

Tender Notice No. VKY/2016/2187/D-SAG/

TENDER DOCUMENT

**FOR SELECTION OF CHARTERED ACCOUNTANT FIRM TO ACT AS FINANCIAL
ADVISOR CUM INTERNAL AUDITOR**



Development Support Agency of Gujarat

Block No:8, 2nd Floor, New Sachivalaya,
Sector-10-A, Gandhinagar-382010

Ph :(079)23243749

E-mail : acc.dsag@gmail.com

Year 2021-22

(01-07-2021 to 31-03-2022)

Tender Fee : Rs. 1500/- (One Thousand Five Hundred Only)

EMD : Rs. 10,000/- (Ten Thousand Only)

Applications are invited from C.A. firm having head office/branch in Gandhinagar or Ahmedabad for Internal Audit of Development Support Agency of Gujarat for the F.Y. 2021-22 (01-07-2021 to 31-03-22). The Interested firm can download the tender document from website <http://dsag.gujarat.gov.in>

To,	
Starting Date for Downloading RFP Document	From 3 rd July, 2021 to 26 th July,2021 to 17.00 hrs.
Last date for submission of proposal to D-SAG	26 th July, 2021 (17.00 hours)
Bid Submission Address:	Chief Executive Officer, Development Support Agency Of Gujarat, Block No. 8, 2 nd Floor, New Sachivalaya,Sector-10A, Gandhinagar-382010
Technical Bid Opening (Date & Time):	28 th July 2021 at 12.00 PM
Venue for technical bid opening	Conference Hall, Development Support Agency of Gujarat, Block No. 8, 2 nd Floor, New Sachivalaya, Sector-10A, Gandhinagar-382010

Note:

1. D-SAG, Invites “ Request for Proposal “ (RFP) from Chartered Accountant (CA) firms empanelled with C & AG are invited for the selection of Internal Auditor for the financial year 2021 -2022(July-21 to March-22)
2. The interested CA firms are advised to read carefully the entire tender document before submitting their tender and if the tender documents not received in prescribed format and found incomplete in any respect their will be summarily rejected.

DEVELOPMENT SUPPORT AGENCY OF GUJARAT

(An Autonomous Society created by Government of Gujarat)

Block No. 8, 2nd Floor, New Sachivalaya, Sector-10A, Gandhinagar-382010, Gujarat

SUBJECT: TERMS OF REFERENCE AND PROCEDURE FOR SELECTION OF AN ACCOUNTING FIRM TO ACT AS FINANCIAL ADVISER CUM INTERNAL AUDITOR

1. INTRODUCTION

Development Support Agency of Gujarat is an organization under the administrative control of the Tribal Development Department are engaged in various development activities involving development of Scheduled Tribe population. As their activities expand, there is a need to ensure that their financial practices, and systems are accurate and the procedures are able to pass the strictest scrutiny. Considering the importance of the tasks involved, D-SAG is looking for an experienced and competent firm of chartered accountant who can regularly perform these activities and are able to guide this body to strengthen their accounting system with the help of latest IT software.

The broad terms and range of activities expected under this assignment will be as follows-

2. Brief Description of the Assignments: These will be as follows:

Terms of reference for the Financial Adviser cum Internal Auditor -Introduction of organization:

- a) To develop suitable software based daily accounting system for the organizations mentioned in Annexure-I in order to ensure proper booking of expenditure. The expectations for this purpose could be (i) DSAG: individual grants are to be managed and booked properly; (ii) accounts of individual beneficiaries to be credited accurately. The system should preferably on Tally Software;
- b) To train the accounts related personnel in the organization mentioned in Annexure-I for the use of daily accounting system and carrying out monthly inspection to confirm 100% accuracy of the accounts and postings;
- c) To ensure proper fund management practices in D-SAG in such a way that they derive maximum possible interest income while following the Government of Gujarat instructions;
- d) To guide this organization in maintaining their statutory records properly and as per the stipulations of various statutes under which they have been formed. This will also include submitting statutory returns to the State and Central authorities and also recording the minutes of the board meeting accurately and submitting a note to the Boards obtained.
- e) Sample audit of at least 25% files of the first six months to ensure that the procedures followed and approvals obtained stand the scrutiny of the audit in future, including the audit by the Comptroller and Auditor General of India.
- f) To review the future agreements with private donors and the agreements to be entered into by DSAG with its partner NGOs private sector units and to offer comments and suggestions keeping in view the long term interest of this organization; and to carry out internal audit of the accounts of at least five major partners of DSAG. This has to be done on quarterly basis.
- g) To develop and guide the officials of this body in maintaining various control Registers, stock register, general ledger and cash book, voucher system, and other mandatory records.
- h) To carry out pre audit of payment which involve amount of more than Rs.20000/-
- i) Any other relevant information mentioned below (A) & (B)

(A) Pre Audit:

- (a) Pre-audit will have to follow the instructions given in Fund Release Frame Work Manual of D-SAG.
- (b) Requirements of the Documents for fund release of first & subsequent Installment should be verified as mentioned in Fund Release Frame Work Manual.
- (c) Unnecessary delay and uncertainty in release of funds for implementing projects should not occur except any major deficiency of documents.
- (d) Pre-audit of files submitted for payment above Rs.20,000/- to ensure that the procedures followed and approvals obtained stand the scrutiny of the audit in future, including the audit by the Comptroller and Auditor General of India
- (e) Account of implementing agencies should be audited by month of Sept. of the next financial year. No further funds can be released without permission of Head of Department if the audited accounts are not submitted timely by implementing organization.

(B) Extra:

- (a) Check list points to be audited to be replied in yes/No manner for pre audit should be introduced so that before submitting file for pre audit it should be fulfilled by concern staff and it would be easier for auditor too.
- (b) To avoid delay in clearing process of cheque payment, system of RTGS fund transfer by D-SAG's Account holding Bank should be introduced by obtaining necessary information of Payees Bank in standard format (Name of A/C holder, Branch code, Place, A/C No, Bank's IFSC Code, MICR No.etc.) before issuing payment order.
- (c) Payment orders are being prepared by dealing staff in their own way in different style which creates delay in finding required information of payment/grants to be transferred in debit vouchers. Some Standard formats of Payment Orders in case grant release, Payment of Bills (purchase of Items), Payment of Bills (services like telephones, data card usage bills) should be introduced by IA.

Time frame for Activities

The CA Firm must deploy at least one qualified CA with Assistant (Inter CA) at least two days in a week throughout the year.

Further in case of any pre audit of bill firm must carry out pre audit in 24 hours after telephonic confirmation.

3. Duration of the Assignments

Above assignments will be carried out for the F.Y. 2021-22 (July-21 to March-22) (**Extendable based on performances**) The Work of internal Auditors will not be awarded to prosperity ownership firm. The Appointment will be for one year i.e. 2021-22 (**Extendable based on performances**)

4 Procedure for Selection of the Consulting Agency

The CA firm is invited to submit a Technical Proposal and a Financial Proposal separately for the above assignment. These proposals must remain valid for 60 days. D- SAG will make its best effort to complete negotiations within this period.

Please note that (i) the costs of preparing the proposal and negotiating for the contract, including a visit, are not reimbursable as a direct cost of assignment, and (ii) D- SAG is not bound to accept any of the

proposals received by it and reserves the right to annul the selection process at any time prior to contract award, without thereby incurring any liability to the firm.

5. Preparation of proposal

CAs are requested to submit the proposal in two parts in 2 separate envelopes / packages and put together in one single outer envelope/package. The two parts shall be:

Part 1: Technical Proposal and Part 2: Financial Proposal.

6. Part 1: Technical Proposal

- (i) A brief description of the outreach of the firm in the Scheduled Areas of Gujarat and past experience of working with the Government and parasternal organizations.
- (ii) Any comments or suggestions on the ToR and work plan which the Firm proposes to execute the assignment, illustrated with bar charts of activities.
- (iii) A concept note defining the Firm’s approach and methodology for the assignment along with the team composition for taking up the proposed assignment and details of actual services which will be provided by the Firm in view of the ToR.
- (iv) A note detailing the expectations from D-SAG autonomous organizations in relation to the proposed assignment;
- (v) The firm should have H.O/Branch either at Ahmadabad or Gandhinagar
- (vi) The supporting documents for the information mentioned in Format A (Format for Technical Proposal) are to be attached with the Technical Bid for scrutiny of the proposal.
- (vii) The technical bid will be opened first and will be evaluated by a committee constituted in the office of the DSAG.
- (viii) Any other relevant information.
- (ix) The technical proposal must not include any financial information.

(x) Eligibility Criteria:

SR. No.	Eligibility Criteria	Evidence
1.	The firm should have H.O./Branch Office either at Ahmedabad or Gandhinagar	Documentary Proof As Mentioned below
2.	The CA Firm shall be in practice for a period of 10 years or more (as per ICAI Certification as on Dt.01/03/2021)	Documentary Proof As Mentioned Below
3.	Two partners. Both of them should be FCA (As per certificate of ICAI as on 01.03.2021) At least one partner should have a continuous association with the firm of a minimum of 5 years and another partner should have a continuous association with the firm of a minimum of 3 years.	2
4.	Empanelment with C&AG With F. Y. 2021-22	Copy of Empanelment Status issued from C&AG for F. Y. 2021-22
5.	Turnover of the firm (Average annual in last three financial yrs.) 17-18, 18-19 & 19-20	30 Lakh

6.	No. of audit assignments of Statutory/ Internal Audit/Pre- Audit of Government /PSUs for which the audit has been <i>done in</i> the last 3 F.Y. 17-18, 18-19 & 19-20	8
7.	Not black listed	As mention below
8.	staff members having experience of Audit & Assurance	10
9.	Firm's Permanent Accout	Copy Should be attached
10.	Details of Firm, Partners, Staff etc.	As given below table (IX)

(IX)

Name of Partner	ACA/FCA	Date of Joining the Firm	Date of ACA/ FCA	Whether Full Time?

Supporting Documents for Eligibility Criterions:

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

- For Sr. No. 1, 2 & 3 above, the firm must submit an attested copy of Certificate of ICAI ason 1.3.2021.
- For Sr. No. 5, the firm must submit, a copy of the balance sheet and profit & loss accounts forthe last three financial years or certificate of CA. (F.Y. 17-18 & 18-19 & 19-20)
- For Sr. No. 6 copy of appointment letter should be attached
- For Sr. No. 7 the firm or any partners of the firm should not be black listed by any PSUs or Govt.Co. or any other organization in respect of any assignment or behaviour. (Letter on 100 Rs. StampPaper should be submitted at the time when assignment is awarded)

7. Financial Proposal

- Specific cost for providing the services to the individual organization for rate of per month and one year;

Penalty Clause

a. The Penalty of 10% of total fees may be levied if the work is not completed within prescribed time limit and also EMD/Securities Deposit Should be forfeited.

b. In the event of gross negligence, irregularity, laxity or misconduct on the part of CA firms personnel, the contract may be terminated and the CA firm may get black listed at the discretion of the CEO of D-SAG which shall be communicated to all the Government Departments and the Institute of Chartered Accountants for debarring such firm from any assignment of any Government work.

c. The violation of any of the terms will invoke penalty. It will be the responsibility of the CA firm

to complete the assignment with full knowledge and experience of the work with proper care and time. Failure to do so leading and experience of the work with proper care and time. Failure to do so leading to either undue delay or laxity or failure or incorrect report will make the CA firm liable for being removed from the contract by the Chief Executive Officer of D-SAG after issuing the notice of 15 days as well as disciplinary action. The decision of the Chief Executive Officer of D-SAG shall be final in this respect.

d. Chief Executive Officer of D-SAG shall have the absolute powers to reduce or condone the penalty.

8. Submission, receipt and opening of proposals

The original proposal shall be prepared in indelible ink. It shall contain no interlineations or overwriting, except as necessary to correct errors made by the firm itself. Any such corrections must be initialed by the person or persons who sign(s) the Proposals.

An authorized representative of the Firm shall initial all pages of the Proposal.

The Request for Proposals shall be sent on or before 17.00 hrs on 26th July 2021 to the following address- through RPAD, SPEED POST ONLY
CHIEF EXECUTIVE OFFICER, DEVELOPMENT SUPPORT AGENCY OF GUJARAT,
Block No. 8,
2nd Floor, New Sachivalaya, Sector-10A, Gandhinagar-382010 GUJARAT.

Any proposal received by the Client after the deadline for submission shall be returned unopened.

The original and all copies of the Technical Proposal shall be placed in a sealed envelope clearly marked „PART 1 - TECHNICAL PROPOSAL“. THE TECHNICAL PROPOSAL envelope must contain the technical bid format in prescribed Performa as per **Annexure - I along with a demand draft of ' Rs. 1500/- (One Thousand Five Hundred Only) as Tender Fee (non-refundable) towards cost of tender and Earnest Money Deposit (EMD) of 10,000/- (Ten Thousand Only) (non-interest bearing) favoring “Development Support Agency of Gujarat” and payable at Gandhinagar (Which may considered as Security Deposit in future)** with all relevant documents in support of eligibility and experience criteria.

Similarly, the original Financial Proposal shall be placed in a sealed envelope clearly marked „PART2 - FINANCIAL PROPOSAL“ with a warning “Do Not Open With the Technical Proposal.” The envelopes containing the Technical and Financial Proposals shall be placed into an outer envelope and sealed. This outer envelope shall bear the submission address, reference number and Project Name, and be clearly marked “Do Not Open, Except IN PRESENCE of the Official Appointed. D-SAG shall not be responsible for misplacement, losing or premature opening if the outer envelope is not sealed and/or marked as stipulated. This circumstance may be case for Proposal rejection. If the Financial Proposal is not submitted in a separate sealed envelope duly marked as indicated above, this will constitute grounds for declaring the Proposal non- responsive.

A. FORMAT FOR TECHNICAL PROPOSAL

1. **Outreach of the firm in the Scheduled Areas of Gujarat and past experience of working with the Government and parasternal organizations.**
2. **Methodology & Work Plan**
 - a. Comments or suggestions on the ToR
 - b. Description of the methodology
 - c. Work plan
 - d. Bar charts of activities
 - e. Team composition
 - f. Details of actual services which will be provided by the Firm in view of the ToR
3. **Note containing expectations from D-SAG.**
4. **Any other relevant information.**

Eligibility Criteria:

SR. No.	Eligibility Criteria	Evidence
1.	The firm should have H.O./Branch Office either at Ahmedabad or Gandhinagar	Documentary Proof As Mentioned Below
2.	The CA Firm shall be in practice for a period of 10 years or more (as per ICAI Certification as on Dt.01/03/2021)	Documentary Proof As Mentioned Below
3.	Two partners. Both of them should be FCA (As per certificate of ICAI as on 01.03.2021) At least one partner should have a continuous association with the firm of a minimum of 5 years and another partner should have a continuous association with the firm of a minimum of 3 years.	2
4.	Empanelment with CAG With F.Y. 2020-21	Copy of Empanelment Status issued from C&AG for F.Y. 2020-21
5.	Turnover of the firm (Average annual in last three financial yrs.) 17-18, 18-19 & 19-20	30 Lakh
6.	No. of audit assignments of Statutory/ Internal Audit/Pre- Audit of Government /PSUs for which the audit has been done in the last 3 F.Y. 17-18, 18-19 & 19-20	8
7.	Not black listed	As mention below
8.	Staff members having experience of Audit & Assurance	10
9.	Firm's Permanent Account No.	Copy Should be attached
10.	Details of Firm , Partners , Staff etc.	As per given below table (XI)

(IX) Provide following details:

Name of Partner	ACA/FCA	Date of Joining the firm	Date of ACA/FCA	Whether Full Time?

Supporting Documents for Eligibility Criteria:

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

- a) For Sr. No. 1, 2 & 3 above, the firm must submit an attested copy of Certificate of ICAI as on 1.3.2021.
- b) For Sr. No. 5, the firm must submit, a copy of the balance sheet and profit & loss accounts for the last three financial years or certificate of CA. (F.Y. 17-18, 18-19 & 19-20)
- c) For Sr. No. 6 copy of appointment letter should be attached
- d) For Sr. No. 7 the firm or any partners of the firm should not be black listed by any PSUs or Govt. Co. or any other organization in respect of any assignment or behaviour. (Letter on 100Rs. Stamp Paper should be submitted at the time when assignment is awarded.

B. FORMAT FOR FINANCIAL PROPOSAL
(PART-1: COST OF ASSIGNMENT)

Name of the Assignment: SELECTION OF AN ACCOUNTING FIRM TO ACT AS FINANCIAL ADVISER CUM INTERNAL AUDITOR FOR THE AUTONOMOUS ORGANIZATIONS UNDER THE ADMINISTRATIVE CONTROL OF TRIBAL DEVELOPMENT DEPARTMENT.

Name of the Firm:

Our terms will be as follows-

	Organization	Cost of Assignment	
		2021-22	
		Per Month	Per Year
i.			

We further confirm that-

- a. Above terms are inclusive of all other charges, taxes and levies;
- b. In case of wrong calculation in addition or otherwise, the fees quoted for one year internal audit will be considered for calculating the total fees for arriving at L1 firm.
- c. The CA firm will be required to quote the professional fees for Internal Audit to be carried out. The rates invited will be inclusive of Travelling Expenses (Loading & Boarding), Stationery Expenses, Communication Expenses and all other out of pocket expenditure relating to the said assignment for the audit of Trust.
- d. The offer will be valid for next 60 days.

We here by declare that our bid response is made in good faith and the information contained is true and correct to the best of our knowledge and belief.

Date:

Sign;

Name:

Designation:

Membership No.

ANNEXURE-I

DEVELOPMENT SUPPORT AGENCY OF GUJARAT (D-SAG)

DSAG was set up in the financial year 2007-08 with the aim of managing the flexible funds available to the Tribal Development Department in a more innovative manner and also to provide professional support to the Department promoted organizations and programmes. Over the period, it has also started providing contractual manpower to various offices of the Department. It receives grant under various schemes from Government of India and the State Government. It is imperative that these grants are managed properly, deployed usefully and accounted for. D-SAG does not have a large number of transactions at present but considering the variety of activities started by it, there is an urgent need to book the expenditure to proper sources of funds and also track the slow moving schemes. It is also necessary that the DSAG deploy its available funds efficiently as the interest earned on these grants is likely to be crucial.