



Bid Number/बोली क्रमांक (बिड संख्या):
GEM/2024/B/5537500
Dated/दिनांक : 23-10-2024

Bid Document/ बिड दस्तावेज़

Bid Details/बिड विवरण	
Bid End Date/Time/बिड बंद होने की तारीख/समय	06-11-2024 16:00:00
Bid Opening Date/Time/बिड खुलने की तारीख/समय	06-11-2024 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 And Urban Poverty Alleviation
Department Name/विभाग का नाम	Hudco
Organisation Name/संगठन का नाम	Housing And Urban Development Corp
Office Name/कार्यालय का नाम	Bengaluru
Item Category/मद केटेगरी	Financial Audit Services - Review of Financial Statements, Financial Reporting Framework, Audit report; CA Firm
Contract Period/अनुबंध अवधि	11 Month(s) 4 Day(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 Years of Experience and Turnover/ अनुभव के वर्षों से एमएसई छूट	No
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,Bidder Turnover *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
ITC available to buyer/क्रेता के लिए उपलब्ध आईटीसी	Yes

Bid Details/बिड विवरण	
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
Financial Document Indicating Price Breakup Required/मूल्य दर्शाने वाला वित्तीय दस्तावेज ब्रेकअप आवश्यक है	Yes

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. 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.

2. 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.

3. 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:As per NIT

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.:As per NIT

Number of full-time partners/experienced and qualified professionals in full time employment at senior level with experience in handling similar or relevant projects:As per NIT

Number of partners/ qualified professionals in full time employment with DISA/CISA qualification:As per NIT

Number of XX fulltime CA's required and YY professional audit staff:As per NIT

Price Breakup Format for the bidders to upload for providing break-up of overall project cost:[1729676227.pdf](#)

Financial Audit Services - Review Of Financial Statements, Financial Reporting Framework, Audit Report; CA Firm (1)

Technical Specifications/तकनीकी विशिष्टियाँ

Specification	Values
Core	
Scope of Work	Review of Financial Statements , Financial Reporting Framework , Audit report
Type of Financial Audit Partner	CA Firm
Type of Financial Audit	Internal Audit
Category of Work under Financial Audit	Internal control of financial , Reliability of financial reporting , Audit of financial statements , Compliance with law & regulations , Governance of company , Compliance with contracts , Risk Management , Bank Transactions , Review system & processes
Type of Industries/Functions	NBFC IFC and as per NIT , Payables
Frequency of Progress Report	As per NIT
MIS Reporting for Financial Audit support	Yes
Frequency of MIS reporting	As per NIT
State	NA
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
18%	NA

Additional Specification Documents/अतिरिक्त विशिष्ट 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	Keshavamurthy K H	560042,UNIT NO. 703 & 704, 7TH FLOOR MANIPAL CENTRE, NORTH BLOCK 47, DICKENSON ROAD	1	<ul style="list-style-type: none">Number of Months for which Post Audit Support is required : 12

Buyer Added Bid Specific Terms and Conditions/क्रेता द्वारा जोड़ी गई बिड की विशेष शर्तें**1. Generic**

- The Seller shall not assign the Contract in whole or part without obtaining the prior written consent of buyer.
- The Seller shall not sub-contract the Contract in whole or part to any entity without obtaining the prior written consent of buyer.
- The Seller shall, notwithstanding the consent and assignment/sub-contract, remain jointly and severally liable and responsible to buyer together with the assignee/ sub-contractor, for and in respect of the due performance of the Contract and the Sellers obligations there under.

2. Payment

PAYMENT OF SALARIES AND WAGES: Service Provider is required to pay Salaries / wages of contracted staff deployed at buyer location first i.e. on their own and then claim payment from Buyer alongwith all statutory documents like, PF, ESIC etc. as well as the bank statement of payment done to staff.

3. Buyer Added Bid Specific Scope Of Work(SOW)

File Attachment [Click here to view the file.](#)

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.

5. Buyer Added Bid Specific ATC

Buyer uploaded ATC document [Click here to view the file.](#)

6. 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.

7. Service & Support

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

8. Service & Support

Escalation Matrix For Service Support : Bidder/OEM must provide Escalation Matrix of Telephone Numbers for Service Support.

9. Service & Support

The Service Provider is required to have at least 40 % of the required manpower on service provider's payroll for at least one year. Necessary documents relating to such manpower will be uploaded by the bidder for verification of the buyer. Such manpower will be part of total manpower to be provided by the Service Provider in case he gets the contract against this bid.

10. Purchase Preference (State)

Bid reserved for MSE from the State of Bid Inviting Authority: Procurement under this bid is reserved for purchase from Micro and Small Enterprises from the State of Bid Inviting Authority having valid Udyam Registration and whose credentials are validated online through Udyam Registration portal. If the bidder wants to avail themselves of the reservation benefit, the bidder must be the manufacturer / OEM of the offered product on GeM. Traders are excluded from the purview of Public Procurement Policy for Micro and Small Enterprises and hence resellers offering products manufactured by some other OEM are not eligible to participate in this bid. In respect of bid for Services, the bidder must be the Service provider of the offered Service. Relevant documentary evidence in this regard shall be uploaded along with the bid in respect of the offered product or service, and Buyer will decide eligibility based on documentary evidence submitted, while evaluating the bid. Benefits of MSE will be allowed only if seller is validated on-line in GeM profile as well as validated and approved by Buyer after evaluation of documents submitted.

11. Past Project Experience

Proof for Past Experience and Project Experience clause: For fulfilling the experience criteria any one of the following documents may be considered as valid proof for meeting the experience criteria:a. Contract copy along with Invoice(s) with self-certification by the bidder that service/supplies against the invoices have been executed.b. Execution certificate by client with contract value.c. Any other document in support of contract execution like Third Party Inspection release note, etc.**Proof for Past Experience and Project Experience clause:** For fulfilling the experience criteria any one of the following documents may be considered as valid proof for meeting the experience criteria:a. Contract copy along with Invoice(s) with self-certification by the bidder that service/supplies against the invoices have been executed.b. Execution certificate by client with contract value.c. Any other document in support of contract execution like Third Party Inspection release note, etc.

12. Buyer Added Bid Specific SLA

File Attachment [Click here to view the file.](#)

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---

**Sub.:- APPOINTMENT OF CHARTERED ACCOUNTANT FIRMS AS
INTERNAL AUDITORS FOR UNDERTAKING RISK
BASED INTERNAL AUDIT INCLUDING REVIEW AND
UPDATION OF INTERNAL FINANCIAL CONTROLS FOR
THE YAER 2024-25**

Sir,

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 Bangalore Regional Office invite offers from eligible Chartered Accountant firms for appointment as Internal Auditors in order to facilitate comprehensive Internal Audit for the financial year 2024-2025.

The following conditions are applicable with regard to submission of quotation for award of work by HUDCO Regional Office Bangalore.

(I) ELIGIBILITY CRITERIA:

1. The CA firm should be partnership/limited liability partnership (LLP) registered with the Institute of Chartered Accountant of India (ICAI) and should have minimum 5 years standing (Copy of the Registration Certificate to be Enclosed.).
2. The Chartered Accountant Firm should produce PAN and GST registration certificate, MSME certificate (if applicable along with TREDIS registration certificate – If not available CA firm should comply with it before the contract is awarded).
3. The CA Firm should have carried out Internal Audit assignment / statutory audit in Branch Office / Head office of at least 2 PSU / PSU Banks / PFI / PSU NBFC in the last 5 financial years.
4. CA Firm should have minimum three number of partners (CAs) and minimum five number of paid assistants {qualified (CA/CMA)/semi qualified (CA/CMA- inter)}.
5. CA firm should have local office within the region (Bangalore) having minimum five working staff (including one partner and one qualified CA).

6. 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 assignment as above as internal auditors of the said Regional Office.
- (iii) There has not been any disciplinary action initiated by ICAI or any regulatory authority against the firm during the last 5 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.
- (v) CA firm is required to undertake 100% verification of all activities prescribed in scope of work.

(II) TENURE OF THE APPOINTMENT:

The Firm may be engaged initially for a period of one year for Internal Audit for the year 2024-2025 (1.4.2024 to 31.3.2025). However, their appointment shall be renewed on yearly basis based on the satisfactory performance for further period of 2 years on same terms and conditions including fees with slight modification in scope of work as per requirement with approval of Hqrs.

(III) MAXIMUM COST OF CERTIFICATION WORK AS APPROVED:

The fees of CA firm (excluding GST) should not exceed Rs.1.00 lakh for the financial year.

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 1st quarter – 15%
- On submission of report of 2nd quarter – 20%
- On submission of report of 3rd quarter – 20%
- On submission of report of 4th quarter – 25%

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

(IV) GENERAL TERMS & CONDITIONS :

- (1) The CA firm is expected to submit the Audit Report in the prescribed format to be issued by 7th of succeeding month from the end of the quarter.

- (2) The CA firm shall not disclose to any person the confidential information relating to the assignment or HUDCO's business or operation without prior permission of Head Internal Audit Department, Hqrs, New Delhi.
- (3) In case of any dispute between HUDCO and CA Firm regarding the present assignment given to the CA firm the decision of the CMD HUDCO shall be final and binding on all the parties.
- (4) The tender is invited for the whole assignment as per the scope of work in brief enclosed and no part assignment shall be considered. The Detailed Scope of Work shall be disclosed to the short-listed bidder at the time of awarding the contract.
- (5) The audit has to be conducted with highest standard of professional ethical competence and integrity.
- (6) HUDCO shall have the right to terminate the contract forth with by giving notice of 30 days at the address mentioned herein on failure to provide satisfactory service.
- (7) 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.
- (8) HUDCO has the right to replace CA Firm, if it is found that the performance, reporting / verification are not of required standard.
- (9) Any modification in offer after the last date of submission will not be considered.
- (10) HUDCO Regional Office Bangalore reserves the right to accept or reject any or all offers without assigning any reason.
- (11) Incase any information / clarification is required in respect of Tender, the same may be obtained by visiting HUDCO Regional Office Bangalore during working days (Monday to Friday between 10:00a.m. to 5:00p.m.).
- (12) The selection of consultant to be carried out after following the two bid system i.e. tenderer shall be required to submit technical & financial bid in separate sealed cover clearly indicating "**Technical Bid**" & "**Financial Bid**" over all sealed envelope.
- (13) The offer / quotation should include the firm's detailed profile including the firm's name, address, date of establishment, detailed profile of partners and brief details of paid CA's associates / support staff, clientele (PSUs, Banks, Other Companies) experience in handling work of PSUs along with supporting documents.
- (14) The Technical Bid will be opened on **06.11.2024 at 4:00 P.M.**
- (15) The Financial Bid of shortlisted firms on the basis of Technical Bid shall be opened on **11.11.2024 at 4:00 P.M**

- (16) Bidders under Micro Small and Medium (MSME) development act 2006 are required to enclose requisite certificate issued by authorities. The participating Micro Small and Medium enterprises concern quoting the price within the band of L-1 + 15% may be allowed to supply/serve provided the MSME matches the rates of L-1 party in a situation where the L-1 rates are quoted by the company other than MSME.
- (17) Bidders shall be required to issue tax invoice in accordance with GST Act and/or Rules so that input credit can be availed by HUDCO. In the event that the Contractor/ vendor fails to provide the invoice in the form and manner prescribed under the GST Act read with GST invoicing Rules thereunder, HUDCO shall not be liable to make any payment on account of GST against such invoice.
- (18) The quoted price shall be inclusive of all taxes except "Goods and Services Tax" (hereinafter called GST) i.e. IGST or CGST and SGST/UTGST applicable in case of interstate supply or intra state supply respectively and GST compensation Cess if applicable).
- (19) The bidder to ensure the deposition of GST liability and return filing as per the schedule dates and in case of any lapse on the part of bidder in regard to non-uploading/incorrect uploading of invoice particulars on GST Portal, in case of any non-allowance of GST input Credit to HUDCO and interest or penalty, if any levied on HUDCO due to any of the above then same will be recovered from the supplier/service provider.
- (20) Payment(s) will be made by NEFT/RTGS system upon receipt of bill/invoice favouring the operator's bank account. The applicable taxes shall be adjusted from the payment as per Income Tax Act and GST Act.
- (21) IntermsofGFRrule170(iii), Bidders are not required to pay Bid Security i.e. Earnest Money Deposit (EMD), instead Bid Security Declaration in the prescribed format (Annexure-A) is required to be submitted.

Thanking you

For and on behalf of HUDCO

AUTHORISED SIGNATORY

TECHNICAL BID

- (1) Name of the Firm _____
- (2) Status of the Firm _____
- (3) Date of Establishment of Firm (Certificate to be enclosed) _____
- (4) Address of the Firm _____

- (5) Telephone Numbers/E-Mail :
- (6) No. of Partners, Name and Membership No(s).

(Minimum 3 is mandatory, proof to be enclosed)

Sl. No.	Name of the Partner	Membership No.	Place of Office/ Branch

- (7) No. of Paid Assistants (Qualified/Semi Qualified).

(Minimum 5 is mandatory)

Sl. No.	Name of the paid Assistants	Qualified/Semi Qualified.	Place of Office/ Branch

- (8) No. of other Paid Staff (In No.) : _____.

- (9) Details of local office working staff

(Minimum five working staff (including one partner) is mandatory)

Sl. No.	Name of the Partner /Staff		Remarks

Details of experience in undertaking Internal Audit work of PSU (atleast 5years' experience in PSU is mandatory, proof to be enclosed).	
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Date :

Place : **(Signature of the Authorized Signatory with seal)**

FINANCIAL BID

1. Name of Firm _____
2. PAN No. _____
3. GST Registration No. _____

Description of the work	Amount (Rs) excluding applicable GST
As per the scope of work enclosed	
Total (Per Annum)	_____/- In Words (_____)

Date :

Place :

(Signature of the Authorized Signatory with seal)

BANK DETAILS

The details of Bank A/c in which payment is to be transferred and other details are as follows:-

Bank Name, Branch Name & Address, Telephone Number		
Account Type (SB A/c/ CA/	Bank Code	IFCS Code

Date :

Place :

(Signature of the Authorized Signatory with seal)

On Letter head of the Firm

FORMAT FOR BID SECURITY DECLARATION

Whereas, I/we _____ (name of Bidder) have submitted bid for _____ (name of work).

I/we hereby submit 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.

Signed by the Authorized Signatory

SCOPE OF WORK IN BRIEF FOR THE FINANCIAL YEAR 2024-25

PART-I

1. RISK BASED INTERNAL AUDIT TO BE CARRIED 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, over-dues, 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 and 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 up-dation 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.