

No.HUDCO/CRO/FIN-69
20.5.2013

Dear Sir,

Sub: Notice inviting tender for appointment of Chartered Accountant Firm for certification of accounts for the FY 2013-2014- reg.

HUDCO (A Government of India Undertaking) is a premier national Techno-Financial Institution in the field of Housing & Urban Development. HUDCO Regional Office, Chennai intend to engage Chartered Accountant firm for certification of our Regional Office accounts for the year 2013-2014, with respect to our financial accounts, Retail finance accounts (No. of Accounts –2209), and our Public Deposit Scheme Accounts(No. of Accounts-561) and Certification of compliance of “Know Your Customer & Anti-money Laundering Measures”. Scope of work is enclosed. The total estimated certification fee should not exceed Rs.145200/-(Rupees One Lakh Forty Five Thousand Two Hundred only) for the entire year.

Application furnishing the profile of the firm with details on experience of the firm, number of partners, experience of the partners, paid chartered Accountants available, staff strength, previous experience with Public Sector Enterprises and infrastructure available are invited for empanelment of Chartered Accountant Firms for the FY 2013-2014. The CA firm should have atleast 5 years experience in handling the work of Public Sector Companies.

The firms which have carried out the audit work of HUDCO for the previous three years i.e. before 2011-2012 need not apply.

The details should be submitted in a sealed envelope superscribed “ Application for empanelment of Chartered Accountant Firm” and addressed to the Executive Director, HUDCO Regional Office, 5th Floor, CMDA Tower-I, Egmore, Chennai 600 008 and made available to us on or before 5 pm on 31.05..2013.

Two Separate sealed envelopes may be submitted i.e. (i) For Technical bid & (ii) Financial bid.

Thanking you,

Yours faithfully,

A Sivasankar
Dy. General Manager (Finance)

Encl.: As above

Trial Balance

The Scope of work is as under:-

A. IMPREST ACCOUNT

- 1) Review of books of accounts and vouchers in regard to appropriateness of supporting documentary evidence and correctness of heads of accounts;
- 2) Certification of monthly trial balance accompanied by Audit Report.
- 3) Review of Head Office accounts with reference to remittances received from Head Office and disbursements made at Regional Offices.
- 4) Review of reconciliation of bank accounts.
- 5) Authenticity of salary vouchers in regard to appropriateness of heads of accounts.
- 6) Reconciliation of staff advances and all other advance accounts.
- 7) Verification of all Income Heads , booking of TDS on income to appropriate head of accounts.
- 8) Certification of Half Yearly / Annual Information required by Head Office on Half yearly / Yearly basis as per guidelines made available by Head Office.
- 9) Certification of physical verification report vis-à-vis fixed assets as per HUDCO's Asset Register and point out discrepancies, if any.
- 10) Certification in respect of compliance of various circulars in regard to accounting / fixed assets issued by Head office from time to time.
- 11) Auditor should certify in the Audit report on monthly basis that the audit observations/ remarks have been rectified/ corrected for in the accounts and necessary accounting entries and payments to Income Tax / Service Tax authorities have been made in time.

B. TAXATION

- 1) Appropriateness of deduction of tax at source from salary in reference to Savings & Investments, Income from House Properties submitted by employees. as well as from payments in compliance of the provisions of the Income Tax Act. Verify timely payment of TDS amount to appropriate authorities. Review the correctness of the TDS returns before these are filed with the appropriate authorities. Verify from Income Tax site that the tax payment has been properly accounted for with Income Tax authorities and the proper credit for TDS on income is available to HUDCO;

- 2) To advise and to assist in the preparation of Form 16 and 12BA in regard to Salaries.
- 3) To advise and to assist in all TDS related issues pertaining to Public Deposit Schemes.
- 4) Facilitation in downloading of all TDS certificates from NSDL and verifying the same.
- 5) To attend to all communications, notices of the Tax Authorities and to appear on all hearings before Tax Authorities.
- 6) Facilitation in preparation of quarterly TDS Returns and uploading of the same with the NSDL.
- 7) Filing of correction statement/Rectification of TDS Returns already filed, if required
- 8) Other Tax related issues consequent to amendments in Income Tax Act .
- 9) Certify the statement showing the service tax paid by RO on input services , service tax collected on output services & service tax payable under reverse charge .Adjustment of service tax input service as per eligibility and service tax payable on output services. Also certifying its booking under appropriate GL A/c.
- 10) Verify that Regional Offices are taking CENVAT credit as per Cenvat Credit Rules at the time of making monthly payments with the appropriate authorities.
- 11) Facilitation in preparation, checking and timely e-filing of quarterly service tax return with the concerned authorities.
- 12) Facilitation in amendment of Service Tax Registration, if any.
- 13) Certification in respect of the compliance of various circulars / instructions issued by various authorities/ Head Office in regard to Service Tax / Income Tax from time to time.
- 14) Certify that all the provisions of Income Tax Act /Service Tax Act are complied with and bills are raised within the prescribed time as per Service Tax Act and the same are accounted for in books of accounts properly.
- 15) Issue of tax audit report on yearly basis along with all the annexure required by Head Office/ Tax Auditors. ;

C. KYC & PML certification in respect of Project Loans

Verification of compliance of KYC and PML guidelines issued by NHB from time to time in respect of applications for Project Loans received at RO and furnishing the certificate as prescribed by Principal officer / ED (IA), on monthly basis. ANNEXURE II

HUDCO NIWAS

(For the purpose of payment, Bulk Loan will be treated as one case only)

The scope of work is as under:

1. Review of books of accounts and vouchers in regard to appropriateness and correctness of heads of accounts.
2. Certifying Bank Reconciliation and Auditors comments on timely passing of correct entries.
3. Certifying Monthly, Quarterly, Half-yearly and Annual Statements.
4. Certifying whether necessary provisions in Hudco Niwas Loans have been made as per NHB norms.
5. Certifying whether correct entries have been passed for interest due and interest de-recognition.
6. Certifying that necessary action as per Hudco Niwas manual/circulars has been taken including filing of cases u/s 138 of the Negotiable Instrument Act, filing of civil/criminal cases etc.
7. Compliance of Service Tax Act / Income Tax Act.
8. Certification of security in case of Loan and Balloon payment cases, unused stamp papers etc.
9. Adherence of Hudco Niwas guidelines for finalization of accounts.
10. CA should verify that 1% Interest subsidy is extended to the eligible borrowers as per NHB guidelines and IOM circulated by Head Office.
11. CA should also verify that the Interest Subsidy for Housing the Urban Poor (ISHUP) guidelines alongwith Hudco Niwas guidelines are followed in Loans extended by HUDCO NIWAS in its role of primary lending institution.
12. Verification of compliance of KYC and PML guidelines issued by NHB from time to time in respect of applications for HUDCO NIWAS loans received at RO and furnishing the certificate as prescribed by ED (IA) on monthly basis.

ANNEXURE-III

HUDCO Public Deposit Schemes

The terms of reference for PDS consists of specified account heads and the responsibility of the CA firm would be to certify all the accounting heads. The scope of work in addition to certification and confirmation may include the following:

1. Checking of account books
2. Certifying bank reconciliation on monthly basis
3. Certifying periodic statements as per the requirement of Audit/NHB.
4. Certifying all the accounting of audit requirements pertaining to individual deposit/Corporate deposit/any other category of PDS.
5. Certifying outstanding under the PDS with confirmation to opening balances, deposits during the year, redemption made during the year and closing balance outstanding Scheme-wise, Period-wise and Maturity-wise.
6. Certifying the compliances under NHB made from time to time like periodical NHB return, KYC etc. CA firm should also provide a certificate regarding compliance of NHB norms prescribed under NHB Directions 2010 on monthly basis.
7. Certifying the PDS accounting heads such as interest on PDS, IABN, brokerage payable/brokerage paid, unclaimed PDS/unclaimed interest on PDS, TDS payable, PDS receipt control interest under various schemes, LA PDS/interest on LA PDS/interest accrued on LA PDS, prior period brokerage, prior period interest expenses, any other deferred expenses, stale cheques, any other accounting head added to the PDS accounting during the financial year.
8. Certifying the Cash Flow Statement on quarterly basis.
9. Certifying the interest and brokerage provision at the end of every quarter.
10. Certifying the consolidated Depositor Holder Register (as per NHB Norms) pertaining to Total Deposits outstanding under Hudco Public Deposit Scheme as on 31st March 2014.
11. The certification of PDS related accounting needs due to decentralization of PDS Accounting entries during the financial year 2013-14.
12. Examine the papers/declarations including Form No. 15H /15G submitted by the depositors with reference to Tax exemption eligibility. Verification of other Tax related issues on PDS as indicated in the Annexure-I Part-B.
13. Verification of compliance of KYC and PML guidelines issued by NHB from time to time in respect of deposits received at RO under HUDCO's PDS and furnishing the certificate as prescribed by Principal officer / ED (IA), on monthly basis.