



Infrastructure Corporation of Andhra Pradesh Limited (INCAP)

**SELECTION OF CHARTERED ACCOUNTANT FIRM OR LLP FOR CONDUCTING
SPECIAL AUDITS/FORENSIC AUDIT FOR PPP PORT(S) IN THE STATE OF
ANDHRA PRADESH**

(RFP Notice No. INCAP/P/ Audit of PPP Ports/CA/17/2019, Dt: 17-10-2019)

RESPONSE TO QUERIES

Notice No. INCAP/ P/Audit of PPP Ports/CA/17/2019/1, dated:21.10.2019

**Chairman and Managing Director,
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Response to queries

Sl. No.	Item description	Clarification sought	Reply/Clarifications by INCAP
1.	General	According to the RFP the response to bidder queries will be provided by 21 October. This provides only 3 days for a bidder to prepare a proposal. Given the quantum of work involved more time should be provided for the proposal.	Applicants interested in the Project are required to submit their Request for Proposal in writing on or before Application due date i.e., 1500 hours IST on 29.10.2019 and the same will be opened at 1600 hours IST on 29.10.2019 in the presence of the Applicants who choose to attend. Amendment Notice 1.dated.21.10.2019
2.	General	The RFP does not assign any weightage/marks to the key resources required which may result in deployment of non-forensic specialists by applicant for execution of forensic audit. Even though the requirement is for special audit/ forensic audit there is no weightage for forensic experience of team members. The RFP should include these conditions.	RFP Clause prevails. The Sr. Resource expert may attend to the office as an when required and the other resources like Middle level resource and Junior resource shall mandatory attend to the office.
3.	General	The current RFP does not provide any details of cargo handled by ports, the extent to which samples have to be reviewed and also does not assign any weightage to approach and methodology. Since the project has to be executed in three months and there are no guidelines sample size, this will leave the clause open to interpretation by every bidder.	The Cargo and volume size handled by Ports may be considered up to 60 MMT

4.	<p>Clause No: 5 (1) Eligibility Criteria:</p> <p>The applicant should be a Chartered Accountant Firm or LLP and in existence for at least 20 years. Additional weightage will be given for the firm or LLP having experience beyond the stipulated experience.</p>	<p>A) Existence of a firm beyond 20 years does not impact the quality of delivery. The RFP should focus on length of forensic experience of the form and its professionals.</p> <p>B) Considering this is an opportunity for Forensic Audit for PPP Port(s) in the State of Andhra Pradesh, DTTILLP is willing to apply for this RFP.</p> <p>DTTILLP is an forensic consulting firm with more than 20+ years of experience in the field of forensic audit across various sector such as government, infrastructure, FMCG, IT etc. for We have more than 300+ years of professional experience in the same field.</p> <p>We believe that with our expertise, we are eligible to apply for this RFP.</p>	<p>RFP Clause Prevails</p>
5.	<p>Clause No: 5 (4) Eligibility Criteria:</p> <p>Applicant must have been empaneled with C&AG. Additional weightage will be given based on C&AG scoring for the firm or LLP.</p>	<p>A. Empanelment with C&AG is not required for forensic audits firms. This condition would act as restrictive condition for CA firm holding extensive experience in conducting Forensic audits/special audits as they may not be empaneled with CAG</p> <p>B. Deloitte Touche Tohmatsu India LLP is a forensic consulting firm with more than 20+ years of experience. We are an advisory firm with experienced professionals (mix of chartered accountants, certified fraud examiner, MBAs etc.) across various sectors.</p> <p>Would request if you can give away with this clause so that we can apply for this RFP considering our forensic professional experience.</p>	<p>The Applicants shall be empanelled with C & AG.</p> <p>RFP Clause Prevails</p>
6.	<p>Clause No: 5 (5) Eligibility Criteria:</p> <p>Applicant should have been a Statutory auditor and signed Large PSU's or Navaratna PSU's or</p>	<p>A. Considering that the requirements is forensic audit, RFP may ask for experience of forensic audit of PSUs and government entities.</p> <p>B. Deloitte Touche Tohmatsu India LLP is a</p>	<p>RFP Clause Prevails</p>

	Maharatna PSU's of turnover size of Rs.2000 crs. Applicant experience with more than one PSU's, Navaratna PSU's or Maharatna PSU's will be given weightage.	forensic consulting/advisory firm with more than 300+ years of professional experience across various large PSU with turnover of more than INR 2000 crore. We have experience as a forensic auditor across various sectors such as government, infrastructure, large PSU etc. Please clarify if we are eligible to apply with this condition.	
7.	Clause No: 5 (6) Eligibility Criteria: The applicant should have completed at least two government/quasi government/ PSU projects in Andhra Pradesh government.	A. The RFP does not clearly specify the type of projects that have been executed with PSU/Government/Quasi-Government. B. The RFP not require either the firm or the professionals to have experience in the port sector. This should be included.	The Projects pertaining to the works undertaken in conducting Audit/Special/Forensic Audit with PSU/Government/Quasi-Government are eligible. The RFP Clause Prevails
8.	Clause No: 6.8 Scope of Work: Review of all expenses accounted from the perspective and look at forensically whether any expenses are inflated / identify suspicious transactions.	The time period of three months is too short to review all expenses. Additionally this would imply review of a large volume of routine expenses. The scope of work should include forensic data analytics on all expenses and review of expenses that appear as red flag transactions.	RFP conditions prevail.
9.	Clause No: 7 Key Personnel: The Key Personnel by applicant for all the three categories should have audit experience and have also conducted forensic audit	Considering the scope of work and the fact that INCAP requires a forensic audit, it will be beneficial to ask for key personnel with forensic experience of 15/10/5 years instead of audit experience of 15/10/5years with some forensic audit experience.	It has been mentioned that Key personnel shall have Audit experience. Key personnel having any relevant Audit experience is eligible. RFP Clause Prevails
10.	Clause No: 2.2 Release of RFP Document: The Applicant agency needs to furnish, as part of its Proposal, a fee of Rs. 1,00,000/- (Rupees	As per the guidelines "Responding to Tenders" issued by the Institute of Chartered Accountants of India (ICIA) on 4 th April, 2016 – A Chartered Accountants firm can bid only for the tenders in which minimum	The Applicant agency needs to furnish, as part of its Proposal, a fee of Rs. 2,50,000/- (Rupees Two lakh fifty thousand only) in

	<p>One lakh only) in the form of a Demand Draft issued by one of the Nationalised/ Scheduled Banks in India in favour of INCAP Ltd., payable at Vijayawada towards non-refundable Bid Processing Fee (the “Bid Processing Fee”). The Bid Processing Fee shall have its validity up to 90 (ninety) days from the Proposal Due Date (the “Proposal Due Date”).</p> <p>Clause No: 12.6 Preparation and Submission of Bids:</p> <p>Along with the Application, the Applicant shall pay to INCAP a non-refundable sum of Rs. One Lakh only (Rs.1,00,000/-) (Bid Processing fee) in the form of DD issued by any Nationalized Bank/Scheduled Bank in the favour of “Infrastructure Corporation of Andhra Pradesh Ltd” payable at Vijayawada. The DD should be submitted along with proposal. Bids received without DD, will be summarily rejected.</p> <p>Clause No: 12.7 Preparation and Submission of Bids:</p> <p>Bid Security of Rs. Five Lakh only (Rs. 5,00,000/-) in the form of DD issued by any Nationalized Bank/Scheduled Bank in the favour of “Infrastructure Corporation of Andhra Pradesh Ltd” payable at Vijayawada. The DD should be submitted along with proposal. Bids received without DD, will be summarily rejected.</p>	<p>fees for the assignment is prescribed. Therefore looking at the RFP issued by your esteemed organization, we did not find any minimum fees criteria.</p>	<p>the form of a Demand Draft issued by one of the Nationalised/ Scheduled Banks in India in favour of INCAP Ltd., payable at Vijayawada towards non-refundable Bid Processing Fee (the “Bid Processing Fee”). The Bid Processing Fee shall have its validity up to 90 (ninety) days from the Proposal Due Date (the “Proposal Due Date”).</p> <p>Amendment Notice 1.dated.21.10.2019.</p> <p>RFP conditions prevail for Bid Security.</p>
11.	<p>Clause No: 1.2 Introduction:</p> <p>Infrastructure Corporation of Andhra Pradesh Ltd. (INCAP) invites proposals through this</p>	<p>May I kindly request you to pls clarify the meaning of “ALL THE PPP Port(s)” in conducting special audits/forensic audit for all the PPP Port(s) in the State of Andhra Pradesh. Please provide us with the</p>	<p>Conducting special audits/forensic audit in all the existing and upcoming Ports/PPP Ports in the State.</p>

	RFP from interested and eligible Chartered Accountant Firm or LLP for conducting special audits/forensic audit for all the PPP Port(s) in the State of Andhra Pradesh for the financial year ended 31-03-2015, 31-03-2016, 31-03-2017, 31-03-2018 & 31-03-2019. The time period can be extended beyond five years, if required on a separate terms of reference agreed upon.	name of the ports and their location please.	
12.	Clause 10 (a) The Deliverables shall be submitted to the Director of Ports, Kakinada as per the specific scope of work	We understand that the deliverables shall be submitted to the Directors of Ports, Kakinada as per the specific scope of work. Please clarify if the intent here is to include any external or disclose this to any third party.	The Director of Ports, Kakinada is the Ports Administrative Authority for Government of A.P. under which PPP Ports are administered and the same shall not be construed as intent to disclose the information to the external or third party agency.
13.	General	For which projects, the audit would be carried out.	Conducting special audits/forensic audit in all the existing and upcoming Ports/PPP Ports in the State.
14.	General	Size of those Projects	The Cargo and volume size handled by Ports may be considered up to 60 MMT
15.	General	Whether a single CA Firm will be appointed by you for these projects	Please peruse the conditions in the RFP document.
16.	General	Whether travel cost would be reimbursed separately or it should be part of the fees to be quoted	No travel costs will be paid. Please peruse the conditions in the RFP document.

Sd/-

Chairman & Managing Director, INCAP

//t.c.f.b.o//

Sd/-

General Manager (Technical), INCAP