

THE Handicrafts and Handlooms Exports Corporation of India Ltd.
(A Govt. of India Undertaking, Ministry of Textiles)
A-2, Sec-2, Gautam Budh Nagar, Noida-
201301, UP.

Expression of Interest for engagement of Chartered Accountants Firm for the purpose of Implementation of Goods and Service Tax (GST) in the HHEC of India Ltd.

1. Background

The Handicrafts & Handlooms Exports Corporation of India Ltd. (the “Corporation”) is a Government of India Undertaking under the administrative control of Ministry of Textiles. It was established in the year 1958, as “Indian Handicrafts Development Corporation Ltd” with the twin objective of (i) export promotion and (ii) trade development of handicraft and handloom products. In the Year 1962, it was renamed as “The Handicrafts & Handlooms Exports Corporation of India Limited”. The Corporation is presently is a two star export house engaged in exports of handicraft and handloom products (including hand knotted woolen carpets and ready- made garments) besides undertaking export of gold and silver jewellery / articles. The Corporation was nominated in the year 1997-98 for import of bullion and sale in the domestic market.

2. Performance:

The performance of the Corporation in the financial year 2015-16 and 2016-17 (Provisional) are given below:-

(Rs. In lakhs)

	2016-17 (Provisional & Unaudited)	2015-16 (Audited)
Total Turnover	58163.30	197037.09
-Core Group	3271.01	4635.56
-Bullion	54892.29	192401.53
Profit/ (Loss) Loss after Tax	(835.00)	(1075.85)
Reserve & Surplus	(1065.88)	(230.88)

3. CAPITAL

The Authorized and Paid up Capital of the Corporation at Rs. 20.00 Crores and Rs. 13.82 Crores respectively during the year 2015-2016. The 100% Paid up Capital has been subscribed by the Hon’ble President of India.

4. SCOPE OF WORK

- 1. IMPLEMENTATION OF GST IN HHEC- CORPORATION AS A WHOLE**
- 2. Present business Locations at Noida, Delhi, W.B (Kolkata), Tamilnadu (Chennai) and Andhra Pradesh (Hyderabad).**
3. Preparation of detailed road map from VAT/CST/Service tax era to GST implementation and till filing of Annual GST return.
4. The firm will guide and assist the Company during the various phases of impact identification, analysis, implementation of GST and review thereof. The various activities which would be involved and the role of the firm have been detailed below:-

Phase-I

Step I: Study of current structure

1. Developing an understanding of the current business operations of the company vis-à-vis
 - i. Business verticals,
 - ii. Procurement chain like nature of purchase, states from where procurement is taking place, states in which the goods are procured etc.
 - iii. Supply / distribution chain like nature of supply, state where the goods and/or services are supplied, types of exemption available etc.
 - iv. Logistics like identification of lead time for inputs and outputs, mode of transportation etc.
 - v. Pricing policy like Valuation method under existing law like MRP, transaction value etc.
2. Identification of transactions/issues for review.
3. Study the data /contracts for collation.
4. Identifying the current compliance points and processes

Step II-Impact of GST on all activities identified in Phase I

- Identification of areas of changes
- Preparation of analysis report
- Submission of report for management approval
- Advising HHEC on changes required in business processes / practices with a view to optimise its costs / revenues on account of implementation of GST Law.

Step III-Management discussion

- Discussion with the management regarding suggested impacts and changes required
- Finalisation of changes needed

Step IV-Implementation

- Changes in documentation and maintenance of accounts, records, etc. as well as in the information technology systems;
- Changes in compliance requirements and the compliance structure;
- Internal and external communication, change management and training of officials of the corporation;
- Preparation of the various Standard Operating Procedures (SOPs) for operations and compliance;
- Implementation of changes finalised i.e. mapping the recommendations to Tally ERP9 applications processes and configurations.
- Assisting in developing formats of key documents such as invoices, credit note and debit notes etc.
- Study of impact after changes-Test Run
- Filing of quarterly/monthly returns for all units for the quarter / month immediately preceding implementation of GST so as to ensure smooth transition to GST framework.
- To provide detailed flow chart for various changes required in BUSY Accounting Software for retail & Tally ERP9 Application implemented in HHEC.
- Correction(s), if any and assisting HHEC in developing systems for ensuring that data / reports filed on GST portal match with books of account of HHEC.
- Internal and external communication, change management and training of officials of the corporation;
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Step V- Post Implementation Support

- Advising on matters relating to deregistration for VAT/Service Tax / Excise and other laws presently applicable to HHEC.
- Implementing and advising on the registration requirements under Central and State GST Law.

Phase-II

REGULAR RETAINERSHIP ACTIVITIES:-

- Filing of all returns after checking / pre-audit of data provided by HHEC including:
 - Outward Supplies & services
 - Inward Supplies & services
 - Monthly returns
 - Annual Returns
 - TDS returns
- Advising about changes in GST law from time to time and checking the implementation of the changes in Tally ERP / Busy at all locations. Also to suggest on improvements in the systems / procedures for effective compliance of all GST provisions from time to time
- Provide consultancy / advice on any issue regarding GST and clarification, verbally or via mail on the same from time to time.
- Representing HHEC during inspection under GST for all locations.
- Providing guidance / assistance to HHEC for preparation of replies / submissions / details to be submitted during assessment before GST authorities at all locations.
- Providing HHEC with challans for payment of GST after taking necessary credit available under GST.
- Providing assistance for getting refund of GST from deptt.
 - To ensure that proper books of accounts & corresponding entries are vouched as required under GST.

The above work is inclusive and not exhaustive. Any works which are not mentioned as above but are associated with or which are essential in accomplishing the task must be undertaken by the Chartered Accounts Firm.

5. Eligibility Criteria

The offer shall be considered only from Indian, technically competent, experienced and financially sound Accounting/Consulting firms of Chartered Accountants who meet the following pre-qualification requirements:-

- a) The registered Chartered Accountant firm with minimum 15 years of experience and with at least 5 partners having minimum 3 FCA partners.
- b) The Firm is working or has worked as service tax or VAT consultant in minimum

2 big Corporate (private/ state PSU/central PSU) during last 3 financial years i.e. F.Y. 2014-15 to 2016-17 having minimum annual turnover of Rs. 50 crs in any one year in these three financial years.

- d) The Firm entity/ any partner/ Director of the entity should not have been convicted in any disciplinary proceedings/ criminal case by regulatory authority (ies)/ court in connection with professional work. The Firm should not be negative list/black listed by any PSU or Govt. Department. Bidder to submit an undertaking in this respect as per relevant form given in **Annexure II**.

Other Terms and Conditions:

The Management of the Corporation also reserves its right to cancel the entire process at any stage. No question and no claim will be entertained in this regard. The Management further reserves its right to cancel the engagement at any time if the performance is not found satisfactory. Management has also reserve its right to offer for both Phase-I and Phase-II or any one Phase either Phase-I or Phase-II to a Single or multiple firm.

Bidder can give their quote for Phase-I and /or Phase-II

Appointment Tenure

For Phase-I: Timeline initially fixed for 30 days from the date of appointment, If any further days is required that should be decided mutually, but for extension of time no additional cost to be provided by the Corporation.

For Phase-II: Initially for One year, however, the Corporation keeps the right to extend the tenure further for one more financial year at mutually agreed professional fees. All work of the Corporation to be done from Head Quarters at Noida.

Payment Terms:

For Phase-I- Payment to be made after successfully completion of Phase-I including Training.

For Phase-II- Payment to made on monthly retainership basis.

The eligible Chartered Accountant Firm, may submit their Bid in two bid system (**sealed**) as per **Technical Bid** i.e. **Annexure - I** and **Annexure -II** along with all documentary supports for eligibility criteria and their **Financial Bid** as per **Annexure-III**, to the **Chief Finance Manager**, on or before 19.06.2017 upto 03:00 pm.. The Financial Bid for must be given in Separate Sealed envelope. The Bid Quotation will be opened at 04:00pm on the same day. The top of the envelope should superscripted as **“Expression of Interest for engagement of Chartered Accountants Firm for the purpose of Implementation of GST”**. **All pages of Tender documents to be signed and attached with the Technical Bid.**

The envelope should be sealed. If sealed is open, torn or late received, it will be rejected.

Annexure -I

ELIGIBILITY CRITERIA FOR EVALUATION OF THE APPLICATIONS

1. Name and address of the Chartered Accountant Firm.	M/s.	
2. Profile of the Firm (A self certified copy of firm registration certificate along with detail of partners must be enclosed)		(i) Year of establishment of the Firm ii) No. of partners: FCA: _____ ACA : _ _ _ _ _ iii) Firm Registration No. _ _ _ _ _
3. PAN No. of firm (a copy of PAN may be enclosed)		
4. Service Tax No or GST no. (a copy of same may be enclosed)		

<p>4. Experience: Working or has worked as service tax or VAT consultant in minimum 2 big Corporate (private/state PSU/central PSU) during last 3 financial years i.e. F.Y. 2014-15 to 2016-17 having minimum annual turnover of Rs. 100 crs in any one year in these three financial years.</p> <p>(Proof to be attached)</p>		<p>Work order/contract or satisfactory completion certificate issued by concerned corporate enclosed: YES/NO</p>
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Date:

Signature with seal of the firm

Place:

Name & Full address:

Annexure-II

Undertaking

(To be stamped and signed by the authorized signatory on letterhead of Firm.)

We hereby confirmed that all the documents submitted in this tender are authentic, genuine, copies of their originals and have been issued by the issuing authority mentioned above and no part of the document(s) / information is false, forged or fabricated.

We hereby confirm that our Bid complies with the total technical- commercial requirements/ terms and conditions of the Bidding Document

We hereby confirm that we are not under any 'liquidation', any 'court receivership' or similar proceedings and 'bankruptcy'. We hereby confirm that any partner / Director of the entity have not been convicted in any disciplinary proceedings / criminal case by regulatory authority(ies)/ court in connection with professional work. We further confirm that, we have not been in negative list / blacklisted by any Public Sector Undertaking / Government Organization / HHEC Limited. We also confirm that the contents of this Tender have not been modified or altered by us. We agree that if any noticed in future, our Bid may be rejected / terminated.

We hereby confirm that we have gone through and understood the Bidding Document and that our Bid has been prepared accordingly in compliance with the requirement stipulated in the said documents.

Date:

Signature with seal of the firm

Place:

Name & Full address:

Annexure-III

**FINANCIAL BID
(On the Letter head of the
Firm)**

Date:

To
Chief Finance Manager
The HHEC of India Ltd.
A-2, Sec-2, Noida-201301

Sir,

I/we hereby submit our Financial Bid for undertaking the implementation of GST of **Phase-I** in the Corporation as under:

S. No.	Particulars	Consolidated Fees (In Rs.) incl. all but excluding Service Tax/GST
1	Lump sum price for the job given at para 4 of PHASE-I 'Scope of Work'.	
(In words : Rupees		

Note: Conveyance for two person for three (3) Tire AC to and fro Train Fare plus fooding and lodging to be provided by HHEC for outstation work, if required or mutually decided for one time implementation as per Phase-I.

S. No.	Particulars	Consolidated Monthly Fees (In Rs.) incl. all but excluding Service Tax/GST
1	Monthly fees for the job given at para 4 of PHASE-II 'Scope of Work'.	
(In words : Rupees		

Date:

Signature with seal of the firm

Place:

Name & Full address