

**Rajasthan State Health Assurance**  
**Agency**

**Request for Quotation (RFQ)**

**For**

**Selection of CA Firm**

**For conducting Statutory Audit of RSHAA for  
the Period FY 2019-20**

Last date and time for submission of Proposal 20.08.2020 till 3.00 PM

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### **Disclaimer**

The information contained in this Bid document or subsequently provided to Applicant(s), whether verbally or in documentary form by or on behalf of the State Health Assurance Agency, or any of their employees or advisors, is provided to Applicant(s) on the terms and conditions set out in this RFQ document and any other terms and conditions subject to which such information is provided.

This Bid document is not an agreement and is not an offer or invitation by the RSHAA or its representatives to any other party. The purpose of this Bid document is to provide interested parties with information to assist the formulation of their Application and detailed Proposal. This Bid document does not purport to contain all the information each Applicant may require. This Bid document may not be appropriate for all persons, and it is not possible for the RSHAA, their employees or advisors to consider the investment objectives, financial situation and particular needs of each party who reads or uses this Bid document. Certain applicants may have a better knowledge of the proposed Project than others. Each applicant should conduct its own investigations and analysis and should check the accuracy, reliability and completeness of the information in this Bid document and obtain independent advice from appropriate sources. RSHAA, its employees and advisors make no representation or warranty and shall incur no liability under any law, statute, rules or regulations as to the accuracy, reliability or completeness of the Bid document. RSHAA may in its absolute discretion, but without being under any obligation to do so, update, amend or supplement the information in this Bid document.

Bidders are advised to acquaint themselves with the provisions of the law relating to procurement i.e. "The Rajasthan Transparency in Public Procurement Act, 2012" and "Rajasthan Transparency in Public Procurement Rules 2013" as amended from time to time. If there is any discrepancy between the provisions of the Act and the Rules and this Bidding document, The provisions of the Act and Rules shall prevail.

Part- A1

**Government of Rajasthan  
Rajasthan State Health Assurance Agency,  
Swasthya Bhawan, Tilak Marg, Jaipur-302005.**

No.F- 1008(160)/BSBY/Statutory Audit/2019-20 / 992 Dated 13/08/2020

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**REQUEST FOR QUOTATION**

Rajasthan State Health Assurance Agency (RSHAA) intends to conduct Statutory Audit of RSHAA (Bhamashah Swasthya Bima Yojana Phase-1 & Phase-2 till Date) for the period 2019-20. CAG Empaneled CA firms are eligible to submit their proposal and financial bid in the required format as per the minimum eligibility criteria laid down in the bid document. The Proposal & Financial bid (In a Separate envelope) should be submitted to the undersigned office by 20.08.2020 before 3.00 PM.

**Estimated Cost of the work is approximately 40000 INR.**

*Bella*  
Joint Chief Executive Officer,  
RSHAA

*[Handwritten signature]*

*Bella*

**PART A2**  
**TERMS OF REFERENCE**

RSHAA desires to appoint an independent firm of Chartered Accountants as External Auditors to conduct the statutory audit of the Bhamashah Swasthya Bima Yojana (BSBY) for the period FY 2019-20 under the following Terms of Reference.

**Section – I : Background**

**Brief description of the Scheme:**

The Scheme was initiated in the compliance of Budget Announcement 2014-15 by Hon'ble CM Rajasthan. The Bhamashah Swasthya Bima Yojana was launched in the state on 13th December, 2015 for around 1 crore eligible families of Rajasthan. The main objective of this scheme is to provide cashless healthcare services (through public as well as private hospitals) to the nearly 67% NFSA families of Rajasthan. The First phase of the scheme ended dated 12th December, 2017 and the second phase started 13th December, 2017 for next two years.

**Major Goals of the Scheme:**

- a. Providing cashless treatment to 67 percent families of Rajasthan, identified through coverage under NFSA (National Food Security Act, 2013).
- b. Providing access to quality healthcare to the poor through healthcare facilities in government as well as private sector.
- c. Reducing out of pocket expenditure on health incurred by poor/vulnerable sections of the society.

**Benefits Package:**

- a. Health Insurance cover of Rs. 30,000 (for general illnesses) and Rs. 3.00 lacs (for critical illnesses) per family per year is provided on floater basis.
- b. Disease packages:
- c. In second Phase (13.12.2017 to 12.12.2019) : 1401 Packages are Offered under the scheme which include 738 Secondary Packages (46 government and 14 private reserved packages), 663 tertiary packages.
- d. Cashless IPD treatment facility is provided at empanelled hospitals for Disease packages.

**Section – II : 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 Rajasthan State Health Assurance Agency (RSHAA) at the end of each financial year and of the funds received and expenditures for the accounting periods viz. 2019-20 as reported by the Financial Statements. RSHAA will provide the basis for preparation of the Financial Statements and are established to reflect the financial transactions in respect of the scheme.

### **Section – III : SCOPE AND COVERAGE OF THE AUDIT**

The Audit will be carried out in accordance with Audit & Assurance Standards of Auditing issued by the institution of Chartered Accountants of the 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:

An assessment of the adequacy of the Scheme financial management arrangements, including Statutory & Internal controls. This would include aspects such as adequacy and effectiveness of accounting , financial and operational controls, and any needs for revision ; level of compliance with established policies, plans and procedures; reliability of accounting systems, data and financial reports; methods of remedying weak controls or creating them where there are none; verification of assets and liabilities. This would be done in every year of scheme implementation and specific comments on this aspect would be provided by the auditor annually in the Management Letter.

The auditor is required to exercise such tests of accounting records, internal checks and control and other necessary audit of the accounts as per general principles and standard of audits of the Institute of Chartered Accountant of India (ICAI). In conducting the Audit, attention should be given to the following:

- a. All funds have been used in accordance with the condition of the relevant financial norms and financial regulations with due attention to economy and efficiency, and only for the purpose for which the financing was provided.
- b. Generally accepted accounting principles are followed by the Society as prevalent from time to time.
- c. All expenditure, including procurement of goods and services have been carried out as per the relevant procurement rules under RTPPP Act 2012 and rules implemented therein.

- d. Goods, works and services financed have been procured in accordance with the relevant provisions of the procurement rules prevalent in the government of Rajasthan. Proper documents namely purchase orders, tender documents, invoices, vouchers, receipts, pay bills, TA bills etc. are maintained and linked to the transactions and retained in proper records.
- e. All the goods procured and issued are supported by valid receipts and issue documents and are recorded in the stock / inventory registers and the closing balances worked out correctly.
- f. An assessment of the adequacy of the Scheme financial management systems, including internal controls of RSHAA. This would include aspects such as adequacy and effectiveness of accounting, financial and operational controls, and any need for revision; level of compliance with established policies, plans and procedures; reliability of accounting systems, data and financial reports; physical verification and reconciliation procedures; methods of remedying weak control or creating controls in areas in where they are lacking.
- g. Reconciliation of all Bank Statements and accounts is regularly carried out on a monthly basis and old outstanding entries/unusual entries are reviewed and followed up.
- h. Comments of general nature should be avoided. The audit comments should be backed by specific instance found in the account of the Society and any deviation from prescribed procedure must be identified.

### **Financial Statements of the Society**

The financial statements should include;

- a) A summary of funds received, showing the grant-in aid from Government of Rajasthan and funds received from other sources, donors, if any separately
- b) A summary of expenditures shown under the main activities of expenditures.
- c) A Balance Sheet showing accumulated funds of the Scheme, Bank Balances other Assets of the Scheme and Liabilities, if any, as at the close of the financial year under audit.
- d) An Income and Expenditure Account containing summary of income and expenditure shown as per the Scheme component/sub-component both for the current fiscal year and cumulative to date.

- e) A Receipts and Payments Account for the year under audit and cumulative till date.
- f) Accounting Policies applied in preparation of the Financial Statements and Notes on Account explaining, wherever necessary, the Scheme transactions.

### **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 Accounts.

### **Time Period for Submission**

The audited financial statements including the audit report should be submitted by Statutory Auditor **within one month of work allotted.**

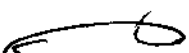
### **Management Letter**

In addition to the audit reports, the auditor should prepare a "management letter" 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 Statutory & Internal controls and make recommendations for their improvement.
- c) Comment on the adequacy of segregation of duties in the Society.
- d) Report on the degree of compliance with the financial / Statutory & Internal control procedures as documented in the financial procedures and byelaws of the society.
- e) Report any procurement which has not been carried out as per the procurement rules in force.
- f) Communicate matters that have come to attention during the audit which might have a significant impact on the implementation of the society; and
- g) 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**



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The auditor should be given access to all legal documents, correspondence, financial and procurement rules and any other information associated with the project as deemed necessary by the auditor.

### **Key Personnel**

The key personnel in the audit team, their minimum qualifications, and their anticipated inputs are indicated below.

- (a) The audit team should be headed by a Chartered Accountant with a minimum of 10 years' experience in audit.
- (b) The audit team should include sufficient number of appropriate staff (Articles/Audit Clerks and other audit staff), commensurate with the size and scope of the assignment.

### **STATEMENTS OF EXPENDITURES AND FINANCIAL MANAGEMENT REPORTS**

In addition to the audit of the financial statements of RSHAA, the auditor should apply such tests as the auditor considers necessary under the circumstances to satisfy the audit objective. In particular, these expenditures should be carefully examined for project eligibility by reference to the relevant bylaws of the Society.

### **AUDIT REPORT**

1. The Annual Audit Report on the financial statements of society will be in the form recommended by the Standards on Auditing of the ICAI, including a primary opinion on whether the financial statements of society show a true and fair view. In addition, the auditor will provide opinion on the matters requiring specific attention. Those standards require a clear written expression of opinion on whether the financial statements give a true and fair view. An unqualified opinion will indicate the auditor's satisfaction in all material respects that the financial statements give a true and fair view, they have been prepared using consistently applied generally accepted accounting principles, comply with the relevant scheme's legal documents and adequate disclosure of all material matters have been made. When a qualified opinion, adverse opinion or disclaimer of opinion or reservation of opinion on any matter is made due to limitation of scope or disagreement with management etc. the audit report should clearly state the reasons thereof (preferably in a separate paragraph) and, as far as practicable, quantify the effect on the financial position.

The auditor should submit the audit report to the CEO, RSHAA in two copies.

### **MANAGEMENT LETTER**

2. In addition to the audit report, the auditor will prepare a "Management Letter" and submit it along with the Audit Report. The Management Letter will elaborate the findings of the audit and contain recommendations for improvements in internal control and other matters coming to the attention of

the auditor during the audit examination. The Management Letter would include matters such as the following:

- (a) Comments and observations on the accounting records, systems, and internal controls that were examined during the course of the audit;
- (b) Specific deficiencies and areas of weakness in systems and internal controls and make recommendations for their improvement;
- (c) Degree of compliance of each of the financial covenants of the financing agreement and give comments, if any, on internal and external matters affecting such compliance;
- (d) Elaboration of the audit qualifications, if any, made in the audit report;
- (e) Major observations (systemic and recurrent) arising out of the internal audit reports, if any and the status of their compliance;
- (f) Details of findings of any investigations/internal audit/other audit into matters where there is suspected fraud (of any amount) or irregularity or a material failure of internal controls;
- (g) Adequacy of compliance with previous audit findings/recommendations in the Audit Report/Management Letter and status of any issues which remain to be addressed and any issues which recurred, if any;
- (h) Communicate matters that have come to the attention during the audit which might have a significant impact on the implementation of the Project; and
- (i) Any other matters that the auditor considers pertinent.

3. The Management Letter should contain an Executive Summary including a table of observations and audit recommendations along with response of the Management and a timeline for completing the action recommended.

## Part-A3

### Information and Instructions to bidders

#### 1. Declarations:

Every bidder is supposed to submit a declaration in following annexures:-

**Annexure A:-** Compliance with the Code of Integrity and no Conflict of Interest.

**Annexure B:-** Declaration by the bidder regarding qualifications.

**Annexure D:-** Additional Conditions of Contract.

#### 2. The bidder to inform himself fully:

The bidder shall be deemed to have been fully satisfied himself as to the scope of the task as well as all the conditions and circumstances affecting implementation of the Scheme. If he find any discrepancy in the RFQ document including terms of reference, he should submit his issue/question in writing at least 3 days before the proposal due date.

#### 3. Minimum Eligibility Criteria:

Proposals of the bidders received till due date and time shall be considered for evaluation if they fulfill minimum eligibility criteria as below:-

S.No	Eligibility Criteria			
1	<b>Registration</b>			
	The bidder should be a registered body with ICAI as a practicing firm and empanelled with CAG of India for conducting statutory audit.			
2.	<b>Experience</b>			
	The Firm must be practicing for a minimum of 10 years as on 01.01.2020 and should not have been black-listed by Central/State Government(s)/PSUs or any other organizations in respect of any assignment or behavior.			
	The Firm should have a Head Office/Branch Office in Jaipur, Rajasthan.			
3.	<b>Financial Soundness/Stability:</b>			
	Bidders must qualify the following minimum criteria;			
	S.No.	Particulars	Minimum Criteria	Supporting Documents
	A	Turnover of the firm (Average Annual Turnover in the last 3 Financial Years prior to the current FY i.e. 2020-21)	Rs 25 lacs	
	B	Number of Years of Firm's existence as per the ICAI	10 Years	

	registration certificate		
C	Number of Audit assignments of the Government projects/Societies/PSUs in the last 10 years especially in the finance/social/health sector.	5	
4	An affidavit certified by notary public (on non-judicial stamp of Rs 100/-) to the effect that the bidder has not been blacklisted in the past by any of the State Governments/Procuring entity across the country or Government of India and that it will not form any coalition with the other bidder.		

**Note:**

- I. Any firm not qualifying on the above minimum criteria need not apply as its proposal shall be summarily rejected. The firm shall submit Appropriate document to support their eligibility on point no1, 2, 3 respectively.
- II. Bids in may be submitted to JCEO, SHAA, Swasthya Bhawan, Tilak Marg Jaipur on or before 3:00 pm hrs on **2020**. For further clarifications/queries, interested bidders may please contact :bsbyraj1@gmail.com.
- III. Bidders fulfilling eligibility criteria shall only be considered and financial bid of only those bidders shall be opened. Those bidders who will not fulfill the eligibility criteria will not be considered.

**4. Method for submission of the Proposal:**

**Format of the Bid:**

Service providers are required to submit the total cost including all taxes as applicable in a separate envelope sealed properly in the following format.

The price mentioned in the proposal shall be paid to the selected bidder as per terms and conditions of the bid.

Financial Proposals shall be submitted in the specified format to the Project Authority;

S. No.	Description	Price in Rs. (inclusive of all taxes and Expenses)
1	Statutory Audit of RSHAA for FY 2019-20	
2.	Tax Audit Report for FY 2019-20	
3.	ITR filling and IT Assessment procedure work for FY 2019-20	

Note:-

1. Rates should be quoted in words also.

**5. Validity of the Proposal**

Validity of the proposal will be 90 Days from the date of submission of the bid.

**6. Modification/withdrawal of the Proposal:**

No bid shall be withdrawn/substituted or modified after the last date and time fixed for receipt of bids.

**7. The bidders should note the following**

- a) That the incomplete RFQ in any respect or those that are not consistent with the requirements as specified in this Request for Quotation Document or those that do not contain the Covering Letter or any other documents as per the specified formats may be considered non-responsive and liable for rejection.
- b) Strict adherence to formats, wherever specified, is required.
- c) All communication and information should be provided in writing.
- d) No change in/or supplementary information shall be accepted once the RFQ is submitted online. However, Project Authority reserves the right to seek additional information and/or clarification from the Bidders, if found necessary, during the course of evaluation of the RFQ. Non submission, incomplete submission or delayed submission of such additional information or clarifications sought by Project Authority may be a ground for rejecting the RFQ.
- e) The RFQ shall be evaluated as per the eligibility criteria specified in this RFQ Document. However, within the broad framework of the evaluation parameters as stated in the RFQ.
- f) The Bidder should designate one person ("Contact Person" and "Authorized Representative and Signatory") authorized to represent the Bidder in its dealings with. This designated person should hold the Power of Attorney and be authorized to perform all tasks including but not limited to providing information, responding to enquiries, etc. The Covering Letter submitted by the Bidder shall be signed by the Authorized Signatory and shall bear the stamp of the firm.
- g) Mere submission of information does not entitle the Bidder to meet an eligibility criterion. Project Authority reserves the right to vet and verify any or all information submitted by the Bidder.
- h) If any claim made or information provided by the Bidder in the RFQ or any information provided by the Bidder in response to any subsequent query by, is found to be incorrect or is a material misrepresentation of facts, then the RFQ will be liable for rejection. Mere clerical errors or bonafide mistakes may be treated as an exception at the sole discretion of RSHAA.

- i) The Bidder shall be responsible for all the costs associated with the preparation of the Request for Proposal and any subsequent costs incurred as a part of the Bidding Process shall not be responsible in any way for such costs, regardless of the conduct or outcome of this process.

8. **Time Schedule for submission of the Proposal:**

Last Time & date for submission of the Limited Quotation	3:00 pm on 20/8/2020 20.8.2020
Time & date for opening of Financial bid	Will be intimated to the qualified bidders.

RSHAA, Jaipur in exceptional circumstances and at its sole discretion, revise the time schedule (extension in time) by issuance of addenda(s).

2. **Project Authority**

Chief Executive Officer, State Health Assurance Agency  
Rajasthan State Health Assurance Agency  
Swasthya Bhawan, Tilak Marg, C-Scheme, Jaipur  
E mail:- [bsbyraj1@gmail.com](mailto:bsbyraj1@gmail.com).  
Phone:- 0141-2222817,0141-2224910.

ANNEXURE-I

(Covering Letter)

Letter comprising the Proposal

Dated:

To,

Chief Executive Officer,  
State Health Assurance Agency  
Swasthya Bhawan Tilak Marg  
C-Scheme, Jaipur.

**Sub: Proposal for conducting Statutory Audit of RSHAA for the period FY 2019-20**

Dear Sir,

With reference to your Bid document dated ..... I/we, having examined the Bid and understood its contents, hereby submit my/our proposal for the aforesaid Subject. The proposal is unconditional and unqualified.

2. I/ We acknowledge that the Authority will be relying on the information provided in the Proposal and the documents accompanying the proposal for selection of the Bidder for the aforesaid Scheme, and we certify that all information provided therein is true and correct; nothing has been omitted which renders such information misleading; and all documents accompanying the Proposal are true copies of their respective originals.

3. This statement is made for the express purpose of our selection as bidder for the conduct of Statutory Audit of Rajasthan State Health Assurance Agency (RSHAA) implementing the Bhamashah Swasthaya Bima Yojana (BSBY).

8. I/ We understand that you may cancel the Bidding Process may be cancelled at any time and that RSHAA neither bound to accept any Proposal that RSHAA may be received nor to invite the Bidders to Proposal for the Scheme, without incurring any liability to the Bidders.

9. I/ We believe that I/we satisfy(s) the technical eligibility criteria and meet(s) the requirements as specified in the Bid document.

11. I/ We certify that in regard to matters other than security and integrity of the country, we or any of our/ their Associates have not been convicted by a Court of Law or indicted or adverse

orders passed by a regulatory authority which could cast a doubt on our ability to undertake the Scheme or which relates to a grave offence that outrages the moral sense of the community.

17. I/ We have studied all the Bidding Documents carefully and also studied the Bhamashah Swasthya Bima Yojana.

18. I/ We agree and understand that the Proposal is subject to the provisions of the Bidding Documents. In no case, I/we shall have any claim or right of whatsoever nature if the work is not awarded to me/us or our Proposal is not opened or rejected.

19. I/ We agree and undertake to abide by all the terms and conditions of the Bid document.

20. I/ We shall keep this offer valid for 90 (Ninety) days from the Proposal Due Date specified in the Bid.

21. I/ We hereby submit the following Proposal for undertaking the aforesaid Scheme in accordance with the Bidding Documents and agreement.

22 We are enclosing:-

- i. Each page, form, Annexure and Appendix of the original Bid (must be signed by bidder with seal of firm/legal entity).
- ii. Power of attorney
- iii. Proposal format

1. We agree to keep our offer valid for the period for the period stipulated in the Bid document.

**In witness thereof, I/we submit this Proposal under and in accordance with the terms of the bid document.**

Yours faithfully,

Date: (Signature, name and designation of the Authorized signatory)  
Place: Name and seal of  
Bidder



## **Annexure A : Compliance with the Code of Integrity and No Conflict of Interest**

Any person participating in a procurement process shall -

- (a) not offer any bribe, reward or gift or any material benefit either directly or indirectly in exchange for an unfair advantage in procurement process or to otherwise influence the procurement process;
- (b) not misrepresent or omit that misleads or attempts to mislead so as to obtain a financial or other benefit or avoid an obligation;
- (c) not indulge in any collusion, Bid rigging or anti-competitive behavior to impair the transparency, fairness and progress of the procurement process;
- (d) not misuse any information shared between the procuring Entity and the Bidders with an intent to gain unfair advantage in the procurement process;
- (e) not indulge in any coercion including impairing or harming or threatening to do the same, directly or indirectly, to any party or to its property to influence the procurement process;
- (f) not obstruct any investigation or audit of a procurement process;
- (g) disclose conflict of interest, if any; and
- (h) disclose any previous transgressions with any Entity in India or any other country during the last three years or any debarment by any other procuring entity.

### **Conflict of Interest:-**

The Bidder participating in a bidding process must not have a Conflict of Interest.

A Conflict of Interest is considered to be a situation in which a party has interests that could improperly influence that party's performance of official duties or responsibilities, contractual obligations, or compliance with applicable laws and regulations.

i. A Bidder may be considered to be in Conflict of Interest with one or more parties in a bidding process if, including but not limited to:

- a. have controlling partners/ shareholders in common; or
- b. receive or have received any direct or indirect subsidy from any of them; or
- c. have the same legal representative for purposes of the Bid; or
- d. have a relationship with each other, directly or through common third parties, that puts them in a position to have access to information about or influence on the Bid of another Bidder, or influence the decisions of the Procuring Entity regarding the bidding process; or
- e. the Bidder participates in more than one Bid in a bidding process. Participation by a Bidder in more than one Bid will result in the disqualification of all Bids in which the Bidder is involved. However, this does not limit the inclusion of the same subcontractor, not otherwise participating as a Bidder, in more than one Bid; or
- f. the Bidder or any of its affiliates participated as a consultant in the preparation of the design or technical specifications of the Goods, Works or Services that are the subject of the Bid; or
- g. Bidder or any of its affiliates has been hired (or is proposed to be hired) by the Procuring Entity as engineer-in-charge/ consultant for the contract.

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## **Annexure B : Declaration by the Bidder regarding Qualifications**

### **Declaration by the Bidder**

In relation to my/our Bid submitted to ..... for procurement of ..... in response to their Notice Inviting Bids No..... Dated..... I/we hereby declare under Section 7 of Rajasthan Transparency in Public Procurement Act, 2012, that:

1. I/we possess the necessary professional, technical, financial and managerial resources and competence required by the Bidding Document issued by the Procuring Entity;
2. I/we have fulfilled my/our obligation to pay such of the taxes payable to the Union and the State Government or any local authority as specified in the Bidding Document;
3. I/we are not insolvent, in receivership, bankrupt or being wound up, not have my/our affairs administered by a court or a judicial officer, not have my/our business activities suspended and not the subject of legal proceedings for any of the foregoing reasons;
4. I/we do not have, and our directors and officers not have, been convicted of any criminal offence related to my/our professional conduct or the making of false statements or misrepresentations as to my/our qualifications to enter into a procurement contract within a period of three years preceding the commencement of this procurement process, or not have been otherwise disqualified pursuant to debarment proceedings;
5. I/we do not have a conflict of interest as specified in the Act, Rules and the Bidding Document, which materially affects fair competition;

Date:  
Place:

Signature of bidder  
Name :  
Designation:  
Address:

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## **Annexure D : Additional Conditions of Contract**

### **1. Correction of arithmetical errors**

Provided that a Financial Bid is substantially responsive, the Procuring Entity will correct arithmetical errors during evaluation of Financial Bids on the following basis:

- i. if there is a discrepancy between the unit price and the total price that is obtained by multiplying the unit price and quantity, the unit price shall prevail and the total price shall be corrected, unless in the opinion of the Procuring Entity there is an obvious misplacement of the decimal point in the unit price, in which case the total price as quoted shall govern and the unit price shall be corrected;
- ii. if there is an error in a total corresponding to the addition or subtraction of subtotals, the subtotals shall prevail and the total shall be corrected; and
- iii. if there is a discrepancy between words and figures, the amount in words shall prevail, unless the amount expressed in words is related to an arithmetic error, in which case the amount in figures shall prevail subject to (i) and (ii) above.

If the Bidder that submitted the lowest evaluated Bid does not accept the correction of errors, its Bid shall be disqualified and its Bid Security shall be forfeited or its Bid Securing Declaration shall be executed.

### **2. Procuring Entity's Right to Vary Quantities**

(i) At the time of award of contract, the quantity of Goods, works or services originally specified in the Bidding Document may be increased or decreased by a specified percentage, but such increase or decrease shall not exceed twenty percent, of the quantity specified in the Bidding Document. It shall be without any change in the unit prices or other terms and conditions of the Bid and the conditions of contract.

(ii) If the Procuring Entity does not procure any subject matter of procurement or procures less than the quantity specified in the Bidding Document due to change in circumstances, the Bidder shall not be entitled for any claim or compensation except otherwise provided in the Conditions of Contract.

(iii) In case of procurement of Goods or services, additional quantity may be procured by placing a repeat order on the rates and conditions of the original order. However, the additional quantity shall not be more than 25% of the value of Goods of the original contract and shall be within one month from the date of expiry of last supply. If the Supplier fails to do so, the Procuring Entity shall be free to arrange for the balance supply by limited Bidding or otherwise and the extra cost incurred shall be recovered from the Supplier.

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