Arihant Arden Apartment Owners Association (AOA)

Treasurer / Finance Committee | Arihant Arden Apartment Owners Association | admin@arihantardenaoa.org, president@arihantardenaoa.org | Office Hours: 10:00 AM – 6:00 PM (Monday to Saturday)

SUMMARY

The Arihant Arden Apartment Owners Association (AAO) invites proposals from reputed Chartered Accountant firms for conducting an Independent External Audit of the Society's financial records, statutory compliances, contracts, procurement processes and capital expenditure. The objective is to provide members with an independent assessment of financial governance, internal controls, statutory compliance and opportunities for improvement.

BACKGROUND

The Arihant Arden Apartment Owners Association (AAO) invites proposals from reputed Chartered Accountant firms for conducting an Independent External Audit of the Society's financial records, statutory compliances, contracts, procurement processes and capital expenditure. The objective is to provide members with an independent assessment of financial governance, internal controls, statutory compliance and opportunities for improvement.

OBJECTIVE OF AUDIT

The audit shall provide an independent and objective assurance to the General Body that society funds are properly accounted for, expenditure is incurred only for approved purposes, internal controls are adequate, risks of fraud/leakage/financial irregularities are minimized, procurement and vendor selection processes are transparent, and statutory compliances and Society Bye-laws are being followed.

SCOPE OF WORK

A. Transaction Audit & Forensic Review: Vendor Payments (100% verification of all vendor payments exceeding ₹25,000 during FY 2025-26; verify work order/purchase order, quotations/tender, committee approval, completion certificate, geo-tagged photos where applicable, invoice, GST, TDS, bank payment, books entry). AMC & Service Contracts (security, housekeeping, lift AMC, DG maintenance, STP, fire systems, horticulture, pest control, swimming pool, clubhouse; examine tender process, contract validity, escalation/auto-renewal, performance security, penalty clauses, manpower deployed vs billed, market benchmarking). Banking & Investments (monthly bank reconciliations, FDs, interest rates vs PSU/Govt banks, authorized signatories, dormant accounts, investment approvals). Income Audit (maintenance billing, delayed payment interest, NOC/transfer/parking charges, club income, tower rental, advertisement income, solar income if applicable, scrap sale; check unbilled flats, unauthorized waivers, incorrect billing, revenue leakages). Cash Collections (verify club collections, scrap sale, tower rent, miscellaneous receipts; match cash book → receipt register → deposit slip → bank credit). B. Compliance Audit: Income Tax Act, TDS, GST, Professional Tax (if applicable), Income Tax Return, TDS Returns, GST Returns; Society Bye-laws compliance (maintenance revision approvals, sinking fund, reserve fund, transfer charges, penalty recovery, defaulter action, procurement approvals). C. Capital Expenditure Audit: all projects exceeding ₹25 lakh; review tender process, technical evaluation, comparative statements, work orders, measurement books, running/final bills, retention money, warranty, completion certificate, payment approvals. D. Fixed Asset Audit: physical verification of DG sets, lifts, fire equipment, pumps, motors, STP, electrical panels, ACs, solar plant, furniture/equipment; verify asset register, tagging (>₹10,000), insurance, disposal records. E. Internal Control & Governance Review: delegation of powers, maker-checker, bank authorization, procurement/vendor selection, record keeping, document retention, digital controls, backups. F. Fraud Risk Review: duplicate payments, split purchases, related party transactions, fake vendors, inflated invoices, ghost employees, unauthorized payments; suspected fraud to be reported immediately via Red Flag Report.

DELIVERABLES

Within 15 days: Red Flag Report (if any material fraud or irregularity is detected). Within 45 days: Draft Audit Report; presentation to Finance Committee and Independent Oversight Sub-Committee. Within 60 days: Final Audit Report; presentation before GBM; Management Letter with key observations, risk categorization (High/Medium/Low), root cause analysis, at least 10 actionable recommendations, and suggested internal control improvements.

ELIGIBILITY CRITERIA (MANDATORY)

Firm: ICAI Registered, minimum 10 years practice; provide ICAI Registration Number, PAN, GST Registration. Experience: minimum 3 housing society audits, society size 750+ flats, completed during last 5 years; completion certificates mandatory. Team: Engagement Partner FCA with minimum 15 years experience; field team minimum 1 Chartered Accountant and 2 audit assistants. Independence: not current statutory auditor; disclose any direct/indirect relationship with committee member/vendor/employee/consultant; furnish Independence Certificate before commencement. Turnover: minimum firm turnover ₹1 Crore during previous financial year; attach audited financial statements.

EVALUATION CRITERIA

Technical Evaluation (70 marks): Experience of 750+ flat societies (25), audit methodology & risk-based approach (20), team profile & partner involvement (15), sample audit report (10). Minimum qualifying marks: 50 out of 70. Only technically qualified firms considered for financial evaluation. Commercial Evaluation (30 marks): Professional fee; L1 gets 30 marks; others scored as L1 Quote / Bidder Quote × 30.

COMMERCIAL QUOTE FORMAT

Particulars: Professional Fee (FY 2025-26 Full Audit), Additional Fee for Capex Audit (>₹25 lakh), Out-of-pocket Expenses (Actuals capped at ₹25,000), GST, Grand Total. Preference for firms offering rates for two financial years without escalation if scope remains unchanged.

SUBMISSION

Bidders shall submit Technical Bid and Commercial Bid in two separate sealed envelopes inside one outer envelope superscribed: "Proposal for Appointment of Independent External Auditor – Do Not Open".

TERMS & CONDITIONS

Auditor shall represent the report independently to the General Body Meeting; scope cannot be modified without General Body approval; society shall provide Tally backup/bank statements/vouchers/supporting records within 7 days of work order; auditor shall sign NDA; all reports are exclusive property of society; observations must be supported by documentary evidence; findings classified as High/Medium/Low risk; Managing Committee reserves right to accept/reject proposals without reason; payment terms: 30% on work order, 40% on draft report submission, 30% after final report and GBM presentation.

ISSUED BY

President, Arihant Arden Apartment Owners Association. Date: 20/06/2026.