

DRAFT DOCUMENT

**STUDY OF
QUALITY CONTROL/ ASSURANCE SYSTEMS
OF
PESTICIDE SUPPLY IN INDIA**

REQUEST FOR PROPOSAL

**GOVERNMENT OF INDIA
Ministry of Agriculture
(Department of Agriculture & Cooperation)**

**DIRECTORATE OF PLANT PROTECTION QUARANTINE
& STORAGE
(N.H. IV, Faridabad, Haryana - 121001)**

1. DISCLAIMER

The information contained in this Request for Proposal ("RFP") document provided to Bidder(s) whether verbally or in documentary form by or on behalf of Directorate of Plant Protection or Government representative any of their employees or advisors, is provided to the Bidder(s) on the terms and conditions set out in this RFP document and all other terms and conditions subject to which such information is provided.

This RFP document is not an agreement and is not an offer or invitation by the Government Representatives to any parties other than the Bidder(s) who are qualified to submit the Proposal ("Bidders"). The purpose of this RFP document is to provide the Bidder(s) with information to assist the formulation of their Proposals. This RFP document does not purport to contain all the information each Bidder may require. This RFP document may not be appropriate for all persons, and it is not possible for the Government Representatives, their employees or advisors to consider the investment objectives, financial situation and particular needs of each Bidder who reads or uses this RFP document. Each Bidder should conduct its own investigations and analysis and should check the accuracy, reliability and completeness of the information in this RFP document and where necessary obtain independent advice from appropriate sources. The Government Representatives, their employees and advisors make no representation or warranty and shall incur no liability under any law, statute, rules or regulations as to the accuracy, reliability or completeness of the RFP document.

The Government Representatives may in their absolute discretion, but without being under any obligation to do so, update, amend or supplement the information in this RFP document.

2. TABLE OF CONTENT

S.No	CONTENTS	Page No.
1	Letter of Invitation	4
2	Submission of Proposal (Information to the bidders including Data Sheet)	6
3	Terms of Reference	17
4	Evaluation Criteria & Selection Procedure	21
5	Formats for Technical & Financial Proposals	23
6	Proposed Contract Terms	42
7	Review of progress	68

3. LETTER OF INVITATION

F. No. 22-Assos/JD (Chem.)/DAC/2006-07Pt-I)

Government of India

Ministry of Agriculture

(Department of Agriculture & Cooperation)

Directorate of Plant Protection, Quarantine & Storage,

N.H.IV, Faridabad (Haryana) - 121001

Date : January, 2008

Sub : Letter of Invitation - Study of Quality Control Assurance Systems of Pesticides Supply in India.

Dear Mr./Ms.,

1. The Directorate of Plant Protection, Quarantine & Storage, Department of Agriculture & Cooperation, Ministry of Agriculture, Krishi Bhawan, New Delhi (Hereinafter called "Employer") is executing the engagement of Reputed Consultancy Organization for the study of Quality Control/ Assurance Systems of Pesticides Supply in India.

2. The employer has invited EOI to provide the consulting services on "Study of Quality Control/ Assurance System of Pesticides Supply in India". More details of the services are provided in the Terms of Reference in this RFP Documents. As your firm is short listed based on your EOI, you are now invited to submit your proposal as per the attached RFP Documents.

3. A firm will be selected under "Quality and Cost Based Selection" and procedures described in this RFP.

4. The RFP includes the following Documents :

1	Letter of Invitation
2	Submission of Proposal (Information to the bidders including Data Sheet)
3	Terms of Reference
4	Evaluation Criteria & Selection Procedure
5	Formats for Technical & Financial Proposals
6	Proposed Contract Terms
7	Review of progress

5. Please acknowledge in writing, at the following address (Chief Administrative Officer, Directorate of Plant Protection, Quarantine & Storage, N.H.IV, Faridabad (Haryana) - 121001), about the receipt of RFP :

Yours Sincerely,

(A. K. Chopra)

Chief Administrative Officer

2. SUBMISSION OF PROPOSALS(Information to the Bidders)

a. Eligible Bidders (Single/ Consortium)

The Bidders eligible for submitting their proposals shall be *any one* of the following two categories:

Category 1: A single Business Entity, or

Category 2: In case one of the Business entity desires to associate with another Business Entity (hereinafter each of the bidder shall be called as "Member") through a valid Memorandum of Understanding (MoU) formalising such an arrangement. This joint entity shall hereinafter be referred to as "Consortium."

The term Bidder used hereinafter would therefore apply to both the above-mentioned categories.

b. Change in composition

- a. At any point of time, change in the composition of a Consortium subject to a prior written request by the concerned bidder would be permitted at the sole discretion of Chief Administrative Officer, Directorate of Plant Protection, Quarantine & Storage provided the qualification criteria are not violated.

c. Tender Methodology

- a. The tender methodology proposal to be adopted shall be in two stages comprising Expression of Interest in the first stage. The second stage of tendering process shall comprise inviting techno-commercial bids. The evaluation procedure for the tendering process would follow the Quality-cum-Cost Based System (QCBS).
- b. The Proposals would be evaluated on the basis of the evaluation criteria set out in this RFP document in order to identify the Successful Bidder for the Project ("Successful Bidder").
- c. The Successful Bidder would then have to enter into an Agreement with Directorate of Plant Protection, and perform its obligations as stipulated therein.

d. Number of proposals

Each Bidder shall submit only one (1) Proposal, in response to this RFP. Any Bidder, who submits more than one Proposal, shall be disqualified and shall also cause the disqualification of the Consortium of which it is a member.

e. Proposal preparation Cost

The Bidder shall be responsible and shall pay for all of the costs associated with the preparation of its Proposal and its participation in the bidding process. The Directorate of Plant Protection shall not be responsible or in any way liable for such costs, regardless of the conduct or outcome of the bidding process.

f. Right to Accept or Reject the proposals

- a. Notwithstanding anything contained in this RFP, the Directorate of Plant Protection Quarantine & Storage reserves the right to accept or reject any Proposal or to annul the bidding process or reject all Proposals, at any time, without any liability or any obligation for such rejection or annulment, without assigning any reasons.
- b. DPPQS reserves the right to reject any Proposal if:
 - i. At any time, a material misrepresentation is made or discovered, or
 - ii. The Bidder does not respond promptly and diligently to requests for supplemental information required for the evaluation of the Proposal

Rejection of the Proposal by the Directorate of Plant Protection Quarantine & Storage as aforesaid would lead to the disqualification of the Bidder. If such disqualification / rejection occurs after the bids have been opened and the best bidder gets disqualified / rejected, then the Directorate of Plant Protection Quarantine & Storage reserves the right to:

- i. either invite the Bidder with the next best offer for negotiations, or
 - ii. take any such measure as may be deemed fit in the sole discretion of Directorate of Plant Protection Quarantine & Storage, including annulment of the bidding process.
- c. The Directorate of Plant Protection Quarantine & Storage reserves the right to invite revised Proposals from Bidders with or without amendment of the RFP at any stage, without liability or any obligation for such invitation and without assigning any reason.

g. Amendments to RFP

- a. At any time prior to the Proposal Due Date, The Directorate of Plant Protection Quarantine & Storage may, for any reason, whether at its own initiative or in response to clarifications requested by a Bidder, modify the RFP Document by the issuance of Addenda.
- b. Any Addendum thus issued shall be sent in writing to all those who have purchased the RFP Document and to those who have downloaded the RFP Document from the website (<http://tenders.gov.in>) and have duly intimated this fact to The Directorate of Plant Protection giving their particulars including address for communication by fax (Registered Bidders). Bidders shall promptly acknowledge receipt thereof to The Directorate of Plant Protection Quarantine & Storage.

- c. In order to provide the Bidders a reasonable time to examine the Addendum, or for any other reason, The Directorate of Plant Protection Quarantine & Storage may, at its own discretion, extend the Proposal Due Date.

h. Clarifications

A prospective Bidder requiring any clarification on the RFP document may notify The Directorate of Plant Protection Quarantine & Storage in writing by fax / registered post / courier to the following:

Chief Administrative Officer,
Directorate of Plant Protection, Quarantine & Storage,
CGO Complex, NH.IV,
Faridabad (Haryana)
Pin-121001
Fax- 011

The Bidders should send in their queries latest by the **Last date of receiving queries** mentioned in Chapter 2 (m). The Directorate of Plant Protection Quarantine & Storage would endeavor to respond to the queries by the date mentioned in point I 'queries'. The responses shall be sent by fax / courier by the Directorate of Plant Protection Quarantine & Storage , at its sole discretion, to the respective bidder who has raised the query . The responses would also be posted on <http://tenders.gov.in>.

i. Preparation and Submission of proposal

Part I Preparation of Technical Proposal

The applications shall be complete with the following documents:

- a. Letter of proposal submission
- b. Application form for Expression of Interest including the details of similar projects undertaken
- c. Consultancy organization and Experience including Capability Statement
- d. Comments and suggestions on the terms of reference including a write-up on the understanding of the assignment.
- e. Description of approach, methodology and work plan for performing the assignment
- f. Team composition and task assignment
- g. Details of educational qualifications and experience details of personnel assigned to the work
- h. Staffing schedule
- i. Work schedule
- j. Comments/modifications suggested on draft contract

- k. Evidence of incorporation
- l. Annual Report including audited Balance Sheet and Profit & Loss Account statement for past five years
- m. Details of Joint Venture / Consortium
- n. Power of Attorney for Signing of Proposal
- o. Income tax registration and income tax clearance.
- p. Service tax registration certificate

Part II Preparation of Financial Proposal

A separate financial proposal is to be prepared by the bidder as per the format provided in Chapter 5 of RFP “ Formats for Technical & Financial proposals”.

j. Proposal due date

Proposals should be submitted so as to reach on or before 1200 hours IST on (Date), to the address provided in Chapter 2 (h) in the manner and form as detailed in this RFP. Proposals submitted by either facsimile transmission or telex shall not be acceptable.

Directorate of Plant Protection Quarantine & Storage may, in exceptional circumstances, and at its sole discretion, extend the Proposal Due Date by issuing an Addendum in accordance with Clause (g) above uniformly for all Bidders.

k. Late proposal

Any Proposal received by Directorate of Plant Protection after the time mentioned in Clause (j) above shall be returned unopened to the Bidder.

l. Queries: Any queries in relation to the RFP can be sought from the Chief Administrative Officer in writing not later than 30 days before the submission date of proposal

m. Proposal Validity: The proposal of the consultants should remain valid for 120 days after the submission date. During this period, Consultants shall maintain the availability of Professional staff nominated in the Proposal and also the financial proposal unchanged. The Employer will make its best effort to complete negotiations within this period. Should the need arise, however, the Employer may request Consultants to extend the validity period of their proposals. Consultants who agree to such extension shall confirm that they maintain the availability of the Professional staff nominated in the Proposal and their financial proposal remain unchanged, or in their confirmation of extension of validity of the Proposal, Consultants could submit new staff in replacement, who would be considered in the final evaluation for contract award. Consultants who do not agree have the right to refuse to extend the validity of their Proposals, under such circumstance the Employer shall not consider such proposal for further evaluation.

n. **Taxes:** The Consultant shall fully familiarize themselves about the applicable to Domestic taxes (such as: value added or sales tax, service tax or income taxes, duties, fees, levies) on amounts payable by the Employer under the Contract. All such taxes must be included by the consultant in the financial proposal.

o. Earnest Money Deposit (EMD)

i) Earnest Money Deposit: An EMD of Rs. 1.0 lakh in the form of DD drawn in favor of the Accounts Officer, Directorate of Plant Protection Quarantine and Storage and payable at Faridabad, must be submitted along with the Proposal. Proposals not accompanied by EMD shall be rejected as non-responsive. No interest shall be payable by the Employer for the sum deposited as earnest money deposit. No bank guarantee will be accepted in lieu of the earnest money deposit. The EMD of the unsuccessful bidders would be returned back within one month of signing of the contract. The EMD shall be forfeited by the Employer in the following events:

- a. If Proposal is withdrawn during the validity period or any extension agreed by the consultant thereof.
- b. If the Proposal is varied or modified in a manner not acceptable to the Employer after opening of Proposal during the validity period or any extension thereof.
- c. If the consultant tries to influence the evaluation process.
- d. If the First ranked consultant withdraws his proposal during negotiations (failure to arrive at consensus by both the parties shall not be construed as withdrawal of proposal by the consultant).

p) Submission, Receipt, and Opening of Proposal

The original proposal, both technical and Financial Proposals shall contain no interlineations or overwriting, except as necessary to correct errors made by the Consultants themselves. The person who signed the proposal must initial such corrections. Submission letters for both Technical and Financial Proposals should respectively be in the formats given under the Chapter 5 of RFP " Formats for Technical & Financial Proposals."

An authorized representative of the Consultants shall initial all pages of the original Technical and Financial Proposals. The authorization shall be in the form of a written power of attorney accompanying the Proposal or in any other form demonstrating that the representative has been duly authorized to sign. The signed Technical and Financial Proposals shall be marked "ORIGINAL".

The original and all copies of the Technical Proposal shall be placed in a sealed envelope clearly marked "TECHNICAL PROPOSAL" Similarly, the original Financial Proposal shall be placed in a sealed envelope clearly marked "FINANCIAL PROPOSAL" followed by the name of the Assignment/job. The

envelopes containing the Technical Proposals, Financial Proposals, EMD shall be placed into an outer envelope and sealed. This outer envelope shall bear the submission address, reference number be clearly marked "DO NOT OPEN, BEFORE [insert the time and date of the opening indicated in the Data sheet]". The Employer shall not be responsible for misplacement, losing or premature opening if the outer envelope is not sealed and/or marked as stipulated. This circumstance may be case for Proposal rejection. **If the Financial Proposal is not submitted in a separate sealed envelope duly marked as indicated above, this will constitute grounds for declaring the Proposal non-responsive.**

The Proposals must be sent to the address/addresses indicated in the Data sheet and received by the Employer not later than the time and the date indicated in the Data sheet, or any extension to this date in accordance with para (g) above. Any proposal received by the Employer after the deadline for submission shall be returned unopened.

q.. Proposal Evaluation

- i. From the time the Proposals are opened to the time the Contract is awarded, the Consultants should not contact the Employer on any matter related to its Technical and/or Financial Proposal. Any effort by Consultants to influence the Employer in the examination, evaluation, ranking of Proposals, and recommendation for award of Contract may result in the rejection of the Consultants' Proposal.
- ii. The employer has constituted a Consultant Selection Committee (CSC) which will carry out the entire evaluation process.

iii. Evaluation of Technical Proposals:

CSC while evaluating the Technical Proposals shall have no access to the Financial Proposals until the technical evaluation is concluded and the competent authority accepts there commendation.

- iv The CSC shall evaluate the Technical Proposals on the basis of their responsiveness to the Terms of Reference and by applying the evaluation criteria, sub-criteria specified in the Data sheet. In the first stage of evaluation, a Proposal shall be rejected if it is found deficient as per the requirement indicated in the Data sheet for responsiveness of the proposal. Only responsive proposals shall be further taken up for evaluation. Evaluation of the technical proposal will start first and at this stage the financial bid (proposal) will remain **unopened**. The qualification of the consultant and the evaluation criteria for the technical proposal shall be as defined in the Data sheet.

v. Public opening & evaluation of the Financial Proposals:

Financial proposals of only those firms who are technically qualified shall be opened publicly on the date & time specified the Data sheet, in the presence of the Consultants' representatives who choose to attend. The name of the Consultants, their technical score (if required) and their financial proposal shall be read aloud.

vi The CSC will correct any computational errors. When correcting computational errors, in case of discrepancy between a partial amount and the total amount, or between word and figures, the former will prevail. In addition to the above corrections the items described in the Technical Proposal but not priced, shall be assumed to be included in the prices of other activities or items. In case an activity or line item is quantified in the Financial Proposal differently from the Technical Proposal, (i) if the Time-Based form of contract has been included in the RFP, the Evaluation Committee shall correct the quantification indicated in the Financial Proposal so as to make it consistent with that indicated in the Technical Proposal, apply the relevant unit price included in the Financial Proposal to the corrected quantity and correct the total Proposal cost, (ii) if the Lump-Sum form of contract has been included in the RFP, no corrections are applied to the financial proposal in this respect.

vii After opening of financial proposals, appropriate selection method shall be applied to determine the consultant who will be declared winner and be eligible for award of the contract (i.e. the least cost basis). This selected consultant will then be invited for negotiations, if considered necessary.

I. Negotiations

i. Negotiations will be held at the date, time and address intimated to the qualified and selected bidder. The invited Consultant will, as a pre-requisite for attendance at the negotiations, confirm availability of all Professional staff. Representatives conducting negotiations on behalf of the Consultant must have written authority to negotiate and conclude a Contract.

ii. Technical negotiations: Negotiations will include a discussion of the Technical Proposal, the proposed technical approach and methodology, work plan, and organization and staffing, and any suggestions made by the Consultant to improve the Terms of Reference. The Employer and the Consultants will finalize the Terms of Reference, staffing schedule, work schedule, logistics, and reporting. These documents will then be incorporated in the Contract as "Description of Assignment/job". Special attention will be paid to clearly defining the inputs and facilities required from the Employer to ensure satisfactory implementation of the Assignment/job. The Employer shall prepare minutes of negotiations which will be signed by the Employer and the Consultant.

iii Financial negotiations : After the technical negotiations are over, financial negotiations should be carried out in order to reflect any change in financials due to change in scope of work or due to clarification on any aspect of the technical proposal

during the technical negotiations. Under no circumstance, the financial negotiation shall result in to increase in the price originally quoted by the consultant. Unless there are exceptional reasons, the financial negotiations will involve neither the remuneration rates for staff nor other proposed unit rates. For other methods, Consultants will provide the Employer with the information on remuneration rates described in the Formats prescribed

iv Availability of Professional staff/experts: Having selected the Consultant on the basis of, among other things, an evaluation of proposed Professional staff, the Employer expects to negotiate a Contract on the basis of the Professional staff named in the Proposal. Before contract negotiations, the Employer will require assurances that the Professional staff will be actually available. The Employer will not consider substitutions during contract negotiations unless both parties agree that undue delay in the selection process makes such substitution unavoidable or for reasons such as death or medical incapacity or if the professional staff has left the organisation. If this is not the case and if it is established that Professional staff were offered in the proposal without confirming their availability, the Consultant may be disqualified. Any proposed substitute shall have equivalent or better qualifications and experience than the original candidate and be submitted by the Consultant within the period of time specified in the letter of invitation to negotiate.

v. Conclusion of the negotiations: Negotiations will conclude with a review of the draft Contract. To complete negotiations the Employer and the Consultant will initial the agreed Contract. If negotiations fail, the employer will reject all the proposals received and invite fresh proposals.

m.. Award of Contract

i. After completing negotiations the Employer shall issue a Letter of Intent to the selected Consultant and promptly notify all other Consultants who have submitted proposals about the decision taken.

ii. The consultants will sign the contract after fulfilling all the formalities/pre-conditions mentioned in the standard form of contract in Section-6, within 15 days of issuance of the letter of intent.

iii. The Consultant is expected to commence the Assignment/job on the date and at the location specified in the Data Sheet.

n.. Confidentiality

Information relating to evaluation of Proposals and recommendations concerning awards shall not be disclosed to the Consultants who submitted the Proposals or to other persons not officially concerned with the process, until the publication of the award of Contract. The undue use by any Consultant of confidential information related to the process may result in the rejection of its Proposal and may be subject to the provisions of the Employer's antifraud and corruption policy.

DATA SHEET

Clause No. of Data Sheet	Particulars	Details
1.	Name of the Employer :	Department of Agriculture & Cooperation, Krishi Bhavan, New Delhi (Through Joint Secretary (Plant Protection))
2.	Name of the Assignment / job is :	Study of Quality Control Assurance Systems of Pesticides Supply in India.
3.	Date, time and address for submission of proposal/bid:	Date : Time : 1200 hrs. Address : Chief Administrative Officer, Directorate of Plant Protection, Quarantine & Storage, N.H.IV, Faridabad – 121001.
4.	The Employer's representative is :	Address : Dr. P.S. Chandurkar, Directorate of Plant Protection, Quarantine & Storage, N.H.IV, Faridabad – 121001. Telephone : 0129-2413985 Fascimile : 0129-2412125 E-mail : ppa@nic.in
5.	Support from the Directorate of Plant Protection, Quarantine & Storage, N.H.IV, Faridabad	The information regarding the existing practices, system of reporting, types of reports and frequency, details of registration etc. will be provided. The list of manufacturing facilities to be studied will also be provided to the successful bidder at the time of signing the contract.
6.	The Employer envisages the need for continuity for downstream work :	No
7.	Proposals submitted by the bidders must remain valid :	90 days, i.e. upto
8.	Clarifications required by the bidders, if any.	Clarifications may be requested not later than 30 days before the submission date.
9.	The Address for requesting clarifications is :	Address : Chief Administrative Officer, Directorate of Plant Protection, Quarantine & Storage, N.H.IV, Faridabad – 121001. Telephone – 0129-2416349 Fascimile - 0129-2412125 E-mail- admdpqs@nic.in
10.	The estimated number of	It should have presence of key professionals with atleast

	professional staff-months required for the Assignment / job	10 years experience.
11.	The format of the Technical Proposal to be submitted are :	Form Tech 1 : Letter of Proposal submission Form Tech 2 : Application form Form Tech 3 : Consultant's organization and experience Form Tech 4 : Comments and Suggestions on TOR Form Tech 5 : Approach & methodology Form Tech 6 : Team composition Form Tech 7 : Details of education qualification and Experience Form Tech 8 : Staffing Schedule Form Tech 9 : Work Schedule Form Tech 10 : Comments/Modification on draft contract
12.	The format of the financial proposal to be submitted are	Form Fin. 1 : Submission of Financial Proposal Form Fin. 2 : Summary of Cost Form Fin. 3 : Break down of remuneration Form Fin. 4 : Break down of reimbursable expenses Form Fin. 5 : Miscellaneous expenses
13.	Training is a specific component of this Assignment / job :	No
14.	Consultant to stat the cost in Indian Rupees :	Yes
15.	No. of the copies of proposals	Consultant must submit the original and 05 copies of the Technical Proposal, and the original of the Financial Proposal.
16.	Evaluation Criteria :	Simplified Procedure for evaluation of Technical Proposals. <u>(i) Specific experience of the Consultants (that is, the firm's) relevant to the Assignment /job :</u> The applicant (individual or any member of the consortium) should have extensive experience of consultancy of not less than 10 years in agriculture and allied sectors; with a minimum average annual turn over /budget of Rs. 20 crore per annum based on the 3 years (2004-05, 05-06, 06-07); should have completed at least 3 similar consultancy works in similar areas or related fields on agriculture and allied sectors during the last 5 years. The CSC will divide the proposals into qualifying and non-qualifying category.

		<p><u>(ii) Adequacy of the proposed methodology and work plan in responding to the Terms of Reference :</u></p> <p>The CSC will classify them as qualifying / non qualifying. The non qualifying proposals will be treated as non- responsive.</p> <p>The methodology and work plan will be evaluated under the following two sub criteria :</p> <p>(a) Work Plan (b) Organization and staffing</p> <p>A qualifying proposal should qualify under both the sub-criteria mentioned above.</p> <p><u>(iii) Key professional staff qualifications and competence for the Assignment / job :</u></p> <p>The CSC shall first see if the consultant has provided all the professionals as per the requisite expertise. If the consultant has not provided all the professionals as per the requisite expertise, the bids can be termed as non-qualifying. The qualification & experience of key professionals including the team leader will be evaluated for the following sub-criteria:</p> <ol style="list-style-type: none"> 1) General qualifications (Education, special training, age etc.) 2) Adequacy for the Assignment/job (experience, positions held etc.) 3) Experience in region and language (specific local area experience and language proficiency)
17	Method of Selection	In the case of simplified procedure of technical evaluation, the consultants who are found qualified under all the parameters of the eligibility criteria mentioned above under para 15 will be considered technically qualified for award of contract. Price bids of all these technically qualified firms will be opened and contract awarded to the lowest bidder , after negotiations, if necessary.
18.	Expected date for commencement of consulting Assignment/job
19.	Location for performance assignment/job	As per Term of Reference

3. TERMS OF REFERENCE

1. Precise statement of objectives

The Department of Agriculture & Cooperation and the State Governments are implementing the provisions of the Insecticides Act, 1968 that regulates the use of pesticides in the country. The quality control/assurance system that is expected to ensure the availability of quality pesticides as per the provisions of the Act and the Rules thereon, inter alia, include registration of pesticides on scientific basis, licensing of manufacturing facilities with adequate infrastructure, licensing the distribution and trading agencies, sampling by the State and Central Pesticide Inspectors and their testing for quality in the Central, Regional and State Pesticide Testing Laboratories, and taking penal action for the violation of provision of the Act and rules. Government desires to study the above quality control/assurance system operating in the country regarding its effectiveness through a reputed consultancy organization. The consultancy is expected to study the existing system with respect to its objectives, adequacy in terms of infrastructure, human resource expertise in quality control of pesticides produced domestically and imported and to make recommendations for improving or overhauling the system so as to ensure supply of better quality pesticides for better crop production. The recommendation will also cover the additional infrastructure both in public and private sector. The study will result in development of Standard Operating Procedure for each stage of quality control taking the recommendations into account.

2. Outline of the tasks to be carried out

- a. To study the existing system of registration of pesticides and make recommendations for making it efficient from the point of ensuring quality control/assurance so as to ensure supply of quality pesticides to the farmers. Also study the existing human resource in terms of quality and recommend for improving them for delivery of services in terms of capacity building, outsourcing, application of ICT etc.,
- b. To study the existing quality control/assurance systems in the facilities of Pesticides manufacturers/formulators in the country, adequacy of their inbuilt quality control/assurance and evaluation systems and

recommend a code of conduct/good manufacturing processes/quality control practices for the industry to adopt.

- c. To study the existing system of licensing by the states for manufacturing pesticides and measures to be taken including minimum infrastructure to be in place to improve it so as to ensure the supply of quality pesticides.
- d. To study the existing system of licensing of traders and distributors of pesticides and make recommendations for improving quality of distributors for ensuring quality assurance of pesticides and simplification of its operation. This shall also include minimum technical knowledge required to be possessed by the dealers/distributors.
- e. To assess the existing system of quality control/assurance mechanism of imported pesticides and make practical recommendations for improving the effectiveness of the control of technical grade Pesticides imported for formulation, or precursors imported for manufacturing pesticides, in India, including establishing some benchmarks for quality and the periodic sampling and monitoring of imported shipments
- f. To study the existing Pesticides Samples Collection system and Quality Certification System by Insecticides Inspectors as per the Insecticides Act, 1968 and Rules framed thereunder and recommend changes for improvement and prescribe standard procedures for risk based quality control systems.
- g. To study the existing Quality Control System in the Central Insecticide Laboratory (CIL), Regional Pesticides Testing Laboratories (RPTLs), State Pesticides Testing Laboratories (SPTLs) and recommend - this should include the existing system of Coding adopted by CIL and other laboratories - and recommend changes for improvement.
- h. To study the adequacy of quality testing infrastructure in the country and suggest for practical means of creating/hiring the required testing infrastructure and the needed incentive system to promote creation of such infrastructure.

2. Scope of Work:

- a. The study shall cover whole chain of activities from registration of pesticides by the CIBRC to usage of it by the farmers and identify the issues/constraints/problems affecting the quality of the pesticides and prescribe remedial measures to ensure the supply of quality pesticides to the farmers.
- b. To study existing status the study will cover five States and in respect of selected Agrochemical Industries and SPTL as under :

Sl. No.	States	SPTLs	Agrochemical
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			Industry
i).	Andhra Pradesh	SPTL, Hyderabad	To be intimated after short listing of Organization
ii).	Maharashtra	SPTL, Pune	
iii).	Rajasthan	SPTL, Jaipur	
iv).	Uttar Pradesh	SPTL, Lucknow	
v).	West Bengal	SPTL, Midnapur	

The Study/Evaluation shall be conducted in respect of Regional Pesticides Testing Laboratory, Chandigarh and Central Insecticides Laboratory, Faridabad

- c. Analyze the current quality regulation systems in States, the Agrochemical Industry and the CIL, RPTLs and the SPTLs, to ensure robustness and identify process weaknesses. This would involve study of the sampling and testing infrastructure, standards and norms being followed in various processes and skill profile of the staff involved. The study of the existing quality testing process of the Agrochemical Industry and their capability for batch-wise testing before dispatch of the consignment from the factory premises. Conclusions should be drawn in relation to documented examples of international practice
- d. Conduct Stakeholder consultation on issues in Pesticide quality control with:
 - Industry Associations
 - Pesticide Industries
 - Pesticide Dealers and Distributors
 - Insecticide Inspectors
 - State Director of Agriculture
 - State Quality Control Laboratories
 - Central Insecticide Laboratory and Regional Pesticides Testing Laboratories
 - specially convened Customer Forums (1 per state)
 - Directorate of Plant Protection, Quarantine & Storage
 - DAC
- e. Draw upon good processes in Sampling and Product Quality Certification System by-
 - Comparison of practices in the selected States
 - Comparison of practices with other industries
 - Comparison with quality certification processes followed in developed countries.
- f. Develop recommendations for each of the stakeholder groups/process to improve the existing quality control systems:
 - Changes to be made to the process of registration, quality assurance mechanisms of manufacturing pesticides , procedure of licensing, methods of sampling and testing, channels of distribution to farmers, means of making the

farmers aware about the evil practices and equip them to secure quality pesticide, strategy to create adequate quality control infrastructure, government support required etc.

- Recommendations for strengthening key enablers – human resources, technology, infrastructure, etc.
- Proposed changes in policies/Regulations.
- Prescribing Standard Operating Procedures wherever required to bring uniformity across the states and transparency.

3. Timeframe for conducting the study

The study should be completed within a period of 20 weeks from the date of acceptance of the offer.

4. Support from the Directorate of Plant Protection Quarantine & Storage

The information regarding the existing practices, system of reporting, types of reports and frequency, details of registration etc will be provided. The list of manufacturing facilities to be studied will also be provided to the successful bidder at the time of signing the contract.

5. Deliverables

The following shall be the schedule for the deliverables:

- a. Inception report (5 copies) shall be submitted within four weeks
- b. First draft report (5 copies) shall be submitted within 16 weeks
- c. Final report (50 copies) within 20 weeks from the acceptance of the offer.
- d. Presentation and discussion.

The above shall be subject to:

- a. Consultation meetings with the successful bidder after each report is received.
- b. Monthly review meetings to access the progress of study.

6. Payment Schedule

- | | |
|--|--------|
| (a) Within two weeks of the signing the contract | - 40% |
| (b) Acceptance of draft report | - 40 % |
| (c) Acceptance of final report | - 20 % |

Total = 100%

4. EVALUATION CRITERIA & SELECTION PROCEDURE

1. Evaluation Criteria

The successful bidder will be selected on Quality cum Cost based Assessment. The selection criteria will be as follows:

(i) Specific experience of the Consultants (that is, the firm's) relevant to the Assignment /job : The applicant (individual or any member of the consortium) should have extensive experience of consultancy of not less than 10 years in agriculture and allied sectors; with a minimum average annual turn over /budget of Rs. 20 crore per annum based on the 3 years (2004-05, 05-06, 06-07); should have completed at least 3 similar consultancy works in similar areas or related fields on agriculture and allied sectors during the last 5 years.

The CSC will divide the proposals into qualifying and non-qualifying category.

(ii) Adequacy of the proposed methodology and work plan in responding to the Terms of Reference :

The CSC will classify them as qualifying / non qualifying. The non qualifying proposals will be treated as non- responsive.

The methodology and work plan will be evaluated under the following two sub criteria :

- (c) Work Plan
- (d) Organization and staffing

A qualifying proposal should qualify under both the sub-criteria mentioned above.

(iii) Key professional staff qualifications and competence for the Assignment / job :

The CSC shall first see if the consultant has provided all the professionals as per the requisite expertise. If the consultant has not provided all the professionals as per the requisite expertise, the bids can be termed as non-qualifying. The qualification & experience of key professionals including the team leader will be evaluated for the following sub-criteria:

- 4) General qualifications (Education, special training, age etc.)
- 5) Adequacy for the Assignment/job (experience, positions held etc.)

Experience in region and language (specific local area experience and language proficiency)

2. Opening of Technical Bids

- a. The Directorate of Plant Protection would open the Proposals on _____, _____ for the purpose of evaluation.
- b. Proposals for which an acceptable notice of withdrawal has been submitted in shall not be opened.

- c. The Directorate of Plant Protection would subsequently examine and evaluate Proposals in accordance with the evaluation criteria provided in this RFP.

3. Opening of Financial Bids and Criteria of selection.

- a. The date for opening of the financial bids shall be informed to the bidders by the Directorate of Plant Protection
- b. **Among the technically qualified bidders, the successful bidder will be the one, whose financial bid is the lowest.**

4. Confidentiality

Information relating to the examination, clarification, evaluation, and recommendation for the Bidders shall not be disclosed to any person not officially concerned with the process. The Directorate of Plant Protection shall treat all information submitted as part of Proposal in confidence and would require all those who have access to such material to treat the same in confidence. The Directorate of Plant Protection shall not divulge any such information unless it is ordered to do so by any authority pursuant to applicable law or order of a competent court or tribunal, which requires its disclosure.

5. Notification for Opening of Financial Bids

The Directorate of Plant Protection shall notify the Successful Bidder by a Letter of Acceptance (LoA) that the Proposal has been accepted.

5. FORMAT FOR TECHNICAL AND FINANCIAL PROPOSAL

Form Tech-I

LETTER OF PROPOSAL SUBMISSION

[Location, Date]

To: [Name and address of Employer]

Dear Sirs:

We, the undersigned, offer to provide the consulting Assignment/job for [Insert title of Assignment/job] in accordance with your Request for Proposal dated [Insert Date] and our Proposal. We are hereby submitting our Proposal, which includes this Technical Proposal, and a Financial Proposal sealed under a separate envelope and requisite EMD. We are submitting our Proposal in association with: [Insert a list with full name and address of each associated Consultant] as consortium.

We hereby declare that all the information and statements made in this Proposal are true and accept that any misinterpretation contained in it may lead to our disqualification.

If negotiations are held during the period of validity of the Proposal, we undertake to negotiate on the basis of the proposed staff. Our Proposal is binding upon us and subject to the modifications resulting from Contract negotiations.

We understand you are not bound to accept the Proposal you receive.

We remain,

Yours sincerely,
Authorized Signature [In full and initials]:
Name and Title of Signatory:
Name of Firm:
Address:

APPLICATION FORM

FOR

**STUDY/EVALUATION OF THE PESTICIDES SAMPLING AND PRODUCT
QUALITY CERTIFICATION PROCESS IN THE AGROCHEMICAL
INDUSTRY AND GOVERNMENT ORGANIZATION
IN INDIA**

1. Name :
2. Mailing address :
3. Telephone and fax number :
4. E-mail address :
5. Name and designation of the person authorized to make commitments to DAC/Dte. of P. P. Q. & S. :
6. Year of establishment and constitution of organization :
7. The details of the top management with their professional qualification and experience :
8. Whether the organization has any widely accepted certification. If yes, furnish certified copies :
9. Profile of personnel with qualification, experience & relevant certification, who can be assigned the job :

10. Turnover

(i) What was the organization's total annual turnover for the last three years?

One year ago	Two year ago	Three year ago

- (ii) What was the turnover, for services similar to those required here, for the last three years?

One year ago	Two year ago	Three year ago

11. List of projects in the last three years in which the Firm/organization has delivered services similar to that in the project advertisement and study/evaluation which are under process :

Name of Project	Year	Country	Value	Recipient's Name	Short Description of the project

Note - The above information should be furnished in above format for similar type of projects and related projects completed in Government Organization and Agrochemical Industry separately during the last three years and also in respect of projects under process.

Note : Please provide documentary evidence from the client i.e copy of work order, contract for each of above mentioned assignment. The experience shall not be considered for evaluation if such requisite support documents are not provided with the proposal.

**COMMENTS AND SUGGESTIONS ON THE TERMS OF REFERENCE AND ON
COUNTERPART STAFF AND FACILITIES TO BE PROVIDED BY THE EMPLOYER**

A - A write up on the understanding of the assignment

B - On the Terms of Reference

[Suggest and justify here any modifications or improvement to the Terms of Reference you are proposing to improve performance in carrying out the Assignment/job (such as deleting some activity you consider unnecessary, or adding another, or proposing a different phasing of the activities). Such suggestions should be concise and to the point, and incorporated in your Proposal.]

**DESCRIPTION OF APPROACH, METHODOLOGY AND WORK PLAN FOR
PERFORMING THE
ASSIGNMENT/JOB**

[Technical approach, methodology and work plan are key components of the Technical Proposal. You are suggested to present your Technical Proposal divided into the following three chapters:

- a) Technical Approach and Methodology,
- b) Work Plan, and
- c) Organization and Staffing,

a) **Technical Approach and Methodology.** In this chapter you should explain your understanding of the objectives of the Assignment/job, approach to the Assignment/job, methodology for carrying out the activities and obtaining the expected output, and the degree of detail of such output. You should highlight the problems being addressed and their importance, and explain the technical approach you would adopt to address them. You should also explain the methodologies you propose to adopt and highlight the compatibility of those methodologies with the proposed approach.

b) **Work Plan.** The consultant should **propose and justify** the main activities of the Assignment/job, their content and duration, phasing and interrelations, milestones (including interim approvals by the Employer), and delivery dates of the reports. The proposed work plan should be consistent with the technical approach and methodology, showing understanding of the TOR and ability to translate them into a feasible working plan. A list of the final documents, including reports, drawings, and tables to be delivered as final output, should be included here. The work plan should be consistent with the Work Schedule of Form TECH-8.

c) **Organization and Staffing.** The consultant should **propose and justify** the structure and composition of your team. You should list the main disciplines of the Assignment/job, the key expert responsible, and proposed technical and support staff.]

FORM TECH-7

FORMAT FOR PROVIDING DETAILS OF EDUCATIONAL QUALIFICATION AND EXPERIENCE DETAILS OF PERMANENT TECHNICAL PERSONNEL ASSIGNED TO THIS WORK

Sl. No.	Name	Date of Birth	Proposed Position in the Consultancy/tasks assigned	Nationality	No. of service Year with the Applicant	Key Qualification *	List of projects undertaken in the last 10 years***	Experience Record **			
								Name of the Employer	Duration		Design
									From	To	
1											
2											
3											
4											

*Under Key Qualification, outline the person's academic qualification and other special education, training etc. ** list all position held by the person during the last 10 years or since graduation which ever is greater, giving dates, name of employing organization, position held. Note: Higher qualifications i.e. Ph.D./Post Graduation/Management in the related areas with average years of experiences will be extra advantageous.

*** Among The assignments/jobs in which the staff has been involved that best illustrates staff capability to handle the tasks proposed to be assigned.

Certification:

I, the undersigned, certify that to the best of my knowledge and belief, this CV correctly describes myself, my qualifications, and my experience. I understand that any wilful misstatement described herein may lead to my disqualification or dismissal, if engaged.

Date: [Signature of staff member or authorized
Place: representative of the staff]
[Full name of authorized representative]:

STAFFING SCHEDULE

S.No.	Name of Staff	Staff input (in the form of a bar chart)												Total Weeks
		1	2	3	4	5	6	7	8	9	10	11	12	
1.														
2.														
3.														

Note:

- 1 For Professional Staff the input should be indicated individually; for Support Staff it should be indicated by category (e.g.: draftsmen, clerical staff, etc.).
- 2 Months are counted from the start of the Assignment/job. For each staff indicate separately staff input for home and field work.

WORK SCHEDULE

S.No.	Activity	Weeks										Total Weeks
		1	2	3	4	5	6	7	8	
1.												
2.												
3.												
4.												

1 Indicate all main activities of the Assignment/job, including delivery of reports (e.g.: inception, interim, draft and final reports), and other benchmarks such as Employer approvals. For phased Assignment/jobs indicate activities, delivery of reports, and benchmarks separately for each phase.

2 Duration of activities shall be indicated in the form of a bar chart.

COMMENTS / MODIFICATIONS SUGGESTED ON DRAFT CONTRACT

[Here the consultant shall mention any suggestion / views on the draft contract attached with the RFP document. The consultant may also mention here any modifications sought by him in the provisions of the draft contract. This information shall be used at the time of the negotiations. However, the Employer is not bound to accept any/all modifications sought and may reject any such request of modification.]

FINANCIAL PROPOSAL SUBMISSION FORM

[Location, Date]

To: [Name and address of Employer]

Dear Sirs:

We, the undersigned, offer to provide the consulting Assignment/job for [Insert title of Assignment/job] in accordance with your Request for Proposal dated [Insert Date] and our Technical Proposal. Our attached Financial Proposal is for the sum of [Insert amount(s) in words and figures1]. This amount is inclusive of all taxes. We hereby confirm that the financial proposal is unconditional and we acknowledge that any condition attached to financial proposal shall result in reject of our financial proposal.

Our Financial Proposal shall be binding upon us subject to the modifications resulting from Contract negotiations, up to expiration of the validity period of the Proposal.

We understand you are not bound to accept any Proposal you receive.

We remain,

Yours sincerely,

Authorized Signature [In full and initials]:
Name and Title of Signatory:
Name of Firm:
Address:

FORM FIN-2

SUMMARY OF COSTS

S.No.	Particulars	Amount in Rupees *	Amount in Words
1	Remuneration		
3	Miscellaneous expenses		
4	Service Tax / Any other tax		
5	Total		

*- Mention the currency in which the prices are quoted if it is permitted to do so under RFP.

Authorized Signature
Name:
Designation
Name of firm:
Address:

BREAKDOWN OF REMUNERATION

(for details please refer to Note below)

S.NO.	Name of Staff	Position	Man Month Rates (A)	Proposed Man Months (B)	Total Amount in Rupees * (A) * (B)
1	Key Professionals * 1				
2	Support Staff * 2				
	Total				

*1 Key Professionals are to be indicated by name

*2 Support Staff is to be indicated per category (e.g: Draftsman, Assistant etc.)

Total Remuneration = _____ Amount in Rupees
(Amount in Words):

Note:

1 Professional Staff should be indicated individually; Support Staff should be indicated per category (e.g.: draftsmen, Assistants etc.). Cost of Secretarial services, if any, will be indicated in form Fin-5.

2 Positions of Professional Staff shall coincide with the ones indicated in Form TECH-5 & 7.

3 Indicate separately staff-month rate for each activity separately.

BREAKDOWN OF REIMBURSABLE EXPENSES

(Note : Reimbursable expenses will be quoted only for work related travel outside the place of work decided by the employer in the data sheet. It can also include travel from the Headquarter of the consultant to the place of work.)

Activity No. Name

S. No.	Description	Unit	Quantity	Unit Price in	Total Amount
1.	Travel expense flights/Train	Trip			
2.	Miscellaneous travel expenses	Trip			
3.	Subsistence allowance	Day			
4.	Local transportation costs				
5.	Office rent / accommodation / clerical assistance				

Total Reimbursable : = _____ Total amount in Rupees (or other currency)

Amounts in words :

Miscellaneous Expenses

(It will include only such expenses which are directly chargeable to the assignment/job)

S.No.	Particulars	Unit Rate	Quantity (Staff months) / number	Amount
1	Secretarial Staff			
2	Office equipment			
3	Preparation of reports / deliverables.			
	Total			

STANDARD FORM OF CONTRACT

Consultants' Services

Lump-Sum

Contents

I. Form of Contract

II. General Conditions of Contract

1. General Provisions
2. Commencement, Completion, Modification and Termination of Contract
3. Obligations of the Consultant
4. Consultants' Personnel and Sub-Consultants
5. Obligations of the Employer
6. Payments to the Consultant
7. Fairness and Good Faith
8. Settlement of Disputes
9. Liquidated Damages
10. Miscellaneous Provisions

III. Special Conditions of Contract

IV. Appendices

- Appendix A - Description of Services
- Appendix B - Reporting Requirements
- Appendix C - Staffing Schedule
- Appendix D - Cost Estimates
- Appendix E - Duties of the Employer

CONTRACT FOR CONSULTANTS' SERVICES

Between

[name of the Client]

and

[name of the Consultant]

Dated:

I. Form of Contract

(Text in brackets [] should be filled up appropriately; all notes should be deleted in final text)

This CONTRACT (hereinafter called the "Contract") is made the [day] day of the month of [month], [year], between the President of India acting through (designation), Ministry of ----, Department of -----, Government of India, (office address), [name of employer] (hereinafter called the "Employer"), of the First Part and, [name of Consultant] (hereinafter called the "Consultant") of the Second Part.

[Note: If the Consultant consist of more than one entity, the above should be partially amended to read as follows: "...(hereinafter called the "Employer") and, on the other hand, a joint venture/consortium/association consisting of the following entities, namely, lead consultant [name of lead Consultant] and [name of Consultant/s] (hereinafter called the "Consultant").

WHEREAS

(a) the Consultant, having represented to the "Employer" that he has the required professional skills, personnel and technical resources, has offered to provide in response to the Tender Notice dated____ issued by the Employer ;

(b) the "Employer" has accepted the offer of the Consultant to provide the services on the terms and conditions set forth in this Contract.

NOW, THEREFORE, IT IS HEREBY AGREED between the parties as follows:

1. The following documents attached hereto shall be deemed to form an integral part of this Contract:

- (a) The General Conditions of Contract;
- (b) The Special Conditions of Contract;
- (c) The following Appendices:

Appendix A: Description of Services

Appendix B: Reporting Requirements

Appendix C: Staffing schedule

Appendix D: Cost Estimates

Appendix E: Duties of the "Employer"

Appendix F: Duties of the Consultant

2. The mutual rights and obligations of the "Employer" and the Consultant shall be as set forth in the Contract, in particular:

(a) the Consultants shall carry out and complete the Services in accordance with the provisions of the Contract; and

(b) the "Employer" shall make payments to the Consultant in accordance with the provisions of the Contract.

IN WITNESS WHEREOF, the Parties hereto have caused this Contract to be signed in their respective names as of the day and year first above written.

Signed by -----

In presence of 1. For and on behalf of the President of India [name of "Employer"]

(Witnesses)

(i) [Authorized Representative]

(ii) 2. For and on behalf of [name of Consultant]

In presence of

(Witnesses)

(i) [Authorized Representative]

(ii) [Authorized Representative]

[Note: If the Consultant consists of more than one entity, all these entities should appear as signatories, e.g., in the following manner:]

3. For and on behalf of each of the Members of the Consultant.

[name of member]

4. [name of member] [Authorized Representative]

II. General Conditions of Contract

1. GENERAL PROVISIONS

1.1 **Definitions** Unless the context otherwise requires, the following terms whenever used in this Contract have the following meanings:

- a) "Applicable Law" means the laws and any other instruments having the force of law in India for the time being.
- b) "Consultant" means any private or public entity that will provide the Services to the "Employer" under the Contract.
- c) "Contract" means the Contract signed by the Parties and all the attached documents listed in its Clause 1, that is this General Conditions (GC), the Special Conditions (SC), and the Appendices.
- d) "Day" means calendar day.
- e) "Effective Date" means the date on which this Contract comes into force and effect pursuant to Clause GC 2.1.
- f) "GC" means these General Conditions of Contract.
- g) "Government" means the Government of India
- h) "Local Currency" means Indian Rupees.
- i) "Member" means any of the entities that make up the joint venture/consortium/association; and "Members" means all these entities.
- j) "Party" means the "Employer" or the Consultant, as the case may be, and "Parties" means both of them.
- k) "Personnel" means professionals and support staff provided by the Consultants or by any Sub-Consultants and assigned to perform the Services or any part thereof; "Foreign Personnel" means such professionals and support staff who at the time of being so provided had their domicile outside the Government's country; "Local Personnel" means such professionals and support staff who at the time of being so provided had their domicile inside the Government's country; and "Key Personnel" means the Personnel referred to in Clause GC 4.2(a).
- l) "SC" means the Special Conditions of Contract by which the GC may be amended or supplemented.
- m) "Services" means the work to be performed by the Consultant pursuant to this Contract, as described in Appendix A hereto.
- n) "Sub-Consultants" means any person or entity to whom/which the Consultant subcontracts any part of the Services.
- o) "Third Party" means any person or entity other than the "Employer", or the Consultant.
- p) "In writing" means communicated in written form with proof of receipt.

1.2 Relationship Between the Parties

Nothing contained herein shall be construed as establishing a relationship of master and servant or of principal and agent as between the “Employer” and the Consultant. The Consultant, subject to this Contract, has complete charge of Personnel and Sub-Consultants, if any, performing the Services and shall be fully responsible for the Services performed by them or on their behalf hereunder.

1.3 Law Governing Contract: This Contract, its meaning and interpretation, and the relation between the Parties shall be governed by the applicable laws of India.

1.4 Headings: The headings shall not limit, alter or affect the meaning of this Contract.

1.5 Notices

1.5.1 Any notice, request or consent required or permitted to be given or made pursuant to this Contract shall be in writing. Any such notice, request or consent shall be deemed to have been given or made when delivered in person to an authorized representative of the Party to whom the communication is addressed, or when sent by registered post to such Party at the address specified in the SC.

1.5.2 A Party may change its address for notice hereunder by giving the other Party notice in writing of such change to the address specified in the SC.

1.6 Location: The Services shall be performed at such locations as are specified in **Appendix A hereto** and, where the location of a particular task is not so specified, at such locations, as the “Employer” may approve.

1.7 Authority of Lead Partner: In case the Consultant consists of a joint venture/consortium/association of more than one entity, the Members hereby authorize the entity specified (Lead Consultant) in the SC to act on their behalf in exercising all the Consultant’s rights and obligations towards the “Employer” under this Contract, including without limitation the receiving of instructions and payments from the “Employer”. However, each member or constituent of Consortium of Consultant shall be jointly and severally liable for all obligations of the Consultant under the Contract.

1.8 Authorized Representatives: Any action required or permitted to be taken, and any document required or permitted to be executed under this Contract by the “Employer” or the Consultant may be taken or executed by the officials specified in the SC.

1.9 Taxes and Duties: The Consultant, Sub-Consultants and Personnel shall be liable to pay such direct and indirect taxes, duties, fees and other impositions levied under the applicable laws of India.

1.10 Fraud and Corruption

1.10.1 **Definitions:** It is the Employer's policy to require that Employers as well as Consultants observe the highest standard of ethics during the execution of the Contract. In pursuance of this policy, the Employer defines, for the purpose of this provision, the terms set forth below as follows:

- (i) "corrupt practice" means the offering, receiving, or soliciting, directly or indirectly, of any thing of value to influence the action of a public official in the selection process or in contract execution;
- (ii) "fraudulent practice" means a misrepresentation or omission of facts in order to influence a selection process or the execution of a contract;
- (iii) "collusive practices" means a scheme or arrangement between two or more consultants, with or without the knowledge of the Employer, designed to establish prices at artificial, noncompetitive levels;
- (iv) "coercive practices" means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in a procurement process, or affect the execution of a contract;

1.10.2 Measures to be taken by the Employer

- (a) The Employer may terminate the contract if it determines at any time that representatives of the consultant were engaged in corrupt, fraudulent, collusive or coercive practices during the selection process or the execution of that contract, without the consultant having taken timely and appropriate action satisfactory to the Employer to remedy the situation;
- (b) The Employer may also sanction against the Consultant, including declaring the Consultant ineligible, either indefinitely or for a stated period of time, to be awarded a contract if it at any time determines that the Consultant has, directly or through an agent, engaged in corrupt, fraudulent, collusive or coercive practices in competing for, or in executing, a Employer-financed contract;

2. COMMENCEMENT, COMPLETION, MODIFICATION AND TERMINATION OF CONTRACT

2.1 **Effectiveness of Contract:** This Contract shall come into force and effect on the date (the "Effective Date") of the "Employer"'s notice to the Consultant instructing the Consultant to begin carrying out the Services. This notice shall confirm that the conditions precedent and effectiveness conditions, if any, listed in the SC have been met.

2.2 **Termination of Contract for Failure to Become Effective:** If this Contract has not become effective within such time period after the date of the Contract signed by the Parties as specified in the SC, either Party may, by not less than twenty one (21) days written notice to the other Party, declare this Contract to be null and void, and in the event of such a declaration by either Party, neither Party shall have any claim against the other Party with respect hereto.

2.3 **Commencement of Services:** The Consultant shall begin carrying out the Services not later than the number of days after the Effective Date specified in the SC.

2.4 Expiration of Contract: Unless terminated earlier pursuant to Clause GC 2.9 hereof, this Contract shall expire at the end of such time period after the Effective Date as specified in the SC.

2.5 Entire Agreement: This Contract contains all covenants, stipulations and provisions agreed by the Parties. No agent or representative of either Party has authority to make, and the Parties shall not be bound by or be liable for, any other statement, representation, promise or agreement not set forth herein.

2.6 Modifications or Variations: (a) Any modification or variation of the terms and conditions of this Contract, including any modification or variation of the scope of the Services, may only be made by written agreement between the Parties. Pursuant to Clause GC 7.2 here of, however, each Party shall give due consideration to any proposals for modification or variation made by the other Party.

(b) In cases of substantial modifications or variations, the prior written consent of the Employer is required.

2.7 Force Majeure

2.7.1 Definition (a) For the purposes of this Contract, "Force Majeure" means an event which is beyond the reasonable control of a Party, is not foreseeable, is unavoidable and not brought about by or at the instance of the Party claiming to be affected by such events and which has caused the non-performance or delay in performance, and which makes a Party's performance of its obligations hereunder impossible or so impractical as reasonably to be considered impossible in the circumstances, and includes, but is not limited to, war, riots, civil disorder, earthquake, fire, explosion, storm, flood or other extreme adverse weather conditions, strikes, lockouts or other industrial action (except where such strikes, lockouts or other industrial action are within the power of the Party invoking Force Majeure to prevent), confiscation or any other action by Government agencies.

(b) Force Majeure shall not include (i) any event which is caused by the negligence or intentional action of a Party or by or of such Party's Sub-Consultants or agents or employees, nor (ii) any event which a diligent Party could reasonably have been expected both to take into account at the time of the conclusion of this Contract, and avoid or overcome in the carrying out of its obligations hereunder.

(c) Subject to clause 2.7.2, Force Majeure shall not include insufficiency of funds or inability to make any payment required hereunder.

2.7.2 No Breach of Contract: The failure of a Party to fulfill any of its obligations hereunder shall not be considered to be a breach of, or default under, this Contract insofar as such inability arises from an event of Force Majeure, provided that the Party affected by such an event has taken all reasonable precautions, due care and reasonable alternative measures, all with the objective of carrying out the terms and conditions of this Contract.

2.7.3 Measures to be Taken: (a) A Party affected by an event of Force Majeure shall continue to perform its obligations under the Contract as far as is reasonably

practical, and shall take all reasonable measures to minimize the consequences of any event of Force Majeure.

(b) A Party affected by an event of Force Majeure shall notify the other Party of such event as soon as possible, and in any case not later than fourteen (14) days following the occurrence of such event, providing evidence of the nature and cause of such event, and shall similarly give written notice of the restoration of normal conditions as soon as possible.

(c) Any period within which a Party shall, pursuant to this Contract, complete any action or task, shall be extended for a period equal to the time during which such Party was unable to perform such action as a result of Force Majeure.

(d) During the period of their inability to perform the Services as a result of an event of Force Majeure, the Consultant, upon instructions by the "Employer", shall either:

(i) demobilize,; or

(ii) continue with the Services to the extent possible, in which case the Consultant shall continue to be paid proportionately and on prorata basis, under the terms of this Contract.

(e) In the case of disagreement between the Parties as to the existence or extent of Force Majeure, the matter shall be settled according to Clause GC 8.

2.8 Suspension: The "Employer" may, by written notice of suspension to the Consultant,

suspend all payments to the Consultant hereunder if the Consultant fails to perform any of its obligations under this Contract, including the carrying out of the Services, provided that such notice of suspension (i) shall specify the nature of the failure, and (ii) shall allow the Consultant to remedy such failure, if capable of being remedied, within a period not exceeding thirty (30) days after receipt by the Consultant of such notice of suspension.

2.9 Termination

2.9.1.1 By the "Employer": The "Employer" may terminate this Contract in case of the occurrence of any of the events specified in paragraphs (a) through (h) of this Clause GC 2.9.1.1.

(a) If the Consultant fails to remedy a failure in the performance of its obligations hereunder, as specified in a notice of suspension pursuant to Clause GC 2.8 hereinabove, within thirty (30) days of receipt of such notice of suspension or within such further period as the "Employer" may have subsequently approved in writing.

(b) If the Consultant becomes (or, if the Consultant consists of more than one entity, if any of its Members becomes and which has substantial bearing on providing Services under this contract) insolvent or go into liquidation or receivership whether compulsory or voluntary.

(c) If the Consultant fails to comply with any final decision reached as a result of arbitration proceedings pursuant to Clause GC 8 hereof.

(d) If the Consultant, in the judgment of the "Employer", has engaged in corrupt or fraudulent practices in competing for or in executing this Contract.

(e) If the Consultant submits to the "Employer" a false statement which has a material effect on the rights, obligations or interests of the "Employer".

(ee) If the Consultant places itself in position of conflict of interest or fails to disclose promptly any conflict of interest to the Employer.

(f) If the consultant fails to provide the quality services as envisaged under this Contract. The Consultancy Monitoring Committee (CMC) formulated to monitor the progress of the assignment may make judgment regarding the poor quality of services, the reasons for which shall be recorded in writing. The CMC may decide to give one chance to the consultant to improve the quality of the services.

(g) If, as the result of Force Majeure, the Consultant is unable to perform a material portion of the Services for a period of not less than sixty (60) days.

(h) If the "Employer", in its sole discretion and for any reason whatsoever, decides to terminate this Contract.

2.9.1.2 In such an occurrence the "Employer" shall give a not less than thirty (30) days' written notice of termination to the Consultants, and sixty (60) days' in case of the event referred to in (h).

2.9.2 **By the Consultant:** The Consultant may terminate this Contract, by not less than thirty (30) days' written notice to the "Employer", in case of the occurrence of any of the events specified in paragraphs (a) through (d) of this Clause GC 2.9.2.

(a) If the "Employer" fails to pay any money due to the Consultant pursuant to this Contract and not subject to dispute pursuant to Clause GC 8 hereof within forty-five (45) days after receiving written notice from the Consultant that such payment is overdue.

(b) If, as the result of Force Majeure, the Consultant is unable to perform a material portion of the Services for a period of not less than sixty (60) days.

(c) If the "Employer" fails to comply with any final decision reached as a result of arbitration pursuant to Clause GC 8 hereof.

(d) If the "Employer" is in material breach of its obligations pursuant to this Contract and has not remedied the same within forty-five (45) days (or such longer period as the Consultant may have subsequently approved in writing) following the receipt by the "Employer" of the Consultant's notice specifying such breach.

2.9.3 **Cessation of Rights and Obligations:** Upon termination of this Contract pursuant to Clauses GC 2.2 or GC 2.9 hereof, or upon expiration of this Contract pursuant to Clause GC 2.4 hereof, all rights and obligations of the Parties hereunder shall cease, except (i) such rights and obligations as may have accrued on the date of termination or expiration, (ii) the obligation of confidentiality set forth in Clause GC 3.3 hereof, (iii) the Consultant's obligation to permit inspection, copying and auditing of their accounts and records set forth in Clause GC 3.6 hereof, and (iv) any right which a Party may have under the Law.

2.9.4 **Cessation of Services:** Upon termination of this Contract by notice of either Party to the other pursuant to Clauses GC 2.9.1 or GC 2.9.2 hereof, the Consultant shall, immediately upon dispatch or receipt of such notice, take all necessary steps to bring the

Services to a close in a prompt and orderly manner and shall make every reasonable effort to keep expenditures for this purpose to a minimum. With respect to documents prepared by the Consultant and equipment and materials furnished by the "Employer", the Consultant shall proceed as provided, respectively, by Clauses GC 3.9 or GC 3.10 hereof.

2.9.5 Payment upon Termination: Upon termination of this Contract pursuant to Clauses GC 2.9.1 or GC 2.9.2 hereof, the "Employer" shall make the following payments to the Consultant:

(a) If the Contract is terminated pursuant to Clause 2.9.1 (g), (h) or 2.9.2, remuneration pursuant to Clause GC 6.3(h) (i) hereof for Services satisfactorily performed prior to the effective date of termination, and reimbursable expenditures pursuant to Clause GC 6.3(h)(ii) hereof for expenditures actually and reasonably incurred prior to the effective date of termination;

(b) If the agreement is terminated pursuant of Clause 2.9.1 (a) to (f), the consultant shall not be entitled to receive any agreed payments upon termination of the contract. However, the "Employer" may consider to make payment for the part satisfactorily performed on the basis of Quantum Merit as assessed by it, if such part is of economic utility to the Employer. Applicable Under such circumstances, upon termination, the client may also impose liquidated damages as per the provisions of Clause 9 of this agreement. The consultant will be required to pay any such liquidated damages to client within 30 days of termination date.

2.9.6 Disputes about Events of Termination: If either Party disputes whether an event specified in paragraphs (a) through (g) of Clause GC 2.9.1 or in Clause GC 2.9.2 hereof has occurred, such Party may, within forty-five (30) days after receipt of notice of termination from the other Party, refer the matter to Clause GC 8 hereof, and this Contract shall not be terminated on account of such event except in accordance with the terms of any resulting arbitral award.

3. OBLIGATIONS OF THE CONSULTANT

3.1 General

3.1.1 Standard of Performance: The Consultant shall perform the Services and carry out their obligations hereunder with all due diligence, efficiency and economy, in accordance with generally accepted professional standards and practices, and shall observe sound management practices, and employ appropriate technology and safe and effective equipment, machinery, materials and methods. The Consultant shall always act, in respect of any matter relating to this Contract or to the Services, as faithful adviser to the "Employer", and shall at all times support and safeguard the "Employer" s legitimate interests in any dealings with Sub-Consultants or Third Parties.

3.2 Conflict of Interests: The Consultant shall hold the "Employer"'s interests paramount, without any consideration for future work, and strictly avoid conflict of interest with other assignments or their own corporate interests. If during the period of

this contract, a conflict of interest arises for any reasons, the Consultant shall promptly disclose the same to the Employer and seek its instructions.

3.2.1 Consultant not to benefit from Commissions, Discounts, etc.: (a) The payment of the Consultant pursuant to Clause GC 6 hereof shall constitute the Consultant's only payment in connection with this Contract and, subject to Clause GC 3.2.2 hereof, the Consultant shall not accept for its own benefit any trade commission, discount or similar payment in connection with activities pursuant to this Contract or in the discharge of its obligations hereunder, and the Consultant shall use its best efforts to ensure that any Sub-Consultants, as well as the Personnel and agents of either of them, similarly shall not receive any such additional payment.

(b) Furthermore, if the Consultant, as part of the Services, has the responsibility of advising the "Employer" on the procurement of goods, works or services, the Consultant shall comply with the Employer's applicable procurement guidelines, and shall at all times exercise such responsibility in the best interest of the "Employer". Any discounts or commissions obtained by the Consultant in the exercise of such procurement responsibility shall be for the account of the "Employer".

3.2.2 Consultant and Affiliates Not to Engage 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, as well as any Sub-Consultants and any entity affiliated with such Sub-Consultants, shall be disqualified from providing goods, works or services (other than consulting services) resulting from or directly related to the Consultant's Services for the preparation or implementation of the project.

3.2.3 Prohibition of Conflicting Activities: The Consultant shall not engage, and shall cause their Personnel as well as their Sub-Consultants and their Personnel not to engage, either directly or indirectly, in any business or professional activities that would conflict with the activities assigned to them under this Contract.

3.3 Confidentiality: Except with the prior written consent of the "Employer", the Consultant and the Personnel shall not at any time communicate to any person or entity any confidential information acquired in the course of the Services, nor shall the Consultant and its Personnel make public the recommendations formulated in the course of, or as a result of, the Services.

3.4 Insurance to be Taken out by the Consultant: The Consultant (i) shall take out and maintain, and shall cause any Sub-Consultants to take out and maintain insurance, at their (or the Sub-Consultants', as the case may be) own cost but **on terms and conditions approved by the "Employer"**, insurance against the risks, and for the coverages specified in the SC, and (ii) at the "Employer"'s request, shall provide evidence to the "Employer" showing that such insurance has been taken out and maintained and that the current premiums therefore have been paid.

3.5 Accounting, Inspection and Auditing: The Consultant (i) shall keep accurate and systematic accounts and records in respect of the Services hereunder, in accordance

with internationally accepted accounting principles and in such form and detail as will clearly identify all relevant time changes and costs, and the bases thereof, and (ii) shall periodically permit the "Employer" or its designated representative and/or the Employer, and up to five years from expiration or termination of this Contract, to inspect the same and make copies thereof as well as to have them audited by auditors appointed by the "Employer" or the Employer, if so required by the "Employer" or the Employer as the case may be.

3.6 Consultant's Actions Requiring "Employer"'s Prior Approval: The Consultant shall obtain the "Employer"'s prior approval in writing before taking any of the following actions:

- (a) Any change or addition to the Personnel listed in Appendix C.
- (b) Subcontracts: the Consultant may subcontract work relating to the Services to an extent and with such experts and entities as may be approved in advance by the "Employer". Notwithstanding such approval, the Consultant shall always retain full responsibility for the Services. In the event that any Sub-Consultants are found by the "Employer" to be incompetent or incapable or undesirable in discharging assigned duties, the "Employer" may request the Consultant to provide a replacement, with qualifications and experience acceptable to the "Employer", or to resume the performance of the Services itself.

3.7 Reporting Obligations: The Consultant shall submit to the "Employer" the reports and documents specified in Appendix B hereto, in the form, in the numbers and within the time periods set forth in the said Appendix. Final reports shall be delivered in CD ROM in addition to the hard copies specified in said Appendix.

3.8 Documents Prepared by the Consultant to be the Property of the "Employer": All plans, drawings, specifications, designs, reports, other documents and software prepared by the Consultant for the "Employer" under this Contract shall become and remain the property of the "Employer", and the Consultant shall, not later than upon termination or expiration of this Contract, deliver all such documents to the "Employer", together with a detailed inventory thereof. The Consultant may retain a copy of such documents, but shall not use anywhere, without taking permission, in writing, from the Employer and the Employer reserves right to grant or deny any such request.. If license agreements are necessary or appropriate between the Consultant and third parties for purposes of development of any such computer programs, the Consultant shall obtain the "Employer"'s prior written approval to such agreements, and the "Employer" shall be entitled at its discretion to require recovering the expenses related to the development of the program(s) concerned.

4. CONSULTANTS' PERSONNEL AND SUB-CONSULTANTS

4.1 General: The Consultant shall employ and provide such qualified and experienced Personnel and Sub-Consultants as are required to carry out the Services.

4.2 Description of Personnel: (a) The title, agreed job description, minimum qualification and estimated period of engagement in the carrying out of the Services of each of the Consultant's Key Personnel are as per the consultant's proposal and are described in Appendix C. If any of the Key Personnel has already been approved by the "Employer", his/her name is listed as well.

(b) If required to comply with the provisions of Clause GC 3.1.1 hereof, adjustments with respect to the estimated periods of engagement of Key Personnel set forth in Appendix C may be made by the Consultant by written notice to the "Employer", provided (i) that such adjustments shall not alter the originally estimated period of engagement of any individual by more than 10% or one week, whichever is larger, and (ii) that the aggregate of such adjustments shall not cause payments under this Contract to exceed the ceilings set forth in Clause GC 6.1(b) of this Contract. Any other such adjustments shall only be made with the "Employer"'s written approval.

(c) If additional work is required beyond the scope of the Services specified in Appendix A, the estimated periods of engagement of Key Personnel set forth in Appendix C may be increased by agreement in writing between the "Employer" and the Consultant. In case where payments under this Contract exceed the ceilings set forth in Clause GC 6.1(b) of this Contract, this will be explicitly mentioned in the agreement.

4.3 Approval of Personnel: The Key Personnel and Sub-Consultants listed by title as well as by name in Appendix C are hereby approved by the "Employer". In respect of other Personnel which the Consultant proposes to use in the carrying out of the Services, the Consultant shall submit to the "Employer" for review and approval a copy of their Curricula Vitae (CVs). If the "Employer" does not object in writing (stating the reasons for the objection) within twenty-one (21) days from the date of receipt of such CVs, such Personnel shall be deemed to have been approved by the "Employer".

4.4 Removal and/or Replacement of Personnel: (a) Except as the "Employer" may otherwise agree, no changes shall be made in the Personnel. If, for any reason beyond the reasonable control of the Consultant, such as retirement, death, medical incapacity, among others, it becomes necessary to replace any of the Personnel, the Consultant shall forthwith provide as a replacement a person of equivalent or better qualifications.

(b) If the "Employer" (i) finds that any of the Personnel has committed serious misconduct or has been charged with having committed a criminal action, or (ii) has reasonable cause to be dissatisfied with the performance of any of the Personnel, then the Consultant shall, at the "Employer"'s written request specifying the grounds therefore, forthwith provide as a replacement a person with qualifications and experience acceptable to the "Employer".

(c) Any of the Personnel provided as a replacement under Clauses (a) and (b) above, as well as any reimbursable expenditures (including expenditures due to the number of eligible dependents) the Consultants may wish to claim as a result of such replacement, shall be subject to the prior written approval by the "Employer". The rate of remuneration applicable to a replacement person will be the rate of remuneration paid to the replacement person. Also (i) the Consultant shall bear all additional travel

and other costs arising out of or incidental to any removal and/or replacement, and (ii) the remuneration to be paid for any of the Personnel provided as a replacement shall not exceed the remuneration which would have been payable to the Personnel replaced.

4.5 **Resident Project Manager** : If required by the SC, the Consultant shall ensure that at all times during the Consultant's performance of the Services a resident project manager, acceptable to the "Employer", shall take charge of the performance of such Services.

5. OBLIGATIONS OF THE "EMPLOYER"

5.1 **Assistance and Exemptions** : Unless otherwise specified in the SC, the "Employer" shall use its best efforts to ensure that the Government shall:

(a) Provide the Consultant, Sub-Consultants and Personnel with work permits and such other documents as shall be necessary to enable the Consultant, Sub-Consultants or Personnel to perform the Services.

(b) Issue to officials, agents and representatives of the Government all such instructions as may be necessary or appropriate for the prompt and effective implementation of the Services.

(c) Provide to the Consultant, Sub-Consultants and Personnel any such other assistance as may be specified in the SC.

5.2 **Change in the Applicable Law Related to Taxes and Duties:** If, after the date of this Contract, there is any change in the Applicable Laws of India with respect to taxes and duties, which are directly payable by the consultant for providing the services i.e. service tax or any such applicable tax from time to time, which increases or decreases the cost incurred by the Consultant in performing the Services, then the remuneration and reimbursable expenses otherwise payable to the Consultant under this Contract shall be increased or decreased accordingly by agreement between the Parties hereto, and corresponding adjustments shall be made to the ceiling amounts specified in Clause GC 6.1(b).

5.3 **Services, Facilities and Property of the "Employer":** (a) The "Employer" shall make available to the Consultant and its Personnel, for the purposes of the Services and **free of any charge**, the services, facilities and property described in Appendix E at the times and in the manner specified in said **Appendix E**.

(b) In case that such services, facilities and property shall not be made available to the Consultant as and when specified in Appendix E, the Parties shall agree on any time extension that it may be appropriate to grant to the Consultant for the performance of the Services .

5.4 **Payment:** In consideration of the Services performed by the Consultant under this Contract, the "Employer" shall make to the Consultant such payments and in such manner as is provided by Clause GC 6 of this Contract.

5.5 **Counterpart Personnel:** (a) If necessary, the “Employer” shall make available to the Consultant free of charge such professional and support counterpart personnel, to be nominated by the “Employer” with the Consultant’s advice, if specified in Appendix E.

(b) Professional and support counterpart personnel, excluding “Employer”’s liaison personnel, shall work under the exclusive direction of the Consultant. If any member of the counterpart personnel fails to perform adequately any work assigned to such member by the Consultant that is consistent with the position occupied by such member, the Consultant may request the replacement of such member, and the “Employer” shall not unreasonably refuse to act upon such request.

6. PAYMENTS TO THE CONSULTANT

6.1 **Total Cost of the Services** (a) The total cost of the Services payable is set forth in Appendix D as per the consultant’s proposal to the Employer and as negotiated thereafter.

(b) Except as may be otherwise agreed under Clause GC 2.6 and subject to Clause GC 6.1(c), payments under this Contract shall not exceed the amount specified in Appendix-D.

(c) Notwithstanding Clause GC 6.1(b) hereof, if pursuant to any of the Clauses GC 4.2 (c) or 5.2 hereof, the Parties shall agree that additional payments shall be made to the Consultant in order to cover any necessary additional expenditures not envisaged in the cost estimates referred to in Clause GC 6.1(a) above, the ceiling or ceilings, as the case may be, set forth in Clause GC 6.1(b) above shall be increased by the amount or amounts, as the case may be, of any such additional payments.

6.3 **Terms of Payment** The payments in respect of the Services shall be made as follows:

(a) The consultant shall submit the invoice for payment when the payment is due as per the agreed terms. The payment shall be released as per the work related milestones achieved and as per the specified percentage as per SC 13.

(b) Once a milestone is completed, the consultant shall submit the requisite deliverables as specified in this Contract. The Employer shall release the requisite payment upon acceptance of the deliverables. However, if the Employer fails to intimate acceptance of the deliverables or its objections thereto, within 30 days of receipt of it, the Employer shall release the payment to the consultant without further delay.

(c) **Final Payment :** The final payment as specified in SC 13 shall be made only after the final report and a final statement, identified as such, shall have been submitted by the Consultant and approved as satisfactory by the “Employer”. The Services shall be

deemed completed and finally accepted by the "Employer" and the final report and final statement shall be deemed approved by the "Employer" as satisfactory ninety (90) calendar days after receipt of the final report and final statement by the "Employer" unless the "Employer", within such ninety (90) day period, gives written notice to the Consultant specifying in detail deficiencies in the Services, the final report or final statement. The Consultant shall thereupon promptly make any necessary corrections, and

thereafter the foregoing process shall be repeated. Any amount, which the "Employer" has paid or caused to be paid in accordance with this Clause in excess of the amounts actually payable in accordance with the provisions of this Contract, shall be reimbursed by the Consultant to the "Employer" within thirty (30) days after receipt by the Consultant of notice thereof. Any such claim by the "Employer" for reimbursement must be made within twelve (12) calendar months after receipt by the "Employer" of a final report and a final statement approved by the "Employer" in accordance with the above.

(d) For the purpose of payment under Clause 6.3 (b) above, acceptance means; acceptance of the deliverables by the Employer after submission by the consultant and the consultant has made presentation to the CMC / Employer (Mention this if presentation is required) with / without modifications to be communicated in writing by the Employer to the consultant.

(e) If the deliverables submitted by the consultant are not acceptable to the Employer / CMC, reasons for such non-acceptance should be recorded in writing; the Employer shall not release the payment due to the consultant. This is without prejudicing the Employer's right to levy any liquidated damages under clause 9. In such case, the payment will be released to the consultant only after it re-submits the deliverable and which is accepted by the Employer.

(f) All payments under this Contract shall be made to the accounts of the Consultant specified in the SC.

(g) With the exception of the final payment under (c) above, payments do not constitute acceptance of the Services nor relieve the Consultant of any obligations hereunder, unless the acceptance has been communicated by the Employer to the consultant in writing and the consultant has made necessary changes as per the comments / suggestions of the Employer communicated to the Consultant.

(h) In case of early termination of the contract, the payment shall be made to the consultant as mentioned here with: (i) Assessment should be made about work done from the previous milestone, for which the payment is made or to be made till the date of the termination. The consultant shall provide the details of persons reasonably worked during this period with supporting documents. Based on such details, the remuneration shall be calculated based on the man month rate as specified.

(ii) A reasonable assessment of the reimbursable and miscellaneous expenses shall be made based on details furnished by the consultant in this regard with supporting documents and based on the assessment of the work done and the respective rates as

provided. Wherever such an assessment is difficult, the rates should be arrived at by calculating the amount on pro-rata basis. The total amount payable shall be the amount calculated as per (i) and (ii) above plus any applicable tax.

7. FAIRNESS AND GOOD FAITH

7.1 **Good Faith:** The Parties undertake to act in good faith with respect to each other's rights under this Contract and to adopt all reasonable measures to ensure the realization of the objectives of this Contract.

7.2 **Operation of the Contract:** The Parties recognize that it is impractical in this Contract to provide for every contingency which may arise during the life of the Contract, and the Parties hereby agree that it is their intention that this Contract shall operate fairly as between them, and without detriment to the interest of either of them, and that, if during the term of this Contract either Party believes that this Contract is operating unfairly, the Parties will use their best efforts to agree on such action as may be necessary to remove the cause or causes of such unfairness, but no failure to agree on any action pursuant to this Clause shall give rise to a dispute subject to arbitration in accordance with Clause GC 8 hereof.

8. SETTLEMENT OF DISPUTES

8.1 **Amicable Settlement:** Performance of the contract is governed by the terms & conditions of the contract, in case of dispute arises between the parties regarding any matter under the contract, either Party of the contract may send a written Notice of Dispute to the other party. The Party receiving the Notice of Dispute will consider the Notice and respond to it in writing within 30 days after receipt. If that party fails to respond within 30 days, or the dispute cannot be amicably settled within 60 days following the response of that party, clause GC 8.2 shall become applicable.

8.2 **Arbitration:** In the case of dispute arising upon or in relation to or in connection with the contract between the Employer and the Consultant, which has not been settled amicably, any party can refer the dispute for Arbitration under (Indian) Arbitration and Conciliation Act, 1996. Such disputes shall be referred to an Arbitral Tribunal consisting of 3 (three) arbitrators, one each to be appointed by the Employer and the Consultant, the third arbitrator shall be chosen by the two arbitrators so appointed by the parties and shall act as Presiding Arbitrator. In case of failure of the two arbitrators, appointed by the parties to reach a consensus regarding the appointment of the third arbitrator within a period of 30 days from the date of appointment of the two arbitrators, the Presiding arbitrator shall be appointed by the Secretary of the Ministry / Department. The Arbitration and Conciliation Act, 1996 and any statutory modification or re-enactment thereof, shall apply to these arbitration proceedings.

8.3. Arbitration proceedings shall be held in India at the place indicated in SC and the language of the arbitration proceedings and that of all documents and communications between the parties shall be English.

8.4 The decision of the majority of arbitrators shall be final and binding upon both parties. The expenses of the arbitrators as determined by the arbitrators shall be shared equally by the Employer and the Consultant. However, the expenses incurred by each party in connection with the preparation, presentation shall be borne by the party itself. All arbitration awards shall be in writing and shall state the reasons for the award.

9. Liquidated Damages

9.1 The parties hereby agree that due to negligence of act of any party, if the other party suffers losses, damages the quantification of which may be difficult, and hence the amount specified hereunder shall be construed as reasonable estimate of the damages and both the parties agree to pay such liquidated damages, as defined hereunder as per the provisions of this Contract.

9.2 The amount of liquidated damages under this Contract shall not exceed 20 % of the total value of the contract as specified in Appendix D.

9.3 The liquidated damages shall be applicable under following circumstances:

(a) If the deliverables are not submitted as per schedule as specified in SC 13, the Consultant shall be liable to pay 1% of the total cost of the services for delay of each week or part thereof.

(b) If the deliverables are not acceptable to the Employer as mentioned in Clause 6.3 (f), and defects are not rectified to the satisfaction of the Employer within 30 days of the receipt of the notice, the Consultant shall be liable for Liquidated Damages for an amount equal to 0.5% of total cost of the services for every week or part thereof for the delay.

10. Miscellaneous provisions:

(i) "Nothing contained in this Contract shall be construed as establishing or creating between the Parties, a relationship of master and servant or principal and agent.

(ii) Any failure or delay on the part of any Party to exercise right or power under this Contract shall not operate as waiver thereof.

(iii) The Contractor/Consultant shall notify the Employer/ the Government of India of any material change in their status, in particular, where such change would impact on performance of obligations under this Contract.

(iv) Each member/constituent of the Contractor/Consultant, in case of a consortium, shall be jointly and severally liable to and responsible for all obligations towards the Employer/Government for performance of works/services including that of its Associates/Sub Contractors under the Contract.

(v) The Contractor/Consultant shall at all times indemnify and keep indemnified the

- Employer/Government of India against all claims/damages etc. for any infringement of any Intellectual Property Rights (IPR) while providing its services under the Project.
- (vi) The Contractor/Consultant shall at all times indemnify and keep indemnified the Employer/Government of India against any claims in respect of any damages or compensation payable in consequences of any accident or injury sustained or suffered by its (the Contractor's/Consultant's) employees or agents or by any other third Party resulting from or by any action, omission or operation conducted by or on behalf of the Contractor/Consultant.
- (vii) The Contractor/ Consultant shall at all times indemnify and keep indemnified the Employer/Government of India against any and all claims by Employees, Workman, Contractors, sub-contractors, suppliers, agent(s), employed engaged or otherwise working for the Contractor, in respect of wages, salaries, remuneration, compensation or the like.
- (viii) All claims regarding indemnity shall survive the termination or expiry of the Contract.
- (ix) It is acknowledged and agreed by all Parties that there is no representation of any type, implied or otherwise, of any absorption, regularization, continued engagement or concession or preference for employment of persons engaged by the (Contractor/Consultant) for any engagement, service or employment in any capacity in any office or establishment of the Government of India or the Employer.

III. Special Conditions of Contract:

(Clauses in brackets { } are optional; all notes should be deleted in final text)

SC Clause	Ref. of GC Clause	Amendments of, and Supplements to, Clauses in the General Conditions of Contract
1.	1.5	The addresses are: 1. "Employer" : Attention : Facsimile : 2. Consultant : Attention : Facsimile :
2.	1.7	{Lead Partner is [insert name of member]}

Note: If the Consultant consists of a joint venture/ consortium/ association of more than one entity, the name of the entity whose address is specified in Clause SC 1.6 should be inserted here. If the Consultant consists only of one entity, this Clause SC 1.8 should be deleted from the SC.

3. 1.8 The Authorized Representatives are:

For the "Employer":

For the Consultant:

4. 2.1 {The effectiveness conditions are the following: [insert conditions]}

Note: List here any conditions of effectiveness of the Contract e.g., approved of the Contract by the Employer, "Employer"'s approval of Consultant's proposals for appointment of specified key staff members, effectiveness of Employer Loan, receipt by Consultant of advance payment and by "Employer" of advance payment guarantee 64 (see Clause SC 6.4(a)), etc. If there are no effectiveness conditions, delete this Clause SC 2.1 from the SC.

5. 2.2 The time period shall be [insert time period, e.g.: four months].

6. 2.3 The time period shall be [insert time period, e.g.: four months].

7. 2.4 The time period shall be [insert time period, e.g.: twelve months].

8. 3.4 Limitation of the Consultants' Liability towards the "Employer"

{Note: Proposals to introduce exclusions/limitations of the Consultants' liability under the Contract should be carefully scrutinized by Employers/"Employer"'s. In this regard the parties should be aware of the Employer's policy on this matter which is as follows:

1. If the Parties agree that the Consultants' liability should simply be governed by the Applicable Laws of India, they should delete this Clause SC 3.4 from the SC.

2. If the Parties wish to limit or to partially exclude the Consultants' liability to the "Employer", they should note that, to be acceptable to the Employer, any limitation of the Consultants' liability should at the very least be reasonably related to (a) the damage the Consultants might potentially cause to the "Employer", and (b) the Consultants' ability

to pay compensation using their own assets and reasonably obtainable insurance coverage. The Consultants' liability should not be limited to less than a multiplier of the total payments to the Consultants under the Contract for remuneration and reimbursable expenses. A statement to the effect that the Consultants are liable only for the re-performance of faulty Services is not acceptable to the Employer. Also, the Consultants' liability should never be limited for loss or damage caused by the Consultants' gross negligence or willful misconduct.

9. 3.5 The risks and the insurance coverage shall be as follows:
(Note : Delete/modify whichever is not applicable)

(a) Third Party motor vehicle liability insurance in respect of motor vehicles operated in the Government's country by the Consultant or its Personnel or any Sub-Consultants or their Personnel, with a minimum coverage of [insert amount and currency];

(b) Third Party liability insurance, with a minimum coverage of [insert amount and currency];

(c) Professional liability insurance to cover the employer against any loss suffered by the employer due to the professional service provided by the Consultant, with a minimum coverage of [insert amount and currency];

(d) Workers' compensation insurance in respect of the Personnel of the Consultant and of any Sub-Consultants, in accordance with the relevant provisions of the Applicable Laws of India, as well as, with respect to such Personnel, any such life, health, accident, travel or other insurance as may be appropriate; and

(e) Insurance against loss of or damage to (i) equipment purchased in whole or in part with funds provided under this Contract, (ii) the Consultant's property used in the performance of the Services, and (iii) any documents prepared by the Consultant in the performance of the Services, by theft, fire or any natural calamity.

Note: If there are no other actions, delete this Clause SC 3.6. If the Services consist of or include the supervision of civil works, the following action should be inserted:

{taking any action under a civil works contract designating the Consultant as “Engineer”, for which action, pursuant to such civil works contract, the written approval of the “Employer” as “Employer” is required.}

- 10 4.6 {The person designated as resident project manager in Appendix C shall serve in that capacity, as specified in Clause GC 4.6.}

Note: If there is no such manager, delete this Clause SC 4.6.

11. {5.1} Note: List here any changes or additions to Clause GC 5.1. If there are no such changes or additions, delete this Clause SC 5.1.

12. 6.1 (b) The ceiling in local currency is: [insert amount and currency]

13. 6.3 [Delete whichever is not applicable]

1. For lump-sum contracts payment will be made based on milestones indicated for each activity as below:

Activity 1:

S.No.	Milestone (Deliverables)	Time Period for submission	Payment (as % of the total service cost)
1			
2			
3			
4			
Total			

Activity 2 :

S.No.	Milestone (Deliverables)	Time Period for submission	Payment (as % of the total service cost)
1			
2			
3			
4			

Total			
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OR

2. For time based contracts remuneration will be paid on monthly basis.

14. 8.3 The Arbitration proceedings shall take place in (indicate name of the city) in India.

Binding signature of Employer Signed by _____
(for and on behalf of the President of India)

Binding signature of Contractor Signed by _____
(for and on behalf of _____ duly authorized vide Resolution
No _____ dated _____ of the Board of Directors of _____)

In the presence of
(Witnesses)

- 1.
- 2.

IV. Appendices

APPENDIX A - DESCRIPTION OF SERVICES

Note: This Appendix will include the final Terms of Reference worked out by the “Employer” and the Consultants during technical negotiations, dates for completion of various tasks, place of performance for different tasks/activities, specific tasks/activities/outcome to be reviewed, tested and approved by “Employer”, etc.

APPENDIX B - REPORTING REQUIREMENTS

Note: List format, frequency, and contents of reports; persons to receive them; dates of submission; etc. If no reports are to be submitted, state here “Not applicable.”

APPENDIX C - STAFFING SCHEDULE

(Include here the agreed (negotiated staffing schedule including the engagement of sub-contractors, if any)

APPENDIX D - Total COST OF SERVICES IN

(Include here the rates quoted in the financial proposal or the negotiated rates, whichever is applicable)

APPENDIX E - DUTIES OF THE “EMPLOYER”

(Include here the list of Services, facilities and property to be made available to the Consultant by the “Employer”).

7. Work Progress Review

The Consultancy monitoring committee will review the progress of work as per the timelines fixed for the work.

Note : - Technical Bid should be a part of the contract