



**REQUEST FOR PROPOSALS**  
for  
***Statutory Audit of Chandigarh State  
AIDS Control Society***

***2019 - 2020***

**Project Name - National AIDS Control Project  
SA/RFP/2013-14**



## CHANDIGARH STATE AIDS CONTROL SOCIETY

International Hostel (Near Congress Bhawan), Sector 15-A, Chandigarh

Phone : 0172-2544589, 2783300 Fax : 0172 - 2700171

### Section 1. Letter of Invitation

**Memo. No. CSACS/AFU/2019/3271-84**

**Dated: December 09, 2019**

Reference:– EOI published in newspapers/Chandigarh SACS website on 21.06.2019

To

Dear Mr./Ms.:

1. The Chandigarh State AIDS Control Society under the Department of AIDS Control (DAC), Government of India (hereinafter called “Borrower”) has received financing from the International Development Association alongwith domestic budget support (hereinafter called “loan”) towards the cost of National AIDS Control Project. The Borrower intends to apply a portion of the funds to eligible payments under the contract for which this Request for Proposals is issued.
2. Chandigarh SACS had appointed Statutory Auditor for the period from 01.04.2016 to 31.03.2017 @ Rs.24,500/- (plus taxes) and the contract was extended upto FY 2018-19 on same terms and conditions.
3. The Chandigarh State AIDS Control Society now invites proposals to provide the following consulting services: **Statutory Audit of Chandigarh State AIDS Control Society** initially for one year i.e. 2019-20 extended upto three years on yearly performance basis. More details on the services are provided in the Terms of Reference.
4. This Request for Proposal (RFP) has been addressed to the following shortlisted Consultants:

<b>S. No.</b>	<b>Names of Firms</b>
1	Agarwal A Kumar & Associates
2	Agarwal & Dhandhanian
3	Gandhi Minocha & Co.
4	Sanjay Srivastava & Co.
5	Goyal Parul & Company
6	N. C. Mittal & Co.
7	Davinder Pal Singh & Co.
8	V. V. Bhalla & Company

9	Amit Ray & Co.
10	B. M. Varma & Co.
11	Surinder Mahajan And Associates
12	Jasminder Singh & Associates
13	Amit Chaman & Associates
14	Hitesh Brij & Associates

It is not permissible to transfer this invitation to any other firm.

5. A firm will be selected under Least Cost Selection and procedures described in this RFP, in accordance with the policies of the International Development Association (IDA) detailed in the Guidelines - Selection and Employment of Consultants by World Bank Borrowers which can be found at the following website: [www.worldbank.org/procure](http://www.worldbank.org/procure).
6. The RFP includes the following documents:
  - Section 1 - Letter of Invitation
  - Section 2 - Instructions to Consultants (including Data Sheet)
  - Section 3 - Technical Proposal - Standard Forms
  - Section 4 - Financial Proposal - Standard Forms
  - Section 5 - Terms of Reference
  - Section 6 - Standard Forms of Contract
7. In case of any query/clarification required, the same may be sent on e-mail:- [chandigarhsacs@gmail.com](mailto:chandigarhsacs@gmail.com) or call at 0172-2783300, 2544589 during any working day between 9:00 AM to 5:00 PM.

Sd/-  
 Project Director,  
 Chandigarh State AIDS Control Society,  
 Union Territory, Chandigarh



## **Section 2. Instructions to Consultants**

### **Definitions**

- (a) "Bank" means the International Bank for Reconstruction and Development, Washington, D.C., U.S.A., or the International Development Association, Washington, D.C., U.S.A.
- (b) "Client" means the agency with which the selected Consultant signs the Contract for the Services.
- (c) "Consultant" means any entity or person that may provide or provides the Services to the Client under the Contract.
- (d) "Contract" means the Contract signed by the Parties and all the attached documents listed in its Clause 1, that is the General Conditions (GC), the Special Conditions (SC), and the Appendices.
- (e) "Data Sheet" means such part of the Instructions to Consultants used to reflect specific country and assignment conditions.
- (f) "Day" means calendar day.
- (g) "Government" means the government of the Client's country.
- (h) "Instructions to Consultants" (Section 2 of the RFP) means the document which provides shortlisted Consultants with all information needed to prepare their Proposals.
- (i) "LOI" (Section 1 of the RFP) means the Letter of Invitation being sent by the Client to the shortlisted Consultants.
- (j) "Personnel" means professionals and support staff provided by the Consultant or by any Sub-Consultant and assigned to perform the Services or any part thereof; "Foreign Personnel" means such professionals and support staff who at the time of being so provided had their domicile outside the Government's country; "Local Personnel" means such professionals and support staff who at the time of being so provided had their domicile inside the Government's country.

- (k) "Proposal" means the Technical Proposal and the Financial Proposal.
- (l) "RFP" means the Request For Proposal to be prepared by the Client for the selection of Consultants, based on the SRFP.
- (m) "SRFP" means the Standard Request for Proposals, which must be used by the Client as a guide for the preparation of the RFP.
- (n) "Services" means the work to be performed by the Consultant pursuant to the Contract.
- (o) "Sub-Consultant" means any person or entity with whom the Consultant subcontracts any part of the Services.
- (p) "STRC" means State Training Resource Centre
- (q) "Terms of Reference" (TOR) means the document included in the RFP as Section 5 which explains the objectives, scope of work, activities, tasks to be performed, respective responsibilities of the Client and the Consultant, and expected results and deliverables of the assignment.

## **1.Introduction**

1.1 The Client named in the Data Sheet will select a consulting firm/organization (the Consultant) from those listed in the Letter of Invitation, in accordance with the method of selection specified in the Data Sheet.

1.2 The shortlisted Consultants are invited to submit a Technical Proposal and a Financial Proposal, or a Technical Proposal only, as specified in the Data Sheet, for consulting services required for the assignment named in the Data Sheet. The Proposal will be the basis for contract negotiations and ultimately for a signed Contract with the selected Consultant.

1.3 Consultants should familiarize themselves with local conditions and take them into account in preparing their Proposals. To obtain first-hand information on the assignment and local conditions, Consultants are encouraged to visit the Client before submitting a proposal and to attend a pre-proposal conference if one is specified in the Data Sheet. Attending the pre-proposal conference is optional. Consultants should contact the Client's representative named in the Data Sheet to arrange for their visit or to obtain additional information on the pre-proposal conference. Consultants should ensure that these officials are advised of the visit in adequate time to allow them to make appropriate arrangements.

1.4 The Client will timely provide at no cost to the Consultants the inputs and facilities specified in the Data Sheet, assist the firm in obtaining licenses and permits needed to carry out the services, and make available relevant project data and reports.

1.5 Consultants shall bear all costs associated with the preparation and submission of their proposals and contract negotiation. The Client is not bound to accept any proposal, and reserves the right to annul the selection process at any time prior to Contract award, without thereby incurring any liability to the Consultants.

**Conflict of Interest**

1.6 Bank policy requires that Consultants provide professional, objective, and impartial advice and at all times hold the Client's interests paramount, strictly avoid conflicts with other assignments or their own corporate interests and act without any consideration for future work.

1.6.1 Without limitation on the generality of the foregoing, Consultants, 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:

**Conflicting activities**

(i) A firm that has been engaged by the Client to provide goods, works or services other than consulting services for a project, and any of its affiliates, shall be disqualified from providing consulting services related to those goods, works or services. Conversely, a firm hired to provide consulting services for the preparation or implementation of a project, and any of its affiliates, shall be disqualified from subsequently providing goods or works or services other than consulting services resulting from or directly related to the firm's consulting services for such preparation or implementation. For the purpose of this paragraph, services other than consulting services are defined as those leading to a measurable physical output, for example surveys, exploratory drilling, aerial photography, and satellite imagery.

**Conflicting assignments**

(ii) A Consultant (including its Personnel and Sub-Consultants) or any of its affiliates shall not be hired for any assignment that, by its nature, may be in conflict with another assignment of the Consultant to be executed for the same or for another Client. For example, a Consultant hired to prepare engineering design for an infrastructure project shall not be engaged to prepare an independent environmental assessment for the same project, and a Consultant assisting a Client in the privatization of public assets shall not purchase, nor advise purchasers of, such assets. Similarly, a Consultant hired to prepare Terms of Reference for an assignment should not be hired for the assignment in question.

**Conflicting relationships**

(iii) A Consultant (including its Personnel and Sub-Consultants) that has a business or family relationship with a member of the Client's staff who is directly or indirectly involved in any part of (i) the preparation of the Terms of Reference of the assignment, (ii) the selection process for such assignment, or (iii) supervision of the Contract, may not be awarded a Contract, unless the conflict stemming from this relationship has been resolved in a manner acceptable to the Bank throughout the selection process and the execution of the Contract.

1.6.2 Consultants have an obligation to disclose any situation of actual or potential conflict that impacts their capacity to serve the best interest of their Client, or that may reasonably be perceived as having this effect. Failure to disclose said situations may lead to the disqualification of the Consultant or the termination of its Contract.

1.6.3 No agency or current employees of the Client shall work as Consultants under their own ministries, departments or agencies. Recruiting former government employees of the Client to work for their former ministries, departments or agencies is acceptable provided no conflict of interest exists. When the Consultant nominates any government employee as Personnel in their technical proposal, such Personnel must have written certification from their government or employer confirming that they are on leave without pay from their official position and allowed to work full-time outside of their previous official position. Such certification shall be provided to the Client by the Consultant as part of his technical proposal.

**Unfair Advantage**

1.6.4 If a shortlisted Consultant could derive a competitive advantage from having provided consulting services related to the assignment in question, the Client shall make available to all shortlisted Consultants together with this RFP all information that would in that respect give such Consultant

any competitive advantage over competing Consultants.

**Fraud and  
Corruption**

1.7 The Bank requires that all Borrowers (including beneficiaries of Bank loans), as well as Consultants participating in Bank-financed projects adhere to the highest ethical standards, both during the selection process and throughout the execution of a contract. In pursuance of this policy, the Bank:

(a) defines, for the purpose of this paragraph, the terms set forth below as follows:

(i) "corrupt practice" means the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence the action of a public official in the selection process or in contract execution;

(ii) "fraudulent practice" means a mis-representation or omission of facts in order to influence a selection process or the execution of a contract;

(iii) "collusive practices" means a scheme or arrangement between two or more consultants with or without the knowledge of the Borrower, designed to establish prices at artificial, noncompetitive levels;

(iv) "coercive practices" means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in a procurement process, or affect the execution of a contract.

(b) will reject a proposal for award if it determines that the Consultant recommended for award has, directly or through an agent, engaged in corrupt, fraudulent, collusive or coercive practices in competing for the contract in question;

(c) will cancel the portion of the loan allocated to a contract if it determines at any time that representatives of the Borrower or of a beneficiary of the loan were engaged in corrupt, fraudulent, collusive or coercive practices during the selection

process or the execution of the contract, without the Borrower having taken timely and appropriate action satisfactory to the Bank to remedy the situation.

(d) will sanction a Consultant, including declaring the Consultant ineligible, either indefinitely or for a stated period of time, to be awarded a Bank-financed contract if at any time determines that the Consultant has, directly or through an agent, engaged in corrupt, fraudulent, collusive or coercive practices in competing for, or in executing, a Bank-financed contract; and

(e) will have the right to require that, in contracts financed by the Bank, a provision be included requiring Consultants to permit the Bank to inspect their accounts and records and other documents relating to the submission of proposals and contract performance, and have them audited by auditors appointed by the Bank.

1.8 Consultants, their Sub-Consultants, and their associates shall not be under a declaration of ineligibility for corrupt and fraudulent practices issued by the Bank in accordance with the above para 1.7. Furthermore, the Consultants shall be aware of the provisions on fraud and corruption stated in the specific clauses in the General Conditions of Contract.

1.9 Consultants shall furnish information on commissions and gratuities, if any, paid or to be paid to agents relating to this proposal and during execution of the assignment if the Consultant is awarded the Contract, as requested in the Financial Proposal submission form (Section 4).

- Origin of Goods and Consulting Services** 1.10 Goods supplied and Consulting Services provided under the Contract may originate from any country except if:
- (i) as a matter of law or official regulation, the Borrower's country prohibits commercial relations with that country; or
  - (ii) by an act of compliance with a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations, the Borrower's Country prohibits any imports of goods from that country or any payments to persons or entities in that country.
- Only one Proposal** 1.11 Shortlisted Consultants may only submit one proposal. If a Consultant submits or participates in more than one proposal, such proposals shall be disqualified. However, this does not limit the participation of the same Sub-Consultant, including individual experts, to more than one proposal.
- Proposal Validity** 1.12 The Data Sheet indicates how long Consultants' Proposals must remain valid after the submission date. During this period, Consultants shall maintain the availability of Professional staff nominated in the Proposal. The Client will make its best effort to complete negotiations within this period. Should the need arise; however, the Client may request Consultants to extend the validity period of their proposals. Consultants who agree to such extension shall confirm that they maintain the availability of the Professional staff nominated in the Proposal, or in their confirmation of extension of validity of the Proposal, Consultants could submit new staff in replacement, who would be considered in the final evaluation for contract award. Consultants who do not agree have the right to refuse to extend the validity of their Proposals.
- Eligibility of Sub-Consultants** 1.13 In case a shortlisted Consultant intends to associate with Consultants who have not been shortlisted and/or individual expert(s), such other Consultants and/or individual expert(s) shall be subject to the eligibility criteria set forth in the

Guidelines.

**2. Clarification and Amendment of RFP Documents**

2.1 Consultants may request a clarification of any of the RFP documents up to the number of days indicated in the Data Sheet before the proposal submission date. Any request for clarification must be sent in writing, or by standard electronic means to the Client's address indicated in the Data Sheet. The Client will respond in writing, or by standard electronic means and will send written copies of the response (including an explanation of the query but without identifying the source of inquiry) to all Consultants. Should the Client deem it necessary to amend the RFP as a result of a clarification, it shall do so following the procedure under para. 2.2.

2.2 At any time before the submission of Proposals, the Client may amend the RFP by issuing an addendum in writing or by standard electronic means. The addendum shall be sent to all Consultants and will be binding on them. Consultants shall acknowledge receipt of all amendments. To give Consultants reasonable time in which to take an amendment into account in their Proposals the Client may, if the amendment is substantial, extend the deadline for the submission of Proposals.

**3. Preparation of Proposals**

3.1 The Proposal (see para 1.2), as well as all related correspondence exchanged by the Consultants and the Client, shall be written in the language (s) specified in the Data Sheet.

3.2 In preparing their Proposal, Consultants are expected to examine in detail the documents comprising the RFP. Material deficiencies in providing the information requested may result in rejection of a Proposal.

3.3 While preparing the Technical Proposal, Consultants must give particular attention to the following:

(a) If a shortlisted Consultant considers that it may enhance its expertise for the assignment by associating with other Consultants in a joint venture or sub-consultancy, it may associate with either (a) non-shortlisted Consultant(s), or (b) shortlisted Consultants if so indicated in the Data Sheet. A shortlisted Consultant must first obtain the approval of the Client if it wishes to enter into a joint venture with non-shortlisted or shortlisted Consultant(s). In case of association with non-shortlisted Consultant(s), the shortlisted Consultant shall act as association leader. In case of a joint venture, all partners shall be jointly and severally liable and shall indicate who will act as the leader of the joint venture.

(b) The estimated number of Professional staff-months or the budget for executing the assignment shall be shown in the Data Sheet, but not both. However, the Proposal shall be based on the number of Professional staff-months or budget estimated by the Consultants.

For fixed-budget-based assignments, the available budget is given in the Data Sheet, and the Financial Proposal shall not exceed this budget, while the estimated number of Professional staff-months shall not be disclosed.

(c) Alternative professional staff shall not be proposed, and only one curriculum vitae (CV) may be submitted for each position.

**Language**

(d) Documents to be issued by the Consultants as part of this assignment must be in the language(s) specified in the Reference Paragraph 3.1 of the Data Sheet. If Reference Paragraph 3.1 indicates two languages, the language in which the proposal of the successful Consultant will be submitted shall govern for the purpose of interpretation. It is desirable that the firm's Personnel have a working knowledge of the Client's national language.

**Technical  
Proposal Format  
and Content**

3.4 Depending on the nature of the assignment, Consultants are required to submit a Full Technical Proposal (FTP), or a Simplified Technical Proposal (STP). The Data Sheet indicates the format of the Technical Proposal to be submitted. Submission of the wrong type of Technical Proposal will result in the Proposal being deemed non-responsive. The Technical Proposal shall provide the information indicated in the following paras from (a) to (g) using the attached Standard Forms (Section 3). Paragraph (c) (ii) indicates the recommended number of pages for the description of the approach, methodology and work plan of the STP. A page is considered to be one printed side of A4 or letter size paper.

- (a) (i) For the FTP only: a brief description of the Consultants' organization and an outline of recent experience of the Consultants and, in the case of joint venture, for each partner, on assignments of a similar nature is required in Form TECH-2 of Section 3. For each assignment, the outline should indicate the names of Sub-Consultants/ Professional staff who participated, duration of the assignment, contract amount, and Consultant's involvement. Information should be provided only for those assignments for which the Consultant was legally contracted by the Client as a corporation or as one of the major firms within a joint venture. Assignments completed by individual Professional staff working privately or through other consulting firms cannot be claimed as the experience of the Consultant, or that of the Consultant's associates, but can be claimed by the Professional staff themselves in their CVs. Consultants should be prepared to substantiate the claimed experience if so requested by the Client.
- (ii) For the STP the above information is not required and Form TECH-2 of Section 3 shall not be used.

- (b) (i) For the FTP only: comments and suggestions on the Terms of Reference including workable suggestions that could improve the quality/ effectiveness of the assignment; and on requirements for counterpart staff and facilities including: administrative support, office space, local transportation, equipment, data, etc. to be provided by the Client (Form TECH-3 of Section 3).
- (ii) For the STP Form TECH-3 of Section 3 shall not be used; the above comments and suggestions, if any, should be incorporated into the description of the approach and methodology (refer to following sub-para. 3.4 (c) (ii)).
- (c) (i) For the FTP, and STP: a description of the approach, methodology and work plan for performing the assignment covering the following subjects: technical approach and methodology, work plan, and organization and staffing schedule. Guidance on the content of this section of the Technical Proposals is provided under Form TECH-4 of Section 3. The work plan should be consistent with the Work Schedule (Form TECH-8 of Section 3) which will show in the form of a bar chart the timing proposed for each activity.
- (ii) For the STP only: the description of the approach, methodology and work plan should normally consist of 10 pages, including charts, diagrams, and comments and suggestions, if any, on Terms of Reference and counterpart staff and facilities.
- (d) The list of the proposed Professional staff team by area of expertise, the position that would be assigned to each staff team member, and their tasks (Form TECH-5 of Section 3).
- (e) Estimates of the staff input (staff-months of foreign and local professionals) needed to carry out the assignment (Form TECH-7 of Section 3). The staff-months input should be

indicated separately for home office and field activities, and for foreign and local Professional staff.

(f) CVs of the Professional staff signed by the staff themselves or by the authorized representative of the Professional Staff (Form TECH-6 of Section 3).

(g) For the FTP only: a detailed description of the proposed methodology and staffing for training, if the Data Sheet specifies training as a specific component of the assignment.

3.5 The Technical Proposal shall not include any financial information. A Technical Proposal containing financial information may be declared non responsive.

**Financial Proposals**

3.6 The Financial Proposal shall be prepared using the attached Standard Forms (Section 4). It shall list all costs associated with the assignment, including (a) remuneration for staff (foreign and local, in the field and at the Consultants' home office), and (b) reimbursable expenses indicated in the Data Sheet. If appropriate, these costs should be broken down by activity and, if appropriate, into foreign and local expenditures. All activities and items described in the Technical Proposal must be priced separately; activities and items described in the Technical Proposal but not priced, shall be assumed to be included in the prices of other activities or items.

**Taxes**

3.7 The Consultant may be subject to local taxes (such as: value added or sales tax, social charges or income taxes on non-resident Foreign Personnel, duties, fees, levies) on amounts payable by the Client under the Contract. The Client will state in the Data Sheet if the Consultant is subject to payment of any local taxes. Any such amounts shall not be included in the Financial Proposal as they will not be evaluated, but they will be discussed at contract negotiations, and applicable amounts will be included in the Contract.

3.8 Consultants may express the price of their services in a maximum of three freely convertible currencies, singly or in combination. The Client may require Consultants to state the portion of their price representing local cost in the national currency if so indicated in the Data Sheet.

3.9 Commissions and gratuities, if any, paid or to be paid by Consultants and related to the assignment will be listed in the Financial Proposal Form FIN-1 of Section 4.

**4. Submission, Receipt, and Opening of Proposals**

4.1 The original proposal (Technical Proposal and, if required, Financial Proposal; see para. 1.2) shall contain no interlineations or overwriting, except as necessary to correct errors made by the Consultants themselves. The person who signed the proposal must initial such corrections. Submission letters for both Technical and Financial Proposals should respectively be in the format of TECH-1 of Section 3, and FIN-1 of Section 4.

4.2 An authorized representative of the Consultants shall initial all pages of the original Technical and Financial Proposals. The authorization shall be in the form of a written power of attorney accompanying the Proposal or in any other form demonstrating that the representative has been dully authorized to sign. The signed Technical and Financial Proposals shall be marked "ORIGINAL".

4.3 The Technical Proposal shall be marked "ORIGINAL" or "COPY" as appropriate. The Technical Proposals shall be sent to the addresses referred to in para. 4.5 and in the number of copies indicated in the Data Sheet. All required copies of the Technical Proposal are to be made from the original. If there are discrepancies between the original and the copies of the Technical Proposal, the original governs.

4.4 The original and all copies of the Technical Proposal shall be placed in a sealed envelope clearly marked "TECHNICAL

PROPOSAL” Similarly, the original Financial Proposal (if required under the selection method indicated in the Data Sheet) shall be placed in a sealed envelope clearly marked “FINANCIAL PROPOSAL” followed by the Loan/TA number and the name of the assignment, and with a warning “**DO NOT OPEN WITH THE TECHNICAL PROPOSAL.**” The envelopes containing the Technical and Financial Proposals shall be placed into an outer envelope and sealed. This outer envelope shall bear the submission address, reference number and title of the Loan, and be clearly marked “**DO NOT OPEN, EXCEPT IN PRESENCE OF THE OFFICIAL APPOINTED, BEFORE** [*insert the time and date of the submission deadline indicated in the Data Sheet*]”. The Client shall not be responsible for misplacement, losing or premature opening if the outer envelope is not sealed and/or marked as stipulated. This circumstance may be case for Proposal rejection. If the Financial Proposal is not submitted in a separate sealed envelope duly marked as indicated above, this will constitute grounds for declaring the Proposal non-responsive.

4.5 The Proposals must be sent to the address/addresses indicated in the Data Sheet and received by the Client no later than the time and the date indicated in the Data Sheet, or any extension to this date in accordance with para. 2.2. Any proposal received by the Client after the deadline for submission shall be returned unopened.

4.6 The Client shall open the Technical Proposal immediately after the deadline for their submission. The envelopes with the Financial Proposal shall remain sealed and securely stored.

## **5. Proposal Evaluation**

5.1 From the time the Proposals are opened to the time the Contract is awarded, the Consultants should not contact the Client on any matter related to its Technical and/or Financial Proposal. Any effort by Consultants to influence

the Client in the examination, evaluation, ranking of Proposals, and recommendation for award of Contract may result in the rejection of the Consultants' Proposal.

Evaluators of Technical Proposals shall have no access to the Financial Proposals until the technical evaluation is concluded and the Bank issues its "no objection".

**Evaluation of  
Technical  
Proposals**

5.2 The evaluation committee shall evaluate the Technical Proposals on the basis of their responsiveness to the Terms of Reference, applying the evaluation criteria, sub-criteria, and point system specified in the Data Sheet. Each responsive Proposal will be given a technical score (St). A Proposal shall be rejected at this stage if it does not respond to important aspects of the RFP, and particularly the Terms of Reference or if it fails to achieve the minimum technical score indicated in the Data Sheet.

**Financial  
Proposals for  
QBS**

5.3 Following the ranking of technical Proposals, when selection is based on quality only (QBS), the first ranked Consultant is invited to negotiate its proposal and the Contract in accordance with the instructions given under para 6 of these Instructions.

**Public  
Opening and  
Evaluation of  
Financial  
Proposals  
(only for  
QCBS, FBS,  
and LCS)**

- 5.4 After the technical evaluation is completed and the Bank has issued its no objection (if applicable), the Client shall inform the Consultants who have submitted proposals the technical scores obtained by their Technical Proposals, and shall notify those Consultants whose Proposals did not meet the minimum qualifying mark or were considered non responsive to the RFP and TOR, that their Financial Proposals will be returned unopened after completing the selection process. The Client shall simultaneously notify in writing Consultants that have secured the minimum qualifying mark, the date, time and location for opening the Financial Proposals. The opening date should allow Consultants sufficient time to make arrangements for attending the opening. Consultants' attendance at the opening of Financial Proposals is optional.
- 5.5 Financial Proposals shall be opened publicly in the presence of the Consultants' representatives who choose to attend. The name of the Consultants and the technical scores of the Consultants shall be read aloud. The Financial Proposal of the Consultants who met the minimum qualifying mark will then be inspected to confirm that they have remained sealed and unopened. These Financial Proposals shall be then opened, and the total prices read aloud and recorded. Copy of the record shall be sent to all Consultants and the Bank.
- 5.6 The Evaluation Committee will correct any computational errors. When correcting computational errors, in case of discrepancy between a partial amount and the total amount, or between word and figures the formers will prevail. In addition to the above corrections, as indicated under para 3.6, activities and items described in the Technical Proposal but not priced, shall be assumed to be included in the prices of other activities or items. In case an activity or line item is quantified in the Financial

Proposal differently from the Technical Proposal, (i) if the Time-Based form of contract has been included in the RFP, the Evaluation Committee shall correct the quantification indicated in the Financial Proposal so as to make it consistent with that indicated in the Technical Proposal, apply the relevant unit price included in the Financial Proposal to the corrected quantity and correct the total Proposal cost, (ii) if the Lump-Sum form of contract has been included in the RFP, no corrections are applied to the Financial Proposal in this respect. Prices shall be converted to a single currency using the selling rates of exchange, source and date indicated in the Data Sheet.

5.8 In the case of Fixed-Budget Selection, the Client will select the firm that submitted the highest ranked Technical Proposal within the budget. Proposals that exceed the indicated budget will be rejected. In the case of the Least-Cost Selection, the Client will select the lowest proposal among those that passed the minimum technical score. In both cases the evaluated proposal price according to para 5.6 shall be considered, and the selected firm is invited for negotiations.

**6. Negotiations**

6.1 Negotiations will be held at the date and address indicated in the Data Sheet. The invited Consultant will, as a prerequisite for attendance at the negotiations, confirm availability of all Professional staff. Failure in satisfying such requirements may result in the Client proceeding to negotiate with the next-ranked Consultant. Representatives conducting negotiations on behalf of the Consultant must have written authority to negotiate and conclude a Contract.

**Technical negotiations**

6.2 Negotiations will include a discussion of the Technical Proposal, the proposed technical approach and methodology, work plan, and organization and staffing,

and any suggestions made by the Consultant to improve the Terms of Reference. The Client and the Consultants will finalize the Terms of Reference, staffing schedule, work schedule, logistics, and reporting. These documents will then be incorporated in the Contract as “Description of Services”. Special attention will be paid to clearly defining the inputs and facilities required from the Client to ensure satisfactory implementation of the assignment. The Client shall prepare minutes of negotiations which will be signed by the Client and the Consultant.

**Financial negotiations**

6.3 If applicable, it is the responsibility of the Consultant, before starting financial negotiations, to contact the local tax authorities to determine the local tax amount to be paid by the Consultant under the Contract. The financial negotiations will include a clarification (if any) of the firm’s tax liability in the Client’s country, and the manner in which it will be reflected in the Contract; and will reflect the agreed technical modifications in the cost of the services. In the cases of QCBS, Fixed-Budget Selection, and the Least-Cost Selection methods, unless there are exceptional reasons, the financial negotiations will involve neither the remuneration rates for staff nor other proposed unit rates. For other methods, Consultants will provide the Client with the information on remuneration rates described in the Appendix attached to Section 4 - Financial Proposal - Standard Forms of this RFP.

**Availability of Professional staff/experts**

6.4 Having selected the Consultant on the basis of, among other things, an evaluation of proposed Professional staff, the Client expects to negotiate a Contract on the basis of the Professional staff named in the Proposal. Before contract negotiations, the Client will require assurances that the Professional staff will be actually available. The Client will not consider substitutions during contract negotiations unless both parties agree that undue delay in

the selection process makes such substitution unavoidable or for reasons such as death or medical incapacity. If this is not the case and if it is established that Professional staff were offered in the proposal without confirming their availability, the Consultant may be disqualified. Any proposed substitute shall have equivalent or better qualifications and experience than the original candidate and be submitted by the Consultant within the period of time specified in the letter of invitation to negotiate.

- Conclusion of the negotiations** 6.5 Negotiations will conclude with a review of the draft Contract. To complete negotiations the Client and the Consultant will initial the agreed Contract. If negotiations fail, the Client will invite the Consultant whose Proposal received the second highest score to negotiate a Contract.
- 7. Award of Contract** 7.1 After completing negotiations the Client shall award the Contract to the selected Consultant, publish in UNDB on line and in the Development Gateway the award of the Contract, and promptly notify all Consultants who have submitted proposals. After Contract signature, the Client shall return the unopened Financial Proposals to the unsuccessful Consultants.
- 7.2 The Consultant is expected to commence the assignment on the date and at the location specified in the Data Sheet.
- 8. Confidentiality** 8.1 Information relating to evaluation of Proposals and recommendations concerning awards shall not be disclosed to the Consultants who submitted the Proposals or to other persons not officially concerned with the process, until the publication of the award of Contract. The undue use by any Consultant of confidential information related to the process may result in the rejection of its Proposal and may be subject to the provisions of the Bank's anti-fraud and corruption policy.

## Instructions to Consultants

### DATA SHEET

Paragraph Reference	
1.1	<p>Name of the Client: <b>Chandigarh State AIDS Control Society</b></p> <p>Method of selection: Least Cost Selection (LCS) <u>i.e. of those firms that pass the minimum technical marks the one with the least financial score would be selected.</u></p>
1.2	<p>Financial Proposal to be submitted together with Technical Proposal: Yes</p> <p>Name of the assignment is: <b>Statutory Audit of Chandigarh SACS</b></p>
1.4	<p>The Client will provide the following inputs and facilities: The Client will share only the documents available with it regarding the assignment. No other support or facilities will be provided by the Client.</p>
1.6.1 (a)	<p>The Client envisages the need for continuity for downstream work: No</p>
1.12	<p>Proposals must remain valid upto 90 days after the submission date.</p>
2.1	<p>Clarification/query if any, may be sought within 10 (Ten) days from issue of Request for Proposal on E-mail: <a href="mailto:chandigarhsacs@gmail.com">chandigarhsacs@gmail.com</a> or through Telephonically on numbers : 0172 – 2783300, 2544589 on any working day during office hours.</p>
3.1	<p>Proposals shall be submitted in the following language: English</p>
3.3 (a)	<p>Shortlisted Consultants may associate with other shortlisted Consultants: Yes</p>
3.3 (b)	<p>The estimated number of professional staff-months required for the assignment is: 5 man-months</p>
3.4	<p>The format of the Technical Proposal to be submitted is: FTP</p>
3.4 (g)	<p>Training is a specific component of this assignment: No, please see the TOR for further details</p>

3.6	<p>(1) a per diem allowance in respect of Personnel of the Consultant for every day in which the Personnel shall be absent from the home office and, as applicable, outside the Client's country for purposes of the Services;</p> <p>(2) cost of necessary travel, including transportation of the Personnel by the most appropriate means of transport and the most direct practicable route;</p> <p>(3) cost of office accommodation, investigations and surveys;</p> <p>(4) cost of applicable international or local communications such as the use of telephone and facsimile required for the purpose of the Services;</p> <p>(5) cost, rental and freight of any instruments or equipment required to be provided by the Consultants for the purposes of the Services;</p> <p>(6) cost of printing and dispatching of the reports to be produced for the Services;</p> <p>(7) other allowances where applicable and provisional or fixed sums (if any);</p> <p>(8) cost of such further items required for purposes of the Services not covered in the foregoing.</p>										
3.7	<p>Amounts payable by the Client to the Consultant under the contract to be subject to local taxation: Yes</p> <p>The Client will reimburse the Consultant for any such taxes paid by the Consultant</p>										
3.8	<p>Consultant to state local cost in the national currency: Yes.</p>										
4.3	<p>Consultant must submit:</p> <p>(a) the original hard copy of Technical Proposal</p> <p>(b) the original hard copy of Financial Proposal</p>										
4.5	<p>The Proposal submission address is: Project Director, Chandigarh State AIDS Control Society, International Hostel, Near Congress Bhawan, Sector - 15, Chandigarh</p> <p>Proposals must be submitted not later than the following date and time: <b>03.01.2020 at 05:00 PM.</b></p>										
5.2(b)	<p>Criteria, sub-criteria, and point system for the evaluation of Full Technical Proposals are:</p> <table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;"></td> <td style="text-align: right; vertical-align: bottom;"><u>Points</u></td> </tr> <tr> <td>(i) Specific experience of the Consultants relevant to the assignment:</td> <td style="text-align: right; vertical-align: bottom;">[10]</td> </tr> <tr> <td colspan="2"> </td> </tr> <tr> <td>(ii) Adequacy of the proposed methodology and work plan in responding to the Terms of Reference:</td> <td></td> </tr> <tr> <td style="padding-left: 20px;">a) Technical approach and methodology</td> <td style="text-align: right; vertical-align: bottom;">[10]</td> </tr> </table>		<u>Points</u>	(i) Specific experience of the Consultants relevant to the assignment:	[10]			(ii) Adequacy of the proposed methodology and work plan in responding to the Terms of Reference:		a) Technical approach and methodology	[10]
	<u>Points</u>										
(i) Specific experience of the Consultants relevant to the assignment:	[10]										
(ii) Adequacy of the proposed methodology and work plan in responding to the Terms of Reference:											
a) Technical approach and methodology	[10]										

	<p>b) Work plan [10]  c) Organization and staffing [20]  Total points for criterion (ii): [50]</p> <p>(iii) Key professional staff qualifications and competence for the assignment:</p> <p>a) Partner [25]  b) Audit Manager (Chartered Accountant) [25]  Total points for criterion (iii): [50]</p> <p>The number of points to be assigned to each of the above positions or disciplines shall be determined considering the following three sub-criteria and relevant percentage weights:</p> <p>1) General qualifications [Weight 20%]  2) Adequacy for the assignment [Weight 60%]  3) Experience in region and language [Weight 20%]  Total weight: 100%</p> <p>The minimum technical score St required to pass is: <u>75</u> Points</p>
5.6	<p>The single currency for price conversions is: Indian Rupee  The source of official selling rates is: State Bank of India  The date of exchange rates is: as on the date of submission of the proposal</p>
5.7	<p>The formula for determining the financial scores is the following: NOT APPLICABLE</p>
6.1	<p>Expected date and address for contract negotiations: February 03, 2020</p>
7.2	<p>Expected date for commencement of consulting services at : with immediate effect</p>

### **Section 3. Technical Proposal - Standard Forms**

*[Comments in brackets [ ] provide guidance to the shortlisted Consultants for the preparation of their Technical Proposals; they should not appear on the Technical Proposals to be submitted.]*

Refer to Reference Paragraph 3.4 of the Data Sheet for format of Technical Proposal to be submitted, and paragraph 3.4 of Section 2 of the RFP for Standard Forms required and number of pages recommended.

- TECH-1 Technical Proposal Submission Form
- TECH-2 Consultant's Organization and Experience
  - A Consultant's Organization
  - B Consultant's Experience
- TECH-3 Comments or Suggestions on the Terms of Reference and on Counterpart Staff and Facilities to be Provided by the Client
  - A On the Terms of Reference
  - B On the Counterpart Staff and Facilities
- TECH-4 Description of the Approach, Methodology and Work Plan for Performing the Assignment
- TECH-5 Team Composition and Task Assignments
- TECH-6 Curriculum Vitae (CV) for Proposed Professional Staff
- TECH-7 Staffing Schedule
- TECH-8 Work Schedule

FORM TECH-1 TECHNICAL PROPOSAL SUBMISSION FORM

---

[Location, Date]

To: [Name and address of Client]

Dear Sirs:

We, the undersigned, offer to provide the consulting services for [Insert title of assignment] in accordance with your Request for Proposal dated [Insert Date] and our Proposal. We are hereby submitting our Proposal, which includes this Technical Proposal, and a Financial Proposal sealed under a separate envelope<sup>1</sup>.

We are submitting our Proposal in association with: [Insert a list with full name and address of each associated Consultant]<sup>2</sup>

We hereby declare that all the information and statements made in this Proposal are true and accept that any misinterpretation contained in it may lead to our disqualification.

If negotiations are held during the period of validity of the Proposal, i.e., before the date indicated in Paragraph Reference 1.12 of the Data Sheet, we undertake to negotiate on the basis of the proposed staff. Our Proposal is binding upon us and subject to the modifications resulting from Contract negotiations.

We undertake, if our Proposal is accepted, to initiate the consulting services related to the assignment not later than the date indicated in Paragraph Reference 7.2 of the Data Sheet.

We understand you are not bound to accept any Proposal you receive.

We remain,

Yours sincerely,

Authorized Signature [In full and initials]: \_\_\_\_\_

Name and Title of Signatory: \_\_\_\_\_

Name of Firm: \_\_\_\_\_

Address: \_\_\_\_\_

---

1 [In case Paragraph Reference 1.2 of the Data Sheet requires to submit a Technical Proposal only, replace this sentence with: "We are hereby submitting our Proposal, which includes this Technical Proposal only."]

2 [Delete in case no association is foreseen.]

**A - Consultant's Organization**

*[Provide here a brief (two pages) description of the background and organization of your firm/entity and each associate for this assignment.]*

## B - Consultant's Experience

*[Using the format below, provide information on each assignment for which your firm, and each associate for this assignment, was legally contracted either individually as a corporate entity or as one of the major companies within an association, for carrying out consulting services similar to the ones requested under this assignment. Use 20 pages.]*

Assignment name:	Approx. value of the contract (in current US\$ or Euro):
Country: Location within country:	Duration of assignment (months):
Name of Client:	Total N <sup>o</sup> of staff-months of the assignment:
Address:	Approx. value of the services provided by your firm under the contract (in current US\$ or Euro):
Start date (month/year): Completion date (month/year):	N <sup>o</sup> of professional staff-months provided by associated Consultants:
Name of associated Consultants, if any:	Name of senior professional staff of your firm involved and functions performed (indicate most significant profiles such as Project Director/Coordinator, Team Leader):
Narrative description of Project:	
Description of actual services provided by your staff within the assignment:	

Firm's Name: \_\_\_\_\_

**FORM TECH-3 COMMENTS AND SUGGESTIONS ON THE TERMS OF REFERENCE  
AND ON COUNTERPART STAFF AND FACILITIES TO BE PROVIDED BY THE CLIENT**

---

**A - On the Terms of Reference**

*[Present and justify here any modifications or improvement to the Terms of Reference you are proposing to improve performance in carrying out the assignment (such as deleting some activity you consider unnecessary, or adding another, or proposing a different phasing of the activities). Such suggestions should be concise and to the point, and incorporated in your Proposal.]*

## **B - On Counterpart Staff and Facilities**

*[Comment here on counterpart staff and facilities to be provided by the Client according to Paragraph Reference 1.4 of the Data Sheet including: administrative support, office space, local transportation, equipment, data, etc.]*

**FORM TECH-4      DESCRIPTION OF APPROACH, METHODOLOGY AND WORK  
PLAN FOR PERFORMING THE ASSIGNMENT**

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*[Technical approach, methodology and work plan are key components of the Technical Proposal. You are suggested to present your Technical Proposal (50 pages, inclusive of charts and diagrams) divided into the following three chapters:*

- a) Technical Approach and Methodology,*
- b) Work Plan, and*
- c) Organization and Staffing,*

*a) Technical Approach and Methodology. In this chapter you should explain your understanding of the objectives of the assignment, approach to the services, methodology for carrying out the activities and obtaining the expected output, and the degree of detail of such output. You should highlight the problems being addressed and their importance, and explain the technical approach you would adopt to address them. You should also explain the methodologies you propose to adopt and highlight the compatibility of those methodologies with the proposed approach.*

*b) Work Plan. In this chapter you should propose the main activities of the assignment, their content and duration, phasing and interrelations, milestones (including interim approvals by the Client), and delivery dates of the reports. The proposed work plan should be consistent with the technical approach and methodology, showing understanding of the TOR and ability to translate them into a feasible working plan. A list of the final documents, including reports, drawings, and tables to be delivered as final output, should be included here. The work plan should be consistent with the Work Schedule of Form TECH-8.*

*c) Organization and Staffing. In this chapter you should propose the structure and composition of your team. You should list the main disciplines of the assignment, the key expert responsible, and proposed technical and support staff.]*

**FORM TECH-5 TEAM COMPOSITION AND TASK ASSIGNMENT**

<b>Professional Staff</b>				
Name of Staff	Firm	Area of Expertise	Position Assigned	Task Assigned

**FORM TECH-6 CURRICULUM VITAE (CV) FOR PROPOSED PROFESSIONAL STAFF**

---

**1. Proposed Position** [*only one candidate shall be nominated for each position*]: \_\_\_\_\_

**2. Name of Firm** [*Insert name of firm proposing the staff*]: \_\_\_\_\_  
\_\_\_\_\_

**3. Name of Staff** [*Insert full name*]: \_\_\_\_\_

**4. Date of Birth:** \_\_\_\_\_ **Nationality:** \_\_\_\_\_

**5. Education** [*Indicate college/university and other specialized education of staff member, giving names of institutions, degrees obtained, and dates of obtainment*]: \_\_\_\_\_  
\_\_\_\_\_

**6. Membership of Professional Associations:** \_\_\_\_\_  
\_\_\_\_\_

**7. Other Training** [*Indicate significant training since degrees under 5 - Education were obtained*]: \_\_\_\_\_  
\_\_\_\_\_

**8. Countries of Work Experience:** [*List countries where staff has worked in the last ten years*]: \_\_\_\_\_  
\_\_\_\_\_

**9. Languages** [*For each language indicate proficiency: good, fair, or poor in speaking, reading, and writing*]: \_\_\_\_\_  
\_\_\_\_\_

**10. Employment Record** [*Starting with present position, list in reverse order every employment held by staff member since graduation, giving for each employment (see format here below): dates of employment, name of employing organization, positions held.*]:

From [Year]: \_\_\_ To [Year]: \_\_\_\_\_

Employer: \_\_\_\_\_

Positions held: \_\_\_\_\_

<p><b>11. Detailed Tasks Assigned</b></p> <p><i>[List all tasks to be performed under this assignment]</i></p>	<p><b>12. Work Undertaken that Best Illustrates Capability to Handle the Tasks Assigned</b></p> <p><i>[Among the assignments in which the staff has been involved, indicate the following information for those assignments that best illustrate staff capability to handle the tasks listed under point 11.]</i></p> <p>Name of assignment or project: _____</p> <p>Year: _____</p> <p>Location: _____</p> <p>Client: _____</p> <p>Main project features: _____</p> <p>Positions held: _____</p> <p>Activities performed: _____</p>
--	--

**13. Certification:**

I, the undersigned, certify that to the best of my knowledge and belief, this CV correctly describes myself, my qualifications, and my experience. I understand that any wilful misstatement described herein may lead to my disqualification or dismissal, if engaged.

\_\_\_\_\_ Date: \_\_\_\_\_  
*[Signature of staff member or authorized representative of the staff] Day/Month/Year*

Full name of authorized representative: \_\_\_\_\_

**FORM TECH-7 STAFFING SCHEDULE<sup>1</sup>**

No	Name of Staff	Staff input (in the form of a bar chart) <sup>2</sup>													Total staff-month input			
		1	2	3	4	5	6	7	8	9	10	11	12	n	Home	Field <sup>3</sup>	Total	
<b>Foreign</b>																		
1		[Home]																
		[Field]																
2																		
																		
3																		
																		
N																		
																		
													<b>Subtotal</b>					
<b>Local</b>																		
1		[Home]																
		[Field]																
2																		
																		
N																		
																		
													<b>Subtotal</b>					
													<b>Total</b>					

1 For Professional Staff the input should be indicated individually; for Support Staff it should be indicated by category (e.g.: draftsmen, clerical staff, etc.).

2 Months are counted from the start of the assignment. For each staff indicate separately staff input for home and field work.

3 Field work means work carried out at a place other than the Consultant's home office.

-  Full time input
-  Part time input

**FORM TECH-8 WORK SCHEDULE**

N°	Activity <sup>1</sup>	Months <sup>2</sup>												
		1	2	3	4	5	6	7	8	9	10	11	12	n
1														
2														
3														
4														
5														
n														

1 Indicate all main activities of the assignment, including delivery of reports (e.g.: inception, interim, and final reports), and other benchmarks such as Client approvals. For phased assignments indicate activities, delivery of reports, and benchmarks separately for each phase.

2 Duration of activities shall be indicated in the form of a bar chart.

## **Section 4. Financial Proposal - Standard Forms**

*[Comments in brackets [ ] provide guidance to the shortlisted Consultants for the preparation of their Financial Proposals; they should not appear on the Financial Proposals to be submitted.]*

Financial Proposal Standard Forms shall be used for the preparation of the Financial Proposal according to the instructions provided under para. 3.6 of Section 2. Such Forms are to be used whichever is the selection method indicated in para. 4 of the Letter of Invitation.

FIN-1	Financial Proposal Submission Form
FIN-2	Summary of Costs
FIN-3	Breakdown of Costs by Activity
FIN-4	Breakdown of Remuneration
FIN-5	Reimbursable expenses
Appendix:	Financial Negotiations - Breakdown of Remuneration Rates

FORM FIN-1 FINANCIAL PROPOSAL SUBMISSION FORM

[Location, Date]

To: [Name and address of Client]

Dear Sirs:

We, the undersigned, offer to provide the consulting services for [Insert title of assignment] in accordance with your Request for Proposal dated [Insert Date] and our Technical Proposal. Our attached Financial Proposal is for the sum of [Insert amount(s) in words and figures<sup>1</sup>]. The amount includes Tax Audit. This amount is exclusive of the local taxes, which shall be identified during negotiations and shall be added to the above amount.

Our Financial Proposal shall be binding upon us subject to the modifications resulting from Contract negotiations, up to expiration of the validity period of the Proposal, i.e. before the date indicated in Paragraph Reference 1.12 of the Data Sheet.

Commissions and gratuities paid or to be paid by us to agents relating to this Proposal and Contract execution, if we are awarded the Contract, are listed below<sup>2</sup>:

Name and Address of Agents	Amount and Currency	Purpose of Commission or Gratuity
_____	_____	_____
_____	_____	_____
_____	_____	_____

We understand you are not bound to accept any Proposal you receive.

We remain,

Yours sincerely,

Authorized Signature [In full and initials]: \_\_\_\_\_  
Name and Title of Signatory: \_\_\_\_\_  
Name of Firm: \_\_\_\_\_  
Address: \_\_\_\_\_

- 1 Amounts must coincide with the ones indicated under Total Cost of Financial proposal in Form FIN-2.
- 2 If applicable, replace this paragraph with: "No commissions or gratuities have been or are to paid by us to agents relating to this Proposal and Contract execution."

**FORM FIN-2 SUMMARY OF COSTS**

---

Item	Costs			
	<i>[Indicate Foreign Currency # 1]<sup>1</sup></i>	<i>[Indicate Foreign Currency # 2]<sup>1</sup></i>	<i>[Indicate Foreign Currency # 3]<sup>1</sup></i>	<i>[Indicate Local Currency]</i>
Total Costs of Financial Proposal <sup>2</sup>				

- 1 Indicate between brackets the name of the foreign currency. Maximum of three currencies; use as many columns as needed, and delete the others.
- 2 Indicate the total costs, net of local taxes, to be paid by the Client in each currency. Such total costs must coincide with the sum of the relevant Subtotals indicated in all Forms FIN-3 provided with the Proposal.

**FORM FIN-3 BREAKDOWN OF COSTS BY ACTIVITY<sup>1</sup>**

<b>Group of Activities (Phase):<sup>2</sup></b>  _____	<b>Description:<sup>3</sup></b>  _____			
<b>Cost component</b>	<b>Costs</b>			
	[Indicate Foreign Currency # 1] <sup>4</sup>	[Indicate Foreign Currency # 2] <sup>4</sup>	[Indicate Foreign Currency # 3] <sup>4</sup>	[Indicate Local Currency]
Remuneration <sup>5</sup>				
Reimbursable Expenses <sup>5</sup>				
Subtotals				

- 1 Form FIN-3 shall be filled at least for the whole assignment. In case some of the activities require different modes of billing and payment (e.g.: the assignment is phased, and each phase has a different payment schedule), the Consultant shall fill a separate Form FIN-3 for each group of activities. For each currency, the sum of the relevant Subtotals of all Forms FIN-3 provided must coincide with the Total Costs of Financial Proposal indicated in Form FIN-2.
- 2 Names of activities (phase) should be the same as, or correspond to the ones indicated in the second column of Form TECH-8.
- 3 Short description of the activities whose cost breakdown is provided in this Form.
- 4 Indicate between brackets the name of the foreign currency. Use the same columns and currencies of Form FIN-2.
- 5 For each currency, Remuneration and Reimbursable Expenses must respectively coincide with relevant Total Costs indicated in Forms FIN-4, and FIN-5.

**FORM FIN-4**

**BREAKDOWN OF QUARTERLY/ HALF YEARLY REMUNERATION<sup>1</sup>**

(This Form FIN-4 shall only be used when the Time-Based Form of Contract has been included in the RFP)

<b>Group of Activities (Phase):</b>							
<b>Name<sup>2</sup></b>	<b>Position<sup>3</sup></b>	<b>Staff-month Rate<sup>4</sup></b>	<b>Input<sup>5</sup> (Staff-months)</b>	<i>[Indicate Foreign Currency # 1]<sup>6</sup></i>	<i>[Indicate Foreign Currency # 2]<sup>6</sup></i>	<i>[Indicate Foreign Currency # 3]<sup>6</sup></i>	<i>[Indicate Local Currency]<sup>6</sup></i>
<b>Foreign Staff</b>							
		<i>[Home]</i>					
		<i>[Field]</i>					
<b>Local Staff</b>							
		<i>[Home]</i>					
		<i>[Field]</i>					
Total Costs							

- 1 Form FIN-4 shall be filled for each of the Forms FIN-3 provided.
- 2 Professional Staff should be indicated individually; Support Staff should be indicated per category (e.g.: draftsmen, clerical staff).
- 3 Positions of Professional Staff shall coincide with the ones indicated in Form TECH-5.
- 4 Indicate separately staff-month rate and currency for home and field work.
- 5 Indicate, separately for home and field work, the total expected input of staff for carrying out the group of activities or phase indicated in the Form.
- 6 Indicate between brackets the name of the foreign currency. Use the same columns and currencies of Form FIN-2. For each staff indicate the remuneration in the column of the relevant currency, separately for home and field work. Remuneration = Staff-month Rate x Input.

**FORM FIN-4 BREAKDOWN OF REMUNERATION<sup>1</sup>**

(This Form FIN-4 shall only be used when the Lump-Sum Form of Contract has been included in the RFP. Information to be provided in this Form shall only be used to establish payments to the Consultant for possible additional services requested by the Client)

Name <sup>2</sup>	Position <sup>3</sup>	Staff-month Rate <sup>4</sup>
<b>Foreign Staff</b>		
		[Home]
		[Field]
<b>Local Staff</b>		
		[Home]
		[Field]

- 1 Form FIN-4 shall be filled in for the same Professional and Support Staff listed in Form TECH-7.
- 2 Professional Staff should be indicated individually; Support Staff should be indicated per category (e.g.: draftsmen, clerical staff).
- 3 Positions of the Professional Staff shall coincide with the ones indicated in Form TECH-5.
- 4 Indicate separately staff-month rate and currency for home and field work.

**FORM FIN-5 BREAKDOWN OF REIMBURSABLE EXPENSES<sup>1</sup>**

(This Form FIN-5 shall only be used when the Time-Based Form of Contract has been included in the RFP)

Group of Activities (Phase): _____								
No	Description <sup>2</sup>	Unit	Unit Cost <sup>3</sup>	Quantity	[Indicate Foreign Currency # 1] <sup>4</sup>	[Indicate Foreign Currency # 2] <sup>4</sup>	[Indicate Foreign Currency # 3] <sup>4</sup>	[Indicate Local Currency] <sup>4</sup>
	Per diem allowances	Day						
	International flights <sup>5</sup>	Trip						
	Miscellaneous travel expenses	Trip						
	Communication costs between [Insert place] and [Insert place]							
	Drafting, reproduction of reports							
	Equipment, instruments, materials, supplies, etc.							
	Shipment of personal effects	Trip						
	Use of computers, software							
	Laboratory tests.							
	Subcontracts							
	Local transportation costs							
	Office rent, clerical assistance							
	Training of the Client's personnel <sup>6</sup>							
Total Costs								

1 Form FIN-5 should be filled for each of the Forms FIN-3 provided, if needed.

2 Delete items that are not applicable or add other items according to Paragraph Reference 3.6 of the Data Sheet.

3 Indicate unit cost and currency.

4 Indicate between brackets the name of the foreign currency. Use the same columns and currencies of Form FIN-2. Indicate the cost of each reimbursable item in the column of the relevant currency. Cost = Unit Cost x Quantity.

5 Indicate route of each flight, and if the trip is one- or two-ways.

6 Only if the training is a major component of the assignment, defined as such in the TOR.

## Section 5. Terms of Reference

Annexure - IX

### **Terms of Reference for Appointment of a Chartered Accountant Firm for Statutory Audit of Accounts of Chandigarh State AIDS Control Society under the NACP-Phase IV program for the Year 2018-19 (Financial Audit)**

#### **Background**

The Chandigarh State AIDS Control Society is a registered Society which is implementing the Centrally Sponsored Programme of National AIDS Control Programme (NACP-IV) being implemented by National AIDS Control Organisation (NACO) as per the memorandum between the Government of India and State Government. Funds are received from the following sources: World Bank and Domestic Budget pooled together known as Pool Funds and from the Global Fund for HIV/AIDS, TB & Malaria in channels called Rounds. All of which together constitute the NACP IV financial envelope.

#### **Programme Objectives**

The key programme objectives of NACP-IV are

1. Reduce new infections by 50%.
2. Provide comprehensive care and support to all persons living with HIV/AIDS and treatment services for all those who require it.

To achieve the above objectives, the following key strategies have been identified.

1. Intensifying and consolidating prevention services with a focus on HRGs and vulnerable population.
2. Expanding IEC services for (a) general population and (b) high risk groups with a focus on behaviour change and demand generation.
3. Increasing access and promoting comprehensive care, support and treatment.
4. Building capacity at National, State, District and facility levels.
5. Strengthening Strategic Information Management Systems.

#### **Objective of Audit**

The objective of the audit of the Financial Statements (Balance Sheet, Income and Expenditure and Receipts and Payments) is to enable the auditor to express a professional opinion on the financial position of the Chandigarh State AIDS Control Society at the end of each fiscal year and of the funds received and expenditures for the accounting period ended March 31, 20\_\_, as reported by the Financial Statements fund wise (New DBS Fund, TI Pool Fund and Round wise in case of GFATM).

The SACS accounts (books of account) will provide the basis for preparation of the Financial Statements and are established to reflect the financial transactions in respect of the project.

**Scope**

The audit will be carried out in accordance with Audit & Assurance Standards of Auditing issued by the Institute of Chartered Accountants of India and will include such tests and controls as the auditor considers necessary under the circumstances. In conducting the audit, special attention should be paid to the following:

- (a) An assessment of the adequacy of the project financial management arrangements, including internal controls. This would include aspects such as (i) adequacy and effectiveness of accounting, financial and operational controls, and needs for revision of the same, if any; (ii) level of compliance with established policies, plans and procedures; (iii) reliability of accounting systems, data and financial reports; (iv) methods of remedying weak controls or creating them where there are none; (v) verification of assets and liabilities. This assessment is required to be carried out for each every year of project implementation and specific comments on these aspects are required be provided by the auditor annually in the Management Letter;
- (b) All funds sent by GOI/ State Society as grant-in-aid should be appropriately classified as (i) Utilized; and (ii) Un-utilized. Utilization of funds shall be recognized as expenditure based on actual amount spent in accordance with the conditions as laid down in the Project Implementation Plan and relevant financing agreements (World Bank/ Pool Funds / GFATM agreements, etc.) and only for the purposes for which the funds were provided.
- (c) All funds have been used in accordance with the relevant financial norms and financial regulations with due attention to economy and efficiency, and only for the purposes for which they were provided.
- (d) All expenditure, including procurement of goods and services has been procured in accordance with relevant provisions of the Procurement Procedures prescribed for the programme. Proper documents, namely, purchase orders, tender documents, invoices, vouchers, receipts, pay bills, TA bills etc. are duly maintained and linked to the transactions.

- (e) All the goods procured and issued are supported by valid receipt and issue documents and are recorded in the stock/ inventory registers and the closing balances worked out correctly. Special attention is needed on payment through cash and comment on adequacy of limit on cash payment is therefore solicited.
- (f) Expenditure incurred with reference to the budget allocation approved by NACO/DAC. In case the budget allocation is exceeded, proper re-appropriation duly approved by the competent authority has been obtained.
- (g) The expenditures reported as per the quarterly IUFR/CPFMS are in agreement with the audited expenditure/ books of accounts and variances are documented.
- (h) An assessment of closing advances including staff advances. Present an ageing report of the outstanding advances for more than one year.
- (i) An assessment of the compliance of previous audit observations raised, if any. The audit report should include a separate Para in this regard.
- (j) Based on the assessment of the adequacy of the internal audits of the peripheral units/ NGOs the auditor should cover a sample, not less than 10% of total SACS contracted NGOs and 5% of the peripheral units other than NGOs. The auditor would need to physically visit the various field offices. The details of coverage of NGOs/ peripheral units should be separately indicated in the Audit Report.

Method of sampling for SACS contracted NGOs: Out of 10% of the NGOs to be audited, 5% (in number) will be the NGOs to whom highest Grant in Aid (GIA) (annual contract value) is being provided and the remaining 5% of the sample shall be selected by the auditors (rational to be provided in the audit report) in consultation with the SACS. On annual basis, atleast 50% of the audited NGOs should be new and the remaining may be those covered in the audit of the previous year.

Method of sampling for peripheral units other than NGOs: On a yearly basis 5% (in number) of the total peripheral units to whom funds are being transferred during the year of audit, for implementing program activities. The sample shall be selected by the auditors (rational to be provided in the audit report) in consultation with the SACS preferably the

selected units shall be the one with highest grants/ budget released by SACS. On annual basis, atleast 75% of the audited peripheral units should be new and the remaining may be those covered in the audit of previous year.

### **Financial Statements**

The financial statements should include:

- (a) A summary of funds received, showing the grant in aid from GOI and funds received from other sources, donors, if any separately;
- (b) A summary of expenditures shown under the main project activities of expenditures; and
- (c) A Balance Sheet showing accumulated funds of the project, bank balances & other assets of the project and liability, if any.

### **Reconciliation with the Financial Reports**

In addition to the audit of Financial Statements, the auditor is required to audit the Interim Unaudited Financial Reports (IUFRs) used as the basis for the disbursement by the World Bank and the Round wise IUFRs of the GFATM. The auditor should apply such tests and controls as the auditor considers necessary under the circumstances. These should be carefully compared for project eligibility with the relevant financing agreements and the Project Implementation Plan for guidance when considered necessary. The following are required to be annexed to the Project financial statements:

1. When ineligible expenditure, if any, are identified as having been included in the withdrawal applications, these should be noted separately by the auditor in a annexure.
2. The amount of expenditure reported in the IUFR should be reconciled with the amount appearing under the summary of expenditures of the receipts and payments statement.

### **Audit Opinion**

Besides a primary opinion on the Financial Statements, the audit report of the Society Accounts should include a separate paragraph commenting on the accuracy and propriety of expenditures shown in the Statements of expenditure and the extent to which the Donor/Agency can rely on IUFR's as a basis for reimbursement.

### **Time Period for Submission**

The audited financial statements including the audit report should be sent as within 60 days from the close of the financial year.

### **Management Letter**

In addition to the audit reports, the auditor should prepare a “management letter” fund wise (New DBS Fund, TI Pool Fund and Round wise of the GFATM) in which the auditor should:

- a) Give comments and observations, if any, on the accounting records, systems and controls that were examined during the course of the audit;
- b) Identify specific deficiencies and areas of weakness (if any) in systems and internal controls and make recommendations for their improvement including adequacy of control over peripheral units and NGOs; where a sample of peripheral units are covered by the auditor, the observations, if any, on such units should be listed in an annex.;
- c) Comment on the adequacy of segregation of duties in the SACS.
- d) Report on the degree of compliance with the financial/ internal control procedures as documented in the financial manual of the project & NGO/CBO guidelines.
- e) Report any procurement which has not been carried out as per the procurement procedures issued/ prescribed by NACO.
- f) Report inappropriate cash payments, if any.
- g) Communicate matters that have come to attention during the audit which might have a significant impact on the implementation of the society; and
- h) Bring to attention any other matter that the auditor considers pertinent.

The Observations in the Management Letter must be accompanied by a suggested recommendation from the auditors and Management Comments on the Observations/ Recommendations from the Management.

### **General**

The auditor should be given access to all legal documents, correspondence, financial manual, procurement manual, NGO/CBO guidelines and notices from NACO and any other information associated with the project and deemed necessary by the auditor.

### **Key Resources:**

As the project is being implemented by a registered society within the Government, it is a pre-requisite that the key personnel should be familiar with the government accounting and financial procedures. The table below sets out minimum team requirements:

<b>S. No</b>	<b>Key Professionals</b>	<b>Description of services to be provided</b>	<b>Experience</b>	<b>No. of persons and person days (as per state depends on size &amp; expenditure</b>
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				incurred by that State)
1	Partner/ Audit Manager	Overall coordination & planning and team leadership, reporting, liaison with client	Qualified Chartered Accountant with at least 15 years of experience as a partner with expertise in the area of Statutory audit planning, execution and reporting	1 person 02 – 08 days
2	Audit Team Leader	Responsibility to lead the audit teams in the field, planning and execution of the audits, discussion with head of office at state and report writing and finalization	Qualified Chartered Accountants with at least 7 years of experience in statutory audit with expertise in procurement audit desirable and with ability to lead the team and interact with senior level government officials.	1 person 05 – 20 days
3	Team Member (qualified CA)	Field level audit (including visits to a sample of NGO/ peripheral units)	Person with experience in General Financial Rules, budgets and financial rules of the Govt. experience in procurement audit desirable.	Sufficient numbers 05 – 20 days
4	Team Member (article clerk)	Field level audit (including visits to a sample peripheral units)	Assistant with experience in internal audit and report writing. Experience in procurement audit is desirable.	Sufficient numbers 05 – 20 days

### **Period of appointment**

Period of appointment of auditor shall be initially for a period of one year, and if services are found suitable, the appointment may be extended further on an annual basis but for a period maximum of three years in totality. Performance shall be primarily assessed on the basis of quality and timeliness of the report. Further, based on the performance assessment, extension/ re-appointment letter shall be issued for the second and the third year. A cooling period of 2 years may be kept for CA firms who have audited a particular SACS for a period of 3 years.

### **Selection Method**

Selection may be made following the 'Quality and Cost Based Selection (QCBS)' as per paragraph 2.1 of the Guidelines: Selection and Employment of Consultants by World Bank Borrower.

In QCBS method, the combined Quality and Cost Score is arrived at by weighting the quality and cost scores in the ratio of 80:20, respectively for Technical and Financial Scores. The appointment shall be done by following two stages 1) Expression of Interest (EOI) and 2) Request for Proposal (RFP).

**MODEL AUDIT REPORT (New DBS Fund)  
(For Project Financial Statement)**

The Project Director,  
Chandigarh AIDS Control Society,  
Chandigarh.

**Introductory Paragraph**

We have audited the accompanying financial statements of the National AIDS Control Project – Phase IV (financed under World Bank Credit No.....) as of March 31, 20..... Our responsibility is to express an opinion on these financial statements based on our audit.

**Scope Paragraph**

We conducted our audit in accordance with Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts, review of internal controls and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

**Opinion Paragraph**

In our opinion, the financial statements, read with observation, if any, give a true and fair view of the Sources and Application of Funds and the financial position of Chandigarh State AIDS Control Society for the year ended March 31, 20....., in accordance with consistency applied accounting standards.

In addition, (a) with respect to IUFRs, adequate supporting documentation has been maintained to support the IFRs; (b) which expenditures are eligible for financing under the Credit/Grant Agreement (c) procurement of goods and services has been carried out as per the procurement manual issued by NACO, GOI and NGO/CBO guidelines.

[Name and Address of Audit Firm]

[Date – Completion Date of Audit]

Notes:

1. A “Source and Application of Funds” statement is always required for each project. A balance sheet is also required where the project has assets and liabilities.
  
2. In case a qualified opinion or disclaimer is given by the auditor, the audit report should state in a clear and informative manner all the reasons for such an opinion.
  
3. Audit report has to be accompanied by
  - a) Management Letter
  - b) Listing on ineligible claims, if any.
  - c) Reconciliation of expenditure as per IUFR with the actual expenditure as reported in the audited financial statements.
  - d) Annexure on whether there are any exceptions with adherence to the procurement procedures.

## Sample Audit Report Round wise for GFATM

Auditor's report to:

The Project Director,  
Chandigarh AIDS Control Society,  
Chandigarh

We have audited the accompanying special purpose Cash Flow Statement of the ..... Program for the year ended 31 December, 20XX and cumulatively since inception of the program. This statement is the responsibility of the ABC Program management. Our responsibility is to express an opinion on the accompanying statement based on our audit.

We conducted our audit in accordance with the standards prescribed by the ICAI. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material mis-statement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall statement presentation. We believe our audit provides a reasonable basis for our opinion.

The ABC Program management's policy is to prepare the accompanying statements on the cash receipts and disbursements basis in conformity with the standards prescribed by the ICAI for Cash Accounting. On this basis cash receipts are recognized when received and cash expenditures are recognized when paid rather than when incurred.

In our opinion, the accompanying statement referred to above gives a true and fair view of (or presents fairly, in all material respects) the cash receipts and disbursements of the program during the year ended 31 December 20XX and cumulatively since inception of the program in accordance with the standards prescribed by the ICAI, described in Note X.

Our audits were conducted for the purpose of forming an opinion on the special purpose financial statement taken as a whole. [Use the following

section as required] The accompanying special purpose Schedule of Funding Source Reconciliation and Schedule of Major Contractual Amounts Outstanding as at 31 December 20XX and 20XY, are presented for purposes of additional analyses and are not required parts of the special purpose financial statement. Such information has been subjected to the auditing procedures applied in the audits of the special purpose financial statements and in our opinion is fairly stated in all material respects in relation to the special purpose financial statements taken as a whole.

This report is intended solely for the information and use of the Global Fund to Fight AIDS, Tuberculosis and Malaria, and the Government of XYZ Country as funding agencies of the ABC Program and for submission to these funding agencies and should not be used for any other purpose.

Date

AUDITOR'S SIGNATURE

## **Section 6. Standard Forms of Contract**

**The attached Form of Contract shall be used**

**SAMPLE CONTRACT FOR CONSULTING SERVICES  
SMALL ASSIGNMENTS  
LUMP-SUM PAYMENTS  
(IBRD/IDA FINANCED)**

**CONTRACT**

THIS CONTRACT ("Contract") is entered into this *[insert starting date of assignment]*, by and between *[insert Client's name]* ("the Client") having its principal place of business at *[insert Client's address]*, and *[insert Consultant's name]* ("the Consultant") having its principal office located at *[insert Consultant's address]*.

WHEREAS, the Client wishes to have the Consultant perform the services hereinafter referred to, and

WHEREAS, the Consultant is willing to perform these services,

NOW THEREFORE THE PARTIES hereby agree as follows:

- 1. Services**
  - (i) The Consultant shall perform the services specified in Annex A, "Terms of Reference and Scope of Services," which is made an integral part of this Contract ("the Services").
  - (ii) The Consultant shall provide the personnel listed in Annex B, "Consultant's Personnel," to perform the Services.
  - (iii) The Consultant shall submit to the Client the reports in the form and within the time periods specified in Annex C, "Consultant's Reporting Obligations."
  
- 2. Term**

The Consultant shall perform the Services i.e. Statutory Audit of Chandigarh State AIDS Control Society during the period commencing *[insert starting date]* and continuing through *[insert completion date]*, or any other period as may be subsequently agreed by the parties in writing.

### 3. Payment

#### A. Ceiling

For Services rendered pursuant to Annex A, the Client shall pay the Consultant an amount not to exceed *[insert amount]*. This amount has been established based on the understanding that it includes all of the Consultant's costs and profits as well as any tax obligation that may be imposed on the Consultant.

#### B. Schedule of Payments

The schedule of payments is specified below:<sup>1</sup>

upon the Client's receipt of a copy of this Contract signed by the Consultant: Nil

upon the Client's receipt of the draft report, acceptable to the Client: Nil; and

upon the Client's receipt of the final report, acceptable to the Client: 100% of the fees and reimbursable expenses.

*[insert amount and currency]* Total

#### C. Payment Conditions

Payment shall be made in *Indian Rupees*, no later than 30 days following submission by the Consultant of invoices in duplicate to the Coordinator designated in paragraph 4.

### 4. Project Administration

#### A. Coordinator

The Client designates *Project Director Chandigarh State AIDS Prevention and Control Society* as Client's Coordinator; the Coordinator will be responsible for the coordination of activities under this Contract, for acceptance and approval of the reports and of other deliverables by the Client and for receiving and approving invoices for the payment.

#### B. Reports

The reports listed in Annex C, "Consultant's Reporting Obligations," shall be submitted in the course of the assignment, and will constitute the basis for the payments to be made under paragraph 3.

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<sup>1</sup> Modify, in order to reflect the output required, as described in Annex C.

- 5. Performance Standards** The Consultant undertakes to perform the Services with the highest standards of professional and ethical competence and integrity. The Consultant shall promptly replace any employees assigned under this Contract that the Client considers unsatisfactory.
- 6. Confidentiality** The Consultants shall not, during the term of this Contract and within two years after its expiration, disclose any proprietary or confidential information relating to the Services, this Contract or the Client's business or operations without the prior written consent of the Client.
- 7. Ownership of Material** Any studies reports or other material, graphic, software or otherwise, prepared by the Consultant for the Client under the Contract shall belong to and remain the property of the Client. The Consultant may retain a copy of such documents and software.
- 8. Consultant Not to be Engaged in Certain Activities** The Consultant agrees that, during the term of this Contract and after its termination, the Consultant and any entity affiliated with the Consultant, shall be disqualified from providing goods, works or services (other than the Services and any continuation thereof) for any project resulting from or closely related to the Services.
- 9. Insurance** The Consultant will be responsible for taking out any appropriate insurance coverage.
- 10. Assignment** The Consultant shall not assign this Contract or sub-contract any portion of it without the Client's prior written consent.
- 11. Law Governing Contract & Language** The Contract shall be governed by the laws of India, and the language of the Contract shall be *English*.
- 12. Dispute Resolution** Any dispute arising out of the Contract, which cannot be amicably settled between the parties, shall be referred to adjudication/arbitration in accordance with the laws of the Client's country.

FOR THE CLIENT

FOR THE CONSULTANT

Signed by \_\_\_\_\_

Signed by \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

## **LIST OF ANNEXES**

Annex A: Terms of Reference and Scope of Services

Annex B: Consultant's Personnel

Annex C: Consultant's Reporting Obligations