



**DRUK PNB BANK LIMITED**



# **DRUK PNB BANK LIMITED**

**CORPORATE OFFICE  
NORZIN LAM, THIMPHU BHUTAN**

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## **REQUEST FOR PROPOSALS CONSULTING SERVICES**

**To Review and Update Financial Statements of Income Year 2017  
& 2018 as per BAS Phase I & II and Implementation of BAS Phase  
III for Income Year 2019.**

**Date: October 31, 2019**

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## 1. INVITATION FOR BIDS

Druk PNB Bank Ltd(DPNBL) would like to invite bids to review and update and implement of BAS Phase I, II & III for the income years 2017, 2018 & 2019.

The bid details are provided below:

Sl. No.	Subject	Date / Time
1	RFP Ref. Number & Date	Ref. No. DPNBL/AFD/2019/ 30/10/2019
1	Last date for receipt of Bidding Documents	15/11/2019 03.00 PM (BST)
2	Date & Time of Opening of Bids	16/11/2019 3.00 PM (BST)
3	Venue for Submission and Opening of Bids	Conference Hall Druk PNB Bank Ltd., Head Office, Norzin Lam, Thimphu, Bhutan
4	Website address	www.drukpnbbank.bt
9	Focal Person email address	dorjiphuntsho283@drukpnbbank.bt
10	Bidding Document Price	NA
11	Bid Security	2% of the Bid Amount
12	Name of Assignment	1. To Review and Update the Financial Statements of Income year 2017 as per the BAS Phase I & II. 2. To Review and Update the Financial Statements of Income Year 2018 as per the BAS Phase I & II. 3. Help prepare Financial Statements as per BAS Phase I & II and Implement BAS Phase III for the year 2019.
13	Address for communication and submission of Bids.	The Vice President, Administration and Finance Dept. Druk PNB Bank Ltd. Corporate Office, Norzin Lam Thimphu, Bhutan
14	Bid Documents	Available at www.drukpnbbank.bt



## **2. SCOPE OF WORK**

### **2.1 Scope**

The scope of the work is expected to cover the following services:

- a. To review and update the financial statements of income years 2017 and 2018 as per the BAS Phase I & II as required by Auditing and Accounting Standard Board of Bhutan (AASBB).
- b. To consolidate the converted Financial Report (IFRS Compliance) for Income Years 2017 & 2018.
- c. To prepare the Financial Statements of Income Year 2019 with full IFRS compliant.
- d. To consolidate the converted Financial Statements of Income Years 2018 and 2019.

### **2.2 Minimum Requirements of the Consultant**

- a. The consultant shall have chartered Accountant or equivalent qualification with adequate experience in IFRS implementation.
- b. The firm should be registered with recognized Institute of Chartered Accountant and be empanelled by the Royal Audit Authority (RAA) of Bhutan.
- c. The consultant should have provided such consultancy services to private limited or public limited companies in the past.

### **2.3 Regulatory Requirement**

The updated and reviewed financial statements should be as per the BAS Phase I & II as required by AASBB, Ministry of Finance, Bhutan. The consultant should help bank prepare its financial statements of income year 2019 as per the BAS Phase I & II and implement BAS Phase III for the same year. As such the bank should be in full implementation of BAS Phase I, II & III at the end of Income year 2019.

If, any observations are made by the regulatory bodies in future, the consultant should provide additional help to solve the problem.

## **3. BIDDING PROCESS AND DOCUMENTS**

### **3.1 Eligibility Criteria:**

Bidders meeting the eligibility criteria prescribed under Annexure IV of this bidding document may submit the tender for the works.

### **3.2 Authorization to Bid:**

The Bid should be submitted by the authorized personnel authorized by a senior official of the bidding company having authority to do so. Photocopies of necessary original resolutions/authority/ power of attorney having authority to authorize the person to submit bid documents, on behalf of the company shall



be enclosed. The proposal must be accompanied with an undertaking letter duly signed by the designated personnel providing a bid commitment with his name, designation and complete address.

### **3.3 Response to Bid**

The Bidder should examine all instructions, forms, terms, conditions and technical specifications in the bidding documents. Failure to furnish all information required by the bidding documents or submission of a bid not substantially responsive to the bidding documents in every respect will be at the Bidder's risk and may result in rejection of the bid.

### **3.4 Clarification of bidding documents**

Participating bidders requiring clarifications on the bidding documents can e-mail at **dorjiphuntsho283@drupnbBank.bt** strictly before the submission of the bid and the bank will not response to the clarification after the due to for submission of the bid.

### **3.5 Amendments of Bidding Documents**

DPNBL may issue amendments to the bidding document for any reason, whether at its own initiative or in response to a clarification requested by a prospective bidder, prior to the deadline for the submission of bids.

From the date of issue, amendments to terms and conditions shall be deemed to form an integral part of the bidding documents. The amendments will be posted on Bank's website and will be binding on all Bidders.

To provide Bidders reasonable time to incorporate the amendments in preparing their bid, the Bank may extend the deadline for submission of bids.

## **4. PREPARATION OF BIDS**

### **4.1 Costs of Preparation, Language and Currency of Bid**

The bidder shall bear all costs for the preparation and submission of the bid. The Bank shall not be responsible or liable for reimbursing these costs, regardless of the conduct or outcome of the bidding process.

The Bid shall be prepared in English language with financials submitted in Ngultrum, the local currency.

### **4.2 Pricing**

#### **4.2.1 Price composition**

The price quoted should be on a fixed price basis. The quantities indicated in the price bid are approximate and the payment will be made on actual. The solution provided should be complete and no other costs will be entertained.

Prices should be inclusive of all costs to be charged and segregated into onetime costs and recurring costs, taking care of the end-to-end solution. Taxes, duties, service taxes, levies and other charges should be mentioned specifically.

**4.2.2 Price validity**

The finalized fee shall remain valid till the contract is completed. However, if any additional updates is required by the regulatory bodies on inspection, the consultant should be in position to help and suggest the bank to update its financial statements.

**4.2.3 No price alterations**

Any price corrections or alterations should be properly authenticated, failing which the Bank may reject the offer.

**4.2.4 Payment terms**

The bidder must accept and conform to the payment terms and conditions proposed by the Bank. Any deviation from the proposed payment terms would not be accepted.

Selected bidder shall submit the documents to the Bank along with a letter requesting for payment along with all the documents corresponding to completion of project milestones as given below:

Sl. No.	Project Deliverables	Payment % and Frequency
1	Upon contract signing and submission of Inception Report and Road Map Performance Guarantee of 10% (ten percent) of the contract value	10%
2	On completion of update and review of financial statements for income years 2017 & 2018 are completed.	20%
3	On completion of implementation of BAS Phase III for year 2019	50%
3	On fully completion of the contract works (handing & Taking over)	20%
<b>TOTAL</b>		<b>100%</b>

The Bank will release all payments through NEFT/ RGTS within 10 days of claim on complete submission of all relevant documents and proofs. The selected bidder has to provide necessary Bank details like account no., Bank's name with branch, IFSC Code etc. to facilitate the payment.

The Bank will deduct applicable TDS in line with the Income Tax Act of the Kingdom of Bhutan 2001 and the Rules on the Income Tax Act of the Kingdom of Bhutan 2001 prior to releasing the payments.

The Bank shall have the right to withhold any payment due to the bidder, in case of delays or defaults on the part of the bidder, which shall not be considered as a default on the part of the Bank.



## **5. BID SUBMISSION SHEET**

The Bidder should submit the Bid Submission Sheet (BSS) with complete information as per the bidding document. Bids that do not strictly comply with the BSS are liable for rejection.

### **5.1 Validity of Bid**

The bid shall be valid for a period of sixty (60) days from the date of bid closing. If the Bank cannot complete the bid evaluation and award of contract within sixty, the Bank may extend the bid validity period by informing the participating bidders in writing.

Bidders agreeing to the extension request shall also agree to an extension of the validity of the bid security. Those who refuse the request to extend the bid validity shall be disqualified without forfeiting his bid security.

### **5.2 Bid Security:**

The Bidder shall furnish, as part of its bid, a bid security for an amount of 2% of the bid price in the form of a Bank Guarantee (BG)/demand draft issued by a bank in Bhutan other than DPNBL in the format enclosed (Annexure-6), to be valid for a period of sixty (60) days beyond the validity of the bid.

The bid security will be forfeited, if the Bidder:

- a. Withdraws its bid during the period of bid validity specified by the Bidder;
- b. Fails to accept the arithmetical corrections of its bid price; or
- c. In the case of a selected bidder, if the bidder fails
  - To sign the contract within the prescribed time; or
  - To furnish the performance security within the prescribed time.

### **5.3 Bid Submission format**

The bid offers should be made strictly as per the formats enclosed. Bids shall be submitted in two copies sealed and marked as “ORIGINAL” and “COPY” in the inner envelope. In case of discrepancy, the original copy shall be referred and in case of any dispute regarding the bid document, the original shall prevail.

The offers submitted to Bank should preferably not bear any corrections, alterations, over writings and additions. In such cases, the persons signing the bid should initial such corrections.

The original and all copies of bids shall be in a clear typeface. An accompanying letter is required, signed by an authorized signatory of the Bidder, committing the bidder to the contents of the original response.

Bids shall be delivered by hand delivery. All envelopes should be securely sealed and stamped. The authorized signatories of the bidder should sign on all pages of the proposal.

### **5.4 Preparation, Sealing, Marking and Submission of Bids**

Bids shall be sealed and submitted in an inner envelope sealed with adhesive. The inner envelope shall be signed across the seal. The name and address of the bidder shall be written on the inner envelope.

The inner envelope shall be placed inside a further outer envelope sealed and marked as “Confidential” addressed to the Vice President, Administrative & Finance Department, Druk PNB Bank Limited, PO Box No. 502, Thimphu, Bhutan along with the bidding document reference number and name of the Bidder.



The bidders shall submit both the technical and financial proposals as per the annexure V & VI. The evaluation committee will evaluate the bids based on the proposal submitted and select the eligible bidder to award the works.

#### **5.4.1 Qualification bid**

The qualification bid shall include all the required documents mentioned under the eligibility criteria (annexure IV) including bid proposal letter along with the signed and sealed standard bidding documents.

#### **5.4.2 Technical bid**

The Technical bid contain shall be as per the annexure V. The weightage will be given to each points and then evaluate the bid based on the total weightage. From the technical bid, 60% of the weightage will be taken for the evaluation of the bid.

#### **5.4.3 Financial bid**

The Bidder shall, in their financial proposal, detail the proposed fee structure for the contract with the Bank. The Financial Bid shall contain the pricing information with breakdown of costs of all the works as mentioned in the annexure VI. 40% of the weightage will be taken from the financial bid of the bidder for final evaluation.

#### **5.4.4 Deadline for Submission of Bids**

The last date for submission of bid proposal is 15/11/2019 03.00 PM (BST) and shall be delivered to Mr. Dorji Phuntsho, Vice President, Finance & Administrative Department, Druk PNB Bank Ltd., Thimphu, Bhutan. Any bids received after the due date and time will not be accepted.

### **5.5 Modification and Withdrawal of Bids**

All responses including technical and financial bids cannot be modified after the bid submission deadline. However, the Bank may allow the Bidder to make modifications to the bid or withdraw the bid prior to the deadline, on receipt of a written notice from the Bidder.

The Bank shall accept modified bids within the bid submission time provided in the bid document. Banks will not accept the withdrawn bids once withdrawn by the Bidder.

### **5.6 Bid Opening**

The Bank shall open the bids at the specified time and location as mentioned in this bidding documents.

The bids will be opened in the presence of authorized representatives of the bidders upon production of the authorization letter.

The Chairperson of the Bid Opening Committee shall announce:

- The name of the bidder,
- The price offered,
- The presence or absence of bid security and its amount,
- Alternative bids, if any,
- Discounts if offered,
- Any modification,
- Response to amendments, if issued;
- Fulfillment of specific formal requirements as may have been prescribed in the bid documents.

The authorized representatives who choose to attend the bid opening shall sign the attendance sheet.



The authorized representatives shall not be permitted to approach the members of the Bid Opening Committee or any of the officials, unless permitted by the Chairperson of the Bid Opening Committee.

The Bank may call for any clarifications required at the time of opening and evaluation of the bids on any matters where clarification is needed from the bidder. The bidder has to respond and clarify as soon as the inquiry is received and if fail to respond as per the date and time given, fail, the offer will be disqualified.

All responses including technical and financial bids would be deemed to be irrevocable offers from the Bidders and if accepted by Bank, form part of the final contract between Bank and the selected Bidder.

## **5.7 Evaluation of Bids**

### **5.7.1 Confidentiality**

All bid documents shall be treated with confidentiality at all times and kept under secured conditions until the opening of the bids by the Bank.

After the bid opening, the opened bid documents or the contents of the documents shall not be released to any unauthorized person/party.

Bid evaluation proceedings after the opening of bids shall be kept confidential until the award of contract is announced.

The bidder, irrespective of his participation in the bidding process, shall treat the details of the documents as secret and confidential.

Bidder agrees that all information gathered from Bank including oral enquires, letters, documents, emails, presentations, interactions, technical documentation, discussions with Bank's service providers and documents gathered from Bank's service providers etc. related to the Bank's business and other information identified as confidential by the Bank are confidential information of the Bank.

Unauthorized disclosure of any such confidential information will amount to breach of contractual terms and in such cases Bank may pre-maturely terminate the contract and initiate any legal action as deemed fit.

### **5.7.2 Clarification of Bids**

To assist in the scrutiny, evaluation and comparison of offer, the Bank may, at its discretion, ask the Bidder for clarification of their offer. The Bank has the right to disqualify the Bidder whose clarification is found not suitable to the proposed project/work. The Bank reserves the right to make any changes in the terms and conditions of the bidding documents. The Bank will not be obliged to meet and have discussions with any Bidder, and / or to listen to any representations.

### **5.7.3 Responsiveness of Bids**

Bids should fulfill the conditions of eligibility and qualifications of the bidding documents. Bids should comply with the terms and conditions set out in the bidding documents, and are complete with the required information and duly filled in prescribed forms.

The bids shall respond to the terms, conditions and technical specifications detailed in the bidding documents without material deviations. *A material deviation is one:*



*Which affects in any substantial way the scope, quality or performance of the assignment under bid; or  
Which limits in any substantial way and is inconsistent with the bidding documents, the Bank's rights or the bidder's obligations under the contract; or  
Whose rectification would affect unfairly the competitive position of other bidders presenting responsive bids.*

#### **5.7.4 Disqualification**

The Bank may disqualify bidder with non-responsive bids, providing false and misleading information, are non-cooperative during times of bid clarifications & negotiations and are blacklisted by entities for whatever reasons including but not limited to integrity and work performance.

Bids not conforming to the terms, conditions and specifications of the bidding documents will be treated as substantially non-responsive and will be rejected by Bank. The Bidder cannot make non-responsive bids responsive subsequently.

#### **5.7.5 Acceptance and Rejection of Bids**

Bank reserves the right to accept or reject any Bid at any time, in part or in full, or cancel the entire procurement process at any stage without assigning any reason.

### **5.8 Bid Evaluation Process**

#### **5.8.1 Bid Evaluation**

The Bank will evaluate the bid submitted against the eligibility criteria (EC) provided under this bidding documents (annexure IV). Bids not conforming to the eligible criteria will not be considered for further evaluation while those fulfilling the eligible criteria will qualify for the Technical Specification Evaluation.

#### **5.8.2 Technical Specification Criteria**

Bids will be evaluated in line with detailed scope of the work as provided under this bidding documents including completeness of technical specifications as required under annexure V supported by required documentation. Bids not fulfilling the above criteria shall be disqualified and not considered for technical bid evaluation.

#### **5.8.3 Technical Bid Evaluation**

The Bank will follow the technical evaluation criteria as given in the annexure V to conduct technical evaluation to award points to the bidder. The evaluation will include scrutiny of company profile, technical and functional aspects of the work to be awarded. The technical bid score shall be weighted to **60%** of the total score acquired by the Bidder.

#### **5.8.4 Financial Bid Evaluation Criteria**

The bank will follow the financial evaluation criteria as given in the annexure VI to conduct financial evaluation to award points to the bidder. The financial bid score shall be weighted to 40% of the total score acquired by the Bidder.

The format for quoting indicative financial bid is set out in **Annexure VI**. The indicative financial bid should consist of comprehensive cost for the proposed consultant works inclusive of all costs and taxes. Qualified Bidders must provide detailed cost breakup in the financial bid. The Bidder will be fully responsible to pay all taxes including corporate tax, income tax, license fees, duties etc.

The final score for each Bidder will be the weighted sum of the technical score and financial score against the maximum total score of 100. The Bank's decision in respect to evaluation will be final and no claims whatsoever will be entertained.



#### **5.8.5 Selected Bidder**

The bidder obtaining the highest evaluated total score (technical and financial) as calculated in section 5.8.3 and 5.8.4 above shall be invited for contract negotiations.

#### **5.8.6 Negotiations**

The Bank will invite the top scored Bidder for negotiations in case the Bidder's quoted project cost exceeds Bank's approved budget. Negotiations shall be completed within three days.

In case the top scored Bidder is hesitant to participate in the negotiations within the given time period, the Bank will invite the next Bidder for negotiations which will continue until the Bidder's proposed cost is within the Bank's approved budget.

Changes agreed upon by both the parties should be reflected in the financial bid accordingly. Bank and the selected Bidder will finalize the contract to conclude negotiations.

Project implementation will start upon selected negotiation of a contract between the Bank and the selected bidder. Bank will take the final decision on the Bidder.

### **5.9 Award of Contract**

#### **5.9.1 Notification to Bidder**

Prior to bid expiry period, the Bank shall notify the selected Bidder in writing informing that its bid has been accepted through the "Notification of Acceptance" (NoA).

The Bidder shall acknowledge in writing receipt of the "notification of acceptance" (NoA) through an "acceptance letter" within five days of receipt of NoA from the Bank and thereafter enter into Contract Agreement (CA) finalization within 5 days of receipt of NoA.

#### **5.9.2 Signing of Contract**

Signing of the Contract between the selected Bidder and the Bank shall follow as per Contract Agreement form (Annexure VIII) immediately after the Contract Agreement finalization. The signing of Contract will amount to award of contract and Bidder should implement the project as per agreed delivery and timelines.

#### **5.9.3 Performance Security**

Upon acceptance of the notification of acceptance by the Bidder, the Bank shall promptly request the Bidder to provide the performance security in the form of Bank Guarantee (BG), issued by a bank in Bhutan other than DPNB for 10% (ten percent) of the base contract value, No payment shall be made to the vendor until Bank Guarantee is submitted.

Failure of the selected bidder to comply with the requirement of executing Contract and submitting Performance Security shall constitute sufficient grounds for the annulment of the award and forfeiture of the Bid Security.

#### **5.9.4 Discharge of Bid Security**

The successful bidder's bid security will be discharged upon the bidder's executing the Contract and furnishing the performance security in the form of Bank guarantee.



Unsuccessful bidders' bid security will be discharged as promptly as possible upon award of Contract, but not later than 30 days after the expiration of the period of bid validity prescribed by the Bank.

## **5.10 Penalties**

### **5.10.1 Penalties for delay of work**

- 5.10.1.1 The Bidder is expected to complete the responsibilities that have been assigned on time.
- 5.10.1.2 The bidder should ensure that the entire consultancy works are completed within one month from the date of award.
- 5.10.1.3 Bank reserves the right to charge penalty for delayed of work with applicable taxes thereon at the rate of 0.50% of the total cost of the work without prejudice to its other rights, if not carried out as per the agreed terms & conditions of this bidding documents.
- 5.10.1.4 As a deterrent for delay, Bank would levy penalties for delays attributable to the Bidder. Notwithstanding the Bank's right to cancel the order, liquidated damages at 0.5 % of total cost of the work with applicable taxes will be charged for every week delay in implementation subject to a maximum of 10 % of the value of the Project.



## **6. GENERAL TERMS AND CONDITIONS**

### **6.1 Definitions**

In this bidding documents, the following terms shall be interpreted and understood as below:

<b>TERM</b>	<b>DEFINITION</b>
Award of Contract	Means the decision of the Bank to enter into a contract with the selected Bidder.
Bank	Shall mean the Druk PNB Bank Ltd. and its employees/ officers/ staff/ personnel/ representatives/agents.
Bid	Means the offer to provide consultancy service prescribed in the Bidding Documents.
Bidder	Means a qualified firm of local and foreign companies expressing interest in providing the services to the Bank prescribed in the Bidding Documents.
Bidding Documents	Means the documents, which are submitted by potential bidders in response to a bidding documents issued by the Bank.
Contract	Means the agreement entered into between the Bank and the selected Bidder, as recorded in the Contract Form signed by both parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
Contract Price	Means the price payable to the Consultant under the Contract Agreement for the full and proper performance of all its contractual obligations.
Contract documents	Are the documents, which define the basis of the contract executed between Bank and the selected bidder.
Corrupt Practice	Means the offering, giving, receiving or soliciting of anything of values to influence the action of an official in the procurement process or in contract execution.
Effective Date	Means the date following contract signing that the Contract enters into full force and effect with respect to the scheduled dates for Services, as specified in the Terms of Reference, and upon fulfillment of any and all additional conditions specified in the contract.
Force Majeure	Means an event beyond the control of the bidder and not involving the bidder's fault or negligence and not foreseeable. Such events may include, but are not limited to, Acts of nature or of public enemy, acts of Government of Bhutan in their sovereign capacity, acts of war, and acts of the Bank either in fires, floods, strikes, lock-outs and freight embargoes.
Fraudulent Practice	means a misrepresentation of facts in order to influence a procurement process or the execution of contract to the detriment of the Bank and includes collusive practice among bidders (prior to or after offer submission) designed to establish offer prices at artificial non-competitive levels and to deprive the Bank of the benefits of free and open competition.
Services	Means all of the services to be delivered by the Consultant under the Contract.
Consultant	Means the firm providing the services under this Contract to the Bank.



## **6.2 Contract Period**

The contract period for Review, Update and Implement BAS Phase I, II & III of the Financial Statements of Income Year 2017 & 2018 and 2019 will be for a period of one month from the date of signing the contract.

## **6.3 Liquidity Damages**

The Bidder shall complete the consultant work/project as per the project timeline. Failure on the part of Bidder will attract liquidity damages at the rate of 0.5% per week of delay subject to a maximum of 10% of project cost.

## **6.4 Fraud and Corrupt Practices**

Bidders are required to observe the highest standard of ethics during the execution of contract period. Bidder shall not engage in any corrupt or fraudulent practice during the contract period.

The Bank reserves the right to reject a proposal for award if it determines that the selected Bidder has engaged in corrupt or fraudulent practices in competing for or in executing of the contract.

## **6.5 Compliance with Laws**

The bidder shall observe, adhere to, abide by, comply with and notify the Bank about all laws in force applicable to them pertaining to this bid.

The bidder shall indemnify Bank against all claims and liabilities, which may occur in its failure to comply with the laws in force.

The bidder shall obtain all such consents, permissions, approvals, licenses, etc., necessary for this project and all its deliverables and ensure its validity from during entire project term. In case of any claims, Bank will give notice of such claims within reasonable time to the Bidder.

## **6.6 Resolution of Disputes**

All disputes and differences of any kind whatsoever arising out of or in connection with the project shall be referred to arbitration. The provisions of Arbitration Act of Bhutan 2013 shall govern such arbitration.

Notwithstanding anything contained herein above, in case of any dispute, claim and legal action arising out of this bidding document, the parties shall be subject to the jurisdiction of court in Thimphu, Bhutan.

## **6.7 Right to Information**

Bidder has right of access to information of the bank while carrying out its work as per this bidding documents. The AFD of the bank will coordinate and cooperate with the consultant and provide all the information required for carrying its work.

The selected bidder, while carrying out the work as per this bidding document, will have right to ask for any information required at any time till the contract period is complete.

## **6.8 Termination for Default**

The Bank, without prejudice to any other remedy for breach of contract, by giving 10 days written notice of default sent to the Bidder, may terminate this Contract in whole or in part:

- Fails to implement the project in line with the time schedule.



- Non-satisfactory performance of the project during implementation etc.

The Bank reserves its right to cancel the entire / unexecuted part of project at any time by without assigning appropriate reasons in the event of one or more of the above conditions. The Bank also reserves the right to invoke the Performance Bank Guarantee provided by the bidder.

## **6.9 Negligence**

In the event that the selected bidder neglects to execute the work with due diligence or expedition or refuses or neglects to comply with any reasonable order given to him in writing by the Bank, the Bank may after giving notice in writing to the selected bidder calling upon him to make good the failure, neglect or contravention complained of, within such times as may be deemed reasonable and in default of the said notice, the Bank shall have the right to cancel the Contract holding the selected bidder liable for the damages that the Bank may sustain in this behalf. Thereafter, the Bank is to be compensated for good the failure at the risk and cost of the selected bidder.

## **6.10 Force Majeure**

The bidder shall not be liable for forfeiture of its performance security, liquidated damages or termination for default, if and to the extent that it's delay in performance or other failure to perform its obligations under the contract is due to an event of force majeure.

In case of a force majeure situation, the bidder shall promptly notify the Bank in writing of such conditions and the cause thereof. Unless otherwise directed by the Bank in writing, the bidder shall continue to perform its obligations under the Contract as far as it is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

## **6.11 Time Extension**

In the event the Bidder experience problems during execution of the work, which could delay its completion, the Bank may extend the project time for a period(s) equal to the duration of such delay. If the duration of delay continues beyond certain period, the Bank and the bidder shall hold consultations with each other in an endeavor to find a solution to the problem. Notwithstanding the above, the decision of the Bank shall be final and binding on the bidder.

## **6.12 Privacy & Security Safeguards**

The bidder should maintain secrecy of the bank or its customers while executing the contract work of the bank. Any leakage of such information if any, will be liable for penalty as per the law in force.

## **6.13 Violation of Terms**

The Bank clarifies that the Bank shall be entitled to an injunction, restraining order, right for recovery, suit for specific performance or such other equitable relief as a court of competent jurisdiction may deem necessary or appropriate to restrain the bidder from committing any violation or enforce the performance of the covenants, obligations and representations contained in this bidding documents. These injunctive remedies are cumulative and are in addition to any other rights and remedies the Bank may have at law or in equity, including without limitation a right for recovery of any amounts and related costs and a right for damages.



**Annexure I: Bid Submission Letter**

Date:

The Vice President  
Administrative & Finance Department  
Druk PNB Bank Ltd.  
Norzin Lam  
Thimphu, Bhutan

Dear Sir,

**Sub: Review and Update Financial Statements of Income Years 2017, 2018 as per BAS/IFRS Phase I & II and Implementation of BAS Phase III for the Income Year 2019.**

Please refer your bidding documents dated.....We have assessed and subscribe to all the requirements of the bidding documents and would like to submit our offer to **Review and Update Financial Statements of Income Year 2017 & 2019 as per IFRS/BAS Phase I & II and Implementation of BAS Phase III (BAS 2015) for the Income Year 2019.**

The details submitted in this bid documents are true and correct to the best of our knowledge. If proved otherwise, the Bank has the right to reject the proposal and disqualify us from the bidding process.

We agree to abide by the terms and conditions of this bidding offer till fifteen days from the date of bid opening and our offer shall remain binding upon us which may be accepted by the Bank any time before expiry of fifteen days.

Until a formal contract is executed, this bidding offer, along with the Bank's written acceptance and its notification of award, shall constitute a binding contract between us.

We confirm having understood the entire bid process, contents of Bidding Documents with all its terms and conditions and undertake to abide fully by the terms and conditions if the Bank accepts our bid.

If the Bank selects our bid, we will submit a Performance Bank Guarantee amounting to 10% (ten percent) of the contract value.

We understand that Bank is not bound to accept any offer that the Bank may have received and confirm that the Bank may reject any or all of the offers, without assigning any reason therefore.

We enclose the bid security for an amount of 2% of the bid value in the form of a Bank Guarantee issued by .....

**Authorized Signatory with full address and Seal**



## **Annexure II: Company Profile**

1. Name of the Company :
2. Address :
3. Telephone/Mobile :
4. Fax Number :
5. E-mail / Website :
6. Constitution(Public / Pvt/ Partnership/SP) :
7. Date of Establishment :
8. Name of Chief Executive :
9. Staff Strength and Expertise(Local) :
10. Staff Strength and Expertise(JV) :
13. Name of the clients to who Auditing Services
14. were rendered :  
(Attach completion letter/certificate)
15. Details of Quality Certifications Obtained  
For the Company (attach Photostat copies) :
16. Total Number of Employees :

Date:

Place:

**Authorized Signatory with Seal**



**Annexure III: Clients Credentials**

**(Use multiple sheets if necessary)**

Details of past/ current projects of similar nature	
Organization Name and Address(website)	
Contact person with address, phone numbers and email address.	
Copy of Contract award letter	
Contract Amount & Currency	
Project completion certificate	

**Date:**

**Place:**

**Seal**

**Signature of Authorized Official with**



**Annexure IV: Eligibility Criteria**

<b>Sl. No.</b>	<b>Criteria</b>	<b>Documents to be submitted</b>	<b>Yes/No</b>
1	Should be a registered entity/company in operation.	Certificate of Incorporation, Trade License, and Certificates of Registration.	
2	Prior experience in providing financial services to public & private companies	Client's letter or Project Completion Certificate on official letterhead	
3	Should be a registered chartered Accounting firm/has been empanelled by RAA for Bhutanese firm as auditing company.	Registration certificate & other supporting documents if any.	
4	Has employees with BAS/IFRS qualification/experience.	Certificate or letter of experience in BAS/IFRS accounting from recognized institutes.	
5	Bid Security	Valid Bid Security Amount	
6	The bidder should not have been black listed by public or private sector entities.	Self-declaration by the Bidder	

**Date:**

**Place:**

**Seal**

**Signature of Authorized Official with**

**Annexure V: Technical Specifications**

Sl.no	Functional and Technical Requirements			
Sl.#	Particular	Yes/No	Point	
1	Is a registered Entity/company in operation.			
2	Should have provided Auditing services to the clients.			
3	Should be registered chartered Accounting Firm/ has been empanelled by RAA for Bhutanese firm as auditing company			
4	Has employees with BAS/IFRS qualification/experience.			
5	The consultant has not been blacklisted by any agency in the past.			
6	Bid Security submitted			
<b>Total</b>				

**Date:****Place:****Seal****Signature of Authorized Official with**

**Annexure VI: Financial Bid**

The indicative financial cost containing the information listed hereunder in a sealed envelope bearing the identification – “Financial for the Review and update of BAS Phase I & II for Income years 2017 & 2018 and implementation of BAS Phase III for income year 2019” to be submitted to the Vice President, Administrative and Finance Department, Druk PNB Bank Ltd., Thimphu, Bhutan.

<b>Name of the Bidder &amp; Address</b>	
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<b>Particulars</b>	<b>Description</b>	<b>Price (in Nu.)</b>
Income year 2017	Review and update of Financial Statements as per BAS/IFRS as required by Accounting and Auditing Standard Board of Bhutan, AASBB.	
Income year 2018	Review and update of Financial Statements as per BAS/IFRS as required by Accounting and Auditing Standard Board of Bhutan, AASBB.	
Income Year 2019	Help prepare the Financial Statements as per the BAS/IFRS Phase I & II and to implement BAS Phase III.	
<b>Total</b>		

**Date:**  
**Place:**  
**Seal**

**Signature of Authorized Official with**



Annexure VII: Bid Security

The Vice President  
Administrative and Finance Department  
Druk PNB Bank Ltd.  
Thimphu, Bhutan

Dear Sir,

In response to your invitation to respond to your bidding documents reference no. \_\_\_\_\_, addressed to \_\_\_\_\_ having their registered office at \_\_\_\_\_ (hereinafter called the "Bidder") wish to respond to the said bidding documents for self and other associated Bidders and submit the proposal to **Review and Update the Financial Statements of Income Years 2017 & 2018 as per the BAS Phase I & II and implementation of BAS Phase III (BAS 2015) for the Income Year 2019** listed in the bidding documents. Whereas the "Bidder" has submitted the proposal in response to bidding document, we, the \_\_\_\_\_ Bank having our head office \_\_\_\_\_ hereby irrevocably guarantee \_\_\_\_\_ an \_\_\_\_\_ amount \_\_\_\_\_ of \_\_\_\_\_ Nu. \_\_\_\_\_ (Nu. \_\_\_\_\_ only) as bid security as required to be submitted by the "Bidder" as a condition for participation in the said process of bidding documents. The Bid security for which this guarantee is given is liable to be enforced/ invoked:

- 1) If the Bidder withdraws his proposal during the period of the proposal validity; or
- 2) If the Bidder, having been notified of the acceptance of its proposal by the Bank during the period of the validity of the proposal fails or refuses to enter into the contract in accordance with the Terms and Conditions of the bidding document or the terms and conditions mutually agreed subsequently.

We undertake to pay immediately on demand to Bank Ltd. the said amount of Nu. \_\_\_\_\_ without any reservation, protest, demur, or recourse. The said guarantee is liable to be invoked/ enforced on the happening of the contingencies as mentioned above and also in the bidding document and we shall pay the amount on any Demand made by Druk PNB Bank Ltd. which shall be conclusive and binding on us irrespective of any dispute or difference raised by the Bidder. Notwithstanding anything contained herein:

- 1) Our liability under this Bank guarantee shall not exceed Nu. \_\_\_\_\_ (Ngultrum only).
- 2) This Bank guarantee will be valid up to \_\_\_\_\_; and
- 3) We are liable to pay the guarantee amount or any part thereof under this Bank guarantee only upon service of a written claim or demand by you on or before \_\_\_\_\_.

In witness whereof the Bank, through the authorized officer has sets its hand and stamp on this \_\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_.

Date:



Place:

Signature of Authorized Official with Seal

**Annexure VIII: Contract Agreement**

This **Contract Agreement** is made on the..... (Insert date, month, year),

BETWEEN

(1) DRUK PNB Ltd., a public company incorporated under the Companies Act of Bhutan 2000, having its Head office in Norzin Lam, Thimphu, Bhutan, hereinafter called the “Bank” on one hand,

AND

(2)..... (Name of the Selected Bidder) of..... (Address) hereinafter called the “Vendor” on the other hand.

WHEREAS the Bank invited Bids proposals for “**Review and Update of Financial Statements of Income Years 2017 & 2018 as per the BAS Phase I & II and Implementation of BAS Phase III (BAS 2015) for the Income Year 2019**” and has accepted a bid by the bidder for carrying out those works in the sum for ..... (Insert Contract Price in words and figures) (Hereinafter called “the Contract Price”).

The parties agree to the following:

1. In this Agreement, words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract referred to.
2. The following documents shall form part of this Contract:
  - a. Bid Letter;
  - b. Financial Cost;
  - c. Technical Requirements;
  - d. Bank’s Notification of Award;
  - e. Bidder’s Notification of Acceptance;
  - f. Contract Agreement;
  - g. Performance Bank Guarantee; and
  - h. Any other documents deemed part of the Contract.
3. The terms of bidding document shall prevail over that of the Contract Agreement in case of conflict.
4. In consideration of the payments to be made by the Bank to the consultant as hereinafter mentioned, the consultant hereby covenants with the Bank to carry out the work of **Review and Update and implement BAS Phase I & II for the income years 2017 & 2018 and Implementation of BAS Phase III (BAS 2015) for Income Year 2019** in conformity with the provisions of the Contract.
5. The Bank hereby covenants to pay the consultant in carrying out the work of **Review and Update and implement BAS Phase I & II for the income years 2017 & 2018 and Implementation of BAS Phase III (BAS 2015) for Income year 2019**, the Contract Price or such other sum as may become payable under the provisions of the Contract at the times and in the manner prescribed by the Contract.
6. The consultant shall provide full support to review, update and implement BAS Phase I, II & III for the income years 2017, 2018 & 2019 and ensure full responsibility on performance and functionality under this contract. The consultant shall ensure that it will help bank to prepare its Financial Statements



## DRUK PNB BANK LIMITED

of Income Year 2019 in line with the BAS Phase I & II and implement BAS Phase III for the same income year with full support. Further, the consultant will work in close contract with the AFD of the Bank and educate them on the same.

7. The consultant will also provide the bank the formats of the Financial Statements to be used in the bank as per the BAS Phase I, II & III.
8. The consultant shall comply with the security of the bank, the standards and procedures as provided in the bidding documents.
9. The consultant shall ensure that the reviewed, updated and implemented BAS Phases I, II & III for the income years 2017, 2018 and 2019 are as per the requirement of the AASBB, Ministry of Finance, Bhutan and will take full responsibility if any problem arises in future.

IN WITNESS whereof the parties hereto have caused this Agreement to be executed in accordance with the laws of Bhutan on the day and year provided above.

Signed and Delivered on behalf of the Bank

..... (Insert Signature)

..... (Name and Designation)

In the presence of :.....( Signature of Witness and CID)

Signed and Delivered on behalf of the Vendor

..... (Insert Signature)

..... (Name and Designation)

In the presence of :.....( Signature of Witness and CID)