

<p>DEPARTMENT OF TRADE & TAXES, GOVT. OF NCT OF DELHI VYAPAR BHAWAN, IP ESTATE, NEW DELHI-110002</p>	<p>REPLIES TO QUERIES IN RESPECT OF EXPRESSION OF INTEREST (EOI) FOR PROPOSAL (TENDER ID: 2021_DTT_199808_1)</p>
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**REQUEST FOR EXPRESSION OF INTEREST (EOI) FOR EMPANELMENT OF CHARTERED
ACCOUNTANTS/CHARTERED ACCOUNTANT FIRMS/COST ACCOUNTANTS/ COST ACCOUNTANT FIRMS
FOR SPECIAL AUDIT OF GST REGISTERED PERSONS UNDER SECTION 66 OF THE DELHI GOODS &
SERVICES TAX ACT, 2017 (TENDER ID: 2021 DTT 199808 1)**

**PRE-PROPOSAL MEETING HELD BY THE TRADE & TAXES DEPTT. ON 19-02-2021 AT 3.00 PM IN THE
CONFERENCE HALL, 13TH FLOOR, VYAPAR BHAWAN, I.P. ESTATE, NEW DELHI-110002**

S. No.	Para/ Annexure of EOI Document	Sub-Para (If applicable)	Page No .	Questions/Recommendations/ Suggestions/Remarks/Proposals made by applicants in their queries	Clarifications from the Trade & Taxes Department
1.	Para 8	1	9	<p>As per instructions, application for empanelment is to be submitted only online on the Government of NCT of Delhi e-procurement Portal at https://govtprocurement.delhi.gov.in. However, for applying through the said portal, there is a requirement of payment of fees of Rs. 7000+18% GST, though no fees has been mentioned in the EOI document. We request you to clarify on the following points:-</p> <p>(i) Since no fee has been mentioned in the EOI document, how can we apply through the e-procurement portal without paying any fee.</p> <p>(ii) Please share process and link to apply for the empanelment.</p> <p>(iii) Is the registration fee of Rs.7000+18% GST refundable?</p>	<p>(i) The Trade & Taxes Department is not charging any fees for EOI, as may be seen in the document regarding invitation of the said EOI. The fees of Rs. 7000+18% GST is the charges for registration on the Delhi Govt. e-procurement portal https://govtprocurement.delhi.gov.in. Since the EOI has to be submitted only online through this portal, registration of the applicant on the portal is mandatory. Once registered, the applicant can avail the facility of this portal in future for other tenders/EOIs also, if he so desires, for a period of one year from the date of registration.</p> <p>(ii) As already mentioned in the EOI document, the applicant has to follow the instructions as available at above cited address in the "Bidders Manual Kit" where the links are available.</p> <p>(iii) The registration fee of Rs.7000 +18% GST is not refundable.</p>
2.	Para 5	--	8-9	In "Schedule of Fees", for payment of fees based on aggregate turnover,	Aggregate turnover of the Registered person during the

				<p>please clarify whether aggregate turnover will be calculated on an annual basis or the turnover of the entire period would be covered under audit.</p>	<p>period/years for which Special Audit is to be conducted would be taken into consideration while arriving at the fees of Special Audit. For example, if the Special Audit of a registered person is conducted for one year, then annual turnover of the registered person during that year will be considered for payment of audit fee, but if the audit is to be conducted for more than one year, then total aggregate turnover for such years will be considered for payment of Audit fee.</p>
3.	Para 2	(i) (d)	5	<p>In “Selection Procedure”, audit assignments done in last 5 years is one of the criterion for awarding the marks. We don’t have completion certificates in respect of various audits, though we can provide the engagement letters/allotment letters. Would it suffice for this particular evaluation criteria?</p>	<p>It has been clearly mentioned in the EOI document that the marks would be allotted on the basis of the number of audit assignment of Internal/ Statutory/ Forensic Audit of Corporate/PSU entities, except Bank Branch Audit, for which the audit has been done in the last five years, which makes it clear that the audit of the Corporate/PSU entities done in the last five years should have been completed.</p>
4.	Para 2	(i) (d)	5	<p>We have experience in GST Audit of Public Listed Company and Public sector company (PSU). GST Audit experience should be considered for this tender.</p>	<p>As regard the Statutory Audit, Audit of Corporate/PSU entities done under Statutes/Acts would be considered. Hence, GST Audit done in term of GST Act would also be considered for this purpose. Regarding Internal Audit of the Corporate/PSU entities, Internal Audit done in terms of Section 138 of the Companies Act, 2013 would be considered.</p>
5.	Para 3	--	7	<p>In “Scope of Work”, it is mentioned that “In case the registered person does not accept the findings of the Special Audit and consequent tax liability, interest etc. & contests the same by way of appeal, the auditor will render all required assistance/advice in the matter to protect the interest of the government in such appeals”. For</p>	<p>No additional fees will be paid to the auditor for assistance/advice during the Appeal, as this is covered under the “Scope of Work” for which the Audit fee as per “Schedule of fees” is payable.</p>

				defending the said appeal after preparation of Audit Report, it is suggested that the auditor should be paid additional fees for assistance/advice during the appeal, arising as a result of special audit.	
6.	Para 5	--	8-9	The fees mentioned does not include out-of-pocket expenses of the auditor. We request you to allow atleast the travelling expenses to be reimbursed (with a ceiling limit and other conditions, if necessary). Otherwise, the audit assignments will not be viable for professionals. It will also hamper the quality of audit work, as professionals will try to conduct a major part of the audit offsite so as to save on the out-of-pocket expenses and make the assignment viable for them.	The fees mentioned in the EOI document in "Schedule of Fees" is the total fees payable to the auditor. No extra travelling expenses or out-of-pocket expenses will be given.
7.	Para 2	(i) (b)	5	<p>As per the "Selection Procedure", the firm has to be empanelled as auditor with various tax departments.</p> <p>(a) The empanelment means special audit empanelment or normal empanelment? Because being a chartered accountant, we sign the balance sheet and tax audit which is accepted in various departments.</p> <p>(b) We are empanelled with Serious Fraud Investigation office, Central Bureau of Investigation, Economic Offence Wing in which we are assisting all types of investigations. So, we would request to consider our experience with these agencies in this particular evaluation Criteria, as our experience would help in this special audit.</p>	<p>(a) It has been clearly mentioned in the EOI document that the empanelment of the applicant should be as an auditor with any of the departments mentioned therein, during the last 7 years. Therefore, it is necessary for the applicant to have been on the panel of those departments for conducting, on their behalf, the audit of the dealers/registered persons/tax payers, for being awarded marks against this criteria.</p> <p>(b) Applicants should be empanelled only with the departments as mentioned in the EOI documents i.e.</p> <ol style="list-style-type: none"> 1. Department of Income Tax 2. Department of Customs and Central Excise 3. Department of Service Tax 4. Department of Value Added Tax 5. Department of Goods & Services Tax
8.	Para 5	--	8-9	At the time of release of 80% of payment on submission of findings of Special Audit in ADT-04, what component of GST will be released?	At the time of release of 80% of payment, GST component on 80% of audit fees will be released.

9.	Para 3	--	7	As per "Scope of Work", the auditor shall submit his report within the prescribed period as per the provisions of the Act but as per past experience of the earlier Audits during VAT, the dealer/registered person does not cooperate with the Auditor during the conduct of Special Audit. How can the Auditor submit the report within the prescribed period as per the provisions of the Act if the same situation arises and the registered person does not cooperate with the Auditor?	The Special Auditor would be nominated by the Department under Section 66 of the DGST Act, 2017 for conducting the Special Audit on behalf of the Department. As already clarified in the EOI document, at point no. 4 "Duties and Obligations" at Sl. No.(iii), the Audit shall be conducted in coordination with the departmental officers. In case, it happens that the registered person does not cooperate with the Special Auditor, then all necessary action in the matter would be taken, including the penal action against such registered person as per the provisions of the Act.
10.	Para 2	(i) (b)	5	As per "Selection Procedure", is it mandatory to be empanelled with the Department of Income Tax/Customs and Central Excise/Service Tax/ Value Added Tax and Goods & Services Tax?	Though it is not mandatory, however, if the applicant is not empanelled with any of the mentioned departments, then no marks will be awarded against this point.
11.	Para 2	(i) (d)	5	Please clarify whether audit assignment of a single client for multiple years shall be counted as one or it would be counted separately for each year.	Audit assignment of a single client of multiple years shall be counted as one. Marks will be awarded against this point depending upon the number of clients in respect of whom Internal/Statutory/ Forensic audit has been done in the last five years.
12.	Para 2	(i) (e)	6	Is the Staff strength inclusive of partners or exclusive of partners?	Staff strength should be exclusive of partners and typist, stenographers, computer operators, secretaries and subordinate staff etc. would also be excluded. However, staff strength would include audit and article clerks with the knowledge in book-keeping and accountancy and are engaged in outdoor audit.
13.	--	--	--	Whether class 2 or class 3 DSC (Digital Signature Certificate) is to be used by the applicants?	Class 3 DSC (Digital Signature Certificate) is to be used by the applicants.

14.	Annexure-A & Annexure-B	S. No. 1 & S. No. 2, respectively	11 & 12	Whether we have to submit address proof of the firm, and if yes, whether GST registration certificate can be submitted as an address proof?	Yes.
15.	Para 1	(iv) & (v)	4	As per the "Eligibility Criteria", the undertakings should be given on letter head or on non-judicial stamp paper?	The applicant should fill-up point no. 10 of Annexure-A in this regard and Annexure-E should also be duly signed & uploaded.
16.	Annexure-A & Annexure-B	S. No. 2 & S. No. 1, respectively	11 & 12	If the applicant is a partnership firm, then in whose name PAN is required, firm's PAN or partner's PAN?	The applicant's PAN is required. If the applicant is a firm, then PAN of the firm is required.
17.	Annexure-A & Annexure-B	S. No. 2 and S. No. 1&2, respectively	11 & 12	If there are five partners in the applicant's firm, then the copies of PAN/Aadhar of all partners are required or that of main partner would be sufficient?	Copy of PAN/Aadhar of main partner would be required.