

Bid Document/ बिड दस्तावेज़

Bid Details/बिड विवरण	
Bid End Date/Time/बिड बंद होने की तारीख/समय	28-10-2024 16:00:00
Bid Opening Date/Time/बिड खुलने की तारीख/समय	28-10-2024 16:30:00
Bid Offer Validity (From End Date)/बिड पेशकश वैधता (बंद होने की तारीख से)	30 (Days)
Ministry/State Name/मंत्रालय/राज्य का नाम	Ministry Of Housing & Urban Affairs (mohua)
Department Name/विभाग का नाम	Hudco
Organisation Name/संगठन का नाम	Housing And Urban Development Corporation Ltd
Office Name/कार्यालय का नाम	Regional Office Jammu
Item Category/मद केटगरी	Financial Audit Services - Financial Reporting Framework, Audit report, Review of Financial Statements; CA Firm
Contract Period/अनुबंध अवधि	1 Year(s)
Years of Past Experience Required for same/similar service/उन्हीं/समान सेवाओं के लिए अपेक्षित विगत अनुभव के वर्ष	5 Year (s)
Past Experience of Similar Services required/इसी तरह की सेवाओं का पिछला आवश्यक अनुभव है	Yes
MSE Exemption for Turnover/टर्नओवर के लिए एमएसई को छूट प्राप्त है	Yes
Startup Exemption for Years of Experience and Turnover/ अनुभव के वर्षों से स्टार्टअप छूट	No
Document required from seller/विक्रेता से मांगे गए दस्तावेज़	Experience Criteria,Certificate (Requested in ATC),Additional Doc 1 (Requested in ATC) *In case any bidder is seeking exemption from Experience / Turnover Criteria, the supporting documents to prove his eligibility for exemption must be uploaded for evaluation by the buyer
Do you want to show documents uploaded by bidders to all bidders participated in bid?/	Yes
Bid to RA enabled/बिड से रिवर्स नीलामी सक्रिय किया	No

Bid Details/बिड विवरण	
ITC available to buyer/क्रिेता के लिए उपलब्ध आईटीसी	Yes
Type of Bid/बिड का प्रकार	Two Packet Bid
Time allowed for Technical Clarifications during technical evaluation/तकनीकी मूल्यांकन के दौरान तकनीकी स्पष्टीकरण हेतु अनुमत समय	2 Days
Estimated Bid Value/अनुमानित बिड मूल्य	100000
Evaluation Method/मूल्यांकन पद्धति	Total value wise evaluation

EMD Detail/ईएमडी विवरण

Required/आवश्यकता	No
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ePBG Detail/ईपीबीजी विवरण

Required/आवश्यकता	No
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MII Compliance/एमआईआई अनुपालन

MII Compliance/एमआईआई अनुपालन	Yes
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1. If the bidder is a Micro or Small Enterprise as per latest definitions under MSME rules, the bidder shall be exempted from the requirement of "Bidder Turnover" criteria and "Experience Criteria" subject to meeting of quality and technical specifications. If the bidder is OEM of the offered products, it would be exempted from the "OEM Average Turnover" criteria also subject to meeting of quality and technical specifications. In case any bidder is seeking exemption from Turnover / Experience Criteria, the supporting documents to prove his eligibility for exemption must be uploaded for evaluation by the buyer.
2. Years of Past Experience required: The bidder must have experience for number of years as indicated above in bid document (ending month of March prior to the bid opening) of providing similar type of services to any Central / State Govt Organization / PSU. Copies of relevant contracts / orders to be uploaded along with bid in support of having provided services during each of the Financial year.
3. Estimated Bid Value indicated above is being declared solely for the purpose of guidance on EMD amount and for determining the Eligibility Criteria related to Turn Over, Past Performance and Project / Past Experience etc. This has no relevance or bearing on the price to be quoted by the bidders and is also not going to have any impact on bid participation. Also this is not going to be used as a criteria in determining reasonableness of quoted prices which would be determined by the buyer based on its own assessment of reasonableness and based on competitive prices received in Bid / RA process.
4. Past Experience of Similar Services: The bidder must have successfully executed/completed similar Services over the last three years i.e. the current financial year and the last three financial years(ending month of March prior to the bid opening): -
 1. Three similar completed services costing not less than the amount equal to 40% (forty percent) of the estimated cost; or
 2. Two similar completed services costing not less than the amount equal to 50% (fifty percent) of the estimated cost; or
 3. One similar completed service costing not less than the amount equal to 80% (eighty percent) of the estimated cost.

Additional Qualification/Data Required/अतिरिक्त योग्यता /आवश्यक डेटा**Number of Years of firm/company's existence as per ICAI certificate**5 years**Number of years of experience as on date of which at least XX years should be in internal/external audit of companies, PSUs and centrally funded institutions.:**5 years**Number of full-time partners/experienced and qualified professionals in full time employment at senior level with experience in handling similar or relevant projects:**3**Number of partners/ qualified professionals in full time employment with DISA/CISA qualification**3**Number of XX fulltime CA's required and YY professional audit staff**5**Price Breakup Format for the bidders to upload for providing break-up of overall project cost:**[1729071785.pdf](#)**Financial Audit Services - Financial Reporting Framework, Audit Report, Review Of Financial Statements; CA Firm (1)****Technical Specifications/तकनीकी विशिष्टियाँ**

Specification	Values
Core	
Scope of Work	Financial Reporting Framework , Audit report , Review of Financial Statements
Type of Financial Audit Partner	CA Firm
Type of Financial Audit	Internal Audit
Category of Work under Financial Audit	Audit of financial statements , Internal control of financial , Reliability of financial reporting , Compliance with law & regulations , Investigating fraud , Deterring , Governance of company , Risk Management , Compliance with contracts , Review system & processes , Bank Transactions
Type of Industries/Functions	Cash and Bank Balance , Receivables , Payables , Fixed assets, depreciation and amortisation , Operational & Administrative , Human Resource & Payroll , Inventory & Store management , Sales, Services and Revenue , Purchase & Procurement
Frequency of Progress Report	Monthly
MIS Reporting for Financial Audit support	Yes
Frequency of MIS reporting	Monthly
State	NA

Specification	Values
District	NA
Addon(s)/एडऑन	
Post Financial Audit Support	Yes

Input Tax Credit(ITC)/इनपुट कर क्रेडिट(आईटीसी) and/ तथा Reverse Charge(RCM)/रिवर्स प्रभार (आरसीएम) Details

ITC on GST/जीएसटी पर इनपुट कर क्रेडिट	ITC on GST Cess/जीएसटी उपकर कर क्रेडिट
9%	NA

Additional Specification Documents/अतिरिक्त विशिष्टि दस्तावेज़

Consignees/Reporting Officer/परेषिती/रिपोर्टिंग अधिकारी

S.No./क्र. सं.	Consignee Reporting/Officer/ परेषिती/रिपोर्टिंग अधिकारी	Address/पता	To be set as 1	Additional Requirement/अतिरिक्त आवश्यकता
1	Sham Lal	180012,Hudco Regional Office,OB-8,Hudco Bhawan Rail Head complex Jammu Jammu and kashmir. GSTN: 01AAACH0632A1ZR	1	<ul style="list-style-type: none"> Number of Months for which Post Audit Support is required : 3

Buyer Added Bid Specific Terms and Conditions/क्रेता द्वारा जोड़ी गई बिड की विशेष शर्तें

1. Generic

OPTION CLAUSE: The buyer can increase or decrease the contract quantity or contract duration up to 25 percent at the time of issue of the contract. However, once the contract is issued, contract quantity or contract duration can only be increased up to 25 percent. Bidders are bound to accept the revised quantity or duration

2. Service & Support

Dedicated /toll Free Telephone No. for Service Support : BIDDER/OEM must have Dedicated/toll Free Telephone No. for Service Support.

3. Service & Support

AVAILABILITY OF OFFICE OF SERVICE PROVIDER: An office of the Service Provider must be located in the

state of Consignee. DOCUMENTARY EVIDENCE TO BE SUBMITTED.

4. Certificates

Bidder's offer is liable to be rejected if they don't upload any of the certificates / documents sought in the Bid document, ATC and Corrigendum if any.

Disclaimer/अस्वीकरण

The additional terms and conditions have been incorporated by the Buyer after approval of the Competent Authority in Buyer Organization, whereby Buyer organization is solely responsible for the impact of these clauses on the bidding process, its outcome, and consequences thereof including any eccentricity / restriction arising in the bidding process due to these ATCs and due to modification of technical specifications and / or terms and conditions governing the bid. If any clause(s) is / are incorporated by the Buyer regarding following, the bid and resultant contracts shall be treated as null and void and such bids may be cancelled by GeM at any stage of bidding process without any notice:-

1. Definition of Class I and Class II suppliers in the bid not in line with the extant Order / Office Memorandum issued by DPIIT in this regard.
2. Seeking EMD submission from bidder(s), including via Additional Terms & Conditions, in contravention to exemption provided to such sellers under GeM GTC.
3. Publishing Custom / BOQ bids for items for which regular GeM categories are available without any Category item bunched with it.
4. Creating BoQ bid for single item.
5. Mentioning specific Brand or Make or Model or Manufacturer or Dealer name.
6. Mandating submission of documents in physical form as a pre-requisite to qualify bidders.
7. Floating / creation of work contracts as Custom Bids in Services.
8. Seeking sample with bid or approval of samples during bid evaluation process. (However, in bids for [attached categories](#), trials are allowed as per approved procurement policy of the buyer nodal Ministries)
9. Mandating foreign / international certifications even in case of existence of Indian Standards without specifying equivalent Indian Certification / standards.
10. Seeking experience from specific organization / department / institute only or from foreign / export experience.
11. Creating bid for items from irrelevant categories.
12. Incorporating any clause against the MSME policy and Preference to Make in India Policy.
13. Reference of conditions published on any external site or reference to external documents/clauses.
14. Asking for any Tender fee / Bid Participation fee / Auction fee in case of Bids / Forward Auction, as the case may be.
15. Any ATC clause in contravention with GeM GTC Clause 4 (xiii)(h) will be invalid. In case of multiple L1 bidders against a service bid, the buyer shall place the Contract by selection of a bidder amongst the L-1 bidders through a Random Algorithm executed by GeM system.

Further, if any seller has any objection/grievance against these additional clauses or otherwise on any aspect of this bid, they can raise their representation against the same by using the Representation window provided in the bid details field in Seller dashboard after logging in as a seller within 4 days of bid publication on GeM. Buyer is duty bound to reply to all such representations and would not be allowed to open bids if he fails to reply to such representations.

This Bid is governed by the [General Terms and Conditions/सामान्य नियम और शर्तें](#), conditions stipulated in Bid and [Service Level Agreement](#) specific to this Service as provided in the Marketplace. However in case if any condition specified in General Terms and Conditions/सामान्य नियम और शर्तें is contradicted by the conditions stipulated in Service Level Agreement, then it will over ride the conditions in the General Terms and Conditions.

In terms of GeM GTC clause 26 regarding Restrictions on procurement from a bidder of a country which shares a land border with India, any bidder from a country which shares a land border with India will be eligible to bid in this tender only if the bidder is registered with the Competent Authority. While participating in bid, Bidder has to undertake compliance of this and any false declaration and non-compliance of this would be a ground for immediate termination of the contract and further legal action

in accordance with the laws./जेम की सामान्य शर्तों के खंड 26 के संदर्भ में भारत के साथ भूमि सीमा साझा करने वाले देश के बिडर से खरीद पर प्रतिबंध के संबंध में भारत के साथ भूमि सीमा साझा करने वाले देश का कोई भी बिडर इस निविदा में बिड देने के लिए तभी पात्र होगा जब वह बिड देने वाला सक्षम प्राधिकारी के पास पंजीकृत हो। बिड में भाग लेते समय बिडर को इसका अनुपालन करना होगा और कोई भी गलत घोषणा किए जाने व इसका अनुपालन न करने पर अनुबंध को तत्काल समाप्त करने और कानून के अनुसार आगे की कानूनी कार्यवाई का आधार होगा।

---Thank You/धन्यवाद---

Housing & Urban Development Corporation Limited
(HUDCO) (A Government of India Enterprise)

JAMMU REGIONAL OFFICE
HUDCO Bhawan, OB 08,
Rail Head Complex, Jammu

Phone : 0191-2474355-56

Ref.No. HUDCO/JMRO/2024-25/

Date: 16-10-2024

Sub:- Notice inviting tender for Appointment of Chartered Accountant Firm as an Expert for carrying out Risk Based Internal Audit assignment including review and updation of Internal Financial Controls for the Financial Year 2024-25 in Jammu Regional Office.

(To be applied through GEM portal only)

Sir/Madam,

Housing and Urban Development Corporation Ltd. (HUDCO), a premier techno financing institution under the Ministry of Housing and Urban Affairs, Govt. of India is engaged in providing long term loans for financing of Housing and Urban Infrastructure Projects.

HUDCO, Jammu Regional Office would like to appoint Chartered Accountant firm as an expert for carrying out Risk Based Internal Audit assignment including review and updation of Internal Financial Controls for the Financial Year 2024-25 as per specifications and criteria described/detailed below. In case, you are interested, please submit your quotation/offer for the services listed below **by 28.10.2024**.

The following conditions are applicable with regard to submission of quotation for award of work by HUDCO Regional Office Jammu :-

Scope of Work:-

The scope of work should broadly cover the points as given in Annexure – I

Selection Procedure:-

The appointment of CA firm shall be done by following procedure:-

1. Firms shall be first short listed on the basis of Technical Bid.
2. After short listing of firms on the basis of Technical Bid, Financial Bid shall be considered for the short listed firms.

Terms and conditions:-

1. The services would be provided to Jammu Regional Office, Housing & Urban Development Corporation Limited, (HUDCO), HUDCO Bhawan, OB 08, Rail Head Complex, Jammu as well as any other location/office falling within the jurisdiction of HUDCO, Jammu. No travelling expenses shall be paid for visiting HUDCO office in relation to the said assignment.
2. Quotation should be submitted in two bid system, as per the details given below:-
 - i) First bid i.e. **Technical Bid** as **detailed at point no-3 below** should be submitted along-

with requisite details and supporting documents in the prescribed Proforma **at Annexure- II** below. Technical Bid must be signed by authorized signatory on each page.

ii) Second Bid i.e. **Financial Bid** should be uploaded separately along with the signature of authorized signatory **as per Annexure-III.**

iii) Financial Bid shall be opened and considered only from those parties who fulfill the HUDCO's criteria as specified in the Technical Bid and have adequate experience /staff strength and reputation in handling audit work as specified in the eligibility criteria below. The upper ceiling prescribed by HUDCO for audit and certification of different activities as per the prescribed scope of work shall be as per Point No-9 below. The same should be kept in mind while quoting minimum rates for different activities.

iv) Both Technical Bid and Financial Bid should be submitted before the specified date and time.

3. The Eligibility Criteria required for consideration for appointment are as under:-

a) The CA Firm should be a Partnership/Limited Liability Partnership (LLP) registered with the Institute of Chartered Accountants of India (ICAI) and should have minimum Five Years Standing. (To be verified from the Certificate of Registration issued by ICAI)

b) The bidder to produce copy of ICAI registration certificate, PAN and GST Registration Certificate, MSME certificate (If applicable along with the TREDIS registration Certificate – if not available , CA firm should comply with it before the contract is awarded)

c) The CA Firm should have carried out Internal Audit assignment/Statutory Audit in Branch Office/Head Office of at least two Public Sector Undertakings/ Public Sector Banks /Public Financial Institutions/Public Sector NBFCs in the last five Financial Years. (Assignment as stock Audit not to be considered).

d) CA Firm should have minimum three number of partners, minimum five numbers of paid assistants (qualified CA/CMA/ semi qualified CA/CMA-Inter).

e) CA Firm should have local office having minimum five working staff (including one partner and one qualified CA);

f) CA Firms presently appointed as consultant in the concerned Regional Office are not eligible for appointment at respective Regional Office.

g) CA Firm to give an undertaking -

i) That none of the partners has any relation with any employee of HUDCO and also none of them has any relationship within the meaning of Section 2(76) of the Companies Act, 2013 and also that none of them has any relationship with the Statutory Auditors or such related work of HUDCO which will have conflict of interest with the current assignment and also declare the compliance under section 184 and 188 of the Companies Act, 2013.

ii) Certified that we have not been appointed for carrying out certification/consultancy or such related work of the same Regional Office which will have conflict of interest with the current assignment.

iii) There has not been any disciplinary action initiated by ICAI or any regulatory authority against the firm during last five years. As on date, the disciplinary action should have been disposed off.

iv) The Firm has not been banned, delisted or debarred from business by any Regulatory Body/ Statutory Body/PSU/Govt. Department or any other institution.

While evaluating the technical bid, CA Firm's capability to perform the assignment shall be assessed and inspection of their office will be carried out so as to establish the fact that the CA Firm has proper local office with adequate staff.

4. The Audit team will consist minimum of one Chartered Accountant and one paid assistant {qualified (CA/CMA)/semi qualified (CA/CMA- inter)} headed by partner of the CA Firm.

5. CA firm is required to undertake 100% verification of all the activities prescribed in the scope of work. The scope of work should broadly cover the points as given in Annexure – (I).

6. In terms of GFR rule 170(iii), Bidders are not required to pay Bid Security i.e. Earnest Money Deposit (EMD), instead **Bid Security Declaration** in the prescribed format (**Annexure-IV**) is required to be submitted.

7. The Firm will be engaged initially for a period of one year for internal audit for F.Y. 2024-2025 (01-04-2024 to 31-03-2025). However, the appointment may be renewed on yearly basis based on the satisfactory performance for a further period of two years on same terms and conditions including fees with slight modification in the scope of work as per requirement with the approval of H.O.

8. Copy of ICAI Registration Certificate, PAN Card, Local Address Proof, GST Registration Certificate and MSME Certification (if applicable along with the TREDs registration Certificate – if not available, CA firm should comply with it before the contract is awarded) may be submitted along with the Technical Bid.

9. The fees of CA Firm (excluding GST) should not exceed Rs 80,000/- (Rupees Eighty Thousand Only) for the Financial Year 2024-2025.

10. The payment of fees shall be made to the firm on completion of assignment as per the Scope of Work as under -

- On submission of report of First quarter - 15%
- On submission of report of Second quarter - 20%
- On submission of report of Third quarter - 20%
- On submission of report of Fourth quarter - 25%

Balance 20% shall be released after audit of annual accounts by Statutory Auditors and issuance of Tax Audit Report.

11. The CA Firm is expected to submit the Audit Report in the prescribed format, to be issued by seventh of succeeding month from the end of the quarter.

12. Regional Office to take timely action for necessary rectification with a view to keep updated record. However, CA firm may include those observations in their report to Head Office where there is difference of opinion and which remain unattended / pending rectification. Further such observations should be reviewed and their compliance is to be reported in the subsequent Audit Reports until such time these are rectified.

13. Certificate is required to be submitted by the CA Firm (duly authenticated by Regional Chief) confirming that the audit has been carried out as per scope of work/checklist and audit reports have been prepared after discussion with the Regional Chief.

14. CA firm shall not disclose to any person the confidential information relating to the assignment or HUDCO's business or operations without prior permission of Head, Internal Audit Department, Head Office, New Delhi.

- 15.** In case of any dispute between HUDCO and the CA Firm regarding the present assignment given to the CA Firm at Regional Office, the decision of the CMD, HUDCO shall be final and binding on all the parties.
- 16.** The quotation is invited for the whole assignment as per the scope of work in brief enclosed and no part assignment shall be considered.
- 17.** Internal Audit Department, Head Office has the right to replace CA firm if it is found that the reporting / certification is not of required standard.
- 18.** The Risk Based Internal Audit is to be conducted with the highest standard of professional, ethical competence and integrity.
- 19.** HUDCO shall have the right to terminate the contract forthwith by giving notice of 30 days at the address mentioned herein on failure to provide satisfactory service. The decision of HUDCO regarding dissatisfaction of services/delay/damages caused by CA Firm shall be final. Further in such an event, HUDCO shall have the right to forfeit the compensation for the contract and also recover damages without any further notice to CA Firm.
- 20.** The detailed break up of scope of work will be provided to the shortlisted bidder at the time of award of contract after approval by the competent authority.
- 21.** Technical Bid part of the Quotation will be opened on **28-10-2024**. Post which the Financial Bids of the short listed firms on the basis of Technical Bids shall be opened as per GEM procedure.
- 22.** All the disputes will be subject to Jammu Jurisdiction only. Decision of Regional Head, HUDCO, Jammu shall be final and binding on both the parties in respect of all matter of dispute arising out of this bid.
- 23.** **All bidders to apply through GEM portal only . No bids in physical form shall be accepted.**

Thanking you.

Yours faithfully

For & on behalf of HUDCO

Encl: as above

Annexure-IV

On Letter head of the Firm

FORMAT FOR BID SECURITY DECLARATION

Whereas, I/We _____ (name of Bidder) have submitted bid for appointment of CA firm as an expert for carrying out Risk Based Internal Audit assignment including review and updation of Internal Financial Controls for Financial Year 2024-2025 at HUDCO Jammu Regional Office (name of work). I/We hereby submit the following declaration in lieu of Bid Security.

(1) If after the opening of tender, I/we withdraw or modify my/our bid during the period of validity of tender (including extended validity of tender) as specified in the tender document,

Or

(2) If, after the award of work, I/we fail to sign the contract within 7 (seven) days of issuance of award letter,

I/we shall be suspended for one year and shall not be eligible to bid for tenders issued by HUDCO from date of issue of suspension order.

(Authorized Signatory)

ANNEXURE-II

Format of Technical Bid

A.	Name and address of the Firm	:			
B.	Name and Detailed profile of Partners	:			
C.	Year of Establishment	:			
	<u>Eligibility Criteria</u>	:	<u>Documents Required</u>		
i)	The CA Firm should be a Partnership/Limited Liability Partnership (LLP) registered with the Institute of Chartered Accountants of India (ICAI) and should have minimum Five Years Standing.	:	Copy of the Certificate of Registration issued by ICAI		
ii)	(a) No. of Partners (Minimum three)	:	Details of Partners and their profile and experience to be provided.		
	(b) No. of Paid Assistants {qualified (CA/CMA)/ semi qualified(CA/CMA-inter)}-(minimum five)	:	List of Paid CAs and other qualified/semi-qualified staff along with the qualification and experience to be provided.		
	(c) No. of other supporting /employed Staff.	:	Name	Qualified / Semi- Qualified	Experience
iii)	Audit assignment carried out { as per point 3 (c) of the eligibility criteria of NIT} Details of assignment carried out-Internal Audit assignment/Statutory Audit in Branch Office/Head Office of at least two Public Sector Undertakings/ Public Sector Banks /Public Financial Institutions/Public Sector NBFCs in the last five Financial Years. (Assignment as stock Audit not to be considered).	:	Enclose copies of supporting documents/ assignment letters.		
iv)	(a) The Firm should have its Local office in Jammu.	:	Copy of address proof and other details.		
	(b) Name/list of Partner and working staff available at Local office (at Jammu)- (minimum 5 working staff including one partner and one qualified CA)	:	Details of Partners and working staff with their qualification to be provided.		
v)	ICAI Registration Certificate, PAN Card, GST Registration Certificate and MSME Certification (if applicable along with the TREDIS registration Certificate – if not available ,CA firm should comply with it before the contract is awarded)	:	Copy to be provided.		
vi)	Undertakings/Declarations	:	On the letterhead of the firm as mentioned at point no. 3 (g) of NIT.		

No. of enclosures:

Date:

Signature: Name of Authorized
Person with Stamp

Annexure-III**Financial Bid/Quotation**

Activities	Professional Charges (Rs.)	GST as applicable	Total Annual Fee (inclusive of GST)
As per Scope of Work at Annexure-I indicated in the NIT			
<p>Notes:</p> <p>1. The fees quoted should be both in figures & words.</p> <p>2. The payment of fees shall be made to the firm on completion of assignment as per the Scope of Work as under -</p> <ul style="list-style-type: none">- On submission of report of First quarter - 15%- On submission of report of Second quarter - 20%- On submission of report of Third quarter - 20%- On submission of report of Fourth quarter - 25% <p>Balance 20% shall be released after audit of annual accounts by Statutory Auditors and issuance of Tax Audit Report.</p> <p>3. Payment shall be made after deduction of TDS/applicable taxes, if any.</p> <p>4. GST and other statutory taxes, if any, shall be payable as applicable over and above the fee quoted above.</p> <p>5. The fee quoted above is all inclusive and no out of pocket of expenses shall be paid over and above . Further, no travelling expense shall be paid for visiting HUDCO's office in relation to the said assignment.</p>			

Signature: Name of Authorized Person with Stamp

ANNEXURE-I (REGIONAL OFFICE)SCOPE OF WORK IN BRIEF FOR THE FINANCIAL YEAR 2024-25

PART-I

1. RISK BASED INTERNAL AUDIT TO BE CARRRIED OUT ON QUARTERLY BASIS

A. Lending Operations

Sanction and Disbursements

- (a) Verify that Loan is sanctioned after receiving proper application, and due process of sanction is followed at RO and HO.
- (b) Verify that all statutory and regulatory compliances applicable to HUDCO as per the laid down policy have been undertaken, concerning with the loan sanctioned.
- (c) Verify that applicable charges and rate of interest is charged as per the guidelines and financing pattern, and the same are recovered during the course of repayment period or prior as per the applicability.
- (d) Verify that GST was correctly charged, as applicable, on various charges collected from borrower.
- (e) Verify that all legal documents are executed at the time of sanction.
- (f) Verify that releases are done after verifying the compliance of sanction conditions, obtaining financial & physical progress reports, site inspection reports, utilization certificates etc, as applicable, and ensuring that due process of release is followed as per the laid down procedure.
- (g) Verify that, waiver of loan documentation condition, Corporate Debt Restructuring/ Deferment/ Re-scheduling etc was done after obtaining the approval of Competent Authority.
- (h) Verify the calculation of demand dues of principal, interest & penal charges computed for the agencies, and also verify that the same was communicated timely and confirmation of balances were obtained at periodic intervals regularly.
- (i) Verify that valuation report of security was received timely from the borrowers and required steps including top up of security were taken timely in case of deterioration in value of security. Further, in case top up is not done, than necessary provision for unsecured/differential amount is done.
- (j) Verify that comprehensive implementation of, deferment/ amendment/ waiver in the loan card/ loan ledger, with respect to OTS/ DRP/ Decree of DRT/ DRAT/ CDR/ , and reschedulement/ Curtailment of loan, was done as per amendment letter issued by RO in IGL and LMS module.
- (k) Verify that the ECL provisioning is done as per norms of HUDCO.
- (l) Verify that default/ NPA cases are being reviewed and followed up regularly by Default wing.
- (m) Verify that calculation for OTS has been done correctly as per the guideline and OTS was done only after obtaining the final approval of the Board.
- (n) Verify the data extracted from the General Ledger module matches with the project loan accounting module at the end of each quarter and ensure that the calculation of interest income and interest accrued is correct.
- (o) Verify that income accrued on NPA accounts is excluded from total income and income on NPA accounts is booked on actual/ realization basis.
- (p) Verify compliance in respect of Fair Practices Code, Most Important Terms & Conditions, Grievance Redressal Mechanism.

B. Cash and Bank

- a) Review all payments and receipts, if applicable.
- b) Review the accounts if any and its monitoring along with reconciliations wherever applicable.

C. Assets

- a) Review the record of assets at purchase and writing off, as per approval of the competent authority. Review that records are maintained and implemented in books as per policy.
- b) Review all advances, overdues, their recovery, and long pending entries.

D. Fixed Assets

- a) All purchases are as per regulatory directions (GFR rules 2017) and as per laid down policies, with safeguarding of assets (timely renewal of insurance) and real time record maintenance.
- b) Review of fixed assets (tangible and intangible) along with their capitalization on correct time/date, depreciation/amortization of assets and their disposal, lease rental against the leasehold properties, is as per policy and companies act 2013, wherever applicable.
- c) Review that the record register is maintained appropriately.

E. Liabilities

- a) Examine/review the necessary documents for timely payment by HO including MSME payments as per policy.

- b) Verify that documents for payments are forwarded to HO in accordance with the rules and orders governing them and wherever applicable, the arithmetical calculations are correct.
- c) Final claims of employees accompanied with supporting documents are correctly paid by HO and over payment, if any, are dealt promptly to regularize the same. Recoveries/deductions wherever necessary are made from the bills and properly disclosed to HO.
- d) Verification of supporting documents of administration expenditure bills, staff advances, Festival Advances, Vehicle Advance, bills and other payments, sent to HO are checked and physical progress is ascertained, wherever required.

F. Borrowings

- a) The public deposit scheme is scheduled to be closed in FY 2024-25. Thereby deposits are existing only in Kolkata, Mumbai and NCR offices.
- b) Verify the maturity of deposit as per HUDCO policy and filing of returns, if required.

G. Income

Review that details of all sources of income (rental income, fees an commission income, sale of services, other income) have been sent to HO as per laid down policy and agreements executed.

H. Expenses

- a) Asses that the CSR policy is followed for sanction of the project and agreement is executed. Thereby, the fund disbursal proposal is sent to HO as per policy and compliance of sanction conditions.
- b) Review that all contracts for repairs & maintenance, legal and professional fees (Independently of HUDCO and other incurred on behalf of borrower), advertisement, publicity & sponsorship, are awarded as per latest regulatory directions (GFR rules 2017) and as per laid down policies, to eligible agencies and proposal for payment was sent to HO as per the job order and compliance of contract agreement along with certifications wherever required.
- c) Review that the due procedure was laid and followed and wherever required empanelment for services was done. Also review that the budget expenditure was framed timely and actual expenditure was done accordingly and as per approval of the competent authority.

I. Statutory Compliances

- a) Ensure compliances with respect to notices received for Income Tax Act'1961, GST Act '2017 etc.
- b) Verification of Quarterly/Half yearly/Annual Certificates if required by HO, to be submitted as per prescribed formats.

J. Payroll

- a) Review that all relevant supporting documents pertaining to TA/DA, loans and advances, other employee benefits, ets are sent to HO as per the latest policies.

K. Human Resources

- a) Review the compliance and updation of records as per HUDCO policy for employee separation, employee transfer, employee training, empanelment of hospitals/health centers and medical reimbursements. Ensure the supportings wherever required.

L. Information Technology

Review of administration and monitoring of information systems, data protection, physical security, business continuity, disaster recovery plan.

M. Legal

Review that panel of advocates is maintained as per eligibility criteria and assignments are allotted to them only. Performance of empanelled advocates is evaluated annually and incapable advocates are delisted.

N. Risk Management

- a) Ensure compliance as per the risk management framework/methodologies and risk mitigation measures are taken as per policy wherever required.
- b) Periodic risk categorization, risk rating etc, as per policy is done and forwarded to HO.

O. Fraud Monitoring

Review the timely monitoring and submission of returns of frauds, FIR registration, etc as per policy and regulatory requirements.

PART-II

INTERNAL FINANCIAL CONTROLS

- (a) To update the internal control flow charts as per newly implemented ERP system.
- (b) To issue quarterly report on Internal Control deficiencies identified during the quarterly audit and suggest corrective measures.
- (c) CA firm to independently review and appraise the system of control throughout the year as per risk control matrices, mitigation plan prescribed in the various activities and recommend improvement to internal control. Facilitate in following good practice in managing risks efficiently.
- (d) Review of Test of Designs including addition/updation/modification of flow charts on annual basis.
- (e) Comment on the adequacy and effectiveness of Internal Financial Controls on quarterly basis.
- (f) Compliance of advisories issued by Internal Audit Wing from time to time.
- (g) To give necessary guidance in response to statutory/government auditors' queries in regard to Internal Financial Controls and suggesting corrective action on the part of HUDCO.
- (h) Any other activity review/reporting necessary in connection with Internal financial Control not specified above.

PART-III

COMPLIANCE OF AUDIT OBSERVATIONS

- (a) 100% verification of all the activities/checkpoints as mentioned in Part-I and Part-II.
- (b) Compliance status of outstanding observations of previous audit reports and monitoring of prior audit issues along-with action taken report in the prescribed format,
- (c) The points mentioned in the scope are indicative in nature. The firm may be requested to look into any other activity as decided by the management during the course of audit.
- (d) To suggest an addition in the areas required to be covered in the Risk Based Internal Audit Plan.