

RAJASTHAN RAJYA VIDYUT PRASARAN NIGAM LTD

No RVPN/SE/NPP&RA/2016/PPP-6/CHARTERED
ACCOUNTANTS/EOI-22

EXPRESSION OF INTEREST (EOI)

FOR

EMPANELMENT OF

FIRMS OF CHARTERED ACCOUNTANT

FOR

400 kV D/C BIKANER-SIKAR
TRANSMISSION PROJECT

Expression of Interest (EOI)
for Empanelment of firms of Chartered Accountants

1. Background

- 1.1 The Rajasthan Vidyut Prasaran Nigam Ltd., a fully owned company of the Government of Rajasthan, having registered office at Vidyut Bhawan, Jyoti Nagar, Jaipur-302005 (the “**Authority**”) is engaged in the development of a state transmission grid with a view to increasing and improving the supply of electricity and as part of this endeavour, the Authority has decided to undertake the development of a Transmission System by construction of a 400 kV Double Circuit Transmission line between 400 kV Grid substation, Bikaner and 400 kV Grid substation, Sikar through Public Private Partnership mode (the “**Project**”) on Design, Build, Finance, Operate and Transfer (the “**DBFOT**”) basis. The estimated cost of the Project is Rs. 260 Cr. (Rupees two hundred Sixty crore) only.
- 1.2 The Project has been awarded on DBFOT basis to M/s KEC International Ltd., Gurgaon (M/s KEC) selected through Competitive Bidding Process. The Project would be implemented in accordance with the terms and condition stated in the transmission agreement entered into between the Authority and M/s KEC Bikaner Sikar Transmission Pvt. Ltd. (M/s KECBSTPL), a Special Purpose Vehicle set up by M/s KEC International Ltd., Gurgaon for implementation of the Project. With a view to audit the Accounts of **M/s KECBSTPL (the “Concessionaire”)** and act as Statutory Auditors of M/s KECBSTPL under and in accordance with the provisions of the Transmission Agreement, the Authority has decided to invite this Expression of Interest.
- 1.3 In pursuance of the above, the Authority has decided to invite Expression of Interest (EOI) from reputed firms of Chartered Accountants having registered offices in India for their empanelment (the “Panel of Chartered Accounts”) for selection of one of the firms to act as Statutory Auditors of M/s KEC Bikaner Sikar Transmission Pvt. Ltd. Gurgaon involved in development of “400 KV Bikaner-Sikar Transmission Line Project through Public Private Partnership (PPP) mode on Design, Build, Finance, Operate and Transfer (DBFOT) basis”.

2 Procedure of Empanelment:

The Authority and the Concessionaire shall prepare a mutually agreed panel of 5 (five) reputable firms of Chartered Accountants having their registered offices in India (the “**Panel of Chartered Accountants**”). The criteria for preparing such Panel and the procedure to be adopted in this behalf shall be as set forth hereunder.

3 Invitation for empanelment

- 3.1 The EOIs are invited from all reputable firms of Chartered Accountants who fulfil the following eligibility criteria:
- (a) the firm should have conducted statutory audit of the annual accounts of at least one hundred companies registered under the Companies Act, 1956 including any re-enactment or amendment thereof, of which at least ten should have been public sector undertakings;
 - (b) the firm should have at least 5 (five) practicing Chartered Accountants on its rolls, each with a minimum experience of ten years in the profession; and
 - (c) the firm or any of its partners should not have been disqualified or black-listed by the Comptroller and Auditor General of India or the Authority.
- 3.2 Interested firms meeting the eligibility criteria shall be required to submit a statement of their capability including the bio-data of all the practicing Chartered Accountants on its rolls. In particular, each firm shall be required to furnish year-wise information relating to the names of all the companies with an annual turnover exceeding Rs. 25,00,00,000 (Rs. twenty five crore) whose annual accounts were audited (Statutory Audit) by such firm in any of the preceding 5 (five) Accounting Years.

4 Evaluation and selection

- 4.1 The information furnished by each firm shall be scrutinised and evaluated by the Authority and 1 (one) point shall be awarded for each annual audit of the companies specified in Paragraph 3.2 above. (for the avoidance of doubt, a firm which has conducted audit of the annual accounts of any such company for five years shall be awarded five points).
- 4.2 The Authority shall prepare a list of all the eligible firms along with the points scored by each such firm and 5 (five) firms scoring the highest points shall be identified and included in the draft Panel of Chartered Accountants. In case of two or more firms getting equal scores, the decision of Authority shall be final and binding.

5 Consultation with the Concessionaire

The Authority shall convey the aforesaid panel of firms to the Concessionaire for scrutiny and comments, if any. The Concessionaire shall be entitled to scrutinise the relevant records of the Authority to ascertain whether the selection of firms has been undertaken in

accordance with the prescribed procedure and it shall send its comments, if any, to the Authority within 15 (fifteen) days of receiving the aforesaid panel.

6 Mutually agreed panel

- 6.1 The Authority shall, after considering all relevant factors including the comments, if any, of the Concessionaire, finalise and constitute a panel of 5 (five) firms which shall be deemed to be the mutually agreed Panel of Chartered Accountants.
- 6.2 After completion of every five years from the date of preparing the mutually agreed Panel of firms of Chartered Accountants, or such earlier period as may be agreed between the Authority and the Concessionaire, a new panel shall be prepared in accordance with the provisions of Transmission Agreement.

7. Appointment of Auditor

- 7.1 The Concessionaire shall appoint, and have during the subsistence of the Transmission Agreement as its Statutory Auditors, a firm chosen by it from the mutually agreed panel of 5 (five) reputable firms of chartered accountants (the "**Panel of Chartered Accountants**"). All fees and expenses of the Statutory Auditors shall be borne by the Concessionaire.
- 7.2 The Concessionaire may terminate the appointment of its Statutory Auditors after a notice of 45 (forty five) days to the Authority, subject to the replacement Statutory Auditors being appointed from the Panel of firms of Chartered Accountants.
- 7.3 Notwithstanding anything to the contrary contained in the Transmission Agreement, the Authority shall have the right, but not the obligation, to appoint at its cost from time to time and at any time, another firm (the "**Additional Auditors**") from the Panel of Chartered Accountants to audit and verify all those matters, expenses, costs, realisations and things which the Statutory Auditors are required to do, undertake or certify pursuant to this Agreement.

8. Certification of claims by Statutory Auditors

Any claim or document provided by the Concessionaire to the Authority in connection with or relating to receipts, income, payments, costs, expenses, accounts or audit, and any matter incidental thereto shall be valid and effective only if certified by its Statutory Auditors. For the avoidance of doubt, such certification shall not be required for exchange of information in the normal course of business.

9. Set -off

In the event any amount is due and payable by the Authority to the Concessionaire, it may set-off any sums payable to it by the Concessionaire and pay the balance remaining. Any exercise by the Authority of its rights under this Clause shall be without prejudice to any other rights or remedies available to it under the Transmission Agreement or otherwise.

10. Dispute resolution

In the event of there being any difference between the findings of the Additional Auditors or the Concurrent Auditors, as the case may be, and the certification provided by the Statutory Auditors, such Auditors shall meet to resolve the differences and if they are unable to resolve the same, such Dispute shall be resolved by the Authority by recourse to the Dispute Resolution Procedure.

11. Instructions to the Applicants

Applicant(s) must read all the “Instructions to Applicants” very carefully.

- i. The objective of this EOI is to solicit Expression of Interest (EOI) from eligible Chartered Accountant Firms for consideration for empanelment.
- ii. This EOI expressly intends to qualify the suitable submissions of EOI for short listing and empanelment exclusively on the basis of details and information furnished by the Applicant(s) without being influenced by any other extrinsic factor.
- iii. Applicant(s) must ensure that the EOI submitted should include only required documents, details and information. In no case there should be an attempt to make it a bulky document with undesired documents and other unwanted details.
- iv. Details should be provided strictly in the “Prescribed Formats”.
- v. Applicant(s) must ensure that each page of the EOI as well as enclosures and Annexure are signed by the duly authorised signatory of the Applicant. All signatures must be dated.
- vi. All witnesses and sureties shall be person of status and probity and their full names and addresses shall be stated below their signature. Applicant(s) must furnish the “Power of Attorney” in prescribed format for the authorised signatory specifying acts, deeds and things as may be necessary in connection with the EOI. The “Declaration” submitted by the Applicant(s) must be in accordance with the

prescribed form and must be signed by the authorised signatory with competent power of attorney. The Applicant should submit a Power of Attorney as per the format at Form-2; provided, however, that such Power of Attorney would not be required if the Application is signed by a partner of the Applicant, in case the Applicant is a partnership firm or limited liability partnership.

- vii. Applicant(s) may clarify their doubt(s) (if any) by contacting the authorised official(s) of the project communicating through telephone, facsimile or email.
- viii. Joint ventures/Consortiums/ Associations are not eligible to apply.
- ix. It may be noted that this is Invitation for Expression of Interest and should not be construed as the Tender/ Request for Proposal (RFP) in any form and would not be binding on the RVPNL in any manner whatsoever.
- x. Sealed EOI prepared in accordance with the procedure enumerated in this document should be submitted to Superintending Engineer (NPP&R), RVPN, Room No. 302, Vidyut Bhawan, Jyoti Nagar, Jaipur – 302005.
- xi. EOI must be valid for 120 days from the date of opening of EOI.
- xii. The last date of submission of EOI is 28-07-2016 before 11.00 Hrs. IST.
- xiii. The EOI shall be opened on 28-07-2016 at 11.30 Hrs. IST.
- xiv. Only short listed firms will be intimated for next process of selection by M/s KECBSTPL.
- xv. RVPNL reserves the right to cancel / re-invite this EOI if the necessity so arises. It also reserves the right to seek further information / details.
- xvi. Firms / Organizations if found to have indulged in any corrupt or fraudulent practices will have their EOI document not taken up for consideration.
- xvii. The Authority will not be responsible for non receipt / non delivery of the EOI due to any reason whatsoever.
- xviii. The firm shall bear all its costs associated with or relating to the preparation and submission of its offer including but not limited to preparation, copying, postage, delivery fees, expenses associated with any demonstrations or presentations which may be required by the Authority or any other costs incurred in connection with or relating to its offer. All such costs and expenses will remain with the firm and the Authority shall not be liable in any manner whatsoever for the

same or for any other costs or other expenses incurred by a firm in preparation or submission of the offer, regardless of the conduct or outcome of the EOI Process.

Form -1

APPLICANT'S EXPRESSION OF INTEREST

(Applicants must submit this expression of interest cover letter on official letter head of the firm / company)

To,

**The Superintending Engineer (NPP&RA),
Rajasthan Vidyut Prasaran Nigam Ltd.,
Room No. 302, Vidyut Bhawan, Janpath
Jaipur-302005.**

Sub.: Expression of Interest (EOI) for Empanelment of firms of Chartered Accountants.

Dear Sir,

We (name of firm/company) intend to submit an Expression of Interest (EOI) for Empanelment of firms of Chartered Accountants in response to the request for Expression of Interest (EOI) published on dtd._____.

We are submitting all the required credentials / information as prescribed in your solicitation of EOI in prescribed formats.

We confirm that the information contained in this EOI or any part thereof, including its exhibits and other documents submitted or to be submitted to the RVPNL is true, accurate, verifiable and complete. This response includes all information necessary to ensure that the statements therein do not in whole or in part mislead the RVPNL in its short-listing process. If any of the information provided here is found to be misleading the short-listing process or unduly favours our company in the short listing process, we are liable to be disqualified and rejection from the short listing.

We understand that this EOI is liable to be rejected from the short listing process if it is revealed that there exists any conflict of interests.

It is hereby confirmed that I/We are entitled to act on behalf of our firm/company and empowered to sign this document as well as such other documents, which may be required in this connection.

Dated this _____ Day of -----, 2016,

Signature
(In the Capacity of)
Duly authorised to sign the EOI for and on behalf of
(Name and Address of Company) Seal/Stamp.

Form-2

POWER OF ATTORNEY

(Format for Power of Attorney for signing of EOI)
(To be executed on Non-Judicial Stamp paper duly notarised by a Notary Public)

Know all men by these presents, we _____ (name and address of the registered office) do hereby constitute, appoint and authorise Mr./ Ms. _____ (name and residential address) who is presently employed with us and holding the position of

_____ as our attorney, to do in our name and on our behalf, all such acts, deeds and things necessary in connection with or incidental to our "EOI" for empanelment of firms of Chartered Accountants for selection to act as Statutory Auditors of M/s KECBSTL, including signing and submission of all documents and providing information / responses, submission of expression of Interest (EOI) to RVPNL, representing us in all matters before RVPNL and generally dealing with RVPNL in all matters in connection with our EOI.

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

For _____
(Signature)
(Name, Title and Address)

Accepted

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

Witnesses:

1. _____ (Name & Address) _____ (Notarised)
2. _____ (Name and Address)

NOTE:-

The mode of execution of the power of Attorney should be in accordance with the procedure, if any, laid down by the applicable law and when it is so required the same should be under common seal affixed in accordance with the required procedure.

Form - 3
PARTICULARS OF APPLICANT

| Particulars of Applicant | | | |
|--|----------|------------|--|
| Name of Applicant Firm | | | |
| Address (Head office and/or Registered office) | | | |
| Phone Number(s) | | Fax No | |
| Email | | Website | |
| Authorised Contact Person | | | |
| Name | | | |
| Designation | | | |
| Address | | | |
| Office Telephone No(s) | Mob. No. | Fax Number | |
| | | | |
| Email | | Website | |

LEGAL STATUS

| Legal Status | | | | |
|--|----------------------|---------------------------------|---|---------------------|
| Proprietary Firm | Partnership Firm | Limited Company | Private Limited Company | Any other (Specify) |
| Yes/No | Yes/No | Yes/No | Yes/No | Yes/No |
| | | | | |
| Firm Registration | | | | |
| Establishment / Incorporation Date (for Applicant Firm) | | | | |
| Registration Authority | Date of Registration | Registration Number / Reference | Registration Under Act /Rules / Proviso | |
| | | | | |

Signature
(In the Capacity of)
Duly authorised to sign the EOI for and on behalf of
(Name and Address of Company) Seal/Stamp.

Form - 4

Eligibility Criteria as per Clause –3

Clause 3.1(a)

| S. No. | Name of Firms whose Statutory Audit of annual accounts conducted. | Whether the audited firm registered under Companies Act 1956. | Whether the audited firm is Public Sector undertaking. | Remarks |
|--------|---|---|--|---------|
| | | | | |
| | | | | |

Clause 3.1 (b)

| S. No. | Name of practicing Chartered Accountants on the rolls of the firm. | Experience. | Remarks |
|--------|--|-------------|---------|
| | | | |
| | | | |

Clause- 3.1 (c) Whether firm or its partners have been disqualified or black listed by the Comptroller and Auditor General of India or the Authority (RVPNL) - Yes /No

Signature
(In the Capacity of)
Duly authorised to sign the EOI for and on behalf of
(Name and Address of Company) Seal/Stamp.

Form - 5
(Ref. Clause 3.2)

- a. Details of audited Companies with annual turnover exceeding Rs.25,00,00,000/- (Twenty Five Crore).

| S. No. | Accounting year | Name of the firms whose annual accounts audited (Statutory Audit) in the preceding five Accounting years | Annual Turn over | Remarks |
|--------|-----------------|--|------------------|---------|
| 1 | 2011-12 | | | |
| 2 | 2012-13 | | | |
| 3 | 2013-14 | | | |
| 4 | 2014-15 | | | |
| 5 | 2015-16 | | | |

- b. Whether the bio data of all practicing Chartered Accountant on rolls of the firms submitted. - Yes/No

Signature
(In the Capacity of)
Duly authorised to sign the EOI for and on behalf of
(Name and Address of Company) Seal/Stamp.

DECLARATION BY THE APPLICANT

(Declaration must be on the official letter head duly signed by the authorised signatory)

1. We hereby confirm that we (name of the applicant firm) are interested in submission of our expression of Interest (EOI) for empanelment of firms of Chartered Accountants for Selection of Statutory Auditors of M/s. KECBSTPL.
2. We confirm that all information contained in this Expression of Interest (EOI) and subsequently provided / clarified are in good interest and faith. All the information provided herewith is genuine and accurate.
3. We understand that this is not an agreement and is not an offer or invitation to enter into an agreement of any kind with any party.
4. We hereby confirm that our firm is independent from the project and there is no Conflict of Interests. We also confirm that our applicant chartered accountant firm is completely independent of the entity M/s. KECBSTPL to be audited. Neither the firm nor its Partners or Associates have any financial interest in the business of M/s KECBSTPL. The audit will not be done by a person who was either an employee in the M/s KECBSTPL or a partner / employee of the retiring auditor.
5. We confirm that no partner of the firm or any qualified employee of the firm is related to any member of the Governing Body/Executive Committee/or any of the senior management of the M/s KECBSTPL. The Term "Relative" here means husband, wife, brother, or sister, or any lineal ascendant or descendant.
6. We confirm that neither the firm nor its partners or associates have any financial interest in the business of the project and M/s KECBSTPL.
7. We confirm that our firm has never been and is not under a Declaration of Ineligibility for corrupt or fraudulent practices or blacklisted with any of the Government agencies. Our applicant chartered accountant firm has not been and is not the one against which disciplinary orders have been issued by the public Companies Accounting Oversight Board (PCAOB) or the Institute of Chartered Accountants of India (ICAI) and the orders are in force.

8. We confirm that our firm or any of its partners have not been disqualified or black-listed by the Comptroller and Auditor General of India or the Authority.
9. We confirm that in case of any further changes which affect this declaration at a later date we would inform appropriately.

Dated this _____ Day of -----2016,

Signature
(In the Capacity of)

Duly authorised to sign the EOI for and on behalf of
(Name and Address of Company) Seal/Stamp.

LIST OF ENCLOSURES / ANNEXURES

| LIST OF ENCLOSURES / ANNEXURES | | | |
|---------------------------------------|---|---|-------------|
| Sl. No. | Brief Description of Enclosures / Annexures | Enclosures / Annexures Reference Number | Page Number |
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