

## **Terms of Reference (ToR) for Hiring of Individual consultant for Department of Water Supply & Sanitation (DWSS), Punjab**

### **Terms of Reference For Conducting Procurement Post Reviews of Contracts Funded Under World Bank- Financed Projects**

#### **1. Background**

The Government of Punjab through the Department of Water Supply and Sanitation is executing various Water Supply and Sanitation Programs in the State with the assistance of World Bank and Government of India. The current Punjab Rural Water and Sanitation Sector Improvement Project is the follow-on project being implemented with the vision of strengthening decentralized management of water supply and sewerage schemes across rural habitations in the State.

The primary objective of the project is to improve water and sanitation service levels, reduce open defecation, and strengthen service delivery arrangements in targeted villages of Punjab to achieve sustainability of all investments and health benefits. The project thrust is not on mere coverage or access but a strong shift to 'service delivery with higher level of services close to urban standards' for improved satisfaction and quality of life in rural Punjab. Service improvements targeted are enhanced service levels of 70 lpcd safe water supply to all households, a minimum of 10 hours of supply daily, household water connections, and access to sanitation services focusing on achieving universal coverage of sanitation (ODF status).

The project is scheduled for 6 years from 2015 to 2021 and its implementation has been already commenced in all 22 districts of the State. The project is expected to target all the habitations/ villages during its 6 year period.

#### **Project Component Description and Outcomes**

There are four project components but the relevant components for this consultancy assignment are the following three which are discussed later in the section.

- i. Component 1. Transformation - Improved Livability of Villages
- ii. Component 2. Inclusive Household Water and Sanitation Services
- iii. Component 3. Improved Water Quality

**Component 1. Transformation - Improved Livability of Villages:** This component envisages investments that are demonstrative to bring about transformative change in village living conditions by improving water and sewerage services. Improved service standards, particularly longer hours of water supply, sewerage connections will have greater benefits for women.

#### **Subcomponent 1(a): Strengthening water supply schemes for improved service delivery**

The objective of this subcomponent is to bring about transformation in water service delivery to villages that have underperforming (partly covered or PC) SV or MV schemes that need augmentation to deliver a minimum of 10 hours of good quality at affordable cost of operations to all households. The focus shall be on optimum utilization of existing assets. These schemes will be operated for a minimum of three months to demonstrate their efficiency before handing over to the GPWSCs to manage. This component supports improvements of water source, treatment, storage, disinfection, and distribution based on the need. The project covers two categories of schemes under this subcomponent.

- *Rejuvenation of damaged canal based schemes (from high ground water table and flooding):* SV or MV canal schemes will be supported as a part of this subcomponent in these districts.
- *Augmentation of schemes to deliver minimum 10-hour water supply to households:* This category will cover partly covered (PC) SV or MV schemes (based on tubewell

or canal based) were old and designed to deliver less than 40 lpcd to deliver over 70 lpcd water of good quality at affordable cost for at least 10 hours a day.

**Subcomponent 1(b): Sewerage schemes with treatment systems.**

The sewerage schemes will include conveyance system, house connections with a small chamber, restoration of existing brick-on-edge pavements, and sewerage treatment plant and will be implemented in select GPs which already have achieved or are likely to achieve ODF status and have demonstrated financial and managerial capacity in managing water supply schemes.

**Component 2: Inclusive Household Water and Sanitation Services:** This component aims to provide inclusive coverage of water and sanitation services at household level mainly to benefit women and the poor, with specific focus on strengthening service delivery.

**Subcomponent 2(a): Improved access to water through household connections :** The objective of this subcomponent is to promote delivery of minimum 10 hours of water supply through private household connections in those schemes which are relatively old and connections are limited to a few households. The focus is to achieve at least 95 % connection coverage through extension of pipelines in uncovered household areas. These schemes will be operated for 3 months before handing over to GPWSC.

**Subcomponent 2(b): Operational improvement for improved water supply service**

**Levels:** The subcomponent will support those recently built schemes having sizeable house connections for improving their operational and financial performance through increased supply hours of minimum 10. The subcomponent will cover operational improvements including a few house connections in these schemes.

**Subcomponent 2(c): Household sanitation (Grants for construction of household**

**toilets):** This subcomponent will support construction of household toilets to achieve 100% toilet coverage in villages and make them open defecation free. The toilets are to be built by the beneficiaries themselves or by anyone appointed by them. The choice of toilet technology and structure is left with the beneficiary to enhance ownership and eventually usage of toilets. The project will provide monetary incentive to the beneficiary as per the agreed funds disbursement mechanism.

**Component 3: Inclusive Household Water and Sanitation Services:** Water quality is a major problem in the state. This includes common water quality issues like the presence of arsenic, fluoride, and iron and unusual chemical contamination with heavy metals, radioactive materials like uranium, and aluminum. Further, excessive use of fertilizers and pesticides for agricultural use also result in water contamination. Monitoring water quality and providing innovative treatment solutions to water quality affected areas is of utmost importance.

**Subcomponent 3(a). Water quality monitoring and mitigation.** The objective of this subcomponent is to build enabling monitoring and mitigation mechanisms and infrastructure to identify and mitigate water quality problems in the state of Punjab.

**Subcomponent 3(b).Improving infrastructure for providing safe and treated water to water-quality-affected villages.** The objective of this subcomponent is to provide safe and treated water to water quality affected villages:

- i. *Retrofitting water treatment plants with water quality issues.* This subcomponent will support activities related to retro fitting existing water treatment systems with cost effective technological solutions in select affected villages of regions showing signs of arsenic, fluoride, and iron in groundwater supply. Under this subcomponent, treatment plants will be provided to 150 schemes in eight districts of Punjab known to contain highly contaminated ground water.
- ii. *Surface water supply to quality affected villages.* This subcomponent will support district-wide new water infrastructure (raw water collection systems, water treatment plants, supply mains, and reservoirs from

source to villages) for supplying treated water from surface water sources such as rivers or canals to water quality affected villages that are using ground water contaminated with uranium and other heavy metals. Under this subcomponent, a pilot of around 121 villages will be covered in the districts of Punjab such as Moga and Barnala that are known to contain heavy metals..

## **Implementation Arrangements**

### ***The Project Management***

The DWSS is the responsible agency for implementation of the project in the State. The DWSS operates through cascade structure of zones (headed by CEs), Circles (headed by SEs) and Divisions (headed by EEs), additionally supported with multidisciplinary teams such as environment, social development, and IEC). The responsibility for implementation and service delivery in the project villages will be shared between the DWSS (division) and the GPWSCs. At the village level, the GPWSC will continue to be a committee of the GP and will be the key in implementation of the works with technical support from the DWSS and delivery of services post construction of works. Specific responsibilities for implementation of project works are discussed below.

### ***Water Supply Schemes***

- (i) *MV schemes*. The procurement of these works will be handled by the SLCs except that intra-village works of MV schemes will be procured by the GPWSCs as a separate package with technical assistance from the DWSS. The intra-village and common facilities for MV schemes may also be procured by the SLCs on a single responsibility basis wherein all materials and the labour component will be arranged by the contractor.
- (ii) *SV schemes*. The procurement of SV schemes will be handled by the GPWSCs. The GPWSC may engage a single contractor to carry out all components of the scheme. The GPWSC will also have the option to procure the SV schemes in three parts: (a) boring and installation of tube well (or the canal-related works of filtration plant, clear water reservoir); (b) construction of overhead service reservoir (OHSR) and civil works; and (c) providing and laying of the water supply distribution system. In addition, the GPWSC will also have an option to implement water supply distribution works by procuring material like cement, steel, and pipes separately and installing them either by awarding a labour contract or through the community. However, surface water schemes will be contracted by the DWSS.
- (iii) *Water Supply Rehabilitation and Sewerage Schemes*: The works for rehabilitation of water supply schemes and of the community sanitation schemes will be procured by the SLC/GPWSC with technical assistance from the DWSS.
- (iv) *Surface water supply to quality affected villages*: Procurement of these schemes follows the DBO model, and part financing from private sector is encouraged. The DWSS will take responsibility for cost recovery and financing O&M

### ***Sanitation***

- (v) Sanitation includes construction of household toilets for those households who do not have a sanitary toilet and had not benefited from any earlier programs. The toilets are to be built by households themselves or by anyone appointed by them. The households will have the choice of technology and designs based on their needs, preferences and affordability.

Consultant is advised to refer to Project Implementation Plan for further details of these activities and processes involved in various phases of the project. The project will be implemented in the rural areas of all the 22 districts of Punjab.

## 2. Statement of Objectives

The main objectives of this assignment are to:

- verify the procurement and contracting procedures and processes followed for the project, and identify noncompliance with the agreed provisions of the Legal Agreement and the Procurement Plan agreed with the Bank, inappropriate practices or questionable decisions/actions, and whether there is any evidence of corrupt practices;
- verify (wherever feasible) technical compliance and ascertain existence and utilization of Assets created through the specific procurement process, its physical completion in accordance with the contract in the selected representative sample;
- review and comment on contract management issues in pursuance of the contractual provisions, as dealt with by the implementing agencies;
- review and assess the capacity of the implementing agencies in handling procurement to determine whether adequate systems for procurement planning, implementation, and monitoring and documentation are maintained per required standards including records management, complaints handling and grievance redress systems followed by the implementing entity responsible for the procurement; and
- Identify remedies to correct identified deficiencies.

Performing a post review requires the following:

- obtaining a list of contracts awarded by each implementing entity and select a representative sample of those contracts for review as per agreed procedures with the Bank, which requires at least 10% of the contracts to be reviewed in each category, over and above the review of contracts to be carried out by the Bank under their own mandate;
- visiting the site of each implementing entity selected in the sample and, using the documentation provided by the entity, to (i) verify the procurement and contracting procedures and processes followed for the project, and (ii) identify noncompliance with the agreed provisions of the Legal Agreement and the Procurement Plan agreed with the Bank, inappropriate practices or questionable decisions/actions, if any;
- reviewing and commenting on systemic and contract management issues as dealt with by the implementing agencies; review and assess the capacity of the implementing agencies in handling procurement to determine whether adequate systems and procedures for procurement planning, implementation, and monitoring and documentation are maintained per required standards;
- determining whether the assets financed under the Project exist on the ground at the appropriate location, are properly accounted for, are *prima facie* of technical quality as specified in contracts and payment documents, and are used for the purpose for which they were acquired;
- highlighting any indication of fraudulent and corrupt practices in project implementation that should be considered for further investigation; and
- recommending an action plan to address critical weaknesses identified by the review

Review should also include checking for potential cases where no-objections have not been requested as required for contracts above the prior-review threshold.

### **3. Scope of Review**

- a. All the procurement of Goods/Equipments/Services and Works made by GPWSCs/GP's and other Divisional offices of DWSS from the funds provided for PRWSSI Project.
- b. Visiting of project sites to make physical inspection of goods/equipments/ works.
- c. Audit will be for the procurements made on year to year from period 1.7.2016 to 30.6.2017 and 1.7.2017 to 30.6.2018 basis. The sample size of Audit will be 10% of the total Contracts signed.
- d. Assets should be verified approximately 30% of 10% samples of the contracts reviewed.  
The selected sample must be cleared with the O/o Head DWSS, Water works, Phase-2, Sector- 54, Phase-2, Mohali (Punjab).

### **4. An Outline of the Tasks to be carried out by the Consultants**

1. Review all relevant documents and records required to achieve objectives of the assignment.
2. Procurement Audit would include:
  - Determine if the agency is in compliance with the Procurement Guidelines prescribed for PRWSSI Project and other procurement arrangements agreed in Legal Agreement and the Procurement Plan agreed with the Bank / minutes of negotiations for PRWSSI Project
  - Review the procurement and contract process to ensure that it is fair, competitive and transparent and provides the best value for money.
  - Evaluate the internal controls over the Procurement Programme/ Procurement actions.
  - Review whether the Deptt./ Implementing Agency (IA) has retained all documentation with respect to each contract- signed original of the contract, analysis of the respective proposals, recommendations for award are some of the documents (not limited) to be kept by the Deptt.
  - Determine to the extent possible, whether identified non-compliance with the relevant prescribed rules and procedures, inappropriate practices or questionable decisions/actions, related to irregular practices.
  - Verify, to the extent possible, whether Goods, Works and Consulting and other Services contracted were supplied/completed, according to the required specifications and technical standards and comment on the reasonableness of prices; and
  - During the physical verification, check whether the actual physical count correspond with the recorded quantities or automated information system? If not, why? What is being done about this?
  - Assess whether the works and goods procured were of ordered specifications? If not, why did this occur and what action was taken?
  - Review the instances of poor/ sub-standard quality of works/ goods wherever reported/ complained and assess the measures taken by respective authorities.
  - Suggest the action plan based on the findings of Audit
  - Any other notable aspect of the Audit

- All cases of procurement which have resulted in complaints from any aggrieved or third party, must be included in the review, except in cases where the Bank has included the contract in their list of review of contracts.

The documents to be examined in the procurement post review are:

- {a} Invitation of bids, advertising procedures and bidding period
- {b} Bidding documents and addenda if any
- {c} Sale of bidding documents, pre-bid meeting (wherever applicable)
- {d} Receipt and opening of bids and to verify their existence.
- {e} Bid evaluation and recommendations for award of the contract
- {f} Conclusion of contract, verifying consistency of contract with the bidding documents, evaluation and award clearance. In case of Consultancy contracts, consistency also with the draft contract.
- {g} Timeliness of payment to contractors/suppliers/consultants;
- {h} Time taken for processing of the various procurement actions
- {i} Material modifications to the contract during execution and the increase in the value of the contract variation orders and time extensions granted/ agreed to;
- {j} Acceptance and Substantial completion certificates

The Consultant shall identify all contracts for goods, works and services which were not procured in accordance with the agreed provisions in the Loan Agreements and as further elaborated in the Procurement Plans and prepare reports listing all major deviations, supported by documentary evidence, for consideration and further action.

#### Asset Verification

Assets should be verified for approximately 30% of 10% samples of the contracts in the sample. The assets to be verified shall be selected by the Consultants in consultation with office of HOD, Mohali.

The Consultants shall visit the location and verify (i) that the asset is properly accounted for, (ii) the physical existence of the purchased asset at an appropriate location, (iii) the asset is prima facie of acceptable quality, and (iv) the asset is being used for the intended purpose etc.

#### Reporting of Fraud or Corruption Indicators

The Consultant shall also report any findings on fraudulent and/or corrupt (F&C) practices in a separate section in the report. Some examples of indicators are attached. In addition, the indicators of cartel formation, submission of fabricated bids/supporting documents; any pattern in contract award (for example same bidder winning many contracts) etc. should also be reported.

If F&C is suspected, the Consultants must include copies of all materials related to the contract in question, or otherwise helpful documentation. Besides relying on evidence discovered during the above review activities, the Consultant will, on a random basis, verify whether the participating bidders and the documents including advertising are legitimate.

#### Communication with Reviewed Entities

The Consultant should notify the implementing entity of all instances where the procurement processes followed deviated from the agreed procedures, and obtain their feedback, before closing the field review. The purpose of this communication is to clarify any misunderstandings arising during the review.

If the reviewer suspects serious issues of improper operation, including possible F&C, he/she should only obtain additional information as needed and report the findings to Office of the HOD, Mohali.

Documentation to be provided by the Project

- Copies of the applicable Procurement and Consultancy Guidelines;
- Copies of the Loan Agreements, Credit/Financing Agreements, and Project Appraisal Document for a project;
- Copies of the applicable and agreed bidding documents;
- Copies of complaints relating to project procurement received;
- Procurement Plan;
- List of contracts signed during the FY for selecting a representative sample.
- Statement of Expenditures (SOE) and Financial Management Reports (FMR)

**5. Consultancy Period**

30 days in each 2 years i.e. Year 2018 & Year 2019.

**6. Outputs of the Consultants**

- (i) *An inception report*
- (ii) *A draft report of all the contracts undertaken for auditing as per the sample format along with applicable checklists attached.*
- (iii) *Final report inter-alia covering implementation of the recommendations made in the earlier PPR conducted by the Consultant.*
- (iv) *A consolidated report on the F&C cases.*

**7. Review Procedure to Monitor Consultants' Work**

All reports and documents will be reviewed by a committee headed by Head DWSS, and all Chief Engineers of DWSS.

**8. List of Key Positions whose CVs and Experience will be evaluated**

<u>Sr. No.</u>	<u>Key Position</u>	<u>Area of Specific expertise desired</u>	<u>Minimum qualification and professional experience desired</u>
1	Consultant for Post Procurement Review.	Procurement/ Procurement audit of Goods/ Equipments / Service/ Works/ Consultancy Services of World Bank assisted or any externally assisted project.	Graduate engineer with minimum 5 yrs. experience in World Bank assisted procurement audit/ Post procurement review in State Govt./ Govt of India/ Public Sector/ Semi Govt.

**SAMPLE FORMAT FOR POST REVIEW REPORT**

**Country:**

**Loan/Credit No.:**

**Project:**

**Post review Conducted By:**

**Period Covered under Post Review:**

**Implementing Agencies Covered under Post Review:**

**Date of Report:**

**A. Executive Summary**

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1. *Major findings:* This section would be useful for decision makers, who do not have time to go through the details, should be displayed using bullet points and reference specific contracts where more information can be obtained.

2. *Sampling Procedure Used :*

3. *Summary of the Contracts Reviewed :* Provide summary of contracts reviewed in following format

Contract Type	Goods		Works		Consulting Services		Total	
	No	Value	No	Value	No	Value	No	Value
ICB								
NCB								
Shopping								
DC								
Force Account								
QCBS								
QBS								
LCS								
CQS								
NGO								
SSS Firm								
SSS Individual								
<b>TOTAL</b>								

4. *Summary of the IAs Reviewed:*

5. *Findings on the IA Capacity and Other Systemic Issues:*

6. *Indicators of fraud and corruption* (when F&C is suspected, copies of relevant documentation for that tender should be attached to the report including the losing bids).

7. *Recommendations and Proposed Actions:* Also include whether IAs suggested any corrective action to be taken during the post review process.

**Checklists for Post Review**

**Checklist#1: Post Reviews of Goods/Works Contracts Awarded Under Shopping Procedure**

*(to be filled up separately for each reviewed contract)*

<b>Date of Review:</b>	<b>Name of Reviewer:</b>
<b>Contract No. and Date:</b>	<b>Contract Amount [in INR] :</b>
<b>Contractor/Supplier's Name and Address:</b>	
<b>Description of Items procured and Quantity</b>	

**PROCUREMENT METHOD: Shopping/ Direct Contracting\* (select one)**

**SUMMARY OF MAJOR DEVIATIONS FOUND:**

- *List the issues/deviations here*

<b>Aspects</b>	<b>Comments and Findings</b>
<b><i>Is the procurement as per the procurement plan</i></b>	
On what basis was the estimate prepared ?	
Details of how were the firms invited / solicited	
Solicitation Letter issued to firms and the number of firms to whom sent	
Time allowed for submission of quotations	
Number of quotations received	
Details of Bid opening	
Verification of existence of the quotations; list suppliers who gave quotations (name, city, country, price)	
Quotation evaluation report and date; comments, if any	
Whether any price preference was given	
Justification if the contract/purchase order was not awarded to lowest bidder	
Was DGS&D Rate Contract used?	
Were the state rate contracts used?	
Were the rates negotiated	
Details of the Signed Contract / Purchase Order document, delivery period, payment terms etc	
"Delivery Receipt" or "Store Receipt" or like instrument	
Actual Completion Date	
Timeliness of Payments	
Any indicator of splitting of purchases	
Items inspected (reason if not available)	
Other matters	
Compliance with agreed Provisions- Yes or No (Explain)	
Specific Observations on specification, procedure, missing information/documentation, contract management/execution, delays, participation, bid evaluation etc.	
Indicators of F&C	

- Remarks
- Conclusion
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**Include also information from IA as to (i) why the deviations occurred and (ii) actions they have taken and will take to mitigate them.**

\* The above checklist is also to be used with suitable modification for Direct Contracting up to US\$50,000. The justification for using Direct Contracting instead of Shopping should additionally be recorded.

**Checklist #2: Post Reviews of other Goods/Works Contracts (Not Subject to Prior Review)**  
**(to be filled up for each reviewed contract)**

<b>Date of Review:</b>	<b>Name of Reviewer:</b>
<b>Contract No. and Date:</b>	<b>Contract Amount [in INR]:</b>
<b>Contractor's Name and Address:</b>	
<b>Details of the Procured goods or works</b>	

**PROCUREMENT METHOD:** ICB NCB LIB Direct Contract Others (specify) : \_\_\_\_\_

**CATEGORY:** Goods Works

**SUMMARY OF MAJOR DEVIATIONS FOUND:**

- o **List the issues/deviations here**

<b>Aspects</b>	<b>Comments and Findings</b>
<b><i>Is the procurement in line with the Procurement Plan</i></b>	
Procurement Documentation (Filing)	
Details of type of bid document used, any deviations observed,	
Pre/post qualification	
Details of estimate	
Was the cost estimate prepared and provide details like when prepared and basis for preparation	
Advertising	
Time allowed for submission of bids.	
Bid opening & minutes of bid opening	
Bid security records	
B. E. Report, verify existence of bids– List bidders (name, city, country, price).	
Details of Contract signature, delivery details, are the provisions of contract same as bidding etc	
Reference to Bank and “no objection,” if any (not required under Agreement)	
Advance payment guarantee details and records	
Performance security details and records	
Protests & other matters	
Any indicator of splitting of purchases	
Was the price negotiated	
Actual completion date	
Pre-dispatch/post dispatch inspection	
Documents for delivery, completion etc.	
Liquidated damages, details and enforcement for delays.	
Timeliness of payments	
Other matters	
Compliance with agreed provisions- Yes or No (Explain)	
Specific Observations on Procedure, Technical specifications, Missing Information, Pre-bid Conference, Questions/Complaints, Delays, Participation, Bid Evaluation, Asset Verification (separate format attached) where carried out etc.	
Indicators of F&C	

- Remarks
- Conclusion

**Include also information from IA as to (i) why the deviations occurred and (ii) actions they have taken and will take to mitigate them.**

**Checklist # 3 Post Reviews of Consulting Services Contracts Not Subject to Prior Review.  
(to be filled up for each reviewed contract)**

<b>Date of Review:</b>	<b>Name of Reviewer:</b>
<b>Contract No and Date:</b>	<b>Contract Amount [in INR]:</b>
<b>Contractor's Name and Address:</b>	

**PROCUREMENT METHOD:** QCBS/QBS/ Fixed Budget/ Single Source/CQ/Least Cost /Others (specify) :

**CATEGORY:** Firm/Individual

**SUMMARY OF MAJOR DEVIATIONS FOUND:**

- o *List the issues/deviations here*

<b>Aspects</b>	<b>Comments and Findings</b>
<i>Is the procurement in line with procurement plan</i>	
<i>Details of how estimate was prepared if any</i>	
Procurement documentation (Filing)	
Advertising	
Request for proposal	
Shortlist verify number and list consultants (name, country, city)	
Time allowed for submission of proposals	
Evaluation criteria	
Technical evaluation	
Financial proposal opening (incl.date)	
Evaluation report, and comments, if any (Verify existence of proposals and list consultants name, country, city, price)	
Combined Technical and Financial Proposal evaluation	
Details of contract signature, document (incl. date)	
Advance payment guarantee etc	
Protests & other matters	
Contractual completion date	
Actual completion date	
Outputs/Reports/Are they in accordance with the contract's scope of work	
Timeliness of payments	
Other matters	
Compliance with agreed provisions- Yes or No (explain)	
Specific Observations on Procedure, TOR, Missing Information, Pre-proposal Conference, Questions/Complaints, Delays, Participation, Bid Evaluation etc. Include feedback on the quality and functionality of the procured service	
Indicators of F&C	

- Remarks
- Conclusion

**Include also information from IA as to (i) why the deviations occurred and (ii) actions they have taken and will take to mitigate them.**

- **Checklist #4 Report on Physical Inspection**

Procurement item no.	
Location	
Date of visit	
Date of contract	
Contracted completion date (original )	
Actual completion date	
Contract value	
Final contract value	
Supplier/Contractor	
Arrival date at port	
Arrival date at project site/warehouse	
Scope of work	
Materials (supply and quality)	
Workmanship quality	
Construction supervision	
Time overruns	
Cost overruns	
Deficiencies/defects observed	
Timeliness of payments to contractor	
Comments and recommendations	
Special comments on Drugs/ Pharmaceuticals supplies (packaging/physical conditions, availability of quality certification, expiry dates etc)	
Indicators of F&C	

## **Examples of Indicators of Fraud & Corruption**

- Use of brand names in request for bids
- Rotation of winning bidders by job, type of work or geographical area
- Failure to adequately publicize requests for bids, e.g., using only local publications, or failing to publicize the request for bids
- Unusual bid patterns. Bids have round numbers
- Unusual bid patterns. Bids use the same bank for obtaining bid security
- Unusual bid patterns. Bid Security Instrument has sequential numbers
- Particular line item bids appear to be unreasonably low compared with past bids of the product
- A significant number of qualified bidders fail to bid
- All bidders but one are disqualified for being technically non-responsive
- Allowing an unreasonably short time limit to bid
- High number of competitive or sole source awards to one supplier
- Large number of bidding documents sold but only one or a few bidders respond to request for bids
- Unusual bid patterns. Bid prices are identical or similar to prior or other bid
- Unusual bid patterns. One bid is far too low compared to the rest
- Winning bid was not the lowest bid
- Winning bid too high compared to similar jobs
- Bids with identical line item amounts between two competing bids
- Bid line items that are exact percentages of one another (from two competing bids)
- Apparent connections between bidders: common addresses, personnel, phone numbers, etc.
- Unusual bid patterns. Bids are incomplete
- Sole source award above or just below competitive bidding limits
- Split purchases to avoid competitive bidding limits
- Bid amounts for items on one contract are significantly higher than the same item on other contracts
- Estimates for items on one contract are significantly higher than the same item on other contracts
- Inadequate segregation of duties
- Payments not supported by adequate supporting documents, i.e. invoices, inappropriate approval, lack of evidence of goods and or services
- High level of cash
- Large unsettled advances or advances provided without settlement of earlier advances
- Advances settled without adequate review or approval of settlement
- Significant variances in quarterly expenditures
- Lack or inadequate recording of assets, stocks
- Advances recorded as expenditure.

## SUPPLEMENTARY INFORMATION FOR CONSULTANTS

### Proposals

1. Proposals should include the following information:

(a) The Consultant's comments, if any, on the data, services and facilities to be provided by Office of Head, Dwss, Mohali-2, indicated in the Terms of Reference (TOR).

(b) Financial Proposals

The financial proposals should include the Schedule of Price Bid in Form F- 5.

2. Two copies of the proposals should be submitted to Office of Head, DWSS, Water works, Phase-2, Sector- 54, Phase-2, Mohali.

3. **Contract Negotiations**

The aim of the negotiations is to reach an agreement on all points with the consultant and initial a draft contract by the conclusion of negotiations. Negotiations commence with a discussion of Consultant's proposal, the proposed work plan, and any suggestions you may have made to improve the Terms of Reference. Agreement will then be reached on the final Terms of Reference and the bar chart, which will indicate periods in months and reporting schedule. Once these matters have been agreed, financial negotiations will take place and will begin with a discussion of your proposed monthly rates.

4. **Terms of Payment**

The mode of payments to be made in consideration of the work to be performed by the Consultant shall be as follows:

1	50% amount of the 108 Contracts/ actual contract reviewed	Upon receipt of inception and draft Report for the contracts audited of period from 1, July 2016 to 30 June, 2017 and Consolidated report on the F & C cases.
2	50% amount of the 108 actual Contract reviewed	Upon receipt of Final Report acceptable to Office of Head, DWSS, Water works, Phase-2, Sector- 54, Phase-2, Mohali.
3	50% amount of the tentative 74 number Contracts/ actual contract reviewed	Upon receipt of draft Report for the contracts audited of period from 1July 2017 to 30 June, 2018 and Consolidated report on the F & C cases.
4	50% amount of the tentative 74 number Contracts /actual Contract reviewed	Upon receipt of Final Report acceptable to Office of Head, DWSS, Water works, Phase-2, Sector- 54, Phase- 2, Mohali.

**Note :**

- 1) Final account will be settled on actual number contract reviewed by consultant.
- 2) All payments shall be made on submission of pre-receipted bills by the Consultant in duplicate for respective stages as per agreement signed.

5. **Review of Reports**

The consultant should submit 4 hard copies of each report along with one soft/ electronic copy.

A review committee consisting of following officers of the Department of Water Supply & Sanitation will review all reports of Consultants (draft, final and F & C report) and suggest any modifications/changes considered necessary within 21 days of receipt.

HoD, DWSS Water works, Phase-2, Sector- 54, Phase-2, Mohali.  
 Chief Engineer (South)  
 Chief Engineer (Central)  
 Chief Engineer (North)

Other reports such as Inception, Progress and Intermediate reports submitted by Consultant will be reviewed by a Committee of Office of Head, DWSS, Water works, Phase-2, Sector- 54, Phase-2, Mohali. The consultant has to make power point presentation on the PPR done on each year.

6. **Facilities to be provided by client (DWSS)**

DWSS will provide the Consultant with access to the following; all other items are the responsibility of the Consultant:

- Access to the design and technical details of the existing systems as appropriate.
- Access to meet with the appropriate officials of the DWSS, for any discussions and presentations related to the planning, development, implementation, and pilot of this System and any other tasks directly related to the actions included in this scope of work.

7. **Ownership**

**Data and System ownership –**

All data collected, analyzed, reported, developed modules during this activity will remain the property of the Department of Water and Sanitation, Government of Punjab. At no point should the Consultant release this data or any derivatives to any other party or agency without the formal approval of the designated official of the DWSS.

8. **Beginning and termination of the contract**

Consultant should be available within a week of release of work order. Either party can terminate the contract with 1 months' prior notice period.

**FORM NO.F-1**

From

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To

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Sir:

Hiring of Short Term Individual Consultancy Services for Post Procurement Review for signed Contracts from 1 July 2016 to 30 June 2018

I \_\_\_\_\_ Consultant herewith enclose **Technical and Financial Proposal** for selection as Consultant for — — — — —.

We undertake that, in competing for (and, if the award is made to us, in executing) the above contract, we will strictly observe the laws against fraud and corruption in force in India namely "Prevention of Corruption Act 1988".

We hereby certify that we have taken steps to ensure that no person acting for us or on our behalf will engage in bribery.

Yours faithfully,

Signature \_\_\_\_\_  
 Full name \_\_\_\_\_  
 and address: \_\_\_\_\_

**FORM F-2****FORMAT OF CURRICULUM VITAE (CV) FOR  
CONSULTANT**

Name of Consultant: \_\_\_\_\_

Profession: \_\_\_\_\_

Date of Birth: \_\_\_\_\_

Nationality: \_\_\_\_\_

Membership in Professional Societies: \_\_\_\_\_

**Key Qualifications:**

*[Give an outline of experience and training most pertinent to tasks on assignment. Describe degree of responsibility held on relevant previous assignments and give dates and locations. Use about half a page.]*

**Education:**

*[Summarize college/university and other specialized education of staff member, giving names of schools, dates attended, and degrees obtained. Use about one quarter of a page.]*

**Employment Record:**

*[Starting with present position, list in reverse order every employment held. List all positions held by staff member since graduation, giving dates, names of employing organizations, titles of positions held, and locations of assignments. For experience in last ten years, also give types of activities performed and client references, where appropriate. Use about two pages.]*

**Languages:**

*[For each language indicate proficiency: excellent, good, fair, or poor; in speaking, reading, and writing]*

**Certification:**

I, the undersigned, certify that to the best of my knowledge and belief, these data correctly describe me, my qualifications, and my experience.

\_\_\_\_\_  
**[Signature of Consultant]** **Date:** \_\_\_\_\_  
**Day/Month/Year**

Full name of Consultant: \_\_\_\_\_

**FORM F-3****ASSIGNMENTS OF SIMILAR NATURE SUCCESSFULLY COMPLETED  
DURING LAST 5 YEARS**

Outline of recent experience on assignments of similar nature:

Sr.No .	Name of assignment	Name of project	Owner or sponsoring authority	Cost of assignment	Date of commencement	Date of completion	Was assign- ment satisfactorily completed
1	2	3	4	5	6	7	8

Note: Please attach certificates from the employer by way of documentary proof. (Issued by the Officer of rank not below the rank of Superintending Engineer or equivalent.)

**FORM F-4****WORK PLAN TIME SCHEDULE**A. Field Investigation

Sl. No.	Item	Month wise Program															
		1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	11th	12th				

B. Compilation and submission of reports

- (i) An inception report
- (ii) A draft report of all the contracts undertaken for auditing as per the sample format along with applicable checklists attached.
- (iii) Final report
- (iv) A consolidated report on the F&C cases.

C. A short note on the line of approach and methodology outlining various steps for performing the assignment.

D. Comments or suggestions on "Terms of Reference."

**FORM F-5****SCHEDULE OF PRICE BID**

<u>ITEMS</u>	<u>AMOUNT</u>	
	<u>In figures</u>	<u>In words</u>
—		
1. Consulting services for Post Procurement Review of Contracts Awarded from 1 July 2016 to 30 June 2018 by Office of Head, DWSS/ GPWSCs		
2. Consultancy Services Tax @ .....%		

Signature of Consultant

**FORM F-6****Break-up of Cost Estimates****Remuneration :Table-1**

Consultant Name	Rate Per Contract (In Indian Rupees)	Expected No. of contracts (In years 2016-18) to be reviewed	Total Cost of 182 contracts to be reviewed (In Indian Rupees)
		182	
		Sub-Total	

**Out-of-Pocket Expenses :Table-2**

		Room Cost	Subsistence	Total	Days
a)	Per Diem: <sup>1</sup>				
b)	Air fare:				
c)	Lump Sum Miscellaneous Expenses <sup>2</sup>				
			Sub-Total (Out- of-Pocket)		

**Total cost of contract: Table-3**

S. No.	Description	Amount
1	Remuneration (Table-1)	
2	Sub-Total (Out-of-Pocket) (Table-2)	
3	Contingency Charges (Table-3)	
4	Total cost	
5	Taxes as applicable	

**Note :** Rate per contract including assets verification of 30% of the reviewed contracts. It is expected that total no. of contracts for PPR will be around 182.

<sup>1</sup> Per Diem is fixed per calendar day and need not be supported by receipts.

<sup>2</sup> To include reporting costs, visa, inoculations, routine medical examination, minor surface transportation and communications expenses, portorage fees, in-and-out expenses, airport taxes, and such other travel related expenses as may be necessary.

**BREAKUP OF COST**

<b>Sr. No.</b>	<b>Description</b>	<b>Amount</b>	
		<b>In figures (Rs.)</b>	<b>In Words</b>
1	Consultancy Charges (Remuneration)		
2	Miscellaneous Charges		
3	Contingency Charges		
4	Out of Pocket Expenses		
5	Consultancy Service Tax		

**CONTRACT FOR CONSULTING SERVICES  
SMALL ASSIGNMENTS  
LUMP-SUM**

THIS CONTRACT for providing for Consultancy of Post Procurement Review for the Contracts signed from ..... on .....is entered into this [insert starting date of assignment], by and between Office of Head having its principal place of business at Office of Head, Department of Water Supply & Sanitation Phase – 2 Mohali, and Mr. Dhruv Umadikar, C/O Global Procurement Constructions Ltd., 8th Floor, Nariman Point, Mumbai 400021.

WHEREAS, Office of Head, Department of Water Supply & Sanitation wishes to have the Consultant perform the services hereinafter referred to, and WHEREAS, the Consultant is willing to perform these services,

NOW THEREFORE THE PARTIES hereby agree as follows:

- 
- 1. Services**
- (i) The Consultant shall perform the services specified in “Terms of Reference and Scope of Services,” which is made an integral part of this Contract (“the Services”).
  - (ii) Deleted
  - (iii) The Consultant shall submit to the Client the reports in the Form attached and within the time periods specified in TOR , “Consultant’s Reporting Obligations.”
- 2. Term**
- 2.1 The Consultant shall perform the Services during the period commencing \_\_\_\_\_ and continuing through \_\_\_\_\_, or any other period as may be subsequently agreed by parties in writing
  - 2.2 The Office of Head, Department of Water Supply & Sanitation may find it necessary to postpone or cancel the assignment and /or shorten or extend its duration. In such case, every effort will be made to give the consultant notice of any changes. In the event of termination the Consultants shall be paid for the services rendered for carrying out the assignment to the date of termination, and the Consultant will provide the client with any reports or parts thereof, or any other information and documentation gathered under this Agreement prior to the date of termination.
- 3. Payment**
- A. Ceiling  
 For Services rendered pursuant to Annex A, the Client shall pay the Consultant an amount not to exceed Rs.,,,,,,,,,,,,,,,,,,,,,,,,,,,,,/-  
 ( \_\_\_\_\_ )  
 The consultant will also be entitled to travelling allowance as

indicated in the Appendix A- contract negotiations. This amount has been established based on the understanding that it includes all of the Consultant's costs and profits as well as any tax obligation that may be imposed on the Consultant.

B. Schedule of Payments

Payment terms: Payment after rendering the services, against submission of invoices.

C. Payment Conditions

Payment shall be made in Indian Rupees, no later than 30 days following submission by the Consultant of invoices in duplicate to the Coordinator designated in paragraph 4.

D. The Consultants shall pay the taxes, duties fee, levies and other Impositions levied under the Applicable law and the Client shall perform such duties, in regard to the deduction of such tax at source [TDS] as per applicable law.

**4. Project Administration**

A. Coordinator.

The Client designates Superintending Engineer (Technical), Office of Head, Department of Water Supply & Sanitation Mohali-2, as Client's Coordinator; the Coordinator will be responsible for the coordination of activities under this Contract, for acceptance and approval of the reports and of other deliverables by the Client and for receiving and approving invoices for the payment.

B. Reports.

The reports attached with Letter of Invitation "Consultant's Reporting Obligations," shall be submitted in the course of the assignment.

**5. Performance Standards**

The Consultant undertakes to perform the Services with the highest standards of professional and ethical competence and integrity. The Consultant shall promptly replace any employees assigned under this Contract that the Client considers unsatisfactory

**6. Confidentiality**

The Consultants shall not, during the term of this Contract and within two years after its expiration, disclose any proprietary or confidential information relating to the Services, this Contract or the Client's business or operations without the prior written consent of the client

**7. Ownership of Material**

Any studies reports or other material, graphic, software or otherwise, prepared by the Consultant for the Client under the Contract shall belong to and remain the property of the Client.

- 8. Consultant Not to be Engaged in Certain Activities** The Consultant agrees that, during the term of this Contract and after its termination, the Consultant and any entity affiliated with the Consultant, 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.
- 9. Insurance** The Consultant will be responsible for appropriate insurance coverage. In this regard, the Consultants shall maintain workers compensation, employment liability insurance for their staff on the assignment. The consultants shall also maintain comprehensive general liability insurance, including contractual liability coverage adequate to cover the indemnity of obligation against all damages, costs, and charges and expenses for injury to any person or damage to any property arising out of, or in Consultants or its staff. The Consultant shall provide the client with certification thereof upon request.
- 10. Assignment** The Consultant shall not assign this Contract or sub-contract any portion of it without the Client's prior written consent.
- 11. Law Governing Contract and Language** The Contract shall be governed by the laws of Union of India, and the language of the Contract shall be English.
- 12. Dispute Resolution** Any dispute arising out of the Contract, which cannot be amicably settled between the parties, shall be referred to adjudication/arbitration in accordance with the laws of the Client's country.
- 13. Corrupt and Fraudulent Practices** The World Bank requires compliance with its policy in regard to corrupt and fraudulent practices as set forth in Attachment 1
- 14. Accounting, Inspection and Auditing** The Consultant shall keep, and shall make all reasonable efforts to cause its Sub-consultants to keep, accurate and systematic accounts and records in respect of the Services and in such form and detail as will clearly identify relevant time changes and costs  
The Consultant shall permit and shall cause its Sub-consultants to permit, the World Bank and/or persons appointed by the World Bank to inspect the Site and/or all accounts and records relating to the performance of the Contract and the submission of the Proposal to provide the

Services, and to have such accounts and records audited by auditors appointed by the World Bank if requested by the World Bank.

FOR THE CLIENT

Signed by Shri

Title: Office of Head, DWSS

FOR THE  
CONSULTANT

Signed by

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Title:

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**Bank’s Policy – Corrupt and Fraudulent Practices**

(the text in this Attachment 1 shall not be modified)

**Guidelines for Selection and Employment of Consultants under IBRD Loans and IDA Credits & Grants by World Bank Borrowers, dated January 2011:**

**“Fraud and Corruption**

1.23 It is the Bank’s policy to require that Borrowers (including beneficiaries of Bank loans), consultants, and their agents (whether declared or not), sub-contractors, sub-consultants, service providers, or suppliers, and any personnel thereof, observe the highest standard of ethics during the selection and execution of Bank-financed contracts [footnote: In this context, any action taken by a consultant or any of its personnel, or its agents, or its sub-consultants, sub-contractors, services providers, suppliers, and/or their employees, to influence the selection process or contract execution for undue advantage is improper.]. In pursuance of this policy, the Bank:

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

- (i) “corrupt practice” is the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party<sup>1</sup>;
- (ii) “fraudulent practice” is any act or omission, including misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain financial or other benefit or to avoid an obligation<sup>2</sup>;
- (iii) “collusive practices” is an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the actions of another party<sup>3</sup>;
- (iv) “coercive practices” is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party<sup>4</sup>;

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<sup>1</sup> For the purpose of this sub-paragraph, “another party” refers to a public official acting in relation to the selection process or contract execution. In this context “public official” includes World Bank staff and employees of other organizations taking or reviewing selection decisions.

<sup>2</sup> For the purpose of this sub-paragraph, “party” refers to a public official; the terms “benefit” and “obligation” relate to the selection process or contract execution; and the “act or omission” is intended to influence the selection process or contract execution.

<sup>3</sup> For the purpose of this sub-paragraph, “parties” refers to participants in the procurement or selection process (including public officials) attempting either themselves, or through another person or entity not participating in the procurement or selection process, to simulate competition or to establish prices at artificial, non-competitive levels, or are privy to each other’s bid prices or other conditions.

<sup>4</sup> For the purpose of this sub-paragraph, “party” refers to a participant in the selection process or contract execution.

- (v) “obstructive practice” is
- (aa) deliberately destroying, falsifying, altering, or concealing of evidence material to the investigation or making false statements to investigators in order to materially impede a Bank investigation into allegations of a corrupt, fraudulent, coercive, or collusive practice; and/or threatening, harassing, or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation, or
  - (bb) acts intended to materially impede the exercise of the Bank’s inspection and audit rights;
- (b) will reject a proposal for award if it determines that the consultant recommended for award or any of its personnel, or its agents, or its sub-consultants, sub-contractors, services providers, suppliers, and/or their employees, has, directly or indirectly, engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices in competing for the contract in question;
- (c) will declare misprocurement and cancel the portion of the Loan allocated to a contract if it determines at any time that representatives of the Borrower or of a recipient of any part of the proceeds of the Loan were engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices during the selection process or the implementation of the contract in question, without the Borrower having taken timely and appropriate action satisfactory to the Bank to address such practices when they occur, including by failing to inform the Bank in a timely manner they knew of the practices;
- (d) will sanction a firm or an individual at any time, in accordance with prevailing Bank’s sanctions procedures<sup>5</sup>, including by publicly declaring such firm or an ineligible, either indefinitely or for a stated period of time: (i) to be awarded a Bank-financed contract, and (ii) to be a nominated<sup>6</sup> sub-consultant, supplier, or service provider of an otherwise eligible firm being awarded a Bank-financed contract.

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<sup>5</sup> A firm or an individual may be declared ineligible to be awarded a Bank-financed contract upon (i) completion of the Bank’s sanctions proceedings as per its sanctions procedures, including inter alia: cross-debarment as agreed with other International Financial Institutions, including Multilateral Development Banks, and through the application of the World Bank Group corporate administrative procurement sanctions procedures for fraud and corruption; and (ii) as a result of temporary suspension or early temporary suspension in connection with an ongoing sanctions proceedings. See footnote 12 and paragraph 8 of Appendix 1 of these Guidelines.

<sup>6</sup> A nominated sub-consultant, supplier, or service provider is one which has been either (i) included by the consultant in its proposal because it brings specific and critical experience and know-how that are accounted for in the technical evaluation of the consultant’s proposal for the particular services; or (ii) appointed by the Borrower.

**Minutes of contract Negotiations**

<b>Sr. No</b>	<b>Comments of Individual Consultant</b>	<b>Agreed conclusion</b>
1		
2		
3		
4		