



Himachal Pradesh Power Corporation Limited
(A State Government Undertaking)
Himfed Building, BCS, New Shimla-171009.
Phones: 0177-2671589
CIN: U40101HP2006SGC030591

**NOTICE INVITING EXPRESSION OF INTEREST FROM ELIGIBLE
CHARTERED ACCOUNTANT FIRMS FOR APPOINTMENT AS INCOME TAX
AUDITOR FOR THE FINANCIAL YEAR 2019-20 and 2020-21**

HPPCL invites expression of interest from eligible CA Firms for appointment as income Tax Auditors, to conduct Tax Audit under Section 44AB of the Income Tax Act. 1961, for the F.Y. 2019-20 and 2020-21.

The Application form, Scope of Work, detailed Terms & Conditions and Fee Structure are as per **Annexure – “A” to “B”** which are available at HPPCL's web site www.hppcl.in and can be downloaded. The selection of the Auditor shall be based on overall suitability of the firm and its experience in conducting of Income Tax Audit of Central/state Power sector PSUs.

Interested firms (having requisite experience in conducting Income Tax Audit of Central/State Power Sector organizations / PSUs and having its Head Office/ Branch office in Himachal Pradesh, may send their application in prescribed format in separate envelopes superscribing "**Appointment of Income Tax Auditor**", so as to reach in the office of Director (Finance), Himachal Pradesh Power Corporation Limited, Himfed Building, BCS, New Shimla (H.P.)-171009, **latest by 14th August 2020, upto 4.00 PM** and will be opened at 4.30 PM, on same date, in the presence of authorized representatives of the participating firms.

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Director (Finance)

Himachal Pradesh Power Corporation Ltd.
Appointment of Income Tax Auditor

A) Introduction:

H.P. Power Corporation Ltd. is a state Govt. PSU under the administrative control of Ministry of MPP & Power, Govt. of H.P. It is a fast upcoming electricity generation utility. Three of its Projects are already generating electricity having generation capacity of 170 MW.

H.P. Power Corporation Ltd. intends to appoint eligible CA Firm to conduct Income Tax Audit of the Accounting Records of this Corporation. The applications are invited from the CA firms, having their head offices / branches in H.P.

B) Scope of Work:

1) The auditor shall carryout Income Tax Audit as per the provisions of Section 44AB of the Income Tax Act. 1961, for Corporation as a whole, including its all the projects / Units, whether under generation or otherwise, for the financial year under audit and prepare / submit its audit report as required under the relevant section of the income Tax Act. 1961, within the time limits specified.

2) The auditor shall file the Income Tax Return (s) of the Corporation, for the financial year under Audit.

3) Subsequent revisions / rectifications, if required, in Tax Audit Report and Income Tax Return, filed earlier, pertaining to the financial year under Audit, shall also be done by the appointed firm of auditors.

C) Audit team:

The team should consist of adequate number of qualified Chartered Accountants/ semi-qualified Assistants (Chartered Accountants), led by a senior partner of the firm.

D) Proposed Audit Fee:

The schedule of fee will be as follow:

- i. The Audit Firm shall be paid fee of Rs. 1,00,000/-, for each financial year.
- ii. The travelling and out of pocket expenses will be re-imbursed to the Partners of the Tax Audit Firm at rates at par with the entitlement of G.M. Level executive and to its Audit Assistants at par with Finance Officer level executive of the Corporation.
- iii. GST shall be paid extra, as applicable on furnishing the registration Number with the appropriate authority.
- iv. 75% of the fee payable shall be paid on submission of original/initial Tax Audit Report and filing of Income Tax return. The remaining 25% of the Audit fee shall be released on submission of final audit report and income tax return **or** six months from the filing of original / initial Tax Audit Report / Income Tax Return, whichever is earlier.
- v. Firm is to submit fee invoices including TA/DA Claims, supported by the stay certificate issued by the HoD of Finance of the concerned project/Units and any other supporting documents required to process such bills.

E) Selection Criteria:-

The selection of the Tax Auditor shall be as per qualitative criteria for selection of tax auditor indicated in **Annexure-“C”** (Copy not enclosed), which is based on the overall suitability of the firm and its experience in the Tax audit field of Central/State Power sector PSUs. The firm securing maximum marks will be selected. ***In case of tie in overall evaluation as per selection criteria, to select L1, preference will be given as per following order:***

- a) Firm having relatively more experience in tax audit shall be given **1st preference**
- b) Having comparatively higher experience in conducting Tax audit of Power Generating Companies, which are in commercial operations having production capacity of 5 MW and above, shall be given **2nd preference**
- c) Having comparatively more experience of working in SAP software shall be given **3rd preference**

F) Other Terms and Conditions:

The appointment of Tax Auditor shall be subjected to the following declarations:

- i. The Audit firm must not subcontract the work.
- ii. The audit team will work in strict confidence and will ensure that the information in respect of the operation of the area/units dealt in strict confidence and secrecy. A certificate towards maintaining confidentiality to be provided by the Tax Auditor before commencement of audit.
- iii. No partner of the Auditors is related to M.D./ whole time Director or part time or Independent Director of the company within the meaning of Sub-section(76) & (77) of Section 2 of the Companies Act,2013.
- iv. Neither the firm nor its partner or associates have any interest in the business of the company.
- v. The auditor will be required to issue certificate of Independence before commencement of audit.
- vi. The auditor / firm shall be free from any disqualification under In addition to this; Audit Firm must not be holding the assignment of Internal Auditor/ consultant of HPPCL.
- vii. The tax auditor shall ensure that data given to the Auditor by company and any information generated from the data provided shall not be caused by the Auditor for any other purpose.
- viii. The Audit Firm will be debarred from getting the audit in future in HPPCL in the following cases:
 - If the firm obtains the appointment on the basis of false information/ false statement.
 - If the firm does not take up audit in terms of appointment letter.
 - If the firm does not submit the audit report complete in all respect in Terms of appointment letter.
 - If the Firm violets any of the stipulations from (i) to (viii), above.

- xi. The offer should be submitted strictly as per terms and conditions laid down in the document. Application documents duly sealed and signed are to be submitted as a token of acceptance of all terms and conditions. All envelopes must be sealed and superscribed mentioning "**Appointment of Tax Auditor**".
- xii. Application received after the due date and closing time of submission of applications shall be ignored. Any application received late due to any reason whatsoever will not be accepted.
- xiii. **Jurisdiction of courts:** Any dispute arising out of or in respect of the contract will be subject to the jurisdiction of High Court of H.P. Shimla only.
- xiv. **Disclaimer:** HPPCL reserves the right to accept or reject any or all responses and to request additional submissions or clarifications from one or more Applicant (s) at any stage or to cancel the process entirely without assigning any reasons.

Application Form

1. Name of the CA Firm
2. Office Address
3. Permanent Address
4. Correspondence Address
5. Telephone No.
6. Fax No.
7. E-mail Address
8. Web site
9. Year of Establishment:
10. Firm's Registration No.
11. GST Registration No.
12. Permanent Account No. (PAN) of Firm

13. Average Annual turnover of the firm in the Last 3 preceding financial years.

14. No. of Partners in the firm indicating separately fellow partners and associate partners.

15. No. of qualified assistants (Chartered Accountants) in the firm. He should be a member of his respective institute.

16. No. of Semi qualified assistants, in the firm and relevance and quality of the Methodology for execution of work.

17. Experience of Income Tax Audit of Central / State PSUs during last 03 years i.e. from F.Y. 2016-17 onwards, supported by the certificate issued by the Assessee Company(s) as evidence.

18. Address of the office / Branch in H.P.

19. Experience of audit in years in ERP (SAP) software, supported by the certificate issued by the Assessee Company(s) as evidence.

20. Experience in conducting Tax audit of Power Generating Companies, which are in commercial operations having production capacity of 5 MW and above, supported by the certificate issued by the Assessee Company(s) as evidence.

Note:-

Documentary evidences of all the information as stated above are to be furnished along with the offer.

All the pages of offers and documents are to be signed by the partner/ owner of the firm along with seal of the firm.

Partner/owner of the Firm _____, hereby declare that the above information furnished are true & correct to the best of my knowledge and I will abide by the Terms & Conditions set by the company for the appointment of Tax Auditors.

**Signature of the Partner/Owner
(with seal of the Firm)**

Minimum Eligibility criteria:

1. The firm should have its Head office or Branch Office in Himachal Pradesh.
2. The firm should have done 03 No. assignments of Income Tax Audit of Central /State PSUs during last 03 years i.e. from F.Y. 2016-17 onwards in carrying out Income Tax Audit of Companies.
3. Minimum experience of 3 years in SAP is compulsory.
4. Experience in conducting Income Tax Audit of Power Generating Companies which are in commercial operations, having production capacity of 5 MW and above.
5. Firms having maximum experience w.r.t. the above points will be given preference by giving due weightage during evaluation of technical bids.

Supporting Documents for Qualitative/Selection criteria:

Following supporting documents must be submitted by the firm along with the technical proposal:

1. **For experience of firm:** *Copy of the registration of the firm*
2. **For No. of Partners of firm:** *Details of CAs, associated with the firm along with their registration number.*
3. **Experience of Income Tax Audit of central / State PSUs during last 03 years i.e. from F.Y. 2016-17 onwards:** *The firm must submit a copy of the appointment letters from the Auditee Organisations.*
4. **Experience of ERP(SAP) :** *Certificate from Auditee Company (s) be submitted*
5. **Experience in conducting Tax audit of Power Generating Companies, which are in commercial operations having production capacity of 5 MW and above:** *Certificate from Auditee Company (s) be submitted.*