

April 16, 2014

Dear Madam/Sir,

Subject: Request for proposal for hiring of Local Research House(s) (LRH) for conducting 'FinScope Survey' in 4 states i.e. Odisha, Uttar Pradesh, Madhya Pradesh and Bihar in India under the Poorest States Inclusive Growth Programme (PSIG)¹.

TENDER NO: SIDBI/PSIG/04-14/06

The Poorest State Inclusive Growth (PSIG) Programme with the support of DFID aims to enhance the income and employment opportunities of poor women and men, by enabling them, to participate and benefit from wider economic growth in India. The programme is being implemented in 4 states of India namely Madhya Pradesh, Uttar Pradesh, Odisha and Bihar. The purpose of this programme is to improve income, and reduce vulnerability, of poor people by expanding their access to finance. The programme is being managed by Small Industrial Development Bank of India (SIDBI), New Delhi.

1. Small Industries Development Bank of India hereinafter referred to as SIDBI invites you to submit a tender² for the above mention assignment in accordance with this Request for Proposal (RFP) package.
2. All information contained in this package should be treated as commercially confidential and you are required to limit dissemination on a need-to-know basis.
3. This ITT package consists of the following documents:
 - i. Covering Letter;
 - ii. Letter of Acknowledgement;
 - iii. Invitation to Tender Instructions,
 - iv. Form of Proposal,
 - v. Terms of Reference
 - vi. Model Contract,
4. **If you intend to submit a tender you must send an acknowledgement, by letter fax or email (surendra@sidbi.in/jaganp@sidbi.in), within 7 days quoting the assignment name and Tender Number.**

¹ SIDBI reserves the right to allocate one or more states to a particular LRH depending on their combined score (technical + commercial proposal) and their experience in a particular PSIG state. Accordingly, the organization/ agency should indicate their experience in each of the PSIG states in their response to the RFP.

² The tender could be submitted for one or more states. However, the Tender should include one combined technical proposal for all the states applied for, giving state wise experience of the organization and separate commercial proposal for each state applied for. All the proposals (One combined technical proposal and separate commercial proposal for each states applied for) should be sealed in separate envelopes and kept in one outer envelope.

5. SIDBI procurement policy stipulates that consultants who were involved (in any capacity) in the design of a project cannot compete for the implementation phase. Design includes feasibility studies, drawing up terms of reference for the implementation phase, pre-appraisal and any other preparatory work for the project.

In the case of competitions for an implementation phase only, Tenderers are required to confirm in their acknowledgment that neither they, nor any member of a consortium tender, its parent company, subsidiaries, related companies, nor subcontractors were involved in any way with the design of this project. If you are in any doubt please contact the Contract Officer for clarification.

6. SIDBI will endeavour to make available all relevant information in the ITT. Should you need any further information or clarification during the tender period you must contact only the Contract Officer named below. On no account should the Tenderers communicate directly with any other SIDBI personnel involved in work concerning this invitation. Failure to comply with this requirement may result in the disqualification of your organisation from this competition.

No queries will be answered by the Contract Officer within 6 calendar days before the closing date therefore any requests should be submitted at the earliest opportunity. To ensure equity, where appropriate, SIDBI's response will be notified to all Tenderers without disclosure of the initiator.

7. Your particular attention is drawn to instructions on:

- | | |
|---------------------------|---|
| a) Collusion of Tenderers | Paragraph 10 in the ITT Instructions |
| b) Conflict of Interest | Paragraph 12 in the 'ITT instructions' and Clause 21 in the 'Conditions for Consultancy Contract' |
| c) Disclosures | Paragraph 13 in the ITT Instructions |

8 The tender could be submitted for one or more states. However, the Tender should include one combined technical proposal for all the states applied for, giving state wise experience of the organization and separate commercial proposal for each state applied for. All the proposals (One combined technical - 5 copies (One original + Four copies + 1 CD containing soft copy in PDF format) and separate commercial proposal for each states applied for – No Soft copies) should be sealed in separate envelopes and kept in one outer envelope. The currency to be used for commercial tender must be INR and the proposal should be valid for 6 months.

The tenders must be received by **17:30 hrs on May15, 2014** at the address given below,

**Poorest State Inclusive Growth Programme (PSIG),
Small Industries Development Bank of India (SIDBI),
Ground Floor, Videocon Tower E1,**

**Rani Jhansi Road, Jhandewalan Extension.,
New Delhi – 110 055,
Phone No: 011-23519653,
Email ID: surendra@sidbi.in.**

Tenders received after the due time and date will be returned unopened.

Any queries relating to the preparation of the application should be referred to, DGM, PSIG, SIDBI by email surendra@sidbi.in/jaganp@sidbi.in by April 25, 2014 (17:30 PM). Response will be uploaded in SIDBI's website. If need be, a Pre proposal meeting may be held on May 01, 2014 at 15:00 pm at SIDBI, New Delhi. Intimation to this effect shall be available on SIDBI's website.

The Technical Bids will be opened at **11:00 hrs on May 19, 2014 and** the Commercial Bids will be opened by:

State UP - June 03, 2014 (11:00 hrs)

State Bihar – June 03, 2014 (12:30 hrs)

State MP – June 04, 2014 (11:00 hrs)

State Odisha – June 04, 2014 (12:30 hrs) at the address given below:

**Poorest State Inclusive Growth Programme (PSIG),
Small Industries Development Bank of India (SIDBI),
Ground Floor, Videocon Tower E1,
Rani Jhansi Road, Jhandewalan Extension.,
New Delhi – 110 055,
Phone No: 011-23519653,
Email ID: surendra@sidbi.in.**

You are invited to attend both the openings (technical & commercial proposal) and pre-proposal meeting at your own cost.

PSIG/SIDBI will not be liable to delay or postpone the bid opening even if none of the bidders are present. If there is any change in dates of the bid opening/pre-proposal conference PSIG/SIDBI will inform all the bidders as soon as possible.

- 9 Proposals from interested Local Research Houses/ organisations must provide evidence of the technical capacity of the Research House/ organisation to undertake this exercise. This includes capacity to deliver the results in the timeframe provided, as well as some indication of prior experience in conducting a survey of this magnitude within the financial services sector. The Local Research Houses/ organisations must have a minimum of five years of relevant experience in implementing/ coordinating surveys/ research of comparable magnitude with an excellent understanding of the financial services sector in India. Out of which at least two years experience should be in conducting research/ surveys in the field of micro finance. Experience of working in PSIG states in micro finance area particularly donor supported projects is desirable.

Accordingly, the response should indicate state wise experience of the organisation in PSIG states.

Agency should have minimum Rs. 5 Cr. Average Annual Turnover for last three year. This should be certified by auditor of the organisation along with copies of annual accounts.

The application must identify the core management and technical team, their technical expertise in sample design, statistical analysis, field work, questionnaire design, and overall project management. Core team members' CVs must be included, as well as a description of any further resources that may be required. Note that detailed information on Research Skills of the company as well as individual personnel linked to each task and responsibility outlined in this terms of references is of critical importance. The organisation's client portfolio and past experience in the financial services industry must be included.

Agencies identified/ to be identified as Local Project Coordinator (LPC) which is being separately appointed for the FinScope Survey in India shall not be eligible to be appointed as LRH.

Tenders for this contract will be assessed in accordance with Quality and Cost-Based Selection (QCBS) method. Evaluation will be done for four PSIG states separately. It will involve both technical and commercial evaluation with the following weightage for each state:

Technical Evaluation	80%
Commercial Evaluation	20%

The specific technical evaluation criteria, with markings, are listed below

	Criteria	Total Marks
1	Technical soundness of the proposal and general approach	35
2	Competence (Quality of Team Leader and /or Project Team, Local / interntional consultants, etc) and relevant previous experience of the Research House/ organisation	20
3	Knowledge of the financial services sector in India in terms of previous assignments, studies, research, carried out and events organized etc.	15
4	Involvement at local (state specific) capacity (organizational presence in these states and previous experience of working in the state)	10
	Maximum score	80

- 10 You are invited to submit a tender for either one state or multiple states. SIDBI reserves the right to allocate one or more states to a particular LRH depending on their combined score (technical + commercial proposal) and their experience in a particular PSIG state. Accordingly, the organization/ agency should indicate their experience in each of the PSIG states in their response to the RFP.
- 11 Technical and Financial evaluation will be done for four PSIG states separately. Financial proposal of only those firms receiving minimum of 60 marks out of the maximum 80 in technical evaluation will be opened for that particular PSIG state. The financial proposals of those firms who don't qualify in technical evaluation will be returned unopened.
- 12 Shortlisted applicants, if needed, may be invited for a technical presentation on a date to be announced.
- 13 Tenders (Technical and Commercial) will be made available to the partner government or organisation that will benefit from the services when they are part of the evaluation panel.
- 14 Those invited to submit a tender are expected to adhere to the 'Conditions for Consultancy Contract', which are attached.
- 15 Once the selection process has been completed, SIDBI will issue a contract confirming the appointment of the Local Research House. SIDBI reserves the right to allocate one or more states to a particular LRH depending on their combined score (technical + commercial proposal) and their experience in a particular PSIG state. Accordingly, the organization/ agency should indicate their experience in each of the PSIG states in their response to the RFP.
- 16 Any queries relating to the preparation of the application should be referred to, DGM, PSIG, SIDBI by email surendra@sidbi.in/jaganp@sidbi.in

Yours faithfully,

(Surendra Srivastava)
Deputy General Manager,
SIDBI/PSIG

Letter of Acknowledgment
(to be returned on Company headed paper)

To,

Surendra Srivastava,
Deputy General Manager
Poorest State Inclusive Growth Programme (PSIG),
Small Industries Development Bank of India (SIDBI),
Ground Floor, Videocon Tower E1,
Rani Jhansi Road, Jhandewalan Extension.,
New Delhi – 110 055,
Phone No: 011-23519653,
Email ID: surendra@sidbi.in.

Date:

Dear Sir,

Subject: Request for proposal for hiring of Local Research House(s) (LRH) for conducting 'FinScope Survey' in 4 states i.e. Odisha, Uttar Pradesh, Madhya Pradesh and Bihar in India under the Poorest States Inclusive Growth Programme (PSIG).

Tender No.: SIDBI/PSIG/04-14/06

We acknowledge receipt of the documents listed in your Invitation to Submit a Proposal package for the above project.

a*. We confirm that we will submit a proposal for the above contract by [Proposal due date; see Covering Letter] in accordance with the "Form of Proposal" and the specified requirements.

b. We do not wish to submit a proposal and therefore return the total Invitation to Submit a Proposal package with this letter.

Yours faithfully

Name:

Position:

* alternative as appropriate

INVITATION TO TENDER (ITT) INSTRUCTIONS

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INTRODUCTION

1. General

- 1.1 This Invitation to Tender (ITT) and in particular the *Instructions for Compiling and Submitting Your Tender* are designed to help you produce a tender that is acceptable to SIDBI and to ensure that tenders are given equal consideration. It is essential, therefore, that you provide the information requested in the specific format.
- 1.2 The instructions should be read in conjunction with information specific to the Project contained in the covering letter and in the accompanying documents
- 1.3 SIDBI is not bound to accept the lowest, or any, tender. We also reserve the right to request any, or all, of the Tenderers to meet with us to clarify their tender.

INSTRUCTIONS FOR SUBMITTING YOUR TENDER

2. A. Format of Your Tender

- 2.1. Your tender should be submitted in English and be set out in three main parts
 - Part A - Executive Summary
 - Part B - General and Technical
 - Part C – Commercial
- 2.2. Parts A & B may be bound together but part C must be bound separately to enable technical and commercial tenders to be evaluated independently. Please do not include any price information in Part A or B. No publicity material is required.

3. Part A – Executive Summary

- 3.1. This should be a brief overview of your tender covering how you intend to achieve the outputs and your assessment of the resources required.

4. Part B – General and Technical Tender

- 4.1. Your General and Technical Tender should be structured in 6 sections:
 - i. Section 1 Any Qualification to Terms of Reference (TTP-1)
 - ii. Section 2 Technical Response (including method of implementation) (TTP-2)

- iii. Section 3 Names & CVs of personnel to work on this (TTP-3)
 - iv. Section 4 Personnel Inputs – include person days **without any reference to fees.** (TTP-4)
 - v. Section 5 Previous experience (TTP-5)
 - vi. Section 6 Matters not appropriate in any other appendix, e.g. Joint Ventures, Disclosures, Conflict of Interest etc.
- 4.2. The Technical Tender should include one combined proposal for all the states applied for, giving state wise experience of the organization.

5. Part C – Commercial Tender

- 5.1. All prices should be for the duration of the contract. Your Commercial Tender should be structured in four Sections.

Section 1 Confirmation of acceptance of SIDBI's Conditions of Contract

Section 2 Pricing, using either a fees and expenses basis, or on a milestone basis.

Section 2 Pricing using pro-forma 1,2,3 on fee and expenses basis.

Section 3 A list of the names and designation of all nominated personnel proposed to work on this project

Section 4 Matters not appropriate in any other appendix, e.g. Commercial Aspects of Joint Venture Company, Parent Company Guarantees

- 5.2. ONE copy (No soft copy) of Commercial Tender for each of PSIG states applied for, must be sealed in separate envelopes.

6. Nominated Personnel

- 6.1. You must:

- a) confirm that all personnel will be available to provide the required services for the duration of the contract
- b) give the name of their employer or state if self-employed if any of the personnel is not a member of the Tenderer's staff
- c) obtain prior written agreement from SIDBI, via the Contract Officer, before nominating a member of SIDBI staff who is in service, or on leave of absence, or has been a staff member of SIDBI within the past 2 years

7. Alternative Tenders

If the Tenderer considers that the requirements could be met in a more effective or cost-efficient way, the Tenderer may submit a separate Technical and Commercial Tender that is clearly titled 'Alternative Tender'. However, the following instructions should be noted:

a) The alternative tender should be submitted as a separate offer accompanying the primary tender

b) It is the responsibility of the Tenderer to provide full technical and commercial details to allow consideration of alternative tenders

8. Government Tax

8.1. Tenderers are responsible for establishing the status of the Services for the purpose of any government tax. Any applicable taxes should be shown in commercial proposal.

9. Alterations to Tenders

9.1 Any manuscript or other alteration to the tender must be countersigned and dated by the person submitting the tender. The Tenderer must not alter the ITT documents

10. Letters and Declaration to Accompany Tenders

Your tender must be accompanied by a letter on Company headed paper showing the full registered and trading name(s), trading and registered office address of the Tenderer and, in the case of a Company, the place of incorporation. It should be signed by a **person of suitable authority** to commit the Tenderer to a binding contract. You must quote the Contract Title, Contract Number and include the following declarations:

We have examined the information provided in your Invitation to Tender (ITT) and offer to undertake the work described in accordance with requirements as set out in the ITT. This tender is valid for acceptance for 6 months and we confirm that this tender will remain binding upon us and may be accepted by you at any time before this expiry date.

(if applicable) This tender is submitted as a Joint Venture with []. A copy of the agreement is enclosed.

We accept that any contract that may result will comprise the contract documents issued with the ITT and be based upon the documents submitted as part of our tender; and placed by the **(name of company)**.

The Tender (Commercial & Technical) has been arrived at independently and without consultation, communication, agreement or understanding (for the

purpose of restricting competition) with any other party invited to tender for this contract.

We understand the obligations in Paragraph 14 of the ITT instructions and have included all necessary declarations.

We confirm that all personnel and/or sub-contractors named in the tender will be available to undertake the services.

We agree to bear all costs incurred by us in connection with the preparation and submission of this Tender and to bear any further pre-contract costs.

I confirm that I have the authority of [name of organisation] to submit tenders and to clarify any details on its behalf.

11. Packaging and Delivery of Tenders

11.1. The tender could be submitted for one or more states. However, the Tender should include one combined technical proposal for all the states applied for, giving state wise experience of the organization and separate commercial proposal for each state applied for. All the proposals (One combined technical and separate commercial proposal for each states applied for) should be sealed in separate envelopes and kept in one outer envelope.

FIVE copies (1 original + 4 copies+1 soft copy) of Technical Tender (one combined technical proposal for all the states applied for) should be kept in an envelope clearly marked as TECHNICAL TENDER (SPECIFY THE NAME/S OF THE STATE APPLIED FOR).

ONE copy each (No soft copy) of the Commercial Tender for each of PSIG states must be sealed in separate envelopes. Each envelope should be clearly marked COMMERCIAL TENDER (SPECIFY THE STATE NAME).

All the envelopes (Technical and commercial tender) should be kept in an outer envelope clearly labelled with the following:

- Contract Title
- Contract Reference Number
- Tender Due Date
- Tenderer's Name

The envelopes should be addressed to the Deputy General Manager.

Both the Technical Tender and Commercial Tender (s) should be kept in **ONE outer envelope**, and must be sealed and clearly labelled with the following:

- Contract Title
- Contract Reference Number
- Tender Due Date

- Tenderer's Name

Tenders must be received at

Surendra Srivastava,
 Deputy General Manager
 Poorest State Inclusive Growth Programme (PSIG),
 Small Industries Development Bank of India (SIDBI),
 Ground Floor, Videocon Tower E1,
 Rani Jhansi Road, Jhandewalan Extension.,
 New Delhi – 110 055,
 Phone No: 011-23519653,
 Email ID: surendra@sidbi.in

For the attention of **Deputy General Manager by 17:30 Hrs on May 15, 2014 (Indian Standard Time)**. Late tenders will not be accepted in any circumstance and will be returned unopened. No special pleadings will be accepted. **Faxed or e-mailed tenders will not be accepted.**

SIDBI accepts no responsibility for the premature opening of any incorrectly marked tender.

The Technical Bids and Commercial Bids will be opened as per schedule mentioned below: Bidders are invited to attend both tender openings at their own cost

Sr.No	Description	Date & Time	Address
1	Opening of Technical Proposal	May 19, 2014 by 11:00 hrs.	Poorest State Inclusive Growth Programme (PSIG), Small Industries Development Bank of India (SIDBI), Ground Floor, Videocon Tower E1, Rani Jhansi Road, Jhandewalan Extension., New Delhi – 110 055, Phone No: 011-23519653
2	Opening of Financial Proposal	<ul style="list-style-type: none"> • State UP - June 03, 2014 (11:00 hrs) • State Bihar – June 03, 2014 (12:30 hrs) • State MP – June 04, 2014 (11:00 hrs) • State Odisha – June 04, 2014 (12:30 hrs) 	Poorest State Inclusive Growth Programme (PSIG), Small Industries Development Bank of India (SIDBI), Ground Floor, Videocon Tower E1, Rani Jhansi Road, Jhandewalan Extension., New Delhi – 110 055, Phone No: 011-23519653

PSIG/SIDBI will open the bids on the prescribed date and time even if none of the bidders are present.

If there is any change in dates of the bid opening PSIG will inform all the bidders as soon as possible.

OTHER INFORMATION

12. Conflict of Interest

Tenderers must disclose in their Tender details of any circumstances, including personal, financial and business activities that will, or might, give rise to a conflict of interest; this includes any sub-contractor, if they were awarded this contract. Where Tenderers identify any potential conflicts they should state how they intend to avoid such conflicts. SIDBI reserves the right to reject any Tender which, in SIDBI's opinion, gives rise, or could potentially give rise to, a conflict of interest.

13. Disclosures

13.1. The Tenderer must disclose:

- a) If they are or have been the subject of any proceedings or other arrangements relating to bankruptcy, insolvency or the financial standing of the Tenderer including but not limited to the appointment of any officer such as a receiver in relation to the Tenderer's personal or business matters or an arrangement with creditors or of any other similar proceedings.
- b) If they or any of the Tenderer's sub-contractors have been convicted of, or are the subject of any proceedings, relating to:
 - a criminal offence or other offence, a serious offence involving the activities of a criminal organisation or found by any regulator or professional body to have committed professional misconduct.
 - corruption including the offer or receipt of any inducement of any kind in relation to obtaining any contract, with SIDBI, or any contracting authority.
 - failure to fulfil any obligations in any jurisdiction relating to the payment of taxes or social security contributions.
- c) If they or any of the Tenderer's sub-contractors:

are, or have reason to believe they may have been, or are subject of any proceedings, that may be listed by the World Bank in its 'Listing of Ineligible Firms' or 'Listings of Firms, Letters of Reprimand' posted at

www.worldbank.org or on any similar list maintained by any other donor of developing funding, or any contracting authority.

Disclosure extends to any company in the same group of the Tenderer (including but not limited to parent subsidiary and sister companies, and companies with common shareholders whether direct or indirect and parties with whom the Tenderer is associated in respect of this tender).

If a Tenderer or related company or any individual discloses details of any previous misconduct or complaint, SIDBI will seek an explanation and background details from them. At the sole discretion of SIDBI an assessment as to whether the Tenderer will be allowed to submit a tender, will then be made.

14. Joint Venture (or other form of association) Tenders

Where the Tender is submitted by the Tenderers in conjunction with one or more associates then, in the absence of a Joint Venture agreement the 'Associate' shall be deemed to be a sub-contractor to the Tenderers and shall not be a party to the contract.

Tenders submitted by potential Joint Venture partnerships must include in the Tender documents a "Letter of Intent to form a Joint Venture" in the event of being successful and:

- a. be signed by a duly authorised representative of each partner with details of each signatory provided in print below each signature
- b. include an express provision that each partner is jointly and severally liable in respect of the Tenderer's obligations
- c. provide details of the name of the partner nominated to act as manager of the Joint Venture and who is authorized to act for the Joint Venture in terms of committing it to any obligations and liabilities and to receive and act upon instructions from SIDBI and to make and receive payments
- d. state full details of the proposed structure; the division of technical responsibilities between the partners and intended capitalisation

15. SIDBI Treatment of Your Tender

SIDBI is committed to ensuring Value for Money* in complex procurements. Therefore, when you submit a tender, we will

- a. ensure tenders are registered upon receipt and held securely until after the deadline for receipt of tenders
- b. witness the opening of all tenders after the time and deadline for receipt of tenders and separately register the commercial details of each tender
- c. return, unopened, any tenders received after the deadline of receipt of tenders
- d. disqualify any non-compliant tenders (i.e. tenders failing to meet the terms of these instructions) received. The commercial details of such tenders will be recorded and marked as disqualified
- e. ensure that all tenders are evaluated objectively, in line with the evaluation criteria specified in the covering letter
- f. following evaluation, inform the Tenderers within a reasonable period (normally 10 working days) the decision being made
- g. following evaluation, provide feedback to each Tenderer within a reasonable period (normally 15 calendar days) of receipt of written request and within the bounds of confidentiality
- h. publish the award of the Contract on SIDBI website.

** Value for money is defined as the optimum combination of cost and quality to meet the requirements*

Form of Proposal

PART-A (Executive Summary)

- I. This should be a brief overview of your tender covering how you intend to achieve the outputs and your assessment of the resources required.
- II. Organizational details and area of work/operation

1 Name of the organization	
2 Act under which the Firm/Resource Organization is registered, if any: (NGO/Company/PSU/Society, etc.)	
3 Registration Number & Date of Registration, if any:	
4 Information Required for Statistical Purposes Only <ul style="list-style-type: none"> • Country of Registration (Companies) • Nationality (Application from Individuals) • Number of Employees (as appropriate) 	
5 Date of commencement of work:	
6 Major area of work/operation.	
7 Core business of the firm including the business model (Commercial, Not-for-Profit, NGO,etc.)	
8 Technical and Managerial organization of the firm (including the locations and size of establishments in India)	
9 Communication Address with email and phone/fax numbers:	
10 Contact Person:	
11 Turnover of the firm for the last three years (in Rs.) (or each of the Joint Venture partners, if the RFP is submitted as a Joint /venture). 2012-13	

2011-12- 2010-11 – <i>(* in Indian Rupees)</i>	
12 State applied for:	

PART-B (General and Technical)

Technical Proposal – Proforma 1 (TPP-1)

- i. Section 1 Any Qualification to Terms of Reference. (TPP1)
- Provide here a brief description of the background and organization of your company, and – in case of a joint venture – of each member for this assignment.
 - Provide a brief description about of your Organization as relevant to this assignment. Further, a self-assessment note with justification how the agency is capable for this assignment

Technical Proposal – Proforma 2 (TPP-2)

- ii. Section 2 Technical Response (including method of implementation and work plan in the form of a Gantt chart showing activities, milestones, deliverables etc. against time) (TPP-2)

a) Technical Approach and Methodology.

{Please explain your understanding of the objectives of the assignment as outlined in the Terms of Reference (TORs), the technical approach, and the methodology you would adopt for implementing the tasks to deliver the expected output(s), and the degree of detail of such output. Please do not repeat/copy the TORs in here.}

b) Work Plan. {Please outline the plan for the implementation of the main activities/tasks of the assignment, milestones (including interim approvals by the SIDBI/PSIG), and tentative delivery dates of the reports. The proposed work plan should be consistent with the technical approach and methodology, showing your understanding of the TOR and ability to translate them into a feasible working plan. A list of the final documents (including reports) to be delivered as final output(s) should be included here. The work plan should be consistent with the Work Schedule Form.}

WORK SCHEDULE AND PLANNING FOR DELIVERABLES

N°	Deliverables ¹ (Task-..)	Months												
		1	2	3	4	5	6	7	8	9	n	TOTAL	
Task-1	{e.g., Deliverable #1: Report A													
	1) data collection													
	2) drafting													
	3) inception report													
	4) incorporating comments													
	5)													
	6) delivery of final report to Client}													
Task-2	{e.g., Deliverable #2:.....}													
n														

Technical Proposal – Proforma 3 (TPP-3)

- iii. Section 3 Names & CVs of personnel to work on this project and also provide information as per below mentioned table (in the CV please cover name of staff, nationality of staff, profession/designation of staff, proposed position in the team, whether employee of the firm, number of years with the firm, key qualifications, education, experience and languages known) (TPP-3)

Name	Educational qualification	Experience	Employment Status *	Description/Position	Remarks

*Full Time/Part time

Note: - If an agency chooses to apply for more than one state, it needs to ensure that Full time personnel mentioned for one state cannot be considered for other states.

Technical Proposal – Proforma 4 (TPP-4)

- iv. Section 4 Personnel Inputs against each activities/tasks of the TOR in tabular format– include person days **without any reference to fees.** (TPP-4)

N°	Name	Expert's input (in person/month) per each Deliverable										Total time-input (in Months)		
		Position		Task-1	Task-2	Task-3	Task-...				Home	Field	Total
KEY EXPERTS														
K-1	{e.g., Mr. Abbbb}	[Team Leader]	[Home]	[2 month]	[1.0]	[1.0]								
			[Field]	[0.5 m]	[2.5]	[0]								
K-2														
K-3														
n														
											Subtotal			
NON-KEY EXPERTS														
N-1			[Home]											
			[Field]											
N-2														
n														
											Subtotal			
											Total			

Technical Proposal – Proforma 5 (TPP-5)

- v. Section 5 Previous experience (please indicate name of assignment, name/address of employer, date of award of assignment, date of completion of assignment, value of the assignment and role of your firm viz. prime consultant, sub-consultant, consortium member etc.) (TPP-5)

Title of assignment	Duration (From – To)	Country, State	Value (In Rupees)	Details of Client	Lead Firm/Organization	Short Description about assignment

- vi. Section 6 Matters not appropriate in any other appendix, e.g. Joint Ventures, Disclosures, Conflict of Interest etc.

Part C – Commercial Tender

Financial Proposal - Pro forma 1 (FPP-1)

TENDER FOR:

TENDER NUMBER:

PERSONNEL INPUTS AND FEE RATES

NAME	FIRM	EMPLOYMENT STATUS*	DESCRIPTION / POSITION	No of DAYS/ Months	DAILY FEE RATE (INR)	AMOUNT (INR)
TOTAL PROFESSIONAL FEES: (A) Rs.						

* Full time employee / project resource

Financial Proposal - Pro forma 2 (FPP-2)**TENDER FOR: [Contract Title]****TENDER NUMBER: [Reference Number]****Projected Reimbursable Costs**

Projected reimbursable costs should be shown separately in the format set out below using separate sheets to provide full details under each heading. Unit prices should be quoted for programme and others expenses such items, subsistence, property rents and local transport (where this is to be provided by the Proposers).

	NO	UNIT	RATE	COST (Rs)
FARES Domestic		Economy		
Other travel costs (specify)				
Vehicle Rental for Local Travel				
Sub Total				
SUBSISTENCE person/days				
Sub Total				
ACCOMMODATION person/days				
Other cities (specify)				
Sub Total				
COMMUNICATION including telephones, internet, postage, etc.				
DOCUMENTATION AND REPORTING including computing expenses				
ANY OTHER (Specify)				
TOTAL PROJECTED REIMBURSABLE COSTS: (B) Rs				
TOTAL PROJECTED CONTRACT COST: (A) + (B)			Rs	

Financial Proposal - Pro forma 3 (FPP-3)**TENDER FOR:****TENDER NUMBER:****SUMMARY OF FEE RATES AND EXPENSES**

PARTICULARS	AMOUNT (INR)
Total Fees (A)	
Total Project Expenses (B)	
Sub Total	
Service Tax	
TOTAL	

TERMS OF REFERENCE

Terms of Reference

Request for proposal for hiring of Local Research House(s) (LRH) for conducting 'FinScope Survey' in 4 states i.e. Odisha, Uttar Pradesh, Madhya Pradesh and Bihar in India under the Poorest States Inclusive Growth Programme (PSIG).

SIDBI invites proposals from local research houses/ organisations with relevant research experience and expertise to implement data collection and survey operation for the FinScope Survey under the overall supervision of FinMark Trust (FMT) under the Poorest States Inclusive Growth Programme (PSIG) being implemented by SIDBI covering 4 states. SIDBI reserves the right to allocate one or more states to a particular LRH depending on their combined score (technical + commercial proposal) and their experience in a particular PSIG state. Accordingly, LRH should indicate their experience in each of the PSIG states for all the four PSIG states in their response to the RFP. The scope of work is provided in the following terms of reference.

1. Introduction and background

Poorest States Inclusive Growth Project (PSIG) is one of the first private sector projects supported by the UKAid from the Department for International Development (DFID) and is being implemented by SIDBI. The programme aims to enhance the income and employment opportunities of poor women and men by enabling them to participate and benefit from wider economic growth in India. The purpose of the programme is to improve income, and reduce vulnerability, of poor people and small producers, by expanding their access to finance and markets.

It has been envisaged that the programme would improve access for poor men and women to a variety of financial services in the 4 low income states viz. Bihar, Orissa, Madhya Pradesh and Uttar Pradesh . It will facilitate improving the policy environment for microfinance and will empower women in terms of improved financial literacy, legal entitlements and other gender related issues.

PSIG is expected to leverage private sector financial and technical resources to reach up to 12 million direct and indirect beneficiaries.

FinMark Trust (FMT) was created with initial funding from the UK's Department for International Development, FinMark Trust is an independent trust whose purpose it is to make financial markets work for the poor by promoting financial inclusion and regional financial integration. FinMark Trust does this by conducting research to identify the systemic constraints that prevent financial markets from reaching out to these consumers and by advocating for change on the basis of research findings. Thus, FinMark Trust has a catalytic role, driven by its purpose to start processes of change that ultimately lead to the development of inclusive financial systems that can benefit all consumers. FMT will be working closely on this project with SIDBI and DFID India.

In order to fulfil its objectives, FinMark Trust developed the FinScope Survey. It is a nationally representative survey of how individuals source their income, and how they manage their financial lives. It also provides insight into attitudes and perceptions regarding financial products and services. To date, FinScope Surveys have been conducted in 18 countries. Further details on these surveys are available from www.finscope.co.za or on request.

2. Survey objectives

The key objective of the FinScope survey is to measure and profile levels of access to and use of financial services by all bankable adults, across income ranges and other demographics, and making this information available for use by key stakeholders such as policy-makers, regulators, and financial service providers.

The information provided by this survey will help extend the reach of financial services in four states in India (Odisha, Uttar Pradesh, Madhya Pradesh and Bihar) as it provides an understanding of the India's adult population in terms of:

- Their livelihoods and how they generate their income;
- Their financial needs and/or demands;
- The levels of financial inclusion (formal and informal) and the types of financial products (formal and informal, credit, savings, etc.);
- Their financial perceptions, attitudes and behaviour;
- Their demographic and geographical distribution;
- The obstacles they face and the factors that would have an influence on their financial situations;
- Current levels of access to, and utilisation of, financial services and products (formal and/or informal);
- The landscape of access (i.e. types of products used in terms of transactions, savings, credit, insurance and remittances);
- Drivers of financial products and service utilisation; as well as
- Barriers to, utilisation of, and access to, financial products and services.

As such, the **main objectives** of the FinScope Survey India 2014 are:

- To measure the levels of financial inclusion (i.e. the proportion of the population using financial products and services – both formal and informal);
- To describe the landscape of access (i.e. the type of products and services used by financially included individuals);
- To determine the needs for financial products, as well as the gap between need and:
 - Financial products (formal and informal) available, and
 - Financial product usage (formal and informal)
- To identify the drivers of, and barriers to the usage of financial products and services;
- To provide an assessment of whether the current financial policy and regulatory environment creates a conducive environment for financial inclusion; as well as

- To stimulate evidence-based dialogue that will ultimately lead to effective public and private sector interventions that will increase and deepen financial inclusion strategies.

3. Scope of work

The Local Research House (LRH) will **work closely with FMT**, based in Johannesburg, South Africa, who will act as implementing agency for the project and who will provide technical assistance throughout the implementation of the project. The LRH will be contracted by SIDBI and will report to the FMT **Research Manager**. The details of proposed working relationship between LRH and FMT are given in Annexure I.

For the implementation of the FinScope Survey India 2014, the Local Research House will be required to:

- a) Participate in a one day FinScope **briefing session** conducted by FinMark Trust
- b) Participate in **meetings of the Steering Committee** that will oversee the implementation of the FinScope Survey
- c) Implement Focus Group Discussions in the four states of Odisha, Uttar Pradesh, Madhya Pradesh and Bihar, to ensure an understanding of financial behaviour and financial products being used. This will involve the following steps and deliverables to a minimum approved standard, with detail to be included and elaborated in the proposal:
 - I. Design and structure of the focus group
 - II. Design of research instruments (recruitment questionnaires, discussion guides, observation guide, etc.)
 - III. Translated transcripts of interviews
 - IV. Analysis of transcripts, topline findings and final written report
- d) For the quantitative survey, design the **sample and weight the sample to represent the adult population of the four states surveyed**. The methodology assumes a total sample size of **16 000 adults**, across the four states of Odisha, Uttar Pradesh, Madhya Pradesh and Bihar, as per the suggested sample breakdown below. In coming up with the sampling methodology, design and weights it is crucial that the Local Research House obtains relevant information and approval from the statistical authority responsible for this information in each of the four PSIG states. Furthermore the Local Research House also needs to have the statistical authority to approve the final weighted data as representative of the adult population in each of the four PSIG states. If the relevant sampling authorities are not directly able to fulfill these tasks, then the Research House needs to use a sampling consultant accredited and endorsed by the relevant sampling authorities to fulfill these tasks.

Note that the approach below is a **suggested starting point that predates Census 2011 data. It should therefore necessarily be updated** or argued by the Research House in their **suggested sampling proposal**. This will depend on the stratification type options that are available (at district level) from the latest census in these four states. The sampling approach provided below is

representative at “poor” vs. “non-poor” districts level for each of the four states. The Research House can also adopt a power allocation approach with an appropriate factor to ensure a sufficiently large sample per state for stable analysis at sub-state level that meets margin of error requirements. Ultimately the Research House needs to fully employ and argue a probability sampling approach to their sample design and weighting.

The methodology below explores the possibility of grouping the poorest and non-poorest states in order to treat them as separate reporting domains. In order to achieve the level of analysis expected, we incorporate the required domains in stratification. Within each of the four states we stratify the areas by poorest districts and non-poorest districts which become the explicit strata. The sample size below is allocated to explicit strata using square root allocation. The square root allocation is known to maximise the precision levels within strata. We further calculate the margin of error within each domain of estimation assuming infinite population which is less than 5 percent of the population. The margin of error ranges from 1.8 to 3 percent which is acceptable given that the field procedures will be structured and implemented in such a way that will reduce the effect of non-sampling errors.

Table 1: Minimum sample size distribution per state and the groupings of districts

States	Group	Proportion of poor people (%)	Number of Districts	Sample	Margin of Error (95%)
Bihar	Non-Poorest	44	15	1 980	2.2
Bihar	Poorest	56	23	2 232	2.1
Madhya Pradesh	Non-Poorest	48	31	1 864	2.3
Madhya Pradesh	Poorest	52	19	1 957	2.2
Orissa	Non-Poorest	67	21	1 480	2.5
Orissa	Poorest	33	9	1 038	3.0
Uttar Pradesh	Non-Poorest	58	42	2 939	1.8
Uttar Pradesh	Poorest	42	32	2 510	2.0
TOTAL				16 000	

Source: Census 2011(Bihar), Census 2001 (Madhya Pradesh, Orissa and Uttar Pradesh)

Note: The total population in the districts was used to assume the proportion of poor people in the poorest districts in relation to the total state population e.g. Bihar has a total of 38 districts, with 23 classified as poor. The total combined population of the 23 districts is 56%.

The ultimate sample size should not only depend on the margin of error as they are estimated but needs to consider other factors that may have direct and indirect effect on the sample data. Some factors are associated with non-response and coverage of the areas within the states. We regard this sample size as the minimum sample size that can be used to produce estimates at state level and proposed domains (poor versus non-poor districts). The detailed analysis of sample data to be obtained from the census

data may suggest sample augmentation in some areas. The process of determining final sample size should also be guided by the distribution of census enumeration areas across the states. During sampling, PPS sampling method proposed will be applied using households as a measure of size. The size of EAs from the census also has a direct effect on the sample of individuals to be drawn. While we are attempting to produce a sample size within budget we should also allow for sample augmentation based on the characteristics of the population that may be revealed by the census data.

Note that the Local Research House will also need to determine and communicate whether there is a need for an initial **listing exercise**, using the following approach:

1. Listing exercise (if necessary):
 - A list of all census enumerator areas (EAs) per district is obtained
 - EAs are then stratified into urban and rural areas
 - EAs are sampled for each stratum using probability proportional to size (PPS)
 - Then all households in the selected EA are listed
 - Within the households, all adults who are 18 years or older are then identified as the Sampling frame
2. Survey:
 - Within each selected EA, about six households are selected systematically, selecting every k^{th} household (systematic random selection)
 - The sample interval is determined by the listing exercise
 - Within the selected households, where there is more than one qualifying respondent, the Kish Grid is used to randomly select the one household member with whom to complete the interview (this individual will be the ultimate sampling unit)
 - If a selected person is unavailable, then up to three recalls at different times of the day and days of the week are made to maintain the integrity of the sample
 - If a person is repeatedly unavailable or refuses participation, then very strict substitution rules are applied
 - The substitute is also chosen randomly
 - No substitution of individuals within a household is allowed

The Local Research House is requested to outline the proposed sampling structure and methodology and to make specific suggestions with regard to the sample methodology in their proposal.

- e) **Instrument design:** adapt the standard FinScope questionnaire and contextualise it to suit the evolving context in India, including workshops to obtain stakeholder input, as well as translations of the final questionnaire (into appropriate local languages for each of the four states of Odisha, Uttar Pradesh, Madhya Pradesh and Bihar). Questionnaire administration takes about 75 minutes.
- f) **Pre-test** the translated version of the questionnaire in field by conducting a number of face-to-face interviews and adapt the translation where necessary
- g) Recruit an adequate number of supervisors and enumerators to ensure that **fieldwork is completed** within a period of **twelve weeks**

-
- h) Produce enumerator **training materials** and **field manuals** (in English and into appropriate languages for each of the four states)
- i) Conduct supervisor and enumerator **training** with assistance from FinMark Trust, allowing for ten days of training which will include a **pilot** survey to test enumerators' readiness to go to field in terms of having mastered the questionnaire as well as the sampling approach
- j) Conduct a pilot survey at the end of the enumerator training to test the ability of the enumerators to conduct the fieldwork in terms of:
- Implementation of survey methodology (selection of EAs, correct listing, selection of right respondent)
 - Administration of the FinScope India questionnaire across for each of the four states of Odisha, Uttar Pradesh, Madhya Pradesh and Bihar
- k) Conduct the **fieldwork** for the FinScope Survey India 2014 on the following basis:
- Obtaining the EA maps for the selected EAs in the sample from the relevant statistical authorities
 - Systematic random selection of about six households from each sampled EA
 - Listing all household members in the selected household and selecting one qualifying individual using the Kish grid
 - Conducting **16000 face-to-face interviews across the four states of Odisha, Uttar Pradesh, Madhya Pradesh and Bihar** with each of the selected respondents (duration of the interviews is about 75 minutes);
 - Implementing necessary **quality control** measures to ensure the validity and accuracy of the data collected by:
 - Having adequate supervision teams and processes in place
 - Ensuring that adequate back-check procedures as well as questionnaire checking processes are in place
 - Note that in the proposal the Research House must elaborate on documented quality control approaches, measures and processes to a minimum approved standard across the following functions:
 1. Instrument design
 2. Training and piloting
 3. Data collection, including back-checking procedures and minimum back-checking percentages used
 4. Data capturing
 5. Data analysis
-

- l) **Capture the survey data** and produce a **clean dataset**. Quality control measures should include:
 - I. Data capturing training - ensuring inter alia a thorough understanding of the questionnaire
 - II. Data checking procedures and data validation programmes
- m) Produce a **final clean dataset in SPSS** format for the purpose of data weighting and analysis as well as separate weighted datasets for each of the four PSIG states. Note that this dataset must accord with data map requirements to ensure data consistency across the four PSIG states.
- n) Produce a **technical report** addressing the sampling approach, the fieldwork and quality control process as well as data capturing and cleaning processes
- o) **Analyse** the survey data with technical assistance from FinMark Trust
- p) **Present the topline findings** of the data to the Steering Committee for contextual input
- q) Produce a combined **launch presentation** as well as separate launch presentations for each of the four PSIG states and written **report** of the findings of the FinScope Survey India 2014

The Local Research House is required to submit a detailed proposal outlining the approach and capacity to address each of the above mentioned research components.

4. Timeline

The anticipated timing of the project is **twelve months** from the time of appointment of the Research House. The Research House should provide a detailed timeline for executing the project activities as outlined above including perceived project risks and contingency plans.

Annexure I:
Working Relationships/ Contractual Obligation of LRH with FinMark Trust, South Africa

(1) **Scope of work for LRH**

LRH shall be responsible for the scope of work as advised by FMT.

(2) **Enumerators**

The persons/ entities as may be employed by LRH to perform the Services (“**Enumerators**”) shall be agreed in consultation with FinMark Trust (“**Consultant**”). SIDBI and the Consultant shall have a right to prescribe the eligibility requirements for the appointment of Enumerators including educational qualifications, prior experience, language skills set etc. as well as their working regime including working hours etc. The Consultant shall also have a right to request for substitution of the Enumerators, inspection during the survey collection process, review of surveys collected.

(3) **Purpose of proposed Agreement between SIDBI and LRH**

- (i) SIDBI shall enter into an Agreement with LRH only to facilitate the performance of Services by LRH to enable the FMT to perform its services towards SIDBI under their agreement with SIDBI.
- (ii) SIDBI shall enter into an Agreement with the LRH at the instance of the FMT as the FMT has represented and assured to SIDBI that the Services of LRH are required to enable the FMT to perform its services under their agreement with SIDBI.

(4) **Acknowledgment of LRH**

The FMT has represented that it shall refer the LRH’s name for appointment after satisfying itself completely as to the competence and capability of the LRH to perform the Services required of it to enable the FMT to perform its services under the FMT’s agreement with SIDBI.

(5) **LRH and Enumerators to report to FMT**

The LRH and its Enumerators will have a direct reporting to the FMT and would be required to adhere to the directions and instructions issued by the FMT including but not limited to following the questionnaire and other methodology provided by the FMT. In the event the outcome of the survey to be conducted is not in consonance with the standards and/or expectation of the FMT, the same would have to be repeated at the cost to be borne by the LRH. The LRH shall undertake to use all its efforts to ensure that the objectives sought to be achieved by the survey by the FMT and SIDBI are achieved.

(6) **Payments for Services**

All payments to LRH for their Services will be made by SIDBI based upon an approval of the FMT and subject to their satisfaction as to the documentation submitted together with the respective invoice. The FMT will be responsible for approval of any excess amounts paid to the LRH. SIDBI reserves its right to recover such amounts from the FMT.

(7) **Responsibility to perform Services efficiently**

The responsibility to ensure that LRH provides its Services under the proposed agreement in a time bound and efficient manner shall besides LRH be that of the FMT and SIDBI shall not be liable in any manner for the same.

MODEL CONTRACT

FORM FOR CONSULTANCY CONTRACT.

Contract For: _____

Contract Number: _____

This Contract (hereinafter referred to as the Contract) dated _____, 20.. is made between:

SIDBI name and address (hereinafter referred to as CLIENT)

And

_____ (hereinafter referred to as the Consultant)

Whereas:

- SIDBI may require the Consultant to supply certain services under the terms of the Contract, and as more particularly defined in the Contract Letter (hereinafter referred to as the Services) which shall be placed pursuant to the Contract (see Section 3),
and
- the Consultant, having represented to SIDBI that they have the professional skills, personnel and technical resources, have agreed to supply the services when required during the period of the Contract

it is hereby agreed as follows:

1. Documents

The Contract shall comprise the following documents:

- | | |
|-----------|-------------------------------------|
| Section 1 | Form of Contract (this document) |
| Section 2 | Conditions of Consultancy Contracts |
| Section 3 | Terms of Reference |
| Section 4 | Special Conditions |
| Section 5 | Schedule of Prices |

2. Previous Communications

This document constitutes the entire Contract between the parties and supersedes all previous communications, whether oral or written, in relation to the Services to be undertaken in accordance with the Contract.

3. Provision of Services

The Consultant agrees, during the period of the Contract, to make themselves available if required, to provide the Services to be undertaken in accordance with the Contract. The Consultant is required to pass to within one month of completion of a task, all documents and working papers accumulated during the course of the service.

4. Financial Limit

Total financial limit for this project is Rs. _____ (Rupees _____)

5. Payment

In consideration of the Services performed by the Consultant under the terms of this Contract, SIDBI shall make to the Consultant such payments and in such manner as provided in Section 5, Schedule of Prices, within the financial limit specified.

6. Commencement and duration of the Services

This Contract will remain in effect from _____, 20.. and expire on _____, 20.. unless terminated earlier in accordance with the provisions of the Contract.

7. Acknowledgement

The Consultants shall confirm acceptance of the terms of this Contract by signing and returning to SIDBI the duplicate copy enclosed herewith within a period of 30 days.

For and on behalf of/ acting for and on behalf of the CLIENT

Name _____

Position _____

Signature

Date

For and on behalf of the Consultant

Name

Position

Signature

Date

Section 2

CONDITIONS FOR CONSULTANCY CONTRACTS

1. Construction of Contract

1.1 The Contract shall be governed by and construed in accordance with the laws of India.

2. Definitions

2.1 "the Consultants" means the person, firm or company with whom the Contract is placed.

2.2 "SIDBI " means Small Industries Development Bank of India.

2.3 "the Contract" means the contract between SIDBI and the Consultants consisting of the Form of Contract and the documents listed therein.

2.4 "the Services" means those activities more particularly defined in Section Terms of Reference/Scope of Work, as referred to in Section 3 of the Contract.

2.5 "the Project Officer" means the person named in Section 4 who is responsible for issuing instructions and dealing with all correspondence in connection with the technical aspects of the Contract.

2.6 "the Contract Officer" means the person named in Section 4 who is responsible for all contractual aspects of the contract.

2.7 "the Administration Officer" means the person named in Section 4 to whom all administrative issues should be referred.

3. Instruction and Approvals

3.1 All consultancy assignments and contracts need to be approved by the delegated authority

4. Personnel

4.1 The Consultants shall communicate through their proposal the personnel to be engaged in providing the services. The prior approval of the Contract Officer will have to be obtained by the Consultants in respect of any new person engaged. Such personnel shall perform the Services with all due diligence, efficiency and economy, in accordance with appropriate professional standards.

- 4.2 Nothing contained in this Contract shall be construed or have effect as constituting a relationship of employer and employee or principal and agent between SIDBI and the Consultants or any staff of the Consultants.
- 4.3 All Consultants' personnel provided shall be suitably qualified, experienced and physically fit to carry out the work required of them. In the event that any are deemed to be unsuitable, the Project Officer may, notwithstanding any prior approval, so notify the Consultants in writing, giving reasons for unsuitability. On receipt of such notification the Consultants shall without charge provide a suitably qualified and acceptable replacement for any such person with the minimum of disruption and delay to the Project in relation to which the Services are provided.
- 4.4 The Consultants shall not be entitled to substitute personnel unless the Contract officer gives written consent to such substitution. Consent, to any such - substitution shall not be unreasonably withheld but be conditional upon the provision by the Consultants of a suitable replacement. The Contract Officer shall be entitled to withdraw such consent, and to require the reinstatement or further replacement of any substituted personnel if, in the reasonable opinion of the Project Officer, the replacement is unsuitable.
- 4.5 SIDBI shall not be liable to meet any costs arising from the replacement of the Consultants' personnel who are engaged on the Contract.
- 4.6 The Consultants are responsible for all acts and omissions of persons engaged by the Consultants whether or not in the course of performing the services and for the health, safety and security of such persons and their property and the Consultant shall indemnify SIDBI in respect of any claim (including legal costs incurred by SIDBI in defending such claim) made against SIDBI by such persons except where the loss, damage or claim arises out of the negligence of SIDBI or its employees.

5. Financial Limit

- 5.1 The Financial Limit under this Contract is stated in the Form of Contract. No expenditure may be incurred in excess of this limit and no variants between budgets are permitted without the prior written authority of the Contract Officer.

6. Fees & Reimbursable Expenses

- 6.1 Fees quoted for each productive day are deemed to cover the cost of salary, leave allowances, bonuses, profit, taxes, insurances, superannuation, non-working days and all other costs and expenses of whatsoever nature that may be incurred except those otherwise specifically provided for in the Contract.

7. Payments

- 7.1 Invoices should be submitted in accordance with the specific instructions provided below.
- 7.2 Subject to SIDBI being satisfied that the Consultants are or have been carrying out their duties, obligations and responsibilities under the Contract, sums duly approved shall be paid within 30 days of receipt of a valid invoice.
- 7.3 Payment shall be made in Indian Rupees unless otherwise agreed to.
- 7.4 If for any reason SIDBI is dissatisfied with performance of the Contract, an appropriate sum may be withheld from any payment otherwise due. In such an event SIDBI shall identify the particular Services with which it is dissatisfied together with the reasons for such dissatisfaction, and payment of the amount outstanding will be made upon remedy of any unsatisfactory work or resolution of outstanding queries.
- 7.5 Should SIDBI determine after paying for a particular service that the service has not been completed satisfactorily, SIDBI may recover, or withhold from further payments, an amount not exceeding that previously charged for that service until the unsatisfactory service is remedied to its satisfaction.

8. Payment to Sub-Contractors

- 8.1 In the event that the Consultants let a sub-contract with a supplier or contractor, such sub-contract shall include the requirement that payments due to be made to the sub-contractor shall be paid within a period not exceeding 30 days of receipt of a valid invoice as defined in the sub-contract.

9. Corrupt Gifts and Payments of Commission

- 9.1 The Consultants warrant and represent to SIDBI that the Consultants have not:
- a. offered to give or agreed to give to any person any gift or consideration of any kind as an inducement or reward for doing or forbearing to do or for having done or forborne to do any act in relation to the obtaining or execution of the Contract or for showing or forbearing to show favour or disfavour to any person in relation to the Contract;
 - b. entered into the Contract in connection with which commission has been paid or agreed to be paid by the Consultants or on their behalf, or to their knowledge, unless before the Contract was made, particulars of any such commission and of the terms and

conditions of any agreement for the payment thereof were disclosed in writing to the Contract Officer.

9.2 Any:

- a . breach by the Consultants of the warranty and representation contained in clause 9.1:
or
- b. commission of any offence by the Consultants under the Prevention of Corruption Acts in relation to this Contract

shall entitle SIDBI to terminate the Contract and recover from the Consultants the amount of any loss resulting from such termination and/ or to recover from the Consultants the amount or value of any such gift, consideration or commission.

- 9.3 In clause 9.2 references to the Consultants includes anyone employed by them or acting on their behalf (whether with or without their knowledge).

10. Commissions and Discounts

The Consultants shall not accept for their own benefit any trade commission, discount or similar payment or benefit, (including but not limited to air flights or other benefits obtained from travelling as passengers on particular airlines), in connection with the Contract. In addition, the Consultants shall use their best endeavors to ensure that neither their subcontractors, nor the personnel or agents of either the Consultants or subcontractors shall receive any such additional remuneration or benefit. Any such discounts, commissions, payments or benefits shall be passed on to SIDBI immediately.

11. Invoicing Instructions

- 11.1 Invoices for work undertaken by Consultants in respect of the Services must be presented in duplicate.
- 11.2 Invoices should bear the Contract reference, be numbered sequentially and dated, and marked "For the attention of the Contract Officer" named in Section 4. The final invoice presented in connection with the contract should be endorsed "Final Invoice".
- 11.3 All invoices should contain details of expenditure actually incurred by the Consultants in the previous accounting period. Expenditure should be itemised in accordance with the Schedule of Prices at Section 5 of this Contract. Claims in respect of fees should specify the name, grade or designation, fee rate and hours/ dates of periods worked for each fee.

SIDBI reserves the right to request proofs of payment in respect of any reimbursable item and shall be entitled to refuse to meet a claim if this cannot be provided.

- 11.4 All invoices should be endorsed as follows: "We certify that the amounts claimed in this invoice have been wholly and necessarily incurred for the purpose of the engagement and have not been claimed before".
- 11.5 All invoices should be signed by the Partner or the accounts holder or the Project Leader.
- 11.6 Any invoice not presented in accordance with the above may be rejected and in any, event shall be liable to query and delay in payment.

12 Indemnity

- 12.1 The Consultants shall exercise reasonable skill, care and diligence in the performance of the Contract and indemnify and keep SIDBI indemnified in respect of any loss, damage or claim howsoever arising out of or related to breach of contract, statutory duty or negligence by the Consultants or the Consultants' servants, agents or sub-contractors in relation to the performance or otherwise of the Services to be provided under this Contract.

13 Assigning to Others

- 13.1 The Consultants shall not, without the prior written consent of SIDBI, assign or transfer or cause to be assigned or transferred, whether actually or as the result of take over, merger or other change of identity or character of the Consultants, any of its rights or obligations under the Contract or any part, share or interest therein. Upon any such assignment or transfer, this engagement may forthwith be terminated by SIDBI.

14 Limit of Liability

Except where there has been misconduct, gross negligence, dishonesty or fraud on behalf of the Consultant or the Consultant's Personnel the Consultant's liability under this Contract shall be limited to the amount of the Financial Limit.

15 Termination

- 15.1 SIDBI may, at its sole discretion and at any time terminate the Contract and inform the Consultants of SIDBI's decision by written instruction to that effect. (Normally, there will be notice period for termination). In the event of the Contract being so terminated, the Consultants shall take such steps, as are necessary to bring the Services to an end

(including terminating any sub-contracts placed by the Consultants) in a cost effective, timely and orderly manner.

- 15.2 Should the Services or any portion thereof not be carried out to the satisfaction of SIDBI as notified under clause 7.4 or within the time or times specified in or under the Contract, SIDBI may, without prejudice to any other remedies, by notice in writing to the Consultants terminate the Contract either in respect of the Services which have not been carried out in accordance with the Contract at the time of such termination or in respect of all the Services to which the Contract relates other than those carried out in accordance with the Contract before that time. In such case the Consultants shall not be entitled under the Contract to payment of any amount by way of compensation.
- 15.3 The Contract may be terminated by SIDBI by notice in writing to the Consultants if at any time the Consultants either directly or through their servants or agents or sub-contractors commit any breach of their obligations hereunder or being an individual or, where the Consultants are a firm, any partner in that firm shall at any time become bankrupt, or shall have a receiving order or administration order made against them or shall make any composition or arrangement with or for the benefit of their creditors or shall make any conveyance or assignment for the benefit of their creditors or if the Consultants being a company, an order is made, or a resolution is passed, for the winding up of the Consultants, otherwise than a member's voluntary winding up for the purpose of amalgamation or reconstruction (subject to the prior approval of SIDBI) or a receiver or administrator is appointed of the whole or any part of the undertaking of the Consultants, SIDBI may forthwith terminate the Contract.

16. Force Majeure

- 16.1 If the performance of the Contract by either party is delayed, hindered or prevented or is otherwise frustrated by reason of force majeure, which shall mean war, civil commotion, fire, flood, action by any government or any event beyond the reasonable control of the party affected, then the party so affected shall promptly notify the other party in writing specifying the nature of the force majeure and of the anticipated delay in the performance of the Contract and as from the date of that notification SIDBI may at its discretion either terminate the Contract forthwith or suspend the performance of the Contract for a period not exceeding 6 months. If at the expiry of such period of suspension any of the reasons for the suspension still remain, SIDBI and the Consultants may either agree to a further period of suspension or treat the Contract as terminated. In the event of the Contract being terminated by reason of force majeure, the Consultants shall take such steps, as are necessary, to bring the Services to an end, (including terminating any sub-contracts placed by the Consultants) in a cost effective, timely and orderly manner. The Consultants shall submit an account in writing which shall state the amount claimed taking into account all fees and costs properly incurred or committed by the Consultants in relation to the Contract or its termination which

cannot be recovered. Always provided that payments are within the Financial Limit and not subject to dispute, SIDBI shall:

- a. pay all fees, expenses and other sums due and outstanding under the terms of this Contract upto and including the date of termination ("the Relevant Date");
- b. reimburse all reasonable expenses necessarily incurred by the Consultants after the Relevant Date in winding up the Contract.

17 **Disclosure of Information, Intellectual Property Rights and Official Secrets Act**

17.1 The Consultants shall not during or after the termination of the Contract disclose to any third party any Confidential Information arising from the Contract (other than in the proper performance of their duties hereunder or as may be required by a court or arbitration panel of competent jurisdiction) except with the prior written Permission of SIDBI For the purposes of this clause 17, "Confidential information" shall mean information relating to proprietary, technological, economic, legal, administrative business and technical matters of SIDBI and/or the Recipient including but not limited to information disclosed orally, documents, drawings, diagrams, models, programs, computer data or any part or copy of such information. The Consultants shall not use any information in a way, which would cause embarrassment to SIDBI or to the Government of India or the Recipient.

17.2 Any publication shall contain an express acknowledgement of the Consultants' copyright and the following statement:

"This document is an output from a project funded by the Small Industries Development Bank of India (SIDBI) for the benefit of developing countries. The views expressed are not necessarily those of SIDBI."

17.3 Consultants shall within 10 days of the date of publication supply SIDBI - with as many copies of any publication as SIDBI may reasonably request.

Subject always to the provisions of Clause 17.1 above:

- a. Where the Consultants are contracted by SIDBI to supply Services to a Recipient, the originals of any reports should be addressed to that Recipient. Such reports and any other document or materials prepared or inventions or information produced as a result of the performance of the Services and all intellectual property rights therein, unless otherwise specifically stated in the Contract, shall be and shall remain the property of the Consultants.

- b. Where the Consultants are contracted to supply Services directly to SIDBI all reports should be addressed directly to the Project Officer. All intellectual property rights in such reports and any other documentation or materials prepared or inventions or information produced as a result of the performance of the Services shall be and shall remain the property of the Consultants.
- c. The Consultants hereby grant to SIDBI a worldwide non-exclusive irrevocable royalty free license to Use the reports and any other documentation or materials and any intellectual property rights therein as described in sub-clauses 17.3.a and 17.3.b. "Use" in this clause shall mean the use, reproduction, publication and transfer of or other dealing with the reports, other documentation, materials and the intellectual property rights therein, including the production and sale of products incorporating the same for use by any person or for sale or other dealing anywhere in the World. SIDBI shall be entitled to sub-license the intellectual property rights referred to in this clause to any person or entity (including, but not limited to the Recipient), on any terms which SIDBI thinks fit.
- 17.4 When the Services are supplied directly to SIDBI, the Consultants shall take all reasonable steps to ensure that personnel engaged on the Services have notice that the provisions of the Official Secrets Acts apply to them and will continue to apply after completion or earlier termination of the Contract.
- 18 Audit**
- 18.1 The Consultants shall keep accurate and systematic accounts and records in respect of the Services provided in such form and detail as will clearly identify all relevant time charges in respect of fees and all relevant costs in respect of reimbursable expenditure invoiced in accordance with clause 11.4. ("The Accounts and Records").
- 18.2 SIDBI or its representatives or auditors shall, on giving reasonable notice to the Consultants, have the right at any time to visit the Consultants' offices to audit the Accounts and Records and to require the Consultants to produce such oral or written explanations of the Accounts and Records as it considers necessary.
- 18.3 The Consultants shall make available to the persons carrying out an audit under clause 18.1 all Accounts and Records held by the Consultants, or otherwise within the control of the Consultants, whether held on computer or, in document or any other form, and, make such copies of the Accounts and Records as these persons may reasonably require and shall give them the necessary facilities for verifying the accuracy of the Accounts and Records made available.

18.4 The Consultants shall ensure that any sub-contract entered into pursuant to this Contract shall contain provisions identical to those set out in this clause 18, and that any sub-contractor to the Consultants complies with such provisions.

18.5 In the event that the results of an audit undertaken pursuant to clause 18 demonstrate that the Consultants have claimed any sums in respect of fees or reimbursable expenses in excess of their entitlement under the terms of this Contract, the Consultants shall within 30 days of a written demand by SIDBI reimburse SIDBI in full in respect of any such overpayment.

19 Settlement of Disputes

19.1 Should the Consultants and SIDBI be unable to reach agreement on the meaning or interpretation of any of the terms set out hereto or any other matters arising out of the Contract, the matter in dispute shall be referred to an arbitrator to be agreed between the parties, or failing such agreement to be nominated by **the President of the Indian Council of Arbitrators** on application of either party, and the decision of the arbitrator shall be final and binding on both parties. The place of arbitration shall be New Delhi.

20 Evaluation

20.1 CLIENT may undertake post project evaluation of the impact and cost-effectiveness of projects or programmes, which it funds. The Consultants shall, if required, give SIDBI or its representatives reasonable access to records held by the Consultants in connection with the Contract and shall give all reasonable co-operation to the evaluators appointed by SIDBI.

21 Conflict of Interest

21.1 Neither the Consultants, their personnel, nor any sub-contractors or their personnel shall engage in any personal, business or professional activities, either during the course of or after the termination of this Contract, which conflict with or could potentially conflict with the Services

21.2 The Consultant shall notify SIDBI immediately of any such activities or circumstances which give rise to or could potentially give rise to a conflict with the Services and shall advise SIDBI how they intend to avoid such a conflict arising.

21.3 In the event of a conflict as described in Sub-clause 21.1 above arising during the course of this Contract SIDBI reserves the right to terminate the Contract on giving written notice to the Consultants. In the event of such termination the provisions of clause 15 shall apply.

Section 3

Terms of Reference

Section 4

Special Conditions

(If any should be specified here).

Section 5

Schedule of Prices

Contract For: _____

Contract Number: _____
