



Bid Number/बोली क्रमांक (बिड संख्या):

GEM/2024/B/5482091

Dated/दिनांक : 08-10-2024

Bid Document/ बिड दस्तावेज़

Bid Details/बिड विवरण	
Bid End Date/Time/बिड बंद होने की तारीख/समय	15-10-2024 12:00:00
Bid Opening Date/Time/बिड खुलने की तारीख/समय	15-10-2024 12:30:00
Bid Offer Validity (From End Date)/बिड पेशकश वैधता (बंद होने की तारीख से)	30 (Days)
Ministry/State Name/मंत्रालय/राज्य का नाम	Ministry Of Housing & Urban Affairs (mohua)
Department Name/विभाग का नाम	Hudco
Organisation Name/संगठन का नाम	Housing And Urban Development Corporation Ltd
Office Name/कार्यालय का नाम	Vijayawada Regional Office
Item Category/मद केटगरी	Financial Audit Services - Financial Reporting Framework, Audit report; CA Firm
Contract Period/अनुबंध अवधि	1 Year(s)
Years of Past Experience Required for same/similar service/उन्हीं/समान सेवाओं के लिए अपेक्षित विगत अनुभव के वर्ष	5 Year (s)
Past Experience of Similar Services required/इसी तरह की सेवाओं का पिछला आवश्यक अनुभव है	Yes
MSE Exemption for 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,Certificate (Requested in ATC),OEM Authorization Certificate,OEM Annual Turnover,Additional Doc 1 (Requested in ATC),Additional Doc 2 (Requested in ATC),Additional Doc 3 (Requested in ATC),Additional Doc 4 (Requested in ATC) *In case any bidder is seeking exemption from Experience / Turnover Criteria, the supporting documents to prove his eligibility for exemption must be uploaded for evaluation by the buyer
Do you want to show documents uploaded by bidders to all bidders participated in bid?/	Yes

Bid Details/बिड विवरण	
Bid to RA enabled/बिड से रिवर्स नीलामी सक्रिय किया	No
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
Arbitration Clause	No
Mediation Clause	No

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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MSE Purchase Preference/एमएसई खरीद वरीयता

MSE Purchase Preference/एमएसई खरीद वरीयता	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. Purchase preference to Micro and Small Enterprises (MSEs): Purchase preference will be given to MSEs as defined in Public Procurement Policy for Micro and Small Enterprises (MSEs) Order, 2012 dated 23.03.2012 issued by Ministry of Micro, Small and Medium Enterprises and its subsequent Orders/Notifications issued by concerned Ministry. If the bidder wants to avail the Purchase preference 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 service. If L-1 is not an MSE and MSE Service Provider (s) has/have quoted price within L-1+ 15% of margin of purchase preference /price band as defined in the relevant policy, then 100% order quantity will be awarded to such MSE bidder subject to acceptance of L1 bid price. The buyers are advised to refer to the [OM_No.1_4_2021_PPD_dated_18.05.2023](#) for compliance of Concurrent application of Public Procurement Policy for Micro and Small Enterprises Order, 2012 and Public Procurement (Preference to Make in India) Order, 2017. Benefits of MSE will be allowed only if the credentials of the service provider are validated on-line in GeM profile as well as validated and approved by the Buyer after evaluation of submitted documents.
3. Estimated Bid Value indicated above is being declared solely for the purpose of guidance on EMD amount and

for determining the Eligibility Criteria related to Turn Over, Past Performance and Project / Past Experience etc. This has no relevance or bearing on the price to be quoted by the bidders and is also not going to have any impact on bid participation. Also this is not going to be used as a criteria in determining reasonableness of quoted prices which would be determined by the buyer based on its own assessment of reasonableness and based on competitive prices received in Bid / RA process.

4. Past Experience of Similar Services: The bidder must have successfully executed/completed similar Services over the last three years i.e. the current financial year and the last three financial years(ending month of March prior to the bid opening): -

1. Three similar completed services costing not less than the amount equal to 40% (forty percent) of the estimated cost; or
2. Two similar completed services costing not less than the amount equal to 50% (fifty percent) of the estimated cost; or
3. One similar completed service costing not less than the amount equal to 80% (eighty percent) of the estimated cost.
5. Short Duration Bid has been published by the Buyer with the approval of the Competent authority due to Emergency procurement of critical products/services.

Additional Qualification/Data Required/अतिरिक्त योग्यता /आवश्यक डेटा

Number of Years of firm/company's existence as per ICAI certificate5

Number of years of experience as on date of which at least XX years should be in internal/external audit of companies, PSUs and centrally funded institutions.5

Number of full-time partners/experienced and qualified professionals in full time employment at senior level with experience in handling similar or relevant projects:5 Professionals

Number of partners/ qualified professionals in full time employment with DISA/CISA qualification3 Partners

Number of XX fulltime CA's required and YY professional audit staff5 working staff including 1 Partner and 1 qualified CA.

Price Breakup Format for the bidders to upload for providing break-up of overall project cost:[1728367492.pdf](https://www.icaai.org/Download/1728367492.pdf)

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

Technical Specifications/तकनीकी विशिष्टियाँ

Specification	Values
Core	
Scope of Work	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 , Compliance with law & regulations , Risk Management , Review system & processes
Type of Industries/Functions	Receivables , Cash and Bank Balance , Payables , Fixed assets, depreciation and amortisation , Operational & Administrative , Human Resource & Payroll
Frequency of Progress Report	Monthly
MIS Reporting for Financial Audit support	Yes

Specification	Values
Frequency of MIS reporting	Monthly
State	NA
District	NA
Addon(s)/एडऑन	
Post Financial Audit Support	NA

Additional Specification Documents/अतिरिक्त विशिष्टि दस्तावेज़

Consignees/Reporting Officer/परेषिती/रिपोर्टिंग अधिकारी

S.No./क्र. सं.	Consignee Reporting/Officer/ परेषिती/रिपोर्टिंग अधिकारी	Address/पता	To be set as 1	Additional Requirement/अतिरिक्त आवश्यकता
1	Todeti Srinivasa Babu	520010,Housing and Urban Development Corporation Ltd. 36-14-1, II Floor, Veeramachaneni Complex Jammichettu Centre, Mogalrajapuram Vijayawada	1	N/A

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

1. Generic

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

2. Buyer Added Bid Specific ATC

Buyer uploaded ATC document [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---

NOTICE FOR INVITATION OF TENDER**No.Hudco/VRO/tender/2024-2025****Date: 07-10-2024****Invitation of tender for Appointment of Chartered Accountant Firm as an Expert for carrying out Risk Based Internal Audit including review and updation of Internal Financial Controls for the Financial Year 2024-25 for HUDCO, Vijayawada Regional Office.**

HUDCO, a Government of India Enterprise, a Navaratna CPSE, having its Regional office situated at 2nd floor Veeramachaneni complex, Jammi Chettu Center, Mogalrajpuram, Vijayawada , invites quotations from Chartered Accountant Firms for carrying out Risk Based Internal Audit for the FY 2024-2025 as per the specifications/procedure mentioned here in the tender document for HUDCO, Vijayawada Regional Office.

CA Firm shall mandatorily fulfill the **minimum technical criteria** as mentioned below:

- a) The CA Firm should be a Partnership/Limited Liability Partnership (LLP) registered with the Institute of Chartered Accountants of India (ICAI) and should have minimum Five Years Standing.
- b) The bidder to produce PAN and GST Registration Certificate, MSME certificate (if applicable) along with the TREDS registration Certificate -If not available, CA firm should comply with it before the contract is awarded)
- c) The CA Firm should have carried out Internal Audit assignment/Statutory Audit in Branch Office/Head Office of at least two Public Sector Undertakings/ Public Sector Banks/Public Financial Institutions/Public Sector NBFCs in the last five Financial Years. (Assignment as Stock Audit not to be considered).
- d) CA Firm should have minimum three number of partners, minimum five numbers of paid assistants (qualified CA/CMA/ semi qualified CA/CMA-Inter).
- e) CA Firm should have local office having minimum five working staff (including one partner and one qualified CA).
- f) CA Firms presently appointed as Consultant in Concerned Regional Office is not eligible for appointment at respective Regional Office.
- g) CA Firm to give an undertaking –
 - i. That none of the partners has any relation with any employee of HUDCO and also none of them has any relationship within the meaning of Section 2(76) of the Companies Act, 2013 and also that none of them has any relationship with the Statutory Auditors or such related work of the 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/HSMI which will have conflict of interest with the current assignment.
- iii. There has not been any disciplinary action initiated by ICAI or any regulatory authority against the firm during last five years. As on date, the disciplinary action should have been disposed off.
- iv. The Firm has not been banned, delisted or debarred from business by any Regulatory Body / Statutory Body / PSU / Govt. Department or any other Institution.

Selection Procedure:

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

1. The selection of CA Firms will be carried out after following the two bid system.
2. Technical bid should be uploaded along with the signature of authorised signatory on each page as per format in Annexure-I
3. Financial bid should be uploaded separately along with the signature of authorised signatory as per format in Annexure-II
4. Both the bids should be submitted before the specified date and time.
5. The Firm meeting the minimum technical criteria as prescribed will be short listed by opening technical bid.
6. Financial bid of short listed firms will be opened and firm standing L-1, will be selected for appointment with approval of competent authority.

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

Scope of work:

- CA firm is required to undertake 100% verification of all activities prescribed in the scope of work. The scope of work should broadly cover the points as given in **Annexure V.**
- The Audit team will consist minimum of one Chartered Accountant and one paid assistant (qualified (CA/CMA)/semi qualified (CA/CMA- inter) headed by partner of the CA Firm.
- The CA Firm is expected to submit the Audit Report in the prescribed format to be issued by seventh of succeeding month from the end of the quarter.
- Regional Office to take timely action for necessary rectifications with a view to keep updated record. However, CA firm may include those observations in their report to Head Office where there is difference of opinion and which remain unattended / pending

rectification. Further such observations should be reviewed and their compliance is to be reported in the subsequent Audit Reports until such time these are rectified.

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

Tenure:

The Firm may be engaged initially for a period of one year for internal audit for FY 2024-25 (01-04-2024 to 31-03-2025). However, the appointment may be renewed on yearly basis based on the satisfactory performance for a further period of two years on same terms & conditions including fees with slight modification in the scope of work as per requirement with the approval of H.O.

Fees for Services:

1. The total maximum fee for the assignment is Rs.1,00,000/-(one Lakh only) excluding GST for the Financial Year.
2. The payment of fees shall be made to the firm(i.e.Selected firm as per L1 price) on completion of assignment as per the scope of Work as under :
 - On submission of report of First quarter - 15%
 - On submission of report of Second quarter - 20%
 - On submission of report of Third quarter - 20%
 - On submission of report of Fourth quarter - 25%
 - Balance 20% shall be released after audit of annual accounts by Statutory Auditors and issuance of Tax Audit Report.

Other Terms & Conditions:

1. In terms of GFR rule 170(iii), Bidders are not required to pay Bid Security i.e. Earnest Money Deposit (EMD), instead Bid Security Declaration in the prescribed format **(Annexure-IV)** is required to be submitted.
2. Copy of ICAI Registration Certificate, PAN Card, Local Address Proof, GST Registration Certificate and MSME Certification (if applicable along with the TREDS registration Certificate –(If not available, CA firm should comply with TREDS Registration before the contract is awarded) may be submitted along with the Technical Bid.)
3. CA firm shall not disclose to any person the confidential information relating to the assignment or HUDCO's business or operations without prior permission of Head, Internal Audit Department, Head Office, New Delhi.
4. In case of any dispute between HUDCO and the CA Firm regarding the present assignment given to the CA Firm at Regional Office/HSML, the decision of the CMD, HUDCO shall be final and binding on all the parties.

5. The quotation is invited for the whole assignment as per the scope of work in brief enclosed and no part assignment shall be considered.
6. Internal Audit Department, Head Office has the right to replace CA firms if it is found that the reporting / certification is not of required standard.
7. The Risk Based Internal Audit is to be conducted with the highest standard of professional, ethical competence and integrity.
8. HUDCO shall have the right to terminate the contract forthwith by giving notice of 30 days at the address mentioned herein on failure to provide satisfactory service. The decision of HUDCO regarding dissatisfaction of services/delay/damages caused by CA Firm shall be final. Further in such an event, HUDCO shall have the right to forfeit the compensation for the contract and also recover damages without any further notice to CA Firm.

Annexure-1

TECHNICAL BID

S.No.	Eligibility criteria	Documents required	Complied (tick)
1	The CA Firm should be a Partnership/Limited Liability Partnership (LLP) registered with the Institute of Chartered Accountants of India (ICAI) and should have minimum Five Years Standing.	Copy of Firm Registration certificate issued by ICAI to be enclosed	Yes/No
2	The CA Firm should have carried out Internal Audit assignment/Statutory Audit in Branch Office/Head Office of at least two Public Sector Undertakings/ Public Sector Banks/Public Financial Institutions/Public Sector NBFCs in the last five Financial Years. (Assignment as Stock Audit not to be considered).	Copy of Appointment letter issued/work order to be enclosed.	Yes/No
3	Total No. of partners (minimum 3 is must)	<ul style="list-style-type: none"> • Certificate issued by ICAI containing the details of partners of firm to be enclosed • profile of the partners to be enclosed. 	Yes/No
4	Total numbers of paid assistants in the firm (qualified CA/CMA/ semi qualified CA/CMA-Inter) – Minimum 5 is must	<ul style="list-style-type: none"> • List of paid assistant with name, qualification & experience to be enclosed. 	Yes/No
5	CA Firm should have local office having minimum five working staff (including one partner and one qualified CA).	Enclose list as follows: Name of Partner: Name of Qualified CA: Name of staff & qualification:(3 No.s)	Yes/No
6	Complete Local Branch address with Telephone No:	Proof to be enclosed	Yes/No
7	GST Registration No.	Proof to be enclosed	Yes/No
8	Pan Card No.	proof to be enclosed	Yes/No
9	MSME certificate(if applicable)	Proof to be enclosed	Yes/No
10	Treds registration No. if available Treds registration if not available, CA firm should comply with it before the contract is awarded	Proof to be enclosed	Yes/No
11	Undertaking by firm on its letter head as per Annexure-III	To be enclosed	Yes/No
12	Bid declaration form as per annex-IV	To be enclosed	Yes/No

(on letter head of the firm)

Annexure-II

Financial Bid

(To be uploaded separately not as a part of Technical Bid)

	Amount in figures	Amount in words
Lumpsum Fees for carrying out risk based Internal Audit assignment for the FY 2024-2025		

Note:

- 1) Fees must be quoted excluding GST only strictly.
- 2) In case of difference in figures & words fees quoted in words will be considered.
- 3) Financial bid shall be duly signed by the partner of the firm along with stamp on firm letter head.
- 4) Lumpsum fee is all inclusive cost on account of out of pocket expenses, travelling expenses and other incidental charges no additional payments will be made.

Signature of the partner with Seal
Name of the Partner:

On the letter head of the firm

Annexure-III

We _____(Firm Name) hereby solemnly declare and undertake the following:

1. 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 the 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.
2. Certified that we have not been appointed for carrying out certification/consultancy or such related work of the same Regional Office/HSML which will have conflict of interest with the current assignment.
3. There has not been any disciplinary action initiated by ICAI or any regulatory authority against the firm during last five years. As on date, all the disciplinary actions should have been disposed off.
4. The Firm has not been banned, delisted or debarred from business by any Regulatory Body / Statutory Body / PSU / Govt. Department or any other Institution.

Signature of the partner with Seal
Name of the Partner:

Annexure-IV

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

ANNEXURE-V (REGIONAL OFFICE)**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, overdues, their recovery, and long pending entries.

D. Fixed Assets

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

E. Liabilities

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

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

F. Borrowings

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

G. Income

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

H. Expenses

- a) Assess that the CSR policy is followed for sanction of the project and agreement is executed. Thereby, the fund disbursement 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, etc are sent to HO as per the latest policies.

K. Human Resources

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

L. Information Technology

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

M. Legal

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

N. Risk Management

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

O. Fraud Monitoring

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

PART-II

INTERNAL FINANCIAL CONTROLS

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

PART-III

COMPLIANCE OF AUDIT OBSERVATIONS

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