

**DEPARTMENT OF HANDLOOMS AND TEXTILES,  
GOVERNMENT OF ANDHRA PRADESH, AMARAVATHI  
NOTIFICATION**

Address: 11-694, APCO Chenetha Samudhayam, Old GT  
Road, Beside Delight Dhaba, Mangalagiri, Guntur  
District. AP., 522 503, Contact No.08645-  
232466/262477

- a) Professional Auditing Agency for conduct of Audit to  
Primary Weavers Co-operative Societies in the State.
- b) The Prospective Bidders can download particulars in the  
Bid at [www.aphandtex.gov.in](http://www.aphandtex.gov.in). (From Downloads option in  
Menu Bar).

Important Dates:

Downloading of RPF: 07.12.2019 to 05.01.2020

Pre-Bidding Meeting: 23.12.2019

Opening of Bids: 06.01.2020 (3.00 PM onwards)

- c) For further details, please contact: K.KannaBabu,  
Deputy Director (H&T),  
Mob: 9441089683

E.mail Id: [tappal-hat@gov.in](mailto:tappal-hat@gov.in)

Sd/-  
Director of Handlooms & Textiles.

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# **BIDDING DOCUMENT**

Issued on: 07<sup>th</sup> December 2019

For

## **Selection of a Professional Agency for Conduct of Audit of Primary Weavers Cooperative Societies in Andhra Pradesh State**

**Authority: Director of Handlooms and Textiles.,  
Govt. of Andhra Pradesh**

*Vol I: Instructions to Bidders (ITB) and Bid Data Sheet  
(BDS)*

**SECTION I. INSTRUCTIONS TO BIDDERS (ITB)**

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# 1 Invitation to bidders

Date: 07.12.2019

**Sub: Selection of Professional Agency for Conduct of Audit of Primary Weavers Cooperative Societies.**

Dear Sir,

1 Director of Handlooms and Textiles., Govt. of Andhra Pradesh (The “*Employer*”, “*Authority*”, “*Client*”) is inviting suitable agencies for Selection of Professional Agency for conduct of Audit of Primary Weavers Cooperative Societies.

2 In this regard, the Employer Invites Proposals from eligible and interested bidders in response to this RFP

3 The RFP document comprises of:

|                   |                                                                              |
|-------------------|------------------------------------------------------------------------------|
| <b>Volume I</b>   | Instructions to Bidders (ITB)<br>Bid Data Sheet (BDS)                        |
| <b>Volume II</b>  | Terms of Reference                                                           |
| <b>Volume III</b> | General Conditions of Contract (GCC)<br>Special Conditions of Contract (SCC) |

4. The Request for Proposal (RFP) document can be downloaded from the website [www.aphandtex.gov.in](http://www.aphandtex.gov.in) from 07th December 2019 till 05<sup>th</sup> January 2020.

## 2 Instructions to Bidders

### A. GENERAL

|                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
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| <p><b>1. Scope of Bid and Bidding Process</b></p> | <p>1.1 The Employer named in the BDS invites bids for the project, as briefly described in the BDS and specified in greater detail in these Bidding Documents.</p> <p>1.2 The timelines for the project shall be as mentioned in the BDS</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <p><b>2. Fraud and Corruption</b></p>             | <p>2.1 It is the Employer’s policy to ensure bidders shall, observe the highest standard of ethical conduct during the execution of the scope of work<sup>1</sup>. In pursuance of this objective, the Employer:</p> <p>(A) defines, for the purposes of this provision, the terms set forth below as follows:</p> <ul style="list-style-type: none"> <li>(i) “corrupt practice” is the offering, giving, receiving or soliciting, either directly or indirectly, anything of value to improperly influence the actions of another party;</li> <li>(ii) “fraudulent practice” is any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation;</li> <li>(iii) “collusive practice” is an arrangement between two or more parties designed to achieve an improper purpose, including the attempt to improperly influence the actions of another party;</li> <li>(iv) “coercive practice”<sup>2</sup> is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to improperly influence the actions of a party;</li> <li>(v) “obstructive practice” is <ul style="list-style-type: none"> <li>(a) deliberately destroying, falsifying, altering or concealing of evidence material to the investigation or making false statements to investigators in order to materially impede the investigation into allegations of a corrupt, fraudulent, coercive or collusive practice; and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation;</li> </ul> </li> </ul> <p style="text-align: center;">Or</p> |

<sup>1</sup> In this context, any action taken by a bidder to influence the Bid process for undue advantage is improper.

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|                                                                          | <p>(b) Acts intended to materially impede the exercise of the Employer’s inspection and audit rights.</p> <p>(B)shall reject a proposal for award if it determines that the bidder recommended for award has, directly or through an agent, engaged in corrupt, fraudulent, collusive, coercive or obstructive practices in competing for the Agreement in question;</p> <p>(C)Shall have the right to inspect their accounts and records and other documents relating to the bid submission and performance of the project.</p>                                                                                                                                                                            |
| <p><b>3. Eligible Bidders</b></p>                                        | <p>3.1 Bidders shall provide such evidence of their eligibility satisfactorily to the Employer, as the Employer may reasonably request.</p> <p>3.2 All bidders shall have to comply with the eligibility criteria to be declared “Eligible”. The eligibility criteria has been elaborated in the BDS.</p> <p>3.3 The decision of the Employer shall be final with respect to the determination of the eligibility of the Bidders.</p> <p>3.4 By submission of documentary evidence in its bid, the Bidder must establish to the Employer’s satisfaction that it has the financial and technical capability necessary to perform the scope of work, meets the qualification criteria specified in ITB 3.</p> |
| <p><b>4. Conditions for bidding</b></p> <p><b>5. Cost of Bidding</b></p> | <p>4.1 The bids may be submitted as a sole bid only. Consortiums are not permitted</p> <p>5.1 The Bidder shall bear all costs associated with the preparation and submission of its bid including inspections to site etc., and the Employer will in no case be responsible or liable for those costs.</p> <p>5.2 The Bidder agrees that all bidding costs and expenses shall be non-refundable.</p>                                                                                                                                                                                                                                                                                                        |

## B. THE BIDDING DOCUMENTS

|                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
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| <p><b>6. Clarification of Bidding Documents and Pre-bid Meeting</b></p> | <p>6.1A prospective Bidder requiring any clarification on the Bidding Documents may notify the Employer in writing at the Employer's address through one of the means indicated in the BDS. Similarly, if a Bidder believes any provision in the Bid documents is unacceptable, such an issue shall be raised at the earliest instance at least 1 day prior to the date of pre-bid meeting. Copies of the Queries and Employer's response (without disclosing the source) will be sent to all prospective Bidders who have attended the pre-bid meeting.</p>                                                                                                                                                                                                                    |
|                                                                         | <p>6.2 As specified in the BDS, the Employer will schedule a pre-bid meeting at the time and place indicated in the BDS. The purpose of the meeting, will be to clarify issues and answer questions on any matter that may be raised by this stage, with particular attention to issues related to the Technical Requirements. Bidders may raise queries by email, which shall be mailed to the Employer not later than 1 day before the pre-bid meeting. Minutes of the meeting, including the queries raised and responses given, together with any responses prepared after the meeting, will be communicated to all the Bidders who have participated in the pre-bid meeting besides posting on the website. No queries in this regard shall be entertained thereafter.</p> |
| <p><b>7. Amendment of Bidding Documents</b></p>                         | <p>7.1 At any time prior to the deadline for submission of bids, the Employer may, for any reason, whether on its own or in response to a clarification to a prospective Bidder, amend the Bidding Documents. The amendments so made, shall supersede the earlier clauses. The amendments or addenda will be posted on the website.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|                                                                         | <p>7.2 Amendments will be provided in the form of Addenda to the Bidding Documents, which will be posted on the official website of the Employer as specified in the BDS. Addenda shall be binding on the Bidders. Bidders are required to check the website for any addenda and it is deemed that the Addenda have been considered by the Bidder in its Bid.</p>                                                                                                                                                                                                                                                                                                                                                                                                               |
|                                                                         | <p>7.3 In order to afford reasonable time to the prospective Bidders for considering the Addenda in preparing their bids, the Employer may, at its discretion, extend the deadline for the submission of bids, in which case, the Employer will notify all Bidders by publishing it in the official website.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                |

## C. PREPARATION OF BIDS

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| <p><b>8. Language of Bid</b></p> | <p>8.1 The bid prepared by the Bidder and all correspondence and documents related to the bid exchanged by the Bidder and the Employer shall be written in the <b>language specified in the BDS.</b></p> |
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| <p><b>9. Documents Comprising the Bid</b></p> | <p>9.1 Each bid submitted by the Bidder shall comprise of:</p> <p style="padding-left: 40px;">Envelope I: Pre-Qualifications proposal</p> <p style="padding-left: 40px;">Envelope II: Technical Proposal</p> <p style="padding-left: 40px;">Envelope III: Financial proposal</p> <p>9.2 The bid process is a single stage process where all the successful Bidders will be determined by the Employer by considering envelopes-I, II &amp; III together as mentioned earlier</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <p><b>10. Bid Currencies</b></p>              | <p>10.1 Prices shall be quoted in Indian Rupees only.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <p><b>11. Bid Fee</b></p>                     | <p>11.1. All bids shall be accompanied by the bid fee, to be paid in a manner as specified in the BDS.</p> <p>11.2 Any bid submitted without the bid fee shall be summarily rejected.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <p><b>12. Bid Security</b></p>                | <p>12.1 The BDS specifies the amount and mode of submission of bid security to be submitted by the bidder for each project. The bidder shall submit the bid security for each project separately.</p> <p>12.2 Any bid not accompanied by the Bid Security shall be rejected by the Employer as non-responsive.</p> <p>12.3 The bid security of all bidders shall be retained by the Employer and shall be released within 15 days after signing of agreement with the successful Bidder.</p> <p>12.4 The Employer shall be entitled to appropriate the Bid Security and encash the bank guarantee towards compensation / damages on occurrence of any of the events specified in this RFP including:</p> <ul style="list-style-type: none"> <li>• If a Bidder engages in a Corrupt Practice, or Fraudulent Practice, or Coercive Practice, or Undesirable Practice or Restrictive Practice</li> <li>• If a Bidder modifies or withdraws its Bid after opening;</li> <li>• If a Bidder withdraws its Bid during the interval between the Bid Due Date and expiration of Bid Validity period including extensions made by the by the Employer;</li> <li>• If any information or document furnished by the Bidder is found by the Employer to be misrepresenting, misleading, incorrect or untrue in any material respect.</li> </ul> <p>In case the Successful Bidder, fails within the specified time limit -</p> <ul style="list-style-type: none"> <li>• to acknowledge the Letter of Intent;</li> <li>• to sign the Agreement and/or;</li> </ul> |

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|                                       | <ul style="list-style-type: none"> <li>To furnish the Performance Security as per the provisions of this RFP.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>13. Period of Validity of Bids</b> | <p>13.1 Bids shall remain valid, for a minimum period as specified in the BDS after the expiry of deadline date for bid submission prescribed by the Employer, pursuant to ITB Clause 21.1.</p> <p>13.2 In exceptional circumstances, prior to expiry of the bid validity period, the Employer may request that the Bidders to extend the period of validity for a specified additional period. The Bidders shall do so, else their bids will become null and liable for rejection. The EMDs of such Bidders will be appropriated.</p>                                                                                                                                                                                              |
| <b>14. Format and Signing of Bid</b>  | <p>14.1 The Bidder shall prepare and submit an original bid</p> <p>14.2 The original bid, consisting of the documents listed in ITB Clause 9.1, shall be typed in indelible ink and shall be signed by a person or persons duly authorized to sign on behalf of the Bidder. The name and position held by each person signing the authorization must be typed or printed below the signature. All pages of the bid (RFP and all enclosures) shall be attested by the person or persons signing the bid.</p> <p>14.3 The bid shall contain no interlineations, erasures, or overwriting, except to correct errors made by the Bidder, in which case such corrections shall be attested by the person or persons signing the bid.</p> |

## D. SUBMISSION OF BIDS

|                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
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| <b>15. Sealing and Marking of Bids</b> | <p>15.1 The Bidder shall seal the bids. The envelopes shall then be sealed in an outer envelope.</p> <p>15.2 The inner and outer envelopes shall:</p> <ul style="list-style-type: none"> <li>(a) be addressed to the Employer at the address given in the BDS, and</li> <li>(b) bear the Project name indicated in ITB 1.1 and the bid number as indicated in ITB 1.1</li> </ul> <p>15.3 The Outer envelopes shall also indicate the name and address of the Bidder so that the bid can be returned unopened in case it is declared "late."</p> <p>15.4 If the outer envelope is not sealed, marked and submitted as required under this RFP, the Employer will assume no responsibility for the bid's misplacement or premature opening.</p> |
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| <b>16. Deadline for Submission of Bids</b> | <p>16.1 Bids must be received by the Employer at the address specified in the BDS for ITB Clause 15.2 no later than the time and date <b>stated in the BDS.</b></p> <p>16.2 The Employer may, at its discretion, extend this deadline for submission of bids by amending the Bidding Documents, in which case all rights and obligations of the Employer and Bidders will thereafter be subject to the deadline as extended.</p> |
| <b>17. Late Bids</b>                       | <p>17.1 Any bid received by the Employer after the bid submission deadline prescribed by the Employer in the BDS for ITB Clause 16.1, will be rejected and returned unopened to the Bidder.</p>                                                                                                                                                                                                                                  |

## **E. BID OPENING AND EVALUATION**

|                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
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| <b>18. Opening of Bids by Employer</b>     | <p>18.1 The Employer will open all bids, at the time, on the date and at the place specified in ITB 15.2 or as specified by the Employer at a later date. Bidders' representatives may attend the same at their discretion.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>19. Clarification of Bids</b>           | <p>19.1 During the bid evaluation, the Employer may, at its discretion, ask the Bidder for a clarification of its bid. The request for clarification and the response shall be in writing, and no change in the price or substance of the bid shall be sought, offered, or permitted.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>20. Preliminary Examination of Bids</b> | <p>20.1 The Employer will examine the bids to determine whether they are complete, whether any computational errors have been made, whether required sureties have been furnished, whether the documents have been properly signed, and whether the bids are generally in order as specified in the RFP.</p> <p>20.2 The Employer may waive any minor informality, nonconformity, or irregularity in a bid that does not constitute a material deviation, provided such waiver does not prejudice or affect the relative ranking of any Bidder.</p> <p>20.3 Prior to the detailed evaluation, the Employer will determine whether each bid is of acceptable quality, is complete, and is substantially responsive to the Bidding Documents. For purposes of this determination, a substantially responsive bid is one that conforms to all the terms, conditions, and specifications of the Bidding Documents without any material deviations or exceptions or Conditions. The Bid shall be un-conditional.</p> <p>20.4 If a bid is not substantially responsive, it will be rejected by the Employer and may not subsequently be made responsive by the Bidder by correction of the nonconformity. The Employer's determination of bid responsiveness will be based on the contents of the bid itself.</p> |

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| <p><b>21. Scrutiny of Envelope I &amp; II submissions</b></p>  | <p>20.4 The Employer’s decision on the determination of responsiveness of a bid is final and binding on all the bidders.</p> <p>21.1 The Employer will evaluate and compare the bids that have been submitted. The bids will be evaluated to check availability of all documents required and compliance of the bidder to various eligibility requirements specified in the ITB 3.2</p> <p>21.2 Further, as part of the evaluation process, the Employer may also request the Bidder to submit clarifications.</p> <p>21.3 The Employer reserves the right to reject any Bid without opening Envelope III Submissions i.e., Financial Proposal (Price Bid) if in its opinion, Envelope I &amp; II submissions are not sufficiently responsive. (However, for minor deviations, the information can be reviewed and evaluated by Employer without communication with the Bidder)</p> <p>21.4 The Bidders, whose Bids are found to be eligible after the evaluation process shall be termed as “Qualified Bidders”, (the “Qualified Bidders”). Envelope III i.e. Financial Proposals of Qualified Bidders shall only be opened and evaluated in the manner as given in ITB 22</p> |
| <p><b>22. Envelope III: Ranking of financial proposals</b></p> | <p>22.1 In this phase of selection, the Employer will open the Financial Proposals of the Bidders who have cleared the qualification process.</p> <p>22.2 The Financial Proposals shall be opened on the date specified by the Employer. The Financial Proposals would be opened in the presence of the representatives of all concerned Bidders, who choose to attend.</p> <p>22.3 The Bidders are required to quote the Total Cost for undertaking the scope of work defined in the RFP. The amount quoted by the bidder shall include all applicable taxes and Service Tax. All taxes shall be payable by the successful bidder.</p> <p>28.4 The bidders will be ranked as L1, L2, L3 etc. based on their financial quotes. The Bidder with lowest quote will be ranked L1.</p>                                                                                                                                                                                                                                                                                                                                                                                              |
| <p><b>23. Selecting the Successful Bidder</b></p>              | <p>23.1 The selection of the successful bidder shall be based on the criterion mentioned in the BDS.</p> <p>23.2 <b>L1 (Lowest Cost) based selection:</b> If the selection is based only on the cost criterion, the bidder ranked as L1 shall be declared as successful bidder. In case more than one bidder is ranked as L1, the bidders ranked L1 shall submit revised financial quote in sealed covers. The sealed covers shall be opened and a new L1 shall be declared as the successful bidder. If again, there is a tie between bidders for L1, the selection of successful bidder shall be done based through lottery.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |

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|                                           | <p><b>23.3 QCBS selection:</b> If the selection is based on QCBS criteria, the scoring of bidders shall be done based on the criteria mentioned in the BDS. If specified in BDS, a minimum threshold of marks may be established. Financial proposals of bidders scoring equal or above the threshold shall be only be opened.</p> <p>a) The financial proposal that has the lowest quote (L1) among all the financial proposals opened shall be given one hundred (100) marks. The remaining price quotes (L2, L3, L4, etc.) will be marked in reference to L1. For Example, if L1's quote is Rs. 'X' lakhs and L2 quote is 'Y' lakhs, then L1 = 100 marks and L2 = X/Y*100 marks).</p> <p>b) This is the final stage of proposal evaluation. As per the predefined QCBS evaluation criteria in BDS, weightage will be given to technical score and to the financial score. Accordingly, weighted technical and financial scores will be combined/ summed up to arrive at the final marking. All scores and sub-scores shall calculate up to two decimal positions only. The bidder scoring highest combined score shall be declared as Successful Bidder.</p> <p>c) In case of a tie between bidders, the bidder scoring higher technical marks amongst the tied bidders shall be declared as Successful Bidder.</p> <p><b>23.4 QBS Selection</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> All bidders responding to the RFP shall be invited for a technical presentation on the approach and methodology of the scope of work. The date for this presentation shall be announced at a later date.</li> <li><input type="checkbox"/> The bid committee of the Authority shall evaluate and score the technical presentations of the bidders based on the following criteria: <ul style="list-style-type: none"> <li>(a) Understanding of the scope of work;</li> <li>(b) Approach and methodology proposed to conduct the event;</li> <li>(c) Creative and unique activities proposed.</li> </ul> <p>The overall score would be on a scale of 100.</p> </li> <li><input type="checkbox"/> The bidder who scores maximum marks in the technical presentation shall be selected.</li> </ul> |
| <p><b>24. Contacting the Employer</b></p> | <p>24.1 From the opening of bids to the execution of Agreement, if any Bidder intends to communicate to the Employer on any aspect related to the bid, it should do so in writing.</p> <p>24.2 If a Bidder tries to directly, or indirectly influence the Employer or otherwise interfere in the bid evaluation process and the project award decision, its bid is liable for rejection duly forfeiting all the Deposits held at that time.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |

## F. POST QUALIFICATION AND EXECUTION OF CONTRACT

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|------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>25. Employer's Right to Accept Any Bid and to Reject Any or All Bids</b></p> | <p>25.1 The Employer reserves the right to accept or reject any bid or to annul the bidding process and reject all bids at any time prior to the execution of Contract, without assigning any reasons whatsoever thereof.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <p><b>26. Issuance of Letter of Intent (LoI)</b></p>                               | <p>26.1 Prior to the expiration of the period of bid validity, the Employer shall notify the successful Bidder, in writing, that its bid has been accepted.</p> <p>26.2 The Employer shall notify the Successful Bidder through a Letter of Intent (the "LoI") that its Bid has been accepted.</p> <p>26.3 In case the successful bidder fails to comply with the conditions for signing of the agreement within the time specified in the LoI or as extended by the Employer, the Employer may revoke the LoI, forfeiting its deposits and award the project to the next most responsive bidder.</p>                                                                                                |
| <p><b>27. Performance Security</b></p>                                             | <p>27.1 The Successful Bidder shall be required to submit Performance Security (the "Performance Security") by way of a revolving, unconditional and irrevocable bank guarantee, as per the details provided in the BDS(ITB 24.1). The Performance Security is for due and punctual performance of the obligations of the Successful Bidder under the Agreement.</p> <p>27.2 The Performance Security in the form of a bank guarantee should be submitted to the Employer by the Successful Bidder as per timeline specified in the LoI or as specified by the Employer</p> <p>33.3 The Performance Security shall be en-cashed for defaults of the selected bidder as defined in the Agreement.</p> |

## **SECTION II. BID DATA SHEET (BDS)**

## Bid Data Sheet (BDS)

The following specific information relating to the project and the procurement procedures that will be used shall complement, supplement, or amend the provisions in the Instructions to Bidders (ITB). Wherever there is a conflict, the provisions in the Bid Data Sheet (BDS) shall prevail over those in the ITB.

### A. GENERAL

|         |                                                                                                                                                                                   |                                                                                                                                                      |
|---------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|
| ITB1.1  | <b>Name of “Employer”:</b> Director of Handlooms and Textiles., Govt. of Andhra Pradesh                                                                                           |                                                                                                                                                      |
| ITB 1.2 | <b>Title of RFP:</b> Selection of Professional Agency for Conduct of Audit for Primary Weavers Cooperative Societies.                                                             |                                                                                                                                                      |
| ITB 1.3 | <b>Bid Validity: 90 days</b>                                                                                                                                                      |                                                                                                                                                      |
| ITB 3.2 | <b>3.2.1 General Eligibility Criteria</b>                                                                                                                                         |                                                                                                                                                      |
|         | <b>#</b>                                                                                                                                                                          | <b>Criteria</b>                                                                                                                                      |
|         | a)                                                                                                                                                                                | The bidder should be a company/ partnership/ HUF established under the companies act                                                                 |
|         | b)                                                                                                                                                                                | The bidder should have not been blacklisted by any Central or State Government in India                                                              |
|         | c)                                                                                                                                                                                | The bidder should submit an undertaking that the scope of work shall not be sub-contracted without prior written consent from Employer               |
|         |                                                                                                                                                                                   | <b>Documentary proof</b>                                                                                                                             |
|         |                                                                                                                                                                                   | Registration Certificate                                                                                                                             |
|         |                                                                                                                                                                                   | Self-Declaration by Bidder                                                                                                                           |
|         |                                                                                                                                                                                   | Self-Declaration by Bidder                                                                                                                           |
|         | <b>3.2.2 Financial Eligibility Criteria</b>                                                                                                                                       |                                                                                                                                                      |
|         | <b>#</b>                                                                                                                                                                          | <b>Criteria</b>                                                                                                                                      |
|         | a)                                                                                                                                                                                | Average Professional Fee from provision of Auditing services last 3 years (2016-17, 2017-18, 2018-19): Annual turnover of Rs.100lakhs.               |
|         |                                                                                                                                                                                   | <b>Documentary proof</b>                                                                                                                             |
|         |                                                                                                                                                                                   | Financials as per Format V AND CA/ Auditor Certificate                                                                                               |
|         | <b>3.2.3 Technical Eligibility Criteria</b>                                                                                                                                       |                                                                                                                                                      |
|         | <b>#</b>                                                                                                                                                                          | <b>Criteria</b>                                                                                                                                      |
|         | a)                                                                                                                                                                                | The bidder must have prior Technical expertise in provision of Auditing services as per Appendix VII                                                 |
|         |                                                                                                                                                                                   | <b>Documentary proof</b>                                                                                                                             |
|         |                                                                                                                                                                                   | Self-declaration by bidder and Project details as per Appendix IV and personnel Details asper Appendix VIII with work order & completion certificate |
| ITB 4.1 | Consortium is not permitted                                                                                                                                                       |                                                                                                                                                      |
| ITB 4.2 | General Criteria: Assessed for each bidder individually<br>Financial Criteria: Assessed for each bidder individually<br>Technical Criteria: Assessed for each bidder individually |                                                                                                                                                      |



## B. THE BIDDING DOCUMENTS

|              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|--------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ITB 6.1      | Any clarifications or queries of the bidders shall be sent to the following email ID: <a href="mailto:tappal-hat@ap.gov.in">tappal-hat@ap.gov.in</a>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| ITB 6.2      | Date of Pre-Bid meeting: 23 <sup>rd</sup> December 2019.<br>Address for Pre-Bid meeting: Director of Handlooms and Textiles, 11-694, Apco Thota, Old G.T.Road, Beside Delight Dhaba, Mangalagiri-522503.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| ITB 7.2      | Website address is: <a href="http://www.aphandtex.gov.in/">http://www.aphandtex.gov.in/</a>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Envelope I   | Pre-qualification documents:<br><ol style="list-style-type: none"> <li>1. Bid fee in the form of DD</li> <li>2. Bid Security in the form of DD/BG</li> <li>3. The bidder should be a company/ partnership/ HUF established under the companies act- Registration Certificate to prove the same should be submitted</li> <li>2. The bidder should have not been blacklisted by any Central or State Government in India- Self-Declaration by Bidder</li> <li>5. The bidder should submit an undertaking that the scope of work shall not be sub-contracted without prior written consent from Employer - Self-Declaration by Bidder</li> <li>6. Average Professional Fee from provision of Auditing services last 3 years (2016-17, 2017-18, 2018-19): Annual turnover of Rs. 100lakh – Certificate from CA and financial statements</li> <li>7. The bidder must have prior technical expertise in provision of Auditing services- Self-declaration by bidder AND Project Details (as per Appendix V) with work certificate</li> <li>8. Appendix I, II and III</li> </ol> |
| Envelope II  | Technical Bid Documents<br><ol style="list-style-type: none"> <li>1. Appendix IV duly filled</li> <li>2. CVs of the proposed team in the format specified in Appendix VIII along with copies of educational qualifications</li> </ol>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Envelope III | Financial Bid Documents<br><ol style="list-style-type: none"> <li>1. Appendix VI</li> </ol>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |

## C. PREPARATION OF BIDS

|          |                                                                                                                                                                                  |
|----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ITB 8.1  | Language of bid should be: English                                                                                                                                               |
| ITB 11.1 | Bid fee: INR <b>10,000</b><br>Acceptable mode(s): Demand Draft from a scheduled commercial bank Payable to: Director of Handlooms and Textiles, A.P.,<br>Payable at: Mangalagiri |
|          |                                                                                                                                                                                  |

ITB 12.1 Bid security amount: **50,000**  
 Acceptable mode(s): Bank Guarantee/ Demand Draft from a scheduled commercial bank

Payable to: Director of Handlooms and Textiles, A.P.,

Payable at: Mangalagiri

ITB 13.1 Bid shall be valid for 90 days from the date of submission of bids

## D. SUBMISSION OF BIDS

|          |                                                                                                                                                                                                                                                                                       |
|----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ITB 15.2 | Bids should be submitted by hand/ post only at the following address:<br><br>Director of Handlooms and Textiles, 11-694, Apco Thota, Old G.T.Road, Beside Delight Dhaba, Mangalagiri-522503.<br>Submissions on email/ fax or any such means not specified above shall not be accepted |
|----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

ITB 16.1 Deadline for submission of bids is: 05<sup>th</sup> January 2020

## E. BID OPENING AND EVALUATION

|          |                                                                                                                  |
|----------|------------------------------------------------------------------------------------------------------------------|
| ITB 23.1 | Successful Bidder shall be determined using the following criteria: <b>Least Cost</b>                            |
| ITB 23.2 | Scoring will be done based on the criteria mentioned in Appendix IX                                              |
| ITB 23.3 | Minimum marks required by the bidders to be eligible for opening of Financial Proposals: <b>60</b>               |
| ITB 23.4 | Upon meeting the pre-eligibility criteria, the winning bid shall be decided based On the least cost method or L1 |

## F. POST QUALIFICATION AND EXECUTION OF CONTRACT

|          |                                                                                                                                                                                               |
|----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|          | Performance security amount: 1,25,000/-<br><br>Acceptable mode(s): Bank Guarantee/ Demand Draft from a scheduled commercial bank<br><br>Payable to: Director of Handlooms and Textiles, A.P., |
| ITB 24.1 | Payable at: Mangalagiri.                                                                                                                                                                      |

### **SECTION III. APPENDICES AND SAMPLE FORMATS**

Table of contents for the appendix:

| Number | Contents                                      |
|--------|-----------------------------------------------|
| I      | Format for covering letter                    |
| II     | General information                           |
| III    | Format of Power of Attorney for Bid Signatory |
| IV     | Format for Technical Experience               |
| V      | Format for Financial Eligibility              |
| VI     | Format for Financial proposal                 |
| VII    | Format for Technical Evaluation               |
| VIII   | Format for resume/CV of team members          |
| IX     | Format for Bank Guarantee                     |

## APPENDIX I - FORMAT FOR COVERING LETTER

*(On the letterhead of the sole/ lead Bidder)*

Date:

To  
The Director,  
Handlooms and Textiles, Mangalagiri,  
A.P., Amaravathi.

Dear Sir/ Madam:

**Sub: Selection of a Professional Agency for Conduct of Audit of Primary Weavers  
Cooperative Societies in Andhra Pradesh State**

Being duly authorized to represent and act on behalf of.....  
(hereinafter referred to as “the Bidder”), and having reviewed and fully understood all the proposal requirements and information collected and provided to us, the undersigned hereby submits the Proposal on behalf of *(Name of the Bidder)* in response to the RFP for the abovementioned project with the details as per the requirements of the RFP, for your evaluation.

We confirm that our proposal is valid for a period of 90 days from *(insert the Bid Due Date)*.

We understand that any omission, commission, miss-statement in factual statements made by us will make our Bid invalid at any time during the Bidding Process and also after award of the project. The Employer reserves the right to take appropriate action accordingly. We understand that the Employer reserves the right to accept or reject any or all the Bids and reserves the right to withhold and/or cancel the Bidding Process.

*We also hereby agree and undertake as under:*

Notwithstanding any qualifications or conditions, whether implied or otherwise, contained in our Proposal we hereby represent and confirm that our Bid is unqualified and unconditional in all respects and we agree to the terms of the Service Agreement.

Yours faithfully,

For and on behalf of

*Name of Bidder*

*Duly signed by the Authorized Signatory of the Bidder*

*(Name, Title and Address of the Authorized Signatory)*

## APPENDIX II – GENERAL INFORMATION

*(To be provided by sole bidder)*

1. Bidder details
  - a. Name of the Bidder
  - b. Bidder's Constitution (Proprietorship / Partnership / Private Limited / Public Limited)
  - c. Country of incorporation
  - d. Address of corporate headquarters and its branch office(s), if any, in India
  - e. Date of incorporation and/or commencement of business
2. Details of individual (s) who will serve as the point of contact / communication within the Company:
  - a. Name:
  - b. Designation:
  - c. Company:
  - d. Address:
  - e. Telephone Number:
  - f. E-Mail Address:
  - g. Fax Number:
3. Name, Designation, Address and Phone Numbers of Authorized Signatory of the Bidder:
  - a. Name:
  - b. Designation:
  - c. Company:
  - d. Address:
  - e. Telephone Number:
  - f. E-Mail Address:
  - g. Fax Number:

.....  
Signature of the Authorized Person

(Name, Designation and Address)

## Appendix III – Format of Power of Attorney for Bid Signatory

*(On Stamp Paper of relevant value and duly attested by notary public, to be submitted by sole bidder)*

### POWER OF ATTORNEY

Know all men by these presents, we \_\_\_\_\_ (name and address of the registered office) do hereby constitute, appoint and authorize Mr./Ms. \_\_\_\_\_ (name and address of residence) who is presently employed with us and holding the position of \_\_\_\_\_ as our attorney, to do in our name and on our behalf, all such acts, deeds and things necessary in connection with or incidental to our Bid for \_\_\_\_\_ at \_\_\_\_\_ including signing and submission of all documents and providing information/ responses to the Director of Handlooms and Textiles and generally dealing with in all matters in connection with the said bid. We hereby agree to ratify all such acts, deeds and things lawfully done by our said attorney pursuant to this Power of Attorney and that all such acts, deeds and things lawfully done by our aforesaid attorney shall and shall always be deemed to have been done by us.

Executant's Signature

(Name, Title and Address)

I Accept

Attorney Signature

(Name, Title and Address of the Attorney)

Attested

Executant

Notes:

1. The mode of execution of the Power of Attorney should be in accordance with the procedure, if any, laid down by the applicable law and the charter documents of the executant(s) and when it is so required the same should be under common seal affixed in accordance with the required procedure.
2. Also, where required, the executants(s) should submit for verification the extract of the charter documents and documents such as a resolution / power of attorney in favour of the Person executing this Power of Attorney for the delegation of power hereunder on behalf of the Bidder.
3. In case the Proposal is signed by an authorized representative of the Bidder, a certified copy of the appropriate resolution / document conveying such Employer may be enclosed in lieu of the Power of Attorney.

## Appendix IV: Format for Technical Experience

*(Separate table to be provided for each project)*

|                                                                                                   |  |
|---------------------------------------------------------------------------------------------------|--|
| <b>Name of the Assignment</b>                                                                     |  |
| Name of the Client (with contact person and details)                                              |  |
| Location of the Project and the country                                                           |  |
| Start date and End Date                                                                           |  |
| Name of the associated consultants/ Contractor, if any                                            |  |
| Number of staff and the duration of the project in man months                                     |  |
| Approximate value of services (Total Contract Value and Value of services provided by the agency) |  |
| Names of the senior staff involved and function performed                                         |  |
| Summary of the Project                                                                            |  |
| Summary scope of work performed                                                                   |  |
| Contact Person                                                                                    |  |
| Designation                                                                                       |  |
| Phone No                                                                                          |  |



## Appendix V - Format for Financial Eligibility

*(To be provided on letter head by sole bidder)*

|                                                                                                                  |                                                       |
|------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------|
| Bidder name:                                                                                                     |                                                       |
| Average Professional Fee from provision of Auditing services during the last 3 years (2016-17, 2017-18, 2018-19) | FY 2016-17: INR<br>FY 2017-18: INR<br>FY 2018-19: INR |

**Along with this Appendix, the Bidder should provide an Auditors/ CA Certificate for the Professional Fees quoted above**

## Appendix VI – Format for Financial Proposal

(To be submitted on letter head of sole/ lead bidder)

Date:

To  
 Director of Handlooms and Textiles,  
 Mangalagiri,  
 A.P., Amaravathi.  
 Dear Sir/ Madam

**Sub: Selection of a Professional Agency for Conduct of Audit of Primary Weavers  
 Cooperative Societies in Andhra Pradesh State.**

- i. I/ we agree to undertake the scope work for providing participation support in \_\_\_\_\_ on the stipulated terms and conditions and other therein. I / we hereby submit our unconditional financial proposal.
- ii. The financial proposal is as follows:

| Sr. No. | Project Detail                                                                                                                   | Bid                                        |
|---------|----------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|
| 1       | <b>Selection of a Professional Agency for Conduct of Audit of Primary Weavers Cooperative Societies in Andhra Pradesh State.</b> | _____ and<br>(In Fig.)<br>_____<br>(Words) |

- iii. We abide by the above quote, terms and conditions of the RFP, if employer selects us as the Agency for this project.
- iv. We also understand that, in case any difference between the quoted amount in words and figures, the quote in words will be taken as final.
- v. We agree that this offer shall remain valid for a period of \_\_\_\_\_ days from the Proposal Due Date or such further period as may be mutually agreed upon.
- vi. The amount is inclusive of all taxes.
- vii. The bid amount shall be inclusive of any electronic devices, computers used to collect and collate the devices.

For and on behalf of:

Signature:  
 (Authorized Representative and Signatory of the Bidding  
 Company) Name of the Person:  
 Designation:

SEAL OF THE BIDDING ENTITY

## Appendix VII: Technical Evaluation Criteria:

| # | Parameter         | Evaluation Criteria - Weightage                                                                                                                                                                                                                             | Documents to be submitted                                                                                      |
|---|-------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|
| 1 | Bidder Experience | <p style="text-align: center;"><b>Maximum marks – 50</b></p> <ul style="list-style-type: none"> <li>• Undertaken Audit for Government or private clients worth minimum Rs 20 Lakhs. – 10 marks per project. Up to a maximum of 50 marks</li> </ul>          | Self-declaration by bidder and project details (as per appendix V) with work order and completion certificate. |
| 2 | Bidder Team       | <p style="text-align: center;"><b>Maximum marks – 50</b></p> <ul style="list-style-type: none"> <li>• Audit &amp; Administration Expert– 1 Mark per expert – Maximum 20 Marks</li> <li>• Support Staff – 0.5 Marks per person – Maximum 30 Marks</li> </ul> | Detailed CVs of each team member as per the format specified.                                                  |

## Appendix VIII: Format for Resume/ CV of team members

*(To be submitted on letter head by sole/ lead bidder)*

1. Proposed Position:
2. Name of Firm:
3. Name of Staff [Insert full name]:
4. Date of Birth:
5. Nationality:
6. Education [Indicate college/university and other relevant specialized education of staff member, giving names of institutions, degrees obtained, and dates of obtainment]:
7. Languages [For each language indicate proficiency: good, fair, or poor in speaking, reading, and writing]:
8. Employment Record [Starting with present position, list in reverse order every employment held by staff member since graduation, giving for each employment (see format here below): dates of employment, name of employing organization, positions held, Project handled.]:
  - a. From [Year]: To [Year]:
  - b. Employer:
  - c. Positions held:

| Detailed Tasks Assigned                                       | Works Undertaken that Best Illustrates Capability to Handle the Tasks Assigned                                                                                                                                                                            |
|---------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>[List all tasks to be performed under this assignment]</b> | [Among the assignments in which the staff has been involved, indicate the following information for those assignments that best illustrate staff capability to handle the project]<br>Name of assignment or project:<br>Year:<br>Location:<br>Department: |

12. Staff is resident / native of:

13. Certification:

I, the undersigned, certify that to the best of my knowledge and belief, this CV correctly describes me, my qualifications, and my experience. I understand that any wilful misstatement described herein may lead to my disqualification or dismissal, if engaged. I am willing to work on the Project and I will be available for entire duration of the Project assignment as required.

Date:

Sign:

## Appendix IX Bank Guarantee Format

(To be submitted by: Sole bidder)

B.G. No. Dated:

In consideration of you, Office of the Director of Handlooms and Textiles, 11-694, Mangalagiri, A.P., Amaravathi (herein after referred to as the "Authority", which expression shall unless it be repugnant to the subject or context thereof include its, successors and assigns) having agreed to receive the Bid of \_\_\_\_\_ (a company registered under the Companies Act, 1956) and having its registered office at \_\_\_\_\_ (herein after referred to as the "Bidder" which expression shall unless it be repugnant to the subject or context thereof include its/their executors, administrators, successors and assigns), for project at (*insert the Project name*) (herein after referred to as "the Project") pursuant to the RFP Document dated \_\_\_\_\_ issued in respect of the Project and other related documents including without limitation the draft Service agreement (herein after collectively referred to as "Bidding Documents"), we \_\_\_\_\_ (Name of the Bank) having our registered office at \_\_\_\_\_ and one of its branches at \_\_\_\_\_ (hereinafter referred to as the "Bank"), at the request of the Bidder, do hereby in terms of Clauses of the RFP Document, irrevocably, unconditionally and without reservation guarantee the due and faithful fulfilment and compliance of the terms and conditions of the Bidding Documents (including the RFP Document) by the said Bidder and unconditionally and irrevocably undertake to pay forthwith to the Authority an amount of INR (herein after referred to as the "Guarantee") as our primary obligation without any demur, reservation, recourse, contest or protest and without reference to the Bidder if the Bidder shall fail to fulfil or comply with all or any of the terms and conditions contained in the said Bidding Documents.

1. Any such written demand made by the Authority stating that the Bidder is in default of the due and faithful fulfilment and compliance with the terms and conditions contained in the Bidding Documents shall be final, conclusive and binding on the Bank.
2. We, the Bank, do hereby unconditionally undertake to pay the amounts due and payable under this Guarantee without any demur, reservation, recourse, contest or protest and without any reference to the Bidder or any other person and irrespective of whether the claim of the Authority is disputed by the Bidder or not, merely on the first demand from the Authority stating that the amount claimed is due to the Authority by reason of failure of the Bidder to fulfil and comply with the terms and conditions contained in the Bidding Documents including failure of the said Bidder to keep its Bid open during the Bid validity period as set forth in the said Bidding

Documents for any reason whatsoever. Any such demand made on the Bank shall be conclusive as regards amount due and payable by the Bank under this Guarantee. However, our liability under this Guarantee shall be restricted to an amount not exceeding INR\_\_\_\_\_ (Rupees \_\_\_\_\_only).

3. This Guarantee shall be irrevocable and remain in full force for a period of 365 (three hundred and sixty five) days from the Bid Due Date or for such extended period as may be mutually agreed between the Authority and the Bidder, and agreed to by the Bank, and shall continue to be enforceable till all amounts under this Guarantee have been paid.
4. We, the Bank, further agree that the Authority shall be the sole judge to decide as to whether the Bidder is in default of due and faithful fulfilment and compliance with the terms and conditions contained in the Bidding Documents including, inter alia, the failure of the Bidder to keep its Bid open during the Bid validity period set forth in the said Bidding Documents, and the decision of the Authority that the Bidder is in default as aforesaid shall be final and binding on us, notwithstanding any differences between the Authority and the Bidder or any dispute pending before any Court, Tribunal, Arbitrator or any other Authority.
5. The Guarantee shall not be affected by any change in the constitution or winding up of the Bidder or the Bank or any absorption, merger or amalgamation of the Bidder or the Bank with any other person.
6. In order to give full effect to this Guarantee, the Authority shall be entitled to treat the Bank as the principal debtor. The Authority shall have the fullest liberty without affecting in any way the liability of the Bank under this Guarantee from time to time to vary any of the terms and conditions contained in the said Bidding Documents or to extend time for submission of the Bids or the Bid validity period or the period for conveying acceptance of Letter of Award by the Bidder or the period for fulfilment and compliance with all or any of the terms and conditions contained in the said Bidding Documents by the said Bidder or to postpone for any time and from time to time any of the powers exercisable by it against the said Bidder and either to enforce or forbear from enforcing any of the terms and conditions contained in the said Bidding Documents or the securities available to the Authority, and the Bank shall not be released from its liability under these presents by any exercise by the Authority of the liberty with reference to the matters aforesaid or by reason of time being given to the said Bidder or any other forbearance, act or omission on the part of the Authority or any indulgence by the Authority to the said Bidder or by any change in the constitution of the Authority or its absorption, merger or amalgamation with any other person or any other matter or thing whatsoever which under the law relating to sureties would but for this provision have the effect of releasing the Bank from its such liability.

7. Any notice by way of request, demand or otherwise hereunder shall be sufficiently given or made if addressed to the Bank and sent by courier or by registered mail to the Bank at the address set forth herein.
8. We undertake to make the payment on receipt of your notice of claim on us addressed to \_\_\_\_\_ [name of Bank along with branch address] and delivered at our above branch which shall be deemed to have been duly authorised to receive the said notice of claim.
9. It shall not be necessary for the Authority to proceed against the said Bidder
10. Before proceeding against the Bank and the guarantee herein contained shall be enforceable against the Bank, notwithstanding any other security which the Authority may have obtained from the said Bidder or any other person and which shall, at the time when proceedings are taken against the Bank here under, be outstanding or unrealized.
11. We, the Bank, further undertake not to revoke this Guarantee during its currency except with the previous express consent of the Authority in writing.
12. The Bank declares that it has power to issue this Guarantee and discharge the obligations contemplated herein, the undersigned is duly authorized and has full power to execute this Guarantee for and on behalf of the Bank.
13. For avoidance of doubt, the Bank's liability under this Guarantee shall be restricted to INR (Rupees only).The Bank shall be liable to pay the said amount or any part thereof only if the Authority serves a written claim on the Bank on or before \_\_\_\_\_ (indicate date falling 365 days after the Bid Due Date)].

Signed and Delivered by      Bank

By the hand of Mr. /Ms.      .

(Signature of the Authorized Signatory)

(Official Seal)

# **BIDDING DOCUMENT**

Issued on: 07<sup>th</sup> December 2019

For

**Selection of a Professional Agency for Conduct of Audit of  
Primary Weavers Cooperative Societies in  
Andhra Pradesh State**

**Authority: Director of Handlooms and Textiles,  
Government of A.P.,**

*Vol II: Scope of work and project outline*



**Contents:**

1. About Handlooms & Textiles Department.
2. Scope of Work
3. List of key personnel of the agency
4. Deliverables, Timelines & Payment

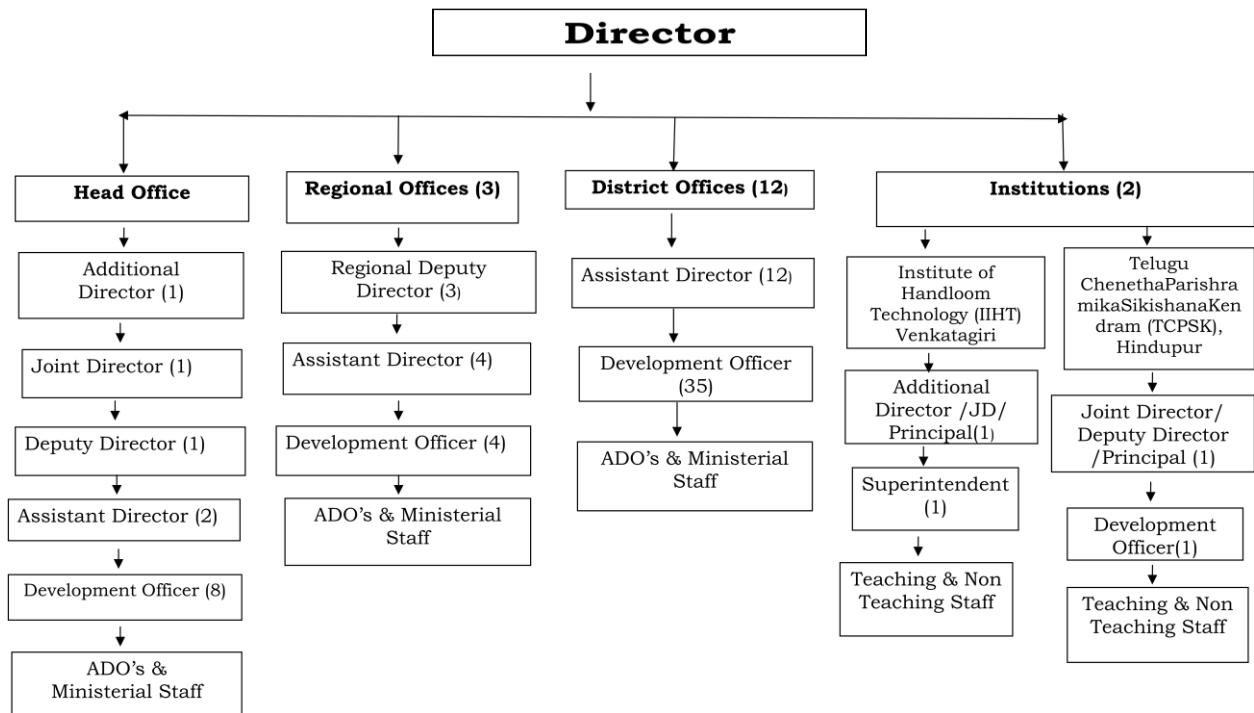
## 1. About Handlooms & Textiles Department:

Andhra Pradesh is renowned for its hand-woven fabric since ancient times. The Handloom sector boasts of having the second largest employment potential in the rural sector. The industry holds of place thanks to its artistry, low capital investment and family based skills, which is passed on from generation to generation with no formal training.

Andhra Pradesh produces the most exclusive and exquisite hand-woven sarees and dress-materials. The most striking aspect of the Handloom sarees are their rich ‘pallus’ and ornate borders adorned with gold or silver thread work.

Andhra Pradesh array of Handloom products are named after their place of origin. Each place has its own weaving style that is distinct in production with a unique variety of fabric, pallu and border. In the recent past, the weavers have innovated in producing a fabric which is a fine blend of natural silk and cotton aptly named as ‘Cotton Silk’ or Sico.

### ORGANIZATIONAL STRUCTURE OF HANDLOOMS & TEXTILES DEPARTMENT



### **About Primary Handloom Weavers Cooperative Societies:**

Primary Handloom Weavers Co-operative Societies are Registered under APCS Act 1964. Each PHWCSs will have membership of 100 to 500 Weaver members. The objective of the PHWCSs include production and sales activities by supplying raw material to their members for production of finished products on payment of wages. The finished products are marketed through APCO and in Local market. PHWCSs will borrow cash credit from the District Co-operative Central Banks concerned for conduct of business. Raw material such as yarn and other will be purchased from APCO, NHDC and in Private Market.

The State and Central Governments are implementing various schemes for the welfare of Handloom Weavers covered under PHWCSs which are as follows:

1. Thrift Fund Scheme.
2. Pavala Vaddi Scheme
3. 20% Yarn Subsidy Scheme upto 31.3.2019.
4. 40% Yarn Subsidy Scheme from 01-04-2019 onwards
5. 20% Rebate Scheme upto 31.3.2019
6. 30% Rebate Scheme from 01-04-2019 onwards.
7. Training and Support of Infrastructure Scheme
8. Marketing Incentive Scheme.
9. Revival Reforms and Restructuring Scheme and other State and Government of India Schemes.

There are 966 PHWCSs in (13) Districts in the State, out of which (490) PHWCSs are working, 236 are dysfunctional and 240 are dormant.

| <b>Sl. No.</b> | <b>District</b> | <b>Working</b> | <b>Dysfunctional</b> | <b>Dormant</b> | <b>Total<br/>(3 + 4 + 5)</b> |
|----------------|-----------------|----------------|----------------------|----------------|------------------------------|
| <b>1</b>       | <b>2</b>        | <b>3</b>       | <b>4</b>             | <b>5</b>       | <b>6</b>                     |
| 1              | Srikakulam      | 25             | 9                    | 9              | 43                           |
| 2              | Vizianagaram    | 7              | 0                    | 11             | 18                           |
| 3              | Visakhapatnam   | 8              | 0                    | 12             | 20                           |
| 4              | East Godavari   | 48             | 2                    | 0              | 50                           |
| 5              | West Godavari   | 16             | 0                    | 7              | 23                           |
| 6              | Krishna         | 37             | 0                    | 21             | 58                           |
| 7              | Guntur          | 31             | 12                   | 29             | 72                           |
| 8              | Prakasam        | 55             | 0                    | 22             | 77                           |
| 9              | SPSR Nellore    | 26             | 0                    | 18             | 44                           |
| 10             | Chittoor        | 46             | 0                    | 7              | 53                           |
| 11             | YSR Kadapa      | 178            | 1                    | 31             | 210                          |
| 12             | Anantapuramu    | 0              | 187                  | 67             | 254                          |
| 13             | Kurnool         | 13             | 25                   | 6              | 44                           |
|                | <b>TOTAL</b>    | <b>490</b>     | <b>236</b>           | <b>240</b>     | <b>966</b>                   |

## 2. Scope of Work:

The Agency is expected to study the functioning of Societies for the last 5 years registered with the Handlooms and Textiles Department and submit detailed reports on the below parameters:

1. Member Ship.
  - a. No of Members as per Admission Register
  - b. No of Members having Looms and members who are actually working.
  - c. Number of active Members.
2. Observation of statutory obligations such as conduct of Board Meetings and General Body Meetings with members.
3. Maintenance of Books and Accounts:
  - a. Admission Register
  - b. Minute Book
  - c. Cash Book
  - d. General Ledger
  - e. Personal Ledger
  - f. Yarn Issue Register
  - g. Production Register
  - h. Appraiser Ticket Book
  - i. Cloth Stock Register
  - j. Yarn Stock Register
  - k. Sales Register etc.,
4. Production and Sales Activities:
  - a. Yarn purchase
  - b. Source of Yarn purchases:APCO/ NHDC/ Local Market
  - c. Production and sales variety wise
5. Source of Funding.
  - a. Cash Credit sanctioned, drawls and remittances (Year wise)
  - b. Deposits borrowed (Year wise)
6. Implementation of Government Sponsored Programmes and reachability to its members.
7. Infrastructure Availability.

8. Preparation of Business plan and Marketing plans.
9. Viability of PHWCS
  - a. Value of Assets
  - b. Liabilities
  - c. Profit / Loss
  - d. Net Disposable Resources (NDR)
  - e. Audit Classification.
10. Introduction of Common Accounting System / Training of Managerial staff.

The Agency has to place one responsible person from their agency for close coordination with the Department during the period of their assignment. The Agency is also responsible for deploying teams to all districts for conducting of Audit covering the above mentioned parameters for all working societies in 1<sup>st</sup> Phase with recommendations for their strengthening and suggesting for corrective measures and to audit dysfunctional and dormant societies in 2<sup>nd</sup> and 3<sup>rd</sup> phases for their strengthening and streamlining or if not viable to recommend for their liquidation. .

### 3.0. List of key personnel of the agency:

There shall be sufficient number of teams stationed in each district or cluster of districts to complete the assignment in the stipulated time.

Each team shall be comprised of the following personnel.

| S.No. | Expert / Staff                | Experience                                                                                                                         |
|-------|-------------------------------|------------------------------------------------------------------------------------------------------------------------------------|
| 1.    | Audit & Administration Expert | The expert must have worked on at least one government audit project or relevant project and worked on 3 or more relevant projects |
| 2     | Support Staff (3-4 Nos)       | The support staff must have a professional degree, preferably in commerce or accounting                                            |

#### Suggested Number of Teams District Wise

| Sl. No. | District      | Total Societies | Suggested number of teams |
|---------|---------------|-----------------|---------------------------|
| 1       | Srikakulam    | 43              | 2 Teams                   |
| 2       | Vizianagaram  | 18              |                           |
| 3       | Visakhapatnam | 20              |                           |
| 4       | East Godavari | 50              | 2 Teams                   |
| 5       | West Godavari | 23              |                           |
| 6       | Krishna       | 58              | 5 Teams                   |
| 7       | Guntur        | 72              |                           |
| 8       | Prakasam      | 77              |                           |
| 9       | SPSR Nellore  | 44              | 1 Team                    |
| 10      | Chittoor      | 53              | 1 Team                    |
| 11      | YSR Kadapa    | 210             | 4 Teams                   |
| 12      | Ananthapuram  | 254             | 4 Teams                   |
| 13      | Kurnool       | 44              | 1 Team                    |
|         | <b>TOTAL</b>  | <b>966</b>      | <b>20 Teams</b>           |

The presence of experts and personnel should not be restricted as above and number of teams to be deployed is upto the agency to ensure timelines are met.

Agency shall provide a clear list of the constitution of the onsite and the offsite teams and quality of team and shall submit a one-page cover note highlighting relevant technical experience and projects for each of the Audit expert personnel.

#### **4.0 Deliverables, Timelines & Payment**

##### Deliverables

The Agency shall submit a work plan to complete the assignment in the stipulated time. The agency shall then submit weekly reports on the progress and ongoing work.

The agency shall submit reportson the societies in phased manner with recommendations for the strengthening and suggestions for corrective measures or to recommend for liquidation if not viable.

The 1<sup>st</sup> phase report shall comprise the functioning societies, the 2<sup>nd</sup> phase report for dysfunctional societies and the 3<sup>rd</sup> phase report for dormant societies. The final reports for phases 1, 2 and 3 shall be submitted as per the work plan.

##### Timelines and Payment Schedule

| <b>S. No</b> | <b>Deliverable</b>                            | <b>Expected Timelines</b>                                     | <b>Payment schedule</b> |
|--------------|-----------------------------------------------|---------------------------------------------------------------|-------------------------|
| 1            | Inception report on methodology and work plan | 10 days from issue of LoI                                     | 0%                      |
| 2            | Pre-final report for 1 <sup>st</sup> phase    | 30 days from issue of LoI                                     | 20%                     |
| 3            | 1 <sup>st</sup> phase report                  | 40 days from issue of LoI                                     | 30%                     |
| 4            | 2 <sup>nd</sup> phase report                  | 50 days from issue of LoI                                     | 10%                     |
| 5            | 3 <sup>rd</sup> phase report                  | 60 days from issue of LoI                                     | 10%                     |
| 6            | Final Report                                  | 10 days after acceptance of all the reports by the Department | 30%                     |





# **BIDDING DOCUMENT**

Issued on: 07<sup>th</sup> December 2019

For

**Selection of a Professional Agency for Conduct of Audit of  
Primary Weavers Cooperative Societies in  
Andhra Pradesh State**

**Authority: Director of Handlooms and Textiles,  
Govt. of Andhra Pradesh**

*Vol III: The Contract*

## AGREEMENT

**THIS AGREEMENT** is entered into on this the ----- day of ----- (Month) -----  
(Year) at -----

By and Between

The Authority: Director of Handlooms and Textiles having its registered office at 11-694, Apco Chenetha Samudhayam, Old G.T Road, Beside Delight Dhaba, Manglagiri, Guntur District, A.P. represented by its authorized representative the \_\_\_\_\_ hereinafter also referred to as "Employer" (which expression shall unless repugnant to the context or meaning thereof, include its successors and assigns) on one hand,

AND

M/s. \_\_\_\_\_ a company incorporated under the \_\_\_\_\_, and having its registered office at \_\_\_\_\_ hereinafter referred to as the "Agency" as the context would require, represented by its <<designation of authorized representative>> \_\_\_\_\_ s/o \_\_\_\_\_ aged about \_\_\_ years resident of \_\_\_\_\_, Authorized signatory as per the Resolution passed by the Board of Directors Dt. \_\_\_\_\_, (which expression shall unless repugnant to the context or meaning thereof, shall include its successors and assigns) on the other hand.

### WHEREAS,

- 25 The AGENCY, 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 ;
- 26 The "Employer" has accepted the offer of the AGENCY to provide the services on the terms and conditions set forth in this Contract

NOW THEREFORE THIS AGREEMENT WITNESSETH AS FOLLOWS:

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

- 23.5 The General Conditions of Contract;
- 23.6 The Special Conditions of Contract;
- 23.7 The following Appendices:
  - Appendix A: Scope of Works (as defined in the RFP)

Appendix B: Costing of various events/ services (as quoted by the selected bidder)

This Agreement may be executed in two counterparts, each of which when executed and delivered shall constitute an original of this Agreement.

IN WITNESS WHEREOF THE, PARTIES HAVE EXECUTED AND DELIVERED THIS AGREEMENT AS OF THE DATE FIRST ABOVE WRITTEN.

SIGNED, SEALED AND DELIVERED

For and on behalf of Employer by:

SIGNED SEALED AND DELIVERED

For and on behalf of AGENCY by

In the presence of

(Witnesses).

- 1)
- 2)

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## SECTION I. GENERAL CONDITIONS OF CONTRACT (GCC)

### 1. GENERAL PROVISIONS

|                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|---------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.1. Definitions                      | <p>a) "Applicable Law" means the laws and any other instruments having the force of law in India for the time being.</p> <p>□ "AGENCY" means any private or public entity that will provide the Auditing Services to the "Employer" under the Contract.</p> <p>c) "Contract" means the Contract signed by the Parties and all the attached documents listed in its Clause above, that is This General Conditions (GC), the Special Conditions (SC), and the Appendices.</p> <p>d). "Day" means calendar day.</p> <p>"Effective Date" means the date on which this Contract comes into force and effect pursuant to Clause GC 2.</p> <p>e). "GC" or "GCC" means these General Conditions of Contract.</p> <p>f). "Government" means the Government of Andhra Pradesh</p> <p>g). "Party" means the "Employer" or the AGENCY, as the case may be, and "Parties" means both of them.</p> <p>h). "Personnel" means professionals and support staff provided by the AGENCY or by any Sub-Contractor of AGENCY and assigned to perform the Services or any part thereof;</p> <p>i). "SC" or "SCC" means the Special Conditions of Contract by which the GC may be amended or supplemented.</p> <p>j). "Services" means the work to be performed by the AGENCY pursuant to this Contract</p> <p>l) "Sub-Contractors" means any person or entity to whom/which the AGENCY subcontracts any part of the Services.</p> <p>m) "ThirdParty" means any person or entity other than the "Employer", or the Consultant.</p> <p>n) "In writing" means communicated in written form with proof of receipt.</p> |
| 1.2. Relationship between the parties | <p>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 AGENCY. The AGENCY, subject to this Contract, has complete charge of Personnel and Sub-Contractors, if any, performing the Services and shall be fully responsible for the Services performed by them or on their behalf hereunder.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 1.3. Law governing contract           | <p>This Contract, its meaning and interpretation, and the relation between the Parties shall be governed by the applicable laws of India.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |

|                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|--------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.4.Headings                   | The headings shall not limit, alter or affect the meaning of this Contract                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 1.5.Notices                    | <p>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.</p> <p>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 SCC.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 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.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 AGENCY may be taken or executed by the officials specified in the SCC.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 1.8.Taxes and duties           | The AGENCY, Sub-Contractors and Personnel shall be liable to pay such direct and indirect taxes, duties,fees and other impositions levied under the applicable laws of India.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 1.9.Fraud & Corruption         | <p>Definitions:It istheEmployer’spolicyto requirethat Employers aswellasAGENCYobservethehigheststandard of ethics during the execution of the Contract. Inpursuance of this policy, the Employer defines, for thepurpose of thisprovision, the terms set forth below asfollows:</p> <p>i. “corrupt practice”means the offering,receiving,or soliciting, directly or indirectly, of anything of value to influence the action of a public official in the selection process or in contract execution;</p> <p>ii. “fraudulent practice”means a misrepresentation or omission of facts in order to influence a selection process or the execution of a contract;</p> <p>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, non-competitive levels;</p> <p>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;</p> <p>1.9.2.Measures to be taken by the Employer</p> |

- a) The Employer may terminate the contract if it determines at any time that representatives of the AGENCY were engaged in corrupt, fraudulent, collusive or coercive practices during the selection process or the execution of that contract, without the AGENCY having taken timely and appropriate action satisfactory to the Employer to remedy the situation;
- b) The Employer may also sanction against the AGENCY, including declaring the AGENCY ineligible, either indefinitely or for a stated period of time, to be awarded a contract if it at any time determines that the AGENCY 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”) stipulated in the SCC.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 2.2. Commencement of services    | The AGENCY shall begin carrying out the Services not later than number of days after the Effective Date specified in the SCC.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 2.3. Expiration of contract      | Unless terminated earlier pursuant to relevant clause in GCC, this Contract shall expire at the end of such time period after the Effective Date as specified in the SCC.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| 2.4. 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.                                                                                                                                                                                                                                                                                                                                                         |
| 2.5. 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.<br>(b) In cases of substantial modifications or variations, the prior written consent of the Employer is required.                                                                                                                                                                                                                                                                                                                        |
| 2.6. Force Majeure               | 2.6.1 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.

2.6.2 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-contractors 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.

2.6.3 Subject to clause 2.6.2, Force Majeure shall not include insufficiency of funds or inability to make any payment required hereunder.

2.6.4 No Breach of Contract: The failure of a Party to fulfil 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.

2.6.5 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.

2.6.6 A Party affected by an event of Force Majeure shall notify the other Party of such event as soon as possible, 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.

2.6.7 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.

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

1. demobilize or
2. Continue with the Services to the extent possible, in which case the AGENCY shall continue to be paid proportionately and on pro rata 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.

|                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|-------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>2.7. Termination</p> | <p>2.7.1 The “Employer” may terminate this Contract in case of the occurrence of any of the events specified in paragraphs (a) through (g) of this Clause GCC 2.7.</p> <ol style="list-style-type: none"> <li>a) If the AGENCY fails to remedy a failure in the performance of its obligations hereunder,</li> <li>b) If the AGENCY becomes insolvent or go into liquidation or receivership whether compulsory or voluntary.</li> <li>c) If the AGENCY fails to comply with any final decision reached as a result of arbitration proceedings pursuant to Clause GC 8 hereof.</li> <li>d) If the AGENCY, in the judgment of the “Employer”, has engaged in corrupt or fraudulent practices in competing for or in executing this Contract.</li> <li>e) If the AGENCY submits to the “Employer” a false statement which has a material effect on the rights, obligations or interests of the “Employer”.</li> <li>f) If the AGENCY fails to provide the quality services as envisaged under this Contract.</li> <li>g) If the “Employer”, in its sole discretion and for any reason whatsoever, decides to terminate this Contract.</li> </ol> <p>2.7.2 In such an occurrence the “Employer” shall give a not less than five (5) days’ written notice of termination to the AGENCY</p> <p>2.7.3 Cessation of Rights and Obligations: Upon termination of this Contract pursuant to Clauses GC 2.7 hereof, or upon expiration of this Contract pursuant to Clause GC 2.3 hereof, all rights and obligations of the Parties hereunder shall cease, except</p> <ol style="list-style-type: none"> <li>(i) such rights and obligations as may have accrued on the date of termination or expiration, and</li> <li>(ii) any right which a Party may have under the Law.</li> </ol> <p>2.7.4 Cessation of Services: Upon termination of this Contract by notice of either Party to the other pursuant to Clauses GC 2.7 hereof, the AGENCY 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.</p> <p>2.7.5 Payment upon Termination: Upon termination of this Contract pursuant to Clauses GC2.7 hereof, the “Employer” shall make the following payments to the Consultant:</p> <p>2.7.6 If the agreement is terminated, the AGENCY 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 AGENCY will be required to pay any such liquidated damages to Employer within 30 days of termination date.</p> |
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### 3. OBLIGATION OF THE AGENCY

|                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|----------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 3.1. General                                                               | 3.1.1 Standard of performance: The AGENCY 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 AGENCY 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. Confidentiality                                                       | Except with the prior written consent of the "Employer", the AGENCY 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 AGENCY and its Personnel make public the recommendations formulated in the course of, or as a result of, the Services.                                                                                                                                                                                                                                                                                                                           |
| 3.3. Insurance to be taken out by the consultant                           | The AGENCY shall take out and maintain, and shall cause any Sub-contractors to take out and maintain insurance, at their (or the Sub-contractors, as the case may be) own cost, insurance against any risks.                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 3.4. Reporting obligations                                                 | The AGENCY shall submit to the "Employer" the reports and documents specified in Appendix A hereto, in the form, in the numbers and within the time periods set forth in the said Appendix                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 3.5. Documents Prepared by the AGENCY to be the Property of the "Employer" | All material information expected evaluation reports and recommendations, other documents and software prepared by the AGENCY for the "Employer" under this Contract shall become and remain the property of the "Employer", and the AGENCY 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 AGENCY may retain a copy of such                                                                                                                                                                                                                                  |

|  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|--|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | <p>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 AGENCY and third parties for purposes of development of any such computer programs, the AGENCY 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.</p> |
|--|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

#### 4. AGENCY's PERSONNEL AND SUB-CONTRACTORS

|              |                                                                                                             |
|--------------|-------------------------------------------------------------------------------------------------------------|
| 4.1. General | The AGENCY shall not sub-contract any or part of the work without prior written permission of the Employer. |
|--------------|-------------------------------------------------------------------------------------------------------------|

#### 5. OBLIGATIONS OF THE "EMPLOYER"

|                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|---------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 5.1. Assistance and Exemption                                 | <p>Unless otherwise specified in the SCC, the "Employer" shall use its best efforts to ensure that the Government shall:</p> <p>a) Provide the AGENCY, and Personnel with work permits and such other documents as shall be necessary to enable the AGENCY or Personnel to perform the Services.</p> <p>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.</p>                                                                                                                                               |
| 5.2. Change in the Applicable Law Related to Taxes and Duties | <p>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 AGENCY 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 AGENCY in performing the Services, then the remuneration and reimbursable expenses otherwise payable to the AGENCY 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, if specified in the SCC.</p> |
| 5.3. Payment                                                  | <p>In consideration of the Services performed by the AGENCY under this Contract, the "Employer" shall make to the AGENCY such payments and in such manner as is provided by Clause GC 6 of this Contract.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                       |

## 6. PAYMENTS TO THE AGENCY

|                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>6.1. Total cost of the Services</p> | <p>a) The total cost of the Services payable is set forth in Appendix-B as per the AGENCY's proposal to the Employer and as negotiated thereafter.</p> <p>b) Except as may be otherwise agreed under Clause GC 2.5 and subject to Clause GC 6.1(c), payments under this Contract shall not exceed the amount specified in Appendix-B.</p> <p>c) Notwithstanding ClauseGC6.1(b) hereof, if pursuant to Clause 5.2 hereof, the Parties shall agree that additional payments shall be made to the AGENCY 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.</p>                                                                                                                                   |
| <p>6.2. Currency of Payment</p>        | <p>All payments shall be made in Indian Rupees.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <p>6.3. Terms of Payment</p>           | <p>a) The payments in respect of the Services shall be made as mentioned in Appendix A</p> <p>b) All payments under this Contract shall be made to the accounts of the AGENCY specified in the SC.</p> <p>c) With the exception of the final payment, payments do not constitute acceptance of the Services nor relieve the AGENCY of any obligations hereunder, unless the acceptance has been communicated by the Employer to the AGENCY in writing.</p> <p>d) In case of early termination of the contract, the payment shall Be made to the AGENCY as mentioned herewith: A reasonable assessment of the reimbursable and miscellaneous expenses shall be made based on details furnished by the AGENCY 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.</p> |

## 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

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|-------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 8.1 Amicable Settlement | <p>a) Performance of the contract is governed by the terms &amp; 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.</p> <p>b) 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.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 8.2 Arbitration         | <p>a) 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.</p> |

|  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|--|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | <p>Arbitration proceedings shall be held in India at the place indicated in SCC and the language of the arbitration proceedings and that of all documents and communications between the parties shall be English.</p> <p>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</p> |
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## 9. LIQUIDATED DAMAGES

|                                      |                                                                                                                                                                                                                                                                                                                                              |
|--------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 9.1 Maximum liquidated damages       | The amount of liquidated damages under this Contract shall not exceed the % specified in the SCC.                                                                                                                                                                                                                                            |
| 9.2 Estimation of Liquidated Damages | <p>The liquidated damages shall be applicable under following circumstances:</p> <p>In the event of AGENCY's default in maintaining the agreed time frame / scheduled set of activities as detailed in this Contract, the AGENCY shall be liable to pay a maximum of 15% of the total cost of the services or 1% for each week of delay.</p> |

## A. MISCELLANEOUS PROVISIONS

“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.

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

The Contractor/AGENCY 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.

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.

The Contractor/AGENCY 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.

- The Contractor/AGENCY shall always 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.
- The Contractor/ AGENCY shall always 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.
- All claims regarding indemnity shall survive the termination or expiry of the Contract.
- 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.



## SECTION II. SPECIAL CONDITIONS OF CONTRACT (SCC)

| SC Clause | Ref. of GCC Clause | Amendments of, and Supplements to, Clauses in the General Conditions of Contract                            |
|-----------|--------------------|-------------------------------------------------------------------------------------------------------------|
| 1         | 1.5                | The addressees are<br><br>Employer Address and contact details:<br><br>AGENCY Address and contact details:  |
| 2         | 1.7                | The Authorized Representatives are as below.<br>For the "Employer":<br>For the AGENCY:                      |
| 3         | 2.1                | The contract shall be effective from:                                                                       |
| 4         | 2.2                | Services shall be commenced _____ days from effective date specified above                                  |
| 5         | 2.3                | Contract shall not remain valid after: _____                                                                |
| 6         | 5.2                | Maximum amount payable by Employer would be _____                                                           |
| 7         | 8.2 (b)            | The Arbitration proceedings shall take place in Vijayawada city.                                            |
| 8         | 9.1                | Maximum liquidated damages would be 15% of the cost quoted by the successful bidder or 5% per week of delay |