



**Government of Punjab**  
**Through**  
**Punjab Infrastructure**  
**Development Board (PIDB)**

**REQUEST FOR EMPANELMENT (RFE)**  
**DOCUMENT**

**Empanelment of SPECIAL THIRD PARTY  
INDEPENDENT TECHNO-FINANCIAL AUDITORS**

(9<sup>th</sup> August, 2017)

**Punjab Infrastructure Development Board (PIDB)**

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## **DISCLAIMER**

The information contained in this Request for Empanelment (RFE) document or subsequently provided to the Bidders (“Special Third Party Independent Techno Financial Auditors”), whether verbally or in documentary form by or Punjab Infrastructure Development Board (PIDB) [hereinafter referred to as “Client/Authority”] or any of its employees, is provided to the Bidders on the terms and conditions set out in this RFE document and any other terms and conditions subject to which such information is provided.

This RFE document is not an offer or invitation to any other party. The purpose of this RFE document is to provide the Bidders with information to assist the formulation of their Proposal submission. This RFE document does not purport to contain all the information each Bidder may require. This RFE document may not be appropriate for all persons and it is not possible for Client and its employees to consider the objectives, financial situation and particular needs of each Bidder. Client and its employees make no representation or warranty and shall incur no liability under the Law of Contract, Tort, the Principles of Restitution or unjust enrichment or otherwise for any loss, expense or damage, which may arise from or be incurred or suffered in connection with anything contained in this RFE document or otherwise, including the accuracy, adequacy, correctness, completeness or reliability of the RFE document and any assessment, assumption, statement or information contained therein or any matter deemed to form part of this RFE document, the award of the empanelment and any other information supplied by or on behalf of Client or their employees arising in any way from the empanelment process. Client may at its absolute discretion, but without being under any obligation to do so, amend or supplement the information in this RFE document. The information that Client is in a position to furnish is limited to this RFE document and the information available at the contact addresses given in Project Data Sheet.

This RFE document and the information contained herein are confidential and for use only by the person to whom it is issued. It may not be copied or distributed by the recipient to third parties (other than, in confidence to the recipient's professional Auditor). In the event that the recipient does not continue with the involvement in the empanelment process in accordance with this RFE document, the information contained in the RFE document shall not be divulged to any other party. The information contained in the RFE document must be kept confidential. Mere submission of a responsive Proposal does not ensure selection of the Bidder (s) as Successful Bidder(s). The Client reserves the right to reject all or any of the Bidders or Proposals without assigning any reason whatsoever. The Client reserves all the rights to cancel, terminate, change or modify this selection process and/or requirements of bidding stated in the RFE document, at any time without assigning any reason or providing any notice and without accepting any liability for the same.

## **1. INVITATION FOR PROPOSALS**

### **1.1 Introduction**

- 1.1.1 Government of Punjab (GoP) through Punjab Infrastructure Development Board (PIDB) [hereinafter referred to as “Client/Authority”] intends to create a panel of Auditors for carrying out Special Third Party Techno Financial Audits of projects executed under various infrastructure sectors with funding from various financial institutions, through open competitive bidding process. The Client reserves the right to decide upon the number of Auditors to be empanelled.
- 1.1.2 This Request for Empanelment (RFE) is for the Empanelment of Special Third Party Techno Financial Auditors on GOP’s panel for undertaking Techno Financial Audits of projects executed under various infrastructure sectors with funding from various financial institutions. Services of the empanelled Auditor may be utilized by all the Administrative Departments of the State Government & their constituents including Boards/Corporations/Municipal Corporations etc. Pursuant to empanelment, the services of the Auditor (s) may be availed by the various State Government Departments.
- 1.1.3 A “Single Stage” bidding process is being followed for determining the Successful Bidder (s), wherein the Bidder (s) would submit their Proposals on/before the Proposal Due Date as mentioned in the Proposal Data Sheet. The Bidder (s) shall submit the detailed Technical and Financial proposals for the Empanelment on the Client’s panel as set out in this RFE document.
- 1.1.4 This RFE document contains information about the process of empanelment, bidding process, proposal submission qualification, evaluation process and Client.
- 1.1.5 The level of service, including but not limited to as specified in this RFE document, would be maintained, during the empanelment period, by the successful Bidder (s).
- 1.1.6 Bidders would be required to submit Technical & Financial Proposals as per format given in Appendix 1 to 11 of this RFE document. The Technical Proposal will be examined for substantive compliance or responsiveness to the Proposal requirements. The Client would evaluate the Technical Proposals as per the empanelment criteria mentioned in Clause 3 of the RFE Document and accordingly, the ranking of the Bidders shall be carried out.
- 1.1.7 The complete Proposals should be submitted on or before the Proposal Due Date as specified in Proposal Data Sheet, in the manner specified in the RFE document. The Client shall not be responsible for any delay in receiving the Proposal and reserves the right to reject any or all Proposals without assigning any reason thereof.
- 1.1.8 For the purpose of this RFE, the words “Auditor” & “Advisor” shall be deemed to have the same meaning. Similarly, the words “Client” & “Authority” shall be deemed to have the same meaning.

## **2. BACKGROUND**

### **2.1 Introduction and objective**

The State Government through its various funding agencies such as Finance Department/ GMADA/PIDB/PUDA/Rural Development Board / Punjab Mandi Board etc. is executing various projects across different infrastructure sectors such as Roads, Transport, Health, Rural and Urban, Energy, Health, Medical Education, Information Technology, Tourism etc. In order to

ensure good quality construction and judicious utilization of funds, it has been decided to create panel of “**Special Third Party Independent Techno Financial Auditors**” for carrying out the technical and financial audit of the projects already executed and to be executed in the State of Punjab through various agencies such as PWD, Punjab Water Supply & Sewerage Board (PWSSB), Punjab Police Housing Corporation (PPHC), Municipal Corporations, Rural Development Board, Punjab Mandi Board etc and funded by various financial institutions of the State Government, Govt. of India and other funding agencies such as World Bank (WB), Asian Development Bank (ADB), NABARD, etc.

## **2.2 Objective**

Client envisages the creation of panel of “**Special Third Party Independent Techno Financial Auditors**” for carrying out the technical and financial audit of the projects already executed and to be executed in the State of Punjab through its various agencies such as PWD, PWSSB, PPHC, Municipal Corporations, Rural Development Board, Punjab Mandi Board etc and funded by various financial institutions of the State Government, Govt. of India and other funding agencies such as World Bank (WB), Asian Development Bank (ADB), NABARD, etc. The scope of the Audit shall include but not limited to;

- (i) Independent review, and auditing (technical & financial) of infrastructure works;
- (ii) Independent Technical and quality control/Audit assurance and financial audit of works under different projects;
- (iii) Financial audit bringing out various observations and discrepancies vis-a-vis GFR, Financial rules of the respective Department & State Government, Financial milestones provided in the contract agreement;
- (iv) Carry out tests, if required, as laid down in the IS Codes / Government Manuals / Punjab PWD Specification/ Quality Control Protocol/Manual of the respective Department / contract agreement of the project. Testing shall be done by the Auditor from in-house testing labs or NABL certified laboratory or Shri Ram Institute of Industrial Research, Delhi. The tests shall be got conducted only with prior approval of the Authority. The payment of such tests shall be reimbursed by the Client.
- (v) Review of bidding documents and contract agreements vis-a-vis Good Industry Practise, policies and practices and guidelines of State Government / Govt. of India and CVC and to bring out discrepancies & suggestions for further improvements
- (vi) Suggestive standardization of contract agreements & bidding process
- (vii) Review of processes carried into award of work
- (viii) Checking of execution of the projects on ground, the physical progress, quality of works

## **2.3 Request for Empanelment (RFE)**

Client invites Proposals (the “**Proposals**”) for selection as “**Special Third Party Independent Techno Financial Auditors**” (the “**Auditor**”) to be empanelled on the panel of State Government to carry out various assignments assigned and agreed upon by State Government Departments/ Public Infrastructure Agencies / Boards/Corporations/MCs etc. over a period of time. The Client intends to select the Auditors in accordance with the procedure set out herein. The RFE document can be downloaded from [www.pidb.org](http://www.pidb.org).

*For the avoidance of doubt, it is clarified that PIDB shall only empanel the Auditors. The details of works for technical/financial audit will be as specified in the project specific ToR to be issued by the concerned Administrative Department (the “mandating authority”).*

## **2.4 Validity of the Proposal**

The Proposal shall be valid for a period of not less than 180 days from the Proposal Due Date, or any extensions thereof as specified by the Client from time to time.

## **2.5 Brief description of the Selection Process**

Client has adopted a Single stage selection process (collectively the “Selection Process”) in evaluating the Proposals. A technical evaluation will be carried out as specified in Clause 3 & 4. Based on this technical evaluation, a panel of short-listed Auditors shall be prepared as specified in Clause 3 and 4. The ranking of the bidders shall be done on the basis of criteria as laid down in clause 3.1.3 of the RFE document and Auditors shall be empanelled on the panel of the Government of Punjab (the “Successful Auditors”). The Client for the present intends to empanel 2 (two) Auditors. However, the Client reserves the right to increase the number of Auditors to be empanelled.

## **2.6 Scope of Work**

Brief of scope of work to be carried out by the empanelled Auditors has been provided in Clause 9 of the RFE document. However, pursuant to empanelment, the services of the Auditors may be availed by the various State Government Departments by issuing project specific Terms of References (ToR). The ToR can include project specific requirements of Technical/financial/legal professionals. Within 8 (eight) weeks from the date of issuance of Notice of Award (NoA)/Empanelment (NoE), the empanelled Auditor has to open an office at Chandigarh/Mohali/Panchkula, as detailed out in this RFE.

## **2.7 Payment**

All payments to the Auditor(s) shall be made in INR in accordance with the fee quoted by them and agreed upon between the respective State Government Department/Public Infrastructure Agencies/Boards/Corporations/Municipal Corporations/ etc., and the Auditor(s), during the currency of the empanelment. The Auditor(s) may convert Rupees into any foreign currency as per Applicable Laws and the exchange risk, if any, shall be borne by the Auditor. The payments shall be made concerned Administrative Department (“mandating authority”).

## **2.8 Schedule of Selection Process**

Client would endeavour to adhere to the schedule as mentioned in the Proposal Data Sheet.

## **2.9 Communications**

The Proposal and any clarifications (as sought by the Client) should be addressed to the appropriate officials mentioned in the Project Data Sheet. The relevant information and documents related to the empanelment process like RFE, notices regarding bidding process, etc shall be uploaded on [www.pidb.org](http://www.pidb.org) for information and downloading.

## **3. Evaluation and Empanelment**

### **3.1 Empanelment / Evaluation Criteria**

Client intends to create a panel of Auditors for carrying out Special 3<sup>rd</sup> Party Independent Techno-Financial Audit of various projects across different infrastructure sectors. The Bidders shall be required to fulfil the following criteria, in order to be empanelled with PIDB:

#### **3.1.1.a Processing Fee**

The Bidder shall submit non-refundable Processing Fee of INR 10,000/- (Ten Thousand only ) in favour of Punjab Infrastructure Development Board payable at Chandigarh in the form of Demand Draft / Banker’s cheque to be submitted along with the bid. Proposals received without processing fee shall be summarily rejected. The processing fee is non-refundable.



**3.1.1.b Earnest Money Deposit / Proposal Security**

The Bidder shall submit a proposal security of **Rs. 1.00 Lac (Rupees One lac only)** in favour of Punjab Infrastructure Development Board payable at Chandigarh in the form of Demand Draft / Banker's cheque to be submitted along with the bid . The proposal security shall be valid for a period of 180 days, however, the same shall be extended by the bidder, as desired by the client. The proposal security of the unsuccessful bidders and unqualified bidders shall be returned within a period of 60 days from the notification of the empanelled Auditors. The EMD/ Proposal Security does not carry any interest liability towards Client. Proposal Security of successful bidders/Auditors shall be returned upon submission of performance security by the successful bidder/Auditors, as defined in the Terms of References (ToR).

**3.1.2 Minimum Eligibility**

**(a) Applicant**

Applicant must be a company / firm registered under appropriate authority and is in existence for at least 10 (ten) years before the date of issuance of this RFE document.

**(b) Financial Capacity**

The applicant shall have an average annual turnover of not less than Rs. 3 (three) crore from the Professional Fee\* in last 5 (five) financial years”.

\*For the avoidance of doubt, professional fees hereunder refer to fees received by the Applicant for providing technical-financial / Technical or financial audit services to its clients.

**Note:** Turnover certificates should be duly certified by the statutory auditor or by a Chartered Accountant.

**(c) Techno & Financial Audit Experience**

The applicant must have carried out Techno financial Audit of at least 7(seven) projects under Core Infrastructure with a minimum value of Rs. 10 crore each (core sector would be deemed to include power, telecom, ports, airports, railways, metro rail, industrial Park/estates, logistic parks, pipelines, irrigation, water supply & sewerage, roads, transport), in the last 5 (five) financial years (F.Y. 2012-13 to 2016-17), with any Central/State Government / Government Agencies in India (Boards/ Corporations /MC/Improvement Trusts / PSU /Public infrastructure agencies etc) as its Client.

For avoidance of doubt, the minimum value of the project excludes the cost of land, utilities etc and only refers to the capital cost of the project.

**Note:** In support of the claim, the applicant has to submit the certificate of completion of the activities duly issued by the Client or duly certified and verified by the Authorised Signatory of the bidder, in the prescribed format attached at **Appendix 7**

**(d) Human Resource**

Preceding the proposal due date, the applicant must have 30 (thirty) full time professional staff including key technical, financial and legal professionals (with at-least one from Legal sector) providing Technical-Financial Auditory services.

**Note-1:**

Human Resource (Professional Personnel) details to be certified & verified by the Chief Executive Officer or his authorized officer and counter certified by the Authorised Signatory of the bidder.

**Note-2:**

In case any of the Technical or Financial Audit Auditory services are being done through outsourcing, then the Bidder shall provide details of the outsourced agency/firm along-with copy of the agreement with the said firm/agency for the assignment.

**(e) Office at Chandigarh/Mohali/Panchkula**

The applicant shall give details of its office located at Chandigarh/Mohali/Panchkula, from where it intends to provide Auditory services to the State Government. In case, applicant does not have any existing office at these locations, then an undertaking for opening of the office at any one of these locations within 8 (eight) weeks from the date of issuance of Notice of Award (NoA) / Empanelment (NoE), shall be provided alongwith the bid.

**(f) Non Blacklisting/Debarment**

The applicant should not be debarred / blacklisted by the any of its client in the last 5 (five) years and an undertaking in this regard shall be submitted by the applicant with the proposal.

**3.1.3 Criteria & Scoring Pattern**

Bids of the applicants who have passed the minimum eligibility criteria as mentioned in clause 3.1.1 and 3.1.2 shall be declared technically eligible and shall be further ranked on the basis of evaluation as mentioned below:

**Number of Projects**

The proposals of the Auditors shall be ranked according to the number and value of qualified projects. Each qualified project of Rs. 10 cr. value shall carry a weightage of 1 (one) mark. Additional marks per project shall be given as follows:

S.No	Value of Project	Additional Mark per project
1	Rs.10 crore	0.0
2	Above Rs 10 crore and upto Rs. 20 crore	1.0
3	Above Rs. 20 crore and upto Rs. 50 crore	2.0
4	Above Rs. 50 crore and upto Rs. 75 crore	4.0
5	Above Rs. 75 crore and upto Rs. 100 crore	6.0
6	Above Rs. 100 crore	10.0

The bidders shall be ranked on the basis of total marks scored as above and the top seven bidders shall be declared as technically qualified for opening of financial bids.

**Note:**

- (a) In support of the claim, the applicant has to submit the certificate of completion of the activities duly issued by the Client or duly certified and verified by the Authorised Representative/Signatory, in the prescribed format attached.

**3.1.3.A Financial bid evaluation**

Subsequent to the ranking, the financial bid of only the technically qualified bidders, as specified in clause 3.1.3 above, will be opened. The bidder shall quote his rate of fee inclusive of all expenses in terms of percentage (“r” percentage) of project cost above Rs. 10 crore. The percentage fee for project cost beyond Rs. 10.0 crores shall be as specified in table below. Example of calculation of fee is attached at annex 13

S.N	Project Cost	Rate of Fee inclusive of all expenses to be quoted by the consultant (excluding taxes)	Fee to be calculated as per formula (in crores)
		in percentage	
	<i>c</i>	<i>r</i>	<i>f</i>
1.	Cost of work Rs. 10 cr.	<i>r</i>	$10 \times r / 100$
2.	Above Rs. 10 cr. & upto Rs. 500 cr		$r / 4900(9c + 400)$

The bidder quoting the lowest percentage charges (“r”) shall be taken as a Base Quote and shall be empanelled.

For the second auditor to be empanelled, the L2 bidder shall be given an opportunity to match the L-1 bid and if the L-2 bidder agrees to the same, then the L-2 shall be empanelled as well. In case, the L-2 bidder refuses to match the L-1 bid, then the opportunity to match L-1 shall be given to the subsequent bidders in the order of their ranking ie. L-3, L-4, L-5 and so on, till the selection of second Auditor. The Client reserves the right to increase the number of Auditors to be empanelled. Similar procedure shall be adopted for selection of additional Auditors.

- Note:
- (a) Taxes shall be paid extra
  - (b) Client reserves the right to negotiate with the L-1 bidder.

**3.2 Conflict of Interest**

Client requires that Auditor(s) provide professional services and impartial advice and at all times hold the Client’s interests paramount, strictly avoid conflicts with other Projects or their own corporate interests and act without any consideration for future work. Without limitation on the generality of the foregoing, Auditors, and any of their affiliates, shall be considered to have a conflict of interest and shall not be recruited, under any of the circumstances set forth below. The bidders have to supply the list of the projects and works audited and being audited or mandated by Government of Punjab or any other way associated with the projects of the State Government, to avoid conflict of interest.

### **3.3 Number of Proposals**

An Auditor is eligible to submit only one Proposal. Bidder applying individually or as a member of a consortium shall not be entitled to submit another proposal either individually or as a member of any consortium, as the case may be.

### **3.4 Cost of Proposal**

The Auditor shall be responsible for all of the costs associated with the preparation of their Proposals and their participation in the Selection Process. The Client will not be responsible or in any way liable for such costs, regardless of the conduct or outcome of the Selection Process.

### **3.5 Acknowledgement by Auditor**

It shall be deemed that by submitting the Proposal, the Auditor has:

- (a) made a complete and careful examination of the RFE document;
- (b) received all relevant information requested from the Client;
- (c) acknowledged and accepted the risk of inadequacy, error or mistake in the information provided in the RFE document or furnished by or on behalf of the Client or relating to any of the matters referred above;
- (d) satisfied itself about all matters, things and information, including matters referred herein above, necessary and required for submitting an informed Application and performance of all of its obligations thereunder;
- (e) acknowledged that it does not have a Conflict of Interest; and
- (f) agreed to be bound by the undertaking provided by it under and in terms hereof.

Client shall not be liable for any omission, mistake or error on the part of the Auditor in respect of any of the above or on account of any matter or thing arising out of or concerning or relating to the RFE document or the Selection Process, including any error or mistake therein or in any information or data given by the Client.

### **3.6 Right to reject any or all Proposals**

Notwithstanding anything contained in this RFE document, the Client reserves the right to accept or reject any Proposal and to annul the Selection Process and reject all Proposals, at any time without any liability or any obligation for such acceptance, rejection or annulment, and without assigning any reasons thereof. Further, the Client reserves the right to increase the number of Auditors to be empanelled.

#### **3.6.1 The Client reserves the right to reject any Proposal if:**

- (a) at any time, a material misrepresentation made by the Auditor is uncovered or comes to the knowledge of the Client or
- (b) the Auditor does not provide, within the time specified by the Client, the supplemental information sought by the Client for evaluation of the Proposal.

**3.6.2** Such misrepresentation/ improper response may lead to the disqualification of the Auditor. If such disqualification / rejection occurs after the Proposals have been opened and the highest ranking or any other Auditor gets disqualified / rejected, then the Client reserves the right to take any other measure as may

be deemed fit in the sole discretion of the Client, including blacklisting of such Auditor for a period of 2 (two) years.

### **3.7 Amendment of RFE document**

- 3.7.1 At any time prior to the deadline for submission of Proposal, the client may, for any reason, at its own initiative, modify the RFE document by the issuance of Addendum/ Amendment.
- 3.7.2 All such addendums/amendments will be posted on the website along with the revised RFE document containing the amendments and will be binding on all Auditors.
- 3.7.3 In order to afford the Auditors a reasonable time for taking an amendment into account, or for any other reason, the Client may, in its sole discretion, extend the Proposal Due Date.

### **3.8 Language**

The Proposal and all related correspondence and documents shall be written in English language. If any supporting document attached to the Proposal is in any other language, the same will be supported by an English translation (duly authenticated/ attested from Indian Embassy in respective countries) and in case of any ambiguity the decision of the Client shall be final.

### **3.9 Format and signing of Proposal**

- 3.9.1 The interested Auditor(s) shall provide all the information sought under this RFE document. The Client would evaluate only those Proposals that are received in the specified forms and are complete in all respects.
- 3.9.2 The interested Auditor(s) shall prepare one original set of the Proposal (together with Documents required to be submitted along therewith pursuant to this RFE) and clearly marked "ORIGINAL".
- 3.9.3 The Proposal shall be typed or written in indelible ink and signed by the authorized signatory of the Auditor who shall initial each page, in blue/ black ink. All the alterations, omissions, additions, or any other amendments made to the Proposal shall be initialled by the person(s) signing the Proposal. The Proposals must be properly signed by a duly authorised person holding the Power of Attorney (the "Authorised Representative"), in case of a Limited Company or a corporation. A copy of the Power of Attorney certified under the hands of a partner or Director of the Auditor or a notary public on the specified form, shall accompany the Proposal.
- 3.9.4 Auditors should note the Proposal Due Date, as specified in Proposal Data Sheet, for submission of Proposals. Auditors are reminded that no supplementary material will be entertained by the Client, and that evaluation will be carried out only on the basis of documents received by the closing time of Proposal Due Date as specified in Proposal Data Sheet. Auditors will ordinarily not be asked to provide additional material information or documents subsequent to the date of submission, and unsolicited material if submitted will be summarily rejected.

### **3.10 Technical Proposal**

- 3.10.1 Auditors shall submit the technical proposal in the formats attached in the RFE document.
- 3.10.2 Failure to comply with the requirements spelt out in this Clause shall make the Proposal liable to be rejected. If a Auditor makes an averment regarding his

qualification, experience or other particulars and it turns out to be false, or his/ her commitment regarding availability for the Project is not fulfilled at any stage after proposal due date, the Auditor shall be debarred from participation in any future Project of the Client for a period of two years. The empanelment of the Auditor may also be liable to cancellation in such an event.

- 3.10.3 The Client reserves the right to verify all statements, information and documents, submitted by the Auditor in response to the RFE document. Failure of the Client to undertake such verification shall not relieve the Auditor of its obligations or liabilities hereunder nor will it affect any rights of the Client there under.
- 3.10.4 In case it is found during the evaluation or at any time before empanelment or after its execution and during the period of subsistence thereof, that the Auditor(s) has made a material misrepresentation or has given any materially incorrect or false information, the Auditor(s) shall be disqualified forthwith, if not yet appointed for empanelment either by issue of the Letter of Empanelment and if the Auditor has already been issued the letter of Empanelment, as the case may be, the same shall, notwithstanding anything to the contrary contained therein or in this RFE document, be liable to be terminated, by a communication in writing by the Client, without the Client being liable in any manner, whatsoever, to the Auditor(s), as the case may be.

### **3.11 Submission of Proposals**

#### **3.11.1 Sealing and Marking of Proposal**

The Auditors shall submit the technical and financial bid through hard copy submission at Client's address given in the proposal data sheet. The hard copy of the Technical Proposal shall be prepared and submitted as follows:

- a. One (1) Technical Proposal in "Envelope-Technical Proposal" duly marking "Original". The envelope containing the Technical Proposal shall be labelled as:

**Envelope -"Technical Proposal": TECHNICAL PROPOSAL for Special Third Party Independent Techno Financial Auditors". "**

**Contents of Envelope-"Technical Proposal" shall be as follows:  
(Technical Proposal in Original)**

- Appendix 1: Covering Letter along with processing fee of Rs.10,000/- (Rupees Ten Thousand only) & EMD / proposal security of Rs. 1 (one) lac and undertaking for opening of office at Chandigarh/Mohali/Panchkula/Non Blacklisting Certificate
- Appendix 2: Power of Attorney for Authorized Signatory
- Appendix 3: Letter of Undertaking
- Appendix 4 (A): Financial Capacity of the Applicant
- Appendix 4 (B) General Information on the Bidder / Bidders
- Appendix 5: Minimum Eligibility Data Sheet
- Appendix 6: Minimum Eligibility Experience Data Sheet
- Appendix 7: Techno Financial Audit Experience Certificate
- Appendix 8: Project Data Sheet for Evaluation & Scoring
- Appendix 9: Key Personnel
- Appendix 10: Financial Bid

Appendix 11: Work Plan and Methodology

Appendix 12 : List of Projects as per Clause 3.2

- b. One (1) Financial Proposal in “Envelope-Financial Proposal” duly marking “Original”.

Both the bids shall be provided in a single sealed outer envelope. The envelopes shall indicate the complete name, address, telephone numbers (with city code) and facsimile number of the Auditor(s). Envelope containing the Proposal shall be addressed to the Client as mentioned in the Proposal Data Sheet. I

**Note:**

- (i) The evaluation of the proposals shall be based on the submitted Technical Proposal and Financial Proposal
- (ii) Applicant has to provide a complete set of his Technical Bid (non editable) in the form of CD/Pendrive.
- (iii) The applicant has to separately provide the soft copy (editable version) of the Experience sheets (Appendix 5) along with the hard copy submission, which can be used by the Client for its evaluation purpose. However, the information provided in the hard form shall prevail upon the information provided in soft copy.

**3.12 Proposal Due Date**

3.12.1 Proposal should be submitted on the Proposal Due Date specified in the Proposal Data Sheet, at the address provided in Proposal Data Sheet in the manner and form as detailed in this RFE document.

3.12.2 The Client may, in its sole discretion, extend the Proposal Due Date by issuing an Addendum in accordance with provisions of this RFE uniformly for all Auditors.

**3.13 Late Proposals:**

Any Proposal received by Client after proposal due date and time will not be accepted.

**4. EVALUATION PROCESS**

**4.1 Evaluation of Proposals**

4.1.1 The Client shall open the Proposals at a time, date and venue specified in the Proposal Data Sheet and in the presence of the Auditors who choose to attend. The “Technical Proposal” shall be opened first.

4.1.2 Proposals for which a notice of withdrawal has been submitted in accordance with the provisions of the RFE document not be opened.

4.1.3 Prior to evaluation of Proposals, the Client will determine whether each Proposal is responsive to the requirements of the RFE.

4.1.4 The Client reserves the right to reject any Proposal which is non- responsive and no request for alteration, modification, substitution or withdrawal shall be entertained by the Client in respect of such Proposals.

4.1.5 The Client would subsequently examine and evaluate Proposals in accordance with the Selection Process specified in this RFE and the criteria set out in this RFE.

4.1.6 After the technical evaluation, the Client would prepare a list of shortlisted Auditors. List of Shortlisted Auditors shall be uploaded on [www.pidb.org](http://www.pidb.org)

- 4.1.7 Auditors are advised that Selection will be entirely at the discretion of the Client. Auditors will be deemed to have understood and agreed that no explanation or justification on any aspect of the Selection Process or Selection will be given by the Client.
- 4.1.8 Any information contained in the Proposal shall not in any way be construed as binding on the Client, its agents, successors or assigns, but shall be binding against the Auditors if the empanelment is awarded to it.

#### **4.2 Confidentiality:**

Information relating to the examination, clarification, evaluation and recommendation for the short-listed Bidders shall not be disclosed to any person not officially concerned with the process. Client will treat all information submitted as part of all Proposals in confidence and will insist that all who have access to such material treat it in confidence. Client will not divulge any such information unless it is ordered to do so by any Government authority that has the power under law to require its disclosure or due to statutory compliances.

#### **4.3 Clarifications**

- 4.3.1 To facilitate evaluation of Proposals, the Client may, at its sole discretion, seek clarifications from any Auditor(s) regarding its Proposal such clarification(s) shall be provided within the time specified by the Client for this purpose. Any request for clarification(s) and all clarification(s) in response thereto shall be in writing.
- 4.3.2 If an Auditor does not provide clarifications sought under Sub-Clause 4.3.1 above within the specified time, its Proposal shall be liable to be rejected. In case the Proposal is not rejected, the Client may proceed to evaluate the Proposal by construing the particulars requiring clarification to the best of its understanding, and the Auditor shall be barred from subsequently questioning such interpretation of the Client.

#### **4.4 Award of Empanelment**

After selection, a Award Letter /Letter of Empanelment (LOE) shall be issued, in duplicate, by the Client to the Selected Auditors and the Selected Auditor(s) shall, within 15 (fifteen) days of the receipt of the Award Letter/LOE, sign and return the duplicate copy of the Award Letter in acknowledgement thereof. In the event the duplicate copy of the Award Letter duly signed by the any of the Selected Auditor is not received by the stipulated date, the Client may, unless it consents to extension of time for submission thereof, cancel the Award Letter/ /Letter of Empanelment issued to it.

### **5. FRAUD AND CORRUPT PRACTICES**

- 5.1 The Auditors and their respective officers, employees, agents and advisers and consortium members shall observe the highest standard of ethics during the Selection Process. Notwithstanding anything to the contrary contained in this RFE, the Client shall reject a Proposal without being liable in any manner whatsoever to the Auditors, if it determines that the Auditors has, directly or indirectly or through an agent, engaged in corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice (collectively the “Prohibited Practices”) in the Selection Process, then the Client shall disqualify the Auditor from this Selection Process.
- 5.2 Without prejudice to the rights of the Client under Clause 5.1 hereinabove and the rights and remedies which the Client may have under the Award Letter or Letter of Empanelment (LOE) or RFE document , if an Auditor(s) is found by the Client to have directly or indirectly or through an agent, engaged or indulged in



any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice during the Selection Process, or after the issue of the Award Letter or Letter of Empanelment (LOE) , such Auditors shall not be eligible to participate in any tender or RFE document issued by the Client / all State Govt. Departments/ Boards/ Corporations/ MCs/Public Infrastructure Agencies, etc. for a period of 2 (two) years from the date on which such Auditor is found to have directly or through an agent, engaged or indulged in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice, as the case may be.

5.3 For the purposes of this Clause, the following terms shall have the meaning hereinafter respectively assigned to them:

- (a) “corrupt practice” means (i) the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence the action of any person connected with the Selection Process (for avoidance of doubt, offering of employment to or employing or engaging in any manner whatsoever, directly or indirectly, any official of the Client who is or has been associated in any manner, directly or indirectly with the Selection Process or the Award Letter or has dealt with matters concerning the Agreement or arising there from, before or after the execution thereof, at any time prior to the expiry of one year from the date such official resigns or retires from or otherwise ceases to be in the service of the Client, shall be deemed to constitute influencing the actions of a person connected with the Selection Process; or (ii) engaging in any manner whatsoever, whether during the Selection Process or after the issue of the Award Letter or after the execution of the Agreement, as the case may be, any person in respect of any matter relating to the Project or the Award Letter or the Agreement, who at any time has been or is a legal, financial or technical Auditor/ adviser of the Client in relation to any matter concerning the Project;
- (b) “fraudulent practice” means a misrepresentation or omission of facts or disclosure of incomplete facts, in order to influence the Selection Process;
- (c) “coercive practice” means impairing or harming or threatening to impair or harm, directly or indirectly, any persons or property to influence any person’s participation or action in the Selection Process;
- (d) “undesirable practice” means (i) establishing contact with any person connected with or employed or engaged by the Client with the objective of canvassing, lobbying or in any manner influencing or attempting to influence the Selection Process; or (ii) having a Conflict of Interest; and
- (e) “restrictive practice” means forming a cartel or arriving at any understanding or arrangement with other Applicants with the objective

of restricting or manipulating a full and fair competition in the Selection Process.

## **6. MISCELLANEOUS**

- 6.1 The Selection Process shall be governed by, and construed in accordance with, the laws of India and the Courts at Chandigarh shall have exclusive jurisdiction over all disputes arising under, pursuant to and/or in connection with the Selection Process.
- 6.2 The Client, in its sole discretion and without incurring any obligation or liability, reserves the right, at any time, to:
  - (a) suspend and/or cancel the Selection Process and/or amend and/or supplement the Selection Process or modify the dates or other terms and conditions relating thereto;
  - (b) consult with any Auditor in order to receive clarification or further information;
  - (c) retain any information and/or evidence submitted to the Client by, on behalf of and/or in relation to any Auditor; and/or
  - (d) independently verify, disqualify, reject and/or accept any and all submissions or other information and/or evidence submitted by or on behalf of any Auditor.
- 6.3 It shall be deemed that by submitting the Proposal, the Auditor agrees and releases the Client, its employees, agents and advisers, irrevocably, unconditionally, fully and finally from any and all liability for claims, losses, damages, costs, expenses or liabilities in any way related to or arising from the exercise of any rights and/or performance of any obligations hereunder, pursuant hereto and/or in connection herewith and waives any and all rights and/or claims it may have in this respect, whether actual or contingent, whether present or future.

## **7. Dispute Resolution**

Principal Secretary, Finance, Govt. of Punjab or its nominee shall decide on any dispute arising on account of the empanelment process.

### 8. PROPOSAL DATA SHEET

Name	“Empanelment of Special Third Party Techno-Financial Auditors”
Name of the Client	Punjab Infrastructure Development Board (PIDB) on behalf of Govt. of Punjab
Name and Address for submission of Proposals	Managing Director Punjab Infrastructure Development Board (PIDB) SCO 33-34-35, Sector 34-A, Chandigarh Contact no. +91 172 2665410, 2665640, 4381111
Name and Address for Correspondence with Clients	Managing Director Punjab Infrastructure Development Board (PIDB) SCO 33-34-35, Sector 34-A, Chandigarh Contact no. +91 172 2665410, 2665640, 4381111
Submission of Proposal	Hard Copy
Tender Fee / Processing fee (Non Refundable)	Rs. 10,000/- (Rupees Ten Thousand only) in favour of Punjab Infrastructure Development Board in form of DD/Banker’s Cheque
Earnest Money Deposit / Proposal Security (Refundable)	Rs. 1,00,000/- (Rupees One lac only) in favour of Punjab Infrastructure Development Board in form of DD/Banker’s Cheque. The EMD does not carry any interest liability on the Client.  The proposal security of the unsuccessful bidders and unqualified bidders shall be returned within a period of 60 days from the notification of the empanelled Auditors. The EMD/ Proposal Security does not carry any interest liability towards Client. Proposal Security of successful bidders/Auditors shall be returned upon submission of performance security by the successful bidder/Auditors, as defined in the Terms of References (ToR).
Period of Proposal Validity	<b>180 days</b> from Proposal Due Date or any extension thereof, sought by the Client
Empanelment Criteria	As specified in Clause 3.1.3 and 3.1.3.A
Submission of Queries	Queries are to be submitted in writing either through registered post or through email at <a href="mailto:mdpibd@gmail.com">mdpibd@gmail.com</a> , <a href="mailto:pidbprojects@gmail.com">pidbprojects@gmail.com</a> and <a href="mailto:pidbmp@gmail.com">pidbmp@gmail.com</a> on or before 16.08.2017 by 1700 hours or can be submitted during the pre-bid meeting or as decided by the client
Pre-bid meeting	Pre-bid meeting will be held on 18.08.2017 at 1500 hours in the office of PIDB
Proposal Due Date	The Proposal Due Date is 11.09.2017 till 1500 hours.
Opening of Technical Proposals	11.09.2017 at 1530 hours in the office of PIDB
Issue of Letter of	Within 30 days from the date of Declaration of Empanelment List or

Award/Empanelment (AWARD LETTER)	any extension specified by Client, subject to approval by the competent authority of the Client/ Government of Punjab.
Telephone No.	+91 172 2665410, 2665640, 4381111
Email Id	<a href="mailto:mdpibd@gmail.com">mdpibd@gmail.com</a> , <a href="mailto:pidbprojects@gmail.com">pidbprojects@gmail.com</a> & <a href="mailto:pidbmp@gmail.com">pidbmp@gmail.com</a>
Website	<a href="http://www.pidb.org">www.pidb.org</a>

- Client reserves the right to accept or reject any or all the applications to be received without assigning any reasons thereof.

## 9. TERMS OF REFERENCE (TOR)

The Auditor shall carry out the scope of work including but not limited to:

### 1. Scope of Work (Technical Audit)

- The independent review, and audit (technical & financial) of infrastructure works executed in the State of Punjab
- Conduct technical and quality control/Audit assurance and financial audit of different projects (only costing more than Rs. 10 crores each).
- The projects will include roads, bridges, High Level Bridges, water supply, water treatment plant (WTP), sewerage, sewage treatment plant (STP), street lights and solid waste management, Information Technology related projects, Transport projects, irrigation, canals, Heritage and Tourism projects, works executed under Urban and Rural Mission, various Civil/Electrical/Mechanical/IT components of the projects
- The period of technical/financial audit will be as specified in the project specific ToR to be issued by the concerned Administrative Department (“mandating authority”).
- Carry out all quality control tests and to recommend suitable corrections etc. as required for works of the desired quality standards.
- Various observations and discrepancies of technical nature on the work executed by the contracting agency and quality assurance audit carried out by the project specific Independent Quality Control Consultant / Departmental Engineer or authorized PMC.
- The tests will be carried out as laid down in the IS Codes / Government Manuals / Punjab PWD Specification /Quality Control Protocol/Manual of the concerned Department / contract agreement of the project for a particular type of work. The number of samples / tests to be conducted shall be 10% of the number of tests done by the contracting agency & audited by the project specific Independent Quality Control Consultant / Departmental Engineer or authorized PMC. The testing shall be done in the NABL certified laboratory or Shri Ram Institute of Industrial Research, Delhi. The payment of such tests shall be reimbursed by State Government Department/mandating authority to the consultant on submission of claim and test report.
- To make own arrangements to convey the sample to the Laboratory.

**2. Scope of Service (Financial Audit):** The scope of services shall include and will not be limited to the following

- To conduct financial audit of the projects including but not limited to submission of fund inflow & outflow reports, fund utilization reports, Fund diversion report, interest accrued on idle funds and comments /observation on the accounting records, system and controls adopted by the Govt. Agencies, etc. Audit shall be to scrutinize overall fund requirements, funds received and major expenses i.e. payment to the contractor and supplier etc. However, overall share of petty expensed in the project shall be reported as percentage of project value.
- To examine and bring out reasons attributable to increase in project cost

**2.2** In conducting the financial audit special attention shall be paid to the following:-

- Whether payments have been released to the Contractor/executing agency by following GFR, financial rules of the Department / State Government, Contract Schedule, adhering and after addressing to rectification of defects pointed out by project specific Independent Quality Control Consultant / Departmental Engineer or authorized PMC, is carried out by the contractor.
- All funds including fund received by ULB shall only be used in accordance with the conditions of the relevant contract agreements as per the estimates approved.
- The audit will certify that the allocated funds have been provided and used in accordance with the relevant contract agreements and only as per the Estimates approved. The role shall be limited to actual payment made to the contract agencies and suppliers through running/ final bill as well as any other expenditure incurred under the project head.
- To examine all necessary supporting documents, records, & accounts of all project transactions including expenditures reports and bring out clear linkages and discrepancies between the books of account.
- To check that the project accounts have been prepared in accordance with the accounting principles defined in the applicable accounts code and give a true and fair view of the financial position of the project with resources and expenditures utilized in the project
- Whether Goods and services financed have been procured in accordance with the government procurement procedure and applicable accounts code.
- Review and report on financial performance of contractors under the project with respect to commercial terms and conditions, i.e. performance with respect to clauses such as Guarantee/warranty, defects-liability, licenses, bank guarantee, insurance, payment schedule, taxes, dispute resolution mechanisms, etc.
- Highlight and report on enforcement of critical financial terms and conditions of the project that has an impact on time and cost overrun.
- Suggest remedial measures to improve financial performance. Where ineligible expenditures are identified as having been included these should be separately noted by the auditor.

- Audit report on the project financial statements/consolidated Financial statement should be prepared in accordance with the Auditing Standards promulgated by the Institute of Chartered Accountants of India:-
- Whether the funds were utilized for the purposes, for which they were provided,
- Report on adequacy of systems for project related financial management.
- Review documents related to claim for payments and payments made by ULB/PWSSB.
- Report on utilization of funds in verification with bank reconciliation statements.
- Remedial measures to improve financial progress of the project
- Report any major variation in overall project cost, due to changes in the bill of quantities as per the contract agreement.

### **3. Scope of Service (Procurement Audit)**

The scope of services shall be to examine and report whether transparent procedure had been adopted while awarding the works, providing variations, escalations, price adjustments, increase in scope of work, etc. Project specific discrepancies shall be brought out and to be reported with reference to any financial or other loss to the State Exchequer

### **4. Execution of audits**

The execution of audits shall be in accordance with approach and methodology agreed in the project plan report submitted by the auditor within 1 week after the selection by the mandating authority and in accordance with audit plan.

### **5. Period of Empanelment**

The auditor shall be empanelled for a period of three (3) years from the date of Empanelment and may be further extended for two more years on mutually agreed terms.

### **6. Review of the final draft Report-**

Final draft report shall be reviewed to assess whether auditor delivered includes all reports and documents in the form and manner within the time period as specified; Assess whether the reports and documents are easily understandable or not; Has the auditor satisfied the expectations of service quality, such as adequacy, applicability, effectiveness, innovativeness and impartiality; to examine whether auditors are covering the scope of work and achieving the objectives of assignment.

### **7. Arrangements and Procedure for Auditing.**

#### **Facilities to be provided by the Mandating Authority**

- 7.1. All the project documents, copy of agreement and relevant papers needed for Audit. The auditor shall be given access to all documents, correspondence, and any other information relating to the Project and deemed necessary by the auditor for carrying out audit.

- 7.2. The auditor would be provided copies of the Project Implementation Plan (i.e CPM/PERT Chart) the quality guidelines Manual, and Financial Management Manuals, guidelines, policies and procedures. They shall also be provided with relevant Punjab Govt. / GOI policies and guidelines.
- 7.3. The auditor would be provided safe access to the project site, project offices and shall be facilitated with taking samples and checking of records.

## **8. Active support by Auditor**

- a) The auditor would be required to:
- i. Establish a central reporting station at Chandigarh for all kinds of communication and reporting;
  - ii. Mobilize project wise teams with highly qualified personnel with proven relevant experience in financial management and Auditing of the projects of similar nature and size of the proposed project as acceptable to the client for conducting Audit tests.

## **9. Performance Security**

The Auditor shall submit an irrevocable and unconditional Bank Guarantee of Rs. 10 lac (Rupees Ten lacs only) as performance security in favour of Client. This Bank Guarantee shall be initially valid for a period of 3 (three) years and 6 (six) months from the date of acceptance to the empanelment by the Auditor. In case of any extension in the period of the empanelment, this BG shall be suitably extended for a period of 6 (six) beyond the period of empanelment. This Bank Guarantee (BG) shall be confirmed along-with the acceptance to letter of Award/ Letter of Empanelment and shall be made available within 15 days from the date of issuance of letter of Award/ Letter of Empanelment and shall be made valid till the expiry of the validity of the empanelment or its termination, whichever is earlier. Non submission or partial submission of Performance Security shall result into cancellation of Empanelment and forfeiture of EMD or EMD & Partial Performance Security, as the case may be.

In case, any amount becomes due against the Auditor, the same shall be recovered from the performance security. Mandating Authorities/State Government Departments, on monthly basis shall submit the performance appraisal report of the mandated Auditor (project wise) to PIDB.

## **10. Allocation of Projects amongst the panel of Auditors**

Work shall be allocated within the panel taking into consideration the prior experience of the empanelled Auditor in specific infrastructure sector, number of projects and their project cost audited, at the discretion of the Client.

## 11 Minimum Team Composition

Minimum Key Personnel in a team per assignment / per project shall consist of :

S. No	Personnel	Minimum Qualification	Minimum Experience in the relevant field
1	Team Leader	M.Tech (Civil)	15 years
2	Finance Expert	MBA (Finance) / ICWA / CA	5 years
3	Legal Expert/ Procurement Specialist	BA LLB	5 years

The appointed Key Personnel shall not be changed without prior approval and shall be replaced with equivalent or higher qualifications and experiences. The Auditor shall hire suitable number of Sub Key Personnel as per the project specific requirement and can also increase Key Personnel.

## 12. Payments

K.D.	Milestone	Tentative timelines (Days)	%age of Project Specific Fee
1.	Upon completion of Site visits, carrying out preliminary assessment and collection of samples and submission of Inception Report	X+ 15 days	15%
2.	Submission of Interim fact finding Report consisting of: (a) Quality Control (b) Procurement (c) Financial Audit (d) Technical Audit	X+ 45 days	25%
3.	Submission of Draft final Assessment report on; (a) Quality Control (b) Procurement (c) Financial Audit (d) Technical Audit (e) Quality Control Test Reports	X+ 60 days	30%
4.	Approval of Final Techno Financial Audit Report - (a) finalization comments on observation on Draft Final Report (b) Recommendations and Suggestion to State Government (c) Remedial Measures	X+ 90 days	30%

X= Date of allotment of specific assignment/ project.

- Note:**
- (a) Taxes shall be paid extra
  - (b) Timelines may vary as per project specific requirements
  - (c) Client shall endeavour to submit its comments and observations within 10 (ten) days.
  - (d) 50% of the agreed payments shall be made within 7 (seven) days from the date of submission of invoices along with reports. The balance 50% shall be made upon acceptance of the report by the Client.



**13. Deliverables**

All the deliverables shall be the property of the mandating authority and shall be used by the mandating authority at its sole discretion. However, Auditor shall be responsible for all the information provided under the deliverables. A copy (hard and soft) along with Executive Summary of each of the deliverable shall submitted also be submitted by the Auditor to PIDB for information.

**14. Validity of the Panel**

The Panel of Auditors shall be valid for a period of 2 (two) years, but the same can also be terminated earlier by the client without disclosing any reason, by giving one months' prior written notice to the other party. The validity of the empanelment can be extended for further 2 (two) years on the same or mutually agreed terms & conditions.

10. TECHNICAL FORMATS

**APPENDIX 1: COVERING LETTER**

Ref. No. / Date:

To

\_\_\_\_\_  
Managing Director,  
Punjab Infrastructure Development Board (PIDB),  
SCO 33-34-35, Sector 34-A,  
CHANDIGARH

**Subject: Empanelment as Special Third Party Independent Techno Financial Auditor**

Dear Sir,

1. With reference to the RFE Document for the captioned Project, I/we, having examined all relevant documents and understood their contents, hereby submit our Proposal for selection as Auditor for the same. The Proposal is unconditional and unqualified.
2. Processing Fee  
of Rs. **10,000/-** (Rupees Ten thousand) has been made through DD/Banker Cheque no. \_\_\_\_\_, Dated..... issued by \_\_\_\_\_ in favour of Punjab Infrastructure Development Board (enclosed).
3. Proposal Security of Rs. **1,00,000/- (Rupees One Lac)** has been made through DD/Banker Cheque no. \_\_\_\_\_, Dated..... issued by \_\_\_\_\_ in favour of Punjab Infrastructure Development Board (enclosed).
4. All information provided in the Proposal is true and correct and all documents accompanying such Proposal are true copies of their respective originals.
5. This statement is made for the express purpose of **Empanelment as Special Third Party Independent Techno Financial Auditor**.
6. I/We shall make available to the Client any additional information it may deem necessary or require for supplementing or authenticating the Proposal.
7. I/We acknowledge the right of the Client to reject our application without assigning any reason or otherwise and hereby waive our right to challenge the same on any account whatsoever.
8. I/We certify that in the last 5 (five) years, we/ any of the consortium members have neither failed to perform on any contract, as evidenced by imposition of a penalty by an arbitral or judicial Client or a judicial pronouncement or arbitration award against the Company, nor have been expelled from any project or contract nor have had any contract terminated for breach on our part.
9. I/We declare that:
  - (a) I/We have examined and have no reservations to the RFE Documents, including any Addendum thereto, issued by the Client;
  - (b) I/We do not have any conflict of interest in accordance with provisions of the RFE Document;
  - (c) I/We have not directly or indirectly or through an agent engaged or indulged in any corrupt practice, fraudulent practice, coercive practice,

- undesirable practice or restrictive practice, as defined in the RFE document, in respect of any tender or Request for Empanelment issued by or any agreement entered into with the Client or any other public sector enterprise or any government, Central or State; and
- (d) I/We hereby certify that we have taken steps to ensure that in conformity with the provisions of the RFE, no person acting for us or on our behalf will engage in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice.
- (e) I/We hereby declare that if appointed as the **Special Third Party Independent Techno Financial Auditor**, all the members of our Consortium shall be jointly and severally liable to fulfil all the obligations enumerated in this RFE document and Agreement.
10. I/We understand that you may cancel the Selection Process at any time and that you are neither bound to accept any Proposal that you may receive nor to select the Auditor, without incurring any liability to the Auditors in accordance with the provisions of RFE document.
11. I/We declare that we/any member of the consortium, are/is not a Member of any other Consortium applying for Selection as an Auditor.
12. I/We certify that we have not been convicted by a Court of Law or indicted or otherwise have adverse orders passed against us by a regulatory Authority which would cast a doubt on our ability to undertake the Consultancy for the Project or which relates to a grave offence that outrages the moral sense of the community.
13. I/We further certify that in regard to matters relating to security and integrity of the country, we have not been charge-sheeted by any agency of the Government or convicted by a Court of Law for any offence committed by us or by any of our Associates.
14. I/We further certify that no investigation by a regulatory Authority is pending either against the company or against our Associates or against our CEO or any of our Directors/Managers/employees.
15. I/We hereby irrevocably waive any right or remedy, which we may have at any stage at law or howsoever otherwise, arising to challenge or question any decision taken by State Government / Punjab Infrastructure Development Board (PIDB) in connection with the selection of **Special Third Party Independent Techno Financial Auditor** or in connection with the Selection Process itself in respect of the above mentioned Project.
16. I/We agree and understand that the proposal is subject to the provisions of the RFE document. In no case, shall I/we have any claim or right of whatsoever nature if the Consultancy for the Project is not awarded to me/us or our proposal is not opened or rejected.
17. I/We agree to keep this offer valid for a period of 180 ( One hundred and Eighty) days or for a longer period on any further extension being sought by the Client, from the Proposal Due Date specified in the RFE.
18. In the event of my/our firm/ consortium being selected as the **Special Third Party Independent Techno Financial Auditor**, I/we agree to enter into an

Agreement in accordance with the provisions of the RFE. We agree not to seek any changes in the aforesaid form and agree to abide by the same.

19. I/We have studied the RFE and all other documents carefully and also surveyed the Project site. We understand that except to the extent as expressly set forth in the Agreement, we shall have no claim, right or title arising out of any documents or information provided to us by the Client or in respect of any matter arising out of or concerning or relating to the Selection Process including the award of Consultancy.
20. I/We agree and undertake to abide by all the terms and conditions of the RFE Document. In witness thereof, I/we submit this Proposal under and in accordance with the terms of the RFE Document.
21. I/We agree and confirm to open a office at Chandigarh/Panchkula/Mohali and an undertaking in this regard is attached.
22. An undertaking regarding non blacklisting as required under clause 3.1.2 (f) of this RFE document is attached.

Yours faithfully,  
(Signature, name and designation of the Authorised Signatory)  
(Name and seal of the Auditor)

**Appendix2: Power of Attorney for Authorised Signatory**

(On a Stamp Paper of relevant value)

**POWER OF ATTORNEY**

Know all men by these present, we \_\_\_\_\_ (name and address of the registered office) do hereby constitute, appoint and authorize Mr. /Ms. \_\_\_\_\_ (name and address of residence) who is presently employed with us and holding the position of \_\_\_\_\_ as our attorney, to do in our name and on our behalf, all such acts, deeds and things necessary in connection with or incidental to our Proposal for the Project.

We hereby agree to ratify all acts, deeds and things lawfully done by our said attorney pursuant to this Power of Attorney and that all acts deeds and things done by our aforesaid attorney shall and shall always be deemed to have been done by us.

Executant  
Signature of Attorney  
(Name, Title and Address of the Attorney)

Attested

Executant

Notes:

1. To be executed by the sole Bidder.
2. The mode of execution of the Power of Attorney should be in accordance with the procedure, if any, laid down by the applicable law and the charter documents of the executants (s) and when it is so required the same should be under common seal affixed in accordance with the required procedure.
3. Also, where required, the executants(s) should submit for verification the extract of the charter documents and documents such as a resolution / power of attorney in favour of the Person executing this Power of Attorney for the delegation of power hereunder on behalf of the Bidder.

**APPENDIX 3: Letter of Undertaking**

Date:

To

Managing Director,  
Punjab Infrastructure Development Board (PIDB),  
SCO 33-34-35, Sector 34-A,  
CHANDIGARH

**Subject: Empanelment as Special Third Party Independent Techno Financial Auditor**

We hereby agree and undertake as under:

- (i) That, notwithstanding any conditions, whether implied or mentioned in our Technical Proposal, we agree to the terms and conditions as contained in the RFE document provided to us.
- (ii) That if empanelled and for the specific project (s) mandated to us, we/our affiliates/ consortium members will not bid for the same project (s) and / or rate the proposed project (s).

We hereby represent and confirm that our proposal is unconditional.

Dated this..... Day of..... 2017

Name of the Auditor

Signature of the Authorized Person

Name of the Authorized Person

**APPENDIX-4 (A)**

**Financial Capacity of the Applicant**

<b>S. No.</b>	<b>Financial Year</b>	<b>Annual Revenue (Rs./US \$ in million)</b>
1.		
2.		
3.		
4.		
5.		

**Certificate from the Statutory Auditors**

This is to certify that .....(name of the Applicant) has received the payments shown above against the respective years on account of professional fees.

Name of the audit firm:

Seal of the audit firm

Date:

(Signature, name and designation of the authorised signatory)

§ In case the Applicant does not have a statutory auditor, it shall provide the certificate from its chartered accountant that ordinarily audits the annual accounts of the Applicant.

**Note:** Please do not attach any printed Annual Financial Statement.

**Appendix : 4 (B)**

**General Information on the Bidder / Bidders**

1. (a) Name :
- (b) Country of incorporation :
- (c) Address of the corporate headquarters and its branch office(s), if any, in India :
2. Details of individual(s) who will serve as the point of contact / communication for PIDB within the Company:
  - (a) Name :
  - (b) Designation :
  - (c) Company :
  - (d) Address :
  - (e) Telephone Number :
  - (f) Fax Number :
  - (g) E-Mail Address :

Signed  
(Name of the Authorised Signatory)

For and on behalf of

(Name of the bidder)

Designation:

Place:

Date:

To be enclosed:

1. Documents certifying Bidder's legal status i.e. Certificate of incorporation / registration.
2. Latest brochures/ organization profiles, etc.



**APPENDIX 5 : MINIMUM ELIGIBILITY DATA SHEET**

Clause				Compliance Details by Applicant		
						Status of Compliance (Y for Yes and N for NO)
3.1.1.a	Processing Fee	Rs. 10,000/- (Rupees Ten Thousand only)	To be submitted in the form of DD/ Banker's cheque	Details to be added	Attached at page no. ....	
3.1.1.b	Earnest Money Deposit / Proposal Security	Rs. 1,00,000/- (Rupees One lac only)	To be submitted in the form of DD/ Banker's cheque	Details to be added	Attached at page no. ....	
3.1.2	(a) Applicant	Applicant must be a company / firm registered under appropriate authority and is in existence for atleast 10 (ten) years before the date of issuance of this RFE document.	Certificate of Incorporation / Registration	Details to be added	Certified copy (ies) attached at pages ..... to .....	
3.1.2	(b) Financial Capacity	The applicant shall have an average annual turnover of not less than Rs. 10 (ten) crore from the Professional Fee* in last 5 (five) financial years". *For the avoidance of doubt, professional fees hereunder refer to fees received by the Applicant for providing technical-financial / Technical or financial audit services to its clients.	Turnover certificates should be duly certified by the statutory auditor or by a Chartered Accountant		Certified copy (ies) attached as Appendix 4 (A)	

Clause				Compliance Details by Applicant			
						Status of Compliance (Y for Yes and N for NO)	
3.1.2	(c)	<b>Techno &amp; Financial Audit Experience</b>	The applicant must have carried out Audit Auditory service in atleast 10 (ten) projects under Core Infrastructure with a minimum value of Rs. 10 crore each (core sector would be deemed to include power, telecom, ports, airports, railways, metro rail, industrial Park/estates, logistic parks, pipelines, irrigation, water supply & sewerage, roads, transport), in the last 5 (five) financial years (F.Y. 2012-13 to 2016-17), with any Central/State Government / Government Agencies in India, as its Client. For avoidance of doubt, the minimum value of the project excludes the cost of land, utilities etc and only refers to the capital cost of the project.	In support of the claim, the applicant has to submit the certificate of completion of the activities duly issued by the Client or duly certified and verified by the Authorised Signatory of the bidder, in the prescribed format attached as Appendix 7	Details Provided in Appendix 7	Details in the prescribed format are at pages..... to .....	
3.1.2	(d)	<b>Human Resource</b>	Preceding the proposal due date, the applicant must have 30 (thirty) full time professional staff including key technical, financial and legal professionals (with at-least one from Legal sector) providing Technical-Financial Auditory services.	Note-1:Human Resource (Professional Personnel) details to be certified & verified by the Chief Executive Officer or his authorized officer and counter certified by the Authorised Signatory of the bidder. <b>Note-2:</b> In case any of the Technical or Financial Audit Auditory services are being done through outsourcing, then the Bidder shall provide details of the outsourced agency/firm along-with copy of the agreement with the said		1. HR Certificate is attached at pages ..... to .....  2. Details of the outsourced Legal & or Technical & or Financial agency /firm along- with copy of the agreement with the said Legal firm/ agency is at pages.... to	

			firm/agency for the assignment.		..... (to be deleted if irrelevant)	
3.1.2	(e) Office at Chandigarh/Mohali/Panchkula	The applicant shall give details of its office located at Chandigarh/Mohali/Panchkula, from where it intends to provide Auditory services to the State Government. In case, applicant does not have any existing office at these locations, then an undertaking for opening of the office at any one of these locations within 8 (eight) weeks from the date of issuance of Notice of Award (NoA) / Empanelment (NoE), shall be provided alongwith the bid.		Details of existing office / Undertaking for opening of office within 8 (eight) weeks from the date of issuance of Notice of Empanelment (NoE).	Copy of the undertaking is at pages.... to .....	
3.1.2	(f) Non Blacklisting/Debarment	The applicant should not be debarred / blacklisted by the any of its client in the last 5 (five) years	An undertaking in this regard shall be submitted by the applicant with the proposal.	YES	Copy of the undertaking is at pages.... to .....	

**APPENDIX 6. Minimum Eligibility Experience Data Sheet**

I. 10 (ten) projects under Core Infrastructure (Refer Clause 3.1.2.c)

S. NO	Client Details			Category of Core Infrastructure	Project Cost (Rs. In Cr.)	Date of issuance of Work Order	Date of completion of mandated Work	Scope of Audit				Supporting document attached
	Central/State Govt./ Govt. Agency	Name of Department	Contact Person / Department's complete Address including Telephone no./Fax No./Email/Web Address					Technical	Financial	Contract/ Procurement	Quality Control	
1												1. Copy of Experience Certificate (in format prescribed at Appendix 7) is at page... to _____ 2. Copy of work order is at page no....to ..... 3. Copy of completion Certificate issued by the Client or Self Certified completion Certificate is at page no.... to ...
2												To be filled as per above
3												To be filled as per above
4												To be filled as per above

Note: For avoidance of doubt, the cost of the project excludes the cost of land, utilities etc and only refers to the capital cost of the project.

APPENDIX 7 TECHNO FINANCIAL AUDIT Experience Certificate Format

Ref No.....

Dated.....

**To Whomsoever It may concern**

It is certified that M/s..... (Auditor Details) were mandated as Auditor for .....(Project Details) for carrying out the Techno Financial Audit .....(Client Details) vide mandate letter no....., dated.....

The scope of completed Auditory Services includes;

- (i) Technical Audit
- (ii) Financial Audit
- (iii) Contract / Procurement Audit
- (iv) Quality Control Audit

M/s ..... (Auditor) have completed their above mandated scope of work on ..... (Date) .

(To be issued by the Client)  
or  
(Duly certified and verified by the  
Authorised Signatory of the Bidder)

*Note: Please strike down which ever is not applicable under either of the four above referred Auditory services).*

**APPENDIX 8 : Project Data Sheet for Evaluation and Scoring**

**I. Techno Financial Audit Experience**

(Auditor Details)													
S.No	Project description	Capital Cost (Rs. In Cr.)	Individually/ JV	Infrastructure Sector	Client	Scope of Audit Services (Fill Y for Yes and N for NO)				Status/ Remarks		Supporting documents	
						Technical	Financial	Contract/ Procurement	Quality Control	Services/ Mandate (completed/Ongoing)	Project Status (NOA / CA)	Client Certificate (as per Appendix7) is at page .... to .....	Work Order letter is at pages __ to __
1.													
2.													
3.													
4.													

**Note:**

Projects where all the 4 (four) activities have been completed should be added first and thereafter in the order of maximum of the 4 (four) activities completed to be added. The list of projects can also includes the projects mentioned in Appendix 6

**APPENDIX 9 : Key Personnel**

Minimum Key Personnel in a team per assignment / per project shall consist of :

S. No	Personnel/ Qualification/ Experience	Name	Relevant Qualification	Relevant Experience	Contact Details/Email	Certified copy of the detailed CV is attached
1	Team Leader M.Tech (Civil) 15 years					Page __ to __
2	Finance Expert MBA (Finance) / ICWA / CA 5 years					Page __ to __
3	legal Expert/ Procurement Specialist BA LLB 5 years					Page __ to __

Name of the Auditor

Signature of the Authorized Person

Name of the Authorized Person

- Note :
- (a) The above Key Personnel shall be considered for evaluation
  - (b) The above Key Personnel cannot be changed within at-least 1 (one) year from the date of Empanelment.
  - (c) Auditor, at its own, can provide list of other/additional Key Personnel or Sub Key Personnel or Sub Consultants, which the Applicant intends to appoint. However, this list shall not be considered for evaluation.
  - (d) CV should be signed by the Key Personnel in Original with date and should also be counter certified and verified by the authorized representative of the applicant.

**APPENDIX 10 : Financial Bid**

Date:

To

Managing Director,  
Punjab Infrastructure Development Board (PIDB),  
SCO 33-34-35, Sector 34-A,  
CHANDIGARH

**Subject: Financial Bid for Empanelment as Special Third Party Independent Techno Financial Auditor**

Sir,

In terms of the provisions of the Request for Empanelment Letter, our financial bid for the subject cited assignment is as follows:

S.N	Project Cost	Rate of Fee inclusive of all expenses to be quoted by the consultant (excluding taxes) in percentage	Fee to be calculated as per formula (in crores)
		<i>r</i>	
1.	Cost of work Rs. 10 cr.		$10 \times r/100$
2.	Above Rs. 10 cr. & above		$r/4900(9c+400)$

In case the project of less than 10.0 crore is allotted for audit the rate *r* shall be proportionately reduced subject to minimum 1.0 lakh.

Note: (a) Taxes shall be extra

2. We understand that the financial bid of the L1 bidder quoting the minimum percentage ("r" percentage) of project cost shall be taken as a Base Quote and shall be empanelled and other technically qualified bidders shall be empanelled as per the procedure laid down in clause 3.1.3 and 3.1.3.A of the RFE document.

3. We undertake our financial bid as unconditional and shall be initially valid for a period of 180 (one hundred and eighty) days and shall be extended from time to time on the request the Client, without claiming any interest thereupon.

Dated this..... Day of..... 2017

Name of the Auditor  
Signature of the Authorized Person  
Name of the Authorized Person

Note: The bidder has to Quote 'r'



**APPENDIX 11 : Work Plan and Methodology**

The proposed methodology and work plan shall be described as follows:

**1. Understanding of the Assignment (not more than two pages)**

The Applicant shall clearly state its understanding of the TOR and also highlight its important aspects. The Applicant may supplement various requirements of the TOR and also make precise suggestions if it considers this would bring more clarity and assist in achieving the Objectives laid down in the TOR.

**2. Methodology and Work Plan (not more than three pages)**

The Applicant will submit its methodology for carrying out this assignment, outlining its approach toward achieving the Objectives laid down in the TOR. The Applicant will submit a brief write up on its proposed team and organisation of personnel explaining how different areas of expertise needed for this assignment have been fully covered by its proposal. The Applicant should specify the sequence and locations of important activities and provide a quality assurance plan for carrying out the Consultancy Services. Not more than 2 (two) pages

**3. Timeline for completion of assignment**

**APPENDIX 12 : List of projects as per clause 3.2**