

**HOUSING AND URBAN DEVELOPMENT CORPORATION LTD.
HUMAN MANAGEMENT SETTLEMENT INSTITUTE
HUDCO HOUSE, LODHI ROAD
NEW DELHI-110003**

CIN: L74899DL1970GOI005276
GSTIN: 07AAACH0632A3ZD

Dated: 09/11/2021

Sub: Notice inviting Quotation/Bid/Tender for appointment of Chartered Accountant Firm for carrying out Risk Based Internal Audit including Certification of Monthly Trial Balance and Review of Internal Financial Controls for the Financial Year 2021-22.

Dear Sir,

Housing & Urban Development Corporation Limited (HUDCO) is a Government of India Enterprise under the administrative control of Ministry of Urban Employment & Poverty Alleviation.

Human Management Settlement Institute (HSMI), HUDCO would like to appoint Chartered Accountant Firms for carrying out Risk Based Internal Audit assignment including certification of monthly Trial Balance and review of Internal Financial Controls for the Financial Year 2021-22, as per specifications and criteria described/detailed below. In case, you are interested, please submit your quotation/offer for the services listed below on or before **22.11.2021 by 12:00 P.M.** **The technical bids shall be opened on 22nd November, 2021 at 12.30 P.M. and in case not opened on 22nd November, the same shall be opened on next working day at 12.30 P.M.** The date for opening of the Financial Proposal would be communicated separately only to those bidders who are technically qualified. The following applicable general terms and conditions in regard to submission of quotation/offer for award of contract/empanelment by HUDCO would be followed:-

Scope of Work: -

Scope of Work is given as per Annexure-I.

The monthly confirmation report for review of accounts as per above scope of work addressed to Sr. ED/ED(T), HSMI HUDCO New Delhi and shall be made available by 7th of succeeding month, mandatorily.

1. Technical / Eligibility Criteria

S.No.	Eligibility Criteria	Documents Required
1.	The Firm should be a reputed CA firm (Partnership/LLP) registered with the Institute of Chartered Accountants of India, in practice with minimum standing of seven years as on 01 st April 2021 from the date of constitution of partnership firm (To be verified from the Certificate of Registration issued by ICAI).	Copy of the certificate of registration issued by ICAI.
2	The Firm should have its Head Office in Delhi.	Proof of address- ICAI registration certificate
3	The CA Firm should have at least 3 (Three) partners out of which at least two Partners should have with minimum experience of 10 years as on 01.10.2021.	Certificate of Registration issued by ICAI indicating Names of the partners along with brief profile of the partners specifying details of relevant experience with membership number.
4	In addition to Sr. No. 3 above, the Firm should have staff strength of minimum 10 paid assistants (qualified (CAs/CMAs)/ semi-qualified (CA-Inter / CMA-Inter) as on the 01.10. 2021.	List of paid CAs and other qualified/Semi qualified Staff along with the qualification and experience to be provided.
5	CA Firm Head office should have at least 02 (Two) partners out of which at least one Partner should have with minimum experience of 10 years as on 01.10.2021.	Certificate of Registration issued by ICAI indicating Names of the partners along with brief profile of the partners specifying details of relevant experience with membership number.
6	In addition to Sr. No. 5 above, the CA Firm Head office should have staff strength of minimum 7 paid assistants (qualified (CAs/CMAs)/ semi- qualified (CA-Inter / CMA-Inter) as on the 01.10. 2021.	List of paid CAs and other qualified/Semi qualified Staff along with the qualification and experience to be provided .
7	The Firm should provide the name(s) of one CAs having minimum experience of five years in Internal Audit /Statutory Audit who can be assigned to HUDCO. The concerned officials should be in a position to attend HUDCO's HSMI Office within short time/notice to discuss urgent issues	Name(s) along with Profiles should be provided.

8	The CA firm (Partnership/Limited Liability Partnership (LLP)) 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/HFCs in the last five Financial Years excluding current financial year 2021-22. The experience of Head office of CA Firm shall be taken in to account and not of other office. • <i>Assignment as Concurrent Auditor, Stock Audit and other Audit not to be considered.</i> • <i>Experience certificate of only Public Sector Undertakings/ Public Sector Banks/Public Financial Institutions/Public Sector NBFCs/HFCs to be enclosed.</i>	The copy of the appointment letter issued /Agreement /Work Completion Certificate specifying satisfactory performance of services highlighting the assignment. <table border="1"> <thead> <tr> <th>Name of the organisation</th><th>Location of assignment</th><th>Period of Assignment</th></tr> </thead> <tbody> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> </tbody> </table>	Name of the organisation	Location of assignment	Period of Assignment									
Name of the organisation	Location of assignment	Period of Assignment												
9	The bidder to produce PAN and GST Registration.	Proof of Registration Certificate.												
10	CA Firm to give an undertaking 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 (A P R A & Associates LLP, 379 Aggarwal Millenium Tower 2, Netaji Subash Place, Pitampura, New Delhi – 110034) and also will ensure compliance under section 184 and 188 of the Companies Act, 2013.	Undertaking to be signed by Authorized signatory on the letterhead of the firm												
11	CA Firm to give an undertaking that they have not been appointed for carrying out certification/consultancy or such related work of HSMI and Regional office which will have conflict of interest with the current assignment.	Undertaking to be signed by Authorized signatory on the letterhead of the firm												
12	The Firm to provide the following declaration: a) There has not been any disciplinary action initiated by ICAI or any regulatory authority	Declaration to be signed by Authorized signatory on the letterhead of the firm.												

	against the firm during last five years. b) The Firm has not been banned, delisted or debarred from business by any Regulatory Body / HUDCO /Statutory Body / PSU / Govt. Department or any other Institution in the last ten years. c) None of the partners / employees has been convicted of any offence / economic offence. d) No appeal / unresolved dispute / suit / case is pending at any court in India regarding the right to carry on practice. e) The Firms is presently not appointed for carrying out any consultancy assignment at HUDCO's HSMI which will have conflict of interest with the current assignment. f) The Firm has inhouse capability to take up the assignment and the Audit Work will not be sub delegated to other CA Firm. Confidentiality: Firm shall during the tenure of the Contract and at any time thereafter keep all information relating to the work in full confidence and shall not, unless so authorized in writing by HUDCO, divulge or grant access to any information about the work or its results and shall prevent anyone becoming acquainted with either through CA Firm or its personnel or agents. Any monetary penalty / loss levied by any authority due to breach of the above clause will be the sole responsibility of the firm. Others: CA Firm is required to certify that it will not indulge in any fraudulent activity or allow anybody else working in our organization to indulge in fraudulent activities and would immediately apprise HUDCO of the fraud/suspected fraud as soon as it comes to their notice.	Declaration to be signed by Authorised signatory on the letterhead of the firm. Declaration to be signed by Authorised signatory on the letterhead of the firm.
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Note:

1. CA Firm is required to fulfill all the above eligible criteria before the submission of bid.
2. The response should be submitted alongwith documentary evidence and declarations.
3. The required attachments/proofs required as per eligibility criteria must be enclosed and each document is duly sealed and signed by the Partner/authorized signatory. The Bidder is required to specify the page number of the documents submitted.

Selection Procedure:-

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

1. The tenderer is required to submit technical and price bid in separate sealed cover in overall sealed envelope. Submission of Bid Security Declaration along with the Technical Bid in the sealed envelope containing Technical Bid.
2. After short listing of firms on the basis of Technical Bid, Financial Bid shall be opened. The date for opening of the Financial Proposal would be communicated separately only to those bidders who are technically qualified.
3. After short listing of firms on the basis of Financial Bid, the Tender Committee would then recommend for the appointment of CA Firm.
4. In case of more than one firms selected as L-1, preference will be given to technically sound CA firm (Head Office) as per the laid down procedure at Annexure IV.
5. While evaluating the Technical bid, CA Firm's capability to perform the assignment shall be assessed and inspection of their Head office shall be carried out so as to establish the fact that the CA Firm has proper head office had adequate staff as mentioned in this bid document.
6. The recommendation for appointment of CA Firm as expert for carrying out Risk Based Internal Audit assignment including certification of monthly trial balance and review of Internal Financial Controls would be send to Internal Audit Wing, Corporate office along with profile of the CA Firm for obtaining approval of the Competent Authority.

Tenure of the Appointment:-

The firm will be engaged initially for a period of one year i.e. FY: 2021-2022. 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 HQ.

Terms and Conditions: -

1. 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 Firms who should visit HSMI's office during the audit carried out by the firm. The name of the partner who would head the Audit be specified in Technical bid.
2. CA Firms is required to undertake 100% verification of all the vouchers/activities prescribed in the scope of work. The scope of work should broadly cover the points as given in **Annexure-I**.

3. In terms of Office Memorandum dated 12.11.2020, issued by Ministry of Finance, Bidders are not required to pay Bid Security i.e. Earnest Money Deposit (EMD), instead Bid Security Declaration in the prescribed format (**Annexure-II**) is required to be submitted. The services would be provided to HUMAN MANAGEMENT SETTLEMENT INSTITUTE (HSMI) HUDCO HUDCO HOUSE, LODHI ROAD, NEW DELHI-110003. as well as at any other location/office falling within the jurisdiction of HSMI.
4. The services would be provided to HUMAN SETTLEMENT MANAGEMENT INSTITUTE (HSMI), HUDCO, HUDCO HOUSE, LODHI ROAD, NEW DELHI-110003, as well as any other location/office falling within the jurisdiction of HSMI.
5. Quotation can be sent by post or deposited in Tender box available at Reception in HUDCO Human Management Settlement Institute (HSMI) HUMAN MANAGEMENT HUDCO HUDCO HOUSE, LODHI ROAD, NEW DELHI-110003 on or before the prescribed date and time.
6. Quotation should be sent in 2 sealed envelopes **separately placed together in one sealed envelope**, as per the details given below:-
 - i) First envelope super scribing on top **“Expression of Interest for Appointment of Chartered Accountant Firm for carrying out Risk Based Internal Audit assignment including certification of monthly Trial Balance and review of Internal Financial Controls - Technical Bid”** which must display clearly closing date and time to be mentioned on the envelope with name of firm, telephone number and full address. The technical Bid should highlight the firm’s detailed profile including the firm’s name, address, date of establishment, detailed profile of partners and brief details of paid CAs/associates/support staff, clientele (PSUs, Banks, other companies) experience in handling work of PSUs.
 - ii) The second envelope super scribing on top **“Expression of Interest for Appointment of Chartered Accountant Firm as an Expert for carrying out Risk Based Internal Audit assignment including certification of monthly Trial Balance and review of Internal Financial Controls -Financial Bid”** should contain minimum rates for the activities to be covered as per the scope of work indicated above. GST/tax if applicable should be clearly indicated separately. Financial bid should be given as per the Performa enclosed as **Annexure- III**.
7. Financial bids of only those bidders would be opened who have qualified the technical criteria prescribed in the tender.
8. The fees of CA Firm (excluding GST) should not exceed Rs 3,00,000/- p.a. (Three lacs Only) for Financial Year 2021-22.
9. The payment of fees shall be made to the firm on completion of assignment as per the Scope of Work as under

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

Balance 20% shall be released after audit of annual accounts by Statutory Auditors and issuance of Tax Audit Report.
10. The CA Firm is expected to undertake the review for each month's transactions in the first week of succeeding month and submit Certified Trial Balance by seventh of the next month. Audit Report in the prescribed format to be issued by seventh of succeeding month of the end of the quarter, mandatorily. For the period already passed in the FY 2021-22 (i.e., April 2021 to November 2021), Audit shall be carried out immediately upon the receipt of the Appointment Letter of CA Firm and necessary reports will have to be submitted as early as possible.

11. 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.
12. Certificate is required to be submitted by the CA Firm (duly authenticated by the competent authority of HUDCO's HSMI) confirming that the audit has been carried out as per scope of work/checklist and audit reports have been prepared after discussion with the competent authority of HUDCO's HSMI.
13. 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.
14. In case of any dispute between HSMI HUDCO and the CA Firm regarding the present assignment given to the CA Firm at HSMI HUDCO, the decision of the CMD, HUDCO shall be final and binding on all the parties.
15. Internal Audit Department, Head Office HUDCO Ltd. has the right to replace CA firms if it is found that the reporting / certification are not of required standard.
16. The Risk Based Internal Audit is to be conducted with the highest standard of professional, ethical competence and integrity.
17. Bidder, before submitting quotations, should clearly understand HUDCO's requirement and, in case, any information/ clarification is required, he/she may visit HSMI HUDCO during the working days (Monday to Friday between 10 a.m. to 5 p.m. It may be noted that no clarification/ information after closure of the last date of receipt of quotation, would be entertained. Previously engaged CA Firm as Internal Auditor at HSMI HUDCO shall not be considered for the current assignment.
18. Quotation, received late, will not be considered. HUDCO will not be responsible for any postal delay.
19. **The Technical bid shall be opened on 22nd November 2021 at 12.30 P.M. at HUDCO HSMI, HUDCO HOUSE , LODHI ROAD, NEW DELHI-110003. and in case not opened on 22nd November, 2021 the same shall be opened on next working day at 12.30 P.M.** Further any changes in bid opening date, if any due to unforeseen circumstances shall be informed on HUDCO Website. The Bidders are requested to visit HUDCO's website for any updates.
20. The bidders or their representatives can present themselves on opening date of bid at stipulated time at HSMI, HUDCO HOUSE, Lodhi Road, New Delhi 110003.
21. The date for opening of the Financial Proposal would be communicated separately only to those bidders who are technically qualified.
22. HUDCO reserves the right to cancel this tender document without assigning any reason.
23. HUDCO reserves the right to accept or reject any or all quotations without assigning any reason.
24. HUDCO may amend the tender document by issuing corrigendum / addendum at any time prior to deadline for submission of bid. Therefore, the bidders are advised to visit the web-site of HUDCO regularly before the deadline for submission of bid.
25. The bid shall remain valid for a period of 90 days from the date of opening of Technical Bid. In exceptional circumstances prior to expiry of original bid validity period, HUDCO may request the Bidder to extend the period of validity for a specified additional period.
26. Adherence to the time limit for submission of deliverables is required for the purpose of assignment, the deviation of this shall be treated as breach of contract.
27. All the work done by the Internal Auditor should be documented and reported to the management.

- 28.** Internal Audit will be carried out as per ICAI's guidelines and other Statutory Requirements.
- 29.** Audit Firm to whom work is awarded is not allowed to sub contract that work to any other parties either full or in part.
- 30.** The CA Firm will hand over all the related files / papers to HUDCO at the end of the Contract.
- 31.** Bid will be disqualified, if at any point during the selection process, it is found that information provided by them is incorrect.

Annexure-II

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 submitted 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

On Letter head of the Firm

Annexure-I11

Financial Bid for Appointment of appointment of Chartered Accountant Firm for carrying out Risk Based Internal Audit assignment including certification of monthly Trial Balance and review of Internal Financial Controls for HUDCO , HSMI , Delhi.			
Name of the Firm & its Main proprietors/partners			
Complete Address along with Mobile No.			
Activities	Professional Charges Charges(Rs.)	GST as applicable	Total Annual Fee (Inclusive of GST)
As per Scope of Work at Annexure -I indicated in the NIT			

Total Annual Fees (Inclusive of GST) - in Words:

_____ **Only.**

- Note :
1. The Certification Fee should not exceed the upper limit as prescribed at Point 8 of the tender document and should be in accordance to the estimated tender value of NIT.
 2. The fees quoted should be both in figures and words.

Date:

Seal & Signature:

Name of Authorized Person:

Name of CA Firm :

ANNEXURE-IV

Technical Evaluation Sheet of CA Firm Head Office in case more than one firm is selected as L-1

	Technical Criteria		Point assigned as per original Technical	Additional Marks assigned for Additional Criteria
1	Years of establishment (minimum seven years of standing)		20	Additional 2 marks will be given for each additional year beyond 7 years.
2	No. of Partners (Minimum three)		30	Additional 2 marks will be given for each additional partner beyond 3 partners.
3	No. of Paid Assistants {qualified (CA/CMA)/ semi qualified(CA/CMA-inter)}-(minimum five)		10	Additional 1 marks will be given for each paid assistant beyond 5 assistants.
4	Experience in handling 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/HFCs in the last five distinct Financial Years. (Assignment as Concurrent Auditor, Stock Audit and other Audit shall not be considered) (Attach Copy)*		40	Additional 5 marks will be given for each additional Public Sector Undertakings/ Public Sector Banks/Public Financial Institutions/ Public Sector NBFCs/HFCs beyond 2 Public Sector Undertakings/ Public Sector Banks/Public Financial Institutions/ Public Sector NBFCs/HFCs .