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Senior Director

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No. 2(5)/2007 -EG-II

23rd April 2008

Subject: Empanelment of Third Party Audit (TPA) Agency for SWAN

Sir,

As you are aware, independent Auditing and Performance Monitoring of the SWAN network by a Third Party Audit (TPA) Agency is an essential activity approved in the SWAN Scheme, irrespective of the implementation option adopted by the State/UT. Further, this TPA activity is linked with the payment of the DIT share of the approved outlay for the SWAN projects to the State/UT -designated Nodal Agency or the NICSI, as the case may be.

2. In view of the above, this Department has been engaged in regular consultations with the States/UTs since the approval of the SWAN Scheme in regard to various aspects of selection and engagement of Third Party Agencies for each State/UT. Policy Guidelines in this regard were prepared and circulated in all States/UTs some time back and suggestions were sought, which were later incorporated in the Guidelines. During a recent SWAN Workshop held in Delhi during March 2008, this was further discussed to firm up the engagement process.

3. During the above-mentioned process of consultations, many State Governments/UT Administration suggested that DIT may consider to create a national level list of empanelled agencies for this purpose, in order to cut short the process and timelines for selection of the TPA Agencies at each State/UT level, which would ultimately help States/UTs to accelerate the process of the TPA and SLA Monitoring.

4. Keeping all these above in view, this Department decided to adopt a two-tier process for selection and engagement of TPA Agencies for States/UTs. In the first tier, DIT has gone through an open bid process, for the purpose of empanelling/short listing of suitable TPA Agencies, based on the overall experience of such Agencies to undertake TPA work, especially in IT /Network Audit, approach & methodology, work plan & staffing, etc. For this purpose, an RFP was floated by DIT with the above parameters to shortlist appropriate TPA Agencies, which can be used by the States/UTs subsequently to carry out a State/UT specific second tier of selection and engagement.

5. For the second tier of bid process, it is intended that each State/UT would carry out a short tendering process among the empanelled agencies with State/UT specific parameters, which would enable prospective bidders to understand all the TPA requirements of the respective State/UT and bid accordingly. To cut short the time further, this Department also decided on a template RFP for this second tier of bidding which the State/UT can use.

6. In regard to the first tier of selection process explained above, the DIT, GoI empanelled the following six Agencies who are found broadly qualified to carry out the TPA activity at the State/UT level. The table below also indicates the normalized score obtained by each Agency, against a maximum of 100 marks. Annexure-I gives the detailed address, names of the contact persons and phone numbers of the short-listed Agencies.

S. No.	Name of the Agency	Marks obtained against maximum marks of 100
i)	M/s Telecommunication Consultant India Ltd	76
ii)	M/s Ernst & Young Private Limited	90
iii)	M/s PCS Technology Limited	82
iv)	M/s Equant Technologies (India) Private Limited	80
v)	M/s KPMG Advisory Services Private Limited	85
vi)	M/s PricewaterhouseCoopers Private Limited	92

7. With this communication, please find enclosed a template RFP with State/UT specific parameters incorporated therein for your use, to carry out the second tier of selection and engagement of TPA agency for your State/UT. In this context, your attention is especially drawn on the following Sections of the template RFP document, for the purpose of incorporating necessary details from your side before the RFP is issued for the limited tendering process among the empanelled Agencies.

- i) Section 4.0, which details all-important parameters regarding bidding details, which need to be filled up
- ii) Section 4.1, indicating the 'bid evaluation process' and 'award of contract'. This section detailed out various evaluation processes for final selection of the TPA Agency for your State/UT.
- iii) Annexure 4, provides the indicative final scoring pattern for various parameters.
 - a. Sr. No. 1 under Annexure 4 would be recalculated from the table given in para 6 above in this letter, by normalizing to 15% of the score in the table.
 - b. Sr. No. 2 under Annexure 4 indicates the presentation from prospective bidders on the parameters specified in the Technical evaluation i.e Section 4.1(2) of the template RFP enclosed with this letter. The State/UT may further sub-divide the scoring pattern proposed in Sec 4.1(2), for ease of more objective evaluation.

8. To evaluate the bids received from the prospective bidders for second tier bid process at State/UT level, it is requested that State/UT may constitute a State/UT TPA Selection Committee with the representative from DIT, GoI. It is requested that the process of selection of the TPA Agency may be finalized on priority basis, preferably within 5 weeks from the date of issue of this letter.

9. It may be further noted that a contractual agreement needs to be signed between the State/UT or its designated implementation Agency and the selected TPA Agency. DIT would be assisting the State/UT on this contractual agreement and template agreement would be forward to the State/UT shortly.

For any further clarification you may please contact the undersigned.

With regards,

Yours faithfully

(Ashis Sanyal)

Enclosure: a. Template RFP for Selection of SWAN TPA
b. Details of the Empanelled Agencies

To,

As per the attached List of Secretaries to States/UTs