

## **SELECTION OF CONSULTANTS**

### **REQUEST FOR PROPOSALS (DIRECT RFP WITHOUT EOI)**

**RFP No.:** *SMART/INT. AUDIT-PKG 2/CS /115 /2024-25*

**Consulting Services for:** *Hiring of Chartered Accountancy firm for conducting Internal Audit for SMART Project -Package -2*

**Client:** *Project Director, Hon. Balasaheb Thackeray Agribusiness and Rural Transformation (SMART) Project*

**Country:** *INDIA*

**Project:** *State of Maharashtra's Agribusiness and Rural Transformation (SMART) Project*

**Issued on:** 13 / 01 /2025

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## **PART I**

### **Section 1. Letter of Invitation**

## Letter of Invitation Consulting Services

**Name of Assignment:** *Hiring of Chartered Accountancy firm for conducting Internal Audit for SMART Project -Package -2*

**RFP Reference No.:** *SMART/INT. AUDIT-PKG 2/CS /115 /2024-25*

**Loan No./Credit No./ Grant No.:** *IBRD Loan No 9031-IN*

**Location and Date:** *Maharashtra India*

Dear Mr. /Ms.:

1. The Department of Agriculture, Government of Maharashtra (hereinafter called "Borrower") has received financing from the International Bank for Reconstruction and Development (IBRD) (the "Bank") in the form of a "loan" (hereinafter called loan) toward the cost of Hon. Balasaheb Thackeray Agribusiness Rural Transformation Project, (SMART). Department of Agriculture (DoA), Government of Maharashtra, an implementing agency of the Client, intends to apply a portion of the proceeds of this loan to eligible payments under the contract for which this Request for Proposals is issued. Payments by the Bank will be made only at the request of the Project Co-ordination Management Unit (PCMU), SMART, DoA, GoM and upon approval by the Bank, and will be subject, in all respects, to the terms and conditions of the loan agreement. The loan agreement prohibits a withdrawal from the loan account for the purpose of any payment to persons or entities, or for any import of goods, if such payment or import, to the knowledge of the Bank, is prohibited by a decision of the United Nations Security council taken under Chapter VII of the Charter of United Nations. No party other than the Borrower shall derive any rights from the loan agreement or have any claims to the proceeds of the loan.
2. A firm will be selected under ***Least Cost Selection (LCS)*** and in a Full Technical Proposal (FTP) format as described in this RFP, in accordance with the policies of the Bank detailed in the Bank's "Regulations for IPF Borrowers" *Revised in September 2023*. ("Procurement Regulations") which can be found at the following website: [www.worldbank.org](http://www.worldbank.org)
3. Joint venture or consortium is not allowed to submit the proposal for this assignment.
4. The RFP document is available on the GoM E-Procurement Portal <https://mahatenders.gov.in> and the project website [www.smart-mh.org](http://www.smart-mh.org) . Interested consulting firms need to submit their "Proposal" through online at <https://mahatenders.gov.in> latest by **13/02 /2025 up to 3.00 PM**. If there is any change

in the RFP document or any other scheduled date, it will be published only on the aforesaid website.

5. The RFP includes the following documents:

Section 1 – Request for Proposals Letter

Section 2 - Instructions to Consultants and Data Sheet

Section 3 - Technical Proposal (FTP) - Standard Forms

Section 4 - Financial Proposal - Standard Forms

Section 5 – Eligible Countries

Section 6 – Fraud and Corruption

Section 7 - Terms of Reference

Section 8 - Standard Forms of Contract (Lump-Sum)

6. Details on the proposal's submission date, time and address are provided in ITC 17.7 and ITC 17.9.

7. Project has published two separate RFPs i.e. Package I & Package II for Hiring of Chartered Accountancy firm for conducting Internal Audit for SMART Project. Interested chartered accountancy firm may participate for the both the packages if they fulfill minimum eligibility /qualification criteria. BUT no any CA firm will be awarded both the packages. Two different CA firms are selected for the both packages. The financial proposals of the technically qualified firms of package 1 will be opened first. If the lowest financial bid submitted by the firm for package 1 , then the said firm shall be disqualified for the package 2 and its financial proposal for the package 2 shall not be opened.

Yours sincerely,

**Dr. Hemant Vasekar IAS**

Project Director,

Hon. Balasaheb Thackeray Agribusiness Rural Transformation Project,

MSFC Building, 270, Bhamburda, Senapati Bapat Road, Pune 411016

Telephone: 91-20-25656577

Email id: [pcmu.smart@gmail.com](mailto:pcmu.smart@gmail.com)

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## Instructions to Consultants

### A. General Provisions

<p><b>1. Definitions</b></p>	<ul style="list-style-type: none"> <li>(a) <b>“Affiliate(s)”</b> means an individual or an entity that directly or indirectly controls, is controlled by, or is under common control with the Consultant.</li> <li>(b) <b>“Applicable Law”</b> means the laws and any other instruments having the force of law in the Client’s country, or in such other country as may be specified in the <b>Data Sheet</b>, as they may be issued and in force from time to time.</li> <li>(c) <b>“Bank”</b> means the International Bank for Reconstruction and Development (IBRD) or the International Development Association (IDA).</li> <li>(d) <b>“Borrower”</b> means the Government, Government agency or other entity that signs the <i>loan</i> agreement with the Bank.</li> <li>(e) <b>“Client”</b> means the implementing agency that signs the Contract for the Services with the selected Consultant.</li> <li>(f) <b>“Client’s Personnel”</b> is as defined in Clause GCC 1.1 (e).</li> <li>(g) <b>“Consultant”</b> means a legally-established professional consulting firm or an entity that may provide or provides the Services to the Client under the Contract.</li> <li>(h) <b>“Contract”</b> means a legally binding written agreement signed between the Client and the Consultant and includes all the attached documents listed in its Clause 1 (the General Conditions of Contract (GCC), the Special Conditions of Contract (SCC), and the Appendices).</li> <li>(i) <b>“Data Sheet”</b> means an integral part of the Instructions to Consultants (ITC) Section 2 that is used to reflect specific country and assignment conditions to supplement, but not to over-write, the provisions of the ITC.</li> <li>(j) <b>“Day”</b> means a calendar day, unless otherwise specified as <b>“Business Day”</b>. A Business Day is any day that is an official working day of the Borrower. It excludes the Borrower’s official public holidays.</li> </ul>
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	<p>(k) <b>“Experts”</b> means, collectively, Key Experts, Non-Key Experts, or any other personnel of the Consultant, Sub-consultant or Joint Venture member(s).</p> <p>(l) <b>“Government”</b> means the government of the Client’s country.</p> <p>(m) <b>“in writing”</b> means communicated in written form (e.g. by mail, e-mail, fax, including, if specified in the Data Sheet, distributed or received through the electronic-procurement system used by the Client) with proof of receipt.</p> <p>(n) <b>“Joint Venture (JV)”</b> means an association with or without a legal personality distinct from that of its members, of more than one Consultant where one member has the authority to conduct all business for and on behalf of any and all the members of the JV, and where the members of the JV are jointly and severally liable to the Client for the performance of the Contract.</p> <p>(o) <b>“Key Expert(s)”</b> means an individual professional whose skills, qualifications, knowledge and experience are critical to the performance of the Services under the Contract and whose CV is taken into account in the technical evaluation of the Consultant’s proposal.</p> <p>(p) <b>“ITC”</b> (this Section 2 of the RFP) means the Instructions to Consultants that provides the Consultants with all information needed to prepare their Proposals.</p> <p>(q) <b>“Non-Key Expert(s)”</b> means an individual professional provided by the Consultant or its Sub-consultant and who is assigned to perform the Services or any part thereof under the Contract and whose CVs are not evaluated individually.</p> <p>(r) <b>“Proposal”</b> means the Technical Proposal and the Financial Proposal of the Consultant.</p> <p>(s) <b>“RFP”</b> means the Request for Proposals to be prepared by the Client for the selection of Consultants, based on the SPD - RFP.</p> <p>(t) <b>“Services”</b> means the work to be performed by the Consultant pursuant to the Contract.</p> <p>(u) <b>“SPD - RFP”</b> means the Standard Procurement Document - Request for Proposals, which must be used by the Client as the basis for the preparation of the RFP.</p>
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	<p>(v) <b>“Sub-consultant”</b> means an entity to whom the Consultant intends to subcontract any part of the Services while the Consultant remains responsible to the Client during the whole performance of the Contract.</p> <p>(w) <b>“Terms of Reference (TORs)”</b> (this Section 7 of the RFP) means the Terms of Reference that explains the objectives, scope of work, activities, and tasks to be performed, respective responsibilities of the Client and the Consultant, and expected results and deliverables of the assignment.</p>
<b>2. Introduction</b>	<p>2.1 The Client named in the <b>Data Sheet</b> intends to select a Consultant from those listed in the Request for Proposals (RFP), in accordance with the method of selection specified in the <b>Data Sheet</b>.</p> <p>2.2 The Consultants are invited to submit a Technical Proposal and a Financial Proposal, or a Technical Proposal only, as specified in the <b>Data Sheet</b>, for consulting services required for the assignment named in the <b>Data Sheet</b>. The Proposal will be the basis for negotiating and ultimately signing the Contract with the selected Consultant.</p> <p>2.3 The Consultants should familiarize themselves with the local conditions and take them into account in preparing their Proposals, including attending a pre-proposal conference if one is specified in the <b>Data Sheet</b>. Attending any such pre-proposal conference is optional and is at the Consultants’ expense.</p> <p>2.4 The Client will timely provide, at no cost to the Consultants, the inputs, relevant project data, and reports required for the preparation of the Consultant’s Proposal as specified in the <b>Data Sheet</b>.</p>
<b>3. Conflict of Interest</b>	<p>3.1 The Consultant is required to provide professional, objective, and impartial advice, at all times holding the Client’s interests paramount, strictly avoiding conflicts with other assignments or its own corporate interests, and acting without any consideration for future work.</p> <p>3.2 The Consultant has an obligation to disclose to the Client any situation of actual or potential conflict that impacts its capacity to serve the best interest of its Client. Failure to disclose such situations may lead to the disqualification of the Consultant or the termination of its Contract and/or sanctions by the Bank.</p>

	3.2.1 Without limitation on the generality of the foregoing, the Consultant shall not be hired under the circumstances set forth below:
<b>a. Conflicting Activities</b>	(i) <u>Conflict between consulting activities and procurement of goods, works or non-consulting services:</u> a firm that has been engaged by the Client to provide goods, works, or non-consulting services for a project, or any of its Affiliates, shall be disqualified from providing consulting services resulting from or directly related to those goods, works, or non-consulting services. Conversely, a firm hired to provide consulting services for the preparation or implementation of a project, or any of its Affiliates, shall be disqualified from subsequently providing goods or works or non-consulting services resulting from or directly related to the consulting services for such preparation or implementation.
<b>b. Conflicting Assignments</b>	(ii) <u>Conflict among consulting assignments:</u> a Consultant (including its Experts and Sub-consultants) or any of its Affiliates shall not be hired for any assignment that, by its nature, may be in conflict with another assignment of the Consultant for the same or for another Client.
<b>c. Conflicting Relationships</b>	(iii) <u>Relationship with the Client's staff:</u> a Consultant (including its Experts and Sub-consultants) that has a close business or family relationship with a professional staff of the Borrower (or of the Client, or of implementing agency, or of a recipient of a part of the Bank's financing) who are directly or indirectly involved in any part of (i) the preparation of the Terms of Reference for the assignment, (ii) the selection process for the Contract, or (iii) the supervision of the Contract, may not be awarded a Contract, unless the conflict stemming from this relationship has been resolved in a manner acceptable to the Bank throughout the selection process and the execution of the Contract.

<b>4. Unfair Competitive Advantage</b>	<p>4.1 Fairness and transparency in the selection process require that the Consultants or their Affiliates competing for a specific assignment do not derive a competitive advantage from having provided consulting services related to the assignment in question. To that end, the Client shall indicate in the <b>Data Sheet</b> and make available to all Consultants together with this RFP all information that would in that respect give such Consultant any unfair competitive advantage over competing Consultants.</p>
<b>5. Fraud and Corruption</b>	<p>5.1 The Bank requires compliance with the Bank's Anti-Corruption Guidelines and its prevailing sanctions policies and procedures as set forth in the WBG's Sanctions Framework, as set forth in Section 6.</p> <p>5.2 In further pursuance of this policy, Consultants shall permit and shall cause their agents (where declared or not), subcontractors, subconsultants, service providers, suppliers, and personnel, to permit the Bank to inspect all accounts, records and other documents relating to any shortlisting process, Proposal submission, and contract performance (in the case of award), and to have them audited by auditors appointed by the Bank.</p>
<b>6. Eligibility</b>	<p>6.1 The Bank permits consultants (individuals and firms, including Joint Ventures and their individual members) from all countries to offer consulting services for Bank-financed projects.</p> <p>6.2 Furthermore, it is the Consultant's responsibility to ensure that its Experts, joint venture members, Sub-consultants, agents (declared or not), sub-contractors, service providers, suppliers and/or their employees meet the eligibility requirements as established by the Bank in the applicable Procurement Regulations.</p> <p>6.3 As an exception to the foregoing ITC 6.1 and ITC 6.2 above:</p>
<b>a. Sanctions</b>	<p>6.3.1 A Consultant that has been sanctioned by the Bank, pursuant to the Bank's Anti-Corruption Guidelines and in accordance with its prevailing sanctions policies and procedures as set forth in the WBG's Sanctions Framework as described in Section VI, Fraud and Corruption, paragraph 2.2 d., shall be ineligible to be shortlisted for, submit proposals for, or be awarded a Bank-financed contract or benefit from a Bank-financed contract, financially or otherwise, during such period of time as the Bank</p>

	shall have determined. The list of debarred firms and individuals is available at the electronic address specified <b>in the Data Sheet</b> .
<b>b. Prohibitions</b>	<p>6.3.2 Firms and individuals of a country or goods manufactured in a country may be ineligible if so indicated in Section 5 (Eligible Countries) and:</p> <ul style="list-style-type: none"> <li>(a) as a matter of law or official regulations, the Borrower's country prohibits commercial relations with that country, provided that the Bank is satisfied that such exclusion does not preclude effective competition for the provision of Services required; or</li> <li>(b) by an act of compliance with a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations, the Borrower's Country prohibits any import of goods from that country or any payments to any country, person, or entity in that country.</li> </ul>
<b>c. Restrictions for State-Owned Enterprises</b>	<p>6.3.3 State-owned enterprises or institutions in the Borrower's country may be eligible to compete and be awarded a contract only if they can establish, in a manner acceptable to the Bank, that they: (i) are legally and financially autonomous, (ii) operate under commercial law, and (iii) are not under supervision of the Client.</p>
<b>d. Restrictions for Public Employees</b>	<p>6.3.4 Government officials and civil servants of the Borrower's country are not eligible to be included as Experts, individuals, or members of a team of Experts in the Consultant's Proposal unless:</p> <ul style="list-style-type: none"> <li>(i) the services of the government official or civil servant are of a unique and exceptional nature, or their participation is critical to project implementation; and</li> <li>(ii) their hiring would not create a conflict of interest, including any conflict with employment or other laws, regulations, or policies of the Borrower.</li> </ul>

<b>B. Preparation of Proposals</b>	
<b>7. General Considerations</b>	7.1 In preparing the Proposal, the Consultant is expected to examine the RFP in detail. Material deficiencies in providing the information requested in the RFP may result in rejection of the Proposal.
<b>8. Cost of Preparation of Proposal</b>	8.1 The Consultant shall bear all costs associated with the preparation and submission of its Proposal, and the Client shall not be responsible or liable for those costs, regardless of the conduct or outcome of the selection process. The Client is not bound to accept any proposal, and reserves the right to annul the selection process at any time prior to Contract award, without thereby incurring any liability to the Consultant.
<b>9. Language</b>	9.1 The Proposal, as well as all correspondence and documents relating to the Proposal exchanged between the Consultant and the Client, shall be written in the language(s) specified in the <b>Data Sheet</b> .
<b>10. Documents Comprising the Proposal</b>	<p>10.1 The Proposal shall comprise the documents and forms listed in the <b>Data Sheet</b>.</p> <p>10.2 If specified in the <b>Data Sheet</b>, the Consultant shall include a statement of an undertaking of the Consultant to observe, in competing for and executing a contract, the Client country's laws against fraud and corruption (including bribery).</p> <p>10.3 The Consultant shall furnish information on commissions, gratuities, and fees, if any, paid or to be paid to agents or any other party relating to this Proposal and, if awarded, Contract execution, as requested in the Financial Proposal submission form (Section 4).</p>
<b>11. Only One Proposal</b>	11.1 The Consultant (including the individual members of any Joint Venture) shall submit only one Proposal, either in its own name or as part of a Joint Venture in another Proposal. If a Consultant, including any Joint Venture member, submits or participates in more than one proposal, all such proposals shall be disqualified and rejected. This does not, however, preclude a Sub-consultant, or the Consultant's staff from participating as Key Experts and Non-Key Experts in more than one Proposal when circumstances justify and if stated in the <b>Data Sheet</b> .

<b>12. Proposal Validity</b>	<p>12.1 Proposals shall remain valid until the date specified <b>in the Data Sheet</b> or any extended date if amended by the Client in accordance with ITC 13.1.1.</p> <p>12.2 During this period, the Consultant shall maintain its original Proposal without any change, including the availability of the Key Experts, the proposed rates and the total price.</p> <p>12.3 If it is established that any Key Expert nominated in the Consultant's Proposal was not available at the time of Proposal submission or was included in the Proposal without his/her confirmation, such Proposal shall be disqualified and rejected for further evaluation, and may be subject to sanctions in accordance with ITC 5.</p>
<b>a. Extension of Proposal Validity</b>	<p>12.4 The Client will make its best effort to complete the negotiations and award the contract prior to the date of expiry of the Proposal validity. However, should the need arise, the Client may request, in writing, all Consultants who submitted Proposals prior to the submission deadline to extend the Proposals' validity.</p> <p>12.5 If the Consultant agrees to extend the validity of its Proposal, it shall be done without any change in the original Proposal and with the confirmation of the availability of the Key Experts, except as provided in ITC 12.7.</p> <p>12.6 The Consultant has the right to refuse to extend the validity of its Proposal in which case such Proposal will not be further evaluated.</p>
<b>b. Substitution of Key Experts at Validity Extension</b>	<p>12.7 If any of the Key Experts become unavailable for the extended validity period, the Consultant shall seek to substitute another Key Expert. The Consultant shall provide a written adequate justification and evidence satisfactory to the Client together with the substitution request. In such case, a substitute Key Expert shall have equal or better qualifications and experience than those of the originally proposed Key Expert. The technical evaluation score, however, will remain to be based on the evaluation of the CV of the original Key Expert.</p> <p>12.8 If the Consultant fails to provide a substitute Key Expert with equal or better qualifications, or if the provided reasons for the replacement or justification are unacceptable to the Client, such Proposal will be rejected with the prior Bank's no objection.</p>

<p><b>c. Sub-Contracting</b></p>	<p>12.9 The Consultant shall not subcontract the whole of the Services.</p>
<p><b>13. Clarification and Amendment of RFP</b></p>	<p>13.1 The Consultant may request a clarification of any part of the RFP during the period indicated in the <b>Data Sheet</b> before the Proposals' submission deadline. Any request for clarification must be sent in writing, or by standard electronic means, to the Client's address indicated in the <b>Data Sheet</b>. The Client will respond in writing, or by standard electronic means, and will send written copies of the response (including an explanation of the query but without identifying its source) to all Consultants. Should the Client deem it necessary to amend the RFP as a result of a clarification, it shall do so following the procedure described below:</p> <p>13.1.1 At any time before the proposal submission deadline, the Client may amend the RFP by issuing an amendment in writing or by standard electronic means. The amendment shall be sent to all Consultants and will be binding on them. The Consultants shall acknowledge receipt of all amendments in writing.</p> <p>13.1.2 If the amendment is substantial, the Client may extend the proposal submission deadline to give the Consultants reasonable time to take an amendment into account in their Proposals.</p> <p>13.2 The Consultant may submit a modified Proposal or a modification to any part of it at any time prior to the proposal submission deadline. No modifications to the Technical or Financial Proposal shall be accepted after the deadline.</p>
<p><b>14. Preparation of Proposals Specific Considerations</b></p>	<p>14.1 While preparing the Proposal, the Consultant must give particular attention to the following:</p> <p>14.1.1 If a Consultant considers that it may enhance its expertise for the assignment by associating with other consultants in the form of a Joint Venture or as Sub-consultants, it may do so.</p> <p>14.1.2 The Client may indicate in the <b>Data Sheet</b> the estimated Key Experts' time input (expressed in person-month) or the Client's estimated total cost of the assignment, but not both. This estimate is indicative and the Proposal shall be based on the Consultant's own estimates for the same.</p>



	<p>14.1.3 If stated in the <b>Data Sheet</b>, the Consultant shall include in its Proposal at least the same time input (in the same unit as indicated in the <b>Data Sheet</b>) of Key Experts, failing which the Financial Proposal will be adjusted for the purpose of comparison of proposals and decision for award in accordance with the procedure in the <b>Data Sheet</b>.</p> <p>14.1.4 For assignments under the Fixed-Budget selection method, the estimated Key Experts' time input is not disclosed. Total available budget, with an indication whether it is inclusive or exclusive of taxes, is given in the <b>Data Sheet</b>, and the Financial Proposal shall not exceed this budget.</p>
<b>15. Technical Proposal Format and Content</b>	<p>15.1 The Technical Proposal shall be prepared using the Standard Forms provided in Section 3 of the RFP and shall comprise the documents listed in the <b>Data Sheet</b>. The Technical Proposal shall not include any financial information. A Technical Proposal containing material financial information shall be declared non-responsive.</p> <p>15.1.1 Consultant shall not propose alternative Key Experts. Only one CV shall be submitted for each Key Expert position. Failure to comply with this requirement will make the Proposal non-responsive.</p> <p>15.2 Depending on the nature of the assignment, the Consultant is required to submit a Full Technical Proposal (FTP), or a Simplified Technical Proposal (STP) as indicated in the <b>Data Sheet</b> and using the Standard Forms provided in Section 3 of the RFP.</p>
<b>16. Financial Proposal</b>	<p>16.1 The Financial Proposal shall be prepared using the Standard Forms provided in Section 4 of the RFP. It shall list all costs associated with the assignment, including (a) remuneration for Key Experts and Non-Key Experts, (b) reimbursable expenses indicated in the <b>Data Sheet</b>.</p>
<b>a. Price Adjustment</b>	<p>16.2 For assignments with a duration exceeding 18 months, a price adjustment provision for foreign and/or local inflation for remuneration rates applies if so stated in the <b>Data Sheet</b>.</p>
<b>b. Taxes</b>	<p>16.3 The Consultant and its Sub-consultants and Experts are responsible for meeting all tax liabilities arising out of the Contract unless stated otherwise in the <b>Data Sheet</b>.</p>

	Information on taxes in the Client's country is provided in the <b>Data Sheet</b> .
<b>c. Currency of Proposal</b>	16.4 The Consultant may express the price for its Services in the currency or currencies as stated in the <b>Data Sheet</b> . If indicated in the <b>Data Sheet</b> , the portion of the price representing local cost shall be stated in the national currency.
<b>d. Currency of Payment</b>	16.5 Payment under the Contract shall be made in the currency or currencies in which the payment is requested in the Proposal.
<b>C. Submission, Opening and Evaluation</b>	
<b>17. Submission, Sealing, and Marking of Proposals</b>	<p>17.1 The Consultant shall submit a signed and complete Proposal comprising the documents and forms in accordance with ITC 10 (Documents Comprising Proposal). Consultants shall mark as "CONFIDENTIAL" information in their Proposals which is confidential to their business. This may include proprietary information, trade secrets or commercial or financially sensitive information. The submission can be done by mail or by hand. If specified in the <b>Data Sheet</b>, the Consultant has the option of submitting its Proposals electronically.</p> <p>17.2 An authorized representative of the Consultant shall sign the original submission letters in the required format for both the Technical Proposal and, if applicable, the Financial Proposal and shall initial all pages of both. The authorization shall be in the form of a written power of attorney attached to the Technical Proposal.</p> <p>17.2.1 A Proposal submitted by a Joint Venture shall be signed by all members so as to be legally binding on all members, or by an authorized representative who has a written power of attorney signed by each member's authorized representative.</p> <p>17.3 Any modifications, revisions, interlineations, erasures, or overwriting shall be valid only if they are signed or initialed by the person signing the Proposal.</p> <p>17.4 The signed Proposal shall be marked "ORIGINAL", and its copies marked "COPY" as appropriate. The number of copies is indicated in the <b>Data Sheet</b>. All copies shall be made from the signed original. If there are discrepancies</p>

	<p>between the original and the copies, the original shall prevail.</p> <p>17.5 The original and all the copies of the Technical Proposal shall be placed inside a sealed envelope clearly marked “<b>TECHNICAL PROPOSAL</b>”, “[Name of the Assignment]“, [reference number], [name and address of the Consultant], and with a warning “<b>DO NOT OPEN UNTIL [INSERT THE DATE AND THE TIME OF THE TECHNICAL PROPOSAL SUBMISSION DEADLINE].</b>”</p> <p>17.6 Similarly, the original Financial Proposal (if required for the applicable selection method) and its copies shall be placed inside of a separate sealed envelope clearly marked “<b>FINANCIAL PROPOSAL</b>” “[Name of the Assignment], [reference number], [name and address of the Consultant]”, and with a warning “<b>DO NOT OPEN WITH THE TECHNICAL PROPOSAL.</b>”</p> <p>17.7 The sealed envelopes containing the Technical and Financial Proposals shall be placed into one outer envelope and sealed. This outer envelope shall be addressed to the Client and bear the submission address, RFP reference number, the name of the assignment, the Consultant’s name and the address, and shall be clearly marked “Do Not Open Before [insert the time and date of the submission deadline indicated in the <b>Data Sheet</b>]”.</p> <p>17.8 If the envelopes and packages with the Proposal are not sealed and marked as required, the Client will assume no responsibility for the misplacement, loss, or premature opening of the Proposal.</p> <p>17.9 The Proposal or its modifications must be sent to the address indicated in the <b>Data Sheet</b> and received by the Client no later than the deadline indicated in the <b>Data Sheet</b>, or any extension to this deadline. Any Proposal or its modification received by the Client after the deadline shall be declared late and rejected, and promptly returned unopened.</p>
<p><b>18. Confidentiality</b></p>	<p>18.1 From the time the Proposals are opened to the time the Contract is awarded, the Consultant should not contact the Client on any matter related to its Technical and/or Financial Proposal. Information relating to the evaluation of Proposals and award recommendations shall not be disclosed to the Consultants who submitted the Proposals or to any other party not officially concerned with the process, until the Notification of Intention to Award the</p>

	<p>Contract. Exceptions to this ITC are where the Client notifies Consultants of the results of the evaluation of the Technical Proposals.</p> <p>18.2 Any attempt by Consultants or anyone on behalf of the Consultant to influence improperly the Client in the evaluation of the Proposals or Contract award decisions may result in the rejection of its Proposal, and may be subject to the application of prevailing Bank's sanctions procedures.</p> <p>18.3 Notwithstanding the above provisions, from the time of the Proposals' opening to the time of Contract award publication, if a Consultant wishes to contact the Client or the Bank on any matter related to the selection process, it shall do so only in writing.</p>
<b>19. Opening of Technical Proposals</b>	<p>19.1 The Client's evaluation committee shall conduct the opening of the Technical Proposals in the presence of the Consultants' authorized representatives who choose to attend (in person, or online if this option is offered in the <b>Data Sheet</b>). The opening date, time and the address are stated in the <b>Data Sheet</b>. The envelopes with the Financial Proposal shall remain sealed and shall be securely stored with a reputable public auditor or independent authority until they are opened in accordance with ITC 23.</p> <p>19.2 At the opening of the Technical Proposals the following shall be read out: (i) the name and the country of the Consultant or, in case of a Joint Venture, the name of the Joint Venture, the name of the lead member and the names and the countries of all members; (ii) the presence or absence of a duly sealed envelope with the Financial Proposal; (iii) any modifications to the Proposal submitted prior to proposal submission deadline; and (iv) any other information deemed appropriate or as indicated in the <b>Data Sheet</b>.</p>
<b>20. Proposals Evaluation</b>	<p>20.1 Subject to provision of ITC 15.1, the evaluators of the Technical Proposals shall have no access to the Financial Proposals until the technical evaluation is concluded and the Bank issues its "no objection", if applicable.</p> <p>20.2 The Consultant is not permitted to alter or modify its Proposal in any way after the proposal submission deadline except as permitted under ITC 12.7. While evaluating the Proposals, the Client will conduct the evaluation solely on</p>

	the basis of the submitted Technical and Financial Proposals.
<b>21. Evaluation of Technical Proposals</b>	<p>21.1 The Client's evaluation committee shall evaluate the Technical Proposals on the basis of their responsiveness to the Terms of Reference and the RFP, applying the evaluation criteria, sub-criteria, and point system specified in the <b>Data Sheet</b>. Each responsive Proposal will be given a technical score. A Proposal shall be rejected at this stage if it does not respond to important aspects of the RFP or if it fails to achieve the minimum technical score indicated in the <b>Data Sheet</b>.</p>
<b>22. Financial Proposals for QBS</b>	<p>22.1 Following the ranking of the Technical Proposals, when the selection is based on quality only (QBS), the top-ranked Consultant is invited to negotiate the Contract.</p> <p>22.2 If Financial Proposals were invited together with the Technical Proposals, only the Financial Proposal of the technically top-ranked Consultant is opened by the Client's evaluation committee. All other Financial Proposals are returned unopened after the Contract negotiations are successfully concluded and the Contract is signed.</p>
<b>23. Public Opening of Financial Proposals (for QCBS, FBS, and LCS methods)</b>	<p>23.1 After the technical evaluation is completed and the Bank has issued its no objection (if applicable), the Client shall notify those Consultants whose Proposals were considered non-responsive to the RFP and TOR or did not meet the minimum qualifying technical score, advising them the following:</p> <ul style="list-style-type: none"> <li>(i) their Proposal was not responsive to the RFP and TOR or did not meet the minimum qualifying technical score;</li> <li>(ii) provide information relating to the Consultant's overall technical score, as well as scores obtained for each criterion and sub-criterion;</li> <li>(iii) their Financial Proposals will be returned unopened after completing the selection process and Contract signing; and</li> <li>(iv) notify them of the date, time and location of the public opening of the Financial Proposals and invite them to attend.</li> </ul> <p>23.2 The Client shall simultaneously notify in writing those Consultants whose Proposals were considered responsive</p>

	<p>to the RFP and TOR, and that have achieved the minimum qualifying technical score, advising them the following:</p> <ul style="list-style-type: none"> <li>(i) their Proposal was responsive to the RFP and TOR and met the minimum qualifying technical score;</li> <li>(ii) provide information relating to the Consultant's overall technical score, as well as scores obtained for each criterion and sub-criterion;</li> <li>(iii) their Financial Proposal will be opened at the public opening of Financial Proposals; and</li> <li>(iv) notify them of the date, time and location of the public opening and invite them for the opening of the Financial Proposals.</li> </ul> <p>23.3 The opening date shall be no less than ten (10) Business Days from the date of notification of the results of the technical evaluation, described in ITC 23.1 and 23.2. However, if the Client receives a complaint on the results of the technical evaluation within the ten (10) Business Days, the opening date shall be subject to ITC 31.1.</p> <p>23.4 The Consultant's attendance at the opening of the Financial Proposals (in person, or online if such option is indicated in the <b>Data Sheet</b>) is optional and is at the Consultant's choice.</p> <p>23.5 The Financial Proposals shall be opened publicly by the Client's evaluation committee in the presence of the representatives of the Consultants and anyone else who chooses to attend. Any interested party who wishes to attend this public opening should contact the client as indicated in the <b>Data Sheet</b>. Alternatively, a notice of the public opening of Financial Proposals may be published on the Client's website, if available. At the opening, the names of the Consultants, and the overall technical scores, including the break-down by criterion, shall be read aloud. The Financial Proposals will then be inspected to confirm that they have remained sealed and unopened. These Financial Proposals shall be then opened, and the total prices read aloud and recorded. Copies of the record shall be sent to all Consultants who submitted Proposals and to the Bank.</p>
<p><b>24. Correction of Errors</b></p>	<p>24.1 Activities and items described in the Technical Proposal but not priced in the Financial Proposal, shall be assumed to be included in the prices of other activities or items, and no corrections are made to the Financial Proposal.</p>

<p><b>a. Time-Based Contracts</b></p>	<p>24.1.1 If a Time-Based contract form is included in the RFP, the Client's evaluation committee will (a) correct any computational or arithmetical errors, and (b) adjust the prices if they fail to reflect all inputs included for the respective activities or items included in the Technical Proposal. In case of discrepancy between (i) a partial amount (sub-total) and the total amount, or (ii) between the amount derived by multiplication of unit price with quantity and the total price, or (iii) between words and figures, the former will prevail. In case of discrepancy between the Technical and Financial Proposals in indicating quantities of input, the Technical Proposal prevails and the Client's evaluation committee shall correct the quantification indicated in the Financial Proposal so as to make it consistent with that indicated in the Technical Proposal, apply the relevant unit price included in the Financial Proposal to the corrected quantity, and correct the total Proposal cost.</p>
<p><b>b. Lump-Sum Contracts</b></p>	<p>24.1.2 If a Lump-Sum contract form is included in the RFP, the Consultant is deemed to have included all prices in the Financial Proposal, so neither arithmetical corrections nor price adjustments shall be made. The total price, net of taxes understood as per ITC 25, specified in the Financial Proposal (Form FIN-1) shall be considered as the offered price. Where there is a discrepancy between the amount in words and the amount figures, the amount in words shall prevail.</p>
<p><b>25. Taxes</b></p>	<p>25.1 The Client's evaluation of the Consultant's Financial Proposal shall exclude taxes and duties in the Client's country in accordance with the instructions in the <b>Data Sheet</b>.</p>
<p><b>26. Combined Quality and Cost Evaluation</b></p>	
<p><b>a. Quality and Cost-Based Selection (QCBS)</b></p>	<p>26.1 In the case of QCBS, the total score is calculated by weighting the technical and financial scores and adding them as per the formula and instructions in the <b>Data Sheet</b>. The Consultant with the Most Advantageous Proposal, which is the Proposal that achieves the highest combined</p>

	technical and financial scores, will be invited for negotiations.
<b>b. Fixed-Budget Selection (FBS)</b>	<p>26.2 In the case of FBS, those Proposals that exceed the budget indicated in ITC 14.1.4 of the <b>Data Sheet</b> shall be rejected.</p> <p>26.3 The Client will select the Consultant with the Most Advantageous Proposal, which is the highest-ranked Technical Proposal that does not exceed the budget indicated in the RFP, and invite such Consultant to negotiate the Contract.</p>
<b>c. Least-Cost Selection</b>	<p>26.4 In the case of Least-Cost Selection (LCS), the Client will select the Consultant with the Most Advantageous Proposal, which is the Proposal with the lowest evaluated total price among those Proposals that achieved the minimum qualifying technical score, and invite such a Consultant to negotiate the Contract.</p>
<b>D. Negotiations and Award</b>	
<b>27. Negotiations</b>	<p>27.1 The negotiations will be held at the date and address indicated in the Data Sheet with the Consultant's representative(s) who must have written power of attorney to negotiate and sign a Contract on behalf of the Consultant.</p> <p>27.2 The Client shall prepare minutes of negotiations that are signed by the Client and the Consultant's authorized representative.</p>
<b>a. Availability of Key Experts</b>	<p>27.3 The invited Consultant shall confirm the availability of all Key Experts included in the Proposal as a pre-requisite to the negotiations, or, if applicable, a replacement in accordance with ITC 12. Failure to confirm the Key Experts' availability may result in the rejection of the Consultant's Proposal and the Client proceeding to negotiate the Contract with the next-ranked Consultant.</p> <p>27.4 Notwithstanding the above, the substitution of Key Experts at the negotiations may be considered if due solely to circumstances outside the reasonable control of and not foreseeable by the Consultant, including but not limited to death or medical incapacity. In such case, the Consultant shall offer a substitute Key Expert within the period of time specified in the letter of invitation to negotiate the Contract, who shall have equivalent or better qualifications and experience than the original candidate.</p>



<b>b. Technical Negotiations</b>	27.5 The negotiations include discussions of the Terms of Reference (TORs), the proposed methodology, the Client's inputs, the special conditions of the Contract, and finalizing the "Description of Services" part of the Contract. These discussions shall not substantially alter the original scope of services under the TOR or the terms of the contract, lest the quality of the final product, its price, or the relevance of the initial evaluation be affected.
<b>c. Financial Negotiations</b>	<p>27.6 The negotiations include the clarification of the Consultant's tax liability in the Client's country and how it should be reflected in the Contract.</p> <p>27.7 If the selection method included cost as a factor in the evaluation, the total price stated in the Financial Proposal for a Lump-Sum contract shall not be negotiated.</p> <p>27.8 In the case of a Time-Based contract, unit rates negotiations shall not take place, except when the offered Key Experts and Non-Key Experts' remuneration rates are much higher than the typically charged rates by consultants in similar contracts. In such case, the Client may ask for clarifications and, if the fees are very high, ask to change the rates after consultation with the Bank. The format for (i) providing information on remuneration rates in the case of Quality Based Selection; and (ii) clarifying remuneration rates' structure under this Clause, is provided in Appendix A to the Financial Form FIN-3: Financial Negotiations – Breakdown of Remuneration Rates.</p>
<b>28. Conclusion of Negotiations</b>	<p>28.1 The negotiations are concluded with a review of the finalized draft Contract, which then shall be initialed by the Client and the Consultant's authorized representative.</p> <p>28.2 If the negotiations fail, the Client shall inform the Consultant in writing of all pending issues and disagreements and provide a final opportunity to the Consultant to respond. If disagreement persists, the Client shall terminate the negotiations informing the Consultant of the reasons for doing so. After having obtained the Bank's no objection, the Client will invite the next-ranked Consultant to negotiate a Contract. Once the Client commences negotiations with the next-ranked Consultant, the Client shall not reopen the earlier negotiations.</p>
<b>29. Notification of Award</b>	29.1 Upon expiry of the Standstill Period, specified in ITC 30.1 or any extension thereof, and upon satisfactorily addressing any complaint that has been filed within the

	<p>Standstill Period, the Client shall, send a notification of award to the successful Consultant, confirming the Client's intention to award the Contract to the successful Consultant and requesting the successful Consultant to sign and return the draft negotiated Contract within eight (8) Business Days from the date of receipt of such notification. If specified in the <b>Data Sheet</b>, the client shall simultaneously request the successful Consultant to submit, within eight (8) Business Days, the Beneficial Ownership Disclosure Form.</p> <p><u>Contract Award Notice</u></p> <p>Within ten (10) Business Days from the date of notification of award such request, the Client shall publish the Contract Award Notice which shall contain, at a minimum, the following information:</p> <ul style="list-style-type: none"> <li>(a) name and address of the Client;</li> <li>(b) name and reference number of the contract being awarded, and the selection method used;</li> <li>(c) names of the consultants that submitted proposals, and their proposal prices as read out at financial proposal opening, and as evaluated;</li> <li>(d) names of all Consultants whose Proposals were rejected or were not evaluated, with the reasons therefor;</li> <li>(e) the name of the successful consultant, the final total contract price, the contract duration and a summary of its scope; and</li> <li>(f) successful Consultant's Beneficial Ownership Disclosure Form, if specified in Data Sheet ITC 32.1.</li> </ul> <p>29.2 The Contract Award Notice shall be published on the Client's website with free access if available, or in at least one newspaper of national circulation in the Client's Country, or in the official gazette. The Client shall also publish the contract award notice in UNDB online.</p>
<p><b>30. Signing of Contract</b></p>	<p>30.1 The Contract shall be signed prior to the expiry date of the Proposal validity and promptly after expiry of the Standstill Period, specified in ITC 30.1 or any extension thereof, and upon satisfactorily addressing any complaint that has been filed within the Standstill Period.</p>

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	30.2 The Consultant is expected to commence the assignment on the date and at the location specified in the <b>Data Sheet</b> .
<b>31. Procurement Related Complaint</b>	31.1 The procedures for making a Procurement-related Complaint are as specified in the <b>Data Sheet</b> .

## Section 2. Instructions to Consultants

### E. Data Sheet

ITC Reference	A. General
1 (m)	<p><b>Electronic –Procurement System</b></p> <p>The Client shall use the following electronic-procurement system to manage this Request for Proposal (RFP) process:  <a href="https://mahatenders.gov.in">https://mahatenders.gov.in</a></p> <p>The electronic-procurement system shall be used to manage the following part of the RFP process:  <b><i>Issuing RFP, submissions of Proposals, opening of Proposals etc.</i></b></p>
2.1	<p>Name of the Client: Project Director, Project Coordination and Monitoring Unit. Hon. Balasaheb Thackeray Agribusiness and Rural Transformation (SMART) Project.</p> <p>Method of selection: Least and Cost Selection (LCS) as per the Procurement Regulations for IPF Borrowers dated July 2016 revised August 2018, and November 2020 or any amendments thereto (available on <a href="http://www.worldbank.org">www.worldbank.org</a>)</p>
2.2	<p><b>Financial Proposal to be submitted together with Technical Proposal:</b></p> <p>Yes.</p> <p><b>The name of the assignment is:</b> Hiring of Chartered Accountancy firm for conducting Internal Audit for SMART Project -Package -2</p>
2.3	<p><b>A pre-proposal conference will be held:</b> Yes</p> <p>Date of pre-proposal conference: 20/01/2025</p> <p>Time: 11.30 AM</p> <p>Address:</p> <p>Project Coordination and Management Unit</p> <p>Hon. Balasaheb Thackeray Agribusiness Rural Transformation Project,</p>

	<p>MSFC Building,270, Bhamburda, Senapati Bapat Road, Pune 411016</p> <p>Telephone: 91-20-25656577</p> <p>telephone: 020-25690480</p> <p>E-mail: <a href="mailto:smartpcmu.fin@gmail.com">smartpcmu.fin@gmail.com</a></p> <p>Contact person/conference coordinator: Ms. Ashwini Musale Kalsarpe , Finance Specialist</p>
<b>2.4</b>	<b>The Client will provide the following inputs, project data, reports, etc. to facilitate the preparation of the Proposals: <u>Terms of Reference (Section 7)</u></b>
<b>4.1</b>	<b>Not Applicable.</b>
<b>6.3.1</b>	<b>A list of debarred firms and individuals is available at the Bank's external website: <a href="http://www.worldbank.org/debarr">www.worldbank.org/debarr</a></b>
<b>B. Preparation of Proposals</b>	
<b>9.1</b>	<p>This RFP has been issued in the English language.</p> <p>Proposals shall be submitted in English language.</p> <p>All correspondence exchange shall be in English language.</p>
<b>10.1</b>	<p>The Proposal shall comprise the following. The Technical and Financial Proposals shall be submitted online in the e-procurement system in separate folders:</p> <p><b><u>For FULL TECHNICAL PROPOSAL (FTP):</u></b></p> <p><b>The Technical Proposal comprising:</b></p> <ul style="list-style-type: none"> <li>(1) Power of Attorney to sign the Proposal</li> <li>(2) TECH-1</li> <li>(3) TECH-2</li> <li>(4) TECH-3</li> <li>(5) TECH-4</li> <li>(6) TECH-5</li> <li>(7) TECH-6</li> </ul> <p>AND</p>

	<p><b>The Financial Proposal comprising:</b></p> <p>(1) FIN-1</p> <p>(2) FIN-2</p> <p>(3) FIN-3</p> <p>(4) FIN-4</p> <p>(5) FIN-5</p> <p>Statement of Undertaking (if required under Data Sheet 10.2 below)</p>
<b>10.2</b>	<b>Statement of Undertaking is required: Yes.</b>
<b>11.1</b>	<b>Participation of Sub-consultants, Key Experts and Non-Key Experts in more than one Proposal is permissible: No</b>
<b>12.1</b>	<b>Proposals shall be valid for 120 days calendar days</b>
<b>12.4</b>	<p>Replace second sentence of ITC 12.4 with the following:</p> <p>“However, should the need arise, any request for extension of validity will be hosted on e-procurement portal and an e-mail will be sent to each Consultant. The Consultants may send their response if any on the e-procurement portal and through e-mail at the e-mail id given in Data Sheet 2.3.”</p>
<b>13</b>	<p>Replace ITC 13 with the following:</p> <p>“13.1. The e-procurement system specified in ITC 1(m) provides for online clarifications. A Consultant may request an online clarification of any part of the RFP during the period indicated in the <b>Data Sheet</b> before the Proposals’ submission deadline, or raise its inquiries during the pre-proposal conference, if provided for in accordance with ITC 2.3. Clarifications requested through any other mode shall not be considered by the Client. The Client will respond online by uploading the response (including an explanation of the query but without identifying its source) for information of all Consultants. Should the Client deem it necessary to amend the RFP as a result of a clarification, it shall do so following the procedure described in ITC 13.1.1 and ITC 13.1.2 below. It is the consultant’s responsibility to check on the e-procurement system, for any addendum/ amendment/ corrigendum to the RFP document.</p> <p>13.1.1 At any time before the proposal submission deadline, the Client may amend the RFP by issuing an amendment online in accordance with the procedure described in the <b>Data Sheet</b>. The amendment shall be binding on all Consultants. The Client shall not be liable for any</p>

	<p>information not received by the Consultants. It is the Consultants' responsibility to verify the website for the latest information related to the RFP.</p> <p>13.1.2 If the amendment is substantial, the Client may extend the proposal submission deadline to give the Consultants reasonable time to take an amendment into account in their Proposals, by amending the RFP in accordance with ITC 13.1.1.</p> <p>13.2 A Consultant may modify its Proposal in the following manner, by using the appropriate option for proposal modification on e-procurement portal, before the deadline for submission of proposals. No modifications to the Technical or Financial Proposal shall be accepted after the proposal submission deadline.</p> <p>(a) For proposal modification and consequential re-submission, the Consultant is not required to withdraw the proposal submitted earlier. The last modified proposal submitted by the consultant within the proposal submission time shall be considered as the 'Proposal'.</p> <p>(b) For this purpose, modification/withdrawal by other means will not be accepted.</p> <p>(c) The modification and consequential re-submission of proposals is allowed any number of times.</p> <p>(d) A consultant may withdraw its proposal by using the appropriate option for proposal withdrawal, before the deadline for submission of proposals. However, if the proposal is withdrawn, re-submission is as per the options available to the e-procurement system].”</p>
<b>13.1</b>	<p><b>Clarifications may be requested online no later than 15 days prior to the submission deadline.</b></p> <p>The Consultants shall remain responsible to view query and response thereto on e-procurement portal.</p>
<b>13.1.1</b>	<p>The Client will host the amendment to RFP, if any on the e-procurement portal at any time prior to the submission deadline.</p> <p>The Consultants shall remain responsible to view amendment to RFP.</p>
<b>13.2 (d)</b>	<p>Re-submission of the proposal is as per the options available to the e-procurement system, if withdrawn.</p>
<b>14.1.2</b>	<p><b>Estimated total cost of the assignment: Rs.1.20 Crores excluding GST</b></p>

(do not use for Fixed Budget method)	
<b>14.1.3</b> for time-based contracts only	<i>“Not applicable”.</i>
<b>14.1.4 and 26.2</b> use for Fixed Budget method	<i>“Not applicable”.</i>
<b>15.1</b>	Delete from the first sentence of ITC 15.1, the following: ‘and shall comprise the documents listed in the <b>Data Sheet</b> ’.
<b>15.2</b>	<b>The format of the Technical Proposal to be submitted is: FTP</b> Submission of the Technical Proposal in a wrong format may lead to the Proposal being deemed non-responsive to the RFP requirements.
<b>16.1</b>	<p><i>Total reimbursable should not exceed 30 percent total remuneration. A sample list is provided below for guidance. Items that are not applicable should be deleted; others may be added.</i></p> <ul style="list-style-type: none"> <li><i>(1) a per diem allowance, including hotel, for experts for every day of absence from the home office for the purposes of the Services;</i></li> <li><i>(2) cost of travel by the most appropriate means of transport and the most direct practicable route;</i></li> <li><i>(3) cost of office accommodation, including overheads and back-stop support;</i></li> <li><i>(4) communications costs;</i></li> <li><i>(5) cost of purchase or rent or freight of any equipment required to be provided by the Consultants;</i></li> <li><i>(6) cost of reports production (including printing) and delivering to the Client;</i></li> </ul>



	(7) <i>other allowances where applicable and provisional or fixed sums (if any)]</i>
<b>16.2</b>	Delete from ITC 16.2, the following: ‘foreign and/or’. <b>A price adjustment provision applies to remuneration rates: No.</b>
<b>16.3</b>	<p><b>Information on the Consultant’s tax obligations in India can be found from the Ministry of Finance, Government of India website <a href="http://finmin.nic.in">http://finmin.nic.in</a> <a href="http://www.incometaxindia.gov.in">www.incometaxindia.gov.in</a>, <a href="http://www.gst.gov.in">www.gst.gov.in</a>, <a href="http://www.gstcouncil.gov.in">www.gstcouncil.gov.in</a></b></p> <p>Consultants and their Sub-consultants and Experts are responsible for payment of all taxes as applicable in India.</p> <p>The Client will, however reimburse on proof of submission with relevant Government Authority, the Goods &amp; Services Tax (GST) payable on the contract value by the consultant, as per Applicable Law in India. Statutory deductions of taxes at source (TDS), however, shall be made as applicable.</p> <p>The above only are to be shown separately in the financial proposal.</p>
<b>16.4</b>	<b>The Financial Proposal shall be submitted in Indian Rupees.</b>
<b>16.5</b>	<b>Payments under the Contract shall be made in Indian Rupees.</b>
<b>C. Submission, Opening and Evaluation</b>	
<b>17</b>	<p>Replace ITC 17 with the following:</p> <p>“17.1 The Consultant shall submit a digitally signed, encrypted, and complete Proposal comprising the documents and forms in accordance with ITC 10 (Documents Comprising Proposal). Consultants shall mark as “CONFIDENTIAL” information in their Proposals which is confidential to their business. This may include proprietary information, trade secrets or commercial or financially sensitive information. The submission shall be done electronically on the e-procurement system and in accordance with procedure specified in the <b>Data Sheet</b>. Proposals submitted by any other means will be rejected. Detailed guidelines for viewing proposals, and for online submission of proposals are given on the website.</p> <p>17.2 An authorized representative of the Consultant shall digitally sign the original submission letters in the required format for both the Technical Proposal and, if applicable, the Financial Proposal and shall initial all pages</p>

	<p>of both. The authorization shall be in the form of a written power of attorney to be scanned and uploaded together with the Technical Proposal.</p> <p>17.2.1 A Proposal submitted by a Joint Venture shall be signed by all members so as to be legally binding on all members, or by an authorized representative who has a written power of attorney signed by each member's authorized representative. The submission letters and the power of attorney shall then be scanned and uploaded together with the Technical Proposal.</p> <p>17.3 Any modifications, revisions, interlineations, erasures, or overwriting shall be valid only if they are signed or initialed by the person signing the Proposal.</p> <p>17.4 The Proposal or its modifications must be uploaded on the e-procurement portal specified in ITC 1(m), no later than the deadline indicated in the <b>Data Sheet</b>, or any extension to this deadline. The electronic system will not accept any Proposal or its modification for uploading after the deadline, as per server time.</p> <p>17.5 Once the Proposal is uploaded on the portal, the system will generate a unique identification number with the stamped submission time. The unique identification number with the time stamp represents an acknowledgement of the Proposal submission. Any other system's functionality requirements are specified in the <b>Data Sheet</b>."</p>
<p><b>17.1</b></p>	<p><b>The electronic submission procedures shall be as follows:</b></p> <p>The Consultants shall submit their Proposals (both Technical and Financial) electronically on the e-procurement portal specified in ITC 1(m), following the procedure given below. Detailed guidelines for viewing proposals and for online submission are given on the website:</p> <p>(a) To participate in the e-tendering process, it is mandatory for the consultants to have enrolment/registration in the website, and valid <i>Class Class II/III(DSC) with signing + Encryption</i>] Digital Signature Certificate (in the name of person who will sign the proposal) in the form of smart card/e-token, obtained from any of the licensed Certifying Agency authorized by the Government of India. Consultants can see the list of licensed Cas from the link <a href="http://www.cca.gov.in">www.cca.gov.in</a></p> <p>(b) The consultant should register in the website using the relevant option available. Then the Digital Signature registration has to be done with the e-token, after logging into the website. The consultant can then login the website through the secured login by entering the password of the e-token &amp; the user id/ password chosen during registration.</p> <p>© The size of individual files containing the documents comprising the Proposal(s) shall not exceed 10 MB and there is no limit on the number of files to be uploaded.</p>

	<i>[Note for Consultants: For online submission of proposals, the Consultants shall fill up online, the forms that are available for online filling on the e-portal. The rest of the forms shall be download by the Consultants and filled up. The filled-up pages shall then be digitally signed, scanned and uploaded on the e-procurement portal along with the scanned copies of the supporting documents.]</i>
<b>17.4</b>	<p><b>The Proposals must be uploaded on the e-procurement portal specified in ITC 1(m) no later than:</b></p> <p><b>Date:</b> 13/02/2025</p> <p><b>Time:</b> 03.00 PM</p>
<b>17.5</b>	<i>None</i>
<b>19</b>	<p>Replace ITC 19 with the following:</p> <p>“19.1The Client’s evaluation committee shall conduct the opening of the Technical Proposals online following the procedure described in the <b>Data Sheet</b> and this could be viewed online by the Consultants. The consultants or their authorized representatives may attend the online opening in person if this option is offered in the <b>Data Sheet</b>. The opening date, time and the address are stated in the <b>Data Sheet</b>. The folder with the Financial Proposal shall remain unopened, encrypted, in the e-procurement system until the subsequent public opening in accordance with ITC 23.</p> <p>19.2At the opening of the Technical Proposals the following shall be read out and recorded online simultaneously: (i) the name and the country of the Consultant or, in case of a Joint Venture, the name of the Joint Venture, the name of the lead member and the names and the countries of all members; (ii) the presence or absence of the folder with the Financial Proposal in the portal; and (iii) any other information deemed appropriate or as indicated in the <b>Data Sheet</b>.”</p>
<b>19.1</b>	<p><b>The procedure for online opening of technical proposals shall be:</b>  <i>Technical proposal will be opened on the e-procurement portal by the Client’s Evaluation Committee at the date and time indicated below.</i></p> <p><b>Date: as per published on <a href="https://mahatenders.gov.in">https://mahatenders.gov.in</a> portal.</b>  <b>Time: as per published on <a href="https://mahatenders.gov.in">https://mahatenders.gov.in</a> portal.</b></p> <p>The electronic bid opening procedures shall be: by online <b>as per <a href="https://mahatenders.gov.in">https://mahatenders.gov.in</a> portal procedures.</b></p>

19.2	In addition, the following information will be read aloud at the opening of the Technical Proposals: N/A																				
21.1 [for FTP]	<p>Consultants technical proposal shall be evaluated in two parts. Part A (as mentioned below) shall be the mandatory criteria that the consultants must meet. Technical Proposals of Consultants who do not meet the criteria in Part A, shall not be further evaluated, and the proposal shall be rejected. Technical Proposal of Consultants, who meet the criteria in Part A, shall be evaluated further using the scoring scheme contained in Part B below.</p> <p><b>Part A: Mandatory Criteria:</b></p> <table><tr><th>S. No:</th><th>Criteria</th><th>Documents Required</th></tr><tr><td>1</td><td>The firm should be registered with the ICAI at least for 5 years as on 01st Jan 25.</td><td>Incorporation / registration certificate of ICAI</td></tr><tr><td>2</td><td>The firm should be empaneled with the office of C&amp;AG.</td><td>C&amp;AG letter for empanelment for FY 24-25</td></tr><tr><td>3</td><td>The firm should have at least five full time FCA partners/CA employees associated for a continuous period of at least three years. In addition to above there should be at least 15 qualified audit staff as mentioned in ToR.</td><td>ICAI latest firm card.  And Declaration on min. Stamp paper of Rs.100/- along with a self-certified payroll list with staff qualification and designation.</td></tr><tr><td>4</td><td>The firm should have an average turnover of Rs. 1.50 Cr. during the last three financial years (FY 2021-22, FY 2022-23 and FY2023-24).</td><td>Annual Financial Audited statements by a Chartered Accountant Firm of last three FY – from FY 2021-22, FY2022-23 and FY2023-24 to be enclosed.</td></tr><tr><td>5</td><td>The Chartered Accountant Firm should have completed/ongoing Internal /Statutory Audit of central or any state Government Department / Externally aided projects during last three years (i.e. F.Y. 21-22, 22-23 &amp; 23-24) as on date submission of RFP as per the following a) Three assignments, in totality not less than Rs. 100 Lakhs <b>OR</b> b) Two assignments in totality costing not less than Rs. 70 Lakhs <b>OR</b> c) One assignment costing not less than Rs. 50 lakhs. Note:</td><td>The attested copies of contracts/work order (where fees are mentioned) along with completion certificate issued by the client should be submitted.  For Ongoing assignments, invoice copies along with bank statement.  In absence of completion certificate invoice copies</td></tr></table>			S. No:	Criteria	Documents Required	1	The firm should be registered with the ICAI at least for 5 years as on 01st Jan 25.	Incorporation / registration certificate of ICAI	2	The firm should be empaneled with the office of C&AG.	C&AG letter for empanelment for FY 24-25	3	The firm should have at least five full time FCA partners/CA employees associated for a continuous period of at least three years. In addition to above there should be at least 15 qualified audit staff as mentioned in ToR.	ICAI latest firm card.  And Declaration on min. Stamp paper of Rs.100/- along with a self-certified payroll list with staff qualification and designation.	4	The firm should have an average turnover of Rs. 1.50 Cr. during the last three financial years (FY 2021-22, FY 2022-23 and FY2023-24).	Annual Financial Audited statements by a Chartered Accountant Firm of last three FY – from FY 2021-22, FY2022-23 and FY2023-24 to be enclosed.	5	The Chartered Accountant Firm should have completed/ongoing Internal /Statutory Audit of central or any state Government Department / Externally aided projects during last three years (i.e. F.Y. 21-22, 22-23 & 23-24) as on date submission of RFP as per the following a) Three assignments, in totality not less than Rs. 100 Lakhs <b>OR</b> b) Two assignments in totality costing not less than Rs. 70 Lakhs <b>OR</b> c) One assignment costing not less than Rs. 50 lakhs. Note:	The attested copies of contracts/work order (where fees are mentioned) along with completion certificate issued by the client should be submitted.  For Ongoing assignments, invoice copies along with bank statement.  In absence of completion certificate invoice copies
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	<p>1. ongoing assignment means where payment has been received not less than 80 % of the contract value</p> <p>2. Out of the assignments satisfying condition mentioned in this point, one assignment should be in Maharashtra. (Value of the assignment shall be considered including GST)</p>	along with bank statement is also accepted.
6	The firm should have ongoing/completed minimum two internal audit/ statutory audit assignments in last three years of externally aided project which have used PFMS system for fund flow/ expenditure of the project.	The attested copies of contracts/work order along with completion certificate issued by the client should be submitted. The proof of PFMS system should also be provided.
8	The firm should have its head office / Branch office in any of the districts specified in this package of ToR for which application is filed. The office should be present for last 2 years.	ICAI firm Card

*Note: Joint venture or consortium is not allowed to submit the proposal for this assignment.*

*Technical Proposal of Consultants, who meet the criteria in Part A, shall be evaluated further using the scoring scheme contained in Part B below:*

**Part B: Evaluation Criteria:**

Criteria, sub-criteria, and point system for the evaluation of the Full Technical Proposals:

Sr. No	Technical Qualification Criteria	Max Points
(i)	<b>Specific experience of the Consultant (as a firm) relevant to the Assignment:</b>	
1	<p><b>Specific experience of the Consultant (as a firm) relevant to the Assignment:</b></p> <p>a) One ongoing/completed Internal /Statutory/External Audit assignment of central or any state Government Department/ Externally aided projects (amounting not less than Rs. 30 lakhs with GST)- <b>5 Points. For every additional such ongoing/completed assignment 2.5 points subject to maximum 20 points).</b></p> <p>b) Internal /Statutory/ External Audit Assignment ongoing/completed in Maharashtra with PFMS fund flow system – <b>5 Points . For every additional ongoing/completed assignment 2.5 points subject to maximum 10 points).</b></p>	30
	<b>Total points for criteria (i)</b>	<b>30</b>

	<b>ii)</b>	<b>Adequacy and quality of the proposed methodology, and work plan in responding to the Terms of Reference (TORs):</b>	<b>Max Points [35]</b>
	a)	Technical Approach & Methodology	
		1. Specific Approach	10
		2. Activity Schedule	05
	b)	Work Plan	
		1. Adequacy of Plan	10
		2. Activity schedule	05
	c)	Organization & Staffing	05
		<b>Total points for criteria (ii)</b>	<b>35</b>
	<i>[Notes to Consultant: the Client will assess whether the proposed methodology is clear, responds to the TORs, work plan is realistic and implementable; overall team composition is balanced and has an appropriate skills mix; and the work plan has right input of Experts]</i>		
	<b>(iii)</b>	<b>Key Experts' qualifications and competence for the Assignment:</b>	<b>Max Points</b>
	a)	Position K-1: Project Leader (01 Nos.)	15
	b)	Position K-2: Audit Task Leader (02 Nos.)	20
		<b>Total points for criteria (iii)</b>	<b>35</b>
	<i>{Notes to Consultant: each position number corresponds to the same for the Key Experts in Form TECH-6 to be prepared by the Consultant}</i>		
		The number of points to be assigned to each of the above positions shall be determined considering the following three sub-criteria and relevant percentage weights:	
	1)	General qualifications (general education, training, and experience): <i>[weight 20 %]</i>	
	2)	Adequacy for the Assignment (relevant education, training, experience in the sector/similar assignments): <i>[weight 70 %]</i>	

	<table border="1"> <tr> <td data-bbox="440 201 516 348">3)</td><td data-bbox="516 201 1421 348">Relevant experience in the region (working level fluency in local language(s)/knowledge of local culture or administrative system, government organization, etc.) <i>[weight 10 %]</i></td></tr> <tr> <td data-bbox="440 348 516 384"></td><td data-bbox="516 348 1421 384"> <table border="1"> <tr> <td data-bbox="524 348 1312 384"><b>Total Points for all four (i + ii + iii ) criteria:</b></td><td data-bbox="1312 348 1421 384"><b>100</b></td></tr> </table> </td></tr> </table> <p><b>The minimum technical score (St) required to pass is: 75 Points</b></p>	3)	Relevant experience in the region (working level fluency in local language(s)/knowledge of local culture or administrative system, government organization, etc.) <i>[weight 10 %]</i>		<table border="1"> <tr> <td data-bbox="524 348 1312 384"><b>Total Points for all four (i + ii + iii ) criteria:</b></td><td data-bbox="1312 348 1421 384"><b>100</b></td></tr> </table>	<b>Total Points for all four (i + ii + iii ) criteria:</b>	<b>100</b>
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<b>21.1</b> <small>[for STP]</small>	<i>Not Applicable</i>						
<b>22.2</b>	Not Applicable						
	<b>Public Opening of Financial Proposals</b>						
<b>23</b>	<p>Replace ITC 23.1 with the following:</p> <p>“23.1 After the technical evaluation is completed and the Bank has issued its no objection (if applicable), the Client shall notify online through e-procurement portal those Consultants whose Proposals were considered non-responsive to the RFP and TOR or did not meet the minimum qualifying technical score, advising them the following:</p> <ul style="list-style-type: none"> <li>(i) their Proposal was not responsive to the RFP and TOR or did not meet the minimum qualifying technical score;</li> <li>(ii) provide information relating to the Consultant’s overall technical score, as well as scores obtained for each criterion and sub-criterion;</li> <li>(iii) their Financial Proposals will not be opened; and</li> <li>(iv) notify them of the date, time and location of the online public opening of the Financial Proposals and invite them to attend.”</li> </ul> <p>In ITC 23.2(b) first sentence, after the words ‘in writing’, add the following: ‘online through e-procurement portal’</p> <p>In ITC 23.2(b)(iv), after the words ‘location of the’ add the following: ‘online’</p> <p>Replace ITC 23.4 with the following:</p> <p>“23.4 The Consultant’s attendance at the opening of the Financial Proposals (in person, or online) is optional and is at the Consultant’s choice”</p>						

	<p>Replace ITC 23.5 with the following:</p> <p>“The Financial Proposals shall be publicly opened online by the Client’s evaluation committee in the presence of the representatives of the Consultants and anyone else who chooses to attend. Any interested party who wishes to attend this public opening should contact the client as indicated in the <b>Data Sheet</b>. Alternatively, a notice of the public opening of Financial Proposals may be published on the Client’s website, if available. At the opening, the names of the Consultants, and the overall technical scores, including the break-down by criterion, shall be read aloud and recorded online simultaneously. The Financial Proposals shall be then opened, and the total prices read aloud and recorded online simultaneously. The records of the opening shall remain on the e-procurement portal for the information of all Consultants who submitted Proposals and the Bank, unless the <b>Data Sheet</b> provides for other means of sending notifications and the results of the financial opening.”</p>
<b>23.5</b>	<p>Following the completion of the evaluation of the Technical Proposals, the Client will notify online through e-procurement portal, all Consultants of the location, date and time of the public opening of Financial Proposals.</p> <p>Alternatively, a notice of the public opening of Financial Proposals may be published on the Client’s website, if available.</p> <p>In the event of the specified date of proposal opening being declared a holiday for the Client, the proposals will be opened at the appointed time and location on the next working day.</p>
<b>25.1</b>	<p>For the purpose of the evaluation, the Client will exclude: all local identifiable indirect taxes such as GST or similar taxes levied on the contract’s invoices.</p> <p>If a Contract is awarded, at Contract negotiations, all such taxes will be discussed, finalized (using the itemized list as a guidance but not limiting to it) and added to the Contract amount as a separate line, also indicating which taxes shall be paid by the Consultant and which taxes are withheld and paid by the Client on behalf of the Consultant.</p>
<b>26.4 (c)</b>	<p>The Client will select the Consultant with the Most Advantageous Proposal, which is the Proposal with the lowest evaluated total price among those Proposals that achieved the minimum qualifying technical score, and invite such a consultant to negotiate the Contract. In case of tie in financial bids, the firm scored highest marks among them in the technical shall be selected.</p>
	<p><b>D. Negotiations and Award</b></p>



27.1	<p><b>Expected date and address for contract negotiations:</b></p> <p><b>Date:</b> 14/03/2025</p> <p><b>Address:</b>  Project Director,  Hon. Balasaheb Thackeray Agribusiness Rural Transformation Project,  MSFC Building, 270, Bhamburda, Senapati Bapat Road, Pune 411016  Telephone: 91-20-25656577</p> <p>Email id: <a href="mailto:pcmu.smart@gmail.com">pcmu.smart@gmail.com</a> / <a href="mailto:smartpcmu.fin@gmail.com">smartpcmu.fin@gmail.com</a></p> <p><b><i>The Consultants should submit the signed confirmations with all key and non-key personnel for the duration of the assignment</i></b></p>
29	<p>Replace ITC 29 with the following:</p> <p>“29.1 After completing the negotiations, and obtaining the Bank’s no objection to the negotiated draft Contract, if applicable, the Client shall, send a notification of award to the successful Consultant, confirming the Client’s intention to award the Contract to the successful Consultant and requesting the successful Consultant to sign and return the draft negotiated Contract within eight (8) Business Days from the date of receipt of such notification.</p> <p><u>Contract Award Notice</u></p> <p>Within ten (10) Business Days from the date of notification of award such request, the Client shall publish the Contract Award Notice which shall contain, at a minimum, the following information:</p> <ul style="list-style-type: none"> <li>(a) name and address of the Client;</li> <li>(b) name and reference number of the contract being awarded, and the selection method used;</li> <li>(c) names of the consultants that submitted proposals, and their proposal prices as read out at financial proposal opening, and as evaluated;</li> <li>(d) names of all Consultants whose Proposals were rejected or were not evaluated, with the reasons therefor; and</li> <li>(e) the name of the successful consultant, the final total contract price, the contract duration and a summary of its scope.</li> </ul> <p>29.2 The Contract Award Notice shall be published on the Client’s website with free access if available, or in at least one newspaper of national circulation in the Client’s Country, or in the official gazette and on e-procurement portal.”</p>
30.1	<p>Replace ITC 30 with the following:</p>

	<p>“The Contract shall be signed prior to the expiry date of the Proposal validity, specified in ITC 12.1 or any extension thereof.”</p>
<b>30.2</b>	<p><b>Expected date for the commencement of the Services:</b></p> <p><b>Date:</b> 21/03/2025 <b>at:</b></p> <p>Project Coordination and Management Unit ,  Hon. Balasaheb Thackeray Agribusiness Rural Transformation Project,  MSFC Building,270, Bhamburda, SenapatiBapat Road, Pune 411016  Telephone: 91-20-25656577  Email id: <a href="mailto:smartpcmu.fin@gmail.com">smartpcmu.fin@gmail.com</a></p>
<b>31.1</b>	<p>The procedures for making a Procurement-related Complaint are detailed in the “<b>Procurement Regulations for IPF Borrowers</b> (Annex III).” If a Consultant wishes to make a Procurement-related Complaint, the Consultant shall submit its complaint following these procedures, In Writing (by the quickest means available, such as by email or fax), to:</p> <p><b>For the attention:</b> Dr. Hemant Vasekar IAS</p> <p><b>Title/position:</b> Project Director</p> <p><b>Client:</b> <i>Hon. Balasaheb Thackeray Agribusiness and Rural Transformation (SMART) Project</i></p> <p><b>Email address:</b> <a href="mailto:pcmu.smart@gmail.com">pcmu.smart@gmail.com</a></p> <p>In summary, a Procurement-related Complaint may challenge any of the following:</p> <ol style="list-style-type: none"> <li>1. the terms of this Request for Proposal;</li> <li>2. the Client’s decision to exclude a Consultant from the procurement process prior to the award of contract; and</li> <li>3. the Client’s decision to award the contract.</li> </ol>

### Section 3. Technical Proposal – Standard Forms

{Notes to Consultant shown in brackets { } throughout Section 3 provide guidance to the Consultant to prepare the Technical Proposal; they should not appear on the Proposals to be submitted.}

#### CHECKLIST OF REQUIRED FORMS

Required for FTP or STP ✓		FORM	DESCRIPTION	Page Limit
FTP	STP			
✓	✓	TECH-1	Technical Proposal Submission Form.	
✓ If applicable		TECH-1 Attachment	If the Proposal is submitted by a joint venture, attach a letter of intent or a copy of an existing agreement.	
✓ If applicable		Power of Attorney	No pre-set format/form. In the case of a Joint Venture, several are required: a power of attorney for the authorized representative of each JV member, and a power of attorney for the representative of the lead member to represent all JV members	
✓		TECH-2	Consultant's Organization and Experience.	
✓		TECH-2A	A. Consultant's Organization	
✓		TECH-2B	B. Consultant's Experience	
✓		TECH-3	Comments or Suggestions on the Terms of Reference and on Counterpart Staff and Facilities to be provided by the Client.	
✓		TECH-3A	A. On the Terms of Reference	
✓		TECH-3B	B. On the Counterpart Staff and Facilities	
✓	✓	TECH-4	Description of the Approach, Methodology, and Work Plan for Performing the Assignment	
✓	✓	TECH-5	Work Schedule and Planning for Deliverables	
✓	✓	TECH-6	Team Composition, Key Experts Inputs, and attached Curriculum Vitae (CV)	
✓	✓	TECH-7	Code of Conduct	

**All pages of the original Technical and Financial Proposal shall be initialed by the same authorized representative of the Consultant who signs the Proposal.**

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**FORM TECH-1****TECHNICAL PROPOSAL SUBMISSION FORM**

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{Location, Date}

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To:**[Name and address of Client]**

Dear Sirs:

We, the undersigned, offer to provide the consulting services for *[Insert title of assignment]* in accordance with your Request for Proposals (RFP) dated *[Insert Date]* and our Proposal. We are hereby submitting our Proposal, which includes this Technical Proposal and a Financial Proposal.

We hereby declare that:

- a) All the information and statements made in this Proposal are true and we accept that any misinterpretation or misrepresentation contained in this Proposal may lead to our disqualification by the Client and/or may be sanctioned by the Bank.
- (b) Our Proposal shall be valid and remain binding upon us until *[insert day, month and year in accordance with ITC 12.1]*.
- (c) We have no conflict of interest in accordance with ITC 3.
- (d) We meet the eligibility requirements as stated in ITC 6, and we confirm our understanding of our obligation to abide by the Bank's policy in regard to Fraud and Corruption as per ITC 5.
- (e) We, along with any of our sub-consultants, subcontractors, suppliers, or service providers for any part of the contract, are not subject to, and not controlled by any entity or individual that is subject to, a temporary suspension or a debarment imposed by the World Bank Group or a debarment imposed by the World Bank Group in accordance with the Agreement for Mutual Enforcement of Debarment Decisions between the World Bank and other development banks. Further, we are not ineligible under the Client's country laws or official regulations or pursuant to a decision of the United Nations Security Council.
- (f) In competing for (and, if the award is made to us, in executing) the Contract, we undertake to observe the laws against fraud and corruption, including bribery, in force in India.

- (g) Except as stated in the Data Sheet, ITC 12.7, we undertake to negotiate a Contract on the basis of the proposed Key Experts. We accept that the substitution of Key Experts for reasons other than those stated in ITC 12 and ITC 27.4 may lead to the termination of Contract negotiations.
- (h) Our Proposal is binding upon us and subject to any modifications resulting from the Contract negotiations.

We undertake, if our Proposal is accepted and the Contract is signed, to initiate the Services related to the assignment no later than the date indicated in ITC 30.2 of the Data Sheet.

We understand that the Client is not bound to accept any Proposal that the Client receives.

We remain,

Yours sincerely,

---

Signature (of Consultant's authorized representative) {In full and initials}:

Full name: {insert full name of authorized representative}

Title: {insert title/position of authorized representative}

Name of Consultant (company's name or JV's name):

Capacity: {insert the person's capacity to sign for the Consultant}

Address: {insert the authorized representative's address}

Phone/fax: {insert the authorized representative's phone and fax number, if applicable}

Email: {insert the authorized representative's email address}\_\_\_\_\_

{For a joint venture, either all members shall sign or only the lead member, in which case the power of attorney to sign on behalf of all members shall be attached}

## **FORM TECH-2**

### **CONSULTANT'S ORGANIZATION AND EXPERIENCE**

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Form TECH-2: a brief description of the Consultant's organization and an outline of the recent experience of the Consultant that is most relevant to the assignment. In the case of a joint venture, information on similar assignments shall be provided for each partner. For each assignment, the outline should indicate the names of the Consultant's Key Experts and Sub-consultants who participated, the duration of the assignment, the contract amount (total and, if it was done in a form of a joint venture or a sub-consultancy, the amount paid to the Consultant), and the Consultant's role/involvement.

## **2A - Consultant's Organization**

1. 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.
2. Include organizational chart, a list of Board of Directors, and beneficial ownership.





## TECH 2 B - Consultant's Experience

1. List only previous similar assignments successfully completed from April 2017
2. List only those assignments for which the Consultant was legally contracted by the Client as a company or was one of the joint venture members. Assignments completed by the Consultant's individual experts working privately or through other consulting firms cannot be claimed as the relevant experience of the Consultant, or that of the Consultant's partners or sub-consultants, but can be claimed by the Experts themselves in their CVs. The Consultant should be prepared to substantiate the claimed experience by presenting copies of relevant documents and references if so requested by the Client.

*Please submit information in the following format only. use separate sheet for each assignment*

Sr.No.	Particulars	Details
1	Duration/Period of assignment {e.g., From Apr.2017- To Apr.2018} Total Period in Months:	
2	Assignment name {e.g., "Improvement quality of.....": designed master plan for rationalization of .....; }	
3	Name of Client, Address, Contact No Email id	
4	Contract value in Rs. (in lakhs)	
5	Amount paid to your firm in lakhs	
6	Role of the consultant for the Assignment {e.g., Lead partner in a JV A&B&C}	
7	Brief description of main deliverables	
8	Whether the assignment is relevant/similar to this assignment?	

	If yes, mention how the deliverables are relevant to this assignment.	
9	Whether the assignment is for the Women organization? If yes, give brief information	
10	Relevant document page nos.	

Note:

Relevant contracts or work orders and Project Completion Certificates should be submitted. The work order / contract document should contain the Scope of Services/ deliverables, duration of contract, number of expert months, and contract amount (original and completed).

In absence of completion certificate, Chartered account certificate is also accepted provided that it should contain following details

- a) Client Name
- b) Assignment title
- c) Contract Value
- d) Details of all invoices including its value raised by the consultant to client
- e) Last invoice raised and its payment has been credited to consultant account / yet to credit

## **FORM TECH-3**

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

---

Form TECH-3: comments and suggestions on the Terms of Reference that could improve the quality/effectiveness of the assignment; and on requirements for counterpart staff and facilities, which are provided by the Client, including: administrative support, office space, local transportation, equipment, data, etc.

#### **A - On the Terms of Reference**

{improvements to the Terms of Reference, if any}

#### **B - On Counterpart Staff and Facilities**

{comments on counterpart staff and facilities to be provided by the Client. For example, administrative support, office space, local transportation, equipment, data, background reports, etc., if any}

## FORM TECH-4

### DESCRIPTION OF APPROACH, METHODOLOGY, AND WORK PLAN IN RESPONDING TO THE TERMS OF REFERENCE

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Form TECH-4: a description of the approach, methodology and work plan for performing the assignment, including a detailed description of the proposed methodology and staffing for training, if the Terms of Reference specify training as a specific component of the assignment.

{Suggested structure of your Technical Proposal (in FTP format):

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

- 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, including on addressing Sexual Exploitation and Abuse (SEA) and Sexual Harassment (SH) risks } 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, their content and duration, phasing and interrelations, milestones (including interim approvals by the Client), 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. }
- c) **Organization and Staffing.** {Please describe the structure and composition of your team, including the list of the Key Experts, Non-Key Experts and relevant technical and administrative support staff. }

## FORM TECH-5

### WORK SCHEDULE AND PLANNING FOR DELIVERABLES

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

- 1 List the deliverables with the breakdown for activities required to produce them and other benchmarks such as the Client's approvals. For phased assignments, indicate the activities, delivery of reports, and benchmarks separately for each phase.
- 2 Duration of activities shall be indicated in a form of a bar chart.
- 3 Include a legend, if necessary, to help read the chart.

## FORM TECH-6

### TEAM COMPOSITION, ASSIGNMENT, AND KEY EXPERTS' INPUTS

N°	Name	Expert's input (in person/month) per each Deliverable (listed in TECH-5)											Total time-input (in Months)			
		Position		D-1		D-2		D-3	.....		D-...			Home	Field	Total
<b>KEY EXPERTS</b>																
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																
<b>Subtotal</b>																
<b>NON-KEY EXPERTS</b>																
N-1			[Home]													
			[Field]													
N-2																
n																
<b>Subtotal</b>																
<b>Total</b>																

- 1 For Key Experts, the input should be indicated individually for the same positions as required under the Data Sheet ITC21.1.
- 2 Months are counted from the start of the assignment/mobilization. One (1) month equals twenty two (22) working (billable) days. One working (billable) day shall be not less than eight (8) working (billable) hours.
- 3 “Home” means work in the office in the expert’s country of residence. “Field” work means work carried out in the Client’s country or any other country outside the expert’s country of residence.

 Full time input

 Part time input

## FORM TECH-6 (CONTINUED)

### CURRICULUM VITAE (CV)

<b>Position Title and No.</b>	{ e.g., K-1, TEAM LEADER }
<b>Name of Expert:</b>	{ Insert full name }
<b>Date of Birth:</b>	{ day/month/year }
<b>Country of Citizenship/Residence</b>	

**Education:** { List college/university or other specialized education, giving names of educational institutions, dates attended, degree(s)/diploma(s) obtained }

---

**Employment record relevant to the assignment:** { Starting with present position, list in reverse order. Please provide dates, name of employing organization, titles of positions held, types of activities performed and location of the assignment, and contact information of previous clients and employing organization(s) who can be contacted for references. Past employment that is not relevant to the assignment does not need to be included. }

Period	Employing organization and your title/position. Contact information for references	Country	Summary of activities performed relevant to the Assignment
{ e.g., From Jan.2014– To Apr.2016 }	1. Name and address of Employing organization : 2. Contact details (phone /email ): 3. Title/ Position Held : Location:		
Total Period in Months: .....			

**Note:** *please do not include past employment that is not relevant to the assignment.*

Relevant Training Attended: please specify details of training with duration

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Membership in Professional Associations and Publications:

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Language Skills (indicate only languages in which you can work): \_\_\_\_\_

**Adequacy for the Assignment:**

Detailed Tasks Assigned on Consultant's Team of Experts:	Reference to Prior Work/Assignments that Best Illustrates Capability to Handle the Assigned Tasks
{List all deliverables/tasks as in TECH- 5 in which the Expert will be involved}	

**Expert's contact information:** (e-mail ....., phone.....)

**Certification:**

I, the undersigned, certify that to the best of my knowledge and belief, this CV correctly describes myself, my qualifications, and my experience, and I am available, as and when necessary, to undertake the assignment in case of an award. I understand that any misstatement or misrepresentation described herein may lead to my disqualification or dismissal by the Client, and/or sanctions by the Bank.

{ day/month/year }

---

Name of Expert

Signature

Date

{ day/month/year }

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Name of authorized  
Representative of the Consultant  
(the same who signs the Proposal)

Signature

Date

*Note: client reserves the right to confirm the details mentioned in each CV and also may ask to submit experience certificates of each employing organization at any time.*

## **Section 4. Financial Proposal - Standard Forms**

{*Notes to Consultant* shown in brackets { } provide guidance to the Consultant to prepare the Financial Proposals; they should not appear on the Financial Proposals to be submitted.}

Financial Proposal Standard Forms shall be used for the preparation of the Financial Proposal according to the instructions provided in Section 2.

FIN-1      Financial Proposal Submission Form

FIN-2      Summary of Costs

FIN-3      Breakdown of Remuneration, including Appendix A “Financial Negotiations - Breakdown of Remuneration Rates” in the case of QBS method

FIN-4      Reimbursable expenses

FIN- 5      Total of CBO audit fee



{If no payments are made or promised, add the following statement: “No commissions or gratuities have been or are to be paid by us to agents or any third party relating to this Proposal and Contract execution.”}

---

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

We remain,

Yours sincerely,

---

Signature (of Consultant’s authorized representative) {In full and initials}:

Full name: {insert full name of authorized representative }

Title: {insert title/position of authorized representative }

Name of Consultant (company’s name or JV’s name):

Capacity: {insert the person’s capacity to sign for the Consultant }

Address: {insert the authorized representative’s address }

Phone/fax: {insert the authorized representative’s phone and fax number, if applicable }

Email: {insert the authorized representative’s email address } \_\_\_\_\_

{For a joint venture, either all members shall sign or only the lead member/consultant, in which case the power of attorney to sign on behalf of all members shall be attached }

## FORM FIN-2 SUMMARY OF COSTS (TOTAL FINANCIAL PROPOSAL) (IN BOQ FORMAT)

[Validate](#)
[Print](#)
[Help](#)
[Item Rate BoQ](#)

Tender Inviting Authority: Project Director, Hon. Balasaheb Thackeray Agribusiness Rural Transformation Project

Name of Service :Hiring of Chartered Accountancy firm for conducting Internal Audit for SMART Project -Package -2

Contract No:

Name of the Bidder/ Bidding Firm /					
<b>PRICE SCHEDULE</b>					
(This BOQ template must not be modified/replaced by the bidder and the same should be uploaded after filling the relevant columns, else the bidder is liable to be rejected for this tender. Bidders are allowed to enter the Bidder Name and Values only)					
NUMBER #	TEXT #	TEXT #	NUMBER #	NUMBER #	TEXT #
Sl. No.	Item Description	Units	Total Amount In Figures To be entered by the Bidder without GST Rs. P	TOTAL AMOUNT Without GST	TOTAL AMOUNT In Words
1	2	5	13	53	55
1	FIN2 : Total Financial Proposal cost should match the amount mentioned in the FIN1 without GST				
1.01	Total Remuneration (As per FIN 3)	Lumpsum		0.00	INR Zero Only
1.02	Total Reimbursables (As per FIN 4)	Lumpsum		0.00	INR Zero Only
1.03	Total CBO audit fee (As per FIN 5)	Total		0.00	INR Zero Only
Total in Figures				0.00	INR Zero Only
Quoted Rate in Words			INR Zero Only		

### NOTE:

***THE TOTAL COST OF FIN 3 AND FIN 4 SHOULD NOT EXCEED 45% OF THE TOTAL COST OF THE FINANCIAL PROPOSAL I.E. TOTAL COST OF FIN 2.***

## FORM FIN-3 BREAKDOWN OF REMUNERATION (PART A)

When used for Lump-Sum contract assignment, information to be provided in this Form shall only be used to demonstrate the basis for the calculation of the Contract's ceiling amount; to calculate applicable taxes at contract negotiations; and, if needed, to establish payments to the Consultant for possible additional services requested by the Client. This Form shall not be used as a basis for payments under Lump-Sum contracts

A. Remuneration _____					
No.	Name	Position (as in TECH-6)	Person- month Remunerati on Rate	Time Input in Person /Month (from TECH- 6)	*Total in Rs.
—	<b>Key Experts</b> _____				
K-1	_____	_____	[Home] _____	_____	_____
	_____		[Field] _____	_____	_____
K-2	_____	_____	_____	_____	_____
	_____		_____	_____	_____
	_____	_____	_____	_____	_____
	_____		_____	_____	_____
—	<b>Non-Key Experts</b> _____				
N-1	_____	_____	[Home] _____	_____	_____
N-2	_____		[Field] _____	_____	_____
	_____	_____	_____	_____	_____
	_____		_____	_____	_____
	*Total Costs (Rs.)				_____

\*Without GST

### FORM FIN-4 BREAKDOWN OF REIMBURSABLE EXPENSES (PART A)

When used for Lump-Sum contract assignment, information to be provided in this Form shall only be used to demonstrate the basis for calculation of the Contract ceiling amount, to calculate applicable taxes at contract negotiations and, if needed, to establish payments to the Consultant for possible additional services requested by the Client. This form shall not be used as a basis for payments under Lump-Sum contracts

B. Reimbursable Expenses					
N o	Type of Reimbursable Expenses	Unit	Unit Cost	Quantity	*Total In Indian Rupees (Rs.)
<u>1</u>	2	3	4	<u>5</u>	Col 4X Col 5
—	{e.g., Per diem allowances**}	{Day}		_____	
—	{e.g., International flights}	{Ticket }		_____	
—	{e.g., In/out airport transportation}	{Trip}			
	{e.g., Communication costs between Insert place and Insert place}				
	{e.g., reproduction of reports}				
	{e.g., Office rent}				
	.....				
	{Training of the Client's personnel – if required in TOR}				
*Total Costs					

\*without GST

Legend:

"Per diem allowance" is paid for each night the expert is required by the Contract to be away from his/her usual place of residence. Client can set up a ceiling.

**FORM FIN-5 BREAKDOWN OF CBO AUDIT FEE (PART B)**

<i>PARTICULARS (1)</i>	<i>APPR. CBO AUDITS (2)</i>	<i>UNIT RATE PER AUDIT WITHOUT GST (3)</i>	<i>TOTAL AMOUNT FOR CBO AUDIT WITHOUT GST (4) (4)= (2)X(3)</i>
<i>CBO AUDIT</i>	<i>552</i>		
<i>TOTAL AMOUNT WITHOUT GST</i>			

**The cost should be inclusive of reimbursables and other expenses**



**List of Documents to be submitted online**

<b>Clause No / Form</b>	<b>Document</b>
	<b>TECHNICAL ENVELOP</b>
21.1 (1)	Incorporation / registration certificate of ICAI
21.1 (2)	C&AG letter for empanelment for FY 23-24
21.1 (3)	ICAI latest firm card.
21.1 (4)	Annual Financial Audited statements by a Chartered Accountant Firm of last three FY – from FY 2021-22, FY2022-23 and FY2023-24 to be enclosed.
21.1 (5)	The attested copies of contracts /work order (where fees have been mentioned) should be submitted along with completion certificate issued by the client. Tax invoice along with proof of payment receipt will also be considered in place of completion certificate.
21.1 (6)	The attested copies of contracts /work order (where fees have been mentioned) should be submitted along with completion certificate issued by the client. Tax invoice along with proof of payment receipt will also be considered in place of completion certificate
21.1 (7)	Declaration on min Rs. 100 stamp paper.
21.1 (8)	ICAI firm Card
Tech 1	Technical Proposal Submission form
Tech 2	Consultant's Organisation and Experience Part A & B
Tech-3	Comments and suggestions on the terms of reference, counterpart staff and facilities to be provided by the client Part A & B
Tech -4	Description of approach, Methodology and Work plan in responding to the terms of reference. Part A: Technical Approach and Methodology Part B: Work Plan Part C: Organization and Staffing
Tech-5	Work Schedule and Planning for Deliverables (in a form of a bar chart)
Tech -6 (Part A)	Team Composition, Assignment and Key Expert's inputs
Tech -6 (Part B)	Curriculum Vitae(CVs)
	Any other document if any

Clause No / Form	Document
	<b>FINANCIAL ENVELOP</b>
Fin -1	financial Proposal submission form
Fin-2	Summary of Costs (BOQ format in Excel)
Fin-3	Breakdown of Remuneration
Fin-4	Breakdown of Reimbursable Expenses
Fin-5	Breakdown of CBO Audit in PDF

*Note to Consultant:*

*The hard copy of only technical documents that have been uploaded online in the technical envelope shall be submitted to the project office within 2 working days from the date of opening of the technical proposals. Please do not submit hard copies of the financial proposal to the project office.*

*All technical documents should be submitted in spiral bidding book, and each page should be numbered.*

## **Section 5. Eligible Countries**

**In reference to ITC 6.3.2**, for the information of Consultants, at the present time firms, goods and services from the following countries are excluded from this selection:

Under the ITC 6.3.2 (a): None

Under the ITC 6.3.2 (b): None

## Section 6. Fraud and Corruption

(This Section 6, Fraud and Corruption shall not be modified)

### 1. Purpose

1.1 The Bank's Anti-Corruption Guidelines and this annex apply with respect to procurement under Bank Investment Project Financing operations.

### 2. Requirements

2.1 The Bank requires that Borrowers (including beneficiaries of Bank financing); bidders (applicants/proposers), consultants, contractors and suppliers; any sub-contractors, sub-consultants, service providers or suppliers; any agents (whether declared or not); and any of their personnel, observe the highest standard of ethics during the procurement process, selection and contract execution of Bank-financed contracts, and refrain from Fraud and Corruption.

2.2 To this end, the Bank:

- a. Defines, for the purposes of this provision, the terms set forth below as follows:
  - i. "corrupt practice" is the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party;
  - ii. "fraudulent practice" is any act or omission, including misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain financial or other benefit or to avoid an obligation;
  - iii. "collusive practice" is an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the actions of another party;
  - iv. "coercive practice" is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party;
  - v. "obstructive practice" is:
    - (a) deliberately destroying, falsifying, altering, or concealing of evidence material to the investigation or making false statements to investigators in order to materially impede a Bank 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; or
    - (b) acts intended to materially impede the exercise of the Bank's inspection and audit rights provided for under paragraph 2.2 e. below.
- b. Rejects a proposal for award if the Bank determines that the firm or individual recommended for award, any of its personnel, or its agents, or its sub-consultants, sub-contractors, service providers, suppliers and/ or their employees, has, directly or

- indirectly, engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices in competing for the contract in question;
- c. In addition to the legal remedies set out in the relevant Legal Agreement, may take other appropriate actions, including declaring misprocurement, if the Bank determines at any time that representatives of the Borrower or of a recipient of any part of the proceeds of the loan engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices during the procurement process, selection and/or execution of the contract in question, without the Borrower having taken timely and appropriate action satisfactory to the Bank to address such practices when they occur, including by failing to inform the Bank in a timely manner at the time they knew of the practices;
  - d. Pursuant to the Bank's Anti- Corruption Guidelines and in accordance with the Bank's prevailing sanctions policies and procedures, may sanction a firm or individual, either indefinitely or for a stated period of time, including by publicly declaring such firm or individual ineligible (i) to be awarded or otherwise benefit from a Bank-financed contract, financially or in any other manner;<sup>1</sup> (ii) to be a nominated<sup>2</sup> sub-contractor, consultant, manufacturer or supplier, or service provider of an otherwise eligible firm being awarded a Bank-financed contract; and (iii) to receive the proceeds of any loan made by the Bank or otherwise to participate further in the preparation or implementation of any Bank-financed project;
  - e. Requires that a clause be included in bidding/request for proposals documents and in contracts financed by a Bank loan, requiring (i) bidders (applicants/proposers), consultants, contractors, and suppliers, and their sub-contractors, sub-consultants, service providers, suppliers, agents personnel, permit the Bank to inspect<sup>3</sup> all accounts, records and other documents relating to the procurement process, selection and/or contract execution, and to have them audited by auditors appointed by the Bank.

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<sup>1</sup> For the avoidance of doubt, a sanctioned party's ineligibility to be awarded a contract shall include, without limitation, (i) applying for pre-qualification, expressing interest in a consultancy, and bidding, either directly or as a nominated sub-contractor, nominated consultant, nominated manufacturer or supplier, or nominated service provider, in respect of such contract, and (ii) entering into an addendum or amendment introducing a material modification to any existing contract.

<sup>2</sup> A nominated sub-contractor, nominated consultant, nominated manufacturer or supplier, or nominated service provider (different names are used depending on the particular bidding document) is one which has been: (i) included by the bidder in its pre-qualification application or bid because it brings specific and critical experience and know-how that allow the bidder to meet the qualification requirements for the particular bid; or (ii) appointed by the Borrower.

<sup>3</sup> Inspections in this context usually are investigative (i.e., forensic) in nature. They involve fact-finding activities undertaken by the Bank or persons appointed by the Bank to address specific matters related to investigations/audits, such as evaluating the veracity of an allegation of possible Fraud and Corruption, through the appropriate mechanisms. Such activity includes but is not limited to: accessing and examining a firm's or individual's financial records and information, and making copies thereof as relevant; accessing and examining any other documents, data and information (whether in hard copy or electronic format) deemed relevant for the investigation/audit, and making copies thereof as relevant; interviewing staff and other relevant individuals; performing physical inspections and site visits; and obtaining third party verification of information.

## Section 7. Terms of Reference

### Hiring of Chartered Accountancy firm for conducting Internal Audit for SMART Project - Package -2

#### A. Project Background: -

- 1) Small and marginal farmers dominate Maharashtra's agriculture. State's agriculture is diversified and relatively integrated with the global value chains. Commodities like soybean, cotton, sugar etc. are strongly influenced by global price movements. Commodities with little footprint outside India have been influenced by trade policies. For example, the price of pulses over the past few years, while influenced by domestic consumption, are largely affected by the inconsistent trade policies. These factors have led to periodic farm distress. Broad shifts in the global prices of commodities such as pulses, soybean, sugar, and milk leading to farmers in many cases not even being able to cover the cost of production.
- 2) Agricultural transformation in Maharashtra faces many challenges. The area under cultivation for cereals has declined since 2000, reflecting a shift from food grains toward cash crops. Maharashtra is now one of the largest producer and exporter of fruits, vegetables, pulses, cotton, and soybean. These changes are prompting value addition and food processing activities. However, it is important to reduce distortions and strengthen the linkages in the existing value chains.
- 3) Maharashtra has a large pool of federated organizations of farmers and women's self-help groups (SHGs), with more than 21,000 Primary Agriculture Credit Cooperative Societies, 2000 Farmer Producer Organizations (FPOs), and 800 women's Community Level Federations (CLFs) and Community Managed Resource Centers (CMRCs). This calls for a more concerted effort to leverage these strengths and grab the opportunities in the domestic and global markets available to the farmers in the state.
- 4) The State has received financing from the World Bank through International Bank for Reconstruction and Development (IBRD) in the form of a loan for implementation of the SMART Project. This project is being implemented for 7 years during 2020-21 to 2026-27. Objective of the project is *'to support the development of inclusive and competitive agriculture value chains, focusing on small holder farmers and agri-entrepreneurs in Maharashtra'*. This would be achieved by expanding access to new and organized markets for producers and enterprises with complementary investments in technical services and risk management capabilities.
- 5) Following are the three broad areas of intervention under the project.
  - i. Enhancing Institutional Capacity to Support Agricultural Transformation - to support capacity building of the Department of Agriculture (DoA) and Department of Marketing (DoM) and establishment of Commodity Stewardship Councils to act as a platform for engagement of members of value chains.
  - ii. Supporting Enterprise Growth and Expanding Market Access - to integrate producers in priority value chains with strengthened and reliable linkages with buyers and markets, and to enhance the provision of relevant technical and Business Development Services (BDS) to support enterprise growth in the agribusiness sector.
  - iii. Building Risk Mitigation Mechanism – to strengthen market information and intelligence services for farmers and government, strengthening warehouse receipt systems as a risk mitigation tool for farmers and price risk management support to the state.

#### B. Project Overview:-

- 1) **Overview:** The duration of Project is seven years and cost of project is Rs.2100 crores excluding beneficiary contribution. The funds contribution for project by World Bank through Central Govt. will be 70% of total Project fund, the State Government share will be 26.67% of total Project fund and Private Sector i.e. CSR funding will be 3.33% of total Project fund. The project would be implemented across the State of Maharashtra.
- 2) **Project Institutional Arrangement:** The SMART Project involves participation of seven-line departments, viz. Agriculture, Agriculture Marketing, Cooperation, Animal Husbandry, Rural Development, Women and Child Development and Urban Development. The Department of Agriculture, headed by Secretary (Agriculture) is the Nodal Department for the Project. Each of these departments is required to implement and manage various activities proposed under various components under this project. For overall monitoring and coordination of the SMART Project, an empowered Project Steering Committee (PSC) has been constituted under the chairmanship of the Chief Secretary, Maharashtra State. 'State of Maharashtra's Agribusiness and Rural Transformation' SMART Society is registered for implementation of the SMART project. Governing Council of the SMART Society is headed by the Secretary Agriculture and Commissioner Agriculture is the Managing Director and Member Secretary of the Society. A Project Coordination and Management Unit (PCMU) of SMART headed by the Project Director (ex-officio Commissioner Agriculture) is established as a Secretariat of the Society and for implementation of SMART Project. Project Implementation Units (PIUs) headed by the heads of respective departments of the participating departments have been established. The Implementing Institutions and accounting centres in the Project have been attached as Annexure-2.
- 3) **Fund Flow Arrangement:** Finance Specialist of SMART Project has been declared as the Drawing and Disbursing Officer (DDO) for the Project. Accordingly, the DDO bank account has been opened at the PCMU level. The DDO in the office of PCMU, SMART shall access the BEAMS portal and submit the bill to Treasury in format MTR 44 and under the Government specified object codes (31-grants-in-aid or 33-subsidies as the case may be). After receiving the funds in lump sum from Treasury, these funds will be deposited in the Central Pool Account bank account opened at the level of PCMU. These funds will be allocated on a quarterly basis or as mentioned in Finance Management Manual through PFMS by way of assigning limits to the implementing units. The bank account of all the implementing units in the Project will be the zero balance bank accounts. The limits assigned through PFMS will also be intimated to the Bank and accordingly the limits will be assigned to the zero balance bank account. The latest financing arrangements have been approved in the Addendum 1 to Finance Management Manual dated 30<sup>th</sup> May 23. The fund flow arrangements have been given in **Annexure 1**.
- 4) **Beneficiaries under the Project:**
  - i) The primary beneficiaries of the Project are different types of Community Based Organization (CBO) i.e. Farmer Producer Companies (FPCs), Grower Associations, Farmer Groups formed under ATMA, Primary Agricultural Co-operative Societies (PACS), Cluster Level Federations (CLFs) promoted by Maharashtra State Rural Livelihoods Mission (MSRLM) and Community Managed Resource Centres (CMRCs) promoted by Mahila Arthik Vikas Mahamandal (MAVIM).
  - ii) Approximately 1200 CBOs will participate in the project. Out of these 1200 CBOs, 30 percent will be women CBOs. These CBOs will be beneficiaries of project interventions through various interventions in the Project.

**C. Jurisdiction of Internal Audit:-**

The SMART Project will be implemented throughout the State of Maharashtra.

- 1) The Audit would cover all the accounting centers of SMART Project given in the list of accounting centers in **Annexure 3**.

**D. Precise Statement of Objectives of the Assignment:-**

- 1) Internal Audit is an independent, objective oriented function to add value and improve organization's operations. It should help the Project to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.
- 2) **The Internal auditor shall -**
  - i) Express an independent professional opinion with regard to efficiency, effectiveness and economy of the program operation;
  - ii) Evaluate the adequacy and effectiveness of the financial management and internal control system;
  - iii) Ensure compliance of the laid down Project Implementation guidelines and procedures;
  - iv) Provide timely information and recommendation to the Management for improvement of systems.
  - v) Review the efficacy of the project procurement system<sup>4</sup> based on the implementation of the procurement risk mitigation measures as per the PAD (Annex 5: Procurement Table 5.3)

**E. Outline of the Tasks to be Carried Out - Scope of Services:**

**E1) At the level of Accounting Center –**

- 1) **Undertaking quarterly internal audit and post procurement review at accounting centers –**

The auditor will undertake a quarterly audit and procurement post review of 100% of the transactions ; keeping in mind the risk assessed at each unit. For effective internal control system in place, of each accounting centre of Project in accordance with the Standards on Internal Audit prescribed by the Institute of Chartered Accountants of India and will include such tests and controls, as the auditors consider necessary for performance of the audit.

- 2) **Support in the form of training and handholding-**

- i) Auditor will have to give training and handholding to the finance staff for better financial management. The same will be in the area of book-keeping & accountancy, procurement, taxation and audit compliances, IUFR & PFS preparation.
- ii) The handholding will be given at the time of visit for each quarterly audit. It will ensure that errors, omissions, mistakes will get rectified and do not occur persistently. A training will be given on half yearly basis to all accounting centres by the auditor firm. The training will be organised by PCMU team but conducted by the internal auditors.

**E2) At the level of Beneficiary CBOs:**

- 1) Audit of CBO financed by the project will have to be conducted two times by the auditor i.e first after release of second tranche and second on completion of project but before release of fourth/ last tranche.
- 2) Besides this, as per the intimation given by the Project, audit of non-performing/ non-compliant/ any other CBOs case as approved by Project Director will also have to be

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<sup>4</sup> procurement policy framework, tools like manuals and SPDs, procedures and contract management, staffing, and training



undertaken as per the Project needs.

- 3) Audit of CBOs will have to be conducted at the sub-project proposal location i.e. where the CBO is situated. The respective Section auditor will audit CBOs situated in their respective districts. In case an auditor is not available to complete CBO audit in their jurisdiction then project has right to transfer the audit to other section internal auditor.
- 4) A separate audit report has to be submitted to the concerned CBO and copy to DIU, RIU, PIU and PCMU in the format provided in the annexure.
- 5) In case of audit conducted before release of fourth tranche i.e. on completion of project, a separate audited Utilisation Certificate (UC) is to be issued. The format of UC is as per Annexure 5.
- 6) A Project Completion Report (PCR) will be issued by the internal auditor to respective PIU and copy to PCMU after the release of fourth tranche in the format given in Annexure 6.

**F) Key areas for Audit.**

In conducting the audit special attention should be paid to the following:

- 1) **Fund availability:** The auditor should ensure the efficiency and timeliness of the funds flow mechanism at all the accounting centers in the Project. The auditor should also identify and report the reasons if there are any delays and suggest possible remedial measures.
- 2) **Fund utilization:** The auditor should ensure that the Project funds have been used in accordance with the conditions of the relevant legal agreements with due attention to economy, efficiency and effectiveness and only for the purposes for which the financing was provided. Relevant legal agreement includes the Financing Agreement, the Project Agreement and the Minutes of Negotiation and Finance Management Manual of the Project.
- 3) **Book-keeping & Accountancy:** The auditor should ensure adequate accounting and financial management records are maintained at each accounting center of SMART Project. The auditor will verify whether adequate supporting documents such as bills, and vouchers and contract records are maintained in respect of project transactions.
- 4) **Internal Control Mechanism:** The auditor will assess the adequacy of internal and financial controls at each accounting center, especially with respect to delegation of powers laid down by the SMART Project.
- 5) **Procurement:** The auditor will assess whether an adequate system with all the procurement risk mitigation measures are instituted at all levels of project implementation are in place to ensure that goods, works and services, and non-consulting services are in place to ensure that goods, works and services, and, and non-consulting services are being procured in accordance with the procurement arrangements and procedures prescribed for the project. The audit should report by exception any such cases found where these are not followed as a separate section in the Internal Audit Report..
- 6) **Beneficiary Contribution:** The auditor should ensure that the beneficiary contribution, is deposited by the CBO in SMART-CBO bank account, before the corresponding tranche of Project grants has been released by the Project. The conditions mentioned in the Finance Management Manual should be followed by the units and verified by the auditor.
- 7) **Interim Unaudited Financial Reports (IUFR):** Auditor should review the correctness of the financial transactions recorded in the Project Accounting System with the underlying accounting records and verify whether the expenditures accounted under the project are eligible for financing. The auditor will verify whether the IUFRs are submitted in a timely manner and verify whether the IUFRs submitted to the World Bank is prepared from the

financial statements generated from the accounting system and underlying accounting records.

- 8) **Project Financial Statements (PFS):** The auditor should verify the PFS prepared for a particular financial year. He should confirm that clear linkages exist between the supporting documents, accounting books and records and the periodic financial reports (IUFR) for each the respective spending units of Project.
- 9) **Mechanism for Advances:** The auditor should verify whether the accounting for the advances given is properly recorded in the books of accounts. The auditor should verify whether the conditions for advance settlement has also been followed,
- 10) **Assets:** The internal auditor should ensure that the adequate records are maintained regarding the assets created and assets acquired by the project, including description, details of cost, identification and location of assets.
- 11) **Previous audit para compliances:** While conducting internal audit in the subsequent quarter, the auditor will verify the previous audit para compliances and corrective actions taken on those points. Routine errors of omission or commission noted during the course of internal audit may be rectified on the spot.
- 12) **Statutory Compliances:** Internal Auditor also have to verify the statutory compliances under Bombay Public Trust Act 1950 and Society Registration Act, 1860 and Income Tax Act, 1960 with respect to PCMU, SMART Society and all other applicable statutory compliances.
- 13) **Knowledge Base :** The designated personnel of the Agency have to undergo training activity about SMART project profile along with WB prospectives and they will have to update themselves about the developments on concurrent audit before undergoing the internal audit of project's accounting Centre.
- 14) **Audit of CBO activities at project's accounting center level:** The Internal auditor will check the CBO Full project proposals presented in front of SPAC committee at the PCMU level. The tranche release at the PIU levels will be verified by the auditor along with the supporting documents. Audit of CBO documents will have to be conducted at the level of Project Implementing Unit and respective District Implementing unit level.
- 15) **CBO Audit:** The audit of CBO will be conducted at the sub-project proposal site and where books are maintained by the CBO. The auditor will co-ordinate with DIU and CBO. 100% verification of the procurement and financial aspects of the transactions undertaken by the CBO with reference to project guidelines issued for the same. Proper segregation of expenses as per the guidelines should be bifurcated as expenses eligible for grants and expenses from own contribution.

**G) Tentative expenditure of Project for the following financial years: -**

- 1) Estimated Project expenditure at the level of all accounting centers in the SMART project Package 2

Sr.no.	Period	Estimated Expenditure amount in Rs. (in crores)
01	F.Y. 2024-25	270.00
02	F.Y. 2025-26	432.00
03	F.Y. 2026-27	460.80

## 2) Tentative number of CBOs expected for audit

Sr. No.	Period	Section II
		Estimated No. of CBO's
1	F.Y. 2024-25	99
2	F.Y. 2025 - 26	222
3	F.Y.2026 -27	231
		<b>552</b>

**H) Outputs and deliverables :-**

Submission and getting approved from the Project the following reports

Sr. No	Particulars	Periodicity	Due date of submission	To whom to be submitted
1	Quarterly Internal Audit Report of each accounting center of Project alongwith the consolidated project's report. The same must be updated in project MIS. with a separate section on the Procurement & contract management	Quarterly	Within two months from end of quarter	To each accounting center of Project & consolidated report to PCMU
2	Annual Audit Report of Project.	Yearly	Within two months from end of financial year	PCMU

**I) Reporting :-****1) Quarterly Audit Report :-**

- i) The Audit Report should be discussed by the Auditor with respective head of accounting center. The draft report will be communicated to respective accounting centre on the same day of completion of audit. Three working days should be given for reply to the paras mentioned in internal audit report. Comments from each accounting center must be incorporated in the final report (in accordance with the Annexure 4 & 7), as Management Comments. The final audit report will be submitted to each and every accounting centre within one and a half month from the end of the quarter.
- ii) The consolidated DIU, RIU and VANAMATI report will be submitted to PIU Agriculture. The major issues/issues which need system or management attention/ issues having financial implications of PIU, RIU, DIU and VANAMATI will be consolidated and reported to PCMU.
- iii) The consolidated quarterly audit report is to be submitted to PCMU which should be segregated in four parts. First part is critical issues/ serious queries which need management attention, second part is queries which are not yet solved/ sorted and third part is queries which have been solved but management should have knowledge of these kinds of errors and fourth part is suggestions related to actions to be taken by the management. This report is to be submitted within 45 days from the end of the quarter to be audited.

- iv) Auditor has to update these reports in project MIS system audit parawise. The compliance to these audit paras will be updated online by respective accounting centres. The status of the audit para after submission of compliance whether accepted/ dropped/ rejected/ partially accepted is to be updated by the auditor in project MIS. The requirements in project MIS are to be complied by the auditor. The non complied audit paras of previous audit period other than mentioned in this Terms of Reference will also be verified by the internal auditor and the status of compliances uploaded online will be updated by them.

**2) Annual Consolidated Audit Report:-**

- i) The Audit Report should be discussed by the Auditor with respective head of accounting center. Comments from each accounting center must be incorporated in the final report (in accordance with the Annexure 4 & 7), as Management Comments.
- ii) The consolidated annual audit report is to be submitted to PCMU should be segregated in four parts, first part is critical issues/ serious queries which need management attention, second part is queries which are not yet solved/ sorted and third part is queries which have been solved but management should have knowledge of these kinds of errors and fourth part is Suggestions related to actions to be taken by the management. This report is to be submitted within 45 days from the end of the financial year to be audited.

**3) Final Report :- The final audit report shall include the following:**

- i) **Executive** Summary highlighting key audit observations;
- ii) Detailed comments and observations on the financial management records, system and controls that were examined during the course of internal audit as per the tentative checklist given in Annexure 4.
- iii) Compliance with the provision of legal agreements
- iv) Deficiencies and areas of weakness in FM system and control environment with recommendation for improvement
- v) Matters that may have significant impact on the implementation of the Project;

The auditor will present to all the PIU-Heads the findings of the quarterly reports and on a six-monthly basis will present his findings to the Project Director, SMART.

**4) CBO Audit report**

Auditor will conduct audit and submit final audit report within 20 days from the receipt of audit intimation by the project. The auditor will give draft report to CBO and DIU within two days from the visit to the address of auditee. In three days from the receipt of draft report, compliance is to be submitted by the CBO through DIU to the auditor. After receipt of compliances auditor will submit soft copy of the final report to CBO with copy to DIU, RIU, PIU and PCMU. The hard copy of the final report will be submitted to PCMU within 20 days from the receipt of audit intimation by the project.

**5) Procurement review Audit report :**

The procurement audit as per the world bank guidelines is to be completed and report is to be submitted in the format provided in Annexure 7.

**J) Team composition**

The Internal Auditor shall have the following minimum key professional staff:

**For Package II**

<b>Sr. no.</b>	<b>Key Professionals</b>	<b>No. of persons</b>	<b>Experience</b>	<b>Description of Services to be provided</b>
1	Project Leader (CV would be evaluated)	One	i) Qualified Chartered Accountant (one) with at least 10 years of experience as a partner with expertise in internal audit and procurement audit. ii) Preference will be given to a person with knowledge and an experience in dealing with similar externally aided Projects, Government Departments.	i) Overall planning and coordination ii) discussing audit findings with Government officials and issue of audit report.
2	Audit Task Leader (CV would be evaluated)	Two	i) Qualified CA / Cost Accountant with an experience in internal audit and procurement audit of at least 5 years ii) Preference will be given to a person with knowledge and an experience in dealing with similar externally aided Projects, Government Departments.	i) Review of guidelines and manuals of the Project. ii) Conduct visits and Prepare the draft audit report at each accounting center.
3	Senior Audit Asst. (Minimum Two Persons Required)	Two	Graduate/ C.A. Inter with audit experience of minimum two years and well versed with vernacular language.	Audit and verification of books of accounts, records and transactions at each accounting center.
4	Junior Audit Asst. (Minimum four Persons Required)	Four	Graduate/ Articles and well versed with vernacular language.	Voucher verification, asset verification

**K) Internal Auditor's fees:**

The payment of the fees for the services of the CA firms will be done by the Project Co-ordination and Management Unit (SMART).

**L) Tenure:**

The appointment of CA firm as Internal Auditor of Project would be for the period of three years i.e. Quarter 3 and Quarter 4 of the FY 2024-25, FY 2025-26 and FY 2026-27 subject to performance review by the Project after each year. If performance of the firm is found to be satisfactory, it can be further extended if required.

**M) Procedure for review of the Internal Auditor's performance:**

- 1) PCMU will have supervisory and advisory role in review of Internal Auditor. A Review Committee will be constituted for review of the quarterly audit reports, training reports and the annual final report.

2) **Composition of Review Committee**

- |  |                  |
|--|------------------|
| i) Project Director, SMART             | Chairperson      |
| ii) Additional Project Director, SMART | Member           |
| iii) Finance Specialist                | Member           |
| iv) Procurement Expert                 | Member           |
| v) Accounts Officer                    | Member Secretary |

- 3) The Review Committee will supervise the implementation of the Internal Auditor's deliverables through half yearly reviews.

N) **Data, Services and Facilities to be provided by the Client:**

Client will provide access to relevant places, relevant documents, and interaction with related personnel to the members of the Service Provider.

Checklist for the Procurement review at all levels.

O) **Annexures to ToR for Internal Auditor**

Annexure 1: The Fund Flow for the project

Annexure 2: The accounting centers of the project.

Annexure 3: The list of accounting centers of SMART bifurcated in Section I and Section II as per the geographical area.

Annexure 4: Tentative internal control checklist for audit.

Annexure 5: Tentative internal control checklist for CBO audit

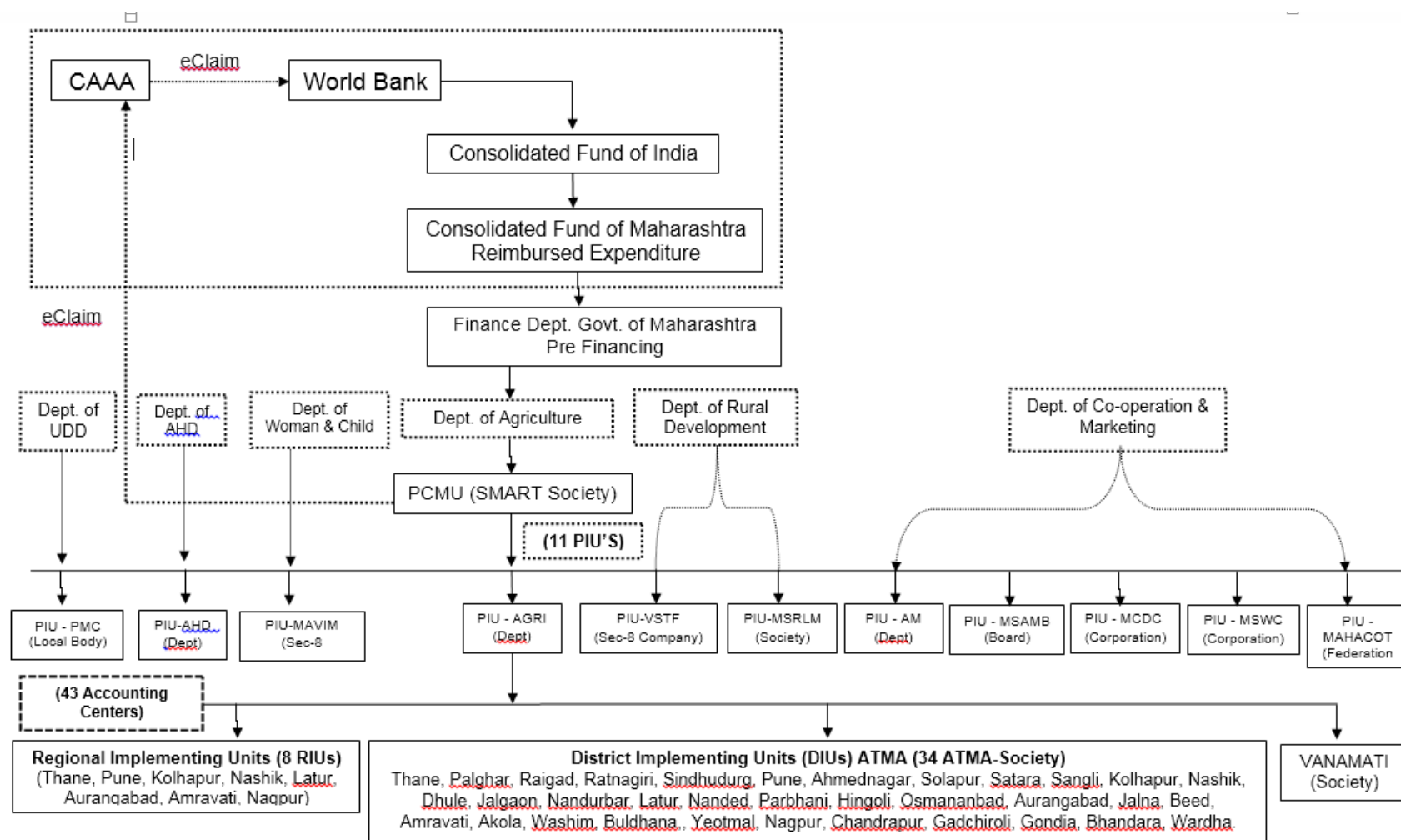
Annexure 6: CBO Project Completion Report sample format.

Annexure 7: Procurement Review, Findings and Mitigations

Annexure 7 : Procurement Review, Findings and Mitigations

Annexure \*8 : Checklist for Procurement Audit

## Annexure 1: Fund flow for the Project



**Annexure 2 : List of accounting centers**

<b>Department</b>	<b>No.</b>
<b>AGRICULTURE DEPARTMENT</b>	
Project Co-Ordination And Monitoring Unit (PCMU)	1
Project Implementing Unit- Agriculture (PIU-Agri)	1
Regional Joint Director of Agriculture (RIUs)	8
District Implementing Units- (DIU-ATMA)	34
VasantraoNaik Sate Agricultural Extension Management Training Institute (VANAMATI)	1
<b>Sub-Total (AGRI)</b>	<b>45</b>
<b>AGRI MARKETING DEPARTMENT</b>	
Project Implementing Unit- Agricultural Marketing (PIU-AM)	1
Maharashtra State Agricultural Marketing Board (PIU-MSAMB)	1
Maharashtra Co-Operative Development Corporation (PIU-MCDC)	1
Maharashtra State Warehousing Corporation (PIU-MSWC)	1
PIU-Maharashtra State Cotton Growers Coop. Marketing Federation (MAHACOT)	1
<b>Sub-Total (AM)</b>	<b>5</b>
<b>ANIMAL HUSBANDRY DEPARTMENT (AHD)</b>	
Project Implementing Unit-Animal Husbandry PIU-AHD	1
<b>Sub-Total (AHD)</b>	<b>1</b>
<b>RURAL DEVELOPMENT DEPARTMENT</b>	
Maharashtra State Rural Livelihoods Mission (PIU-MSRLM)	1
Village Social Transformation Foundation (PIU-VSTF)	1
<b>Sub-Total (RDD)</b>	<b>2</b>
<b>WOMEN AND CHILD WELFARE DEPARTMENT (WCWD)</b>	
Mahila Arthik Vikas Mahamandal (PIU-MAVIM)	1
<b>Sub-Total (WCWD)</b>	<b>1</b>
<b>URBAN DEVELOPMENT DEPARTMENT (UDD)</b>	
Pune Municipal Corporation (PIU-PMC)	1
<b>Sub-Total (UDD)</b>	<b>1</b>
<b>TOTAL</b>	<b>55</b>



**Annexure 3: The list of accounting centers of SMART as per the geographical area.**

<b>Sr.No.</b>	<b>Package-2</b>
<b><u>Western &amp; Rest of Maharashtra</u></b>	
01.	DIU - Pune
02.	DIU - Ahmednagar
03.	DIU - Solapur
04.	DIU - Kolhapur
05.	DIU - Satara
06.	DIU - Sangli
07.	RIU - Kolhapur
08.	RIU - Pune
09.	PCMU-Pune
10.	PIU-Agri-Pune
11.	PIU-AM-Pune
12.	PIU-AHD-Pune
13.	PIU-MCDC-Pune
14.	PIU-MSWC-Pune
15.	PIU-MSAMB-Pune
16.	PIU-PMC-Pune
<b><u>North Maharashtra &amp;Konkan</u></b>	
17.	DIU - Nashik
18.	DIU - Dhule
19.	DIU - Nandurbar
20.	DIU - Jalgaon
21.	DIU - Palghar
22.	DIU - Thane
23.	DIU - Raigad
24.	DIU - Ratnagiri
25.	DIU - Sindhudurg
26.	RIU - Thane
27.	RIU Nashik
28.	PIU-MSRLM-Mumbai
29.	PIU-MAVIM-Mumbai
30.	PIU-VSTF- Mumbai

### ANNEXURE 4 : TENTATIVE INTERNAL CONTROL CHECKLIST FOR AUDIT

(To be filled in by the internal auditor on each audit and submitted along with audit report)

Name of Accounting Centre :

Quarter covered:

Sr. No.	Activity	Particulars	Observations
1	2	3	4
1	Flow of funds & Grant reconciliation	<ul style="list-style-type: none"> <li>• Has the fund flow as per the Finance Management Manual (FMM) followed?</li> <li>• If no, then observations on the deviation from the fund flow.</li> <li>• Whether the grants of every accounting centre reconciled with the grants as per PCMU.</li> </ul>	
2	Payment procedure	<ul style="list-style-type: none"> <li>• Whether payment made as per the contract or the applicable documents?</li> <li>• Whether the payment is as per the delegation of powers mentioned in the FMM</li> <li>• Whether the payment procedure i.e. Expenditure Claim Form (ECF), Order as per FMM has been followed.</li> <li>• Whether applicable tax deductions has been made from payment?</li> <li>• If no, observations may be reported.</li> </ul>	
3	Statutory filings	<ul style="list-style-type: none"> <li>• Whether all applicable statutory returns filed within due date</li> <li>• If not please report the applicable interest and penalty paid.</li> <li>• Whether any default notices pending and not attended by the accounting centre.</li> </ul>	
4	Operation of bank account	<ul style="list-style-type: none"> <li>• Are there two authorized signatories for PPA/cheque signing as per FMM.</li> <li>• Has the bank statement reconciled with the books of accounts?</li> <li>• Are payments made after verification &amp; approval of works by the technical officers/ subject specialist?</li> <li>• Whether any receipts at accounting centre promptly transferred to PCMU and intimated through letter.</li> </ul>	
5	Advances	<ul style="list-style-type: none"> <li>• Whether the advances given as per the FMM.</li> <li>• Whether the advances are given to staff of project.</li> <li>• Whether the advances have been settled as per the FMM</li> <li>• What action has been taken where there is delay in settlement of advances?</li> </ul>	
6	Tally updation and synchronisation	<ul style="list-style-type: none"> <li>• Whether the books of accounts are updated daily.</li> <li>• Whether the bank statement is properly feeded in the tally.</li> <li>• Whether journal entries as required entered in tally, for e.g. entry related to security deposit, advance settlement, CBO expenditure incurred from tranches etc.</li> </ul>	

Sr. No.	Activity	Particulars	Observations
7	Security Deposit	<ul style="list-style-type: none"> <li>• Whether any security deposit received by the accounting centre</li> <li>• Whether same is transferred to the PCMU bank account</li> <li>• Whether proper journal voucher entries passed in the books of accounts.</li> <li>• Whether recorded in Security Deposit register</li> </ul>	
8	Procurement	<ul style="list-style-type: none"> <li>• Have the procurement procedures prescribed in the procurement manual followed for all the purchases made/ services procured?</li> <li>• Has the stationery purchased recorded in the consumable stock register? Is it upto date and physical stock reconciles with register balances?</li> <li>• Is there any price or quantity variance between the actual expenditures?</li> </ul>	
9	Dead Stock & Stationery register	<ul style="list-style-type: none"> <li>• Whether the asset purchased recorded in the dead stock register.</li> <li>• Whether tagging has been done of the assets.</li> </ul>	
10	Imprest register	<ul style="list-style-type: none"> <li>• Whether the imprest register maintained.</li> <li>• Whether the imprest cash settled as per FMM and the expenses recorded properly.</li> </ul>	
11	IUFR verification	<ul style="list-style-type: none"> <li>• Whether IUFR is prepared quarterly and submitted to head office within the due date given by the office.</li> <li>• Whether IUFR matches with the books of accounts.</li> <li>• Whether the IUFR generated from tally has been reconciled with trial balance.</li> </ul>	
12	PFS verification	<ul style="list-style-type: none"> <li>• Whether PFS is prepared and reconciles with the books of accounts.</li> <li>• Whether the PFS generated from tally has been reconciled with trial balance.</li> </ul>	
13	Book Keeping	<ul style="list-style-type: none"> <li>• Has the cash book been written regularly and is complete?</li> <li>• Has the cash book been signed by the authorized officer.</li> <li>• Whether all registers as per FMM maintained and updated.</li> <li>• Have all the expenditures been made as per the contract agreement and whether recorded properly.</li> <li>• Is there adequate supporting documentation for all expenditures?</li> <li>• Has the Cash Book, Bank book, journal voucher and ledger been signed by the Auditor as a token of checking?</li> </ul>	
14	CBO process verification	<ul style="list-style-type: none"> <li>• Whether visits as mentioned by the various project circulars done by implementing units. Whether the related reports submitted by all technical team also.</li> <li>• Whether the CBO bank statement (under each district) and work progress reconciled.</li> <li>• On verification of CBO bank statement any misappropriation, fraud or embezzlement noticed. If yes, provide details.</li> </ul>	

Sr. No.	Activity	Particulars	Observations
		<ul style="list-style-type: none"> <li>• Whether statutory compliances (For e.g. Company Act) by CBOs under the SMART project being done by CBOs is reviewed by the office. If yes, provide details of pending compliances and action taken.</li> <li>• Whether the process of tranche release as per the FMM properly followed.</li> <li>• Whether CBO e-pay slips are generated regularly from MIS.</li> <li>• Whether the CBO's data of respective DIU properly feeded in MIS.</li> </ul>	
15	MIS Updation	<ul style="list-style-type: none"> <li>• Whether MIS expenditure reconciles with the Books of accounts.</li> <li>• Whether all required modules updated in MIS.</li> </ul>	
16	Other Issues	<ul style="list-style-type: none"> <li>• Whether CBO sub-project proposal properly verified.</li> <li>• Whether budget properly submitted.</li> <li>• Whether limit from PCMU timely demanded.</li> <li>• Any other issue not covered above or the auditor wants to highlight to the management.</li> </ul>	
17	Any specific deficiencies in the system	<ul style="list-style-type: none"> <li>• Give details</li> </ul>	
18	Any other matter which might have a significant impact on the implementation of the project	<ul style="list-style-type: none"> <li>• Give details</li> </ul>	

We confirm that we have complied with the requirements of the above checklist during the course of our work.

**ANNEXURE 5: TENTATIVE INTERNAL CONTROL CHECKLIST FOR CBO AUDIT****(To be filled in by the internal auditor on each audit and submitted along with audit report)****I: Static CBO data**

<b>Sr.No.</b>	<b>Particulars</b>	<b>Particulars</b>
01.	Name of CBO	
02.	Address of CBO	
03.	Date of sub-project proposal sanction intimation by Project	
04.	Date of visit for audit	
05.	Date of Discussion with CBO & DIU regarding Audit paras	
06.	Date of Grant Agreement	
07.	Sub-project proposal cost as per Grant Agreement	
08.	Loan Amount sanctioned	
09.	Name of the Bank from whom Loan taken	
10.	Date of first loan disbursement	
11.	As on report amount of loan disbursed	
12.	Number of tranches released	
13.	Total expenditure incurred till date by CBO	

**II. Observations of the CBO auditor**

<b>Sr. No.</b>	<b>Area</b>	<b>Particulars</b>	<b>Observations</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
1	Loan transactions (if CBO has opted for Loan case)	a. How much loan has been taken for the sub-project proposal activity? b. Whether utilisation of loan is used for the sub-project proposal activity? c. Whether Bank Loan statement has been provided and verified? d. Whether CBO has paid EMI/Interest on loan through SMART Grant and not through personal account?	
2	Grants transactions	a. Whether grants are utilised for sub-project proposal activity? b. Whether Utilisation Certificate is issued by CBO's CA and has been verified? c. Whether grant/tranche are released as per the applicable guidelines?	
3	Procurement procedure & documentation	a. Whether CBO has followed World Bank/State Procurement policy for Procurement? b. Whether proper documentation required in different procurement methods has been maintained as per procurement manual and World Bank regulations? c. Whether the various minutes of the procurement committee referred by auditor? Any discrepancy found in procurement procedure is to be reported.	

Sr. No.	Area	Particulars	Observations
		d. Whether bill payments to vendor has been processed as per the stage of completion? e. Whether CBO has purchased the same goods/machinery/works etc as approved in the SPAC and as per grant agreement.	
4	Vendor payments	a. Whether payments are approved by the CBO's authorised person and as per work order issued? b. Whether all vendor agreements and contracts are documented? c. Whether payments are made through E-pay Slip/Cheque as specified in the grant agreement.	
5	Tax and other deductions	a. Whether statutory payment has been deposited on or before due dates? b. If any delay, whether interest/penalties are paid as per statute? c. Whether proof of payment of statutory dues available for verification?	
6	Whether vendor payments are on Pro-rata basis i.e. in ratio of Grants: Own Contribution: Loan amount	a. Whether e-pay slips are generated in project MIS system? b. Whether the vendor payment has been paid in ratio of grants and own contribution as per the e-pay slip? c. The CBO has properly accounted their Books of Accounts?	
7	Any other Irregularities as regards to project guidelines	a. Whether CBO has opened SMART dedicated bank account in branch as mentioned in the Grant Agreement? b. Whether sub-project expenditure is only incurred from the SMART dedicated bank account? c. Whether CBO has maintained the primary and secondary books of accounts and updated? d. Whether the project is being executed/constructed/installed/implemented on the address given in the lease agreement?	
8	Whether pre-operative expenses are as per project guidelines	a. Whether pre operative expenses are duly certified in Utilisation Certificate by the CA and supported by the bills and other documents? b. Whether 5% pre-operative expenses are within the limit mentioned in project sanction letter? c. Whether 5% pre-operative expenses are necessary, reasonable and related to the sub-project proposal activity?	
9	Other audit remarks	a. Whether assets generated as per the sub-project proposal are physically verified? b. Any other issue not covered above or the auditor wants to highlight to the management.	
10	Any Suggestions		

**III. Audit Utilisation Certificate Format (to be issued at the time of completion of sub-project activity as per grant agreement)**

Receipts	Amount in Rs.		Payment	Amount in Rs.		
	Grants	Own Contribution		Grants	Own Contribution	Over and Above sub-project proposal cost
Total			Total			

Name of the Auditor

M.No.

Date:

Place:

UDIN

## Annexure 6

## Project Completion Report sample Format

Sr.No.	Particulars	Particulars
01.	Name of CBO	
02.	Address of CBO	
03.	Date of sub-project proposal sanction intimation by Project	
04.	a) Date of visit for audit after release of second tranche	
	b) Date of visit for audit before release of fourth tranche	
05.	Date of Grant Agreement	
06.	Sub-project proposal cost as per Grant Agreement	
07.	Loan Amount sanctioned	
08.	Name of the Bank from whom Loan taken	
09.	As on report amount of loan disbursed	
10.	Number of tranches released	
11.	Total amount of Grants released	
12.	Total amount of Grants utilized for sub-proposal activity	
13.	Total expenditure incurred till date by CBO	
	a. Expenditure from grants released	
	b1. Expenditure from Own Contribution (Own fund + Loan as per Grant Agreement	
	b2. Other Expenditure from Loan	

It is to certify that the project grants utilization is as per the project guidelines and the approved sub-project proposal. The above figures mentioned are true and correct.

We declare that all the records related to sub-project proposal since the inception have been checked and verified by us.

Name, Membership No. and FRN

UDIN

Date:

Place :



### Annexure 7 : Procurement Review, Findings and Mitigations

***Sampling of Contracts to be based on the*** list of signed contracts (register) received from the IA and any available payment records to ensure the completeness of the list, and then selects the representative sample of contracts based on the high value, high risk. Ceiling on the sample contracts to be reviewed may range between 10-15% of contracts entered into during the previous FY ..

Each contract reviewed is rated on performance, combining: (i) management of the procurement process with regard to compliance with the applicable procedures, and(ii) implementation of the contract up to the date of the review with regard to adherence to the conditions of contract.

***Reporting Findings: Once*** the reviewer prepares the report, it is shared with the Borrower for their feedback and factual corrections, if any. The action plan with key 1 findings and recommendation/mitigation measures shall be included as part of Audit report and shared with Bank with findings and recommendations. Findings on noncompliance form part of the key recommendations for needful action, as appropriate.

Mitigation measures or strengthening, actions necessary shall be recommended and closely monitored for compliance during following years review.

Structure of the Summary:

- I. Objectives of the Procurement Review<sup>5</sup>.
- II. Procurement Review plan, including sampling methodology.
- III. The checks and balances of the procurement and contract management system are in line with the agreed procurement arrangements.
- IV. Major findings (Systemic, procurement procedures and contract management)
- V. The status of compliance with the previous report's recommendations.
- VI. Recommendations and Action Plan.

**Physical Inspection.** The physical inspection of goods and works and, where applicable, non-consulting services resulting in a physical output, is an indispensable part of the review.

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<sup>5</sup> Objective of Post Procurement Review.

1. Review and comment on adequate checks and balances are built into the procurement system and procedures are adhered.
2. Verify the compliance with the procurement Framework (system, tools, procurement and contracting procedures and processes)
3. Review and evaluate the contract management practices;
4. World Bank's ACG for IPF, including complaints received were satisfactorily addressed per the established procurement complaint handling system.
5. Review and evaluate the record-keeping and file management arrangements.
6. Recommend mitigation measures to correct the identified procurement deficiencies or deter future deficiencies.

## **Annexure 8 : Checklist for Procurement Audit**

### **Checklist 1: Qualitative Aspects of Procurement**

1. Whether any manual on procurement procedure have been prepared and are available on site? If no, how the procurement procedure is guided?
2. Whether the Bank's standard bidding documents are used for preparation of tenders etc.? If no, how the tenders are prepared?
3. Whether dedicated procurement staff are in place? If no, who handles the procurement?
4. Whether the staff handling the procurement have exposure or training related to the procurement?
5. Whether complete list of contracts issued is available? Whether these data are computerized?
6. Whether the procurement related documents are available systematically?
7. Whether internal approvals are taken for inviting quotations/placing orders?
8. Whether financial negotiations are conducted frequently? If yes, under what circumstances and with whom (with all or lowest bidder)?
9. Is there a procurement related compliant handling system in the agency? If yes, whether bidders are aware of the same?
10. Whether the agency discloses the bid opportunity, put the tender documents and contract award information on its website?
11. Whether a procurement plan is available? If yes, whether the actual progress is being monitored against the plan? If there are delays, what measures are being taken to cover the delays?
12. Whether any procurement related irregularities were reported in the previous audit report? If yes, what actions have been taken in this regard?
13. Whether there is separation of duties between various functions viz. indenting/receiving, procurement and releasing funds?
14. Feedback from procurement staff and other officials met on how to reduce delays and improve the process

### **Checklist 2: Procurement of Works/Goods**

1. Whether the method of procurement (based on the estimated value) adopted is in accordance with the Project Agreement? If no, list the deviations (major/minor)
2. Whether bidding document used for this work is according to the standard model cleared with the Bank? If no, list the deviations from standards (major/minor)
3. Whether price adjustment clause provided in the bid document? (Required when period of completion is more than 12 months)
4. Whether bill of quantities provides schedule of quantity for each slice separately and also one schedule for the combined work/goods?
5. Whether the guidelines have been followed in fixing the Bid Security? If not, why? (No exemption should be permitted to any bidder or any class of bidders)
6. Whether any preference on price or other conditions allowed in the bidding document/award for any bidder or class of bidders? If yes, list the preferences. (No preferential treatment should be given to

any bidder or class of bidders either for price or for conditions unless specifically cleared with the Bank and stipulated in the Project Agreement.)

7. Whether the Cost of bidding documents is reasonable?
8. Whether the Notice inviting tender (NIT) published as per the guidelines ?
9. Whether minimum days provided for submission bids?
10. If pre-bid conference was held, whether the minutes were prepared and circulated to all the prospective bidders?
11. Whether bids were evaluated as per the criteria given in the bid document?
12. Has award been made to the lowest responsive bidder? (Award should be made to the lowest responsive bidder.) If no, the reasons for ignoring lower offers?
13. Were any negotiations held with the bidders after opening of bids?
14. Whether the award was made within the original bid validity?
  - i) if no, what are the reasons for delay?
  - ii) if extension of bid validity was sought, was that from all bidders and not from the lowest alone?
15. Has the successful bidder furnished performance security in accordance with the conditions of contract?
16. Whether Items received/work completed as per the schedule indicated in the contract document?
17. Whether payment released timely and as per the terms given in the contract?
18. Whether the assets procured are being utilized for the intended purpose?
19. Whether all the documents/records related to the contract were available?

### **Checklist 3: Selection of Consultants**

1. Whether the method of selection adopted is in accordance with the Project Agreement
2. Whether the terms of reference have been reviewed and cleared with the Bank?
3. Whether the cost estimate has been prepared?
4. Whether a short list of the consultants/ consultant firms has been drawn?
5. Whether the draft letter of Invitation with draft or contract according to the Bank's standard document? If not/reasons thereof
6. Whether at least 30 days given for submission of proposals
7. Whether the proposals were evaluated as per criteria set out in the Letter of invitation?
8. Whether the financial proposals opened in presence of technically qualified consultants?
9. Whether the contract negotiations were held with the highest ranked firm?
10. Whether proposals were evaluated as per the criteria given in the RFP document?
11. Has award been made to the highest ranked consultant? If no, the reasons for ignoring the highest ranked proposal?
12. Whether the award was made within the original proposal validity? If no, what are the reasons for delay?
13. Whether the assignment completed as per the schedule indicated in the contract document?
14. Whether payment released timely and as per the terms given in the contract?
15. Whether all the documents/records related to the contract were available?

## **PART II**

### **Section 8. Conditions of Contract and Contract Forms**

LUMP-SUM FORM OF CONTRACT

## STANDARD FORM OF CONTRACT

# Consultant's Services

## Lump-Sum

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Appendix D - Form of Advance Payments Guarantee

Appendix E - Code of Conduct for Experts

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## CONTRACT FOR CONSULTANT'S SERVICES

### Lump-Sum

**Project Name** \_\_\_\_\_

**[Loan/Credit/Grant] No.** \_\_\_\_\_

**Contract No.** \_\_\_\_\_

**Assignment Title:** \_\_\_\_\_

**between**

\_\_\_\_\_  
*[Name of the Client]*

**and**

\_\_\_\_\_  
*[Name of the Consultant]*

**Dated:** \_\_\_\_\_



## I. Form of Contract

### LUMP-SUM

(Text in brackets [ ] is optional; all notes should be deleted in the final text)

This CONTRACT (hereinafter called the “Contract”) is made the *[number]* day of the month of *[month]*, *[year]*, between, on the one hand, *[name of Client or Recipient]* (hereinafter called the “Client”) and, on the other hand, *[name of Consultant]* (hereinafter called the “Consultant”).

*[If the Consultant consist of more than one entity, the above should be partially amended to read as follows: “...(hereinafter called the “Client”) and, on the other hand, a Joint Venture (name of the JV) consisting of the following entities, each member of which will be jointly and severally liable to the Client for all the Consultant’s obligations under this Contract, namely, [name of member] and [name of member] (hereinafter called the “Consultant”).]*

#### WHEREAS

- (a) the Client has requested the Consultant to provide certain consulting services as defined in this Contract (hereinafter called the “Services”);
- (b) the Consultant, having represented to the Client that it has the required professional skills, expertise and technical resources, has agreed to provide the Services on the terms and conditions set forth in this Contract;
- (c) the Client has received *[or has applied for]* a loan *[or credit or grant]* from the *[insert as relevant, International Bank for Reconstruction and Development (IBRD) or International Development Association (IDA)]*; toward the cost of the Services and intends to apply a portion of the proceeds of this *[loan/credit/grant]* to eligible payments under this Contract, it being understood that (i) payments by the Bank will be made only at the request of the Client and upon approval by the Bank; (ii) such payments will be subject, in all respects, to the terms and conditions of the *[loan/financing/grant]* agreement, including prohibitions of withdrawal from the *[loan/credit/grant]* account for the purpose of any payment to persons or entities, or for any import of goods, if such payment or import, to the knowledge of the Bank, is prohibited by the decision of the United Nations Security council taken under Chapter VII of the Charter of the United Nations; and (iii) no party other than the Client shall derive any rights from the *[loan/financing/grant]* agreement or have any claim to the *[loan/credit/grant]* proceeds;

NOW THEREFORE the parties hereto hereby agree as follows:

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

- (a) The General Conditions of Contract (including Attachment 1 “Fraud and Corruption”);
- (b) The Special Conditions of Contract;
- (c) Appendices:

Appendix A: Terms of Reference

Appendix B: Key Experts

Appendix C: Breakdown of Contract Price

Appendix D: Form of Advance Payments Guarantee

Appendix E: Code of Conduct *for* Experts

In the event of any inconsistency between the documents, the following order of precedence shall prevail: the Special Conditions of Contract; the General Conditions of Contract, including Attachment 1; Appendix A; Appendix B; Appendix C; Appendix D, and Appendix E. Any reference to this Contract shall include, where the context permits, a reference to its Appendices.

2. The mutual rights and obligations of the Client and the Consultant shall be as set forth in the Contract, in particular:
  - (a) the Consultant shall carry out the Services in accordance with the provisions of the Contract; and
  - (b) the Client shall make payments to the Consultant in accordance with the provisions of the Contract.

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

For and on behalf of *[Name of Client]*

\_\_\_\_\_  
*[Authorized Representative of the Client – name, title and signature]*

For and on behalf of *[Name of Consultant or Name of a Joint Venture]*

\_\_\_\_\_  
*[Authorized Representative of the Consultant – name and signature]*

*[For a joint venture, either all members shall sign or only the lead member, in which case the power of attorney to sign on behalf of all members shall be attached.]*

For and on behalf of each of the members of the Consultant *[insert the Name of the Joint Venture]*

*[Name of the lead member]*

---

*[Authorized Representative on behalf of a Joint Venture]*

*[add signature blocks for each member if all are signing]*

## II. General Conditions of Contract

### A. GENERAL PROVISIONS

#### 1. Definitions

- 1.1. Unless the context otherwise requires, the following terms whenever used in this Contract have the following meanings:
- (a) **“Applicable Law”** means the laws and any other instruments having the force of law in the Client’s country, or in such other country as may be specified in the **Special Conditions of Contract (SCC)**, as they may be issued and in force from time to time.
  - (b) **“Bank”** means the International Bank for Reconstruction and Development (IBRD) or the International Development Association (IDA).
  - (c) **“Borrower”** means the Government, Government agency or other entity that signs the financing agreement with the Bank.
  - (d) **“Client”** means the implementing agency that signs the Contract for the Services with the Selected Consultant.
  - (e) **“Client’s Personnel”** refers to the staff, labor and other employees (if any) of the Client engaged in fulfilling the Client’s obligations under the Contract; and any other personnel identified as Client’s Personnel, by a notice from the Client to the Consultant.
  - (f) **“Consultant”** means a legally-established professional consulting firm or entity selected by the Client to provide the Services under the signed Contract.
  - (g) **“Contract”** means the legally binding written agreement signed between the Client and the Consultant and which includes all the attached documents listed in its paragraph 1 of the Form of Contract (the General Conditions (GCC), the Special Conditions (SCC), and the Appendices).
  - (h) **“Day”** means a working day unless indicated otherwise.
  - (i) **“Effective Date”** means the date on which this Contract comes into force and effect pursuant to Clause GCC 11.
  - (j) **“Experts”** means, collectively, Key Experts, Non-Key Experts, or any other personnel of the Consultant, Sub-consultant or JV member(s) assigned by the Consultant to perform the Services or any part thereof under the Contract.
  - (k) **“Foreign Currency”** means any currency other than the currency of the Client’s country.

- (l) **“GCC”** means these General Conditions of Contract.
- (m) **“Government”** means the government of the Client’s country.
- (n) **“Joint Venture (JV)”** means an association with or without a legal personality distinct from that of its members, of more than one entity where one member has the authority to conduct all businesses for and on behalf of any and all the members of the JV, and where the members of the JV are jointly and severally liable to the Client for the performance of the Contract.
- (o) **“Key Expert(s)”** means an individual professional whose skills, qualifications, knowledge and experience are critical to the performance of the Services under the Contract and whose Curricula Vitae (CV) was taken into account in the technical evaluation of the Consultant’s proposal.
- (p) **“Local Currency”** means the currency of the Client’s country.
- (q) **“Non-Key Expert(s)”** means an individual professional provided by the Consultant or its Sub-consultant to perform the Services or any part thereof under the Contract.
- (r) **“Party”** means the Client or the Consultant, as the case may be, and **“Parties”** means both of them.
- (s) **“SCC”** means the Special Conditions of Contract by which the GCC may be amended or supplemented but not over-written.
- (t) **“Services”** means the work to be performed by the Consultant pursuant to this Contract, as described in Appendix A hereto.
- (u) **“Sub-consultants”** means an entity to whom/which the Consultant subcontracts any part of the Services while remaining solely liable for the execution of the Contract.
- (v) **“Third Party”** means any person or entity other than the Government, the Client, the Consultant or a Sub-consultant.

## 2. Relationship between the Parties

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

- 
- |   |   |
|---|---|
| 3. <b>Law Governing Contract</b>        | 3.1. This Contract, its meaning and interpretation, and the relation between the Parties shall be governed by the Applicable Law.   |
| 4. <b>Language</b>                      | 4.1. This Contract has been executed in the language specified in the <b>SCC</b> , which shall be the binding and controlling language for all matters relating to the meaning or interpretation of this Contract.  |
| 5. <b>Headings</b>                      | 5.1. The headings shall not limit, alter or affect the meaning of this Contract.  |
| 6. <b>Communications</b>                | <p>6.1. Any communication required or permitted to be given or made pursuant to this Contract shall be in writing in the language specified in Clause GCC 4. 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 to such Party at the address specified in the <b>SCC</b>.</p> <p>6.2. A Party may change its address for notice hereunder by giving the other Party any communication of such change to the address specified in the <b>SCC</b>.</p> |
| 7. <b>Location</b>                      | 7.1. The Services shall be performed at such locations as are specified in <b>Appendix A</b> hereto and, where the location of a particular task is not so specified, at such locations, whether in the Government's country or elsewhere, as the Client may approve.   |
| 8. <b>Authority of Member in Charge</b> | 8.1. In case the Consultant is a Joint Venture, the members hereby authorize the member specified in the <b>SCC</b> to act on their behalf in exercising all the Consultant's rights and obligations towards the Client under this Contract, including without limitation the receiving of instructions and payments from the Client.   |
| 9. <b>Authorized Representatives</b>    | 9.1. Any action required or permitted to be taken, and any document required or permitted to be executed under this Contract by the Client or the Consultant may be taken or executed by the officials specified in the <b>SCC</b> .  |
| 10. <b>Fraud and Corruption</b>         | 10.1. The Bank requires compliance with the Bank's Anti-Corruption Guidelines and its prevailing sanctions policies and procedures as set forth in the Bank's Sanctions Framework, as set forth in Attachment 1 to the GCC.   |

**a. Commissions and Fees**

10.2. The Client requires the Consultant to disclose any commissions, gratuities or fees that may have been paid or are to be paid to agents or any other party with respect to the selection process or execution of the Contract. The information disclosed must include at least the name and address of the agent or other party, the amount and currency, and the purpose of the commission, gratuity or fee. Failure to disclose such commissions, gratuities or fees may result in termination of the Contract and/or sanctions by the Bank.

**B. COMMENCEMENT, COMPLETION, MODIFICATION AND TERMINATION OF CONTRACT**

**11. Effectiveness of Contract**

11.1. This Contract shall come into force and effect on the date (the “Effective Date”) of the Client’s notice to the Consultant instructing the Consultant to begin carrying out the Services. This notice shall confirm that the effectiveness conditions, if any, listed in the SCC have been met.

**12. Termination of Contract for Failure to Become Effective**

12.1. If this Contract has not become effective within such time period after the date of Contract signature as specified in the SCC, either Party may, by not less than twenty two (22) days written notice to the other Party, declare this Contract to be null and void, and in the event of such a declaration by either Party, neither Party shall have any claim against the other Party with respect hereto.

**13. Commencement of Services**

13.1. The Consultant shall confirm availability of Key Experts and begin carrying out the Services not later than the number of days after the Effective Date specified in the SCC.

**14. Expiration of Contract**

14.1. Unless terminated earlier pursuant to Clause GCC 19 hereof, this Contract shall expire at the end of such time period after the Effective Date as specified in the SCC.

**15. Entire Agreement**

15.1. 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 statement, representation, promise or agreement not set forth herein.

**16. Modifications or Variations**

16.1. 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. However, each Party

shall give due consideration to any proposals for modification or variation made by the other Party.

- 16.2. In cases of substantial modifications or variations, the prior written consent of the Bank is required.

## 17. Force Majeure

### a. Definition

- 17.1. 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 makes a Party’s performance of its obligations hereunder impossible or so impractical as reasonably to be considered impossible under the circumstances, and subject to those requirements, includes, but is not limited to, war, riots, civil disorder, earthquake, fire, explosion, storm, flood or other adverse weather conditions, strikes, lockouts or other industrial action confiscation or any other action by Government agencies.

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

- 17.3. Force Majeure shall not include insufficiency of funds or failure to make any payment required hereunder.

### b. No Breach of Contract

- 17.4. The failure of a Party to fulfill any of its obligations hereunder shall not be considered to be a breach of, or default under, this Contract insofar as such inability arises from an event of Force Majeure, provided that the Party affected by such an event has taken all reasonable precautions, due care and reasonable alternative measures, all with the objective of carrying out the terms and conditions of this Contract.

### c. Measures to be Taken

- 17.5. 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.
- 17.6. A Party affected by an event of Force Majeure shall notify the other Party of such event as soon as possible, and in any case not later than fourteen (14) calendar days following the occurrence of such event, providing evidence of the nature and cause of such event, and shall similarly give



written notice of the restoration of normal conditions as soon as possible.

17.7. 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.

17.8. During the period of their inability to perform the Services as a result of an event of Force Majeure, the Consultant, upon instructions by the Client, shall either:

- (a) demobilize, in which case the Consultant shall be reimbursed for additional costs they reasonably and necessarily incurred, and, if required by the Client, in reactivating the Services; or
- (b) continue with the Services to the extent reasonably possible, in which case the Consultant shall continue to be paid under the terms of this Contract and be reimbursed for additional costs reasonably and necessarily incurred.

17.9. In the case of disagreement between the Parties as to the existence or extent of Force Majeure, the matter shall be settled according to Clauses GCC 49 & 50.

## **18. Suspension**

18.1. The Client may, by written notice of suspension to the Consultant, suspend part or all payments to the Consultant hereunder if the Consultant fails to perform any of its obligations under this Contract, including the carrying out of the Services, provided that such notice of suspension (i) shall specify the nature of the failure, and (ii) shall request the Consultant to remedy such failure within a period not exceeding thirty (30) calendar days after receipt by the Consultant of such notice of suspension.

## **19. Termination**

19.1. This Contract may be terminated by either Party as per provisions set up below:

### **a. By the Client**

19.1.1. The Client may terminate this Contract in case of the occurrence of any of the events specified in paragraphs (a) through (f) of this Clause. In such an occurrence the Client shall give at least thirty (30) calendar days' written notice of termination to the Consultant in case of the events referred to in (a) through (d); at least sixty (60) calendar days' written notice in case of the event referred to in (e); and at least five (5) calendar days' written notice in case of the event referred to in (f):

- (a) If the Consultant fails to remedy a failure in the performance of its obligations hereunder, as specified in a notice of suspension pursuant to Clause GCC 18;
- (b) If the Consultant becomes (or, if the Consultant consists of more than one entity, if any of its members becomes) insolvent or bankrupt or enter into any agreements with their creditors for relief of debt or take advantage of any law for the benefit of debtors or go into liquidation or receivership whether compulsory or voluntary;
- (c) If the Consultant fails to comply with any final decision reached as a result of arbitration proceedings pursuant to Clause GCC 50.1;
- (d) If, as the result of Force Majeure, the Consultant is unable to perform a material portion of the Services for a period of not less than sixty (60) calendar days;
- (e) If the Client, in its sole discretion and for any reason whatsoever, decides to terminate this Contract;
- (f) If the Consultant fails to confirm availability of Key Experts as required in Clause GCC 13.

19.1.2. Furthermore, if the Client determines that the Consultant has engaged in Fraud and Corruption in competing for or in executing the Contract, then the Client may, after giving fourteen (14) calendar days written notice to the Consultant, terminate the Consultant's employment under the Contract.

**b. By the Consultant**

19.1.3. The Consultant may terminate this Contract, by not less than thirty (30) calendar days' written notice to the Client, in case of the occurrence of any of the events specified in paragraphs (a) through (d) of this Clause.

- (a) If the Client fails to pay any money due to the Consultant pursuant to this Contract and not subject to dispute pursuant to Clause GCC 45.1 within forty-five (45) calendar days after receiving written notice from the Consultant that such payment is overdue.
- (b) If, as the result of Force Majeure, the Consultant is unable to perform a material portion of the Services for a period of not less than sixty (60) calendar days.
- (c) If the Client fails to comply with any final decision reached as a result of arbitration pursuant to Clause GCC 50.1.

- (d) If the Client is in material breach of its obligations pursuant to this Contract and has not remedied the same within forty-five (45) days (or such longer period as the Consultant may have subsequently approved in writing) following the receipt by the Client of the Consultant's notice specifying such breach.
- c. Cessation of Rights and Obligations**      19.1.4. Upon termination of this Contract pursuant to Clauses GCC 12 or GCC 19 hereof, or upon expiration of this Contract pursuant to Clause GCC 14, all rights and obligations of the Parties hereunder shall cease, except (i) such rights and obligations as may have accrued on the date of termination or expiration, (ii) the obligation of confidentiality set forth in Clause GCC 22, (iii) the Consultant's obligation to permit inspection, copying and auditing of their accounts and records set forth in Clause GCC 25 and to cooperate and assist in any inspection or investigation, and (iv) any right which a Party may have under the Applicable Law.
- d. Cessation of Services**      19.1.5. Upon termination of this Contract by notice of either Party to the other pursuant to Clauses GCC 19a or GCC 19b, the Consultant shall, immediately upon dispatch or receipt of such notice, take all necessary steps to bring the Services to a close in a prompt and orderly manner and shall make every reasonable effort to keep expenditures for this purpose to a minimum. With respect to documents prepared by the Consultant and equipment and materials furnished by the Client, the Consultant shall proceed as provided, respectively, by Clauses GCC 27 or GCC 28.
- e. Payment upon Termination**      19.1.6. Upon termination of this Contract, the Client shall make the following payments to the Consultant:
- (a) payment for Services satisfactorily performed prior to the effective date of termination; and
  - (b) in the case of termination pursuant to paragraphs (d) and (e) of Clause GCC 19.1.1, reimbursement of any reasonable cost incidental to the prompt and orderly termination of this Contract, including the cost of the return travel of the Experts.

## **C. OBLIGATIONS OF THE CONSULTANT**

### **20. General**

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- a. Standard of Performance**
- 20.1. The Consultant shall perform the Services and carry out the Services with all due diligence, efficiency and economy, in accordance with generally accepted professional standards and practices, and shall observe sound management practices, and employ appropriate technology and safe and effective equipment, machinery, materials and methods. The Consultant shall always act, in respect of any matter relating to this Contract or to the Services, as a faithful adviser to the Client, and shall at all times support and safeguard the Client's legitimate interests in any dealings with the third parties.
- 20.2. The Consultant shall employ and provide such qualified and experienced Experts and Sub-consultants as are required to carry out the Services.
- 20.3. The Consultant may subcontract part of the Services to an extent and with such Key Experts and Sub-consultants as may be approved in advance by the Client. Notwithstanding such approval, the Consultant shall retain full responsibility for the Services.
- b. Law Applicable to Services**
- 20.4. The Consultant shall perform the Services in accordance with the Contract and the Applicable Law and shall take all practicable steps to ensure that any of its Experts and Sub-consultants, comply with the Applicable Law.
- 20.5. Throughout the execution of the Contract, the Consultant shall comply with the import of goods and services prohibitions in the Client's country when
- (a) as a matter of law or official regulations, the Borrower's country prohibits commercial relations with that country; or
  - (b) by an act of compliance with a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations, the Borrower's Country prohibits any import of goods from that country or any payments to any country, person, or entity in that country.
- 20.6. The Client shall notify the Consultant in writing of relevant local customs, and the Consultant shall, after such notification, respect such customs.
- 21. Conflict of Interest**
- 21.1. The Consultant shall hold the Client's interests paramount, without any consideration for future work, and

strictly avoid conflict with other assignments or their own corporate interests.

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| <p><b>a. Consultant Not to Benefit from Commissions, Discounts, etc.</b></p>   | <p>21.1.1 The payment of the Consultant pursuant to GCC F (Clauses GCC 43 through 47) shall constitute the Consultant's only payment in connection with this Contract and, subject to Clause GCC 21.1.3, the Consultant shall not accept for its own benefit any trade commission, discount or similar payment in connection with activities pursuant to this Contract or in the discharge of its obligations hereunder, and the Consultant shall use its best efforts to ensure that any Sub-consultants, as well as the Experts and agents of either of them, similarly shall not receive any such additional payment.</p> <p>21.1.2 Furthermore, if the Consultant, as part of the Services, has the responsibility of advising the Client on the procurement of goods, works or services, the Consultant shall comply with the Bank's Applicable Regulations, and shall at all times exercise such responsibility in the best interest of the Client. Any discounts or commissions obtained by the Consultant in the exercise of such procurement responsibility shall be for the account of the Client.</p> |
| <p><b>b. Consultant and Affiliates Not to Engage in Certain Activities</b></p> | <p>21.1.3 The Consultant agrees that, during the term of this Contract and after its termination, the Consultant and any entity affiliated with the Consultant, as well as any Sub-consultants and any entity affiliated with such Sub-consultants, shall be disqualified from providing goods, works or non-consulting services resulting from or directly related to the Consultant's Services for the preparation or implementation of the project.</p>   |
| <p><b>c. Prohibition of Conflicting Activities</b></p>                         | <p>21.1.4 The Consultant shall not engage, and shall cause its Experts as well as its Sub-consultants not to engage, either directly or indirectly, in any business or professional activities that would conflict with the activities assigned to them under this Contract.</p>   |
| <p><b>d. Strict Duty to Disclose Conflicting Activities</b></p>                | <p>21.1.5 The Consultant has an obligation and shall ensure that its Experts and Sub-consultants shall have an obligation to disclose any situation of actual or potential conflict that impacts their capacity to serve the best interest of their Client, or that may reasonably be perceived as having this effect. Failure to disclose said situations may lead to the disqualification of the Consultant or the termination of its Contract.</p>  |

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- 22. Confidentiality**
- 22.1. Except with the prior written consent of the Client, the Consultant and the Experts shall not at any time communicate to any person or entity any confidential information acquired in the course of the Services, nor shall the Consultant and the Experts make public the recommendations formulated in the course of, or as a result of, the Services.
- 23. Liability of the Consultant**
- 23.1. Subject to additional provisions, if any, set forth in the **SCC**, the Consultant's liability under this Contract shall be provided by the Applicable Law.
- 24. Insurance to be taken out by the Consultant**
- 24.1. The Consultant (i) shall take out and maintain, and shall cause any Sub-consultants to take out and maintain, at its (or the Sub-consultants', as the case may be) own cost but on terms and conditions approved by the Client, insurance against the risks, and for the coverage specified in the **SCC**, and (ii) at the Client's request, shall provide evidence to the Client showing that such insurance has been taken out and maintained and that the current premiums therefore have been paid. The Consultant shall ensure that such insurance is in place prior to commencing the Services as stated in Clause GCC 13.
- 25. Accounting, Inspection and Auditing**
- 25.1. The Consultant shall keep, and shall make all reasonable efforts to cause its Sub-consultants to keep, accurate and systematic accounts and records in respect of the Services and in such form and detail as will clearly identify relevant time changes and costs.
- 25.2. Pursuant to paragraph 2.2 e. of Attachment 1 to the General Conditions, the Consultant shall permit and shall cause its agents (where declared or not), subcontractors, subconsultants, service providers, suppliers, and personnel, to permit, the Bank and/or persons appointed by the Bank to inspect the site and/or the accounts, records and other documents relating to the procurement process, selection and/or contract execution, and to have such accounts, records and other documents audited by auditors appointed by the Bank. The Consultant's and its Subcontractors' and subconsultants' attention is drawn to Clause GCC 10.1 (Fraud and Corruption) which provides, inter alia, that acts intended to materially impede the exercise of the Bank's inspection and audit rights constitute a prohibited practice subject to contract termination (as well as to a determination of ineligibility pursuant to the Bank's prevailing sanctions procedures).

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**26. Reporting  
Obligations**

26.1. The Consultant shall submit to the Client the reports and documents specified in **Appendix A**, in the form, in the numbers and within the time periods set forth in the said Appendix.

**27. Proprietary Rights  
of the Client in  
Reports and  
Records**

27.1. Unless otherwise indicated in the **SCC**, all reports and relevant data and information such as maps, diagrams, plans, databases, other documents and software, supporting records or material compiled or prepared by the Consultant for the Client in the course of the Services shall be confidential and become and remain the absolute property of the Client. The Consultant shall, not later than upon termination or expiration of this Contract, deliver all such documents to the Client, together with a detailed inventory thereof. The Consultant may retain a copy of such documents, data and/or software but shall not use the same for purposes unrelated to this Contract without prior written approval of the Client.

27.2. If license agreements are necessary or appropriate between the Consultant and third parties for purposes of development of the plans, drawings, specifications, designs, databases, other documents and software, the Consultant shall obtain the Client's prior written approval to such agreements, and the Client shall be entitled at its discretion to require recovering the expenses related to the development of the program(s) concerned. Other restrictions about the future use of these documents and software, if any, shall be specified in the **SCC**.

**28. Equipment,  
Vehicles and  
Materials**

28.1. Equipment, vehicles and materials made available to the Consultant by the Client, or purchased by the Consultant wholly or partly with funds provided by the Client, shall be the property of the Client and shall be marked accordingly. Upon termination or expiration of this Contract, the Consultant shall make available to the Client an inventory of such equipment, vehicles and materials and shall dispose of such equipment, vehicles and materials in accordance with the Client's instructions. While in possession of such equipment, vehicles and materials, the Consultant, unless otherwise instructed by the Client in writing, shall insure them at the expense of the Client in an amount equal to their full replacement value.

28.2. Any equipment or materials brought by the Consultant or its Experts into the Client's country for the use either for the project or personal use shall remain the property of the Consultant or the Experts concerned, as applicable.

## **29. Code of Conduct**

- 29.1. The Consultant shall have a Code of Conduct for the Experts.

Consultant shall take all necessary measures to ensure that each Expert is made aware of the Code of Conduct including specific behaviors that are prohibited, and understands the consequences of engaging in such prohibited behaviors.

These measures include providing instructions and documentation that can be understood by the Expert and seeking to obtain that person's signature acknowledging receipt of such instructions and/or documentation, as appropriate.

The Consultant shall also ensure that the Code of Conduct is visibly displayed in locations where the Services are provided. The posted Code of Conduct shall be provided in languages comprehensible to the Experts and the Client's Personnel.

## **30. Forced Labor**

- 30.1. The Consultant, including its Subconsultants, shall not employ or engage forced labor. Forced labor consists of any work or service, not voluntarily performed, that is exacted from an individual under threat of force or penalty, and includes any kind of involuntary or compulsory labor, such as indentured labor, bonded labor or similar labor-contracting arrangements.

No persons shall be employed or engaged who have been subject to trafficking. Trafficking in persons is defined as the recruitment, transportation, transfer, harboring or receipt of persons by means of the threat or use of force or other forms of coercion, abduction, fraud, deception, abuse of power, or of a position of vulnerability, or of the giving or receiving of payments or benefits to achieve the consent of a person having control over another person, for the purposes of exploitation.

## **31. Child Labor**

- 31.1. The Consultant, including its Subconsultants, shall not employ or engage a child under the age of 14 unless the national law specifies a higher age (the minimum age).

The Consultant, including its Subconsultants, shall not employ or engage a child between the minimum age and the age of 18 in a manner that is likely to be hazardous, or to interfere with, the child's education, or to be harmful to the child's health or physical, mental, spiritual, moral, or social development.



The Consultant, including its Subconsultants, shall only employ or engage children between the minimum age and the age of 18 after an appropriate risk assessment has been conducted by the Consultant with the Client's consent. The Consultant shall be subject to regular monitoring by the Client that includes monitoring of health, working conditions and hours of work.

Work considered hazardous for children is work that, by its nature or the circumstances in which it is carried out, is likely to jeopardize the health, safety, or morals of children. Such work activities prohibited for children include work:

- (a) with exposure to physical, psychological or sexual abuse;
- (b) underground, underwater, working at heights or in confined spaces;
- (c) with dangerous machinery, equipment or tools, or involving handling or transport of heavy loads;
- (d) in unhealthy environments exposing children to hazardous substances, agents, or processes, or to temperatures, noise or vibration damaging to health; or
- (e) under difficult conditions such as work for long hours, during the night or in confinement on the premises of the employer.

**32. Non-Discrimination and Equal Opportunity**

32.1. The Consultant shall not make decisions relating to the employment or treatment of Experts on the basis of personal characteristics unrelated to inherent job requirements. The Consultant shall base the employment of Experts on the principle of equal opportunity and fair treatment, and shall not discriminate with respect to any aspects of the employment relationship, including recruitment and hiring, compensation (including wages and benefits), working conditions and terms of employment, access to training, job assignment, promotion, termination of employment or retirement, and disciplinary practices.

Special measures of protection or assistance to remedy past discrimination or selection for a particular job based on the inherent requirements of the job shall not be deemed discrimination. The Consultant shall provide protection and assistance as necessary to ensure non-discrimination and equal opportunity, including for specific groups such as women, people with disabilities, migrant workers and children (of working age in accordance with Clause GCC 31).

**33. Training of Experts**

33.1. The Consultant shall provide appropriate sensitization to the Experts on social aspects of the Contract, including on prohibition of SEA and SH.

The Consultant shall provide training on SEA and SH, including its prevention, to any of its Experts who has a role to supervise other Experts.

**D. CONSULTANT’S EXPERTS AND SUB-CONSULTANTS**

**34. Description of Key Experts**

34.1. The title, agreed job description, minimum qualification and estimated period of engagement to carry out the Services of each of the Consultant’s Key Experts are described in **Appendix B**.

**35. Replacement of Key Experts**

35.1. Except as the Client may otherwise agree in writing, no changes shall be made in the Key Experts.

35.2. Notwithstanding the above, the substitution of Key Experts during Contract execution may be considered only based on the Consultant’s written request and due to circumstances outside the reasonable control of the Consultant, including but not limited to death or medical incapacity. In such case, the Consultant shall forthwith provide as a replacement, a person of equivalent or better qualifications and experience, and at the same rate of remuneration.

**36. Removal of Experts or Sub-consultants**

36.1. If the Client finds that any of the Experts or Sub-consultant:

- (a) persists in any misconduct or lack of care;
  - (b) carries out duties incompetently or negligently;
  - (c) fails to comply with any provision of the Contract;
  - (d) based on reasonable evidence, is determined to have engaged in Fraud and Corruption during the execution of the Services;  
or
  - (e) undertakes behaviour which breaches the Code of Conduct;
- the Consultant shall, at the Client’s written request, provide a replacement.

36.2. In the event that any of Key Experts, Non-Key Experts or Sub-consultants is found by the Client to be incompetent

or incapable in discharging assigned duties, the Client, specifying the grounds therefore, may request the Consultant to provide a replacement.

- 36.3. Any replacement of the removed Experts or Sub-consultants shall possess better qualifications and experience and shall be acceptable to the Client.
- 36.4. Subject to the requirements in Clause GCC 36.3, and notwithstanding any requirement from the Client to request a replacement, the Consultant shall take immediate action as appropriate in response to any violation of (a) through (e) above. Such immediate action shall include removing (or causing to be removed) from carrying out the Services, any Expert who engages in (a) to (e) above.
- 36.5. The Consultant shall bear all costs arising out of or incidental to any removal and/or replacement of such Experts.

## **E. OBLIGATIONS OF THE CLIENT**

### **37. Assistance and Exemptions**

- 37.1. Unless otherwise specified in the SCC, the Client shall use its best efforts to:
  - (a) Assist the Consultant with obtaining work permits and such other documents as shall be necessary to enable the Consultant to perform the Services.
  - (b) Assist the Consultant with promptly obtaining, for the Experts and, if appropriate, their eligible dependents, all necessary entry and exit visas, residence permits, exchange permits and any other documents required for their stay in the Client's country while carrying out the Services under the Contract.
  - (c) Facilitate prompt clearance through customs of any property required for the Services and of the personal effects of the Experts and their eligible dependents.
  - (d) Issue to officials, agents and representatives of the Government all such instructions and information as may be necessary or appropriate for the prompt and effective implementation of the Services.
  - (e) Assist the Consultant and the Experts and any Sub-consultants employed by the Consultant for the Services with obtaining exemption from any requirement to register or obtain any permit to practice their profession or to establish themselves either individually or as a

corporate entity in the Client's country according to the applicable law in the Client's country.

- (f) Assist the Consultant, any Sub-consultants and the Experts of either of them with obtaining the privilege, pursuant to the applicable law in the Client's country, of bringing into the Client's country reasonable amounts of foreign currency for the purposes of the Services or for the personal use of the Experts and of withdrawing any such amounts as may be earned therein by the Experts in the execution of the Services.
- (g) Provide to the Consultant any such other assistance as may be specified in the **SCC**.

### 38. Access to Project Site

38.1. The Client warrants that the Consultant shall have, free of charge, unimpeded access to the project site in respect of which access is required for the performance of the Services. The Client will be responsible for any damage to the project site or any property thereon resulting from such access and will indemnify the Consultant and each of the experts in respect of liability for any such damage, unless such damage is caused by the willful default or negligence of the Consultant or any Sub-consultants or the Experts of either of them.

### 39. Change in the Applicable Law Related to Taxes and Duties

39.1. If, after the date of this Contract, there is any change in the applicable law in the Client's country with respect to taxes and duties which increases or decreases the cost incurred by the Consultant in performing the Services, then the remuneration and reimbursable expenses otherwise payable to the Consultant under this Contract shall be increased or decreased accordingly by agreement between the Parties hereto, and corresponding adjustments shall be made to the Contract price amount specified in Clause GCC 39.1.

### 40. Services, Facilities and Property of the Client

40.1. The Client shall make available to the Consultant and the Experts, for the purposes of the Services and free of any charge, the services, facilities and property described in the Terms of Reference (**Appendix A**) at the times and in the manner specified in said **Appendix A**.

### 41. Counterpart Personnel

41.1. The Client shall make available to the Consultant free of charge such professional and support counterpart personnel, to be nominated by the Client with the Consultant's advice, if specified in **Appendix A**.

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

#### 42. **Payment Obligation**

42.1. In consideration of the Services performed by the Consultant under this Contract, the Client shall make such payments to the Consultant for the deliverables specified in **Appendix A** and in such manner as is provided by GCC F below.

### **F. PAYMENTS TO THE CONSULTANT**

#### 43. **Contract Price**

43.1. The Contract price is fixed and is set forth in the **SCC**. The Contract price breakdown is provided in **Appendix C**.

43.2. Any change to the Contract price specified in Clause GCC 43.1 can be made only if the Parties have agreed to the revised scope of Services pursuant to Clause GCC 16 and have amended in writing the Terms of Reference in **Appendix A**.

#### 44. **Taxes and Duties**

44.1. The Consultant, Sub-consultants and Experts are responsible for meeting any and all tax liabilities arising out of the Contract unless it is stated otherwise in the **SCC**.

44.2. As an exception to the above and as stated in the **SCC**, all local identifiable indirect taxes (itemized and finalized at Contract negotiations) are reimbursed to the Consultant or are paid by the Client on behalf of the Consultant.

#### 45. **Currency of Payment**

45.1. Any payment under this Contract shall be made in the currency (ies) of the Contract.

#### 46. **Mode of Billing and Payment**

46.1. The total payments under this Contract shall not exceed the Contract price set forth in Clause GCC 43.1.

46.2. The payments under this Contract shall be made in lump-sum instalments against deliverables specified in **Appendix A**. The payments will be made according to the payment schedule stated in the **SCC**.

46.2.1 Advance payment: Unless otherwise indicated in the **SCC**, an advance payment shall be made against an advance

payment bank guarantee acceptable to the Client in an amount (or amounts) and in a currency (or currencies) specified in the **SCC**. Such guarantee (i) is to remain effective until the advance payment has been fully set off, and (ii) is to be in the form set forth in **Appendix D**, or in such other form as the Client shall have approved in writing. The advance payments will be set off by the Client in equal portions against the lump-sum installments specified in the **SCC** until said advance payments have been fully set off.

46.2.2 *The Lump-Sum Installment Payments.* The Client shall pay the Consultant within sixty (60) days after the receipt by the Client of the deliverable(s) and the cover invoice for the related lump-sum installment payment. The payment can be withheld if the Client does not approve the submitted deliverable(s) as satisfactory in which case the Client shall provide comments to the Consultant within the same sixty (60) days period. The Consultant shall thereupon promptly make any necessary corrections, and thereafter the foregoing process shall be repeated.

46.2.3 *The Final Payment.* The final payment under this Clause shall be made only after the final report have been submitted by the Consultant and approved as satisfactory by the Client. The Services shall then be deemed completed and finally accepted by the Client. The last lump-sum installment shall be deemed approved for payment by the Client within ninety (90) calendar days after receipt of the final report by the Client unless the Client, within such ninety (90) calendar day period, gives written notice to the Consultant specifying in detail deficiencies in the Services, the final report. The Consultant shall thereupon promptly make any necessary corrections, and thereafter the foregoing process shall be repeated.

46.2.4 All payments under this Contract shall be made to the accounts of the Consultant specified in the **SCC**.

46.2.5 With the exception of the final payment under 46.2.3 above, payments do not constitute acceptance of the whole Services nor relieve the Consultant of any obligations hereunder.

#### 47. Interest on Delayed Payments

47.1. If the Client had delayed payments beyond fifteen (15) days after the due date stated in Clause GCC 46.2.2, interest shall be paid to the Consultant on any amount due by, not paid on, such due date for each day of delay at the annual rate stated in the **SCC**.

## **G. FAIRNESS AND GOOD FAITH**

### **48. Good Faith**

48.1. 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.

## **H. SETTLEMENT OF DISPUTES**

### **49. Amicable Settlement**

49.1. The Parties shall seek to resolve any dispute amicably by mutual consultation.

49.2. If either Party objects to any action or inaction of the other Party, the objecting Party may file a written Notice of Dispute to the other Party providing in detail the basis of the dispute. The Party receiving the Notice of Dispute will consider it and respond in writing within fourteen (14) days after receipt. If that Party fails to respond within fourteen (14) days, or the dispute cannot be amicably settled within fourteen (14) days following the response of that Party, Clause GCC 50.1 shall apply.

### **50. Dispute Resolution**

50.1. Any dispute between the Parties arising under or related to this Contract that cannot be settled amicably may be referred to by either Party to the adjudication/arbitration in accordance with the provisions specified in the **SCC**.

## II. General Conditions

### Attachment 1

### Fraud and Corruption

*(Text in this Attachment shall not be modified)*

#### 1. Purpose

- 1.1 The Bank's Anti-Corruption Guidelines and this annex apply with respect to procurement under Bank Investment Project Financing operations.

#### 2. Requirements

- 2.1 The Bank requires that Borrowers (including beneficiaries of Bank financing); bidders (applicants/proposers), consultants, contractors and suppliers; any sub-contractors, sub-consultants, service providers or suppliers; any agents (whether declared or not); and any of their personnel, observe the highest standard of ethics during the procurement process, selection and contract execution of Bank-financed contracts, and refrain from Fraud and Corruption.

- 2.2 To this end, the Bank:

- a. Defines, for the purposes of this provision, the terms set forth below as follows:
  - i. "corrupt practice" is the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party;
  - ii. "fraudulent practice" is any act or omission, including misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain financial or other benefit or to avoid an obligation;
  - iii. "collusive practice" is an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the actions of another party;
  - iv. "coercive practice" is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party;
  - v. "obstructive practice" is:
    - (a) deliberately destroying, falsifying, altering, or concealing of evidence material to the investigation or making false statements to investigators in order to materially impede a Bank 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; or
    - (b) acts intended to materially impede the exercise of the Bank's inspection and audit rights provided for under paragraph 2.2 e. below.
- b. Rejects a proposal for award if the Bank determines that the firm or individual recommended for award, any of its personnel, or its agents, or its sub-consultants, sub-



- contractors, service providers, suppliers and/ or their employees, has, directly or indirectly, engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices in competing for the contract in question;
- c. In addition to the legal remedies set out in the relevant Legal Agreement, may take other appropriate actions, including declaring misprocurement, if the Bank determines at any time that representatives of the Borrower or of a recipient of any part of the proceeds of the loan engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices during the procurement process, selection and/or execution of the contract in question, without the Borrower having taken timely and appropriate action satisfactory to the Bank to address such practices when they occur, including by failing to inform the Bank in a timely manner at the time they knew of the practices;
  - d. Pursuant to the Bank's Anti- Corruption Guidelines and in accordance with the Bank's prevailing sanctions policies and procedures, may sanction a firm or individual, either indefinitely or for a stated period of time, including by publicly declaring such firm or individual ineligible (i) to be awarded or otherwise benefit from a Bank-financed contract, financially or in any other manner;<sup>6</sup> (ii) to be a nominated<sup>7</sup> sub-contractor, consultant, manufacturer or supplier, or service provider of an otherwise eligible firm being awarded a Bank-financed contract; and (iii) to receive the proceeds of any loan made by the Bank or otherwise to participate further in the preparation or implementation of any Bank-financed project;
  - e. Requires that a clause be included in bidding/request for proposals documents and in contracts financed by a Bank loan, requiring (i) bidders (applicants/proposers), consultants, contractors, and suppliers, and their sub-contractors, sub-consultants, service providers, suppliers, agents personnel, permit the Bank to inspect<sup>8</sup> all accounts, records and other documents relating to the procurement process, selection and/or contract execution, and to have them audited by auditors appointed by the Bank.

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<sup>6</sup> For the avoidance of doubt, a sanctioned party's ineligibility to be awarded a contract shall include, without limitation, (i) applying for pre-qualification, expressing interest in a consultancy, and bidding, either directly or as a nominated sub-contractor, nominated consultant, nominated manufacturer or supplier, or nominated service provider, in respect of such contract, and (ii) entering into an addendum or amendment introducing a material modification to any existing contract.

<sup>7</sup> A nominated sub-contractor, nominated consultant, nominated manufacturer or supplier, or nominated service provider (different names are used depending on the particular bidding document) is one which has been: (i) included by the bidder in its pre-qualification application or bid because it brings specific and critical experience and know-how that allow the bidder to meet the qualification requirements for the particular bid; or (ii) appointed by the Borrower.

<sup>8</sup> Inspections in this context usually are investigative (i.e., forensic) in nature. They involve fact-finding activities undertaken by the Bank or persons appointed by the Bank to address specific matters related to investigations/audits, such as evaluating the veracity of an allegation of possible Fraud and Corruption, through the appropriate mechanisms. Such activity includes but is not limited to: accessing and examining a firm's or individual's financial records and information, and making copies thereof as relevant; accessing and examining any other documents, data and information (whether in hard copy or electronic format) deemed relevant for the investigation/audit, and making copies thereof as relevant; interviewing staff and other relevant individuals; performing physical inspections and site visits; and obtaining third party verification of information.

### III. Special Conditions of Contract

Number of GC Clause	Amendments of, and Supplements to, Clauses in the General Conditions of Contract
1.1(a)	The Contract shall be construed in accordance with the law of India
4.1	The language is: English.
6.1 and 6.2	<p>The addresses are <i>[fill in at negotiations with the selected firm]</i>:</p> <p>Client : _____</p> <p>Attention : _____</p> <p>Facsimile : _____</p> <p>E-mail (where permitted): _____</p> <p>Consultant : _____</p> <p>Attention : _____</p> <p>Facsimile : _____</p> <p>E-mail (where permitted) : _____</p>
8.1	<i>Not Applicable</i>
9.1	<p>The Authorized Representatives are:</p> <p>For the Client: <i>[name, title]</i> _____</p> <p>For the Consultant: <i>[name, title]</i> _____</p>
11.1	The effectiveness conditions are the following: Signing of Contract by both the parties, after due approvals.
12.1	<p>Termination of Contract for Failure to Become Effective:</p> <p>The time period shall be 30 days.</p>
13.1	<p>Commencement of Services:</p> <p>The number of days shall be 10 days.</p>

	Confirmation of Key Experts' availability to start the Assignment shall be submitted to the Client in writing as a written statement signed by each Key Expert.
<b>14.1</b>	<b>Expiration of Contract:</b> <b>The time period shall be</b> up to 31/03/2024 which can be extended as per the need of the project.
<b>19a</b>	Following clause added The performance of the TSA shall be reviewed at the end of the twelve months from the date of agreement. The parameters for the review will be achievement of 80 % of deliverables mentioned in the ToR. The decision to continue or terminate the services of the TSA after twelve months of tenure shall be taken by the competent authority upon review of performance of the TSA on above parameters
<b>21 b.</b>	<b>The Client reserves the right to determine on a case-by-case basis whether the Consultant should be disqualified from providing goods, works or non-consulting services due to a conflict of a nature described in Clause GCC 21.1.3</b> Yes
<b>23.1</b>	<b>No additional provisions.</b>
<b>24.1</b>	<b>The insurance coverage against the risks shall be as follows:</b> (a) <b>Professional liability insurance, with a minimum coverage of</b> <i>should be not less than the total ceiling amount of the Contract</i> ; (b) Third Party motor vehicle liability insurance in respect of motor vehicles operated in the Client's country by the Consultant or its Experts or Sub-consultants, with a minimum coverage as per the latest Amended Motor Vehicles Act, India; (c) Third Party liability insurance, with a minimum coverage of <i>"in accordance with the applicable law in India"</i> ; (d) employer's liability and workers' compensation insurance in respect of the experts and Sub-consultants in accordance with the relevant provisions of the applicable law in the Client's country, as well as, with respect to such Experts, any such life, health, accident, travel or other insurance as may be appropriate; and
<b>27.1</b>	<i>No exceptions to proprietary rights provision</i>
<b>27.2</b>	The Consultant shall not use these documents and software for purposes unrelated to this Contract without the prior written approval of the Client.
<b>37.1</b> (a) through (f)	<i>Not applicable</i>
<b>37.1(g)</b>	<i>Not applicable</i>
<b>43.1</b>	<b>The Contract price is: Rs. _____ exclusive of local indirect taxes. Any indirect local taxes chargeable in respect of this Contract for the Services provided by the Consultant shall be paid by the Consultant. The Client shall only</b>

	<p>reimburse Goods &amp; Services Tax (GST) payable on the contract value by the consultants, as per Applicable Law in India subject to the Client, performing such duties in regard to the deduction of taxes as may be lawfully imposed. However, Consultant shall have to produce to the Client, all relevant documents establishing the proof of payment/ filing of return to the tax authority etc. The consultant shall register itself for GST with appropriate authority in India &amp; shall provide the Registration Number to the Client.</p> <p><b>The amount of such taxes is _____</b> <i>[insert the amount as finalized at the Contract's negotiations on the basis of the estimates provided by the Consultant in Form FIN-2 of the Consultant's Financial Proposal.]</i></p>												
<b>44.1 and 44.2</b>	<p><b>The consultants, sub-consultants and the Personnel shall pay</b> the taxes, taxes, duties, fees, levies and other impositions levied under the existing, amended or enacted laws during life of this contract and the client shall perform such duties in this regard to the deduction of such taxes as may be lawfully imposed.</p> <p><b>The Client shall only reimburse the Goods and Services Tax (GST)</b> payable on the contract value by the consultants, as per Applicable Law in India, subject to the Client, performing such duties in regard to the deduction of taxes as may be lawfully imposed. However, Consultant shall have to produce to the Client, all relevant documents establishing the proof of payment/ filing of return to the tax authority etc.</p>												
<b>46.2</b>	<p><b>The payment schedule: All payments shall be made in Rs.</b></p> <p><b>Part A:</b></p> <p><b>Final Output or outcome /Acceptable Deliverables with payment schedule for the completion of Tasks are as below;</b></p> <table><tr><th><b>Sr. No</b></th><th><b>Acceptable Deliverables</b></th><th><b>Timeline</b></th><th><b>Payment Schedule percentage of Total Contract value of Part A</b></th></tr><tr><td>1</td><td>Quarterly Internal Audit Report of each accounting center of Project along with the consolidated project's report. The same must be updated in project MIS. with a separate section on the Procurement &amp; contract management</td><td>Quarterly</td><td>7% for each quarter</td></tr><tr><td>2</td><td>Annual Audit Report of Project.</td><td>Yearly</td><td>10% for each year</td></tr></table> <p><b>Part B:</b></p> <p><i>Payment towards CBO Audit will be paid quarterly basis as per the approved rate Total sum of all installments shall not exceed the Contract price set up in SCC43.1.</i></p>	<b>Sr. No</b>	<b>Acceptable Deliverables</b>	<b>Timeline</b>	<b>Payment Schedule percentage of Total Contract value of Part A</b>	1	Quarterly Internal Audit Report of each accounting center of Project along with the consolidated project's report. The same must be updated in project MIS. with a separate section on the Procurement & contract management	Quarterly	7% for each quarter	2	Annual Audit Report of Project.	Yearly	10% for each year
<b>Sr. No</b>	<b>Acceptable Deliverables</b>	<b>Timeline</b>	<b>Payment Schedule percentage of Total Contract value of Part A</b>										
1	Quarterly Internal Audit Report of each accounting center of Project along with the consolidated project's report. The same must be updated in project MIS. with a separate section on the Procurement & contract management	Quarterly	7% for each quarter										
2	Annual Audit Report of Project.	Yearly	10% for each year										
<b>46.2.1</b>	<i>Not applicable</i>												

46.2.4	<p><b>The account is:</b></p> <p><i>[insert account]</i> for Rs.</p>
47.1	<p><b>The interest rate is:</b> <i>State Bank of India prime lending rate</i></p>
50.1	<p><b>Disputes shall be settled by arbitration in accordance with the following provisions:</b></p> <ol style="list-style-type: none"> <li data-bbox="396 470 1508 575">1. <u>Selection of Arbitrators.</u> Each dispute submitted by a Party to arbitration shall be heard by a sole arbitrator or an arbitration panel composed of three (3) arbitrators, in accordance with the following provisions: <ol style="list-style-type: none"> <li data-bbox="467 617 1508 1058">(a) Where the Parties agree that the dispute concerns a technical matter, they may agree to appoint a sole arbitrator or, failing agreement on the identity of such sole arbitrator within thirty (30) days after receipt by the other Party of the proposal of a name for such an appointment by the Party who initiated the proceedings, either Party may apply to Indian Council of Arbitration for a list of not fewer than five (5) nominees and, on receipt of such list, the Parties shall alternately strike names therefrom, and the last remaining nominee on the list shall be the sole arbitrator for the matter in dispute. If the last remaining nominee has not been determined in this manner within sixty (60) days of the date of the list, Indian Council of Arbitration shall appoint, upon the request of either Party and from such list or otherwise, a sole arbitrator for the matter in dispute.</li> <li data-bbox="467 1100 1508 1373">(b) Where the Parties do not agree that the dispute concerns a technical matter, the Client and the Consultant shall each appoint one (1) arbitrator, and these two arbitrators shall jointly appoint a third arbitrator, who shall chair the arbitration panel. If the arbitrators named by the Parties do not succeed in appointing a third arbitrator within thirty (30) days after the latter of the two (2) arbitrators named by the Parties has been appointed, the third arbitrator shall, at the request of either Party, be appointed by Indian Council of Arbitration</li> <li data-bbox="467 1415 1508 1625">(c) If, in a dispute subject to paragraph (b) above, one Party fails to appoint its arbitrator within thirty (30) days after the other Party has appointed its arbitrator, the Party which has named an arbitrator may apply to the Indian Council of Arbitration to appoint a sole arbitrator for the matter in dispute, and the arbitrator appointed pursuant to such application shall be the sole arbitrator for that dispute.</li> </ol> </li> </ol>

	<p>2. <u>Rules of Procedure</u>. Arbitration proceedings shall be conducted in accordance with the procedure of the Arbitration &amp; Conciliation Act 1996, of India.</p> <p>3. <u>Substitute Arbitrators</u>. If for any reason an arbitrator is unable to perform his/her function, a substitute shall be appointed in the same manner as the original arbitrator.</p> <p>4. <u>Nationality and Qualifications of Arbitrators</u>. The sole arbitrator or the third arbitrator appointed pursuant to paragraphs 1(a) through 1(c) above shall be a recognized legal or technical expert with extensive experience in relation to the matter in dispute.</p>
	<p>5. <u>Miscellaneous</u>. In any arbitration proceeding hereunder:</p> <ul style="list-style-type: none"> <li>(a) proceedings shall, unless otherwise agreed by the Parties, be held in the city where the contract is signed;</li> <li>(b) the English language shall be the official language for all purposes;</li> <li>(c) the decision of the sole arbitrator or of a majority of the arbitrators (or of the third arbitrator if there is no such majority) shall be final and binding and shall be enforceable in any court of competent jurisdiction, and the Parties hereby waive any objections to or claims of immunity in respect of such enforcement.</li> <li>(d) Where the value of the contract is Rs.50 million and below, the disputes or differences arising shall be referred to the Sole Arbitrator. The Sole Arbitrator should be appointed by agreement between the parties; failing such agreement, by the appointing authority, namely the Indian Council of Arbitration/President of the Institution of Engineers (India)</li> <li>(e) The Arbitrator should give final award within 120 days of starting of the proceedings</li> <li>(f) Performance under the contract shall continue during the arbitration proceedings and payments due to the consultant by the Client shall not be withheld, unless they are the subject matter of the arbitration proceedings.</li> </ul> <p>"Any dispute or difference whatsoever arising between the parties out of or relating to the construction, meaning, scope, operation or effect of this contract or the validity or the breach thereof shall be settled by arbitration in accordance with the Rules of Domestic Commercial Arbitration of the Indian Council of Arbitration and the award made in pursuance thereof shall be binding on the parties.</p> <p>The arbitral tribunal shall consist of 3 Arbitrators, arbitration proceedings shall be held at Mumbai , India and the language of the arbitration proceedings and that of all documents and communications between the parties shall be English".</p>

## IV. Appendices

### APPENDIX A – TERMS OF REFERENCE

*[This Appendix shall include the final Terms of Reference (TORs) worked out by the Client and the Consultant during the negotiations; dates for completion of various tasks; location of performance for different tasks; detailed reporting requirements and list of deliverables against which the payments to the Consultant will be made; Client's input, including counterpart personnel assigned by the Client to work on the Consultant's team; specific tasks or actions that require prior approval by the Client.]*

*Insert the text based on the Section 7 (Terms of Reference) of the ITC in the RFP and modified based on the Forms TECH-1 through TECH-5 of the Consultant's Proposal. Highlight the changes to Section 7 of the RFP]*

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### APPENDIX B - KEY EXPERTS

*[Insert a table based on Form TECH-6 of the Consultant's Technical Proposal and finalized at the Contract's negotiations. Attach the CVs (updated and signed by the respective Key Experts) demonstrating the qualifications of Key Experts.]*

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### APPENDIX C – BREAKDOWN OF CONTRACT PRICE

*[Insert the table with the unit rates to arrive at the breakdown of the lump-sum price. The table shall be based on [Form FIN-3 and FIN-4] of the Consultant's Proposal and reflect any changes agreed at the Contract negotiations, if any. The footnote shall list such changes made to [Form FIN-3 and FIN-4] at the negotiations or state that none has been made.]*

**APPENDIX D - FORM OF ADVANCE PAYMENTS GUARANTEE**

*[See Clause GCC 42.2.1 and SCC 46.2.1]*

*Not Applicable*



## **APPENDIX E - CODE OF CONDUCT FOR EXPERTS**