



**Gujarat Co-operative Milk Marketing Federation Limited, Anand**

Request for Proposal

for

System Audit

of our

SAP ERP System



**GUJARAT CO-OPERATIVE MILK MARKETING FEDERATION LTD., ANAND**

Ref: GCMMF:SYSAUDIT:2021-22

Date: 18 October 2021

**NOTICE FOR INVITATION OF PROPOSAL FOR SYSTEM AUDIT OF OUR  
SAP ERP SYSTEM**

The Gujarat Co-operative Milk Marketing Federation Ltd. invites sealed Proposal from reputed Audit Firms for our Core Business Process of SAP ERP Software.

1. Interested eligible Audit Firms may obtain further information from the office of the Gujarat Co-operative Milk Marketing Federation Ltd., Anand 388 001.
2. A complete set of RFP document may be downloaded by any interested bidder from the Website <http://www.amul.com>.

a	Date of commencement of RFP	<b>18 October 2021</b>
b	Pre-bid Virtual Meet for clarification on RFP	<b>22 October 2021</b>
c	Last date for submission of Proposal	<b>30 October 2021</b>
d	Address for Communication	Sr. Manager (Finance & Systems) Gujarat Co-operative Milk Marketing Federation Ltd., Amul Dairy Road Anand 388 001 Gujarat; India e-mail: <a href="mailto:sysaudit@amul.coop">sysaudit@amul.coop</a>

3. The Managing Director, the Gujarat Co-operative Milk Marketing Federation Ltd, reserves the right to reject the proposal(s) received, without assigning any reasons what-so-ever.



## Background

Gujarat Co-operative Milk Marketing Federation (GCMMF) is an Apex Cooperative Organisation comprising of 18 affiliated District Milk Unions. GCMMF is the single largest organisation in the food industry engaged in marketing & distribution of the Liquid Milk and the Milk Products under brand name of “Amul” and “Sagar”.

The Apex Cooperative Organisation “GCMMF” has around 3.6 million milk producing members, who are giving milk to the Village Cooperative Societies of the respective Member Unions.

GCMMF successfully implemented common ERP System namely “SAP ERP” across GCMMF Enterprise which included GCMMF HO, its Zonal Offices, Branch Offices, AmulFed Dairy and all the Member Unions and its plants in the year 2010-11 with SAP ERP Data Centre at IBM’s site at ITPL in Bangalore and DR site at our Head Office in Anand.

GCMMF intends to invite proposal to carry out System Audit of its various business processes through Online platform.



## **SECTION I - TERMS & CONDITIONS**

In addition to the conditions mentioned in the RFP notice and attached schedule the following points will also form part of the RFP documents.

1. The prices quoted should be in INR.
2. The audit firm should clearly state the constitution of the organisation and Necessary supporting documents should be attached.
3. The RFP will be rejected if the proposal is found inconsistent or inappropriate, without providing the Audit firm another opportunity.
4. The successful Audit firm will have to execute an agreement as called upon by GCMMF.
5. The Auditor submitting his RFP would be deemed to have considered and accepted all the terms and conditions.
6. In the case of placement of Work Order, the Audit firm (the Audit firm whose RFP is accepted) shall have to accept the Work order within 7 days from the date of receipt of work order. If the Audit firm notices any mistake in the contents of the order, he must bring the same to the notice of the GCMMF and seek clarifications.
7. All disputes arising out of this RFP, the legal jurisdiction will be at Anand, Gujarat, India.
8. If the report is not submitted on the due date, the GCMMF will have the right to impose penalty of 1% of Work Order amount for every week subject to a maximum of 5%. GCMMF reserve the right to cancel the order in case the delay is more than 2 weeks.
9. Audit report has to be submitted to the GCMMF.
10. The Audit firm should deploy competent staff for the proposed work and shall perform their duties with due diligence.
11. GCMMF will have no liability regarding any matter concerned to the employees of Audit firm regarding salaries, welfare measures etc. Audit firm has no right to claim on GCMMF in any respect of employment/ compensation etc.



## Pre-Bid Meeting

Interested candidates may send email request to [sysaudit@amul.coop](mailto:sysaudit@amul.coop) with contact person's name, address, mobile number and company details for participating in pre-bid meeting on or before 22<sup>nd</sup> October, 2021. Meeting details shall be shared via email from above email address.

## SECTION II: PRE-QUALIFICATION CRITERIA

Criteria	Proof of documents to be submitted
<p>The bidder should be a Partnership firm/ Private Limited Company having its Registered Office in India</p> <p>The bidder organization should have been in existence for at least 3 years as on the date of Proposal submission.</p> <p>Bidder should have GST &amp; PAN registration.</p>	<p>Attach copy of supporting documents.</p>
<p>Applicant should have at least 2 years' experience in the field of similar IS audits in Government organization/ Financial institutions /PSUs /Banks/ NBFCs and conducted at least 2 such audits during this period</p>	<p>Attach copies of work orders.</p>
<p>The bidder should not have currently been blacklisted by any Govt. Department /PSU/ PSE / RBI / IBA or nationalized Banks.</p>	<p>Self-declaration to that effect should be submitted along with the technical Bid.</p>
<p>The bidder organization should have at least one qualified CISA (Certified Information System Auditor) or CISP/CISM/CRISC/CISP/DISA Professional (Certified Information System Security Professional). Bidder should ensure that the qualified professional is actively involved in the conduct of the Audit throughout the period of the contract. Preference will be given to firms having CISA qualified professional</p>	<p>Attach Self-certified declaration along with the details of professional.</p>



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## **SECTION III: TERMS AND CONDITIONS OF CONTRACT**

### **1. Amendment of bidding document**

At any time prior to the deadline for submission of proposals, GCMMF may modify the Proposal document, for any reason, by its own initiative or in response to the clarification request by a prospective Audit firm.

GCMMF at its discretion may extend the deadline for the submission of proposals if the Proposal document undergoes changes during the bidding period. This will give prospective auditor enough time for consideration of the amendments while preparing their proposals. The amendment will be notified in writing or by email to all prospective Audit Firms which have received the RFP and will be binding on them.

### **2. Period of validity of proposals**

Bids shall be valid for minimum 90 days from the date of submission. Proposal which is valid for a shorter period shall be rejected. Auditor has to extend the validity if required by the GCMMF.

### **3. Submission of proposals**

Bids should not contain any terms and conditions, printed or otherwise. The multiple bid/joint bid/unconditional bid will be summarily rejected.

### **4. Deadline for submission of proposals**

Bids must be submitted in a sealed envelope to the address specified in the RFP document before the due date and time.

### **5. GCMMF's Right to Accept Any proposal and to Reject Any or All Proposals**

The GCMMF reserves the right to accept or reject any proposal, at any time prior to award of Contract, without thereby incurring any liability to the affected Firm or Firms or any obligation to inform the affected Firm or Firms of the grounds for the Purchaser's action. GCMMF reserves the right to award the contract to a single vendor or split between more than one vendors.

### **6. Award of contract**

Preliminary scrutiny of the proposal will be made to determine whether they are complete, and the documents have been properly signed. Proposals not conforming to such preliminary requirements will be prima facie rejected.



The auditor should quote their rates in prescribed Performa which is mentioned in the RFP document. Commercial proposals other than the format provided shall be rejected by GCMMF. In case of discrepancy between words and figures, the rates quoted in words shall be treated as final.

If more than one Auditor happens to quote the same lowest price, GCMMF reserves the right to select the Audit firm.

#### **7. Prices inclusive of Taxes and duties**

The price quoted shall be considered firm and no price escalation will be permitted and it should be inclusive of applicable taxes & duties. No concessional tax form (C/D) will be given by GCMMF. In case the Audit Firm is required to visit any of our Zonal/Branch Office, GCMMF will pay the out-of-pocket expense, if any.

#### **8. Payments:**

100% after submitting the audit report.

#### **9. Right to amend scope of work**

For any unforeseen reasons, if GCMMF is required to change the Scope of work, this change shall be acceptable to the Audit firm without any change in the quoted price.

#### **10. Adherence to safety procedures, rules, regulation and restriction**

The audit firm shall comply with the provision of all laws including labour laws, rules, regulations and notifications issued from time to time.

The audit firm shall also adhere to all security requirement/regulations of GCMMF during the execution of the work. The work shall be carried out by the audit firm during "Online" on all working days.

#### **11. Interpretation of the clauses in the Document / Contract Document**

In case of any ambiguity/ dispute in the interpretation of any of the clauses in this RFP Document; GCMMF's interpretation of the clauses shall be final and binding on all parties.

#### **12. Co-ordination of work**

The auditor should co-ordinate the work with all branch offices, ZO & Head Office of GCMMF.



### 13. Jurisdiction

The disputes, legal matters, court matters, if any shall be subject to Anand jurisdiction only.

## SECTION IV: SCOPE OF WORK

### Scope of Audit

The GCMMF wishes to carry out System Audit of the Core Business Processes of our SAP ERP System, as indicated below. **Data for only 1(One) Quarter will be covered under the scope of System Audit :-**

Office / Department	Business Process
Branch office	Sales order to Invoicing process
	Credit limit management
	Stock accounting
	Second leg freight invoice processing - DP, Frozen
	First leg freight invoice processing - DP, Frozen, Stock Transfers
	MFS / E-commerce Accounting & Reconciliation
	Scheme settlement
	Distributor's claim settlement
	Receivable management
	Payable management
	Crate Management
Fresh Product Office	Sales order to billing
	Crate management
	Freight settlement
Marketing	Scheme approvals
Commercial	Price structure in SAP
	Transit Insurance Claim at branches
ISD	Master data management
	System Control
	Authorisation controls
Accounts & Finance	Cost Monitoring Process
	Management accounting
Advertising	Payment process
Purchase	Purchase Process





## **Audit Methodology**

The System audit work will include computer assisted procedures and fully automated procedures, depending on the chosen audit approach.

The Audit firm shall be required to undertake to perform all such tasks, render requisite services and make available such resources as may be required for the successful completion of the entire audit assignment at no additional cost to the GCMMF. The GCMMF reserves the right to ascertain information from other institutions to which the bidders have rendered their services for execution of similar projects.

## **Audit Findings & Reports:**

The following reports are indicative one that should be covered for Branch Offices/ Zonal Offices/Head Office.

- System Audit Report of all the offices covering the objectives and effectiveness of the functions.
- Presentation to the Top Management regarding the findings of the Reports.
- Risk Analysis Report.
- Recommendations for Risk Mitigation
- Gap analysis and recommendation for mitigation
- The check list with guidelines for the subsequent audit (hard & soft copies)

## **Duration of Audit:**

The entire audit of all branches/offices should be completed within 2 months from the date of appointment.

Offices/ Branches under the preview of System Audit:

1. Head Office, Anand
2. One Zonal Office
3. Five Branch Offices
4. Three FPOs



## SECTION V: SUPPLEMENTAL TERMS AND CONDITIONS

- Data related to the GCMMF shall be kept confidential whether or not the material is specifically marked as confidential.
- Management responsibilities - Ensuring that all information provided to the audit firm is accurate and complete in all material respects and contains no material omissions.
- The selected bidder shall be indemnified against any loss or damage that GCMMF may sustain on account of any unprofessional act causing downtime of critical systems, disruption to business operations, violation of trademark, designs, intellectual property rights etc.
- Selected bidder shall not have a conflict of interest that affects the Bidding Process. Any Bidder found to have a Conflict of Interest shall be disqualified.

## SECTION VI: PROJECT TIME-LINE

The audit firm should take efforts to complete the work within 2 months from the date of awarding the work.

<b>Total Project Period</b>	<b>2 months</b>
Requirement Gathering	1 Week
Audit period	6 Weeks
Report finalization	1 Week

## SECTION VII: PRICE PROPOSAL FORMAT

<b>Item Description</b>	<b>Price (in INR)</b>	<b>GST</b>	<b>Total Amount</b>
RFP for System Audit of the Core Business Process of SAP ERP System of GCMMF			

### Note:-

1. Currently GST is 18%.
2. Payment Terms: 100% on submission of audit report.



**SECTION VIII X: PROPOSAL FORMAT FOR SYSTEM AUDIT**

**Annexure**

	Particulars	Details to be furnished by bidder*
1	Name & Registered Address of the Firm	
2	Constitution	
3	PAN No GST Registration details	
4	Name and contact details of two principal personnel including mobile number and e-mail ID	
5	Date of incorporation of the firm	
6	Details of Experience of firm in the field of System audits, IT Security audits, functionality audit of application software	
7	Whether firm has carried out similar work in Government organization/Financial institutions /PSUs /Banks/ NBFCs. Give details.	
8	Details of professional who are qualified with CISA or CISSP including experience in IS audit	
9	Whether the bidder was blacklisted by any Govt. Department /PSU/ PSE / RBI / IBA or nationalized Banks. If yes, give details.	
10	Annual Turnover of the Firm : FY : 2019-20 FY : 2020-21	

\*Kindly enclose supporting documents wherever required.

**Declaration:**

1. We confirm that we will abide by all the terms and conditions contained in the RFP.
2. We hereby unconditionally accept that GCMMF can at its absolute discretion apply whatever criteria it deems appropriate, not just limiting to those criteria set out in the RFP, in short listing of bidders.



G.C.M.M.F. Ltd.

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3. All the details mentioned by us are true and correct and if GCMMF observes any misrepresentation of facts on any matter at any stage, GCMMF has the absolute right to reject the proposal and disqualify us from the selection process.

4. We confirm that we have noted the contents of the RFP and have ensured that there is no deviation in filing our response to the RFP and that the GCMMF will have the right to disqualify us in case of any such deviations.

Place :

Date :

Seal & Signature of the bidder