



CLARIFICATION TO QUERIES IN CONNECTION WITH RFP FOR FORENSIC AUDIT OF GEMS PORTFOLIO

RFP No. 314/2019/1370/HO1/Others dated August 06, 2018

Point Reference	Details as per RFP	Queries	Reply
1.6 Page 4	The Bidders unconditionally acknowledge by submitting its response to this RFP document that they have not relied on any idea, information, statement, representation or warranty given in this RFP document.	Request to add the following: "subject to mutually agreed terms between the parties."	No change proposed
1.14 Page 5	All submissions, including any accompanying documents, will become the property of the Bank. The Bidder shall be deemed to have licensed, and granted all rights to the Bank to reproduce the whole or any portion of their submission for the purpose of evaluation, to disclose the contents of the submission to other bidders and to disclose and/or use the contents of the submission as the basis for any resulting RFP process, notwithstanding any copyright or other intellectual property right of the Bidder in the submission or accompanying documents.	<p>1. Request to reword to:</p> <p>"All submissions, including any accompanying documents, will become the property of the Bank. The Bidder shall be deemed to have licensed, and granted all rights to the Bank to reproduce the whole or any portion of their submission for the purpose of evaluation,"</p> <p>2. Our understanding of the highlighted portion is that you have a right to disclose our submission to the other bidders which we generally disagree too, considering that our submission will be strictly private and confidential and only for the purpose of the receiver's consideration. Particularly, we disagree for the submission or parts of it to be disclosed to other bidders because it may and will contain confidential information which is proprietary to the Bidder. Accordingly, we are unable to envisage the rationale for such a sharing and hence, request clarification for the rationale including the types of information that you anticipate sharing for us to consider.</p> <p>Nevertheless, assuming that the requirement is mandatory, cannot be done away with and we agreeing to it, it is requested that any disclosure made ought to be made to all the</p>	<p>Clause modified as below:</p> <p>All submissions, including any accompanying documents, will become the property of the Bank. The Bidder shall be deemed to have licensed and granted all rights to the Bank to reproduce the whole or any portion of their submission for the purpose of evaluation and use the contents of the submission as the basis for any resulting RFP process, notwithstanding any copyright or other intellectual property right of the Bidder in the submission or accompanying documents.</p>

		bidders and all bidders' equivalent information be made available to all bidders.																					
1.17 Page 6 7.35 Page 36	• Subcontracting – No subcontracting allowed	Can we take assistance from our contractors or other network firms (each of which is a separate and independent legal entity) and may share confidential information with them in connection with this engagement? However, we remain solely liable to the Client for their acts; claims (if any) in relation to this engagement will be routed solely through Client and us.	No change proposed.																				
3.2 Page 9	Purpose - To participate in the competitive bidding for conducting Forensic Audit of live accounts of GEMS (including erstwhile DRCS, etc.) portfolio including Non-Performing Asset (NPA) cases. The portfolio size at present is about INR 600 crore and around 400 borrowers.	<p>Request you to provide the following information:</p> <ol style="list-style-type: none"> 1. How many number of accounts/ borrowers are declared NPA and their exposure? 2. What is average ticket size and tenure of the loan granted? 3. What are the broad demographics of borrower - Private, proprietorship, partnership 4. What is the broad geographical spread of the borrower? 	<ol style="list-style-type: none"> 1. This information shall be disclosed to the successful bidder. 2. Average ticket size is about ` 1.50 crore and average tenure of loan about 7 years 3. Mostly private limited company 4. Geographic spread is given below: <table border="1" data-bbox="1601 726 2116 1045"> <thead> <tr> <th>Region</th> <th>No of borrowers</th> </tr> </thead> <tbody> <tr> <td>Ahmedabad</td> <td>38</td> </tr> <tr> <td>Chandigarh</td> <td>24</td> </tr> <tr> <td>Chennai</td> <td>25</td> </tr> <tr> <td>Guwahati</td> <td>3</td> </tr> <tr> <td>Hyderabad</td> <td>30</td> </tr> <tr> <td>Jaipur</td> <td>34</td> </tr> <tr> <td>Lucknow</td> <td>18</td> </tr> <tr> <td>New Delhi</td> <td>84</td> </tr> <tr> <td>Pune</td> <td>93</td> </tr> </tbody> </table>	Region	No of borrowers	Ahmedabad	38	Chandigarh	24	Chennai	25	Guwahati	3	Hyderabad	30	Jaipur	34	Lucknow	18	New Delhi	84	Pune	93
Region	No of borrowers																						
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Pune	93																						
		<p>SIDBI latest annual report available on its website is for FY 2016-17 states on page 29 through a table on the right side of the page that the assistance provided through the Direct Equity support scheme - GEMS is INR 1,041 crores to 528 beneficiaries.</p> <ol style="list-style-type: none"> 1. Will the information provided by you i.e. live accounts aggregating to INR 600 crores to about 400 borrowers, be a subset of the above information provided and quoted in your annual report as above and therefore, to be considered for the purpose of drawing 	<ol style="list-style-type: none"> 1. The information provided was approximate figure. The current outstanding under GEMS portfolio is around ` 561 crore with 349 borrowers. 2. Evaluation of the scheme in the light of increase in NPAs vis-a-vis other products of SIDBI. 3. About 30% of the portfolio has turned NPA. 																				

		<p>estimates for our exercise?</p> <p>2. Can you please share the specific reasons for starting this exercise i.e. Can you please provide triggers which lead to initiating this Forensic audit?</p> <p>3. What percentage of the 400 borrowers / INR 600 crores are known to have turned non-performing?</p>	
<p>3.3(a) Page 9 3.1 Page 8</p>	<p>Scope of Work - To examine and evaluate the design/policy parameters/structuring of the GEMS (including erstwhile DRCS, etc.) and identify the shortcoming, if any in the same.</p>	<p>1. Our understanding of reading of your RFP is that the scope period will commence on May 2009 covering 2 schemes i.e. Start-up Assistance scheme (SAS) and Direct Risk Capital Scheme (DRCS) which were merged in 2012 and named as GEMS. Specifically, will we be required to consider / review SFRC, EAS, DEPS, VCS prior to SAS and DRCS being launched?</p> <p>2. We will give our consent to undertake the review for a target only after carrying out engagement evaluation and conflict check procedures.</p>	<p>1. Not required to consider/review SFRC, EAS, DEPS, VCS and SAS.</p> <p>2. Accepted</p>
<p>3.3(b) Page 9</p>	<p>Scope of Work - To assess the impact of the scheme on MSMEs</p>	<p>Please elaborate whether the scope includes market study to evaluate the impact of the scheme?</p> <p>Or does this mean that you require us to evaluate the impact of the shortcomings of the scheme?</p>	<p>The scope does not include market study to evaluate the impact of the scheme.</p> <p>Yes, it is one of the scope.</p>
<p>3.3(c-e) Page 9-10</p>	<p>c. Indications of misrepresentation of facts by borrower, if any. d. Review of loan files and related documents (including sanction, disbursement, utilisation, etc.), verification of the borrower's Books of Accounts, financial data, etc. and detailed review of transactions with sister/related concerns/group companies/promoters/directors etc. with</p>	<p>1. Would SIDBI be able to facilitate access to the books and records of the borrowers? 2. Would SIDBI be able to facilitate access to the bank statements of the borrowers through the Bankers of the borrowers? Our experience is that many borrowers may not cooperate in providing information. In such a situation, access to bank statements may be necessary to be able to address the objectives of the exercise.</p>	<p>1. Wherever feasible, SIDBI would facilitate access to the books and records of the borrower. 2. SIDBI shall issue letters to the Bankers of the borrower, wherever required. 3. Any tool that may facilitate proper conduct of the forensic audit may be used.</p>

	<p>special focus on investments in subsidiaries and group companies / franchises to ascertain:</p> <p>i. siphoning/diversion of funds or utilisation of disbursement for purposes other than for what it was sanctioned.</p> <p>ii. whether the policy guidelines and parameters in respect of appraisal, sanction, disbursement, follow-up and monitoring (including visits) have been adhered to and report lapses, if any in the operational process during customer onboarding / sanctioning / disbursement of cases.</p> <p>e. Conduct visit to Head Office/Regional Offices/Branch Offices of SIDBI, offices of other banks, the units/offices of the borrowers, etc. wherever required, to gather information.</p>	<p>3. While it is not stated specifically and does not seem to be anticipated, for the sake of abundant clarity, will the investigation be required to provide for conducting forensic technology procedures such as acquiring images of the devices used by key management personnel of the borrowers?</p> <p>4. Does SIDBI have a centralised, regional or completely decentralised system for retention and archival of documents relevant for this review?</p>	<p>4. The documents are decentralised and has to be gathered from respective Branch/Regional/Head Office.</p>
<p>3.3 (d) Page 9</p>	<p>Verification of the borrower's Books of Accounts, financial data, etc. and detailed review of transactions with sister/related concerns/group companies/promoters/directors etc. with special focus on investments in subsidiaries and group companies / franchises</p>	<p>Whether SIDBI will provide us the access to the (1) accounting records of the borrowers, (2) all bank account statements of the borrowers and their sister / related concerns / group companies / promoters / directors, etc., (3) the accounting records of the sister/related concerns / group companies / promoters / directors, etc of the Borrower (4) all the bank accounts held by the Borrowers and their sister/related concerns/group companies/promoters/directors etc. with other Banks / financial institutions.</p>	<p>SIDBI shall provide access to the documents available with it and shall issue letter to the bankers for the bank statement of the borrowers and their sister / related concerns / group companies / promoters / directors, etc., wherever required by the forensic auditor.</p>
<p>3.3 (e) Page 9</p>	<p>Scope of Work (e)-Conduct visit to Head Office/Regional Offices/Branch Offices of SIDBI, <u>offices of other banks, the units/offices of the borrowers</u>, etc. wherever required, to gather information.</p> <p>The sample size should not be less than 30% of the live borrower accounts. The sampling technique used and the rationale are to be included in the report.</p>	<p>1. In general, banks are reluctant to share information/ documents/ bank statements of the borrower. Request SIDBI to write to other banks of the respective borrower and assist in gathering information</p> <p>2. Will the borrower be intimidated by SIDBI of such an audit? Will borrower co-operate and provide access to his books of accounts/ units/ offices?</p>	<p>1. SIDBI shall issue letter to the Bankers, wherever required by the forensic auditor.</p> <p>2. Yes, the borrower shall be intimidated by SIDBI and would be advised to provide the information to the auditor. SIDBI does not assure cooperation of the borrower.</p>

		A minimum sample size of 30% implies we are anticipating review of at least about 120 borrowers' information. Would that be an accurate assumption?	The sample size has been modified to be in the range of 70 to 80 live borrower accounts																				
3.3 Page 10	Target Report- Audit shall be based on an independent mechanism for identifying money trail and not rely solely on the financial statements of the borrower and documents available with SIDBI. The report should, with proof, be able to:	Please elaborate on the expectation and source of gathering information for money trail	Apart from the financial statements of the borrower from their banks and documents including financials available with SIDBI, any information available in the public domain to the best judgement of the auditor and specific to the case.																				
3.3 Page 10	Target Report - a- review performance of the scheme vis-a-vis the objective	Please elaborate on the expectation	This was explained during pre-bid meeting																				
3.3 Page 10	Target Report - b identify gaps/lacuna in the scheme and measures to plug the same	Is the forensic auditor also expected to give recommendation for improvements?	Yes. The gaps in the scheme need to be identified to assess what may have gone wrong.																				
3.3 Page 10	Target Report - e identify lapses, if any in the process, including specific cases and identify people responsible.	Is the expectation to identify people responsible basis the officials approving/ DOA?	Yes																				
3.3 Page 10	Tenure covered by Audit - The audit will cover all the live accounts since introduction of the GEMS scheme (including erstwhile DRCS, etc.) since 2009.	<p>1. Request to provide ageing of the live accounts?</p> <p>2. Page no 9 - "Purpose" states that "...Conducting Forensic Audit of live accounts of GEMS (including erstwhile DRCS, etc.) portfolio including Non-Performing Asset (NPA) cases. The portfolio size at present is about ` 600 crore and around 400 borrowers". Does this 400 include all the live and NPA cases of GEMS (including erstwhile DRCS etc.) since 2009?</p>	<p>1. Ageing of the live accounts is furnished below:</p> <table border="1" data-bbox="1601 1069 2128 1396"> <thead> <tr> <th>Year</th> <th>No of accounts</th> </tr> </thead> <tbody> <tr> <td>2009</td> <td>10</td> </tr> <tr> <td>2010</td> <td>22</td> </tr> <tr> <td>2011</td> <td>29</td> </tr> <tr> <td>2012</td> <td>94</td> </tr> <tr> <td>2013</td> <td>96</td> </tr> <tr> <td>2014</td> <td>74</td> </tr> <tr> <td>2015</td> <td>53</td> </tr> <tr> <td>2016</td> <td>21</td> </tr> <tr> <td>2017</td> <td>23</td> </tr> </tbody> </table> <p>2. Yes, its includes NPA cases also.</p>	Year	No of accounts	2009	10	2010	22	2011	29	2012	94	2013	96	2014	74	2015	53	2016	21	2017	23
Year	No of accounts																						
2009	10																						
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<p>3.3 Page 10</p>	<p>The above would be done on the basis of a scientifically drawn unbiased sample from the live borrower accounts. The sample size should not be less than 30% of the live borrower accounts. The sampling technique used and the rationale are to be included in the report.</p>	<p>Does this mean that at least 120 borrower accounts (i.e. 30% of 400) shall be selected for (1) review of loan files and related documents, verification of books of account, financial data etc and detailed review of transactions with sister/related/promoters/directors/group companies with special focus on investments in subsidiaries and group companies</p>	<p>The sample size has been reduced to be in the range of 70-80 borrower accounts</p>
<p>4.1. Page 11</p>	<p>2nd point of Eligibility Criteria: The Consultant should have minimum revenue from Forensic Audit practice in any of the previous two financial years of not less than ` 50 crore as per audited financial statement.</p>	<p>1. This is a very onerous requirement and shall limit the eligibility for most of the participants and in our view is not fair. Please relook the same. 2. We would request to SIDBI as well to reduce the average annual turnover criteria to INR. 10 Crores in RFP for Forensic Audit of Growth Capital and Equity Assistance Scheme for MSMEs (GEMS) portfolio. 3. Audited financial statements would not have practice-wise breakup. Request to accept a self declaration signed by Partner of the forensic practice</p>	<p>1. No change proposed. 2. No change proposed. 3. This clause has been modified to include the following: “Wherever, schedule of Audited Financial statement does not contain break-up of income, a CA certified schedule showing break-up of the income should be submitted.”</p>
<p>4.1 Page 11</p>	<p>Eligibility Criteria- The Consultant should have proven track record of providing such services. Supporting required is Self certified letter along with supporting evidence thereof</p>	<p>Request to elaborate on the evidence required While a self certified letter can be provided, what nature of supporting evidence is anticipated to prove the track record? Please note that, due to confidentiality reasons, we are unable to share the engagement related details of investigations performed by us except to the extent it is available in the public domain.</p>	<p>Copy of assignment letter may be provided. If required confidential information may be masked. Alternatively, a certificate from the Statutory Auditor as per the format given in Annexure.</p>
<p>4.1 Page 11</p>	<p>6th point of Eligibility Criteria: The Consultant should have minimum 200 full time employees in Forensic team <i>Supporting Required Letter of acceptance for compliance: Self-Certification by the Consultant on Company's letter head to be provided.</i></p>	<p>This is a very onerous requirement and shall limit the eligibility for most of the participants and in our view is not fair. Please relook the same. As per the declaration format -Annexure – VI: Number of Full Time professionals, Page:48, asking no. of full time professional staff engaged exclusively in consulting services has</p>	<p>No change proposed. It means only professional staff engaged in forensic auditing.</p>

		<p>been asked, does it only means forensic auditing or we can show man power in various consultancy services in total.</p> <p>Meaning of professional staff in this case?</p>	<p>Professional staff means staff having requisite professional qualification.</p>
4.1 Page 11	<p>Eligibility- The Consultant should have atleast 2 forensic engagement with Regulators viz., SEBI, RBI, Ministry of Finance, etc. in last 3 years</p>	<p><u>Amendment requested</u></p> <p>The team members of the consultant should have at least 2 forensic engagement with Regulators viz. SEBI, RBI, Ministry of Finance etc. in last 3 years (Protiviti)</p>	<p>No change proposed.</p>
4.1. Page 12	<p>7th point of Eligibility Criteria: Consultant should have been empanelled with at least 3 Banks/Financial Institutions in India for Forensic Audit</p> <p>Note: a. Documentary evidence must be submitted for each criterion.</p>	<p>1. What is the time period for the assignment?</p> <p>2. Due to confidentiality reasons, we are unable to provide the letters of empanelment or engagement with you. Please advise on alternative possibilities.</p> <p>3. Amendment requested- Relaxation of the requirement should be considered</p>	<p>1. The empanelment should be live as on date of submission of bid.</p> <p>2. Copy of assignment letter with confidential information masked may be provided. Alternatively, a certificate from the Statutory Auditor as per the format given in the Annexure.</p> <p>3. No change proposed.</p>
4.1 Page 12	<p>9th point of Eligibility Criteria: The Consultant should not be owned or controlled by any Director or Employee of SIDBI (or their Relatives)</p>	<p>What will be the meaning of Relatives?</p>	<p>Relatives shall mean spouse, children, siblings, parents, aunts and uncles.</p>
4.1 Page 12	<p>11th point of Eligibility Criteria: The Consultant should not have defaulted to any Bank within the jurisdiction of India.</p> <p><i>Supporting required for compliance: A self-certified letter to be submitted. Copy of CIBIL Report to be furnished.</i></p>	<p>What can submit in case LLP firm?</p> <p>CIBIL report contains all confidential information. Request to accept a self-certified letter.</p>	<p>A self-certified letter to be submitted. Copy of CIBIL Report to be furnished.</p> <p>No change proposed.</p>
4.1 Page 12	<p>Eligibility Criteria- Note Completion Letter/ Reference Letter (Format given) from relevant Senior Executive of the client to be attached for each engagement reference mentioned</p>	<p>Completion/ Reference letters are not given by clients on completion of engagements. Request to accept signed engagement letter.</p>	<p>Wherever not possible, letter of engagement may be submitted.</p>

<p>4.1 Page 12</p>	<p>12th point of Eligibility Criteria: The Bidder should submit Pre-Contract Integrity Pact as per format provided at Annexure - XI. <i>Supporting Required Letter of acceptance for compliance:</i></p> <p><i>Pre-contract Integrity Pact duly signed by authorised signatory on non-judicial stamp paper of requisite value (cost to be borne by the Bidder) as per format</i></p>	<p>What will be the requisite value?</p>	<p>The Pre-Contract Integrity Pact shall be executed as an agreement. The value of stamp duty shall depend on the state in which it is being executed.</p>
<p>4.1 Page 12</p>	<p>Eligibility Criteria- Document Required Income Tax returns for past three years.</p>	<p>Income Tax returns contains all confidential information and cannot be shared. Request you to kindly remove the requirement.</p>	<p>This shall be relaxed.</p>
<p>4.1(b) Note Page 12</p>	<p>Completion Letter/ Reference Letter (Format given) from relevant Senior Executive of the client to be attached for each engagement reference mentioned.</p>	<p>we have already received completion certificate from our clients as per their formats.</p>	<p>Wherever, letter cannot be obtained in the format given, completion certificate already received from the client can be submitted.</p>
<p>4.2 Page 13</p>	<p>Technical Bid The successful Bidder is expected to work with the Bank to ensure early implementation of their recommendations.</p> <p>Extract from the Technical bid section The Technical Bid should be complete in all respects and contain all information required in the document and should lay down all assumptions during preparation of the bid.</p>	<p>Our understanding of the requirements of the scope of the current RFP is for a proposal that will provide:</p> <ol style="list-style-type: none"> 1. Review the scheme itself and its effectiveness 2. For sample of cases, conduct forensic review to identify possible diversion of funds among other issues. <p>The first part will culminate in recommendations being provided by us for rehashing the scheme to improve its effectiveness and plugging gaps noted, if any. The second exercise will result in a fact finding report.</p> <p>Hence, we need clarity whether by 'early implementation of their recommendations', you mean what we have stated above? The reason we seek this clarification is because implementation is typically a stage we define as the one that comes at the end of the exercises</p>	<p><i>“Technical proposal will include details of overall approach to the areas listed in this RFP along with specific proposals/solution covering the conceptualization, design and implementation stages. The successful Bidder is expected to work with the Bank to ensure early implementation of their recommendations.”</i></p> <p>has been modified as</p> <p><i>“Technical proposal will include details of overall approach to the areas listed in this RFP along with specific proposals/solution covering the conceptualization, design and implementation stages.”</i></p>

		mentioned above and is typically a management driven event. We are happy to assist you in implementing the recommendations or assist you in taking the outcome of the investigation forward, however, please clarify whether the scope of the current RFP is to include implementation of the outcome of the exercise envisaged?	
4.3 Page 13	Financial Bid The Financial bid will contain the financial quote covering total price (inclusive of professional fees, cost of undertaking the assignment, travelling allowance, halting allowance, out of pocket expenses and all other expenses)	<p>The RFP anticipates that review will be performed at SIDBI's offices across the country as well as the borrowers' premises. Given the lack of clarity at the current stage of the extent of such travels required including the spread and location of your borrowers, it is highly difficult to estimate the extent of out of pocket expenses that may be required to be incurred towards travel, halting and other ancillary expenditure.</p> <p>Hence, it is requested that the Financial quote be confined to the professional fee and the out of pocket expenses be allowed to be claimed at actual. All bills in original will be provided along with the claim submitted.</p>	The bid may be submitted after considering all these factors. No change in the clause proposed.
4.3 (b&f) Page 13-14	<p>Financial Bids</p> <p>b. Financial Bid containing conditional offers will be rejected.</p> <p>f. The Bank at any point in time for reasons whatsoever is not responsible for any assumptions made by the Bidder. The Bank later will not accept any plea of the Bidder or changes in the financial offer for any such assumptions.</p> <p>j. The Bidder shall consider all conditions and difficulties that may be encountered during assignment, while quoting the rate.</p>	<p>The financial quote that will be submitted will be based on the various assumptions that will be submitted as part of the technical bid submission, as is anticipated by you and stated by you.</p> <p>Therefore, in essence, the Financial bid is subject to and conditional to the assumptions laid down in the technical bid. Please do let us know if you may disagree or have alternate views.</p> <p>Additionally, point 'f' states that the Bank is not responsible for any assumptions made by the Bidder. Please note that the submission will be based on certain assumptions that will be made and clearly described in the document.</p>	The bid may be submitted after considering all the factors. No change in the clause proposed.

		<p>Therefore, the fee is dependent on the assumptions holding true. If the on ground situation is different from the assumptions, then the Bidder ought to be compensated for the resultant difference. Alternatively, if that is unacceptable, the Bidder may be provided an option to exit and paid for efforts incurred to that date.</p> <p>While it may be possible to consider all conditions and difficulties, it is not always possible to anticipate the corresponding impact of that on the estimates. Hence, it is requested that the engagement of Forensic audit (as against the scheme review) may be structured into multiple phases: Phase 1 may focus on analysing the portfolio of GEMS to identify the various accounts that may need a deeper investigation. This can be done on the basis of various parameters to be define. By the beginning of Phase 2, we are already aware of the various accounts that need to be investigated and their locations / whereabouts. Hence, it will be easier to go about estimating the corresponding efforts and out of pocket expenses that may be required.</p>	
<p>5.2 Page 15</p>	<p>RFP response documents: Envelope 1: (4 sets - 1 Original + 3 Photocopies)</p> <p>A sealed envelope containing full particulars of eligibility criteria (specified in section 4.1) should be super scribed "Eligibility Criteria for Selection of Forensic Auditor".</p> <p>Envelope 2 (4 sets - 1 Original + 3 Photocopies) A sealed envelope containing Technical Bid documents (specified in section 4.2) should be super scribed "TECHNICAL BID FOR SELECTION OF FORENSIC AUDITOR".</p>	<p>Envelope 1&2 (4 sets - 1 Original + 3 Photocopies each) The application will be bulky and difficult to submit via courier, kindly advise.</p>	<p>No change proposed.</p>

6.3A (2nd para) Page 18	Kindly note that the team proposed in the Technical Proposal (in Annexure VIII) will need to necessarily be made available to the Bank for delivery of the assignment.	The team proposed in the Technical Proposal strictly according to the availability at the time of assignment.	No change proposed.
6.3A (1) Page 19	The service provider should have proven track record of conducting Forensic Audit in the past Scoring chart With 3 to 5 Banks/FIs - 5 Marks With more than 5 and up to 8 Banks/FIs – 8 Marks With more than 8 Banks/FIs – 10 Marks	What is the time period for the experience in Forensic Audit? <u>Amendment requested:</u> The team members of the service provider should have proven track record of conducting Forensic Audit in the past.	Since the inception of the firm. No change proposed.
6.3A (2) Page 19	Number of forensic audit conducted during past 24 months (of which more than 50% should be in past 12 months) Scoring chart At least 10 cases – 10 Marks More than 10 upto 25 cases - 15 Marks More than 25 cases– 20 Marks	As per the Annexure – IX: Technical Bid Format, SI no 6 of Page no.52, asking Details of Forensic Audit assignments involving amount of more than ` 250 crore in last 2 years. Will the cases count if involving amount of more than ` 250 crore in last 2 years? <u>Amendment:</u> Number of forensic audit conducted during past 24 months by the team members of the consultant (of which more than 50% should be in past 12 months).	For the scoring purpose amount of the case is not considered. No change proposed.
6.3(A) Page 20	Note (b) Completion Letter / Reference Letter (Format given in Annexure III) from relevant Senior Executive of the client to be attached for each engagement reference mentioned.	Request to waive off this condition. Due to confidentiality agreement with all the Clients, this condition is difficult to be fulfilled. Instead allow to submit engagement letters / appointment letters (with names masked)	Wherever, completion letter/reference letter cannot be obtained, engagement letter with names masked can be submitted.
	Facilitation of Investigation A person signing integrity pact shall not approach the courts while representing the matters to IEM and he/she will wait their/his decision in the matter.	Request deletion as EY cannot waive its legal rights	No change proposed.
7.2 Page 21-22	Bidder's responsibilities and related conditions a. Attention of the Bidders is drawn to the relevant and extant instructions of Gol, GFR issued by Ministry of Finance, guidelines of Central Vigilance Commission (CVC) as	Please share the relevant and extant instructions, guidelines or any other such applicable that are required to be complied with.	Same are available on the respective websites.

	<p>applicable to the subject matter of advice / service to be rendered by the Bidder and are required to be complied with.</p> <p>h. The Bidder will have to cooperate fully with any legitimately provided / constituted investigative body conducting enquiry into processing or execution of the consultancy contract / any other matter related with discharge of contractual obligations by the Bidder.</p>	<p>The requirement is unclear. Can you please elaborate on this?</p>	
<p>7.2 (c) Page 21</p>	<p>The Bidder shall carry out and complete the work in accordance with prevailing good industry practices and using workmanship of the quality and standards there in specified, provided that where and to the extent some approval of the quality of the standards of workmanship is a matter of opinion, such quality and standards shall be to the satisfaction of SIDBI.</p>	<p>Request to reword to: "The Bidder shall carry out and complete the work in accordance with prevailing good industry practices and using workmanship of the quality and standards there in specified"</p>	<p>Modification accepted.</p>
<p>7.4 Page 22</p>	<p>The selected Bidder will be required to execute the following: a. Contract / Agreement which will include all the services and terms and conditions of the services to be extended as detailed here in and as may be prescribed or recommended by SIDBI; and b. Non-disclosure Agreement (NDA)</p>	<p>Can you please provide us the format for Agreement and NDA?</p>	<p>Shall be provided in due course</p>
<p>7.5 Page 22 & 23</p>	<p>Project Timelines Completion of Forensic Audit in Sixty days (60)</p>	<p>Please note that this is possible only if all the necessary information required for the exercise is provided on Day Zero. PwC will share the list of required information at least a week or two weeks before Day Zero as may be required by SIDBI. Accordingly, it is requested that the timeline should commence only after provision of all required information by SIDBI.</p> <p>Please clarify whether the timeline is for</p>	<p>The project completion timeline has been increased from 60 days to 3 months. The timeline is for submission of the report.</p>

		completion of field work or for submission of the draft report. It is submitted that the timeline should be for completion of field work. It is also submitted that fifteen (15) working days are required post completion of the field work to compile the findings and prepare a draft report for submission to SIDBI.	
7.5 (2&3) Page 23	<p>2. The reference date for purpose of counting all timelines as mentioned above would be the date of award of the Contract.</p> <p>3. The Bank will consider the inability of the Bidder to deliver the services within the specified time limit (including time as extended by the Bank, if any), as a breach of contract and would entail the payment of Liquidated Damages on the part of the Bidder.</p>	<p>We submit that the reference date for purpose of counting all timelines should be the date of signing of the contract and provision of information by SIDBI.</p> <p>We submit that the Bidder will be liable for Liquidated damages only to the extent the delay is attributable to the Bidder, as agreed between the Bidder and SIDBI. Specifically, the Bidder shall not be held liable for delays for reasons extraneous to the Bidder.</p>	<p>No change proposed.</p> <p>Accepted</p>
7.6 Page 23	The Bidder will be appointed for a period of 24 months from the date of signing of the contract. In case the performance of the consultant is deemed unsatisfactory, the contract will be terminated as per the provision of the "termination of contract" clause mentioned in this RFP.	<p>Request to re-word to:</p> <p>The Bidder will be appointed for a period of 24 months from the date of signing of the contract. In case the performance of the consultant is not as per the scope, the contract may be terminated after the Consultant has been provided reasonable time to cure the breach.</p> <p>Considering the project timelines are defined as 60 days, can you please clarify the reasons for stating that the appointment is for 24 months?</p>	The clause has been deleted.
7.8 Page 23	<p>Payment terms</p> <p>Sl. No.</p> <p>Timeline</p> <p>Amount in %</p> <p>1 On signing of contract - 10%</p> <p>2 On completion of 1 month from signing of contract - 20%</p> <p>3 On submission of draft report - 20%</p> <p>4 On acceptance of final report - 50%</p>	<p>We submit that the payment terms should be as follows:</p> <ol style="list-style-type: none"> 1. On signing of the contract - 10% 2. On completion of 1 month from signing of contract - 25% 3. On completion of 2 months from signing of contract - 25% 4. On submission of draft report - 35% 5. On acceptance of final report - 5% 	No change proposed.

<p>7.9 Page 24</p>	<p>Notwithstanding whatsoever stated in para above, if the selected Bidder fails to adhere to the time schedule or fails to complete the due performance of the obligations under this RFP as per the Bank’s satisfaction, then the Bank can repudiate the contract and adjust LD from the selected Bidder.</p> <p>the LD will be 1% of the contract value per week of delay, subject to an overall cap of 10% of bid amount and thereafter, the contract may be cancelled after due notice of 30 days (with cure period of 30 days).</p> <p>Termination – Multiple grounds for termination/cancellation</p>	<p>1. Request to re-word to:</p> <p>Notwithstanding whatsoever stated in para above, if the selected Bidder fails to adhere to the time schedule or fails to complete the due performance of the obligations under this RFP as per the scope, then the Bank can repudiate the contract and adjust LD from the selected Bidder.</p> <p>2. We submit that the LD should be 0.5% of the contract value per week of delay subject to an overall cap of 5% of the contract value.</p> <p>3. Can there be an objective and consultative process before the Client chooses to exercise its termination rights under this clause? Will the fees be paid for the services performed by the bidder till the date of termination?</p> <p>4. <u>Amendment requested:</u> SIDBI will impose Liquidated Damages (LD), if</p> <ol style="list-style-type: none"> 1. The selected Bidder fails to provide the services to SIDBI within the agreed time lines and to the satisfaction of SIDBI. 2. The LD will be 1% of the contract value per week of delay, subject to an overall cap of 10% of bid amount and thereafter, the contract may be cancelled after due notice of 30 days (with cure period of 30 days). <p>Notwithstanding whatsoever stated in para above, if the selected Bidder fails to adhere to the time schedule or fails to complete the due performance of the obligations under this RFP as per the Bank’s satisfaction, then the Bank can repudiate the contract and adjust LD from the selected Bidder.</p>	<p>No change proposed.</p>
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		However, no LD shall be payable in case of undue delays not within the control of the bidder including but not limited to delay in furnishing of relevant data, non provision or delay in provision of relevant facilities deemed necessary to provide the services.	
7.9 Page 24	Liquidated Damages: SIDBI will impose Liquidated Damages (LD), if 1. the selected Bidder fails to provide the services to SIDBI within the agreed time lines and to the satisfaction of SIDBI. 2. the LD will be 1% of the contract value per week of delay, subject to an overall cap of 10% of bid amount and thereafter, the contract may be cancelled after due notice of 30 days (with cure period of 30 days).	It will be based on the how readily the information available and co-operation from the bank for the complete the forensic audit assignment within 60 days as per the project timelines of the tender.	No change proposed.
7.17(a) Page 23	Work space and administrative requirements: (a)The key persons identified by the selected Bidder for the programme should carry out their activities from SIDBI's Office located at various places or from any other suitable location as provided by the Bank. The Bidder may indicate their administrative requirement to the Bank well in advance. No charges would be applicable to the Bidder for the same.	Kindly provide the list of such offices as the fees will be inclusive of TA/DA to such areas.	Details of branches can be obtained from SIDBI's website www.sidbi.in . The branches to be visited shall depend upon the sample drawn.
7.12 Page 24 7.13 Page 25 7.19 Page 26 7.21 Page 30	Indemnification	Can the indemnity amount be limited to the fees paid, subject to final determination by a competent court/arbitrator?	No change proposed.
7.12 Page 24	The Bidder shall undertake to observe, adhere to, abide by, comply with and notify the Bank about all laws in force or as are or as made applicable in future, pertaining to or applicable to them, their business, their employees or their obligations towards them and all purposes of this Tender and shall indemnify, keep	Request to re-word to: The Bidder shall undertake to observe, adhere to, abide by, comply with all laws in force or as are or as made applicable in future, pertaining to or applicable to them, their business, their	No change proposed.

	indemnified, hold harmless, defend and protect the Bank and its employees/ officers/ staff/ personnel/ representatives/ agents from any failure or omission on its part to do so and against all claims or demands of liability and all consequences that may occur or arise for any default or failure on its part to conform or comply with the above and all other statutory obligations arising therefrom.	employees or their obligations towards them and all purposes of this Tender.	
7.13 Page 25	Compliance in obtaining approvals/permissions/licenses	Indemnification Can the indemnity amount be limited to the fees paid, subject to final determination by a competent court/arbitrator?	No change proposed.
7.13 Page 25	The Bidder shall promptly and timely obtain all such consents, permissions, approvals, licenses, etc., as may be necessary or required for any of the purposes of this project or for the conduct of their own business under any applicable Law, Government Regulation/Guidelines and shall keep the same valid and in force during the term of the project, and in the event of any failure or omission to do so, shall indemnify, keep indemnified, hold harmless, defend, protect and fully compensate the Bank and its employees/ officers/ staff/ personnel/ representatives/agents from and against all claims or demands of liability and all consequences that may occur or arise for any default or failure on its part to conform or comply with the above and all other statutory obligations arising therefrom and the Bank will give notice of any such claim or demand of liability within reasonable time to the Bidder.	Request to re-word to: The Bidder shall promptly and timely obtain all such consents, permissions, approvals, licenses, etc., as may be necessary or required for any of the purposes of this project or for the conduct of their own business under any applicable Law, Government Regulation/Guidelines and shall keep the same valid and in force during the term of the project. Client shall cooperate with Bidder in the performance of the Services, including, without limitation, providing reasonable facilities and timely access to data, information and personnel of Client. Client shall be responsible for: the performance of its personnel and agents, for any applicable consents in respect of using/processing any confidential/personal information for performing the Service for the timeliness, accuracy and completeness of all data and information (including all financial information and statements) provided to Bidder by or on behalf of Client and for the implementation of any advice provided as part of the Services.	No change proposed.

<p>7.17 Page 25</p>	<p>Work space and administrative requirements a. The key persons identified by the selected Bidder for the programme should carry out their activities from SIDBI's Office located at various places or from any other suitable location as provided by the Bank. The Bidder may indicate their administrative requirement to the Bank well in advance. No charges would be applicable to the Bidder for the same.</p>	<ol style="list-style-type: none"> 1. While we aim to spend time at SIDBI's offices as and when required, there will be parts of the work that will need to be done at our premises, including at the borrowers' premises or any other locations that cannot be foreseen as of now. Therefore, can you please clarify whether SIDBI implies by this clause that the key team members ought to carry out their activities from SIDBI's offices? 2. Since it is not stated specifically, can you please clarify whether SIDBI requires that the all the information from SIDBI's systems be processed on SIDBI's systems or it can be transferred onto our systems for analysis purposes? If you require that the work be performed on SIDBI's systems, we will need to factor that into our estimates and provide you with the list of the specifications we need with respect to the work stations that we will require as also the various licensed software that will be required for the execution of the work. 3. It is also submitted that, as part of the Forensic audit, if it is anticipated that the exercise also include forensic imaging etc., the same will need to be performed by us using our systems and will lead to such data residing on our systems. 	<ol style="list-style-type: none"> 1. It is not necessary to carry out all the activities from SIDBI's offices. 2. Work need not be done in SIDBI's system. 3. Forensic tool as required may be used, but the data is required to be shared with SIDBI.
<p>7.18 Page 26</p>	<p>Substitution of Programme Team Members The Bank reserves the unconditional right to insist the selected Bidder to replace any team member with another (with the qualifications and competence as required by the Bank) during the course of assignment pursuant to this RFP.</p>	<ol style="list-style-type: none"> 1. Where a replacement may be required, the same is subject to our agreement and within the contours of the specifications submitted by us as part of the proposal and subsequent contracting. The right of the bank cannot be unconditional so as to be detrimental to the economic interest of the Bidder considering the financial bid takes into account the mix of resources (including their experience, credentials, seniority). 	<p>No change proposed.</p>

		<p>2. <u>Amendment requested:</u></p> <p>During the assignment, the substitution of key staff identified for the assignment will not be allowed unless such substitution becomes unavoidable to overcome the undue delay or that such changes are critical to meet the obligation or for reasons beyond the control of the bidder. In such circumstances, the selected Bidder, as the case maybe, can do so only with the prior written concurrence of SIDBI and by providing the replacement staff of the same level of qualifications and competence. If the Bank is not satisfied with the substitution, the Bank reserves the right to terminate the contract and recover whatever payments (including past payments and payment made in advance) made by the Bank to the selected Bidder during the course of the assignment pursuant to this RFP besides claiming an amount equal to the contract value as penalty. However, the Bank reserves the unconditional right to insist the selected Bidder to replace any team member with another (with the qualifications and competence as required by the Bank) during the course of assignment pursuant to this RFP.</p>	<p>This amendment has been considered.</p>
<p>7.19 Page 26</p>	<p>Rights in Intellectual Property and Material</p> <p>All documents, report, information, data etc. collected and prepared by the Bidder in</p>	<p>On payment of all of Bidder’s fees in connection with this Contract, SIDBI shall obtain a non-exclusive license to use within its internal business, subject to the other provisions of this Contract, any deliverables/report or work product for the purpose for which the deliverables/report or work product were supplied. The Bidder retains all rights in the deliverables/report and work product, and in any software, materials, know-how and/or methodologies that the Bidder may use or develop in connection with this Contract.</p>	<p>No change proposed.</p>

	connection with the scope of work submitted to SIDBI will be property of the Bank, it shall have every right to use data that may be in the possession of the consultant or its representative in the course of performing services under the agreement that may be entered into.	Will the ownership and right to use the IPR embedded in the deliverables be transferred upon full payment of fees/expenses? Can the bidder continue to retain their rights in the materials that they bring in under this engagement?	
7.20 (i) Page 27	Confidentiality – 7.20 Information provided under this RFP and subsequent Service Agreement (if the Bidder is selected) is confidential and neither Party shall at any time either during the association or at any time thereafter divulge either directly or indirectly to any person(s), firm or company, business entity, or other organization whatsoever, any Confidential Information that the Other Party may acquire during the course of such association or otherwise concerning the Other Party's business, property, contracts, trade secrets, clients or affairs.	Can this be limited to a term of 6 months to 1 year post completion of work instead of being perpetual? We should be allowed to share Confidential Information with other Deloitte member firms involved in the RFP discussions.	No change proposed.
7.20 (ii) (f) Page 29	Information disclosed pursuant to this clause will be subject to confidentiality for the term of contract plus two years. However, where Confidential Information relates to the Bank's data or data of the Bank customers, including but not limited to the Bank customers or the Bank employees personal data or such other information as the Bank is required by banking secrecy or such other laws to protect for an indefinite period, such Confidential Information shall be protected by the receiving party for an indefinite period or until such time when the receiving party no longer has access to the Confidential Information and has returned or destroyed all Confidential Information in its possession.	Request to re-word to: Information disclosed pursuant to this clause will be subject to confidentiality for the term of contract plus two years.	No change proposed.
7.20 (iv) Page 29	The Parties will keep in confidence and not disclose to any third party any and all Confidential Information available to the Parties, whether such information is given in	We should be allowed to share Confidential Information with other Deloitte member firms involved in the RFP discussions.	No change proposed.

	<p>writing or, is oral or visual, and whether such writing is marked to indicate the claims of ownership and/or secrecy or otherwise. Except as otherwise provided in this RFP, the Parties shall not use, nor reproduce for use in any way, any Confidential Information. The Parties agree to protect the Confidential Information of the other with at least the same standard of care and procedures used to protect its own Confidential Information of similar importance but at all times using at least a reasonable degree of care.</p>		
<p>7.20 (vi) (e) (i) Page 29</p>	<p>Immediately return all written Confidential Information, Confidential materials and all copies thereof provided to, or produced by it or its advisers, as the case may be, which is in the Receiving Party's possession or under its custody and control</p>	<p>Request to add: Provided however that Receiving Party shall not be required to destroy or return its working papers and may retain the Confidential Information as is necessary to enable it to comply with its document retention policies and to be in compliance with any legal or regulatory requirement. The Confidential Information retained shall continue to be subject to the terms in this Agreement.</p>	<p>No change proposed.</p>
<p>7.20 (vi) (e) (ii) Page 29</p>	<p>To the extent practicable, immediately destroy all analyses, compilations, notes, studies, memoranda or other documents prepared by it or its advisers</p>	<p>Subject to 7.20 (vi) (e) (i) above.</p>	<p>No change proposed.</p>
<p>7.20 (vii) Page 30</p>	<p>On termination of the RFP and subsequent Agreement, each party must immediately return to the other party or delete or destroy all Confidential Information of the other party and all notes and memoranda (including copies of them) containing Confidential Information of the other party in its possession or control save for that training materials and Documentation that has been provided to the Bank which is contemplated for continued realization of the benefit of the Services. Notwithstanding the foregoing, Consultant may retain a copy of such information (but which shall not include</p>	<p>Request to re-word to: On termination of the RFP and subsequent Agreement, each party must immediately return to the other party or delete or destroy all Confidential Information of the other party and all notes and memoranda (including copies of them) containing Confidential Information of the other party in its possession or control save for that training materials and Documentation that has been provided to the Bank which is contemplated for continued realization of the benefit of the Services. Notwithstanding the</p>	<p>No change proposed.</p>

	customer data and Confidential Information) as may be necessary for archival purpose. Where Confidential Information relates to the Bank's data or data of the Bank customers, including but not limited to the Bank customers or the Bank employees personal data or such other information as the Bank is required by banking secrecy or such other laws to protect for an indefinite period, such Confidential Information shall be protected by the receiving party for an indefinite period or until such time when the receiving party no longer has access to the Confidential Information and has returned or destroyed all Confidential Information in its possession.	foregoing, Consultant may retain a copy of such information (but which shall not include customer data and Confidential Information) as may be necessary for archival purpose.	
7.20 (ix) Page 30	The confidentiality obligations shall survive the expiry or termination of the agreement between the Bidder and the Bank.	Request this to be limited to one year.	No change proposed.
7.20 (x) Page 30	The Bank shall use the deliverables only for internal use as per the agreement. Disclosure to third parties shall be after removing Bidder's reference, except when the information is required for submission to statutory / regulatory authorities.	Request to re-word to: The Bank shall use the deliverables only for internal use as per the agreement except when the information is required for submission to statutory / regulatory authorities.	No change proposed.
7.21 Page 30	Indemnification	Request to delete as we usually do not provide indemnities. Can this be limited to a term of 6 months to 1 year post completion of work instead of being perpetual? (PWC) Can the indemnity amount be limited to the fees paid, subject to final determination by a competent court/arbitrator? (PWC) <u>Amendment:</u> The applicant to RFP and SIDBI absolutely, irrevocably and unconditionally hereby indemnifies and undertakes to keep the other party and /or its directors, officers, employees, agents, and representatives indemnified and	No change proposed.

		<p>hold harmless for all time from and against all charges, costs, losses, claims, demands, damages, liabilities, obligations, suits, judgments, penalties, proceedings, prosecutions, litigations, or actions, financial or otherwise; at law or equity, including the expenses of defending any claim of liability by any third party, and from and against all actual damages sustained, whatsoever, whether past, or current suffered or incurred by either of the party and or its directors, officers, employees, agents and representatives due to reason of (a) breach, misconduct, omission, or (b) negligence on the part of the Bidder and or its directors, employees, in the performance of the Services including, but not limited to, any claim arising out of improper or illegal use or adoption or invasion or infringement of the copyright or intellectual property right. The total liability of either party under this clause and contract shall not exceed the cumulative fee paid to the Bidder. The Indemnification shall survive the expiry or termination of the agreement between the Bidder and the Bank.</p>	
<p>7.22 Page 31</p>	<p>Termination</p>	<p>Request to add:</p> <p>This Contract may be terminated by either party at any time, with or without cause, by giving written notice to Client not less than [thirty (30)] days before the effective date of termination, provided that, in the event of a termination for cause, the breaching party shall have the right to cure the breach within the notice period. The bidder may terminate this Contract with immediate effect upon written notice to the Client if the bidder determines that (a) a governmental, regulatory, or professional entity, or an entity having the force of law, has introduced a new, or modified an existing, law, rule, regulation, interpretation, or decision, the result of which would render the bidder's</p>	<p>No change proposed.</p>

	<p>Termination–Multiple grounds for termination/cancellation</p>	<p>performance of any part of the Contract illegal or otherwise unlawful or in conflict with independence or professional rules, or (b) circumstances change (including, without limitation, changes in ownership of the Client or any of its Affiliates) such that the bidder’s performance of any part of the Contract would be illegal or otherwise unlawful or in conflict with independence or professional rules. Upon termination of the Contract, the Client will compensate the bidder under the terms of the Engagement Letter for the Services performed and expenses incurred through the effective date of termination.</p> <p>Can there be an objective and consultative process before the Client chooses to exercise its termination rights under this clause? Will the fees be paid for the services performed by the bidder till the date of termination?</p>	
<p>7.28 (b) Page 34</p>	<p>Limitation of Liability – 7.28</p> <p>The Bidder’s aggregate liability in connection with obligations undertaken as a part of the RFP regardless of the form or nature of the action giving rise to such liability (whether in contract, to otherwise), shall be at actual and limited to 50% of the cumulative fee paid to the Bidder by SIDBI. Bidder’s liability in case of claims by the Bank resulting from Wilful Misconduct or Gross Negligence of the Bidder, its employees and Subcontractors or from infringement of patents, trademarks, copyrights or such other Intellectual Property Rights or breach of confidentiality obligations shall be unlimited.</p>	<p>Can this be limited to a term of 6 months to 1 year post completion of work instead of being perpetual?</p> <p>Request to re-word to: The Bidder’s aggregate liability in connection with obligations undertaken as a part of the RFP regardless of the form or nature of the action giving rise to such liability (whether in contract, to otherwise), shall be at actual and limited to 50% of the cumulative fee paid to the Bidder by SIDBI.</p> <p>Can our overall liability (without any exceptions) be capped at the amount of fees paid to us?</p>	<p>No change proposed.</p>
<p>7.28 (c) Page 34</p>	<p>The Bank shall not be held liable for and is absolved of any responsibility or claim/ litigation arising out of the use of any third party software or modules supplied by the Bidder as part of procurement under the RFP. It is</p>	<p>Request to delete this clause as we are not providing any third party software, and this may not be applicable.</p>	<p>No change proposed.</p>

	expressly agreed between the Parties that for any event giving rise to a claim, the Bank shall have the right to make a claim (including claims for indemnification under the procurement in this RFP) against the Bidder.		
7.33 Page 36	The Bank reserves the right to conduct an audit/ ongoing audit of the consulting services provided by the selected Bidder. The Bank reserves the right to ascertain information from the other banks and institutions to which the Bidders have rendered their services for execution of similar programs. The selected Bidder shall allow the Reserve Bank of India (RBI) or persons authorized by it to access the documents, records of transaction or any other information given to, stored or processed by the selected Bidder relating to this RFP, within a reasonable time failing which selected Bidder will be liable to pay any charges/penalty levied by RBI. The selected Bidder shall allow the Reserve Bank of India to conduct audits or inspection of its Books and account with regard to the Bank or this RFP by one or more of RBI officers or employees or other persons duly authorized by RBI.	Request to delete as we do not provide any audit rights. On request, we may agree to provide the client access to our invoices and expense records.	No change proposed.
7.35 Page 36	<ul style="list-style-type: none"> Subcontracting – No subcontracting allowed 	Can we take assistance from our contractors or other network firms (each of which is a separate and independent legal entity) and may share confidential information with them in connection with this engagement? However, we remain solely liable to the Client for their acts; claims (if any) in relation to this engagement will be routed solely through Client and us.	No change proposed.
7.35 Page 36	Assignment	Will SIDBI take a prior written consent of both the parties before assignment?	No change proposed.
7.37 Page 37	Right to Visit	Request to delete as we do not provide any audit rights. On request, we may agree to provide the client access to our invoices and expense records.	No change proposed.
7.38	Audit	Request to delete as we do not provide any audit rights. On request, we may agree to	No change proposed.

Page 37		provide the client access to our invoices and expense records.	
7.39 Page 39	<p>Non-solicitation - The selected Bidder, during the term of the contract and for a period of two years thereafter shall not without the express prior written consent of the Bank, directly or indirectly:</p> <p>a. Recruit, hire, appoint or engage or attempt to recruit, hire, appoint or engage or discuss employment with or otherwise utilize the services of any person who has been an employee or associate or engaged in any capacity, by the Bank in rendering services in relation to the contract; or</p> <p>b. Induce any person who shall have been an employee or associate of the Bank at any time to terminate his/ her relationship with SIDBI.</p>	Request for deletion of this clause	No change proposed.
7.40 Page 37	<p>No Employer Employee Relationship. The selected Bidder or any of its holding/subsidiary/joint-venture/ affiliate/ group/ client companies or any of their employees/ officers/ staff/ personnel/ representatives/ agents shall not, under any circumstances, be deemed to have any employer-employee relationship with SIDBI or any of its employees/ officers/ staff/ representatives/personnel/agents.</p>	We have more than 200+ clients & 700+ employees on PAN India, how can we confirm against employer-employee relationship as it is not feasible.	No change proposed.
7.41 Page 38	<p>The selected Bidder shall be the principal employer of the employees, agents, contractors, sub-contractors etc., engaged by the selected Consultant and shall be vicariously liable for all the acts, deeds, matters or things, whether the same is within the scope of power or outside the scope of power, vested under the contract. No right of any employment in the Bank shall accrue or arise, by virtue of engagement of employees, agents, contractors, subcontractors etc. by the selected Bidder, for any assignment under the contract. All remuneration, claims, wages dues etc. of such employees, agents, contractors, sub-</p>	<p>Request to re-word to:</p> <p>The selected Bidder shall be the principal employer of the employees, agents, contractors, sub-contractors etc., engaged by the selected Consultant and shall be vicariously liable for all the acts, deeds, matters or things, whether the same is within the scope of power or outside the scope of power, vested under the contract. No right of any employment in the Bank shall accrue or arise, by virtue of engagement of employees, agents, contractors, subcontractors etc. by the selected Bidder, for any assignment under the contract.</p>	No change proposed.

	contractors etc. of the selected Bidder shall be paid by the selected Bidder alone and the Bank shall not have any direct or indirect liability or obligation, to pay any charges, claims or wages of any of the selected Bidder's employees, agents, contractors, subcontractors etc. The selected Bidder shall agree to hold the Bank, its successors, assigns and administrators fully indemnified, and harmless against loss or liability, claims, actions or proceedings, if any, whatsoever nature that may arise or caused to the Bank through the action of the selected Bidder's employees, agents, contractors, subcontractors etc.	All remuneration, claims, wages dues etc. of such employees, agents, contractors, sub-contractors etc. of the selected Bidder shall be paid by the selected Bidder alone and the Bank shall not have any direct or indirect liability or obligation, to pay any charges, claims or wages of any of the selected Bidder's employees, agents, contractors, subcontractors etc.	
7.42 Page 38	It is clarified, as and by way of abundant caution that SIDBI will have all ownership and / or license rights on all the ideas, concepts, proposals, etc. developed by the Bidder during the course of this assignment as specified in the RFP and paid for by SIDBI.	Request to re-word to: On payment of all of Bidder's fees in connection with this Contract, SIDBI shall obtain a non-exclusive license to use within its internal business, subject to the other provisions of this Contract, any deliverables/report or work product for the purpose for which the deliverables/report or work product were supplied. The Bidder retains all rights in the deliverables/report and work product, and in any software, materials, know-how and/or methodologies that the Bidder may use or develop in connection with this Contract.	No change proposed.
7.43 (c) Page 39	That the representations made by the Bidder in its bid are and shall continue to remain true and fulfil all the requirements as are necessary for executing the duties, obligations and responsibilities as laid down in the Contract and RFP and unless SIDBI specifies to the contrary, the Bidder shall be bound by all the terms of the bid. The Bidder has not suppressed any information, which is within the knowledge of the Bidder	Request to re-word to: That the representations made by the Bidder in its bid are true and fulfil all the requirements as are necessary for executing the duties, obligations and responsibilities as laid down in the Contract and RFP and unless mutually agreed between the parties, the Bidder shall be bound by all the terms of the bid. The Bidder has not suppressed any information, which is within the knowledge of the Bidder.	No change proposed.
7.43 (g)	That the Bidder shall procure all the necessary permissions and requisite authorities	Request to re-word to:	No change proposed.

Page 39	approvals, consents, no objections and licenses for use of various software and any copyrighted process/product free from all claims, titles, interests and liens thereon, and shall keep SIDBI, its directors, officers, employees, representatives, consultants and agents indemnified in relation thereto.	That the Bidder shall procure all the necessary permissions and requisite authorities approvals, consents, no objections and licenses for use of various software and any copyrighted process/product free from all claims, titles, interests and liens thereon.	
7.43 (h) Page 39	That all the representations and warranties as have been made by the Bidder with respect to its bid and the Contract, are true and accurate, and shall continue to remain true and accurate through the term of the Contract.	Request to re-word to: That all the representations and warranties as have been made by the Bidder with respect to its bid and the Contract, are true and accurate.	No change proposed.
7.43(m) Page 40	That neither the execution and delivery by the Bidder of the Contract nor the Bidder's compliance with or performance of the terms and provisions of the Contract (i) will contravene any provision of any applicable laws or any order, writ, injunction or decree of any court or governmental authority binding on the Bidder (ii) will conflict or be inconsistent with or result in any breach of any or the terms, covenants, conditions, provisions or stipulations of, or constitute a default under any agreement, contract or instrument to which the Bidder is a party or by which it or any of its property or assets is bound or to which it may be subject or (iii) will violate any provision of the Constitutional Documents (if applicable) of the Bidder.	Request to re-word to: Bidder's compliance with or performance of the terms and provisions of the Contract (i) will contravene any provision of any applicable laws or any order, writ, injunction or decree of any court or governmental authority binding on the Bidder (ii) will conflict or be inconsistent with or result in any breach of any or the terms, covenants, conditions, provisions or stipulations of, or constitute a default under any agreement, contract or instrument to which the Bidder is a party or by which it or any of its property or assets is bound or to which it may be subject or (iii) will violate any provision of the Constitutional Documents (if applicable) of the Bidder.	No change proposed.
7.43 (n) Page 40	That the Bidder certifies that all registrations, recordings, filings and notarizations of the Contract and all payments of any tax or duty, including without limitation stamp duty, registration charges or similar amounts which are required to be effected or made by the Bidder which is necessary to ensure the legality, validity, enforceability or admissibility in evidence of the Contract have been made by him/her/it.	Request to delete, as both parties are responsible for this.	No change proposed.
7.43 (o)	That the Bidder confirms that there has not and shall not occur any execution, amendment or	Request to delete.	No change proposed.

Page 40	modification of any agreement/contract without the prior written consent of SIDBI, which may directly or indirectly have a bearing on the Contract or service(s).		
7.43 (p) Page 40	<p>That the Bidder owns, has license to use or otherwise has the right to use, free of any pending or threatened liens or other security or other interests all Intellectual Property Rights, which are required or desirable for the service(s) and the Bidder does not, in carrying on its business and operations, infringe any Intellectual Property Rights of any person. None of the Intellectual Property or Intellectual Property Rights owned or enjoyed by the Bidder or which the Bidder is licensed to use, which are material in the context of the Bidder’s business and operations are being infringed nor, there is any infringement or threatened infringement of those Intellectual Property or Intellectual Property Rights licensed or provided to the Bidder by any person. All Intellectual Property Rights (owned by the Bidder or which the Bidder is licensed to use) are valid and subsisting. All actions (including registration, payment of all registration and renewal fees) required to maintain the same in full force and effect have been taken thereon and shall keep SIDBI, its directors, officers, employees, agents, representatives and consultants indemnified in relation thereto.</p>	<p>Request to re-word to:</p> <p>That the Bidder owns, has license to use or otherwise has the right to use, free of any pending or threatened liens or other security or other interests all Intellectual Property Rights, which are required or desirable for the service(s) and the Bidder does not, in carrying on its business and operations, knowingly infringe any Intellectual Property Rights of any person. None of the Intellectual Property or Intellectual Property Rights owned or enjoyed by the Bidder or which the Bidder is licensed to use, which are material in the context of the Bidder’s business and operations are being infringed nor, there is any infringement or threatened infringement of those Intellectual Property or Intellectual Property Rights licensed or provided to the Bidder by any person. All Intellectual Property Rights (owned by the Bidder or which the Bidder is licensed to use) are valid and subsisting. All actions (including registration, payment of all registration and renewal fees) required to maintain the same in full force and effect have been taken thereon.</p> <p>Request to add the following:</p> <p>1. SIDBI shall indemnify and hold harmless the bidder for all losses incurred in connection with (i) any third party claim, except to the extent finally judicially determined to have resulted primarily from the fraud or bad faith of the bidder and/or (ii) a breach or alleged breach by SIDBI or any of its personnel of any clause of this Agreement.</p>	<p>No change proposed.</p> <p>No change proposed.</p>

		2. SIDBI shall not disclose to any third party the advice, opinions, reports or other work product of the bidder provided hereunder without the prior express written consent of the bidder.	
Page 48	Annexure – VI Self-Declaration regarding full time professional staff engaged exclusively in consulting services	Required count of Forensic staff or overall. Kindly clarify.	Required count of forensic staff only.
Page 56	Annexure – XI Clause 3.5 The BIDDER further confirms and declares to the BUYER that the BIDDER is the original manufacture/integrator/authorized government sponsored export entity of the defence stores	Request deletion of this clause as RFP is not for the original manufacture/ integrator/ authorized government sponsored export entity of the defence stores.	This clause has been deleted
Page 56	Annexure – XI: Integrity Pact (3.12) if the BIDDER or any employee of the BIDDER or any person acting on behalf of the BIDDER, either directly or indirectly, is a relative to any of the officers of the BUYER or alternatively, if any relative of the officer of the BUYER has financial interest/stake in the BIDDER’s firm , the same shall be disclosed by the BIDDER at the time of filling of tender.	This is too broad. Request to be limited to the Engagement Team only.	No change proposed.
Page 57	Annexure – XI: Integrity Pact (3.13) The BIDDER shall not lend to or borrow any money from or enter into any monetary dealings or transactions, directly or indirectly, with any employee of the BUYER.	We propose to modify this clause as follows: The BIDDER shall not lend to or borrow any money from or enter into any monetary dealings or transactions, directly or indirectly, with any employee of the BUYER in relation to the Contract.	No change proposed.

<p>Page 57</p>	<p>Annexure – XI: Integrity Pact (4.1-Previous Transgression) The BIDDER declares that no previous transgression occurred in the last three years immediately before signing of this integrity Pact, with any other company in any country in respect of any corrupt practices envisaged hereunder or with any Public Sector Enterprise in India or any Government Department in India that could justify BIDDER’s exclusion from the tender process.</p>	<p>Request to re-word to: Bidder declares that no previous transgression occurred in the last three years immediately before signing of this Integrity Pact with any other Company in India in respect of any corrupt practices envisaged hereunder or with any Public Sector Enterprise in India or any Government Department in India that could justify BIDDER’s exclusion from the tender process.</p>	<p>No change proposed.</p>
<p>Page 58</p>	<p>Annexure – XI: Integrity Pact (5.3- Sanctions for Violations) The decision of the BUYER to the effect that a breach of the provision of this Pact has been committed by the BIDDER shall be final and conclusive on the BIDDER. However, the BIDDER can approach the independent Monitor(s) appointed for the purposes of this Pact.</p>	<p>Request to re-word to: The decision of the BUYER to the effect that a breach of the provision of this Pact has been committed by the BIDDER shall be communicated to the BIDDER. However, the BIDDER can approach the independent Monitor(s) appointed for the purposes of this Pact.</p>	<p>No change proposed.</p>
<p>Page 58</p>	<p>Annexure – XI: Integrity Pact 6.4 Independent Monitors Both the parties accept that the Monitors have the right to access all the documents relating to the project/procurement, including minutes of meetings.</p>	<p>Request to re-word to: Both the parties accept that the Monitors have the right to review all the relevant documents relating to the project/procurement, including minutes of meetings.</p>	<p>No change proposed.</p>
<p>Page 58</p>	<p>Annexure – XI: Integrity Pact 6.6 Independent Monitors The BIDDER(s) accepts that the Monitor has the right to access without restriction to all Project documentation of the BUYER including that provided by the BIDDER. The BIDDER will also grant the Monitor, upon his request and demonstration of a valid interest, unrestricted and unconditional access to his project documents. The same is applicable to Subcontractors. The Monitor shall be under contractual obligation to treat the information and documents of the BIDDER/Subcontractor(s) with confidentiality.</p>	<p>Request to re-word to: The BIDDER(s) accepts that the Monitor has the right to review without restriction to all Project documentation of the BUYER including that provided by the BIDDER. The BIDDER will also grant the Monitor, upon his request and demonstration of a valid interest, access to his project documents. The same is applicable to Subcontractors. The Monitor shall be under contractual obligation to treat the information and documents of the BIDDER/Subcontractor(s) with confidentiality.</p>	<p>No change proposed.</p>

<p>Page 59</p>	<p>Annexure – XI: Integrity Pact 7 -Facilitation of Investigation In case of any allegation of violation of any provision of this Pact or payment of commission, the BUYER or its agencies shall be entitled to examine all the documents including the Books of Accounts of the BIDDER and the BIDDER shall provide necessary information and documents in English and shall extend all possible help for the purpose of such examination. A person signing integrity pact shall not approach the courts while representing the matters to IEM and he/she will wait their/his decision in the matter.</p>	<p>1. Request to re-word to: In case of any allegation of violation of any provision of this Pact or payment of commission, the BUYER shall be entitled to examine all the relevant documents relating to invoices, expenses, records of the Bidder related to the Contract and the BIDDER shall provide necessary information and documents in English and shall extend all possible help for the purpose of such examination. A person signing integrity pact shall not approach the courts while representing the matters to IEM and he/she will wait their/his decision in the matter.</p> <p>2. Request deletion as the firm cannot waive its legal rights.</p>	<p>1. No change proposed.</p> <p>2. No change proposed.</p>
<p>Page 62</p>	<p>Annexure – XIV: Non-Disclosure Agreement The COMPANY will not publish or disclose to others, nor, use in any services that the COMPANY performs for others, any confidential or proprietary information belonging to the BANK, unless the COMPANY has first obtained the BANK’s written authorization to do so;</p>	<p>Provided we should be permitted to share the confidential information with other Deloitte member firms involved in discussions and/or otherwise in the performance of the services on a need-to-know basis.</p>	<p>No change proposed.</p>
<p>-</p>	<p>OTHERS – not in RfP</p>	<p>Request addition of the following clause: The Consultant may terminate this Agreement, or any particular Services, immediately upon written notice to the Bank if the Consultant reasonably determines that it can no longer provide the Services in accordance with applicable law or professional obligations.</p>	<p>No change proposed.</p>

***Certificate to be furnished by the Statutory Auditor as
proof for having conducted forensic audit by the bidder***

TO WHOMSOEVER IT MAY CONCERN

This is to certify that (Bidder), a partnership firm within the meaning of the Indian Partnership Act / a company within the meaning of the Companies Act and having its registered office at have conducted forensic audit as per case-wise details given hereunder:

Sl. No	Name of the Assigning entity and address	Date of assignment	Whether completed / under progress
1			
2			
3			
4			

The above information has been furnished on the basis of the records and other relevant particulars furnished by the company/ firm.

I/We hereby note that this certificate would be an input for decision making by SIDBI in lieu of actual assignment letters in order to maintain confidentiality of the clients. I / We hereby further agree and give consent for the disclosure of my / our name to IBA for inclusion in the Caution List, if it is found that there was gross negligence on my/our part, or I /We have colluded with the Bidder in providing false information to SIDBI.

Signature

Place:

Membership No:

Date:

Each page of this certificate should be signed by the Statutory Auditor, and his membership number with ICAI should be indicated.