REQUEST FOR PROPOSAL

INTERNAL AUDIT

FOR HEAD OFFICE

(e tender mode)

National Highways Authority of India [Ministry of Road Transport & Highways, Govt. of India], New Building, Plot No. G 5&6, Sector 10, Dwarka, New Delhi-110 075

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Disclaimer

The information contained in this Request for Proposal document (the "**RFP**") or subsequently provided to Bidder(s), in documentary or any other form by or on behalf of the Authority or any of its employees or advisors, is provided to Bidder(s) on the terms and conditions set out in this RFP and such other terms and conditions subject to which such information is provided.

This RFP is not an agreement and is neither an offer nor invitation by the Authority to the prospective Bidders or any other person. The purpose of this RFP is to provide interested parties with information that may be useful to them in making their financial offers (Bids) pursuant to this RFP. This RFP includes statements, which reflect various assumptions and assessments arrived at by the Authority in relation to the Project. Such assumptions, assessments and statements do not purport to contain all the information that each Bidder may require. This RFP may not be appropriate for all persons, and it is not possible for the Authority, its employees or advisors to consider the investment objectives, financial situation and particular needs of each party who reads or uses this RFP. The assumptions, assessments, statements and information contained in the Bidding Documents, may not be complete, accurate, adequate or correct. Each Bidder should, therefore, conduct its own investigations and analysis and should check the accuracy, adequacy, correctness, reliability and completeness of the assumptions, assessments, statements and information contained in this RFP and obtain independent advice from appropriate sources.

Information provided in this RFP to the Bidder(s) is on a wide range of matters, some of which may depend upon interpretation of law. The information given is not intended to be an exhaustive account of statutory requirements and should not be regarded as a complete or authoritative statement of law. The Authority accepts no responsibility for the accuracy or otherwise for any interpretation or opinion on law expressed herein.

The Authority, its employees and advisors make no representation or warranty and shall have no liability to any person, including any Applicant or Bidder under any law, statute, rules or regulations or tort, principles of restitution or unjust enrichment or otherwise for any loss, damages, cost or expense which may arise from or be incurred or suffered on account of anything contained in this RFP or otherwise, including the accuracy, adequacy, correctness, completeness or reliability of the RFP and any assessment, assumption, statement or information contained therein or deemed to form part of this RFP or arising in any way for participation in this Bid Stage.

The Authority also accepts no liability of any nature whether resulting from negligence or otherwise howsoever caused arising from reliance of any Bidder upon the statements contained in this RFP.

The Authority may in its absolute discretion, but without being under any obligation to do so, update, amend or supplement the information, assessment or assumptions contained in this RFP.

The issue of this RFP does not imply that the Authority is bound to select a Bidder or to appoint the Selected Bidder for the Work and the Authority reserves the right to reject all or any of the Bidders or Bids without assigning any reason whatsoever.

The Bidder shall bear all its costs associated with or relating to the preparation and submission of its Bid including but not limited to preparation, copying, postage, delivery fees, expenses associated with any demonstrations or presentations which may be required by the Authority or any other costs incurred in connection with or relating to its Bid. All such costs and expenses will remain with the Bidder and the Authority shall not be liable in any manner whatsoever for the same or for any other costs or other expenses incurred by a Bidder in preparation or submission of the Bid, regardless of the conduct or outcome of the Bidding Process.

NATIONAL HIGHWAYS AUTHORITY OF INDIA

SECTION-1. NOTICE INVITING BIDS

FROM CHARTERED ACCOUNTANT / COST ACCOUNTANT FIRMS FOR APPOINTMENT AS INTERNAL AUDITOR OF NHAI, HQ.

1.1.1 The National Highways Authority of India (NHAI/ Authority) is mandated with implementation of the National Highways Development Projects (NHDP)/ Bharat Mala Projects. The present level of annual expenditure is near about Rs. 125000 crores and annual collection of toll fee is over Rs. 40000 crores (approximately). Its Head Office is located in New Delhi and having more than 195 field units (called Project Implementation Unit/Corridor Management Unit) apart from Regional Offices and State Level Offices located all over the country.

1.1.2 NHAI intends to appoint a firm of Chartered Accountants /Cost Accountants, for HQ as its Internal Auditors for the financial year **2021 – 22** extendable to 2nd & **3rd** year on satisfactory performance at the discretion of NHAI. Accordingly, NHAI invites proposal from the eligible Firms of Chartered Accountants / Cost Accountants (hereinafter referred as Bidder) to enable NHAI for selection of Internal Auditor.

1.1.3 It is mandatory for all the Bidders to have Class-III Digital Signature Certificate and encryption Component (in the name of person who will sign the Bid) from any of the licensed Certifying Agency (Bidders can see the list of licensed Certifying Agencies from the link www.cca.gov.in) to participate in e-tendering process of Authority.

1.1.4 To participate in the e-bid submission, it is mandatory for the Bidders to have user identification number & password (collectively referred to as the **"ID and Password"**) which has to be obtained in Bidder's own name by registering themselves in NIC's Central Public Procurement Portal (CPPP) ie http://etenders.gov.in. The registration is free of cost.

1.1.5 The cost of bid documents Rs. 10000/- (Rupees Ten Thousand only) is to be deposited by DD/ pay order issued in favour of National Highways Authority of India payable at New Delhi.

E-tender Service Provider:

M/s National Informatics Centre (NIC) is the service provider. Users can get 24X7 Helpdesk support on 0120-4200462, 0120-4001002 and email: support-eproc@nic.in.

1.1.6 The partner signing the bids shall only be the digital signatory. In case partner signing the bids and digital signatory are not the same, the bid shall be considered as non-responsive and will be rejected.

1.1.7 The Bidders will be allowed to download the Bid documents up to 11:00 hrs of the Bid Due Date. The downloading facility of Bids on e- tendering portal will be available on all days irrespective of holidays.

1.1.8 Bid documents comprising the bidding procedure and contract terms and conditions are available for view and downloading from the e-tender portal of NIC etenders.gov.in or nhai.org without any cost. However, to participate in bidding, Bidders are required to pay a non-refundable fee of Rs. 10,000/- (Rupees Ten Thousand only) towards cost of Bid Documents which shall be deposited by DD/Pay order issued in favor of National Highways Authority of India payable at New Delhi.

1.1.9 Bid documents can be downloaded from e-tender portal of NIC **https://etenders.gov.in** from 21.02.**2022 to 13.03.2022** (17:00 Hrs).Following may be noted in this regard :

(a) Registration should be valid at least up to Bid Due Date.
(b) Bids can be submitted only during the validity of their registration.
(c) The amendments/clarifications to the bid document, if any, will be hosted on the NHAI website/e-portal only.
(d) If the firm is already registered with e-tendering portal of NIC and validity of registration has not expired, the firm is not required to obtain fresh registration.

1.1.10 The Authority shall receive bids pursuant to this RFP in accordance with the terms set forth in this RFP and other documents to be provided by the Authority pursuant to this RFP, as modified, altered, amended and clarified from time to time by the Authority (collectively the **"Bidding Documents"**), and all Bids shall be prepared and submitted in accordance with such terms on or before the date specified in Clause 1.3 for submission of Bids (the **"Bid Due Date"**).

1.1.11 Bidders have to deposit cost of bid document by DD/ pay order by 12.00 hrs on the bid due date.

Bidders are advised to upload their Bids well in time, to avoid last minutes rush on the server or complications in uploading. NHAI, in any case, will not be responsible for any type of problem in uploading the Bid.

1.1.12 Online Submission of the Technical and Financial Bids after the Bid Due Date and time shall not be permitted. Time being displayed on e-tendering portal of NIC ("Standard Time") shall be final and binding on Bidder. Bids are required to be submitted by Bidders, only as per the Standard Time and not the time as per their location/country.

1.1.13 In case of any problem with the submission of the Bid, the Bidder may have the assistance of help desk or use the help manual given on the said website.

1.2 Brief Description of Bidding Process

1.2.1 The Authority has adopted two stage single envelop process for selection of the Bidder for award of the work. The technical bid (the **"Technical Bid"**) consisting of the Bid documents along with firms profile indicating the capability experience as mentioned herein and the financial bids (the **"Financial Bid"**) containing the amount quoted by the Bidder shall be submitted online in the prescribed format before the date and time specified herein. Only those Bidders whose Technical Bids are found to be responsive **(herein referred to as Technically Qualified Bidders)** in terms of this RFP, shall be invited to participate in the

on-line opening of their Financial Bids. The technically qualified Bidders may send their authorized representative along with the authorization letter on the letter head of the Bidder for participating in online opening of the Financial Bid. The date and time of opening of Financial Bids of such Bidders, will be intimated to them separately by the Authority through e-portal. The Financial Bids would be opened online. Only one representative of the Technically Qualified Bidder and who chooses to attend the online opening of the Financial Bids shall be allowed to attend the opening of the Financial Bids.

1.2.2 Bids are invited for Internal Audit work on the **basis of Quality and Cost Based Selection method as described in this RFP**.

1.2.3 Under stage 1 the firms scoring the qualifying marks (minimum 85%) as mentioned in RFP shall be listed in the descending order of their technical score

1.2.4 Under stage 2, the financial proposal of each technically qualified bidder shall be opened and evaluated. The weightage of Technical and Financial **score shall be 80% & 20% respectively**. The final selection of the firm shall be based on the highest combined score of Technical and Financial Proposal.

1.2.5 Any queries or request for additional information concerning the RFP shall be submitted in writing or by fax and e-mail to the officer designated in clause 1.2.6 below. The envelope/communication shall clearly bear the following identification/title :

"Queries/Request for Additional Information: RFP for__".

1.2.6 Address for Communication:

Shri. Sanjay Verma, General Manager (F)
National Highways Authority of India
G-5 & 6, Sector-10, Dwarka, New Delhi,
110075 Tel No. 25074100/200 Extn:-
1237/3502
E mail: sanjay@nhai.org
Website: http://www.nhai.gov.in and
E tender portal is https://etenders.gov.in

1.3 **Schedule of Bidding Process**

The Authority shall endeavor to adhere to the following schedule:

Sl. No.	Description of Events	Date
1	Last date & time of availability of RFP document for downloading	13.03.2022 up to 1700 Hrs.
2	Last date for receiving queries	28.02.2022 up to 1100 Hrs.
3	Pre-bid meeting	1200 Hrs on 02.03.2022 at NHAI, HQ
4	Authority response to queries latest by	07.03.2022 on the website
5	Bid due date (On line submission)	14.03.2022 up to 1200 Hrs
6	Last date for submission of bid in physical form	14.03.2022 up to 1200 Hrs
7	Opening of Technical bids	15.03.2022 at 1230 Hrs
8	Opening of Financial Bids	Within 30 days from the date of opening of the Technical bids with the prior intimation to the Technically Qualified bidders
9	Letter of Award (LOA)	Within 15 days from the date of opening of the Financial Bids
10	Validity of bids	120 days from Bid Due Date.

SECTION-2. INSTRUCTIONS TO BIDDERS

2.1. GENERAL TERMS OF BIDDING.

2.1.1 National Highways Authority of India, Plot No. G-5 & 6, Sector 10, Dwarka, New Delhi - 110075 (hereinafter called as Authority) intends to select a firm of Chartered Accountants / Cost Accountants in accordance with the method of selection indicated in clause 2.4.10 of Section 2 of RFP.

2.1.2 Firms of Chartered Accountants /Cost Accountants [hereinafter referred to as Bidder] meeting the pre-qualification requirements are invited to submit Technical and Financial Proposals for internal auditing services required for the assignment of Internal Auditing in NHAI for Head Quarter Office.

2.1.3 The Assignment shall be implemented in accordance with the schedule of audit mentioned in TOR. When the Assignment includes several phases, the performance of the contract under each phase must be to the NHAI's satisfaction before work begins on the next phase.

2.1.4 The Bidders must familiarize themselves with local conditions and take them into account in preparing their proposals. To obtain first-hand information on the Assignment and on the local conditions, Bidders may visit NHAI HQ before submitting a proposal.

2.1.5 Please note that (i) the cost of preparing the proposal including visits to the NHAI HQ, is not reimbursable irrespective of the outcome of the evaluation process; and (ii) the NHAI is not bound to accept any of the proposal submitted and reserves the right to reject any or all proposals without assigning any reason.

2.1.6 NHAI would require that Bidders shall also provide professional, objective, and impartial advice and at all times hold NHAI's interests paramount, without any consideration for future work, and strictly avoid conflict with other assignments or their own corporate interests. Bidders shall review their operations and satisfy themselves that the proposed internal audit assignment is not in conflict with their prior or current obligations, or that of their associates/ affiliates that may place them in a position of not being able to carry out the assignment in the best interest of the NHAI.

2.1.7 **Right to accept or reject any or all Bids**

Notwithstanding anything contained in this RFP, the Authority reserves the right to accept or reject any Bid and to annul the Bidding Process and reject all Bids, at any time without any liability or any obligation for such acceptance, rejection or annulment, and without assigning any reasons there for. The Authority reserves the right to reject any Bid if:

(a) at any time, a material misrepresentation is made or uncovered, or

(b) the Bidder does not provide, within the time specified by the Authority, the

supplemental information sought by the Authority for evaluation of the Bid.

(c) Such misrepresentation/improper response shall lead to the disqualification of the Bidder. If such disqualification/rejection occurs after the opening of the Financial Bid and where the highest Bidder ("**H 1**") gets disqualified/rejected, then the Authority reserves the right to:

i) consider the remaining Bidders for evaluation & award of work or

ii) take any such measure as may be deemed fit in the sole discretion of the Authority, including annulment of the Bidding Process.

(d) In case it is found during the evaluation or at any time before award of the work or after its execution and during the period of subsistence thereof, that one or more of the pre-qualification conditions have not been met by the Bidder or the Bidder has made material misrepresentation or has given any materially incorrect or false information, the Bidder shall be disqualified forthwith if not yet issued the (letter of acceptance) LOA and if the Bidder has already been issued the LOA , as the case may be, the same shall, notwithstanding anything to the contrary contained therein or in this RFP, be liable to be terminated, by a communication in writing by the Authority to the Bidder, without the Authority being liable in any manner whatsoever to the Bidder.

(e) The Authority reserves the right to verify all statements, information and documents submitted by the Bidder in response to the RFP. Failure of the Authority to undertake such verification shall not relieve the Bidder of its obligations or liabilities hereunder nor will it affect any rights of the Authority there under.

2.1.8 **CLARIFICATIONS**

(i) To facilitate evaluation of Bids, the Authority may, at its sole discretion, seek clarifications from any Bidder regarding its Bid. Such clarification(s) shall be provided within the time specified by the Authority for this purpose. Any request for clarification(s) and all clarification(s) shall be in writing.

(ii) If a Bidder does not provide clarifications sought under Sub-Clause (i) above within the prescribed time, its Bid shall be liable to be rejected. In case the Bid is not rejected, the Authority may proceed to evaluate the Bid by construing the particulars requiring clarification to the best of its understanding, and the Bidder shall be barred from subsequently questioning such interpretation of the Authority.

(iii) No additional document shall be obtained/accepted from the Bidders after opening of the Technical Bids which have no submission in the bid submitted.

2.1.9 Bidders would be required to observe the highest standard of ethics during this process of bid and pursuant to selection, in the execution

of such audits. In pursuance of this policy, the NHAI:

(a) Defines, for the purposes of this provision, the terms set forth below as follows:

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

(ii) "fraudulent practice" means a misrepresentation of facts in order to influence a selection process or the execution of a contract to the detriment of the NHAI, and includes collusive practices among Internal Auditors (prior to or after submission of proposals) designed to establish prices at artificial, noncompetitive levels and to deprive the NHAI of the benefits of free and open competition.

(b) will reject a proposal for award if it determines that the bidder recommended for award has engaged in corrupt or fraudulent activities in competing for the contract in question;

(c) will declare a bidder ineligible, either indefinitely or for a stated period of time, to be awarded a contract if it at any time determines that the bidder has engaged in corrupt or fraudulent practices in competing for, or in executing, a contract;

2.1.10 Bidders shall not be under a declaration of ineligibility for corrupt and fraudulent practices issued by the NHAI in accordance with the above sub para 2.1.9 (ii) (c).

2.1.11 Bidders should be aware of provisions on fraud and corruption as applicable under CVC guidelines.

2.1.12 **Tests of responsiveness**

(i) Prior to evaluation of Bids, the Authority shall determine whether each Technical Bid is responsive to the requirements of the RFP and Bid shall be considered responsive only if:

(a) it is received as per format at Appendix-I.

(b) it is received by the Bid Due Date including any extension thereof pursuant to Bid Invitation Notice.

(c) it contains all the information (complete in all respects) as requested in this RFP;

(d) it contains information in formats same as those specified in this RFP;

(e) it does not contain any condition or qualification;

(f) The specified Cost of bid document in the form as demanded is submitted along with the technical bid;

(g) it is accompanied by all the documents required under this RFP and it is not non-responsive in terms hereof.

(ii) The Authority reserves the right to reject any Bid which is non-responsive and no request for alteration, modification, substitution or withdrawal shall be entertained by the Authority in respect of such Bid.

2. 2 CLARIFICATION AND AMENDMENT TO RFP DOCUMENTS

2.2.1 Bidders may request clarifications on any of the RFP documents up to and on 28.02.2022, 1100 Hrs. Any request for clarification must be sent in writing through mail to the NHAI's address given for the contact person. Response to such requests will be hosted on NHAI web site.

2.2.2 At any time before the submission of proposals, NHAI may, for any reason whatsoever, whether at its own initiative or in response to a clarification requested by a bidder, modify the RFP documents by amendment. The amendment will be hosted on the website **https://etenders.gov.in**. All amendments will be binding on all participating bidders. The NHAI may at its discretion extend the deadline for the submission of Proposals which information will be hosted on the website **https://etenders.gov.in** and nhai.org.

2.3. PREPARATION OF PROPOSAL

2.3.1 All correspondence and documentation related to the Bid exchanged between the Bidder and the Authority shall be in English language.

2.3.2 **Technical Proposal**: The Technical proposal shall be submitted in the format prescribed in Section 3 and as per details given at para 2.4.1 of this Section.

2.3.3 Financial Proposal: In preparing the Financial Proposal, Bidders are expected to take into account the requirements and conditions stated in the RFP document and the terms of reference. The Financial Proposal shall be submitted in the form provided in Section 3. It shall include all costs associated with the Assignment, including but not limited to (a) remuneration of staff and (b) costs such as traveling, boarding, lodging, local conveyance, services and office equipment, insurance, printing of documents, surveys; and training, etc. **However, GST/ any other tax as applicable shall be reimbursed by NHAI separately on production of proof of payment. TDS as applicable shall be deducted from all the payments.**

2.3.4 Bidders should express the price of their services in Indian Currency only.

2.3.5 The proposals must remain valid for 120 days from Bid Due Date. During this period, the Bidders are expected to keep available the key professional staff proposed for the assignment. NHAI will make its best effort to complete the process of selection within this period.

2.3.6 The Financial Proposal shall be signed by a partner whose digital signature is used for uploading the bid.

2.3.7 A firm should submit only one bid. In case, more than one bid is received

from the same firm, all the bids shall be rejected.

2.3.8 In case of any difference in figure and words, the amount mentioned in words will prevail.

2.4. Eligibility, submission, opening and evaluation of proposals

2.4.1 **ELIGIBILITY:** - Eligibility criteria for technical qualification for the assignment is prescribed as under:-

Sl. No.	Minimum Qualification for eligibility.	Minimum requirement
1	No. of years of experience of the firm	20 years
2	**Head office of the firm in Delhi/ NCR and/ or a** Branch office of the firm in Delhi/ NCR with at least 5 partners stationed in Delhi/ NCR.	Head Office or branch in Delhi/ NCR
3	No. of full time partners	10
4	No. of Qualified CA / C M A in full time employment excluding the Partners.	10
5	Minimum annual turnover of the bidder in any of the FY 2019-20 or 2020-21.	Rs. 10 Cr.
6	In any one financial year, i.e. FY 2019-20 or 2020-21, the applicants should have conducted statutory audit or internal audit of at least **five PSU/Private Sector Company** dealing in infrastructure development with minimum turnover of unit/branch (in case audit of unit/ branch) audited.	Rs. 1000.00 Cr.
7	No. of Companies (Registered under Companies Act) audited in the capacity of statutory auditors and / or Internal auditor during the financial year 2019-20 and/ or 2020-21. (Various branches/units of a company will be considered as one company and audit of the same company in both the years will also be considered as one company.)	At least 100 companies including 5 PSUs
8	Experience as Auditor for auditing the entities having PPP/ BOT/ EPC Projects (EPC projects for construction/ widening of the highway of Rs. 250 Crs or more only will be considered) during last two years in road sector/ Audit of NHAI PIU/ RO/ HQ. (one PIU will be considered as one entity irrespective of number of years)	At least 5 entities in last 2 years

- **For technical qualification, the applicant must possess minimum requirement under each qualification criteria and should score at least 85 marks.**

Note:
Documents to be **submitted online in** support of above facts are given below: -
No submission / incomplete of partial submission/ illegible submission of the documents will lead to the rejection of the bid.

(i) In respect of Serial No. 1, 2, 3 & 4 photocopy/scanned copy of Certificate issued by The Institute of Chartered Accountants of India / The Institute of Cost Accountants of India as on 1st January, 2021 or a later date.

(ii) In support of partner stationed in Delhi/ NCR, the bidder shall submit the copy of the partnership deed confirming that five or more partners are associated with the branch situated in Delhi/ NCR or address proof that partner (s) are living in the Delhi/ NCR.

(iii) In respect of Serial No. 5, Copy of Balance Sheet and P&L Account for the year ended 31st March, 2020 or 31st March, 2021 specifying the turnover shall be enclosed. The above must be certified by a partner of the bidder.

(iv) In respect of Serial No. 6, list of companies audited and their turnover as on 31st March, 2020 or 31st March, 2021 duly certified by a partner of the bidder.

(v) In respect of Serial No. 7, list of companies audited in the following format duly certified by a partner of the bidder.

Sl. NO.	Name of the Company	Whether as Internal Auditor or Statutory Auditor	Financial Year	Turnover of Branch /Company audited

(vi) In respect of Serial No. 8, list of companies audited in the following format duly certified by a partner of the bidder.

Sl. NO.	Name of the Company in Highway sector	Whether as Internal Auditor or Statutory Auditor	Financial Year	Turnover of company audited	Detail of the projects executed/ under execution during audit period *

* The detail of the PPP/BOT/EPC projects executed/ under execution during period of audit must be provided on the letter head of the company under audit.

(vii) In support of the work of PPP/ BOT/ EPC projects executed by the company, the Chartered Accountant firm/ Cost & Management Accountant firm shall submit the relevant pages of the Concession/ Contract agreements showing name of the project, cost of the project, executing agencies etc.

(viii) Joint Venture/Association of Chartered Accountant firms/ Cost & Management Accountant firms shall not be permitted.

2.4.2 It shall contain no inter-lineation or overwriting, except as necessary to correct errors made by the bidder itself. Any such corrections must be authenticated by the person or persons who sign(s) the Proposals.

2.4.3 Documents to be submitted online with Technical and Financial Bids. Non-submission /incomplete or partial submission/ illegible submission of the documents will lead to the rejection of the bid.

(a) Form of Technical Bid on the letterhead of the bidder as per Appendix I (Section-III).

(b) Certificate issued by The Institute of Chartered Accountants of India / The Institute of Cost Accountants of India valid as on 1st January, 2021 or any later date;

(c) Copy of the partnership deed showing name of five or more partners associated with the branch situated in Delhi/ NCR or address proof that partner (s) are living in the Delhi/ NCR.

(d) Balance Sheet and P&L Account for the year ended 31st March, 2020 or 31st March, 2021 and certificate of the turnover. The above must be certified by a partner of the bidder.

(e) List of companies audited and their turnover as on 31st March, 2020 or 31st March, 2021 duly certified by a partner of the bidder.

(f) List of companies audited in the following format duly certified by a partner of the bidder in the following format.

Sl. NO.	Name of the Company	Whether as Internal Auditor or Statutory Auditor	Year of auditing	Turnover of company audited

(g) List of companies audited in the following format duly certified by a partner of the bidder.

Sl. NO.	Name of the Company in Highway sector	Whether as Internal Auditor or Statutory Auditor	Year of auditing	Turnover of company audited	Detail of the projects executed/ under execution during audit period *

* The detail of the PPP/BOT/EPC projects executed/ under execution during period of audit must be provided on the letter head of the company under audit.

(h) In support of the work of PPP/ BOT/ EPC projects executed by the company, the Chartered Accountant firm/ Cost & Management Accountant firm shall submit the relevant pages of the Concession/ Contract agreements showing name of the project, cost of the project, executing agencies etc.

(i) Undertaking relating to conflict of interest as per the format given in Appendix II of Section-3.

(i) Financial Bid in the form as provided in Appendix II (section 3) is to be uploaded after quoting the price, at the link provided in the e portal.

Note: - The Financial bid should be submitted online only in the prescribed format. No other form of submission will be accepted.

2.4.4 No document is to be submitted in physical form. Only DD/pay order of Rs. 10000/- (rupees ten thousand only) towards cost of bid document **is to be submitted in physical form.**

2.4.5 The envelop shall be superscripted as follows:

PROPOSAL FOR APPOINTMENT OF THE INTERNAL AUDITORS IN NHAI HQ

"DO NOT OPEN EXCEPT IN PRESENCE OF EVALUATION COMMITTEE"

2.4.6 The **complete proposal must be delivered at the following address:-** Shri. Sanjay Verma, General Manager (Finance), National Highways Authority of India, New Building, Plot No- G-5 & 6, Sector-10, Dwarka, New Delhi-110075. The proposal must be submitted by 1200 Hrs on 14.03.2022. Any Proposal received after the closing time, shall remain unopened.

2.4.7 The bidder may modify or withdraw their Technical and/or Financial bids through e-Tendering portal before the Bid Due Date. No Technical or Financial Bid may be modified after Bid Due Date. With drawl or modification of Technical or Financial Bids between the Bid Due Date and Expiration of Bid validity shall result into disqualification on the bidding process.

2.4.8 The evaluation committee of the NHAI shall open the technical proposals first and carryout the evaluation of the technical proposal. The financial proposal of the bidders whose technical proposal has been accepted shall be opened in presence of the qualified bidder's representative who choose to attend.

2.4.9 After opening the financial proposal, the evaluation committee will determine whether the Financial Proposals are complete. The evaluation will be made based on the all inclusive rate for the year 2021-22.

2.4.10 The NHAI will select Internal Auditor for HO on the **basis of Quality and Cost Based Selection method as described in this RFP** amongst the bidders that are found to be responsive. The weightage of Technical and Financial **score shall be 80% & 20% respectively.**

2.4.11 Bid which is unrealistically priced low/high, is liable to be rejected. The final decision in this regard will vest with NHAI. NHAI reserves the right to seek cost break up of any or all bids submitted in this process.

2.5 Evaluation of Technical Proposals for the empanelment of Internal Auditors shall be made on the following basis.

Sl. No	**Particulars**	**Maximum Marks.**	**Marks**
1	**Experience of CA / CMA firms**	**10**	
	At least twenty years		5
	>20 to 25 years		7
	>25 years		10
2	**Head office/branch office of the firm in Delhi/ NCR**	**5**	5
	Office of the firm is in Delhi/ NCR with atleast 5 partners stationed in Delhi/ NCR.	**3**	

	With atleast 5 partners stationed in Delhi/ NCR.		1
	With more than five partners stationed in Delhi/ NCR.		3
3	**Number of full time partners**	**12**	
	At least ten full time partners		8
	10 - 15 full time partners		10
	> 15 full time partners		12
4	**Number of qualified CA/CMA in the full time employment with the CA/CMA firm excluding the partners.**	**12**	
	At least 10 CA		8
	>10 - 20 CA		10
	> 20 CA		12
5	**Annual Turnover of the Firm**	**12**	
	At least INR 10.00 Cr		8
	>INR 10.00 Cr To INR 15.00 Cr		10
	>INR 15.00 Cr		12
6	**In any one financial year, i.e. FY 2019-20 or 2020-21, the applicants should have conducted statutory audit or internal audit of at least five PSU/Private Sector Company dealing in infrastructure developments with minimum turnover of unit/branch (in case audit of unit/ branch) audited.**	**12**	
	At least INR 1000.Cr.		8
	>INR 1000.00 Cr. To INR 5000.00 Cr.		10
	>INR 5000.00 crore		12
7	**No. of Companies (Registered under Companies Act) audited in the capacity of statutory auditors and / or Internal auditor during the financial year 2019-20 and/ or 2020-21. (Various branches/units of a company will be considered as one company and audit of the same company in both the years will also be considered as one company.)**	**14**	
	At least 100 companies including 5 PSUs		10
	> 100 to 150 companies including more than 7 PSUs		12
	> 150 companies including more than 10 PSUs		14
8	**Experience as Auditor for auditing the entities having PPP/ BOT/ EPC Projects (EPC projects for construction/ widening of the highway of Rs 250 Crs or more only will be considered) during last two years in road sector/ Audit of NHAI PIU/ RO/ HQ. (one PIU will be considered as one entity irrespective of number of years)**	**20**	
	At least five entities		15
	> 5 to 10 entities		17
	> 10 entities		20
		100	

- **For technical qualification, the bidder must possess minimum requirement under each qualification criteria and should score at least 85 marks.**

2.6 **Location**

The Services shall be performed at NHAI's HQ at Delhi.

2.7 **Authorized Representatives**

Any action required or permitted to be taken, and any document required or permitted to be executed, under this Contract by the NHAI or the Internal Auditors may be taken or executed by the officials specified below;

For the NHAI: General Manager (F&A) NHAI for the

Internal Auditors : ----------

2.8 **Taxes and Duties**

The Internal Auditors and the personnel shall pay the taxes, duties, fees, levies and other impositions levied under the existing, amended or enacted laws during life of this contract and the NHAI shall perform such duties in regard to the deduction of such taxes as may be lawfully imposed.

COMMENCEMENT, COMPLETION, MODIFICATION AND TERMINATION OF CONTRACT

2.9.1 Commencement of Services

The Internal Auditors shall begin carrying out the Services within fifteen (15) days from the date mentioned in the LOA.

2.9.2 Expiration of Contract

Unless terminated earlier pursuant to Clause 2.11, the period of contract shall be Two [2] years or after all the obligations under this contract have been fulfilled by the Internal Auditors or such other period as the parties may agree in writing. However the initial appointment will be for 1 year, which can be extended to 2nd & 3rd year solely at the discretion of NHAI.

2.10 Force Majeure

2.10.1 **Definition**

For the purposes of this RFE, "Force Majeure" means an event which is beyond the reasonable control of a Party, and which makes a Party's performance of its obligations under the RFE impossible or so impractical as to be considered impossible under the circumstances.

2.10.2 **No Breach of RFE**

The failure of a Party to fulfill any of its obligations under the RFE

shall not be considered to be a breach of, or default under this RFE insofar as such inability arises from an event of Force Majeure, provided that the Party affected by such an event (a) has taken all reasonable precautions, due care and reasonable alternative measures in order to carry out the terms and conditions of this RFE, and (b) has informed the other Party as soon as possible about the occurrence of such an event.

2.10.3 **Extension of Time**

Any period within which a Party shall, pursuant to this RFE, complete any action or task, shall be extended for a period equal to the time during which such Party was unable to perform such action as a result of Force Majeure.

2.11 Termination

2.11.1 By the NHAI

The NHAI may terminate this Contract, by not less than thirty (30) days' written notice of termination to the Internal Auditors, to be given after the occurrence of any of the events specified in paragraphs (a) through (e) of this Clause 2.6.1:

2.11.1.1 if the Internal Auditors do not remedy a failure in the performance of their obligations under the Contract, within thirty (30) days of receipt after being notified or within such further period as the NHAI may have subsequently approved in writing;

2.11.1.2 if the Internal Auditors become insolvent or bankrupt;

2.11.1.3 if, as the result of Force Majeure, the Internal Auditors are unable to perform a material portion of the Services for a period of not less than sixty (60) days; or

2.11.1.4 if the Internal Auditor, in the judgment of the NHAI has engaged in corrupt or fraudulent practices in competing for or in executing the Contract.

For the purpose of this clause:

"Corrupt practices" means the offering, giving, receiving or soliciting of anything of value to influence the action of a public official in the selection process or in contract execution.

"fraudulent practice" means a misrepresentation of facts in order to influence a selection process or the execution of a contract to the detriment of the NHAI, and includes collusive practice among Internal Auditor (prior to or after submission of proposals) designed to establish prices at artificial non-competitive levels and to deprive the NHAI of the benefits of free and open competition.

2.11.1.5 if the Internal Auditors violates clause 3.1.1 of Condition of Contract and NHAI decides to terminate the contract.

2.11.1.6 if the NHAI, in its sole discretion and for any reason whatsoever, decides to terminate this Contract.

2.11.2 By the Internal Auditors.

The Internal Auditors may terminate this Contract, by not less than thirty (30) days' written notice to the NHAI, such notice to be given after the occurrence of any of the events specified in paragraphs (a) and (b) of this Clause 2.6.2:

2.11.2.1 if the NHAI fails to pay any money due to the Internal Auditors pursuant to this Contract and not subject to dispute pursuant to Clause 7 hereof within forty-five (45) days after receiving written notice from the Internal Auditors that such payment is overdue; or

2.11.2.2 if, as the result of Force Majeure, the Internal Auditors are unable to perform a material portion of the Services for a period of not less than sixty (60) days.

2.11.3 Payment upon Termination

Upon termination of this Contract pursuant to Clauses 2.6.1 or 2.6.2, the NHAI shall make payments to the Internal Auditors on account of remuneration pursuant to Clause 6 for Services satisfactorily performed prior to the effective date of termination;

3 OBLIGATIONS OF THE INTERNAL AUDITORS.

3.1 General

3.1.1 The Internal Auditors shall perform the Services and carry out their obligations hereunder with all due diligence, efficiency and economy, in accordance with generally accepted professional techniques and practices and shall observe sound management practices and employ appropriate advanced technology and safe methods. The Internal Auditors shall always act in respect of any matter relating to this Contract or to the Services, as faithful advisers to the NHAI and shall at all times support and safeguard the NHAI's legitimate interests in any dealings with other Internal Auditors or third parties.

3.1.2 Under any circumstances, Internal Audit of two financial years should not be clubbed together and it will be obligatory on the part of Internal Auditors to ensure the above. In the event the Internal Audit of two financial year is clubbed together, the same will be treated as the violation of this contract.

3.1.3 If for the previous periods the Internal Audit has been carried out by a firm of Auditors other than current Audit firm, and the RFP

requires that in any of the reports for the current period of Internal Audit, reference to, follow up of or compliance to comments related to such previous periods is required to be made, the Internal Audit shall satisfy such requirement.

3.2 Conflict of Interest

3.2.1 Internal Auditors Not to Benefit from Commissions, Discounts, etc.

The remuneration of the Internal Auditors pursuant to Clause 6 shall constitute the Internal Auditors' sole remuneration in connection with this Contract or the Services, and the Internal Auditors shall not accept for their own benefit any trade commission, discount or similar payment in connection with activities pursuant to this Contract or to the Services or in the discharge of their obligations under the Contract, and the Internal Auditors shall ensure that the Personnel, any Sub-Internal Auditor, and agents of either of them, similarly shall not receive any such additional remuneration.

3.2.2 Internal Auditors and Affiliates Not to Be Otherwise Interested in Project

The Internal Auditors agree that, during the term of this Contract and after its termination, the Internal Auditors and their affiliates shall be disqualified from providing goods, works or services (other than the Services and any continuation thereof) for any project resulting from or closely related to the Services.

3.2.3 Prohibition of Conflicting Activities

Neither the Internal Auditors nor their Personnel shall engage, either directly or indirectly, in any activity, which by the best industry practice shall be deemed to involve a conflict of interest:

(a) During the term of this Contract, any business or professional activities which would conflict with the due discharge of activities assigned to them under this Contract. Clarifications regarding conflict of interest in respect of some of the existing assignments in NHAI is as under:-

Assignment	Clarification regarding conflict of interest
User Fee(toll) Auditor	Conflict of interest will be only for the concerned PIU/CMU in the Zone. The bidder will withdraw from user fee (toll) auditor assignment.
Decoy Customer	This will not be a conflict of interest
Financial Consultancy to NHAI	This will not be a conflict of interest
Statutory/Internal auditor of SPVs of NHAI	This will not be a conflict of interest.

Statutory /Concurrent/ Additional auditors of BOT projects	Conflict of interest will be only for the concerned PIU/CMU dealing with that particular BOT project in the zone. The bidder will withdraw from such statutory/concurrent/ additional audit assignments.

3.3 Confidentiality

The Internal Auditors and their Personnel shall not, either during the term or within two (2) years after the expiration of this Contract, disclose any proprietary or confidential information relating to the Project, the Services, this Contract, or the NHAI's business or operations without the prior written consent of the NHAI.

3.4 Insurance to be taken out by the Internal Auditors

The Internal Auditors (a) shall take out and maintain, at their own cost but on terms and conditions approved by the NHAI, insurance against the risks, and for the coverage, the Professional Liability Insurance, with a minimum coverage equal to total contract value for this consultancy for the period of contract plus two years beyond the contract period and (b) shall provide evidence to the NHAI showing that such insurance has been taken out and maintained and that the current premiums have been paid.

3.5 Internal Auditors' Actions Requiring NHAI's Prior Approval

The Internal Auditors shall obtain the NHAI's prior approval in writing before taking any action for entering into a subcontract for the performance of any part of the Services,

3.6 Reporting Obligations

The Internal Auditors shall submit to the NHAI the reports and documents specified at clause- 4 of TOR.

3.7 Documents Prepared by the Internal Auditors to be the Property of the NHAI

All reports, manuals and other documents submitted by the Internal Auditors in accordance with Clause 3.6 shall become and remain the property of the NHAI, and the Internal Auditors shall, not later than upon termination or expiration of this Contract, deliver all such documents to the NHAI, together with a detailed inventory thereof. The Internal Auditors may retain a copy of such documents. The Internal Auditors shall not use these document for purposes unrelated to this contract without prior and written approval of the NHAI.

4 INTERNAL AUDITORS PERSONNEL

4.1 Removal and/or Replacement of Personnel

(a) Except as the NHAI may otherwise agree, no changes shall be made in the Senior/middle level Personnel. If, for any reason beyond the reasonable control of the Internal Auditors, it becomes necessary to replace any of the senior/ middle level Personnel, the Internal Auditors shall forthwith provide as a replacement a person of equivalent or better qualifications.

(b) If the NHAI finds that any of the Personnel has (i) committed serious misconduct or has been charged with having committed a criminal action, or (ii) have reasonable cause to be dissatisfied with the performance of any of the Personnel, then the Internal Auditors shall, at the NHAI's written request specifying the grounds therefore, forthwith provide as a replacement a person with qualifications and experience acceptable to the NHAI.

(c) The Internal Auditors shall have no claim for additional costs arising out of or incidental to any removal and/or replacement of Personnel.

5 OBLIGATIONS OF THE NHAI

Services and Facilities

The NHAI shall make available to the Internal Auditor the Services and Facilities as per clause 6 of TOR.

6 PAYMENTS TO THE INTERNAL AUDITORS

6.1 Lump Sum Remuneration

The Internal Auditors' total remuneration shall not exceed the amount mentioned in the LOA and shall be a fixed lump sum including all staff costs, printing, communications, travel, accommodation, and the like, and all other costs incurred by the Internal Auditors in carrying out the Services as per the contract. The Contract Price may only be increased above the amounts stated in clause 6.2 if the Parties have agreed to additional payments in accordance with Clause 2.4.

6.2 Contract Price

The contract price shall be as indicated in Letter of Acceptance and payable in Indian Rupees.

6.3 Payment for Additional Services

The remuneration due for additional services as provided in clause 2.4 of Contract Conditions will also include the payment for additional services as provided in TOR.

6.4 Terms and Conditions of Payment

Payment shall be made within 45 days of receipt of the invoice and within 60 days, in the case of the final payment, on satisfactory completion of the assignment by the Internal Auditors and having submitted an invoice to the NHAI specifying the amount due.

7 SETTLEMENT OF DISPUTES

7.1 Amicable Settlement

The Parties shall use their best efforts to settle amicably all disputes arising out of or in connection with this Contract or its interpretation.

7.2 Dispute Resolution

Any dispute arising out of the Contract, which cannot be amicably settled between the parties, shall be referred to arbitration in accordance with the Arbitration and Conciliation Act, 1996 through a sole arbitrator being appointed by International Centre for Alternate

Dispute Resolution, New Delhi. The venue of the arbitration shall be at New Delhi.

8. **CONFIDENTIALITY**

8.1 Information relating to evaluation of proposals and recommendations concerning awards shall not be disclosed to the bidders who have not submitted the proposals or to other persons not officially concerned with the process, until the successful bidder has been notified that it has been awarded the contract.

9. **Method for determining the most preferred bidder under Quality and Cost Based Selection method**

9.1 The Lowest Financial Quote (LFQ) will be given a Financial Score (FS) of 100 points.

9.2 The financial scores of other proposals will be computed as follows:

FS = 100 x LFQ/FQ

Where,

FS = Financial Score, LFQ= Amount of Lowest Financial Quote, FQ = Amount of Financial Quote of the bidder

9.3 **Combined evaluation of Technical and Financial Proposals**.

Proposals will finally be ranked according to their combined Technical (TS) and Financial (FS) scores using the weights indicated in the RFP:

CS = TS x T + FS x F

Where,

CS= Combined Score,
TS= Technical Score out of 100 as per technical bid evaluation.
FS= Financial Score out of 100 as calculated above.

T and F are values of weightage for technical (80%) and financial (20%) proposals respectively as given in the RFP.

10. **Most Preferred Bidder (H-1).**

A bidder having the maximum Combined score (CS) shall be declared as the most preferred bidder (H1).

SECTION -3 - PROPOSALS

APPENDIX-I

PROFORMA FOR TECHNICAL PROPOSAL FOR APPOINTMENT AS INTERNAL AUDITOR – NHAI HQ

(On the letterhead of the bidder)

From: (Name & address of Bidder)

To:
National Highways Authority of India
G 5 & 6, Sector 10, Dwarka,
New Delhi-110075

Sir,

Subject: Appointment of Internal Auditor for NHAI - HO.

We, the undersigned, offer to provide the internal audit services for the above in accordance with your Request for Proposal. Our Technical proposal i s as under-

Eligibility of the bidder for internal auditor in NHAI:

Sl. No.	**Particulars**	
I.	No. of years of experience	
II.	**Head office of the firm in Delhi/ NCR and/ or a** Branch office of the firm in Delhi/ NCR with at least 5 partners stationed in Delhi/ NCR	
III.	No. of full time partners	
IV.	No. of Qualified CA in full time employment excluding the Partners.	
V.	Minimum annual turnover of the bidder in any of the FY 2019-20 or 2020-21.	
VI.	In any one financial year, i.e. FY 2019-20 or 2020-21, the applicants should have conducted statutory audit or internal audit of at least **five PSU/Private Sector Company dealing in infrastructure developments** with minimum turnover of unit/branch (in case audit of unit/ branch) audited Rs 1000 Crs	

VII	No. of Companies (Registered under Companies Act) audited in the capacity of statutory auditors and / or Internal auditor during the financial year 2019-20 and 2020-21. (Various branches/units of a company will be conceder as one company and audit of the same company in both the years will be considered as one company.)	
VIII	Experience as Auditor for auditing the entities having PPP/ BOT/ EPC Projects in last two years. EPC projects for construction/ widening of the highway of Rs 250 Crs or more only will be considered) during last two years in road sector/ Audit of NHAI PIU/ RO/ HQ. (one PIU will be considered as one entity irrespective of number of years)	

Note:

Document to be submitted in support of above facts are given below:-
Non submission /incomplete or partial submission/ illegible submission of the documents will lead to the rejection of the bid.

1. In respect of Serial No. I, II, III & IV photocopy/scanned copy of Certificate issued by The Institute of Chartered Accountants of India / The Institute of Cost Accountants of India as on 1st January, 2021 or any later date.
2. In support of partner stationed in Delhi/ NCR, the bidder shall submit the copy of the partnership deed confirming that five or more partners are associated with the branch situated in Delhi/ NCR or address proof that partner (s) are living in the Delhi/ NCR.
3. In respect of Serial No. V, Copy of Balance Sheet and P&L Account as on 31.03.2020 or 31.03.2021 specifying the turnover shall be enclosed. The above must be certified by a partner of the bidder.
4. In respect of Serial No. VI list of companies audited and their turn over as on 31st March, 2020 or 31st March, 2021 duly certified by a partner of the bidder.
5. In respect of Serial No. VII list of companies audited duly certified by a partner of the bidder in the following format:-

Sl. No.	Name of the Company	Whether as Internal Auditor or Statutory Auditor	Year of auditing	Turnover of company audited

6. In respect of Serial No. VIII list of companies audited duly certified by a partner of the bidder in the following format:-

Sl. No.	Name of the Company in Highway sector	Whether as Internal Auditor or Statutory Auditor/concurrent Auditor/ additional auditor	Year of auditing	Turnover of company audited	Detail of the projects executed/ under execution during audit period *

* The detail of the PPP/BOT/EPC projects executed/ under execution during period of audit must be provided on the letter head of the company under audit.

7. In support of the work of PPP/ BOT/ EPC projects executed by the company, the CA firm shall submit the relevant pages of the Concession/ Contract agreements showing name of the project, cost of the project, executing agencies etc.
8. Undertaking relating to conflict of interest as per the format given in clause 4.1(a)- of Section 2-Information to Bidders is also to be submitted.

We hereby certify that above information provided is true and correct to the best of our knowledge and information.

We understand and agree to carry out the assignment as per the TOR attached herewith.

Yours sincerely,

(Partner of the firm)

Place…….

Name, Membership No. of The Institute of Chartered Accountants of India / The Institute of Cost Accountants of India.

Name of Bidder / Address & Seal

Date…….

APPENDIX II

Financial Bid

(Not to be submitted in physical form)

National Highways Authority of India

Tender No:	
Name of Work:	**Internal Audit for NHAI HQ**
Name of the firm:	
Total Quoted Value for 2021-22 in Figures (In Rs.)	
In Words (In Rs.)	

This amount is inclusive of all taxes, levies. **However, GST as applicable shall be payable extra.**

Appendix III

Undertaking

(relating to conflict of interest)

On behalf of our firm, we certify that

(i) At present we have not been awarded any assignment by NHAI or any contractor, concessionaire, consultant associated with NHAI (except the Internal Audit Work for -------). (delete if not applicable);

or

At present we have been awarded the following assignments by NHAI or any contractor/ concessionaire, consultant associated with NHAI (delete if not applicable);

S.No.	Name of the Project, Description of assignment	Name of the party (PIU/CMU of NHAI/Contractor, Concessionaires/Consultants) with whom the contract has been signed by the bidder	Value of the assignment (Rs. in lakhs)	Period of assignment From- to

(ii) In case we are selected for the assignment, we shall not accept any direct/indirect employment/consultancy with the contractors/ concessionaires /consultants of NHAI during the period of assignment without prior permission of NHAI, which may be rejected by NHAI in case of any conflict of interest.

(iii) During the period of assignment and within one year of completion of assignment, we shall not engage in discussion or make any agreement with the contractors/ concessionaires/ consultants of NHAI regarding employment/consultancy, etc without prior permission of NHAI.

(iv) We shall remain impartial and independent of the contractors/concessionaires /consultants of NHAI.

(v) We also undertake to withdraw from any or all of the assignments mentioned at S. No. (i) above if it is a conflict of interest for the assignment of Internal Auditor.

(vi) We undertake that the above information is true and NHAI may debar our firm bidding/ undertaking any of their projects / assignments and blacklist us for a minimum of two years period in case of above certification is found incorrect.

Yours sincerely,

(Partner of the firm)

Place……. Name, Membership No. of ICAI

Date……. Name of bidder/Address and seal

Section-4. Terms of Reference (TOR)

Selection of Bidders for Internal Audit of National Highways Authority of India (NHAI), Ministry of Road Transport & Highways (MoRT&H), Government of India (GOI)

1.0 Introduction

The National Highways Authority of India (NHAI) was created as an autonomous organization under the National Highways Authority of India Act, 1988. NHAI is working under the administrative control of the Ministry of Road Transport & Highways (MoRT&H), Government of India (GOI) and is primarily responsible for the development and maintenance of National Highways entrusted to it by GOI.

In accordance with NHAI Act, 1988, Govt. of India, from time to time by notification in the Official Gazette, has vested in or entrusted to NHAI various National Highways or stretches thereof as specified in such notification for the purpose of development and maintenance.

The National Highways Authority of India (NHAI) is mandated with implementation of the National Highways Development Project (NHDP) covering around 54000 Kms of National Highways at an approved cost of Rs. 640,000 crores approximately. The present level of annual expenditure is Rs. 45000/- crores (approximately) and annual collection of toll fee is Rs. 7500/- crores (approximately).

NHAI has been receiving funds from GOI for execution of projects, mainly in the form of the cess funds out of the Central Road Fund and also capital grant/loan for execution of various externally aided projects funded by various multilateral agencies like, the World Bank, the Asian Development Bank and the Japan Bank for International Cooperation out of the yearly budgetary allocation for executing various projects. In addition, NHAI has also been raising funds through market borrowings to supplement its resources and finance the implementation of the projects. On completion of construction, NHAI would levy user fees (toll) on these stretches.

NHAI has its Head Office [HO] at New Delhi and have Regional Offices at the Capitals of many of the States (Presently 25 ROs) and around 170 Project Implementation Units (PIUs)/Corridor Management Units (CMUs) spread throughout the country that are responsible for implementation of projects / operations and maintenance (O&M) during the post-construction period. NHAI has a full time Chairman (in the rank and pay of Secretary to the Government of India) and five (6) full time Members (in the rank and pay of Additional Secretary to the Government of India) heading functional areas of Finance, Administration, Projects, PPP and Technical.

For the purpose of development and maintenance of highways, NHAI selects/ appoints Contractors [*who execute the civil works*] and Supervision Consultants, commonly referred to as the 'Engineers' who supervise the execution of the project on a day- today-basis on behalf of NHAI and also certify the bills in respect of quantity and quality. In addition to above, work is also awarded to concessionaires on BOT/PPP basis. The concept envisages private sector developers, developing projects and

recouping their investments through toll or annuity flows from NHAI for pre-specified periods. PPP envisages deployment of private sector funding for infrastructure projects which would have otherwise consumed public funding. In BOT (Toll) projects, they recover their cost, along with profit, over a period of time in which they operate the facility and collect money (toll) from the public who make use of the facility. In case of BOT Annuity projects, the concessionaire will be entitled for a fixed 'Annuity' during the entire concession period. After the concession period, the possession of the facility is transferred to the Employer/NHAI. For BOT (Toll/Annuity) projects the procedures for selection of an entrepreneur are different from those for engaging a contractor for other type of works. Under both the above situation, expenditure on land acquisitions, pre- construction activities (utility shifting etc) are incurred by NHAI.

NHAI follows a decentralized payment & financial accounting procedure. Payments for various projects are handled and the books of accounts are maintained at ROs/PIUs/CMUs. Each PIU is treated as a separate payment/ accounting unit and is headed by a Project Director [PD]. PD approves the technical aspect of the bill and approves the release of payment after obtaining financial concurrence from F&A Unit housed at respective ROs wherever competent to, based on the certification made by the Supervision Consultants (Engineers). Necessary funds to meet the project expenses are released from HO to all the F&A/ROs on a periodical (generally quarterly) basis. Most of F&A/ROs are covered under CBS (Core Banking Solution), disbursement made by such F&A/ROs are recouped from Centralized Account at HQ on daily basis.

The financial accounting is made on double entry system of accounting on accrual basis and is generally based on the Accounting Standards issued by The Institute of Chartered Accountants of India (as applicable to NHAI) and various Significant Accounting Policies adopted by the Board of NHAI from time to time. Accounts are consolidated at HO based on the trial balances submitted by the PIUs/CMUs. The financial statements are prepared in the formats prescribed by the Comptroller & Auditor General of India [C&AG].

The National Highways Authority of India [Budget, Accounts, Audit, Investment of funds, and Powers to enter Premises] Rules, 1990 prescribes the procedure relating to budget, accounts, audit, investment of surplus funds, etc. In accordance with the rules, the annual accounts of NHAI are required to be audited by the Comptroller & Auditor General of India [C&AG].

A computerized web enabled Project Financial Management System [e-PFMS] has been got developed by NHAI through a firm of Consultants. e-PFMS, a multi-user integrated computerized system to broadly facilitate (i) book keeping and financial accounting [based on a code structure enabling project accounting] under double entry system of accounting on accrual basis, (ii) consolidation of accounts, (iii) generation of various MIS reports, actual vs. budget analysis, etc., (iv) generation of Project Monitoring Reports [PMRs] and Output Monitoring Reports [OMRs] for the World Bank aided projects, (v) applications for withdrawal of loan from The World bank, etc. The system has been installed in HO and in majority of PIUs/CMUs. NHAI is planning to adopt ERP.

NHAI prepares its budgets on an annual basis. The report on contract-wise expenditure and other MIS reports are compiled on a monthly basis.

The total value of capital expenditure [including advances] and the volume of transactions during the last two years are as under-

Sr.	Particulars	As on 31/3/21	As on 31/3/20
1	Value of Capital work-in-progress [Rs.in crores]	Rs 521020.45 Crs	Rs 430178.2 Crs
2	Approximate no. of Vouchers* at HO	41949	10306
3	Procurement Audit of contracts	550	450

* The number of transactions may vary and the Internal Auditors may make their own assessment for the assignment. There will be no extra payment if the vouchers increase or reduction if the vouchers decrease.

2. Objectives

NHAI proposes to appoint firm of Chartered Accountants / Cost Accountants as its Internal Auditor to conduct internal audit at HQ. The appointment shall be made for FYs 2021-22 and the same is extendable by two more years one year at each occasion at the option to be exercised by NHAI at its sole discretion. NHAI has established an Internal Audit Committee [headed by Member (Finance)] to examine the issues brought out by the Internal Auditors with a view to take corrective measures and prescribe policy directions/guidelines to strengthen the systems and procedures.

The Internal Auditor at HQ would mainly be responsible for the following functions-

i. To examine and report on the adequacy and effectiveness of the internal controls and suggest ways for their improvement.

ii. To examine the adequacy and effectiveness of the quality of performance of contractors /concessionaires/other agencies in carrying out the assigned responsibilities vis-à-vis their contractual obligations and suggest ways for their improvement.

iii. To examine and report on whether the books of accounts and other records have been maintained in accordance with the statutory provisions and they are adequate enough and whether the financial reports are reliable & provide the results of the actual operations correctly.

iv. To examine and report on whether the policies/guidelines/norms prescribed, delegation of powers granted by the Authority or financial

procedures laid down by the management and the provisions of various applicable laws are being followed strictly/complied with.

v. To examine and report on whether the resources have been deployed economically and efficiently.

vi. To review the operations or programs to ascertain whether they are consistent with the established objectives and goals and whether the operations or programs are being carried out as planned.

3. Scope of the Work

FINANCE & ACCOUNTS AUDIT

3.1 As part of their role in the overall Internal Audit System of NHAI, the scope of work of the Internal Auditors would *broadly* cover (but not limited to) the following areas :-

- Internal Audit for Head Office at New Delhi

Post Audit of all transactions and accounting entries in PFMS (financial transactions, including all cash and bank transactions and related records, procurement, etc.) in the following areas at NHAI HQ on full time basis throughout the year :-

The area and extent of audit shall include the following but will not be limited to:

Sl. No.	Area of Audit	Level of emphasis
I	**A. Tendering Process**	
	All contract awarded for a cost above Rs. 1 crore	High
	B. Accounting Process	
	i) Post check of Contractor's Bill	High
	ii) Proper accounting and recovery of advances and retention money	High
	iii) Calculation, accounting and recovery of Interest on Interest bearing advances.	High
	iv) Checking of deduction and payment of taxes under GST, Income tax, Labour welfare cess etc.	
II	**Accounts & Taxation**	
	I) Bank payment documents, all expenses incurred by NHAI as per applicable guidelines & SOP:	High
	II) Documents for all the receipts of NHAI (Receipt vouchers)	High
	III) Documents for adjustments (Journal Vouchers)	High
	IV) Verification of availability of supporting documents with vouchers including approval by Competent Authority.	High
	V) Review & scrutiny of general ledger and sub ledgers pertaining to vendors, contractors and service providers	High
	VI) Vouching and Inter Unit Reconciliation	High
	VII) Outstanding/Due to be reported with reasons and comments	High
	VIII) Scrutiny of TDS return, GST return, 26AS and client fund reconciliation	High
	IX) Compliances of Accounting & Reporting standards and other guidelines issues time to time by ICAI or other statutory bodies.	High
III	**Salary & Establishment- Accounts**	
	I) Post checking of monthly pay slips	High

	II) Scrutiny of off-cycle payments w.r.t rules & aspects (i.e., Advances, Staff lease, Local conveyance, Gratuity, Travelling allowance, Leave encashment, all types of reimbursements, LTC advance & final claim etc.)	Medium
	III) Deduction of PF and other statutory dues and payment of contributions	Medium
	IV) Deduction of Tax at source and deposit of the same with Government	High
	V) Review of employee ledgers, test check of final settlement, cases of employee settled during half year	Low
IV	**Recording of Income**	
	I) Accounting and receipt of toll collection on periodical basis	High
	II) Accounting and calculation of interest from funds parked	High
	III) Miscellaneous other income/ receipts including applicable taxes and duties thereon	High
V	**Fixed Asset Accounting**	
	I) Accounting for Purchases/Writing off during the year	High
	II) Correctness of entry in the fixed asset register	High
	III) Verification & calculation of depreciation	High
VI	**Treasury and Fund Management**	
	I) Physical verification of cash in hand, cheque in hand and bank guarantees	High
	II) Verification of bond issue and receipts thereon	High
	III) Bank reconciliation	High
	IV) Verification of Bank Guarantees, Performance BGs, release of BGs/PBGs and their safe custody.	High
	V) Verification of Cash Performance Security and accounting thereof	High
VII	**Compliance of all statutory laws**	High

The audit of all the processes with associated risk being high and exceeding the following threshold limits would be taken up on monthly basis:

- Post Audit of all transactions and accounting entries in e-PFMS exceeding Rs. 2 crore.
- All contracts awarded.
- Payments to contractors/ consultants exceeding Rs. 1 crore.
- Payments of mobilization advance to contractors exceeding Rs. 1 crore.
- Civil contracts of having a value exceeding Rs. 10 crores

Time schedule for Internal Audit functions

Particulars	Responsibility	Time schedule
Vouchers for payments along with relevant files, note sheets, etc. to be provided to internal auditors	NHAI	By 15th day of the succeeding month

Files of all contracts awarded during the month exceeding the limit defined in scope of work along with Technical & Financial bid, comparative charts, note sheets, etc. to be provided to internal auditors	NHAI	Within 15 days of signing of the agreement
Completion of audit work	Internal Auditors	Within 15 days of receipt of information
Monthly Report to respective departments & obtaining the management Comments / responses	Internal Auditors	Within 7 days of completion of audit work
Half Yearly Report The responses of respective departments on the monthly reports would be reviewed and included in the half yearly report.	Internal Auditors	Within 21 days of receipt of all management comments

Note: - Non-adherence to the time schedule by the internal auditors will attract a penalty as follows @0.5% of the total fee, maximum up to 5% of the total fee.

3.2 The basic thrust of the Govt. is to award projects on BOT (Toll/Annuity/ HAM) which is different from EPC (Engineering Procurement Contract). The major issues to be covered are adherence to the contractual obligation by the concessionaire, contractors, consultants, control over the pre-construction activities, payments towards the change of scope, consultants pay out, payment of grant, revenue sharing, operation of escrow account, adherence to completion schedule etc. The concession agreement provides for various obligations of the concessionaire which includes submission of various documents. Internal auditors may verify submission of the relevant documents by the concessionaire at HQ.

3.3 Monitor the systems and procedures adopted in functioning and provide suggestions on a continuous basis for their improvement.

Follow up previous Internal Audit Reports, while conducting current internal audit as regards compliance and action taken.

Checking of tax deducted at source (TDS), etc., including with- holding tax in respect of the Foreign Firms /tax on foreign contractors, etc., before deposit of the same at HQ as per the due dates.

3.4 Notwithstanding anything mentioned above, all the aspects mentioned in the Internal Audit Manual, NHAI Work Manual and Policy guidelines, circulars issued from to time will be covered during each audit exercise and the Internal Auditor will give its findings on each of the points covered in the manual.

3.5 During the course of audit, provide specific advice/guidelines, including updating on accounting and taxation matters, as also advising on the

Accounting Standards issued by ICAI that are applicable to NHAI.

3.6 Specific audit of any particular aspect may also be entrusted by NHAI to Internal Auditor. In case of such additional work beyond the scope of services specified in this TOR the payment for such additional services shall be derived from the cost of deployment of manpower as quoted by the Internal Auditor in their financial proposal.

4. Reporting Requirements :- Without prejudice to NHAI's right to improve upon and revise reporting requirement, including periodicity thereof, to ensure more effective and useful feedback at any point of time, the reporting requirement shall consist of the following;

i) Separate audit report complete in all respect (having management comments / reports) shall be submitted on half yearly basis for HQ, with due reference to objectives given under para 3 above and scope of work per 4 above section-wise broadly under the following categories;

a) Contract Management (Contractors/ Concessionaire/ Consultants/ other agencies),

b) Establishment matters,

c) Finance & Accounts

d) Others.

e) Report on the Arbitration/ DRB cases particularly brief comments on the Arbitration/ DRB case settled during the audit period.

f) Comments on Financial Close matters.

g) Change in the equity structure of the Concessionaire.

h) Release of grant/ payment of premium.

i) Comments on Variation, Change of Scope and Extension of Time,

j) Comments on the quarterly reconciliation of CALA accounts submitted to HO by the PIU.

k) Report on the action taken by NHAI on the observations included in the previous internal audit reports.

ii) The Internal Auditors shall verify compliance of the observations raised by them. Such compliance shall be made by the respective Nodal Officers (concerned General Manager) and shall be recorded as part of the audit report. Such reports shall be retained / maintained by the Internal Auditors which shall be open for inspection by an Authorized Officer of NHAI. While compiling the audit report unresolved observations of the previous report shall be summarized and annexed. The auditor will submit their monthly/ half yearly/annual reports to the NHAI, HQ.

iii. The issues such as (a) where no compliance has been made, (b) where an observation of similar nature has been reported in various PIUs/ CMUs, (c) where policy guidelines are required to be issued for taking remedial measures, (d) where the financial impact of

an error is very significant, (e) where there are glaring errors and (f) any other important issue that the Internal Auditors may feel as worth reporting, shall be included in the Critical Analysis Report (CAR). Auditor of HQ will prepare the CAR for their respective assignments in respect of each Financial Year by 31st July each year, pertaining to the previous financial year.

iv. **Internal auditor at HQ will review the CAR of HQ and of various internal auditors of the PIUs and summarize the CAR of NHAI as a whole in consultation with NHAI HQ**. Internal Auditor at HQ may seek clarification from the internal auditor of PIUs and internal auditors of PIUs will furnish requisite clarifications to Internal Auditor at HQ for the purpose of finalization of CAR. The consolidated CAR of NHAI for each financial year shall be submitted by the Internal Auditor at HQ by 31st August each year.

(v) Brief of Critical points/ important issues required to be brought into the knowledge of the Management, observed during audit to be submitted immediately after completion of the audit through e mail.

(vi) Where there is recurring and persistent defaults in adhering policy guidelines or actions prejudices to the interest of NHAI, the Auditors shall bring these to the notice of NHAI through a monthly report, detailing such defaults or actions. When there are no such issues to report, a nil report shall be submitted. If the matter is required to be addressed on very urgent basis, the Auditors will submit a special report as proximate as possible to the event.

5. Audit Arrangement & Key Personnel

The audit plan/arrangement will be submitted in advance for the approval of NHAI HQ. NHAI would require the internal auditors to coordinate the entire audit operations and interact with the Designated Officer of NHAI on a regular basis. NHAI would require the Internal Auditors to associate the following types of personnel for the audit activities at HQ. The requirements indicated below are the minimum and the Internal Auditors may associate adequate personnel for completion of the assignment-

Type of activity	**Personnel**	**Qualifications & Experience**	**No.**
Overall Supervision	Senior Level personnel	Partner of the firm A qualified Chartered Accountant /Cost Accountant with at-least 15 years of post qualification experience.	1
For Audit work at Head Office [A team of 5]	Middle Level personnel	A qualified Chartered Accountant / Cost Accountant in full time employment with at- least 5 years post qualification	1
		A qualified Chartered Accountant / Cost Accountant in full time employment.	1

	Jr. staff	Pass in the intermediate/PE-II/PCC/IPCC examination of the Institute of Chartered Accountants of India/ Institute of Cost Accountants of India with at-least 2 year.	3

Note:

1. The team of 5 (2 middle level persons & 3 junior staffs) are to be deployed **on full time basis throughout the year in NHAI HQ**. This is the minimum requirement and the firm may require to deploy more personnel as per requirement to complete the work in time. Provision for man- months may be made accordingly. Non-Compliance of the same will attract the penalty what is provided the vide clause no. 3.1 (foot note).

2. Before deployment of the personnel, the CVs shall be got approved from NHAI. Replacement of personnel will be at the sole discretion of NHAI.

3. Obligation of NHAI

NHAI would provide the following-

(i). Pay an all-inclusive fee in local currency for the services rendered as stated in the Terms of Reference. No other reimbursements, payments, facilities, etc., shall be admissible. An escalation @ 5% on the fees for 2021-22 shall be admissible for the 2nd year onwards on an annual basis (i.e., 1.05 for the 2nd year, 1.10 for the 3rd year, if extensions are granted). The payment shall, however, be subject to the following-

(iii) Payments shall be made on half yearly basis on the following terms-

On completion of first Half yearly Transaction Audit Report complete in all respect & submission of report thereon	20% of fees quoted
On completion of second Half yearly Transaction Audit Report complete in all respect & submission of report thereon	20% of fees quoted
On completion of Half yearly Procurement Audit Report complete in all respect (at least 200 Contracts) & submission of report thereon	20% of fees quoted
On completion of second Half yearly Procurement Audit Report complete in all respect after completion of audit of all the contracts signed during the year under Audit.	20% of fees quoted
On submission of the CAR complete in all respect for the NHAI, HQ and NHAI as a whole.	10% of fees quoted
On submission of final Audit Report complete in all respect (Consolidated Procurement and Transaction Audit Report)	10% of fees quoted

Payment of Audit assignment is based on work done and manpower actually deployed and subject to the recovery of any penalty thereto.

(iv) Deduction in case of Non deployment of required manpower on monthly basis–

i) CA with at least 05 years' experience - 5000/- per day
ii) Qualified CA - 2000/- per day
iii) Articles clerk with least 1 years exp. – 500/- per day per article.

* **Deduction shall be made if there is absence of more than two days in a month for each category.**

(v) Office working space at the NHAI Office at New Delhi. All working peripherals shall be borne by Internal Auditor except office working space.

(vi) Information/documents/records/books of accounts, etc., that would be required by the Auditors during the course of the Audit. Auditors shall verify the records in the concerned Division and photocopies, if needed, could be provided.

3 Feedb ack on the performance of the Internal Auditor: For future use of NHAI, NHAI will obtain the feed back on yearly basis on the performance of the Internal Auditor, inter-alia covering the quality of Audit Team, quality of work of the Auditor, time spent at HO by the audit team, quality of the observations, coverage of the TOR by the Auditor, overall performance including follow up of recommendations, etc.

Appendix to conditions of contract

Format for
NON DISCLOSURE AGREEMENT

This Non Disclosure Agreement dated the ..... day of -----, 2021

BETWEEN National Highways Authority of India, New Building, G-5& 6, Sector-10, Dwarka, New Delhi-75 (hereinafter referred to as the "**Disclosing Party**")

AND _____, a Partnership Firm registered under Partnership Act, and having its office at _____ (hereinafter referred to as "**Receiving Party**") (Collectively referred to as "**the parties**")

WHEREAS

In connection with the engagement for internal Audit of Head Office of the National Highways Authority of India, the Receiving Party as Consultant/Advisor by the Disclosing Party, the Parties have agreed to execute this Non Disclosure Agreement to ensure that all information provided by the Disclosing Party to the Receiving Party in the course of engagement of the Receiving Party as Internal Auditor is kept confidential

NOW IT IS HEREBY AGREED AS FOLLOWS:

1. Definitions

a) "**Purpose**" shall mean the Internal Auditor for NHAI's HO, assigned by the Receiving Party to the Disclosing Party.

(a) "**Confidential Information**" shall mean all discussions, documents, paper, discs, technology, procedure and other information of a confidential nature pertaining to, generated or disclosed by either party in any form including in writing, electronically, computerized orally or otherwise marked as "Confidential" or informed to be 'Confidential' or relating to the Purpose

However, "Confidential Information" shall exclude any part of such disclosed information or data which: -

i. is in or comes into the public domain in any way without breach of this Agreement by the Receiving Party; or

ii. the Receiving Party can show (a) was in its possession or known to it by being in its use or being recorded in its files or computers or other recording media prior to receipt from the Disclosing Party and was not previously acquired by the Receiving Party from the Disclosing Party under an obligation of confidence, or (b) to have been developed by or for the Receiving Party at any time independently of any information disclosed to it by the Disclosing Party; or

iii. the Receiving Party obtains from a source other than the Disclosing Party without breach by the Receiving Party or such source or any obligation of confidentiality or non-use towards the Disclosing Party; or

iv. is hereafter furnished by the Disclosing Party to a third party without restriction on disclosure or use; or

v. is disclosed by the Receiving Party (a) with the prior written approval of the Disclosing Party, or (b) without such approval, after a period of one (1) year from the date of receipt thereof.

2. **Handling of Confidential Information**

The Receiving Party shall maintain the Disclosing Party's Confidential Information in confidence and shall exercise in relation thereto no lesser security measures and degree of care than those which the Receiving Party applies to its own Confidential Information which the Receiving Party warrants as providing adequate protection against unauthorized disclosure, copying or use. The Receiving Party shall ensure that disclosure of such Confidential Information is restricted to those employees, directors, officers, representatives, advisors, consultants or agents (collectively referred to as "**Representatives**") of the Receiving Party having the need to know the same for the Purpose. Copies or reproductions shall not be made except to the extent reasonably necessary for the Purpose and all copies made shall be the property of the Disclosing Party. All Confidential Information and copies thereof shall be returned to the Disclosing Party within seven (7) days of receipt of a written request from the Disclosing Party The Receiving Party shall not attempt to reverse engineer, decompile, disassemble or reverse translate any Confidential Information provided by the Disclosing Party or discover the source code or trade secrets in any such Confidential Information. Nothing in this Agreement shall limit the ability of a party to disclose such Confidential Information of the other party if such disclosure is (a) required to be made pursuant to any law or regulation, government authority, duly authorized subpoena or court order, whereupon that party shall provide prompt notice to the Disclosing Party of the Confidential Information in

3. **Limitations and Warranty**

a) The Receiving Party shall (i) not divulge the Disclosing Party's Confidential Information, in whole or in part, to any third party without the prior written consent of the Disclosing Party, (ii) use the same only for the Purpose, and (iii) make no commercial use of the same or any part thereof without the prior written consent of the Disclosing Party. Notwithstanding the foregoing, the Receiving Party shall be entitled to make any disclosure required by law

b) The Disclosing Party warrants its right to disclose its Confidential Information to the

4. **Disclaimer**

All rights in Confidential Information are reserved by the Disclosing Party and no rights or obligations other than those expressly recited herein are granted or to be implied from this Agreement. In particular, no license is hereby granted directly or indirectly under any invention, discovery, patent, copyright or other intellectual property right now or in the future held, made, obtained or licensable by either party. Nothing in this Agreement or its operation shall constitute an obligation on either party to enter into the aforesaid business relationship or shall preclude, impair or restrict either

5. **Notices**

All notices under this Agreement shall be in writing, sent by facsimile or first-class registered or recorded delivery post to the party being served at its address specified above or at such other address of which such party shall have given notice as aforesaid, and marked for the attention of that party's signatory of this Agreement. The date of service shall be deemed to be the day following the day on which the notice was transmitted or posted as the case may be

6. **No Bar on Participation in Projects initiated by the Disclosing Party**

Disclosing Party acknowledges that the advisory mandate awarded to the Receiving Party will not bar the Receiving Party or any of its group companies from bidding or participating in any projects initiated by the Disclosing Party except the projects comes under Conflict of Interest as mentioned in Clause 3.2 of the Contract on the ground that the Receiving Party was privy to information which was not within the public domain. On its part the Receiving Party shall ensure, confirm and warrant that neither the Receiving Party nor any of its group companies will mis-use the information available to it in the course of the advisory mandate to derive an unfavorable advantage in bidding /participation in any projects initiated by the Disclosing Party .The Disclosing Party on its part shall not summarily debar or reject the bid/participation of the Receiving Party on the ground

7. **Non-Assignment**
This Agreement is personal to the parties and shall not be assigned or otherwise transferred in whole or in part by either party without the prior written consent of the other party.

8. **Forbearance**
No relaxation, forbearance or delay by a party in enforcing any of the terms of this Agreement shall prejudice, affect or restrict its rights, nor shall waiver by a party of any breach hereof operate as a waiver of any subsequent or continuing breach.

9. **Indemnity**
The Receiving Party agrees to indemnify the Disclosing Party for any loss or damage suffered due to any breach by it of its obligations under this Agreement. Damages shall include all costs, expenses and attorney's fees incurred by the Disclosing Party in the enforcement of this Agreement. PROVIDED ALWAYS THAT IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR ANY INDIRECT, INCIDENTAL AND/OR CONSEQUENTIAL DAMAGES, LOST BUSINESS, LOST SAVINGS OR LOST PROFITS OR REVENUES RESULTING FROM A BREACH OF THIS

Non-Publicity

. The parties shall not make any announcement or disclosure of any kind whatsoever concerning this Agreement, including without limitation the existence of this Agreement, without the other Party's prior written consent unless such announcement and/or disclosure is required by law.

11. Notwithstanding anything contained herein to the contrary, the obligations of the Parties herein shall continue for a period of one (1) year from the date of this Agreement or if a further agreement is entered into, the termination of such further agreement, whichever is the later.

12. The Receiving Party agrees that the obligations contained in this Agreement shall extend to the affiliated companies of the Receiving Party and to all its

13. **Entire Agreement**
This Agreement constitutes the entire agreement and understanding between the parties in respect of Confidential Information and supersedes all previous agreements, understandings and undertakings in such respect. This Agreement cannot be amended except by written agreement signed on

14. **Dispute Resolution**
The parties shall attempt to resolve any dispute arising out of or in connection with this Agreement by mutual consultation, failing which such dispute shall be referred to and finally resolved by arbitration in India under the auspices and governed by the provisions of the Arbitration and Conciliation Act, 1996. The arbitration shall be at New Delhi and only the courts at New Delhi shall have the jurisdiction to try any matters arising from the arbitration.

15. **Governing Law and Jurisdiction**
This Agreement shall be governed by and construed in all respects in accordance with the laws of India

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives on the day and year first above written

On behalf of **Disclosing Party**	On behalf of **Receiving Party**
Signature _____	Signature _____
Name _____	Name _____
Title _____	Title _____