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Sr.No.1



HARYANA STATE WAREHOUSING CORPORATION
Bay No. 15-18, Sector - 2, Panchkula - 134 112
EPABX: (0172) 2578830-32, FAX (0172) 2586900



Notice Inviting RFP for Internal Audit work

Online bids are hereby invited on the website <https://haryanaeprocurement.gov.in> as per detail given below:--

Sr. No	Request for proposal for Appointment of Chartered Accountant	Cost of R.F.P (Including G.S.T)	e-service fee (in Rs)	Earnest Money
1	The Corporation intends to appoint a Chartered Accountant/ firm of the Chartered Accountants for conducting the internal audit of books of Accounts which includes general accounts, wheat, paddy, bajra procurement Accounts and construction work. The person (s) or the firm appointed by the Corporation shall have to conduct the audit of 9 District Offices including all warehouse centers and the Head Office, for the financial year 2018-2019.	Rs.1,180	Rs.1,000	Rs.30,000
Downloading of Tender Documents online Bid preparation/ submission (date & time)		Opening of Technical bid online (date & time)		Opening of Financial bid (date & time)
12-03-2019, 10 A.M		28-03-2019 , 10:00 A.M		29-03-2019, 10.00 A.M
27-03-2019, 5 P.M		28-03-2019, 5.00 P.M		29-3-2019, 5.00 P.M

Terms & Conditions:

1. The bids should be submitted in online mode.
2. The details of documents required in the technical bid are mentioned in the online RFP document.
3. **The lowest firm has to sign the agreement with HSWC & to deposit the balance security amount within 7 days.**
4. The RFP shall be valid for Ninety days from the opening of technical bid.
5. RFP will be opened at Corporate- Head Office at Panchkula.
6. Managing Director, Haryana State Warehousing Corporation, reserves the right to reject any or all the bids without assigning any reason.
7. **Financial bid of only those firms shall be opened who qualifies in the technical bid.**
8. GST of HSWC – 06AAACH3948K1ZF

For further details and e-tendering schedule, visit [website https://haryanaeprocurement.gov.in](https://haryanaeprocurement.gov.in) Possession of Digital Signature Certificate (DSC) and registration of the firms/etc. on the portal i.e. <https://haryanaeprocurement.gov.in> is a prerequisite for e-tendering. Kindly contact, NexTenders (India) Pvt. Ltd. O/o DS & D Haryana, 2nd Floor, SCO-9, Sector-16, Panchkula- 134108, Tel. No.0172-2618292/2582008/2582009, Toll Free no. 1800 180 2097 Email: chandigarh@nextenders.com.

(INTERNAL AUDIT OFFICER)

Sr.No.2**SCHEDULE**

Sr. No	HSWC Stage	Contractor Stage	Start Date and Time	Expiry Date and Time
1	Release of Tender document	-	8-03-2019 10.00 A.M	11-03-2019 5.00 P.M
2	-	Downloading of Request for proposal (RFP) document and online bid reparation(date & time)	12-03-2019 10.00 A.M	27-03-2019 5.00 P.M
3	-	Online Bid Preparation, Hash Submission & Earnest Money Deposit	12-03-2019 10.00 A.M	27-03-2019 5.00 P.M
4	Open EMD & / Technical bid	-	28-03-2019 10.00 A.M	28-03-2019 5.00 P.M
5	Open Financial/Price -Bid	-	29-03-2019 10.00 A.M	29-03-2019 5.00 P.M

3. Instructions to bidder on Electronic Tendering System

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

3.1 Registration of bidders on e-Procurement Portal:-

All the bidders intending to participate in the tenders process 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.

3.2 Obtaining a Digital Certificate:

3.2.1 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.

3.2.2 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>.

3.2.3 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.

3.2.4 The bidder must ensure that he/she comply by the online available important guidelines at the portal <https://haryanaeprocurement.gov.in> for Digital Signature Certificate (DSC) including the e-Token carrying DSCs.

M/s Nextenders (India) Pvt. Ltd.
O/o DS&D Haryana,
SCO– 09, IInd Floor, Sector – 16,
Panchkula – 134108 (Haryana)
E - mail: Chandigarh@nextenders.com

Help Desk Nos.:- 0172–2582008-09, 2618292 and 1800-180-2097 (Toll Free Number)

3.2.5 Bid for a particular tender must be submitted online using the digital certificate (Encryption & Signing), which is used to encrypt and sign the data during the stage of bid preparation. 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).

3.2.6 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.

3.2.7 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.

3.2.8 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.

3.3. Opening of an Electronic Payment Account:

For purchasing the tender documents online, bidders are required to pay the tender documents fee online using the electronic payments gateway service. For online payments guidelines, please refer to the home page of the e-tendering portal website - <https://haryanaeprocurement.gov.in>.

3.4. Pre-requisites for online bidding:

In order to operate on the electronic tender management system, a user's machine is required to be set up. A help file on system setup/Pre-requisite can be obtained from Nextenders (India) Pvt. Ltd. or downloaded from the home page of the website - <https://haryanaeprocurement.gov.in>. The link for downloading required java applet & DC setup are also available on the Home page of the e-tendering Portal.

3.5. **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 <https://haryanaeprocurement.gov.in>.

3.6. **Download of Tender Documents:**

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

3.7. **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.

3.8. Online Payment of Tender Document Fee + eService fee & EMD Fees & Bid Preparation & Submission (PQQ/Technical & Commercial/Price Bid) :

3.8.1 Online Payment of Tender Document Fee + e-Service fee:

The online payment for Tender document fee, eService Fee & EMD-cum-Security Amount Deposit can be made using the secure electronic payment gateway. The Payment for Tender Document Fee + eService Fee shall be made by bidders/ Vendors online directly through Debit Cards & Internet Banking Accounts and the Payment for Security Amount Deposit shall 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.

3.8.2 Preparation and submission of online Application/Bids:-

- (i) Detailed Tender documents may be downloaded from e-procurement website (<https://haryanaeprocurement.gov.in>) and tender (bid) mandatorily be submitted online following the instruction appearing on the screen.
- (ii) Scanned copy of Documents to be submitted/uploaded for Prequalification or Technical bid under online PQQ/Technical Envelope: The require documents (refer to DNIT) shall be prepared and scanned in different file formats (in PDF /JPEG/MS WORD format such that file size is not exceed more than 10 MB) and uploaded during the on-line submission of PQQ or Technical Envelope.

A. Only Electronic Form (Refer Tender document).

FINANCIAL or Price Bid PROPOSAL shall be submitted mandatorily online under Commercial Envelope and original not to be submitted manually.

3.9 ASSISTANCE TO THE BIDDERS:

For any query or training bidders can contact the help desk of SingleeProcurementportal(<https://haryanaeprocurement.gov.in>) as below address mentioned below:-

M/s Nextenders (India) Pvt. Ltd.

O/o DS&D Haryana,

SCO– 09, IInd Floor, Sector – 16,Panchkula – 1341(Haryana)

E - mail: Chandigarh@nextenders.com

Help Desk Nos.:- 0172–2582008-09, 2618292 and 1800-18-2097 (Toll Free Number)

Timing:-

Technical Support Assistance will be available over telephone (*Helpdesk support team shall not be contacted for online bidding on behalf of the Contractors*).

Monday to Friday (10:00 am. to 6:00 pm) & Saturday (11:00 am to 2:00Pm) for Training workshop – On working days only.

Note: Contact Procurement helpdesk on or before prior to 4 hours of the scheduled closing date & time of respective e-tendering event. Also, for queries related to e-Payment of EMD kindly contact the help desk at least 2 days prior to closing date & time of the respective event. Intended bidders are mandatorily require to register their queries if there is any pertaining to the online bidding at the Single Procurement Portal at email address:-chandigarh@nextenders.com

NOTE:-

(A) 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>.

(B) 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.

HARYANA STATE WAREHOUSING CORPORATION (HSWC)

4. DISCLAIMER:-

The information contained in this request for proposal (RFP) document or information provided subsequently to applicants whether verbally or in documentary form by or on behalf of HSWC, is provided to the applicant(s) on the terms and conditions set out in this RFP document and all other terms and conditions subject to which such information is provided.

This RFP document is not an agreement and is not an offer or invitation by HSWC to any parties other than the applicants who are qualified to submit the applications as per the eligibility conditions (“practicing chartered accountant firms”) The purpose of this RFP is to provide the applicants (s) with information to assist the formulation of their proposals. This RFP does not claim to contain all the information each applicant may require. Each applicant firm should conduct its own investigation and analysis and should check the accuracy, reliability and completeness of the information in this RFP. HSWC makes no representation or warranty and shall incur no liability under any law, statute, rules or regulations as to the accuracy, reliability or completeness of this RFP.

HSWC reserves the right or discretion to change, modify, add or alter any or all of the provisions of this RFP document and / or the selection process at any stage, without assigning any reason, whatsoever. Such change will not be intimated to the applicants separately. However, such changes/amendments/corrections / etc shall be uploaded as addendum on the website of the Corporation hwc.nic.in or <https://haryanaeprocurement.gov.in> . Any information contained in this

RFP document will be superseded by any later information on the same subject made available to all recipients by HSWC on the above said websites.

HSWC may in its absolute, discretion, but without being under any obligation to do so, update, amend or supplement the information in this RFP.

HSWC reserves the right to reject any or all the expression of interest / proposals received in response to this RFP document at any stage without assigning any reason whatsoever. The decision of the competent Authority, which is Managing Director (MD) in this case, shall be final, conclusive and binding on all the parties.

Appointment of Audit firm for conducting internal Audit

5. Invitation for Appointment

HSWC has its Head Office at Panchkula. It came into existence on 1/11/1967. It was carved out from erstwhile Punjab Warehousing Corporation. It is a Statutory Body created under an Act of parliament with twin objective of providing scientific storage facilities for a wide range of agricultural produce and notified commodities to the farmers, Govt. Agencies, Public Enterprises, Traders, etc and to make available credit against goods deposited in the warehouses. At the time of its inception it had only 7000 MT capacity of own warehouses. At present the corporation is operating 111 Warehouses (list attached) and 9 District Offices i.e. Ambala, Fatehabad, Kaithal, Kurukshetra, Panipat, Palwal, Rewari, Rohtak, Sirsa across the state with a total storage capacity of 16.17 lakh MTs which consists of covered warehouses of 16.07 lakh MTs capacity and open plinths of 0.10 lakh MTs as on 31/03/2018.

HSWC invites application in the prescribed format (Annexure I) from practicing Chartered Accountant (CA) Firm for internal audit of 9 District offices including all warehouse centers and Head office as per scope detailed subsequently.

5.1 Due diligence

The applicant is expected to examine all instructions, forms, terms and specifications in this RFP. Application shall be deemed to have been done after careful study and examination of this RFP with full understanding of its implications. The application should be precise, complete and in the prescribed format as per the requirement of this RFP. Failure to furnish all information required by this RFP or submission of Application not responsive to this RFP in every respect will be summarily rejected.

5.2 Cost of participation

The Applicant shall bear all costs associated with the preparation and submission of its Application and HSWC, will in no case be held responsible or liable for these costs, regardless of the conduct or outcome of the selection process.

5.3 Clarification of RFP documents

A prospective Applicant requiring any clarification on this RFP may contact HSWC in writing by E- mail at mahwc@hry.nic.in. HSWC shall respond in writing by E-mail to any request for clarification of the application documents, from the prospective applicants, which it receives. Further HSWC will respond by E-mail, to all clarifications, without identifying the source of the inquiry. HSWC shall not be responsible for any delays whether external or internal.

5.4 Amendment of RFP Document

- a) HSWC reserves the sole right for including any addendum to this entire selection process. The applicants shall not claim as a right for requiring HSWC to do the aforesaid.
- b) At any time before the deadline for submission of technical offers, HSWC may, for any reason whether at its own initiative or in response to a clarification requested by prospective applicants, modify this RFP Document. Such amendment shall not be notified.
- c) If required, in order to allow prospective applicants reasonable time in which to take the amendment into account in preparing their applications, HSWC, reserves the right to extend the deadline for the submission of applications. However, no request from the applicant, shall be binding on HSWC for the same.

6. Eligibility criteria and information required:-

In order to be eligible for appointment, the audit firm should have minimum 15 (Fifteen) years standing with at least two Fellow Chartered Accountant (FCA) in the firm as partner or employee (employees/partners should not be discontinued for any period during the currency of Internal Audit). Standing of the firm shall be taken from the date of registration certificate issued by ICAI. The firm must have been registered with CAG.

Firm should have been involved in conducting the Internal Audit of any Public Sector Undertaking (PSU) / State Government / Central Government during all the three Financial Years i.e. 2015-2016 & 2016-17 & 2017-18 and copy of allotment letter along with completing certificate be uploaded

Balance sheet for the last three years to be attached and the turnover should be more than Rupees Fifty Lakh annually for the

Preceding three Financial years i.e. 2015-16, 2016-17 and 2017-18. It has been incorporated in Eligibility criteria.

6.1 Format for the profile of Audit / CA Firm is as under:-

Sr. No.	Particulars	Supporting Documents
1.	Name of the CA Firm	
2.	Registration Certificate issued to the firm by Institute of Chartered of India (ICAI)	Self Attested Copy
3.	In case of Reconstitution of Partnership Firm, provide the copy of reconstitution certificate issued by ICAI	Self Attested Copy
4.	Registration / Empanelment number with Comptroller and Auditor General of India (CAG) with its Datedo....
5.	Detail of Manpower (A) Number of Qualified professionals: (i) Partners (a) FCA (b) Associate Chartered Accountant (ACA) (ii) Employees (a) FCA (b) ACA (B) Number of Articles (C) Other staff details	Self Attested copy of certificate of FCA / ACA issued by ICAI to whom the Firm declares it as a partner / employee
6.	Brief profile of partners in the following manners	

	Sr no.	Name	Academic qualification	Whether FCA or ACA	Mobile no.	Addresses / email
7.	Whether the firm or any partner have ever been debarred / blacklisted by CAG / ICAI?					Self Declaration
8.	Details of Peer Review, if any					Self Attested Copy
9.	Please provide details, if any					
	Sr. no.	Name of PSU	Nature of assignment.	Year of Assignment		
	Allotment letters along with completion certificate for the Audit and detail of above for the Financial year 2015-16,2016-17& 2017-18.					
10.	PAN No.					
11.	GST Registration Number					
12.	Bank detail (Account Number, Name of Bank, IFSC Code)					
13.	Address of Head Office					
14.	Number of Branch Offices					
15.	Address of the Branches (Add additional copy)					
16.	Balance sheet for the three financial years 2015-16, 2016-17 & 2017-18.					
17.	Certificate regarding the turnover more than Rs.50 Lakhs.					

7. Selection of Audit Firm for appointment of audit assignments

The application shall be received in two way system.

7.1 Technical Bid

Audit Firm shall submit its RFP in the format prescribed at Annexure-I, III and IV in addition to the information sought as per Sr. no. 6 to 6.1 above.

7.2 Financial Bid

Financial bid of only those firms shall be opened who qualifies in the Technical bid. Audit firm shall submit composite quote for fee (in the prescribed format) after going through the scope of work (kindly go through the Sr. No. 11 of this RFP).

7.3 The Audit / CA Firm will be evaluated based on the following parameters in addition to the Financial Bid.

- i) The information as mentioned above as at Sr. no. 6 & 6.1.
- ii) Preference will be given to Audit firm
 - a) having office in Chandigarh, Panchkula and Haryana
 - b) having experience of carrying out assignments of similar type of work / organization
 - c) Where the partners themselves have relevant audit experience with adequate experienced / qualified staff in the relevant field.

7.3.1 Merely submission of application / RFP and the required information / quoted fee shall not automatically entitle / constitute guarantee for allotment of any audit assignment from the HSWC.

The HSWC reserves the sole right to shortlist and award the assignments based on eligibility criteria and rate of the lowest bidder will be considered and the appointment is subject to approval of the competent authority.

7.3.2 The HSWC reserves the right to cancel any or all the offers without assigning any reason whatsoever.

7.3.3 On selection of the Audit firm for internal Audit, suitable intimation will be given to the CAG / ICAI.

7.3.4 However if the same Audit Firm also gets the Statutory Audit of the Corporation subsequently from CAG / Govt., the Firm will not accept the Statutory Audit from CAG / Govt.

7.3.5 Bank audit /consultation/etc will not be considered as experience of internal audit.

7.3.6The articles/other staff deployed by the CA firm should be minimum inter CA qualified.

8 Acceptance of RFP

The applicant need to sign the RFP in token of its acceptance along with the Terms & Conditions and should upload the same.

9 General Condition

i.	No communication will be sent by the HSWC, no correspondence will be entertained in respect of firms, which are not being selected.
ii.	The assignment should be carried out in professional manner and in case of any misconduct and negligence's HSWC is free to report the matter to ICAI /CAG. This will be in addition to the disengagement from the assignment.
iii	All the necessary reports that need to be given by audit firm as a part of the respective assignment shall be given on its letterhead without any additional certification fee.
iv	Appointment of Internal audit firms shall be purely at discretion of HSWC and no rights whatsoever accrue to the firm for such appointment.
v	The selected audit firm will have to stick to the following deadlines: <ul style="list-style-type: none">- The Internal Audit / Audit report for the Financial Year 2018-19 shall be completed / submitted within four months from the date of allotment.- HSWC shall monitor the performance of audit firm closely. HSWC reserves the right to terminate the assignment without assigning any reason. In case of termination of assignment the remuneration shall

	not be payable by HSWC at all & security deposit will be forfeited.
vi	The audit firm shall adhere to the audit coverage strictly as per the scope as may be decided by HSWC from time to time.
vii	HSWC reserves the right to seek views from the entities with whom the firm is / has been / was associated as Auditors.
viii	The firm shall not sub – contract without the express permission from HSWC, part of the audit work assigned to any outside firm or other persons even though such persons are Chartered Accountants.
ix	Any other terms and conditions of the assignment (in addition to the terms & conditions mentioned in this RFP) would be decided by HSWC on a case –to– case basis.

10 Tenure of Audit Assignment

The appointment of the selected internal audit firm shall be initially for a period of one financial year i.e. 2018-19. The term may be extended, to another one year (on the existing rates) solely at the discretion of HSWC on satisfactory review by the Competent Authority.

11 Payment of fee

The audit fee would be decided based upon the quote received from the Audit / CA firm selected for the Audit Assignment, as part of this application and assignment shall be awarded accordingly.

11.1 No travelling allowance, halting allowance, out of pocket expenses / etc. shall be paid to the Audit firms for carrying out the assignment. However GST and other applicable statutory levies (excluding TDS) shall be paid as applicable from time to time in addition to basic fees as per agreement.

- 11.2** Payment to the auditors shall be subject to deduction of tax at source at appropriate rates as applicable from time to time.
- 11.3** All the necessary certificates that need to be given as part of audit assignment shall be given by the audit firm without any additional certification fee.
- 11.4** The audit fees once fixed shall remain the same throughout the tenure of the Auditor. The only exception may be in case of revision in the scope of audit, the HSWC's decision will be final in this regard.
- 11.5** The Minimum fees should not be quoted less than Rs. **One lakh** for **each financial year**.
- 11.6** The agency to whom the work allotted, have to obtain the attendance sheet/ certificate from the concerned district manager in the following format:

Sr. No	Date of Audit	Name of employees/ Auditors	Qualification of audit/ along with certificate	Centre at which the audit done.	Remarks/ signature of concerned D.M on attendance sheet.

11.7The Payment of fee for 2018-19 Internal Audit will be released after completion of audit and submission of audit reports as per scope of work of all Districts and Head Office along with requisite certificates and attendance sheet on the format as mention in 11.6 of RFP in the prescribed time schedule mention at other terms and conditions of 22 (1) (RFP)

12 Earnest Money and Security Amount

The applicant has to deposit Rs. 30000/- as earnest money. The security amount shall be Rs. 50000/- or 10% of the quoted fees, whichever is more. The earnest money of the successful bidder shall be converted into the security amount, balance security amount shall be deposited (through RTGS / NEFT only) by the successful bidder within 7 days of the issue of communication in this regard. The earnest money of unsuccessful bidder shall be refunded. **An agreement on non-judicial paper shall be entered into between both the parties. The agreement needs to be executed within 15 days from the date of allotment. Allotment shall be made after deposit of balance security amount. The security amount will be released after completion of audit without any interest.**

13 Conduct and Performance Monitoring

- 13.1 HSWC shall designate one of its senior officers as a nodal officer as a single point contact for coordinating the audit assignment.
- 13.2 HSWC shall provide the auditors on demand with requisite initial information of its activities and further support to conduct audit. If it is considered necessary for smooth conduct of the Internal Audit.
- 13.3 .a) HSWC reserves its right to review the appointment at any point of time and if necessary can cancel / terminate the appointment by giving 7 days written notice and the earnest money / security deposited will be forfeited.
- b) If the firm fails to start the internal audit as prescribed in the scope of work within fifteen days, left the audit incomplete, the appointment shall be terminated by giving 7 days notice and the earnest money / security deposited will be forfeited.

The Internal Audit Officer (IAO) shall be the competent authority to terminate the appointment. In case of termination of assignment / appointment the remuneration shall not be payable by HSWC at all. The appeal against the orders of the IAO can be made before the Managing Director (i.e. Appellate Authority) of the Corporation and his decision shall be final.

- C) **Appeal** : Work terminated by I.A.O under section 13.3 (a) & (b) of RFP , penalty of 25% contract amount imposed for delay in submission of audit report under section 22(2) OF RFP & if the audit report is not upto the mark, satisfactory & not accepted by I.A.O of the corporation & no payment made against these & earnest money & security is forfeited under section 22 (3) of RFP, appeal against these can be made before Managing Director i.e. Appellate Authority of the Corporation within one month of date of issue of such letters/orders to the Audit Firm. The decision of Managing director shall be final

- 13.4 In case the firm fails to report serious omissions / commissions / non compliance / etc, HSWC reserves right to report the matter to ICAI / CAG and initiate appropriate action. Such firms will be black listed and they will not be eligible for assignment of audit work with HSWC for next five years.
- 13.5 The Auditors are expected to provide an executive summary of observation along with every audit report and submitted the same to the Financial Advisor.
- 13.6 The firm is expected to attend the meeting of the Audit committee / Board of HSWC when their respective items are put-up for consideration. Board may also like to separately interact with the

Auditors at their direction without the presence of HSWC management.

- 13.7 The auditors are expected to strictly abide by the directions of the HSWC advised to them from time to time. Further, the scope of audit as defined in this document is indicative and is subject to revision / modification / alteration / addition with the approval of the competent authority of the Corporation.

14. Corrupt practice

Any bribe, commission and advantage offered or promised by or on behalf of the tenderer to any officer or servant of the Corporation shall (in addition to any criminal liability which the tenderer may incur) debar his tender from being considered. Canvassing on the part or on behalf of the tenderer will also make his tender liable to rejection.

15. Representations and warranties

- 15.1 That neither the execution and delivery by the Applicant of the engagement nor the Applicant's compliance with or performance of the terms and provisions of the engagement:

- i) Will contravene any provision of any applicable Law or any order, writ, injunction or decree of any court or government authority binding on the Applicant.
- (ii) will conflict or be inconsistent with or result in any breach of any of the terms, covenants, conditions or provisions of, or constitute a default under any agreement, contract or instrument to which the applicant is a party or by which it or any of its property or assets is bound or to which it may be subject

16. Confidentiality

The parties agree that they shall hold in trust any Confidential information received by either party, under the engagement and the strictest of confidence shall be maintained in respect of such confidential information. The parties agree to execute conditions of confidentiality agreement prior to finalization of engagement and shall abide by the terms and conditions of confidentiality as contained therein.

17. Governing Law

The Engagement shall be governed in accordance with the law of Republic of India. These provisions shall survive the Engagement.

18. Jurisdiction of courts

The courts of India at PANCHKULA have exclusive jurisdiction to determine any proceeding in relation to the Engagement. These provisions shall survive the Engagement.

19. Annexure-I

FORMAT FOR APPLICATION FOR APPOINTMENT OF INTERNAL AUDIT (on the Letter head of the Chartered Accountant / Firm of Chartered Accountants)

Ref. no

Date:

To

**MANAGING DIRECTOR,
HARYANA STATE WAREHOUSING CORPORATION,
BAY NO. 15-18 SECTOR -2,
PANCHKULA, HARYANA.**

Subject:- Application for participating in the RFP for appointment of Internal Auditor for HSWC for the Financial Year 2018-19.

Dear Sir,

In respect of the appointment of Internal Auditors for HSWC please find enclosed our response to your RFP dated

Having examined the RFP document and the Scope, Eligibility criteria and other terms & conditions as stipulated therein, we, the undersigned, hereby state that we are in conformity with the specified requirements and would like to offers to provide the services as defined and described in the RFP Document, on the terms and conditions mentioned in the RFP Document and for the sum / price indicated as per quotation submitted separately as desired by you.

1. We certify that all the information and representations furnished herewith are true, correct, valid and subsisting in every respect and have been supported with relevant documents of proof as desired by HSWC.

2. We are submitting the application for appointment of our firm for the internal audit assignment with regards to HSWC.
3. We agree and undertake that if our proposal is accepted, we shall provide the services comprised in the scope within the timeframe specified, starting from the date of receipt of notification of award from HSWC.
4. We agree and undertake to abide by the terms and conditions, provisions, stipulations and covenants from time to time and it shall remain binding upon us and may be accepted at any time before the expiry of that period.
5. We understand that you are not bound to accept our request for participation in the process or not bound to accept our proposals that you may receive, or give any reason for rejection of any application. We also agree and confirm that we will not claim any expenses incurred by us in preparing and submitting this proposal.
6. We are also aware that HSWC has also right to re-issue / re-commence the selection process to which we do not have right to object and have no reservation in this regard; the decision of HSWC in this regards shall be final, conclusive and binding upon us .
7. The entire set of documents, information about our firm, and clients etc as desired by HSWC are enclosed here to and shall form part of this application.
8. We enclosed herewith our firm's profile (as per the prescribed format) for your perusal.
9. I / We hereby declare that neither I nor any of our partners / members of my / their families (family will include besides spouse, children, parents, brothers, sisters or any of them who are wholly or mainly dependent on the Chartered Accountants) or the firm / Company in which I am / they

are partners / directors have been declared as willful defaulters by any bank / financial institution.

10. I / We hereby confirm that I / we am / are not disqualified / ineligible for appointment as internal auditor under any regulation.

I / we confirm that the information furnished here is true to the best of my knowledge.

Thanking you

**Yours faithfully,
For Chartered Accountant
Partner**

Encl: As above

Note:

- (1.) All mandatory information requested for as per Sr. no. 6.1 of the RFP should be submitted.
- (2.) Incomplete application and /or application not in format may be rejected without any further reference.
- (3.) The firms not fulfilling the minimum eligibility criteria are not eligible

20. Annexure II

Broad scope of Internal Audit

20.1 (A) General Accounts

The most important aspect of the Corporation is revenue and it is received in the form of the following items:

1. The storage charges from the private depositors at Warehouses are realized at the Warehouses and its statement is sent to the District offices on weekly basis in the shape of the weekly custom reports (weekly). The storage charges realized from the private depositors are also incorporated in the storage charges statement which is sent to the District Offices on monthly basis. These Weekly custom reports and Storage charges Statements are required to be audited so as to assess the correct realization of storage charges as per the tariff issued by the HSWC from time to time.
2. Weekly custom reports are required to be posted in the Custom Registers (Weekly). Register further required to be reconciled with the Warehouse Receipts.
3. The Corporation is also raising monthly bills of reservation charges for the warehouses hired by the Food Corporation of India (FCI) on guarantee / reservation basis, the timely submission of these bills and realization of payment there against is also required to be confirmed / audited. The Corporation also handles the food grain stocks of FCI and the handling & transportation charges bills there against are also raised to FCI after making the payment to the contractor. The correctness of these bills is also required to be ensured. The storage charges from FCI other than the guarantee / reservation warehouses are also to be checked.

4. To ensure that record relating to submission of bills and recovery thereof has been maintained properly.
5. All payments made by the District Offices in respect of purchases, services and other related activities including personal claims of the staff are to be checked. It is to be ensured that whether the Cash book has been maintained properly and cash in hand shown in the Cash book is physically available in the Cash chest.
6. The Manager hire / employ the casual labour for various services like fumigation / cleaning and dressing of warehouses / etc in the warehouses, the payment to casual labour should be as per norms fixed by Head office.
7. Emphasis has to be made to see that the staff has reconciled all Bank Accounts of the general funds and of procurement activities. It should be seen that funds are not scattered and retained unnecessarily in the field units / various banks.
8. The care has to be taken in the preparation of Assets registers of dead stock articles and Insecticide register. It is required to be ensured that the quantity of opening balances are correctly incorporated in the registers and duly reconciled with the statement received from the concerned authority (i.e. respective Managers / Branch Heads) and depreciation is charged correctly on the assets as per Policy of the Corporation.
9. The issue relating to storage loss in rice stocks stored by the FCI in the warehouses of HSWC is also required to be checked with reference to the deductions made by FCI on this account including arbitrary deductions made by FCI from the payments.
10. It should be ensured that the accounts are being maintained according to the applicable Accounting Standard issued by

Institute of Chartered Accountants of India (ICAI) and as per Warehousing Corporation Act.

11. It also needs to be ensured that all statutory taxes being charged / incorporated in the books of accounts are being deducted and deposited and their returns have been filed in time and are reconciled as per provisions of the respective Act.
12. It is to be ensured that liability of all known expenses including statutory charges has been accounted for at the close of the year.
13. To see that the income has been accounted for from time to time and accrued income has also been accounted for at the close of the year.
14. To ensure that the accounts of outstanding recovery, earnest money / security, advances, loan, other liabilities / payable etc. are reconciled with its detail.
15. To confirm as to whether against the disallowed amount of expenditures, action has been taken for getting the same regularized / recovery as the case may be.
16. To check the detail of outstanding against storage agencies, etc.
17. Internal Audit will insure that the generally accepted accounting or commercial principles are not infringed in the allocation of expenditure between capital and revenue.
18. Impairment of fixed assets.
19. Accounting policy of the corporation is at 28 of RFP.

20.2 Procurement Accounts

- 1 The Corporation is also dealing in procurement activities of food grain like wheat, paddy and Bajra, etc. on behalf of Central pool (GOI). Mandi wise purchase of these food grain and its delivery to FCI (as per directions of Govt. from time to time) to be checked with the bills so raised to the FCI or other parties, if any. The receipt of their payment is also required to be checked with the provisional / final rates issued by Govt. Of India (GOI).
- 2 The Centre-wise raising of bills against the sale of above said food grain like wheat / Bajra / CMR (paddy converted into rice) is required to be checked with reference to the rate (provisional and final) fixed by the Govt. of India or by the Corporation in special cases from time to time.
- 3 It is also required to be seen that bills for the differential amounts (final rates and provisional rates) have been raised to FCI for realisation by the District Offices in time. Further the issue relating to the Storage gain / Assured storage gain is also to be seen as to whether the same is being allowed as per instructions of the GOI / FCI and the Corporation.
- 4 After delivery of wheat / CMR from warehouse / miller dispatch documents should be sent to district office within 3 days and Auditor need to verify it from the record and report the violation / discrepancies.
- 5 Before start of wheat purchase the district office should get linkage plan from FCI to avoid any over payment to transporter. The Auditor needs to verify it from the record whether linkage plan provided by FCI has been adhered to strictly, if any discrepancies found which resulted into the over payment of transportation / any financial implication, that needs to be reported.

- 6 The rates of MLC (Mandi labour contractor) and transportation charges to be checked as per Deputy Commissioner (DC) approved rates i.e. SOR (scheduled of rates) of respective years.
- 7 The Corporation provides the facility of Handling and Transport Contractor (HTC) for the warehouses under taken by FCI on guarantee / reservation basis. The Corporation claims the supervision charges @ 8% over and above HTC from FCI, the Auditor should check the calculations.
- 8 The Corporation purchase Jute Bags from DGS&D Kolkata, these bags are packed in the material which is called 'tat and patti', the tat and patti are disposed of at a fixed rate declared by the Govt. The deduction shall be made from Arhtia, this needs to be checked and verified.
- 9 Since the procurement involves huge amount in shape of the transfer of funds from Head office to the field offices and vice versa. This movement of funds is required to be thoroughly audited so as to assess that there should not be any unnecessary blockage of funds at any stage.
- 10 To ensure that the Statutory taxes i.e. VAT / Service Tax / GST, TDS, etc. are deposited timely and the related returns with the concerned authority are also filed / submitted within the stipulated time.
- 11 The stock accounts are maintained on crop year wise which are required to be reconciled with the purchase and delivery. The stock accounts are further required to be checked / reconciled with the details of damaged stocks (crop year wise) i.e. details of amount due / receipt etc. The stock account reconciliation is also required to ascertain the exact loss occurred due to the stock damage.

- 12 The gunnies account / stock account statements are required to be monitored and reconciled with the supply order / RR (crop wise), opening balance, receipt, and utilisation (as per norms fixed by the Govt.) and closing balance, etc. The gunnies taken and given on loan account are also to be reconciled with the procuring agencies.
- 13 Auditor to check and inform the details of arbitration cases and missing stocks etc with the financial implication.
- 14 Auditor to check and inform the details of Court cases and financial implication arising out of this.
- 15 Whether arbitrary deductions made by the FCI have been accounted for in the Books of Accounts and the matter has been taken up with the FCI for its regularisation. To ensure that the proper record of deduction has been maintained in the relevant bill register.
- 16 Whether Storage gain / Assured gain on delivery of wheat (procured for central pool) has been actually accounted for.

20.3 Construction Work:

1. To ensure that the Administrative approval of the work, by the Competent Authority i.e. Managing Director / Committee of Class I Officers / Superintendent Engineer (SE) / Executive Engineer (XEN) wherever applicable, has been obtained.
2. Estimate of work should be duly approved by XEN / SE.
3. Financial Statement should be duly approved / signed by the XEN, Sub Divisional Engineer (SDE), Head Draftsman and the concerned Assistant.
4. Agreement on the non judicial paper of appropriate amount should be made between both the parties, i.e. HSWC and the

agency / party to whom / which the work has been allotted. Tender form should also be signed by both the parties in presence of the witness.

5. Some specific time schedule, i.e. time to complete the work from date of allotment, is given to agency. Further, if the period has been extended, it should be approved by the competent authority i.e. MD / SE / XEN wherever applicable.
6. Complete narration of items in Measurement Book (MB) as mentioned in Haryana Schedule of Rates / Allotment letter shall be made by the Concerned JE / ASDE / SDE.
7. It may be ensured that third party inspection of work has been carried out by the deputed retired SE / Chief Engineer (CE) and compliance has been made by the concerned SDE as per instructions issued in this regard.
8. To ensure that the material i.e. steel, water, cement, concrete, bricks, sheet, etc used by the agency shall be tested under reputed Government Laboratory and test reports certifying / verifying by the concerned SDE's that all the required parameters are in order, shall be enclosed with the bills.
9. To ensure that PAN, TIN, Service Tax Registration / GST of agency have been obtained and verified.
10. All Statutory deductions in-force or coming into force i.e. Tax Deduction at source, GST, Labour Cess (@1% on the gross amount of the bill), etc while making payments shall be made from the bills of agency / party. The Collection charges at the rate of one percent on deposit of Labour Cess and three percent (1% of society fund deducted on net payment, in case the work is allotted to Co-Operative Society) on Society fund shall be retained under the Head "Income from Collection

charges of labour cess and Income from collection charges of Society Fund respectively, as per present norms.

11. It may be ensured that work is executed strictly as per approved DNIT. In case any item executed beyond the approved DNIT, clear orders may be obtained from competent authority through construction branch at Head Office. Non schedule items beyond allotment letter, if executed, should be approved by the Competent Authority i.e. MD / SE / XEN. The execution of non schedule items (in %) shall be as per the norms mentioned in Haryana PWD Code.
12. To ensure that the concerned SDE / XEN has recorded the certificate in the measurement book (MB) on preparation of each bill that the work is executed as PWD specification / Technical specification, drawing and design of HSWC e.g.
 - (a) Cement OPC 43 Grade, Tata / Sail steel has been used by the agency / contractor.
 - (b) Water / electricity has been arranged by the agency / contractor.
 - (c) Cost of dismantled material if any has been recovered from the agency / contractor.
 - (d) Site has been cleared after completion of the work.
13. Total number of cement bags issued / consumed in the work less previous cement bags consumed / recovered and balance to be recovered in the current bill be mentioned separately in the MB as well as in the payment Performa.
14. Actual consumption of cement shall be in conformity with the cement consumption worked out as per applicable factor (i.e. theoretical consumption), however deviation on either side is allowed as per PWD Schedule, recovery at penal rate

prescribed in the PWD Schedule shall made if deviation exceeds the percentage (% of actual consumption) as prescribed in PWD Schedule. Actual consumption of cement shall be reconciled with the cement issue statement in each bill. A cement register shall be maintained depicting date wise receipt and consumption. It should be duly verified by the concerned JE / ASDE / SDE.

15. To ensure that the security (as per allotment letter) is being deducted from each running / final bill. Detail of security is also required to be mentioned in each bill (i.e. total security required to be deducted of the gross work done less previously deducted and the balance to be recovered from the current bill).
16. Anti termite treatment certificate duly verified by the Manager / In-charge or Technical Staff of concerned warehouse / site is required to be enclosed with the bill.
17. If steel item is in weight in that case weighment slip should be duly verified by the concerned ASDE / SDE.
18. Performance guarantee should be deposited as per tender clause.
19. To ensure that sufficient funds have been received from the depositor in case of deposit work being executed by the Corporation.
20. The Gross Work should not exceed 10% of total estimated cost on quoted rates, if it exceeds, the approval of the competent authority i.e. MD shall be obtained invariably.
21. To ensure that technical sanction has been granted by the XEN/ SE

21. Minimum Man days required for performing the internal audit:

1. At least 7 to 10 man days per quarter are required for performing the quarterly internal audit of each District Office and Head Office.
2. The internal audit shall be conducted under the overall supervision of at least one Chartered Accountant whose presence is required all the time during the internal audit at District Office & Head Office.

22. OTHER TERMS AND CONDITIONS:-

1. The Internal Audit / Audit report for the Financial Year 2018-19 shall be completed / submitted within four months from the date of allotment.
2. The time fixed for the submission of the audit report must be adhered to strictly, failing which the penalty of 25% of contract amount can be imposed by Internal Audit Officer (IAO). However, appeal against the imposition of penalty can be made with the Managing Director (i.e. Appellate Authority) of the Corporation. The decision of Managing Director shall be final. **Detail note in this regard is explained at 13.3(C) of RFP**
3. If the Audit report is not upto the mark and satisfactory, then, it shall not be accepted by the Internal Audit Officer (IAO) of the Corporation and no payment can be made against this, security amount shall also be forfeited. However appeal against this can be made before the Managing Director (i.e. Appellate Authority) of the Corporation as per the provision contained in 13.3(C) of RFP, The decision of managing director shall be final.
4. The Schedule for payment for Audit fee has been mention in 11.7 of RFP, however subject to the change of scope, if any

(A). Any other work likely to be considered necessary at any stage will form a part of duty of the auditors.

(B) All disputes and differences arising out of or in any way touching or concerning this agreement whatsoever (except as to any matter, the decision of which is expressly provided for in the agreement) shall be referred to sole Arbitration of any person appointed by Managing Director, HSWC Panchkula. The award of the Arbitrator shall be final and binding on the parties to the agreement. It is a term of agreement that in the event of such Arbitrator to whom the matter is originally referred being transferred or vacating his office or being unable to act or resigning for any reason, the M.D, HSWC at the time of such transfer / vacation of office or inability to act or resigning shall appoint another person to act as arbitrator in accordance with the terms of this agreement. Such person shall be entitled to proceed with the reference from the stage at which it was left by his predecessor.

Provided further that any demand for arbitration in respect of any claim(s) of the party or of the Corporation under the agreement shall be in writing and made within one year of the date of termination or completion (expiry of the period) of the agreement and where this provision is not complied with the claims of the party shall be deemed to have been waived and absolutely barred.

Subject as aforesaid **The Arbitration and Conciliation act 1996 shall apply to the Arbitration proceeding under this clause as amended from time to time.**

(C) The jurisdiction for any litigation shall be at Panchkula.

(D) No document shall be accepted in physical form. All the required documents/certificates/self declaration etc. are required to be submitted through online bidding process only.

(E)The Firm should be implementing quality control policies and procedures designed to ensure that all audit are conducted in accordance with statement on standard Auditing practices is the essential requirement.

23. FORMAT TO QUOTE INTERNAL AUDIT FEE

(To be submitted separately ONLINE only in the Financial BID on the Excel Sheet. Kindly don't submit with the Technical Bid)

Ref. no

Date:

To

**MANAGING DIRECTOR,
HARYANA STATE WAREHOUSING CORPORATION,
BAY NO. 15-18 SECTOR -2,
PANCHKULA, HARYANA.**

Quote for fees for the Internal Audit of HSWC, for the financial year 2018-19.

Dear Sir,

For the Internal Audit assignment of HSWC we quote our composite Annual professional fee (including all out of pocket expenses i.e. travelling expenses / boarding expenses, etc.) as under:

Particulars of Activities	Composite Annual fee (including all out of pocket expenses i.e. travelling expenses / boarding expenses, etc.) in INR.
Internal Audit for Financial year 2018-19 of 9 Distt. Offices including all warehouse centers and Head Office of HSWC as per broad scope at Sr.No. 20 of RFP & within time schedule 22(1) of RFP.(The Internal Audit / Audit report for the Financial Year 2018-19 shall be completed / submitted within four months from the date of allotment).	

Thanking you,

yours faithfully

For Chartered Accountant Partner

24. Annexure-III

Letter of confirmation regarding non-disqualification of audit firm (to be submitted on letter head)

Ref.no

date:

To

**MANAGING DIRECTOR,
HARYANA STATE WAREHOUSING CORPORATION,
BAY NO. 15-18 SECTOR -2,
PANCHKULA, HARYANA.**

Dear sir,

I/We confirm as follows-;

- (i) I am / any of our partners is not an officer / employee of HSWC.
- (ii) I am / any of our partner is not a partner or in employment of any office or employee of HSWC.
- (iii) I am / any of our partner or associates firms or sister concern or branch office is not assigned with Statutory Audit of HSWC.
- (iv) I am / we are not otherwise disqualified to accept the audit in terms of section 141 and 145 of the Companies Act 2013 read with rule 10 of the companies (audit and auditors rules) 2014.
- (v) I am / we are full time practicing Chartered Accountant and are not employed elsewhere and do not have any other business interest.
- (vi) I / we will not be disqualified during the course of audit for any of the reason mentioned above.
- (vii) I / we undertake not to subcontract the audit work assigned to me / us to any party.
- (viii) There should be no court/arbitration/legal cases pending against the firm.

Yours faithfully,

(Chartered Accountant)
Name of signatory
Rubber stamp.

25. ANNEXURE IV

Declaration of fidelity and secrecy (to be submitted on letter head)

I / We, _____ in the capacity of _____ do hereby declare that I / we will faithfully, truly and to the best of my / our skill and ability execute and perform the duties required of me / us as Internal Auditor of HSWC which properly relate to the office of position in the said HSWC by me / us.

I / we further declare that I / we will not communicate or allow to be communicated to any person not legally entitled thereto any information relating to the affairs of HSWC or the affairs of any person having any dealing with HSWC nor will I / we allow any such person to inspect or have access to any books or documents belonging to or in the possession of HSWC and relating to the business of HSWC or to the business of any person having any dealing with HSWC.

Yours faithfully

(Chartered Accountant)
Name of signatory and
Rubber Stamp.

26. Terms of reference for contractual appointment of Chartered Accountant firm as Internal Auditor of HSWC.

1. For the purpose of internal audit, the company will frame audit programme and the same will be communicated to HSWC 15 days in advance of the commencement of audit.
2. The firm will be ensuring that the audit staff has detailed knowledge of the commercial accounting system and the relevant rules and regulations of the business being carried over by the HSWC in addition to the rules and regulations of the State Govt. On completion of the audit, the Audit firm will submit the observations / objection statement containing audit findings. The Audit firm will provide the detailed suggestions for the corrective measures to be taken by HSWC.
3. Issue an Annual Audit certificate under the signature of the authorized signatory of firm in token of completion of internal audit of the accounts of the financial year under audit.
4. Any other specific assistance sought by the co-chair, governing body and the Directors of HSWC in administrative, legal and financial matters.
5. The internal Auditors and / or his team shall pay visit to HSWC as and when required, shall dedicate time for advising the Accounts Branch.
6. The contract may be terminated by either side with a prior notice of seven days.

HARYANA STATE WAREHOUSING CORPORATION
BAY NO.15-18, SECTOR-2, PANCHKULA

27.

Number of warehouses as on 30/04/2018.

Sr. No.	Name of District Office/ Revenue District	Sr. No	Name of Warehouse
1.	AMBALA CITY / AMBALA	1	Ambala City
		2	Naneola
		3	Saha
		4	Mullana
		5	Shahzadpur
		6	Nasirpur
	YAMUNA NAGAR	7	Jagadhri
		8	Yamuna Nagar
		9	Radaur
		10	Sadhaura
2.	KURUKSHETRA / KURUKSHETRA	11	Kurukshetra-I
		12	Kurukshetra-II
		13	Shahabad
		14	Ladwa
		15	Ismailabad
		16	Pehowa
		17	Gumthala Garhu
		18	Pipli
3.	KAITHAL / KAITHAL	19	Kaithal-I
		20	Kaithal-II
		21	Kaithal-III
		22	Siwan

Sr. No.	Name of District Office/ Revenue District	Sr. No	Name of Warehouse
		23	Cheeka-I
		24	Cheeka-II
		25	Jakholi
		26	Pai
		27	Kaul
		28	Kalayat
		29	Rajound
		30	Santoka Majra
4.	PANIPAT / PANIPAT	31	Panipat-I
		32	Panipat-II
		34	Madlauda
		35	Samalkha
		36	Israna
		37	Bapoli
	KARNAL	38	Salwan
		39	Gharaunda-I
		40	Jundla
		41	Taraori
		42	Gheer
		43	Nigdhu
		44	Barsat
		45	Nissing
	SONEPAT	46	Gohana
		47	Pungthala
		48	Barwala

Sr. No.	Name of District Office/ Revenue District	Sr. No	Name of Warehouse
5.	FATEHABAD / HISAR	49	Hansi
		50	Uklana
		51	Fatehabad
	FATEHABAD	52	Dharsul
		53	Tohana-I
		54	Tohana-II
		55	Jakhal
		56	Rattia
		57	Bhuna
		58	Bhattu
	BHIWANI	59	Bhiwani
		60	Bawani Khera
		61	Kohlawas
		62	Sirsa-I
	6.	SIRSA / SIRSA	63
64			Dabwali
65			Ellenabad
66			Kalanwali
67			Rania
68			Chautala
69			Jeewan Nagar
70			Rori
71			Bani
72			Baragudha
73			Rohtak-I

Sr. No.	Name of District Office/ Revenue District	Sr. No	Name of Warehouse	
7.	ROHTAK / ROHTAK	74	Rohtak-II	
		75	Lakhan Majra	
		76	Meham	
		77	Jind	
	JIND		78	Safidon-I
			79	Uchana
			80	Alewa
			81	Dhamtan Sahib
			82	Dhanauri
			83	Jullana
			84	Nagura
			85	Naya Bans
			86	Gugaheri
			87	Rewari-I
	88	Rewari-II		
	89	Safidon-II		
8.	REWARI / REWARI	90	Jhajjar	
		91	Bahadurgarh	
	JHAJJAR	92	Rampura	
		93	Narnaul	
		94	Kanina	
	MOHINDERGARH	95	Ateli	
		96	Nangal Chaudhary	
97		Mohindergarh		

Sr. No.	Name of District Office/ Revenue District	Sr. No	Name of Warehouse
9		98	Kheri Kalan
		99	Sevali
	FARIDABAD / FARIDABAD	100	Palwal-I
		101	Palwal-III
	PALWAL	102	Hodal-I
		103	Badauli
		104	Hathin
		105	Pataudi
		106	Farukh Nagar
	GURGAON	107	Siwari
		108	Tauru
109		Nuh	
MEWAT	110	Pinangwan	
	111	Ferozpur Zhirka	

ACCOUNTING POLICIES

1. The Accounts of the Corporation are maintained on historical Cost Basis and as an on going concern.
2. The income and expenditure are accounted for on accrual basis except that:-
 - a) the interest on advances to staff, is accounted for on actual receipt basis.
 - b) the expenditure on repair and maintenance of buildings is accounted for on the basis of actual payments/adjustments made during the year.
 - c) the income/expenditure pertaining to previous year, if received/paid during the year is accounted for under the "Prior Period Adjustment Account."
 - d) in case of procurement of Bajra and gunny bags, the valuation of closing stock has been taken on the basis of cost price or market price whichever is less.
3. The expenses and income from conversion of paddy into rice will be accounted for at the time of actual conversion.
4. A portion of the capital subsidy equal to the amount of depreciation for the year in respect of the rural godowns under Public Distribution System has been credited to Profit and Loss Account.
5. Incidentals, interest and storage charges on wheat procured for Central Pool are accounted for on the basis of provisional rates fixed by the Govt. of India during the year. The differences between provisional and final rates are accounted for in the year of finalization of rates.
6. Prior period adjustment account is shown, on the basis of net income and expenditure pertaining to the previous years.
7. Depreciation on fixed assets:
 - a) Depreciated on fixed assets is charged on written down value at determined by the Corporation (based on Technician's report on life of Assets) as detail below:

Rates Adopted by HSWC (based on useful life) %		
Sl.No.	Heads of Assets	Percentage
1	Administrative Block/CFS	2.5
2.	Warehouse Building	2.5
3.	HSWC Staff Flat	2.5
4.	Furniture & Fixture (Wooden)	17.10
5.	Furniture & Fixture (Steel)	13.91
6.	Cash Safe	12.73
7	Carpets etc.	45.07
8.	Wooden Crates	45.07
9.	Poly Pallet crates	18.10
10	Warehouse Equipment	28.31
11	Warehouse Goods (Lock etc.)	25.89
12	Warehouse Goods(Hand Pump etc)	77.64
13	Beam Scale	18.10
14.	Electric Goods (Cooler etc)	18.10
15.	Electric Goods (Ceiling Fan etc)	19.26
16.	Invertor	13.91
17.	Computer (Hardware/BAS)	39.30
18	Laptop	45.07
19	Laboratory Equipment	31.23
20	Vehicle	27.52
21	Electric fitting	12.21
22.	Weighbridge	7.38
23	Generator above 50 KW	20.58
24	Office Equipment	23.84
25	Moisture Meter	25.89

- b) The assets having value upto Rs.500/- each are charged to revenue. Assets having value more than Rs.500/- and upto Rs.5,000/- are capitalised and depreciation thereon charged @ 100% leaving a nominal value of Rs.1/- for each such assets.

- c) In case any asset that is purchased by the Corporation, which is not covered under the heads mentioned above, the same would be placed under a matching head and depreciation would be charged accordingly.
- d) The original cost and accumulated depreciation in respect of assets sold/written off except in case of vehicle are not available. Therefore, the original cost and accumulated depreciation has been derived on estimated life of the respective asset.
- e) The policy shall follow the disclosure norms as specified in Accounting Standards-6 i.e. "Depreciation Accounting"
- f) Fixed assets are shown at historical cost less accumulated depreciation, However the assets whose depreciated value has come below Rs.1/-, the same has been retained at Rs.1/-.
- g) Depreciation/ amortization is provided on pro-rata basis from the month the assets are put to use during the financial year. For assets which are sold or disposed off/written off during the financial year, depreciation/amortization is provided till the month of sale or disposal/written off of such assets.
- 8 Deferred revenue expenditure in respect of tarpaulins, Low Density Polythene covers and Multilayer Cross Laminated Covers, has been written off @63.16% on written down method.
- 9. Provisions debited to Profit and Loss Account are made on actuarial valuation in respect of Gratuity, Leave encashment and Pension. Provisions in respect of Pay Scale and miscellaneous advances on account of expenses to employees and others are made on adhoc basis.
- 10. Investments are stated at cost price.
- 11 .Fixed Assets are stated at original cost minus depreciation till date.
- 12 .All expenses pertaining to construction of Fixed Assets (Capital Work in progress) are capitalized under appropriate fixed assets account head. The cut off date for this purpose is date when fixed asset is ready to put to use.
- 13. Capital works in progress are accounted for on the basis of actual payments/ adjustments made during the year.
- 14.. Stock in hand is shown at cost price except in case of gunny bags & Bajra, which are shown at "cost or market price whichever is less".
- 15 Sundry debtors are related to the business of the Corporation and are good to be realizable during the course of business. However in respect of debts

outstanding for more than 5 years, provision for bad & doubtful debts are made.

16. The Corporation has created funds for Provident Fund, Gratuity and Employees Welfare.