



REQUEST FOR PROPOSAL (RFP)

GRID CONNECTED ROOFTOP SOLAR PV PROJECTS- WORLD BANK PROGRAM

ENGAGEMENT OF PROGRAM EXTERNAL AUDITOR

**RFP REFERENCE NO. SBI/CPP/WB/PEA/01/2017
DATED: 31.07.2017**

**STATE BANK OF INDIA,
CREDIT POLICY & PROCEDURE DEPARTMENT,
4th Floor, STATE BANK BHAWAN,
MADAME CAMA ROAD, NARIMAN POINT,
MUMBAI – 400 021**

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REQUEST FOR PROPOSAL (RFP)
FOR APPOINTMENT OF ROOFTOP SOLAR PROGRAM EXTERNAL AUDITOR

1. BID DETAILS

1	Date and time of commencement of Bidding Process (I,e Posting of Tender Document on SBI's Web Site)	Date: 31.07.2017
2	Last date and time for receipt of written queries for clarification from bidders	Date: 07.08.2017 Time: 5.30 P.M
3	Last date and time for reply to queries by the Bank	Date: 16.08.2017 Time: 5.30 P.M
4	Last date and Time for submission of Technical and Commercial Bid by the bidders	Date: 24.08.2017 Time: 5:30 P.M
5	Date and Time of opening of the Technical Bids	Will be informed later on
6	Date of announcement of name of bidders who qualify under Technical Bid	Will be informed later on
7	Date and Time of opening of the Commercial Bids	Will be informed later on
	Date of announcement of name of successful bidders under commercial Bid	Will be informed later on
8	Place of opening of Technical Bids and Commercial Bids	CPPD (Credit Policy & Procedure Department), Corporate Centre, 4 th Floor State Bank Bhavan Mumbai. Representatives of Bidders may be present during opening of the Technical Bid and Commercial Bid. However, Technical Bids and Commercial Bid would be opened even in the absence of any or all of the bidder's representatives.
10	Address for communication (Bank)	1. Name: Mr Dinesh Pruthi 2. Designation: Deputy General Manager (Credit Policy & Procedure) 3. State Bank of India (SBI), Corporate Centre, CPPD Department, 4 th floor, State Bank Bhavan, Madam Cama Road, Mumbai - 400021 4. Contact Number: 022-22740955 5. Email: dgm4.cppd@sbi.co.in
11	Earnest Money Deposit	Rs. 50,000/- (Rupees Fifty thousand only) in the form of Demand Draft in favour of 'State Bank of India' payable at Mumbai. EMD should be enclosed with Technical Bid.

2. Overview

SBI is India's largest commercial Bank in terms of assets, deposits, profits, branches, number of customers and employees, enjoying the continuing faith of millions of customers across the social spectrum. Presently with a network of over 24128 branches, the Bank also has presence in 37 countries across the globe. The Bank offers wide range of products and services to both Corporate and Retail Customers. The Bank also provides services to its customers through alternate channels such as Internet Banking, Debit Cards, Mobile Banking, ATM etc.

3. Program's Background and Description

To support the development of Grid Connected Rooftop Solar PV (**GC-RSPV**) in the country and achieve Government of India's ambitious GC-RSPV targets, SBI is implementing a GC-RSPV Program (**the "Program"**) with funding support from World Bank (**WB**). The duration of the Program will be five and a half years with end date of November 2021.

The expenditure for this Program will be financed by:

- International Bank for Reconstruction and Development (**IBRD**) Loan of USD 500 million,
- Clean Technology Fund (**CTF**) Loan and Grant (USD120 million of loan, and USD 5 million as grant), and
- Global Environment Fund (**GEF**) Grant of USD 23 million (approx.).

The Program Development Objective (**PDO**) is to increase installed capacity of GC-RSPV. The Program will be funded through WB's new financing instrument viz Program-for-Results (**PforR**). Under PforR, disbursements are linked to achievement of pre agreed Disbursement Linked Indicators (**DLIs**). Disbursement from WB under the facility will happen when agreed indicators are achieved and verified.

In this connection, SBI invites Request for Proposal (**RFP**) from reputable entity with expertise in performance/technical auditing to act as a Program's External Auditor (**PEA**) for the GC-RSPV Program with Terms of Reference (**TOR**) given in Annexure D.

4. Purpose

The essence of the WB audit principles is to ensure that the WB receives adequate independent, professional audit assurance that the proceeds of WB Loans/ Grants were used for the purposes intended¹, that the annual Program's Financial Statements (**PFS**) are free from material mis-statement, and that the terms of the legal agreements were complied with in all material respects.

The objective of the audit of the PFS is to enable the auditor to express a professional opinion as to whether the PFS gives a true and fair view of the financial position of the Program at the end of the period under audit examination and of the sources & applications of the Program funds for that period; and

- WB funds have been claimed by SBI on achievement of specific DLIs after due verification as set out in the financing agreements².

¹ The World Bank's charter [Article III Section V(b) of IBRD's Articles of Agreement and Article V Section 1(g) of IDA's Articles of Agreement] specify that: "The Bank shall make arrangements to ensure that the proceeds of any loan are used only for the purposes for which the loan was granted, with due attention to considerations of economy and efficiency and without regard to political or other non-economic influences or considerations."

² Financing Agreements may include Loan/Grant Agreement(s) for various financing sources such as IBRD, CTF and GEF between World Bank and SBI.

- The funds were utilized for the purposes for which they were provided, and expenditures shown in the PFS are eligible for financing under the Program in accordance with the financing agreements and Operations Manual (**OM**) issued by SBI.

In addition, the auditor shall express a professional opinion as to whether the Interim Unaudited Financial Reports (**IUFRs**) submitted by SBI may be relied upon and whether adequate supporting documentation has been maintained to support DLI claims submitted as prescribed in the financing agreement. Further, the auditor shall state whether the books of account that provide the basis for preparation of the PFS and the underlying procedures and controls are well established and properly maintained, are operational and can be relied upon to reflect accurately the financial transactions and performance of the Program.

The PFS will include (a) IUFRs for the Second semester (Half Year); and (b) any other statement agreed with WB.

SBI would sign the PFS and supporting documents and provide written assertion as an acknowledgement of its responsibility for the preparation and fair presentation of the financial statements and an assertion that project funds have been expended in accordance with the intended purposes as reflected in the financial statements. A sample of Management Representation Letter is given in Annexure E.

5. **Invitation**

The Bank invites Proposals (the "Proposals") for selection of a PEA who shall carry out audit of PFS, achievement of DLI's for aggregate amounts of loans signed by SBI & amount of loans approved for NBFCs & SMEs, the Program books of accounts and supporting documents & records including SBI's Branch level records (on sampling basis) of on-lending activities, quality of advances and Program monitoring and control etc. as specified in the ToR given in Annexure D.

The auditor would apply such tests and controls as the auditor considers necessary under the circumstances. The expenditures should be eligible for financing under the relevant financing agreements, OM etc. Where ineligible expenditures are identified as having been included in Program Expenditure, these would be separately noted by the auditor.

The bidders desirous of taking up the assignment are invited to submit their technical and commercial proposal in response to this RFP in a manner as mentioned in Para 13 of this document. The criteria and the actual process of evaluation of the response to the RFP and subsequent selection of the Successful Consultant (**SC**) will be entirely at Bank's discretion. The applicants should have necessary experience, capability and expertise to perform, as per the scope of work and to the adhering to the Bank's requirements/terms and conditions outlined in the RFP. The RFP is not an offer by SBI, but an invitation to receive responses from the Bidders. No contractual obligation whatsoever shall arise from the RFP process unless and until a formal contract is signed and executed by duly authorized official(s) of SBI with a Successful Consultant.

6. **Definitions**

- a. "SBI" or "Bank" means **State Bank of India**, constituted under the State Bank of India Act 1955, which has invited the bids for consultancy services, and with which the selected consultant signs the contract for the services to be rendered and to whom the selected consultant shall provide services as per the terms and conditions and terms of reference of the contract.
- b. "Bidder" means a consultant who is submitting its proposal for providing services to SBI.

- c. "Consultant" means any entity or firm or an association of persons submitting its proposal for providing services to SBI.
- d. "Contract" means the contract signed by the parties and all the attached documents and the appendices.
- e. "Day" means calendar day.
- f. "Personnel" means professionals and support staff provided by the consultant to perform the services or any part thereof.
- g. "Program Period" means the period from May, 2016 to the end of November, 2021.
- h. "Proposal" means the technical proposal and the commercial proposal.
- i. "RFP" means this "Request For Proposal" prepared by SBI for the selection of consultants.
- j. "Assignment/job" means the work to be performed by the consultant pursuant to the contract.
- k. "Terms of Reference (TOR) means the document included in the RFP which explains the scope of work, activities, tasks to be performed, etc.

The term consultant, applicant and bidder have been used interchangeably in the RFP document.

7. **Eligibility Criteria :**

- 7.1. Applicants must read carefully the minimum conditions of eligibility criteria provided herein. Proposals of only those Applicants who satisfy these conditions will be considered for evaluation process. To be eligible for evaluation of its Proposal, the Applicant shall fulfill the mandatory eligibility criteria given in Annexure A.
- 7.2. An Applicant or its Affiliates should have, during the last three years, neither failed to perform on any agreement, as evidenced by imposition of a penalty by an arbitral or a judicial pronouncement or arbitration awarded against the Applicant or its Affiliates, nor been expelled from any project or agreement nor had any agreement terminated for breach by such Applicant or its Affiliates.

7.3. **Conflict of interest**

- 7.3.1. SBI requires that the consultants provide professional, objective, and impartial advice, and at all times hold SBI's interests paramount, strictly avoid conflicts with other assignment(s)/job(s) or their own corporate interests, and act without any expectation/consideration for award of any future assignment(s) from SBI.
- 7.3.2. Without limitation on the generality of the foregoing, the consultants, and any of their affiliates, shall be considered to have a conflict of interest (and shall not be engaged under any of the circumstances) as set forth below:
 - i. **Conflicting assignment/job:** The consultant (including its personnel) or any of its affiliates shall not be hired for any assignment/job that, by its nature, may be in conflict with another assignment/job of consultancy to be executed for the same and/or for another employer.
 - ii. **Conflicting relationships:** The consultant (including its personnel) having a business or family relationship with a member of SBI's staff who is directly or indirectly involved in any part of (i) the preparation of the terms of reference of the assignment/job, (ii) the selection process for such assignment/job, or (iii) supervision of the contract, may not be awarded a

contract, unless the conflict stemming from such a relationship has been resolved in a manner acceptable to SBI throughout the selection process and the execution of the contract.

The consultant has an obligation to disclose any situation of actual or potential conflict that impacts its capacity to serve the best interests of SBI, or that may reasonably be perceived as having this effect. If the consultant fails to disclose such conflicts of interest and if SBI comes to know of such a situation at any time, then SBI reserves the right to disqualify the consultant during the bidding process or to terminate its contract during the tenure of assignment.

7.4. Employees of SBI shall not work as, for or be a part of, the firm of consultants.

8. **Terms of Reference:** As given in Annexure D.

9. **Earnest Money Deposit (EMD)**

- i. The Bidder shall submit the EMD of Rs.50, 000/- (Rs. Fifty thousand only) by way of demand draft favouring 'State Bank of India' payable at Mumbai. EMD may be forfeited in the event of withdrawal of bid during the period of processing of RFP or in case the selected consultant fails to sign the contract within the period mentioned herein.
- ii. EMD should be submitted along with the application, given in Annexure C. Any application not accompanied by the requisite EMD shall be treated as non-responsive and is liable to be rejected.
- iii. The EMD of the unsuccessful bidders will be returned as early as possible, after completion of process of selection of the consultant. The EMD of the selected Consultant shall be refunded only after successful completion of one year of contract or expiry of the contract whichever is earlier.
- iv. No interest is payable on the amount of EMD.
- v. If EMD is forfeited for any reason, the concerned bidder will be debarred from further participation in future three RFPs floated by the Bank.

10. **Clarification and amendment of RFP documents**

- 10.1. The consultant may request a clarification on any clause of the RFP documents within the timelines mentioned as pre Sr.No.2 of Table given in Para 1 of the RFP documents. Any request for clarification must be sent by e-mail to dgm4.cppd@sbi.co.in . SBI will respond by e-mail. The responses of the Bank will be published on SBI's website without identifying the source of the query. Should SBI deem it necessary to amend the RFP as a result of a clarification, it shall do so in accordance with the procedure stated under paragraph 10.2 below.
- 10.2. At any time prior to the deadline for submission of proposal, SBI may modify the bidding document by amendment. Any clarification issued by SBI will be in the form of an addendum/ corrigendum and will be available in SBI's website - <https://www.bank.sbi> and or <https://www.sbi.co.in>. The amendment will be binding on all bidders. SBI, at its discretion may extend the deadline for submission of bids in order to allow prospective bidders a reasonable time to take the amendment into account. Interested applicants are advised to frequently visit the web sites for updating themselves about changes, if any, made in the RFP before the bid submission date.

11. Bidding Document:

- 11.1. Detailed description of the objectives, scope of services, and other requirements relating to this Consultancy are specified in Annexure D of this RFP. Interested applicants eligible as per Annexure "A" may participate in the Selection Process by submitting the bids as expected in this document.
- 11.2. Applicants are advised that the selection of Consultant shall be on the basis of an evaluation/Selection Process specified in this RFP in Para 15. Applicants shall be deemed to have understood and agreed that no explanation or justification for any aspect of the Selection Process will be given and that the Bank's decisions are without any right of appeal whatsoever.
- 11.3. No Bidder / Applicant shall submit more than one Application for the Consultancy. If a consultant submits or participates in more than one proposal, all such proposals shall be disqualified.

12. Validity period of the Proposed Bid

- 12.1. The proposal must be valid for 120 days after the last date for submission of proposal. During this period, the consultants shall maintain the availability of professional staff nominated in the proposal and also the commercial proposal shall remain unchanged.

13. Preparation of proposals/Bid

- 13.1. The proposal as well as all related correspondence exchanged by the consultants with SBI, shall be written in the English language. Consultants who fulfil the criteria specified in Annexure A should send their Application (i.e. Technical and Commercial Proposal) in the format enclosed as Annexure C together with Annexures C1 to C2 and other supporting documents to the Deputy General Manager (CPP), Credit Policy & Procedure Department, State Bank of India, Corporate Centre, 4th Floor, Madame Cama Road, Mumbai – 400 021 so as to reach him **by 24.08.2017 at 05:30 PM.**
- 13.2. The name of the assignment/job shall be '**External Audit of World Bank's Rooftop Solar Program**'. Detailed scope of the assignment/job has been described in the Terms of Reference Annexure D.
- 13.3. In preparing their technical 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 technical proposal.
- 13.4. The bids shall be in two parts viz. Technical Proposal and Commercial Proposal. Both the Technical and Commercial Proposals shall be submitted in separate sealed envelopes superscribing "**TECHNICAL PROPOSAL FOR APPOINTMENT OF ROOFTOP SOLAR PROGRAM'S EXTERNAL AUDITOR: TENDER REFERENCE NO. SBI/CPP/WB/PEA/01/2017**" on top of the envelope containing technical bid and "**COMMERCIAL PROPOSAL FOR APPOINTMENT OF ROOFTOP SOLAR PROGRAM'S EXTERNAL AUDITOR: TENDER REFERENCE NO. SBI/CPP/WB/PEA/01/2017**" on top of the envelope containing commercial bid.

- 13.5. These two separate sealed envelopes should be put together in the sealed master envelope super subscribing "PROPOSAL FOR APPOINTMENT OF **ROOFTOP SOLAR PROGRAM'S EXTERNAL AUDITOR: TENDER REFERENCE NO. SBI/CPP/WB/PEA/01/2017**"
- 13.6. The Technical Proposal shall contain the requirement of the bank along with required documents mentioned in **Annexure A, Annexure C, C-1 to C-2**. A copy of the Commercial Proposal marking the prices is to be submitted in a separate sealed envelope along with the Technical Proposal. **The Demand Draft for EMD of Rs. 50,000/- should also be kept in the envelope containing the technical proposal.**
- 13.7. The Technical Proposal will be evaluated for technical suitability as per mandatory eligibility criteria given in Annexure A.
- 13.8. The firms, who qualify as per mandatory eligibility criteria mentioned in Annexure A, will be eligible for participating in Commercial Bid (the list of such firms would be displayed on the Bank's websites <https://www.bank.sbi> and / or <https://www.sbi.co.in>).
- 13.9. In the commercial bid, the contract would be awarded to the bidder who has quoted the lowest consultancy fee. Provided that the contract would have minimum contract price of Rs 1, 00,000/- per annum.
- 13.10. SBI will select a consultant firm from among the shortlisted firms displayed on the Bank's Website, to perform the assignment detailed in the ToR given in Annexure D. The bidder has to make their own evaluation in quantifying the financial bid and no further negotiation shall be permitted after the bid process, execution of contract till the completion of the term of service for whatsoever reason.
- 13.11. The proposal will be the basis for contract to be signed with the selected consultant. The contract shall be finalised within 30 days from date of issuance of final selection letter.
- 13.12. The consultant shall bear all costs associated with the preparation and submission of proposal and contract negotiation. SBI is not bound to accept any proposal, and reserves the right to annul the selection process without assigning any reason(s), at any time prior to signing of contract, without incurring any liability towards the consultants.
14. **Commercial proposals**
- 14.1. The Firms are required to submit commercial proposal in a separate envelope along with the technical proposal. After qualifying the Technical Proposal, commercial bids will be opened and evaluated. In the commercial bid, the contract would be awarded to the bidder who has quoted the lowest consultancy fee. .
- 14.2. The date of opening of the commercial bid shall be communicated separately. The commercial proposal shall clearly indicate the total cost of the Consultancy in both figures and words, in Indian Rupees, and signed by the Applicant's Authorized Representative. In the event of any difference between figures and words, the amount indicated in words shall prevail. In the event of a difference between the arithmetic total and the total shown in the commercial proposal, the lower of the two shall prevail.
- 14.3. The annual fee quoted shall separately state the consultancy fee and applicable taxes (applicable taxes will be paid as per the tax rate prevailing at the time of actual payment). Out of pocket expenses, if any, will be paid on actual basis separately subject to maximum 10% of annual fee. The commercial proposal shall not include any conditions attached to it.

Any such conditional commercial proposal shall be liable for rejection. Payment will be made after deducting tax deductible at source as per applicable tax laws.

14.4. The firm will be appointed for the duration of Program Period or closure of the program, whichever is earlier.

14.5. The fee payment shall be made on an annual basis.

15. **Submission, receipt and opening of proposal**

15.1. The original proposal, both technical and commercial proposals, shall contain no interlineations or overwriting.

15.2. An authorised representative of the consultants shall initial all pages of the RFP document and sign the original technical and commercial proposals as well as the Annexures. The authorisation shall be in the form of a letter or in any other form demonstrating that the representative has been duly authorised to sign and such authorisation shall be enclosed with the proposal. The signed technical and commercial proposals shall be marked "original".

15.3. Both the Technical and Commercial proposals shall be submitted in separate sealed envelopes super scribing "**TECHNICAL PROPOSAL FOR APPOINTMENT OF ROOFTOP SOLAR PROGRAM'S EXTERNAL AUDITOR: TENDER REFERENCE NO SBI/CPP/WB/PEA/01/2017**" on top of the envelope containing technical bid and "**COMMERCIAL PROPOSAL FOR APPOINTMENT OF ROOFTOP SOLAR PROGRAM'S EXTERNAL AUDITOR: TENDER REFERENCE NO. SBI/CPP/WB/PEA/01/2017**" on top of the envelope containing commercial bid.

15.4. These two separate sealed envelopes should be put together in the sealed master envelope super scribing "**PROPOSAL FOR APPOINTMENT OF ROOFTOP SOLAR PROGRAM'S EXTERNAL AUDITOR: TENDER REFERENCE NO. SBI/CPP/WB/PEA/01/2017**" and should be addressed to

Deputy General Manager (CPP)
Credit Policy & Procedure Department
State Bank of India
Corporate Centre, 4th Floor, State Bank Bhavan,
Madame Cama Road, Mumbai – 400 021.

15.5. SBI shall not be responsible for postal delay, misplacement, loss or premature opening if the outer envelope is not sealed and/or marked as stipulated. This circumstance may be a cause for proposal rejection.

15.6. **The sealed master envelope containing the technical and commercial proposals should be submitted at the address given in paragraph 15.4 not later than 5.30 p.m. on 24.08.2017. Any proposal received by SBI after the deadline for submission shall be returned unopened. No further correspondence in this regard shall be entertained.**

15.7. **The sealed master envelope containing the technical and commercial proposals shall be opened on the date which will be informed later on. The sealed envelope of technical proposal shall be opened while the commercial proposal shall be kept in the sealed envelope for opening at a later date. Representatives of Bidders may be present during opening of the Technical proposals. However, Technical Proposals would be opened even in the absence of any or all of the bidders representatives.**

16. **Proposal evaluation**

- 16.1. From the time the proposals are opened to the time the contract is awarded, the consultants should not contact SBI, unless called for. The consultants should also not contact any of the officers/employees or representatives of the bank on any matter related to its technical proposal and/or commercial proposal with a view to influencing SBI in the examination, evaluation, ranking of proposals, and recommendation for award of contract. Such an effort shall result in the rejection of the consultants' proposals. Canvassing in any form would lead to disqualification of the proposal.
- 16.2. The firms, who qualify as per mandatory eligibility criteria mentioned in Annexure A, will be eligible for participating in Commercial Bid (the list of such firms would be displayed on the Bank's websites <https://www.bank.sbi> and / or <https://www.sbi.co.in>).
- 16.3. After opening the commercial bid, the contract would be awarded to the bidder who has quoted the lowest consultancy fee. Provided that the contract would have minimum contract price of Rs 1, 00,000/- per annum.
- 16.4. In case of a discrepancy between amount in words and figures, the former will prevail.
- 16.5. SBI reserves the right
- I. to accept or reject any or all the proposals without assigning any reason and
 - II. to engage a consultant for the entire Assignment/ Job only for one or more segments of the project.
17. **Disclaimer**
- 17.1. The information contained in this Request for Proposal (RFP) document or information provided subsequently to Bidder(s) or applicants whether verbally or in documentary form/email by or on behalf of State Bank of India (Bank), is subject to the terms and conditions set out in this RFP document and all other terms and conditions subject to which such information is provided.
- 17.2. This RFP is neither an agreement nor an offer and is only an invitation by the Bank to the interested parties for submission of bids. The purpose of this RFP is to provide the Bidder(s) with information to assist the formulation of their proposals. This RFP does not claim to contain all the information each Bidder may require. Each Bidder should conduct its own investigations and analysis and should check the accuracy, reliability and completeness of the information in this RFP and where necessary obtain independent advices/clarifications. Bank may in its absolute discretion, but without being under any obligation to do so, update, amend or supplement the information in this RFP. No contractual obligation whatsoever shall arise from the RFP process until a formal contract is signed and executed by duly authorized officers of the Bank with the Selected Bidder (SB).
- 17.3. The Bank, its employees and advisors make no representation or warranty and shall have no liability to any person, including any Applicant or Bidder under any law, statute, rules or regulations or tort, principles of restitution or unjust enrichment or otherwise for any loss, damages, cost or expense which may arise from or be incurred or suffered on account of anything contained in this RFP or otherwise, including the accuracy, adequacy, correctness, completeness or reliability of the RFP and any assessment, assumption, statement or information contained therein or deemed to form part of this RFP or arising in any way for participation in this Bid Stage.

- 17.4. The Bank also accepts no liability of any nature whether resulting from negligence or otherwise, howsoever caused arising from reliance of any Bidder upon the statements contained in this RFP.
- 17.5. The issue of this RFP does not imply that the Bank is bound to select a Bidder or to appoint the Selected Bidder (SB), as the case may be, for the Project and the Bank reserves the right to reject all or any of the Bidders or Bids without assigning any reason whatsoever.
- 17.6. The Bidder shall bear all its costs associated with or relating to the preparation and submission of its Bid including but not limited to preparation, copying, postage, delivery fees, expenses associated with any demonstrations or presentations which may be required by the Bank or any other costs incurred in connection with or relating to its Bid. All such costs and expenses will remain with the Bidder and the Bank shall not be liable in any manner whatsoever for the same or for any other costs or other expenses incurred by a Bidder in preparation or submission of the Bid, regardless of the conduct or outcome of the Bidding Process.
18. **Contract finalisation**
- 18.1. SBI and the selected consultant shall finalise the terms of contract to be executed as per the prescribed terms of the Bank. SBI shall have the right not to enter into the contract with the consultant if the consultant is unable to provide the professional staff assured in the technical proposal. In such an eventuality, SBI reserves the right to reject the proposal.
- 18.2. SBI will not consider substitution of professional staff before signing the contract and during the tenure of the assignment unless both parties agree that undue delay in the selection of professional staff makes such substitution unavoidable, or for reasons such as death or medical incapacity, or if the professional staff has left the organisation. Any proposed substitute shall have equivalent or better qualifications and experience and complete details be submitted by the consultant within the 15 days of such event.
- 18.3. The contract/ agreement shall be executed only at Mumbai and the selected consultant shall bear the cost of stamp duty for the contract/ agreement as applicable in the state of Maharashtra.
19. **Confidentiality Agreement/Undertaking:** As the successful firm will have access to the data of the Bank, the Bank will require the firm to sign a confidentiality agreement/undertaking indemnity for not disclosing or part with any information relating to the Bank and its data to any person or persons or authorities, without written consent of the Bank. Breach of the same will result in cancellation of the agreement apart from other remedies which shall be available to the Bank against the consultant.
20. **Indemnification:** The PEA shall at their own expenses, indemnify the Bank against any loss on claims due to loss of data /damage to data of the Bank arising as a consequence of breach of any clause in terms and conditions of the agreement.
21. **Termination of Agreement:** A suitable clause for termination by giving suitable notice will be incorporated in the final agreement. The agreement with the selected firm may be cancelled at the Bank's discretion on account of following or without assigning any reason:
- a. On refusal to take up the allotted Assignment;
 - b. If the firm stands dissolved /reconstituted and/or the name/style of the firm is changed;
 - c. On not abiding by the terms and conditions stipulated in the contract;

- d. If the performance of the firm is not found satisfactory (viewed as such by the Bank's appropriate authority);
 - e. Any other reason at the discretion of the Bank.
22. **Disciplinary action for professional misconduct:** The selected firm should be subject to disciplinary mechanism as provided for in the Chartered Accountant Act 1949.
23. **Miscellaneous Terms & Conditions**
- 23.1. Until a formal contract is prepared and executed, this offer together with Bank's written acceptance and notification of award shall constitute a binding contract with the consultant.
- 23.2. SBI not responsible for non-receipt of bids within the specified date and time due to any reason including postal delays or holidays.
- 23.3. The Bank also reserves the right to alter/ modify any/ some/ all of the requirements, as it may deem necessary, and notify the same on its websites- <https://www.bank.sbi> and/ or <http://www.sbi.co.in> before the last date for submission of response under this RFP. The Bidders should be agreeable for the same.
- 23.4. Bids not conforming to the requirements of the RFP may not be considered by SBI. However, SBI reserves the right, at any time before last date of submission of Technical & Financial proposal; to waive any of the requirements of the RFP, if in the sole discretion of SBI, the best interests of SBI would be served by such waiver.
- 23.5. SBI shall have the right to cancel the RFP process at any time prior to award of contract, without thereby incurring any liabilities to the affected Bidder(s). Reasons for cancellation, as determined by SBI, in its sole discretion, may include but are not limited to, the following:
- (i) Services contemplated are no longer required;
 - (ii) Scope of work were not adequately or clearly defined due to unforeseen circumstance and/or factors and/or new developments;
 - (iii) Proposed fees are unacceptable to the Work;
 - (iv) The Project is not in the best interests of SBI;
 - (v) Any other reason.
- 23.6. The Applicants shall be responsible for all of costs associated with the preparation of their Proposals and their participation in the Selection Process including subsequent negotiation, visits to the Bank, etc. The Bank will not be responsible or in any way liable for such costs, regardless of the conduct or outcome of the Selection Process.
- 23.7. SBI reserves the right to verify the validity of bid information and to reject any bid where the contents appear to be incorrect, inaccurate or inappropriate at any time during the process of RFP or even after award of contract.
- 23.8. All pages of RFP should be stamped and signed by Authorized Signatory of the Bidder and to be submitted with the bids.
- 23.9. Bank may choose to take an undertaking from employees of the consultant to maintain confidentiality of the Bank's information/documents etc. Bank may seek details / confirmation on background verification of consultant's employees, worked/working on Bank's project as may have been undertaken / executed by the consultant. Consultant should be agreeable for any such undertaking/verification.

Eligibility Criteria

Bidders meeting the following criteria are eligible to submit their Bids along with supporting documents. If the Bid is not accompanied by the required documents supporting eligibility criteria, the same would be rejected.

Sr.No.	Mandatory Eligibility Criteria	Documents Required
1.	The Applicant firm should have been registered with ICAI and practicing continuously in India for the last 10 years as on 31.03.2017.	Constitution Certificate issued by ICAI
2.	The name of applicant should be appearing in the list of "Statutory Central Auditors in Public sector Banks for the year 2016-17" in RBI website excluding Statutory Central Auditor of SBI or its erstwhile associate banks.	Link of RBI website – https://rbi.org.in/scripts/bs_viewcontent.aspx?Id=2065)
3.	The applicant should be empaneled with Comptroller and Auditor General of India (CAG) in the panel of audit firms eligible for major audits	A self-attested copy of the latest empanelment intimation letter issued by CAG containing the Unique Identification Number and the score. The applicant confirms that it is included in the panel for large audits.
4.	Firm should have a full-fledged office in Mumbai	Self-declaration in format C-1/ constitution certificate / Firm Card
5.	The firm should not have been banned / declared ineligible for corrupt and fraudulent practices by the Govt. of India / State Governments / RBI / ICAI and should not have any disciplinary proceedings pending against the applicant firm or any of the partners with ICAI/RBI.	Undertaking by the applicant Firm in format E.
6.	Past experience of conducting audit of company in power generation sector / renewable energy	Client Certificate / copy of agreement with client
7.	The Bidder should not have been debarred/ nor listed in the temporary suspension list of the WB	Undertaking in the letter head of the Bidder.

Penalty Clause

Bank will reserve the right to deduct from the annual remuneration to be paid to the consultant, in the event of the following:

Reason	1st instance	2nd instance	3rd instance
Failing to visit our office as and when required by the Bank.	Caution Note	10%	As decided by the Bank based on materiality
Inordinate delay in responding to the references made by the Bank	Caution Note	10%	As decided by the Bank based on materiality

**PROFORMA OF APPLICATION
FOR ROOFTOP SOLAR PROGRAM'S EXTERNAL AUDITOR
(ON OFFICIAL LETTER HEAD)**

The Deputy General Manager (CPP)
State Bank of India
Corporate centre, 4th floor
State Bank Bhavan
Madame Cama Road,
Mumbai-400 021

Dear Sir,

APPLICATION FOR APPOINTMENT AS PROGRAM'S EXTERNAL AUDITOR FOR ROOFTOP SOLAR PROGRAM OF SBI.

Please find enclosed information in Annexure (C-1 to C-2) concerning us for consideration of our firm to be appointed as Program's External Auditor for Rooftop Solar Program of the Bank.

2. We agree to undertake the project, if allotted by you, as per the scope of work (Terms of Reference). We hereby declare that our firm does not have any pecuniary liability or any claim/disciplinary/legal proceeding pending against us/ our partners or any other cause which could hamper our ability to render the services as envisaged. We also declare that our firm has not been banned / declared ineligible for corrupt and fraudulent practices by the Govt. of India / State Governments / RBI / ICAI and does not have any disciplinary proceedings pending against it or any of the partners with ICAI/RBI. If the aforesaid representation /declaration or information in the annexures is found to be incorrect, we agree that the Bank shall be entitled to terminate the agreement, if allotted, or initiate suitable action as deemed fit and appropriate by the Bank, without reference to us. We or our affiliates have, during the last three years, neither failed to perform on any agreement, as evidenced by imposition of a penalty by an arbitral or a judicial pronouncement or arbitration awarded against us or our Affiliates, nor been expelled from any project or agreement nor had any agreement terminated for breach by us or our affiliates.

Date:
Place:

Authorised Signatory

(Name:)

List of Document Enclosed

1. EMD –DD particulars
2. Annexures C1 to C2
3. Other documents please specify

**PARTICULARS TO BE FURNISHED FOR THE PURPOSE OF APPOINTMENT OF PROGRAM'S EXTERNAL
AUDITOR FOR ROOFTOP SOLAR PROGRAM OF WORDL BANK:**

S.No	Description	
1.	Name of the firm	
2.	Firm No. allotted by ICAI*	
3.	Address	
4.	Email	
5.	Contact number/s (Tel/Mobile)	
6.	Office address of Mumbai (if different from 3 above)	
7.	Presence in how many towns in India.(Provide Address)	
8.	Year of establishment	
9.	No. of completed years for which practicing in India as on 31.03.2017	
10.	Name/s of partners * (membership certificates issued by ICAI should be enclosed)	
11.	Name of Partners Stationed at Mumbai	
12.	Person(s) proposed to be assigned for the services and his/their profiles	
13.	Name, address and account number of the firm's banker(s)	
14.	PAN of the firm *	
15.	Service Tax registration number of the firm *	
16.	Number of Employees	
17.	Number of C.A. Employees in the firm (out of above)	
18.	Net worth as on 31.03.2017	
19.	Turnover during last three financial years	
	2014-15	
	2015-16	
	2016-17	
20.	Details of major assignments.	
21.	Any other information considered relevant.	

(Please attach separate sheets if space is not sufficient in any row, duly mentioning the row number and description)

Place:

Authorised Signatory

Date:

(Name)

Seal

* Self attested copies in support of the information should be submitted

In addition to above information, applicant shall also submit audited financial statement for the last three financial years.

**PARTICULARS IN RESPECT OF AUDIT OF COMPANY IN POWER GENERATION SECTOR / RENEWABLE
ENERGY**

SR.NO	NAME OF THE CLIENT	Scope of Audit	Period of Audit	PERSON IN CHARGE FROM CLIENT SIDE WITH CONTACT NUMBER AND EMAIL ID.

*Each assignment should be supported by copy of appointment letter issued by the respective client.

Authorised Signatory

(Name)

Seal

Note: Copy of the client's appointment letter in support of the information above should be submitted.

Term of Reference (TOR)
Scope of Work/ Term of Reference

Audit Objective

The essence of the World Bank (WB) audit principles is to ensure that the WB receives adequate independent, professional audit assurance that the proceeds of WB Loans/ Grants were used for the purposes intended, that the annual Project Financial Statements (PFS) are free from material mis-statement, and that the terms of the legal agreements were complied with in all material respects.

The objective of the audit of the Program Financial Statement (PFS) is to enable the auditor to express a professional opinion as to whether

The PFS gives a true and fair view of the financial position of the Program at the end of the period under audit examination and of the sources and applications of the Program funds for that period; and

1. WB funds have been claimed by SBI on achievement of specific Disbursement Linked Indicators (DLIs) after due verification as set out in the financing agreements.
2. The funds were utilized for the purposes for which they were provided, and expenditures shown in the PFS are eligible for financing under the Program in accordance with the financing agreements and Operations Manual (OM).

In addition, the auditor shall express a professional opinion as to whether the Interim Unaudited Financial Reports (IUFRs) submitted by SBI may be relied upon and whether adequate supporting documentation has been maintained to support DLI claims submitted as prescribed in the financing agreement. Further, the auditor shall state whether the books of account that provide the basis for preparation of the PFS and the underlying procedures and controls are well established and properly maintained, are operational and can be relied upon to reflect accurately the financial transactions and performance of the Program.

Audit Scope:

The audit will be carried out in accordance with the Standard on Auditing (SA's) as issued by the ICAI and will include such tests and controls as the auditor considers necessary under the circumstances. In conducting the audit, special attention shall be paid to the following:

- All Program funds have been used, which includes on-lending by SBI and procurement of goods & services by SBI in accordance with the conditions of the relevant financing agreements.
- Procurement under the Program has followed the relevant conditions of the financing agreement, and is in accordance with SBI's internal guidelines on procurement.
- The applicable thresholds for the Program are US\$75 million for Goods, US\$115 million for Works, Supply and Installation (S&I), US\$ 60 million for non-consulting services & IT systems and US\$ 30 million for consultants' services. Any individual contract financed by the Program should be equal or less than the indicated thresholds and hence contracts of higher values shall be excluded as ineligible for finance by the Program. Therefore, the

Management Letter needs to certify the above that there are no contracts exceeding the said applicable thresholds defined for GRPV program.

- The auditor needs to check that the Utilization Certificates submitted by borrowers under the Program in respect to contracts entered into by them worth more than US\$ 5 million have the following information: (i) Name of the supplier/contractor and (ii) amount of each contract.
- WB funds have been claimed by SBI on achievement of specific DLIs after due verification as set out in the Financing Agreement.
- Strict adherence to Program specific processes and due diligence by SBI for Program activities viz., (i) on-lending to borrowers under the GC-RSPV Program and (ii) eligible Program related expenses as defined in the Financing Agreement and OM.
- WB's suspension and debarment list is being checked prior to sanction/approval of any Loans under the Program.
- Review the efficacy of the process/procedure being used by SBI to ensure that its borrowers do not use firms or individuals in the Bank's suspension list as well as in the debarment list. The Anti-Corruption Guidelines (ACGs) for the PforR (to be attached to the individual loan documents) require compliance with this. Further details are available in OM.
- SBI's existing system of internal audit and internal controls are operational and effective for the program.
- All necessary supporting documents, records, and accounts have been kept with SBI in respect of all Program related activities.
- Clear linkages exist between the Program books of account, IUFs and PFR (Program Financial Reports) presented to the WB and SBI's Branches/operating units (who have done lending under the program) accounts and audited/ unaudited financial statements.
- There is adequate supervision of projects for which loan is provided under SBI's GC-RSPV Program which includes periodic visits, physical verification and review of technical and financial progress reports and audit reports as per SBI's procedures, policies and OM.
- Program Ledger Account (notional/contra Performa) is maintained in accordance with the provisions of the relevant financing agreement and OM.
- Program accounts are maintained and PFS prepared in accordance with consistently applied Indian Accounting Standards as issued by the Institute of Chartered Accountants of India and Guidelines of GoI / RBI and gives a true and fair view of the financial situation of the Program at the year end and of resources and expenditures for the year ended on that date.
- Expenditures reported in IUFs are accurate and based on propriety and can be relied upon by the WB.

- Any other Program aspects considered appropriate by the auditors.
- **Certification of DLI #3 & DLI#4 under the GC-RSPV's Program of World Bank.**
 - a. **DLI#3 pertains to- aggregate amounts of loans signed by SBI and**
 - b. **DLI#4 pertains to- amount of loans signed for NBFCs and SMEs by SBI.**

Program External Auditor's report shall help to ensure that the Bank has fulfilled the DLI's conditions for respective disbursement by WB. For the purposes of disbursement against DLI, a certificate will be provided by the Program external auditor clearly stating the value of the DLIs met during the year to determine the amount eligible for World Bank disbursement under IBRD, CTF Loan Agreements dated June 30, 2016 and GEF Grant Agreement dated Jan 19, 2017. A suggested format of the said certificate is provided in Annexure G.

Program Financial Statements

The Program Annual Financial Statements will include (a) IUFs for the Second semester; and (b) any other statement agreed with WB.

SBI would sign the PFS and supporting documents and provide written assertion as an acknowledgement of its responsibility for the preparation and fair presentation of the financial statements and an assertion that project funds have been expended in accordance with the intended purposes as reflected in the financial statements. An example of a Management Representation Letter is shown in Annexure E.

Conduct of Audit

The auditor would carry out audit of the PFS, the IUFs, the Program books of accounts and supporting documents and records including Branch level records (on sampling basis) of on-lending activities, quality of advances and Program monitoring and control etc as specified in the ToR. The auditor would apply such tests and controls as the auditor considers necessary under the circumstances. The expenditures should be eligible for financing under the relevant financing agreements, OM etc. Where ineligible expenditures are identified as having been included in Program Expenditure, these would be separately noted by the auditor.

Audit Report:

The audit report on PFS shall be prepared in accordance with the SA's which require a clear written expression of opinion to be rendered relating to the financial statements taken as a whole.

In addition, the audit opinion paragraph will specify whether, in the auditor's opinion,

- The funds were utilized for the purposes for which they were provided;
- Program receipts and expenditures reported in the IUFs, Program books of accounts, World Bank website (disbursements) and SBI's Branches/operating units accounts and financial statements are reconciled;
- Expenditures shown in the PFS are eligible for financing under the relevant financing agreements and
- IUFs submitted during the period are without mis-statements and supported by adequate detailed documentation maintained with SBI.

The audit report shall state that this ToR was followed while undertaking the audit. The sampling for audit shall be clearly indicated together with the assertion that the sample was adequate for a clear audit opinion. The auditor shall submit two copies of the audited accounts/statements and

audit report to SBI within three months from the date of audit to enable submission of the audit report to the World Bank within nine months from the end of the year.

In addition to the audit report on the PFS package, the auditor shall prepare a Management Letter (Annexure F) containing recommendations for improvements in the processes based on the observations made by them during the audit exercise. A sample covering letter that could be used to transmit a management letter is given in Annexure F

The auditor will be given access to all Program information relating to both the World Bank and SBI as the Program Implementing Agency for the purposes of conducting the audit. The information made available to the auditor will include, but not be limited to, World Bank's Project Appraisal Document, relevant Legal Agreements, Program-for-Results Guidelines etc. Most of the information would be available on the World Bank Website. Copies of these documents would be available with Program Management. In addition, SBI's will grant the auditor full access to all Program related documents and records including the OM ; books of account, vouchers, supporting documents, records and reports; IT systems; Program lending documents, due diligence records and reports; internal audit and third party verification reports; relevant Branches/operating unit's financial statements; IUFRRs, budget reports, PFS etc. Program Management officials will be available for discussions with the auditors and suitable infrastructure will be provided to the auditor to conduct the audit.

Management Representation Letter

(Program Letter head)

(To Auditor)

(Date)

This representation letter is provided in connection with your audit of the financial statements of the _____ Program for the purpose of expressing an opinion as to whether the financial statements give a true and fair view of the financial position of the Program as of _____ and of the sources and uses of funds for the year then ended. We acknowledge our responsibility for the fair presentation of the financial statements in accordance with the National Accounting Standards as issued by Institute of Chartered Accountant of India, and notified by the Government of India, and we confirm, to the best of our knowledge and belief, the following representations made to you during your audit:

- The program financial statements are free of material misstatements, including omissions.
- Program funds have been used for the purposes for which they were provided.
- Program expenditures are eligible for financing under the relevant legal/ financing agreements.
- There have been no irregularities involving management or employees who have a significant role in internal control or that could have a material effect on the Program financial statements.
- Procurement has been done as per the agreed procedures and we have made available to audit all procurement documents relating to the Program.
- We have made available to audit all books of account and supporting documentation relating to the Program.
- The Program has complied with the conditions of all relevant legal agreements, Project Appraisal Document, the Minutes of Negotiations, and Operations Manual.

(Authorized Signatory)

(Authorized Signatory)

Management Letter from Auditor

(Auditor's Letter head)

(Date)

To Project Management,

In connection with our audit of the financial statements of the _____ Program as of _____ and for the year then ended, we familiarized ourselves with Program documents and the internal guidelines / circulars applicable during the period under audit. We also reviewed the business of the Program and evaluated the accounting systems and related internal controls of the Program in order to plan and perform our audit.

This Letter to Project Management includes observations noted during the course of our audit examination in the following areas:

- Matters having a significant impact on the implementation of the Program
- Opportunities for strengthening financial management/ contract management/ records/sub-loans, systems and controls, together with recommendations for improvement
- Observations on the accounting records, systems, and controls that were examined during the course of the audit
- Specific deficiencies and areas of weakness in systems, internal audit and other controls and recommendations for their improvement
- Specific areas that may require further examination/ performance audit to substantiate economy and efficiency in operations
- Status of maintenance of Program books and records
- Compliance with financial covenants in the financing agreements
- Accuracy of Program financial statements
- Status of prior period recommendations: comment on implementation of recommendations from previous management letter, including any issues which remain to be addressed and any issues which recurred
- Any other matters that the auditor considers pertinent

The matters contained in this Management Letter are intended solely for the information of Program Management, for such timely consideration and action as Program Management may deem appropriate. These have all been considered by us in formulating our audit opinion expressed on the Program financial statements in our audit report dated XXXX, and they do not alter the opinion expressed in that audit report.

We wish to take this opportunity to thank Program Management for the courtesies and cooperation extended to our staff.

Yours truly,

(Name and Title)

Certificate by Program’s External Auditor with regard to Disbursement Linked Indicator for Sub-Loans as defined under World Bank Loan 8611-IN and to be financed under World Bank Loans 8611-IN and TF0A2401 and Grant nos A2023 and

Period :dd/mm/yyyy to dd/mm/yyyy

We hereby confirm that we have examined the books and records of State Bank of India (SBI) for the period dd/mm/yyyy to dd/mm/yyyy with respect of the Loans signed by SBI to be financed under Loans 8611-IN, and TF0A2401.

Based on our above examination, we certify that during the above period, SBI has signed loans aggregating Rs. _____ or USD _____ of which sub-loans of Rs. _____ or USD _____ pertained to SMEs and/or NBFCs. Attached annexure, provides the list of loans signed during the period.

Note: For determining the USD value of the Loans signed, please use the RBI's exchange rate as on the date of certification.

For Name of the Firm

Chartered Accountants

Firm Registration No.

(Name of Partner)

M. No.

Date:

Place:

Annexure

Name of the Borrower	Project	Address	Amount as per signed loan agreement	Date of signing of loan agreement	If borrower is a SME or NBFC – Yes or No?