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Jaipur Vidyut Vitran Nigam Limited

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TN-01/2017-18

REQUEST FOR PROPOSAL FOR REPEAT/SECOND AUDIT OF ENERGY BILLS IN RESPECT OF CONSUMERS HAVING SANCTIONED LOAD OF 10 KW AND ABOVE.

Last date of submission of proposal- 22th August 2017

GENERAL TERMS & CONDITIONS

Jaipur Vidyut Vitran Nigam Ltd. also known as Jaipur Discom is one of the three power distribution licensees in the state of Rajasthan, supplying electricity to the various categories of consumers located in the 12 districts namely Jaipur, Dausa, Tonk, Bharatpur, Sawaimadhopur, Kota, Bundi, Baran, Jhalawar, Bharatpur, Karauli, Dholpur. Jaipur Discom wish to have a repeat/second audit of the energy bills issued to its consumers having sanctioned load of 10 KW and above for which 'Request For Proposal, from the prospective bidders found eligible as per the criteria given below, is being invited.

2. Objective of the Assignment

The very objective of this assignment is to make good the amount which was to be legitimately billed but for any reason left out and realize the same from the consumers without any dispute. The amount to be now billed should be squarely legitimate, withstanding the prevailing tariff structure and prevailing terms and conditions of the various regulations and should be realized without any dispute by the consumers.

3. Eligibility Criteria

The personnel retired from the state power distribution companies or their group, society, forum having

their domain and experience in the distribution sector of the power sector with a core competency in the revenue, billing and audit of the energy bills issued to the consumers may apply for the above assignment. He/They should be well-versed and possess a wide experience in the tariff structure terms and conditions of supply, supply code and all other various regulations approved by the regulator for various categories of consumers from time to time. However, the person(s), firms, groups, forums, societies etc. who have already carried out or presently carrying out the routine/regular audit of the consumers under the other contracts/work orders finalized/to be finalized by JVVNL during the period, shall not be eligible for submitting their bids against this 'Request for Proposals'. In case the circumstances warrants Jaipur Discom at its sole discretion may call a pre-bid conference in order to shed light on the very intent of this special assignment as well as to seek their suggestions .

3. Scope of work:

It includes audit of energy bills of the consumers having sanctioned load of 10 KW or above in the entire jurisdiction of Jaipur Discom. However, regular audit of these consumers have already been got carried out but in order to ensure to catch any left out or less billed revenue, the proposed repeat/second audit is being envisaged to be got carried out. As such, the offered audit needs a very minute, deep and thorough examination of the energy bills in respect of the consumers having sanctioned load of 10 KW or more. The audit shall exclusively be based upon records/data to be provided to the auditors by Jaipur Discom. The scope of work includes the following:

- (i) Checking of debit not raised in cases of dishonored cheques along with LPS and Bank Charges.
- (ii) Checking of consumer ledger with binder and/or other related records.

- (iii) Checking of CC&AR registers for unauthorized/irregular credit to the consumers ;
- (iv) Checking of deficiency in input advice and output reports related to billing i.e. CB-4, CB-12 & CB-15 with 16 ABC output reports etc.
- (v) Checking of left out outstanding and negative balances against the consumers.
- (vi) Ensuring 100% transfer of master data as well as outstanding from one billing agency to another or transfer from one sub-division to another/newly created sub-division, if any.
- (vii) Checking of starting and last readings taken for billing after change of meters.
- (viii) Checking of billing of temporary connections.
- (ix) Checking of debit raised / average charged in case of stopped / defective meters, theft, malpractices cases and other charges in view of compliance of A-30 and Nigam's orders and arrange to propose debit in consumer's account.
- (x) Correctness of billing in view of Nigam's TCOS, tariff and circulars / orders issued from time to time.
- (xi) Checking of M/F as per JIR of consumers who are being billed on power factor basis.
- (xii) Detailed audit of SIP, MIP and consumers of other category having sanctioned/connected load 10 KW or above and MDI has exceeded 50KVA thrice in a financial year and under assessment.
- (xiii) Checking of billing of load extension/ reduction cases.
- (xiv) Left out debits due to any software glitches;

3. Period of Audit

Initially the audit of the energy bills issued to the consumers during FY 2014-15 and FY 2015-16 and of which the routine regular audit has already been carried out shall be taken up. However, after having reviewed the

results of such repeat/second audit initiative, the period may be further extended, at the sole discretion of JVVNL.

4. Remuneration:

Remuneration shall be on sharing of tangible benefit basis. For this, the empanelled auditor(s) shall be eligible for a share of 5% (Five per cent) of the amount upto Rs. 10 lac and for more than Rs. 10 lac, Rs. 50,000 + 1% of the amount detected and actually realized exceeding Rs.10 lac. The amount so detected shall be eligible for remuneration only after its actual realization without any dispute or litigation, whatsoever, raised by the respective consumer(s). In case the amount so debited is disputed by the consumer, the same shall be qualified for counting of remuneration only after its final settlement/resolution and actual realization. Apart from this, the amount to be detected and qualified for remuneration shall not include the amount of additional security to be got deposited from the consumers and amount as a result of routine or vigilance checking left out to be debited to the consumers. Besides, outstanding amount deposited by the consumers under any prevailing amnesty or any other incentive scheme shall also not be covered under this assignment. After completion of audit of a sub-division, the amount so found to be detected along with the details of the consumers shall be intimated to the respective AEN/ARO of the sub-division who will debit the same in their ensuing energy bills, following necessary guidelines and procedures. After completion of the audit of a sub-division and realization of the amount from the consumer(s) without any dispute/litigation, bill for remuneration/payment shall be furnished to the AEN/ARO concerned/AO (HTB) for LIP consumers, for its payment. The remuneration/amount payable to the auditors shall be exclusive of GST, if applicable, to be paid by Jaipur Discom extra.

5. **How to Apply**

The prospective bidders are expected to deeply go through and understand the basic intent and other terms and conditions of specification of this RFP. They are also advised to fully go through the organization structure, revenue and billing modus operandi, billing software, prevailing tariff orders, terms and conditions of supply, supply code and all other rules and regulations, whatsoever, governing the distribution of electricity specifically billing to the consumers. Afterwards, they are required to furnish the details in the format of request for proposal enclosed at Annexure-A.

The request duly supported with the desired documents should reach in the office of Chief Accounts Officer (R&B), Room No. 6/10, Vidyut Bhawan, Jan Path, Jyoti Nagar, Jaipur- 302005 latest by 22th Aug 2017.

6. **Procedure for Empanelment**

The proposals received against this RFP, shall be scrutinized and recommended by a committee constituted by Jaipur Discom. The committee may call the bidders for one-to-one discussions in order to adjudge and convince about their seriousness, capacity, capability and potential to carry out the proposed assignment in order to gain the desired results in a time bound manner.

The empanelment shall initially be for a period of two years from the date of the award which may be further extended upon having ascertained their performance and gainful results.

7. **Signing of Contract and Completion of Formalities**

Successful Empanelled applicant shall be required to sign the contract documents with the Nigam on non-judicial stamp paper of Rs. **1000/-**. Cost of stamp paper and revenue stamp to be affixed on document shall be borne by the applicant. The Nigam shall not reimburse these costs.

8. Award /Placement of work

The auditor shall offer a maximum of five Sub-Divisions, which may according to him have greater possibility of left out billing. In case, two or more bidders offer the same sub-divisions, then the allocation shall be at the sole discretion of Jaipur Discom. After completion of audit of such offered sub-divisions, next lot shall be offered and got approved by the office of the CAO(Rev. & Billing) only after successful completion of already assigned sub-divisions.

9. Rules & Regulations

The work/job shall be carried out following the prevailing tariff orders, rules, regulations and other details as prevailing in the Nigam, which shall be made available to the applicant on demand. These rules and regulations may be modified by the Nigam from time to time and would be intimated to the applicant for adhering to the same. The applicant will also follow the labour regulations and the directions of Government and other authorities enforcing the regulations and comply with any other relevant legislation in force from time to time. For any consequences arising out of non-compliance, whatsoever, in regard to all the prudent and applicable provisions of these acts, regulations etc, the applicant shall be wholly responsible.

10. Disqualification

Jaipur Discom may, at its own sole discretion, and at any point of time during the evaluation process, without any information, disqualify any applicant to empanel, **if the applicant has:-**

- (a) Made misleading or false representations in the forms, statements and attachments submitted as proof of the eligibility requirements.
- (b) Exhibited a record of poor performance such as abandoning works, not properly completing the contract, inordinately delaying completion, being involved in litigation or financial failure etc.

- (c) Submitted a proposal which is not accompanied by required documentation or is non-responsive.
- (d) Failed to provide clarifications related thereto, when sought;
- (e) Submitted more than one proposal. This will cause disqualification of all the proposals submitted by such applicant.
- (f) Any action on the part of the applicant to revise and modify the substance of original request, submission of any supplementary information unless and otherwise specifically asked for, at its own instance may result in rejection of the request and may also debar him from submission of request to the Nigam in future for a period as decided by the Nigam.
- (g) The persons individually or through any group, forum, society etc. have carried out/carrying out the regular audit under any other assignment outsourced by Jaipur Discom shall also not be eligible for applying for this assignment.
- (h) **The persons or group of person who had taken revenue audit in JVVNL/AVVNL/JdVVNL earlier and whose work is/was not found satisfactory or who did not take up the work shall not be eligible for empanelment.**

11. Submission of Bills for Remuneration

The applicant shall submit Sub- division wise bill after completion and submission of final & consolidated audit report for each office in **three copies** (in original) duly verified by AEN/ARO for authentication of the amount assessed, debited and realized without any dispute or litigation, whatsoever, the certificate to which shall be recorded by the latter. The bills thereafter shall be forwarded to the CAO (R&B), JVVNL, and Jaipur for its record and onward movement to the AO (Cash), JVVNL, Jaipur for making payment. Payment of 90 % of the billed amount shall be released and the balance 10% detained from each bill shall be released after a period of one year.

12. Audit Programme

The auditor has to submit its audit program (along with Photo ID proof of team members) for a particular sub-

division **within a period of 15 days from the date of allotment of audit work (Issue of work order) for approval of the CAO (R&B). The audit programme should be prepared as per calendar/working days of Jaipur Discom by excluding gazetted and other official holidays. The firm has to start audit work of allotted sub-division (s) within a period of 1 month from the date of issue of work order and submit the monthly progress of audit awarded to the Chief Accounts Officer (R&B).**

13. Compliance of Labour Legislation

The applicant shall discharge its liability of employer / bidder in respect of personnel to be engaged for carrying out the assignment, as set out in EPF and MP Act-1952, ESI Act-1948 (in ESI implemented area), Workmen's Compensation Act-1923 (in non ESI implemented area), Contract Labour (R&A) Act-1970, Payment of Wages Act-1936, Minimum Wages Act-1948 etc. The applicant is required to get separate code under the provision of EPF & ESI Acts, if not already taken & deposit the employer's contribution along-with employees' subscription, as per rules and submit copies of challans at the time of claiming payment, as per clause 28, failing which an amount equivalent to employer's contribution and employees' subscription shall be deducted from its each bill and deposited with the concerned authorities. The applicant shall be solely responsible for any consequences arising out of breach of any legislation.

14. Safety of Record

The original records taken from any of the office of the Nigam shall be kept safe and intact and handed over back in good condition to the respective office after completion of audit. The applicant shall make good to the Nigam any loss suffered by it due to default of the applicant in this respect.

15. Security & Secrecy

Bidder shall not disclose the result of audit wholly or partly to anybody else other than to the designated authority of the Nigam and shall maintain a close secrecy in this regard.

16. Conduct of Applicant's Staff :-

If any of the applicant's employees in the opinion of Nigam is found guilty or commits misconduct or incompetence or negligence or malpractices or manipulation, the same shall be one of the grounds for removing him from the empanelment.

17. Lien

In case of any lien or claim pertaining to the work and responsibility of the applicant for which the Nigam might become liable is arise, Jaipur Discom shall have right to recover such claim amount from the applicant.

18. Coordination from Auditee Office

Each of the auditee office shall be required to coordinate with the auditor in such a manner so as to complete the audit of respective office within stipulated time.

19. Extension of Contract

The empanelment for the work of firm/forum/society will be initially for two years; however, Jaipur Discom reserves the rights to place an order for extension of contract after mutual consensus.

20. The Nigam will provide reasonable work space and furniture for the audit team. Other resources viz. computers, telephone, stationary etc. would have to be arranged by the applicant at its own cost.

21. All the Audit Reports shall be signed by the Authorized Signatory of the applicant. The person signing the audit report shall be responsible for all work done by the audit team, irrespective of composition of visiting team at Auditee Office.

22. Termination of Empanelment

Jaipur Discom may after having served 15 days written notice of default, **terminate contract in the circumstances detailed out hereunder:-**

- (a) If in the opinion of the Nigam, the empanelled auditor fails to comply with any of the provisions of this contract. In such case, a written notice shall be served by the Nigam to the empanelled applicant to stop further activities and take urgent steps towards corrective measures, failing which the empanelment will be cancelled.
- (b) The performance of the applicant shall be reviewed periodically and for any unsatisfactory performance, the Nigam reserves the right to terminate the empanelment, giving a notice to the empanelled applicant.
- (c) The Nigam reserves all rights, not to give any reason in writing or otherwise, towards cancellation of the contract and empanelment at any time.
- (d) The decision of the Jaipur Discom shall be final and binding in respect of the acceptability of the report submitted by the auditors and Jaipur Discom shall not be required to give any reason(s) in writing or otherwise at any time for such rejection .

23. Subletting of Contract

The empanelled applicant shall not sublet the work. In case of getting execution of work through other auditor, the contract shall be terminated.

24. Governing Laws & Jurisdiction

The agreement shall be governed & followed by Indian Laws and Sub Laws. Only the competent court at Jaipur (Rajasthan) alone shall have exclusive court jurisdiction to deal with any matter arising out of or relating to the agreement or otherwise. All disputes, differences, questions, whatsoever, arising between the Nigam and the applicant shall be dealt with at Jaipur City only and no court other than Court at Jaipur (Rajasthan) shall have jurisdiction.

25. Settlement of Disputes

In the event of any question, dispute, interpretation or difference, whatsoever, which may arise between the Nigam and the applicant, the same shall be referred to the MD, Jaipur Discom and the mutual settlement so arrived at shall be final and binding on both the parties.

26. Failure to Execute Contract

The successful empanelled applicant (s) failing to execute the order placed on them to the entire satisfaction of the Nigam with terms & conditions set forth therein, will be liable to make good the loss sustained by the Nigam, subsequent to the placing of fresh orders elsewhere at higher rates, i.e. the difference between the price accepted in the contract already entered into and the price at which fresh offers have been placed. This is without prejudice to the imposition of liquidated damages and forfeiture of Security Deposit, Performance Guarantee and any other financial hold available with the Nigam.

Chief Accounts Officer (R&B)

Request For Proposal

<u>Sl No.</u>	<u>Basic Details</u>	
1.	Basic details of the person(s), group, society etc. along with their past experience in the power distribution sector, particularly in the capturing of meter reading, billing, realization of revenue and audit of the energy bills.	
2.	Broad identification of key areas/points, detection of which may render the amount left to be billed to the consumers during the course of regular billing.	
3.	Outlining the plan/strategy for carrying out the proposed assignment fetching maximum left out revenue;	
4.	Estimated average period likely to be consumed for carrying out the assignment for a sub-division;	
5.	Profile of the key persons along with their educational qualification, experience etc. likely to be employed by the bidder for the proposed assignment.	
6.	Basic details of the person(s), group, society etc. along with their past experience in the power distribution sector, particularly in the capturing of meter reading, billing, realization of revenue and audit of the energy bills.	

Sl. No.	What do you understand about Nigam's broad profile	
1	Background	
2	Organizational Setup	
3	Revenue system	
4	Billing modus operandi	
5	Interface with the consumers	
	Objective of the audit	
1	Highlight key reasons for conducting such a repeat/second audit	
	Present Information Flow Model	
1	What output reports are generated	
2	Billing Methodology	
	Approach for taking out underassessment	
1	Which records to be checked	
2	What technical parameters needs to be verified	
3	Significant reasons for undercharges	
4	Sensitive areas envisaging left out/under billing	

1. Signature of the Applicant
2. Name of the Applicant

Date:

Place