letter, terms and conditions contained therein and the specific instructions for Internal Audit, ensuring that the size of the audit team is commensurate with the size of the auditee unit and the volume of work involved. The Head of Finance of the auditee Unit will coordinate with the Audit Team for smooth functioning of the audit.

The audit team is to be headed at all times by a Chartered Accountant/Cost Accountant two semi qualified assistants. The team members may be increased or decreased as per the requirement with the specific approval of Controller of Accounts only.

2. Audit Report

The auditor should give report for each Phase as per the requirement of Annexure -D. Time is the essence of audit. Delay in submitting the report will attract a penalty of Rs. 500/ per day.

3. Audit Fee

Audit fee shall be paid as per agreement for each auditee unit. Payment shall be regulated as per man power deployed for audit. Any deviation /extension in the given programme could be considered if informed well in time and approved from Controller of Accounts. In case the audit team member/members remain absent from the duty, proportionate deduction from the audit fee bill shall be made along with penalty of Rs. 500 per day per person.

The Audit Team including Partners will be provided free boarding & lodging by the HPGCL.

4. Payment of Audit Fees

90% payment of the audit fee for each phase shall be released on completion and submission of the audit report of the audited Phase, on submission of the bill with all supporting evidences/documents required to process such bills including duty certificate issued by Head of Finance of the auditee unit and acceptance certificate issued by Controller of Accounts.

Balance 10% of the audit fee along with security deposit shall be released at the end of the year on faithful completion of the work.

5. Audit Period:

Internal Audit shall be conducted in 2 phases for a financial year (Phase- I covering April to September and Phase- II covering October to March). The commencement of Phase- I audit will be on/around 5th September and Phase-II will be on/around 5th March and the reports for Phase- I & II are to be submitted by 5th October and 5th April, respectively or within the stipulated time as prescribed by the HPGCL.

Normally one month time shall be considered for audit of each phase of each unit which shall ordinarily be of 25 working days. However if further working days are required, then approval of Controller of Accounts shall be obtained.

6. General Terms & Conditions:

Qualifying Criteria for Short Listing

- i. Audit Firms having minimum experience of 5 years and above shall be considered for Short Listing and engagement.
- ii. The Audit firms that secure 70% and above marks as per qualifying criteria shall be considered for short listing and engagement. The criteria for assigning marks are given in Annexure-G.
- iii. Preference will be given to Audit firms located/having offices near the location to be audited. However, depending on the requirement, any Audit firm can be assigned Audit of any unit/ location of HPGCL.

Other Terms & Conditions:

- iv. The financial quotes of the shortlisted firms only shall be considered for the evaluation criteria for engagement. The evaluation criteria are as per Annexure-H.
- v. Shortlisted firms will be intimated about their short listing. The firms who have been shortlisted but could not be assigned the work can be considered for the future assignments for the remaining periods at the negotiated prices.
- vi. The HPGCL reserves its right to accept or reject any application without assigning any reasons. The decision of the HPGCL for allotment of the work will be final and binding upon the parties participating in the short listing.
- vii. The Internal Auditor will ensure that the information obtained in respect of the operation of the Unit is maintained in strict confidence and secrecy. A certificate towards maintaining confidentiality is to be provided by the Internal Auditor at the time of acceptance of Audit assignment.
- viii. The engagement of the Audit Firm will be initially for one year i.e. FY 2016-17, which can be renewed further subject to satisfactory performance of the firms.
- ix. HPGCL's management reserves the right to terminate the engagement of the Firm.
- x. On debarred from getting, in future, Internal Audit assignments on blacklisting by giving 15 days notice in the following cases:
 - a) If the Firm obtains the engagements on the basis of false information/false statement at the time of submission of application/documents for the NIT. or
 - b) The Audit Firm is found to have sub-contracted the work. or
 - c) If the Firm does not conduct audit in terms of the engagement letter. Or
 - d) If performance /progress of the firm is not found satisfactory. or

- e) If the Firm does not submit Audit Report, complete in all respect, in terms of the engagement within the specified date.
- f) If there is violation of provision of Company's Act, 1956. In case of termination/debarment on blacklisting, EMD of the firms shall be forfeited.
- xi. In case of any dispute between the internal audit firm and the HPGCL, the matter shall be referred to the sole arbitrator to be appointed by the Managing Director, HPGCL.
- xii. Audit firm shall maintain utmost good faith and confidentiality about the information gathered by them during the course of audit.
- xiii. All the disputes arising out of engagement shall be subject to Panchkula Court only.

GENERAL INSTRUCTIONS TO AUDIT FIRMS AND DOCUMENTS LIST

(A) Instructions to Audit Firms

1. Format of Application must be completely filled in incorrect and incomplete applications will be rejected out-rightly.
2. Please ensure that date of opening of Registered Office, Branch Office, entrance dates of all Partners into the firm, date of joining of firm as qualified & semi-qualified assistants should be invariably indicated in the application.
3. All NITs will be evaluated on the basis of the documents furnished along with applications only. No further documents will be called for during the scrutiny of the NITs. Any additional document received, after last date & time of receiving the NITs as stipulated in the Notice Inviting NITs, will not be entertained.
4. Since, all the applications will be evaluated strictly on the basis of selection criteria as per Annexure-G please avoid attaching unsolicited information/documents for processing applications expeditiously.
5. All submitted documents should be signed by duly authorized Partner/partners with his name and with the seal of the firm.
6. One month shall be considered ordinarily of 25 working days. However, if further working days are required , then prior approval of Controller of Accounts shall be obtained.

(B) List of documents to be submitted along with the applications/NITs:

Interested audit firms are advised to go through contents of the NIT documents carefully and submit all attested copies of the following documents in proper sequence along with the NITs as described hereinafter:

1. Registration certificate of the firm issued by the Institute of Chartered Accountants of India/the Institute of Cost Accountants of India. Information related to year of establishment of Head Office & Branch Office(s), addresses, details of partners and their membership nos. etc. as indicated in the Certificate will be treated as conclusive and final information for the purpose of evaluation of NIT.
2. Membership certificates of the qualified assistants issued by the Institute of Chartered Accountants of India/the Institute of Cost Accountants of India.
3. Certificates/mark sheets issued by the respective Institutes in evidence of qualifications of semi-qualified assistants.
4. Copies of appointment orders for Financial/cost/internal audit in HPGCL and its Subsidiaries/PSU/Govt./Scheduled Bank/others in evidence of experience.
5. Copy of PAN Card.
6. Copy of Service Tax Registration.
7. A cancelled cheque form of the Bank to which Fee payments will be made.

ANNEXURE- G

SELECTION CRITERIA (POINT ALLOCATION) FOR SHORT LISTING OF AUDIT FIRMS WILL BE AS FOLLOWS

Sr. No.	Particulars	Points to be allocated	Maximum points
1	Year of Establishment of the Audit Firm/Limited Liability Partnership Firm (minimum experience - 5 years)	1 (one) per year in existence (fraction of the year to be ignored)	14 (fourteen)
2	No. of Partners in the Firm/Limited Liability Partnership Firm who are with the Firm for a minimum period of one year as on date of application.	2 (two) for each Partner who is ACA/ACMA 3(three) for each Partner who is FCA/FCMA	18 (eighteen)
3	Number of ACA/FCA/ACMA/FCMA (who may be a Partner) with CISA / DISA	2 (two) per ACA/FCA/ACMA/FCMA	06 (six)
4	No. of Qualified Assistants (CA/CMA) employed with the Firm	2 (two) per Qualified Assistant	14 (fourteen)
5	No. of Semi-qualified Assistants (CA/CMA Intermediates/IPCC) employed with the Firm	1 (one) per Semi-qualified assistant	9 (nine)
6	No. of Technical Experts having Engineering background	2 (two) per Expert	4 (four)
7	Experience of the Firm in Power sector preferably under Central/State Government as Financial/Cost/Internal Auditors	3 (three) per year of Audit (fraction of the year to be ignored)	15 (fifteen)
8	Experience of the Firm in sectors/industries other than Power under Central/State Government as Financial/Cost/Internal Auditors	2 (two) per year of Audit (fraction of the year to be ignored)	10 (ten)
9	Empanelment with Comptroller and Auditor General of India having head office at Chandigarh/Panchkula/Mohali)	2 (two) per year of Audit (fraction of the year to be ignored)	10 (Ten)
	Total Points		100 (hundred)

Note:

- (i) Audit Firms having minimum experience of 5 years and above shall be considered for financial bid opening.
- (ii) The Audit firms that secure 70% and above marks as per qualifying criteria shall be considered for financial bid opening.

Annexure-H

FINANCIAL QUOTE SHEET AND FINANCIAL EVALUATION CRITERIA

Financial Quote:

The bidder shall quote the audit fee per month per member of the audit team in the following format:

Particular of the Audit team	No. Of members	Amount per man month (in Rs.)	Taxes (if any) (in Rs.)	Total including taxes (in Rs.)
1.	2.	3	4	5
Head of Audit Team				
Audit Assistant				
Other Overheads/Charges				
Total as per column 5				

Evaluation Criteria:

The bidders shall be selected on the basis of L-1 criteria. L-1 shall be declared on the basis of total fee quote as per the above financial quote. Payment shall be made for the actual work done only.

After ascertaining L-1, their final negotiated annual fees shall be divided into two parts i.e 50% for Phase-I and 50% for Phase- II at the time of placement of Work Order and the payments shall be made Phase wise.