

**REQUEST FOR PROPOSAL (RFP) FOR SELECTION OF
PROFESSIONAL FIRM FOR IMPLEMENTATION OF
FINANCIAL MANAGEMENT SERVICES IN VIJAYAWADA
MUNICIPAL CORPORATION**

Issued by

Vijayawada Municipal Corporation

VIJAYAWADA MUNICIPAL CORPORATION

No.B1/126450/2016

DATED: -12-07-2024

TENDER NOTICE

Vijayawada Municipal Corporation (VMC) invites Conventional tenders for Implementation of Financial Management Services as a Consultant in VMC. Details of tender schedule is given below:-

Sr. No.	Name of work	Est. Amount	EMD to be deposited by Bidder (Rs.)	Tender Document Fee & GST Fee (Rs.)	Start Date & Time of Bid Preparation & Submission	Expiry Date & Time of Bid Preparation & Submission	Tender Open Date
1.	Selection of Professional firm for Implementation of Financial Management Services in Vijayawada Municipal Corporation	QCBS Method	Rs. 100,000 (Indian Rupees One Lakh only)	20,000 (GST is to be payable on RCM)	16.07.2024 at 4.00 PM	30.07.2024 at 4.00 PM	30.07.2024 at 5.00 PM

1. Tender will be opened on 30.07.2024 at 5.00 PM
2. The detail tender notice and Tender Document can be seen on website: <http://www.ourvmc.org/engg/gentenders.asp> downloaded online from the Portal
3. For any other queries, please contact the Office of the Superintending Engineer (Projects), Municipal Corporation, VIJAYAWADA phone no. 9866897639. For further details and tendering schedule, email to engineeringvmc@gmail.com & pmuvmc@gmail.com .

TENDER DATA

1	Purpose of RFP	“Selection of Professional Firm for Implementation of Financial Management Services in Vijayawada Municipal Corporation
2	Tender Ref. No	Ref No. B1/126450/2016
3	Earnest Money Deposit	Rs. 1,00,000.00
4	Bid Processing Fee	Rs. 20,000/- (Bid Processing fee as Indian Rupees Twenty Thousand) <i>(GST is payable on RCM Basis)</i>
5	Pre-Bid Queries	23-07-2024 by 5.00 PM
6	Last Date for Submission	30.07.2024 by 4:00 PM
7	Bid Validity	90 days from the date of submission of the bid
8	Address for Submission	Vijayawada Municipal Corporation, Jawaharlal Nehru Buildings, Canal Road, One Town Vijayawada. 520001
9	Date of Opening of Technical Bid	30.07.2024 at 5:00 PM
10	Date of Opening of commercial Bid	To be notified at a later date after the Technical Evaluation is completed. Shortlisted firm shall be notified in writing or through mail.

Disclaimer

The information contained in this request for proposal document (the “RFP”) or subsequently provided to applicant(s), whether verbally or in documentary or any other form, by or on behalf of the Vijayawada Municipal Corporation (hereinafter referred to as “VMC”) or any of its employees or advisors, is provided to applicant(s) on the terms and conditions set out in this RFP and such other terms and conditions subject to which such information is provided.

This RFP is not an agreement and is neither an offer nor invitation by the VMC to the prospective Applicants or any other person. The purpose of this RFP is to provide interested parties with information that may be useful in formulation of their application for qualification and thus selection pursuant to this RFP (the “Application”). This RFP includes statements, which reflect various assumptions and assessments arrived at by the VMC in relation to the event. Such assumptions, assessments and statements do not purport to contain all the information that each Applicant may require. This RFP may not be appropriate for all persons, and it is not possible for the VMC, its employees or advisors to consider the objectives, financial situation and particular needs of each party who reads or uses this RFP. The assumptions, assessments, statements and information contained in this RFP may not be complete, accurate, adequate or correct. Each Applicant should therefore, conduct its own investigations and analysis and should check the accuracy, adequacy, correctness, reliability and completeness of the assumptions, assessments, statements and information contained in this RFP and obtain independent advice from appropriate sources.

Information provided in this RFP to the Applicant(s) is on a wide range of matters, some of which may depend upon interpretation of law. The information given is not intended to be an exhaustive account of statutory requirements and should not be regarded as a complete or authoritative statement of law. VMC accepts no responsibility for the accuracy or otherwise for any interpretation or opinion on law expressed herein.

VMC , its employees and advisors make no representation or warranty and shall have no liability to any person, including any Applicant or Bidder, under any law, statute, rules or regulations or tort, principles of restitution or unjust enrichment or otherwise for any loss, damages, cost or expense which may arise from or be incurred or suffered on account of anything contained in this RFP or otherwise, including the accuracy, adequacy, correctness, completeness or reliability of the RFP and any assessment, assumption, statement or information contained therein or deemed to form part of this RFP or arising in any way with selection of Applicants for participation in the Bidding Process.

VMC also accepts no liability of any nature whether resulting from negligence or otherwise howsoever caused arising from reliance of any Applicant upon the statements contained in this RFP. VMC may, in its absolute discretion but without being under any obligation to do so, update, amend or supplement the information, assessment or assumptions contained in this RFP. The issue of this RFP does not imply that the VMC is bound to select and shortlist Applications and VMC reserves the right to reject all or any of the Applications or Bids without assigning any reasons whatsoever. The Applicant shall bear all its costs associated with or relating to the preparation and submission of its Application including but not limited to preparation, copying, postage, delivery fees, expenses associated with any demonstrations or presentations which may be required by VMC or any other costs incurred in connection with or relating to its Application. All such costs and expenses will remain with the Applicant and VMC shall not be liable in any manner whatsoever for the same or for any other costs or other expenses incurred by an Applicant in preparation for submission of the Application, regardless of the conduct or outcome of the Bidding Process.

The information contained in this Request for Proposal document (“RFP”) or subsequently provided to Applicants, whether verbally or in documentary or any other form by or on behalf of the Authority or any of its employees or advisors, is provided to Applicants on the terms and conditions set out in this RFP and such other terms and conditions subject to which such information is provided.

Commissioner,
Vijayawada Municipal Corporation

Reference No:	BI/126450/2016
Name of the Client:	VIJAYAWADA MUNICIPAL CORPORATION
Title of Consulting Services:	REQUEST FOR PROPOSAL (RFP) FOR SELECTION OF PROFESSIONAL FIRM FOR FINANCIAL MANAGEMENT SERVICES IN VIJAYAWADA MUNICIPAL CORPORATION

PART 1. Letter of Invitation

1. Vijayawada Municipal Corporation (hereinafter called “Employer”) invites proposals to provide the following consulting services (hereinafter called "Services"): “SELECTION OF PROFESSIONAL FIRMS FOR FINANCIAL MANAGEMENT SERVICES IN VIJAYAWADA MUNICIPAL CORPORATION.

2. The RFP includes the following documents:
 - Introduction
 - About the assignment
 - Instructions to bidder
 - Evaluation of proposal and appointment of consultant
 - Fraud and corrupt practices

3. Miscellaneous the proposal is available online on <http://www.ourvmc.org/engg/gentenders.asp> from **16/07/2024 (16:00 onward)** to **30/07/2024 (up to 16:00)**. Bidders will be required to download RFP from the website. The bidders would be responsible for ensuring that any addenda available on the website is also downloaded and incorporated.

4. For submission of the bid, the bidder is required to fulfill all the requirements mentioned in the RFP document.

5. Proposal must be submitted by conventional method on or before 4.00 PM hours on **30/07/2024** and the “Technical proposal” will be opened on the **30/07/2024** at 5.00 PM. The “Financial proposal” shall remain unopened until the Technical Evaluation of the Bid for opening of the financial proposal. Any proposal or modifications to proposal received outside Tender document will not be considered. If the office happens to be closed on the date of opening of the Proposal as specified, the Proposal will be opened on the next working day at the same time. The electronic bidding system would not allow any late submission of Proposal.

6. For any other queries, please contact the Office of the Superintending Engineer (Projects), Vijayawada Municipal Corporation. Email: engineeringvmc@gmail.com & pmuvmc@gmail.com.

1. INTRODUCTION

Vijayawada Municipal Corporation is the civic governing body of the city. It was constituted on 1st April 1888 and was upgraded to selection grade municipality in 1960 and finally to corporation in the year 1981. The jurisdictional area of the corporation is spread over an area of 61.88 Sq km (23.9 sq mi) with 64 wards.

In order to meet the fund requirement for implementation of various projects and good accounting practices is one of the requirements.

2. TERMS OF REFERENCE AND SCOPE OF WORK

2.1.1 Detailed Scope of Work

Overview

The project encompasses Assist VMC in computerizing their accounting systems to implement a real-time Accrual Based Double Entry Accounting System and subsequently migrating to the E-Gov software (ERP Module). The goal is to ensure that all activities are directly linked to accounting in real-time, fostering sustainable capacity within the VMC staff.

Key Tasks and Responsibilities

1. Computerization and Implementation

- Assist VMC in computerizing their accounting systems to implement a real-time Accrual Based Double Entry Accounting System using widely-used software (DEBAS).
- Facilitate the transition to E-Gov software (ERP Module) ensuring all activities are integrated with real-time accounting.

2. Capacity Building and Training

- Conduct capacity-building sessions, including training and hand-holding, to ensure the sustainability of the new accounting system.
- Empower internal staff to generate reports independently, emphasizing the development of skills rather than merely producing financial statements.

3. Implementation and Support

- Support ULBs in implementing Accrual Based Double Entry system for the preparation of Financial Statements and Management Information System (MIS) reports.
- Develop and customize MIS formats for financial decision-making, including tracking Total Receivables Due and Collected.

4. Data Entry and Supervision

- Supervise Data Entry Operators in recording all cash book entries in the Accrual Based Accounting System (DEABAS) under the guidance of an Accounts Consultant.

5. Annual Accounts and Balance Sheets

- Finalize Annual Accounts and Balance Sheets for the fiscal year 2024-25.

6. Maintenance of Accounts

- Maintain computerized accounts for all capital funds, general funds, and other government-sanctioned schemes.
- Ensure accounts are maintained according to the funding patterns of GOI, GOAP, ULB shares, and monthly expenditure records.

7. Tax Compliance

- E-file TDS (Income Tax) returns (24Q & 26Q) for contractors and employees, and prepare necessary certificates (Form-16, 16A).
- Address and resolve any objections raised by the Income Tax Department.
- E-file GST returns for contractors and other bills, prepare necessary certificates, and address objections from the GST Department.

8. Budgeting and Forecasting

- Assist in the preparation of annual budgets, including revenue and expenditure projections.
- Develop and implement a budget monitoring system to track actual performance against budgeted figures.
- Provide periodic budget variance reports and analysis to management.
- Assist in the preparation of long-term financial forecasts and strategic plans.

9. Financial Analysis and Advisory

- Provide regular financial analysis and advisory services to support decision-making by the management.
- Conduct financial performance analysis, including ratio analysis, trend analysis, and variance analysis.
- Assist in the evaluation of financial implications of proposed projects and initiatives.
- Provide recommendations for improving financial performance and optimizing resource allocation.

10. Financial Statements and Reconciliation

- Prepare Income and Expenditure statements fund-wise, Receipts & Payments Accounts, and conduct all Cash Books Reconciliation.
- Assist in the preparation of the VMC Budget, and maintain records for Loans/Borrowing Accounts, Advances, and Deposit Accounts.

11. Reporting and Representation

- Prepare and submit reports as required by the Accounts Officer, Examiner of Accounts, Commissioner, and CDMA (MA & UD Department).
- Represent VMC before Service Tax, GST, and Income Tax Department officials as needed.

12. Projected Financial Statements

- Prepare projected financial statements to facilitate financing from banks and financial institutions.

Detailed Tasks

I. Preparation of Financial Statements

1. Analysis and Compliance

- Analyze and ensure financial statements conform to policy guidelines prescribed by the applicable Municipal Accounting Manual.
- Review existing financial statements and integrate necessary changes as per NMAM/SMAM standards.

2. Update Accounting Policies

- Update accounting policies in accordance with the applicable Municipal Accounting Manual, ensuring data in all financial statements is accounted for based on specific accounting principles.
- Develop a template for Accounting Policies as a ready reference.

3. Template and Format Preparation

- Prepare/update templates/formats for financial statements and related annexures.
- Customize Financial Statements Format in Excel and for the applicable accounting software.

4. Guidelines and Capacity Building

- Provide guidelines and build the capacity of ULB staff for timely preparation of financial statements and maintenance of various accounting records.

5. Continuous Handholding

- Offer continuous support to staff in preparing financial statements and guide them in transitioning from manual accounting to accounting software.

6. Support in Financial Statement Preparation

- Assist in preparing financial statements for the years 2024-25 including:
 - Preparation of Bank Reconciliation Statements
 - Reconciliation of receivables, collections, advances, loans (received and given), income, and expense heads
 - Annual provisioning for fixed asset depreciation and doubtful debts
 - Verification of deposits/debtors and liabilities (excluding actuarial valuation of employee benefits)
 - Provisioning of unrealized revenue on an annual basis
 - Annual closing of ledger accounts
 - Accrual of interest on borrowings, investments, and loans to employees

II. Training

1. MIS Report Preparation

- Develop MIS reports for decision-making by VMC.

2. On-the-Job Training

- Provide regular, monthly on-the-job training to designated accounting personnel and staff from line departments responsible for data provision for the new accounting system and financial statement preparation.

2.3. EVALUATION METHODOLOGY

The Proposals should include a Technical Proposal specifying the Approach of the Applicant, the Proposed Team, and the Qualification of the Applicant and the Key Personnel as further described in this RFP document, and a Financial Proposal for the services provided under the Agreement. It should be noted that the selected firm is envisaged to play a critical role in handling accounting and financial management services at VMC. One of the major roles of the firm would be to strengthen the accounting system & support VMC in financial management activities. The Evaluation Criteria are as follows:

- (1). Firm's experience: [20]
- (2). Experience of Similar Assignment [40]
- (3). Experts' qualifications and experience [30]
- (4). Structure of Proposal including approach, Methodology, Staffing schedule and work plan: [10]

2.1.2. Deliverables and timelines

As defined above, deliverables of assignment is given as below:

S.No.	Deliverables	Approach/ content	Due date
OUTPUT BASED			
1	Financial statement for 2024-25	This will include Preparation of Trial Balance, Income and Expenditure statements, Bank Reconciliation Statements, Receipts and Payment Statements, Balance sheet & relevant schedules & as per SMAM/NMAM for the year 2024-25	31 July 2025
3	MIS reports to be generated from recommended software.		Whenever Higher Authorities desires the MIS reports shall be generated on Time
4	Training-	Consulting firm will Provide handholding support and assistance to sustain the new accounting system including asset accounting and inventory management, and provide necessary "on site" professional support in maintaining various books of accounts prescribed; The firm shall be responsible for simultaneously imparting on the job training / handholding support to the accounting staff of the VMC, as part of the hand – holding assistance, for ensuring building up of necessary competencies in them for future maintenance of accounts & computerized system.	

2.1.3. Key Personnel

The Agency/Firm/Consultants has to assess the requirement and initiate team deployment plan as per their understanding. Firm should note that team as mentioned below is the minimum requirement of VMC during whole period of the assignment.

The agency is required to provide qualified and dedicated staff to handle the entire accounting and financial management services at VMC. The required profile of the key professionals and their desired experience are given below:

Experts Title	Qualifications & Skills	Experience	Estimated No of Man months
Municipal Finance & Accounts Specialist	<ul style="list-style-type: none">— Fellow Chartered Accountant— Fluent in English— Good knowledge of local development issues.— Knowledge of ULB essential	<ul style="list-style-type: none">• Managed similar tasks in Government sector for at least 7 years out of which minimum 5 years" experience of working with ULBs in ERP Module.	12 Months
Taxation Specialist	<ul style="list-style-type: none">— Fellow Chartered Accountant— Fluent in English— Good knowledge of local development issues— Knowledge of ULB an advantage— Knowledge in Income Tax & GST	<ul style="list-style-type: none">• Managed similar tasks in Government sector for at least 7 years out of which minimum 5 years" experience of working with ULBs in ERP Module.	12 Months

In addition to above, Support Staff in the capacity of accountants will be provided by Firm.

- (i) In addition to the qualification criteria provided above, staff should also be well versed in English and Hindi languages.
- (ii) The team shall be deployed on an exclusive basis and shall be responsible for carrying out the complete Scope of Work under the RFP.

- (iii) VMC will provide the required office space only to the team. However, the team shall arrange for their office infrastructure, boarding & lodging, travels etc. on their own cost.
- (iv) If any staff found to be indulging in fraud/ corruption or not performing during the contract period, VMC shall have the right to discontinue his services and the Firm shall provide replacement with equal or more qualified personnel within a period of 15 days. This shall also apply in case any of the team members resign/leave the Firm.

Please note that above requirement is minimum requirement for the assignment .For evaluation purpose, CV of only above team member is required to submit. If any firm submit extra CV from minimum requirement as mentioned above, VMC has choice to remove extra CV from evaluation process as per their choice. VMC may reduce/ increase the staff if found appropriate to do so, any time during the project tenure.

2.2. PAYMENT SCHEDULE

All payments to the consultant shall be made in INR. The fee shall also be quoted in INR only. There will not be any reimbursable expenses.

Payment on Monthly basis will be paid on submission of Completion Report by the Accounts officer on Work done statement of the Firm raised through Invoice for the previous month.

2.3. EVALUATION METHODOLOGY

The Proposals should include a Technical Proposal specifying the Approach of the Applicant, the Proposed Team, and the Qualification of the Applicant and the Key Personnel as further described in this RFP document, and a Financial Proposal for the services provided under the Agreement. It should be noted that the selected firm is envisaged to play a critical role in handling accounting and financial management services at VMC. One of the major roles of the firm would be to strengthen the accounting system & support VMC in financial management activities. The Evaluation Criteria are as follows:

- | | |
|---|------|
| (1). Firm's experience: | [20] |
| (2). Experience of Similar Assignment | [40] |
| (3). Experts' qualifications and experience | [30] |
| (4). Structure of Proposal including approach, Methodology, Staffing
Schedule and work plan: | [10] |

The number of points to be assigned to each of the above positions or disciplines shall be determined considering the following two sub-criteria and relevant percentage weights:

1) General qualifications	30%
2) Adequacy for the assignment	70%
Total weight:	100%
Total points for the criteria:	100

The minimum technical score S_t required to pass is: **75 Points** [Seventy Five points]

2.4. BRIEF DESCRIPTION OF THE SELECTION PROCESS

The Authority has adopted a Quality and Cost Based Selection (“QCBS”) process (collectively the “Selection Process”) in evaluating the Proposals comprising technical and financial bids to be submitted in two separate sealed envelopes. In the first stage, a technical evaluation will be carried out as specified in the document.

The weights given to the Technical (T) and Financial (Sf) Proposals are:

$$T= 80 \text{ \& Sf} = 20$$

$$TS= 0.8T + 0.2 \text{ Sf}$$

TS: Total score, T: Technical score, Sf: Financial score

Based on this technical evaluation, a list of short-listed applicants shall be prepared. Applicant scoring at least 75 marks will be eligible for opening of Financial Proposal. In the second stage, a financial evaluation will be carried out based on the total price as quoted by the Applicants. Proposals will finally be ranked according to their combined technical and financial scores. The first ranked Applicant (the “Selected Applicant”) shall be called for negotiation, if necessary, while the second ranked Applicant will be kept in reserve.

2.5. WORKING ARRANGEMENTS

The person in charge of the counterpart support (hereinafter called the “Nodal Officer) from the ULB side will be the Accounts Officer of the ULB. Other support staff will include officers from the accounts department and engineering department as may be necessary.

Consultant will be responsible to:

- arrange for all transportation and travelling required for the TA;
- arrange its own communication, data processing, and printing equipment and necessary stationeries; and
- Arrange for any training material, printouts, etc.

The Client will provide the following to the consultant:

- Provide office space to the consultant providing TA
- All data and information concerning the preparation of the opening balance sheet and the fixed assets valuation containing list of assets as per the respective Formats.

- Access to all books, registers, and records during office hours and permission to take notes and photocopies under the signature of the Nodal Officer – Accrual based Double entry Accounting System Support.
- ULBs to allow space in the Office for training and holding of workshop of officers and staff, as may be necessary.
- Make arrangements for accounts staff to work closely with the consulting TA.
- Provide necessary information and data required for preparation of financial statements.

3. INSTRUCTIONS TO BIDDER

3.1 CONTENTS OF THE RFP

This RFP comprises the Disclaimer set forth hereinabove, the contents as listed below and will additionally include any Addendum / Amendment issued in accordance with terms mentioned herein.

Request for Proposal

- 1 Introduction
- 2 About the assignment
- 3 Instructions to bidder
- 4 Evaluation of proposal and appointment of consultant
- 5 Fraud and corrupt practices
- 6 Miscellaneous

Appendices

Envelop-A: Technical Proposal

- a) Form TECH-1: Technical Proposal
- b) Form TECH-2: Consultant's Organization and Experience
 - A - Consultant's Organization
 - B - Consultant's Experience
- c) Form TECH-3: Comments and Suggestions on the Terms of Reference and on Counterpart Staff and Facilities to be provided by the Client
- d) A - On the Terms of Reference
- e) B - On Counterpart Staff and Facilities
- f) Form TECH-4: Description of Approach, Methodology and Work Plan for Performing the Assignment
- g) Form TECH-5: Team Composition and Task Assignments
- h) Form TECH-6: Curriculum Vitae (CV) for Proposed Professional Staff
- i) Form TECH-7: Staffing Schedule

j) Form TECH-8 Work Schedule

Envelop-B: Financial Proposal

Fin 1: Covering Letter

Fin 2: Financial Proposal

3.2 NUMBER OF PROPOSALS

No Applicant or its Associate shall submit more than one Application for the Chartered accountants firm Services. An Applicant applying individually or as an Associate shall not be entitled to submit another application.

3.3 LANGUAGE

The Proposal with all accompanying documents (the “**Documents**”) and all communications in relation to or concerning the Selection Process shall be in English language and strictly on the forms provided in this RFP. No supporting document or printed literature shall be submitted with the Proposal unless specifically asked for and in case any of these Documents is in another language, it must be accompanied by an accurate translation of all the relevant passages in English, in which case, for all purposes of interpretation of the Proposal, the translation in English shall prevail.

3.4 VALIDITY OF THE PROPOSAL

The Proposal shall remain valid for acceptance by the VMC for a period of 90 days from the last date of submission of proposals. If needed, VMC may request the Applicants to extend the period of validity of their proposals on the same terms and conditions.

3.5 COST OF PROPOSAL

The Applicants shall be responsible for all of the costs associated with the preparation of their Proposals and their participation in the Selection Process including subsequent negotiation, visits to the Authority, Project site etc. The Authority will not be responsible or in any way liable for such costs, regardless of the conduct or outcome of the Selection Process.

3.6 DOCUMENT FEE AND EMD

Bid document is available online on <http://www.ourvmc.org/engg/gentenders.asp> Interested parties may download the bid documents from the website and submit their offer.

- Bidders shall have to furnish a non-refundable Bid Processing Fee amounting to **Rs.20,000/- (Twenty Thousand Rupees only)**
- Bidders shall have to furnish the Earnest Money Deposit (“EMD”) amounting to **Rs.100, 000/- (One Lakh only).**

Bid submitted without Document Fee and EMD will be considered non-responsive and rejected without further consideration.

3.7 FIRMS ELIGIBILITY

To assure about the capacity, the firm eligible for the bidding process must satisfy the following eligible criteria:

- 1 Bidder must not be debarred and blacklisted in any of the government organizations or parastatal bodies of any State or City of India / any proceeding by ICAI/any other organization against themselves.
- 2 The bidder should be a Chartered Accountant Firm which should be registered with The Institute of Chartered Accountants of India (ICAI) and have Income Tax Permanent Account Number (PAN number) and GST Registration [To provide all Certificates of Registration];
- 3 The Firm should have been in operation for at least 5 years after its registration;
- 4 Average Annual Income (i.e. Average Gross Professional Fees earned during the 3 years) of the Firm in the last 3 financial years ending on March 31st, 2023 must be equal to or more than Rs. 50 Lakhs. *[To provide copies of audited Financial Statements for all the 3 years and a certificate of average annual income in the last 3 financial years];*
- 5 The Firm should have experience in handling similar work for more than 3 years
— ULBs/ Metropolitan/ Municipal Corporation [*Documentary proof/ work orders / client certificates/ completion certificates to be submitted*].
- 6 Joint ventures with other firms are NOT permitted for this assignment

3.8 DUE DILIGENCE BY APPLICANTS AND ACKNOWLEDGEMENT

Applicants are encouraged to inform themselves fully about assignment before submitting the Proposal.

It shall be deemed that by submitting the Proposal, the Applicant has:

- a) made a complete and careful examination of the RFP;
 - b) received all relevant information requested from the Authority;
 - c) Accepted the risk of inadequacy, error or mistake in the information provided in the RFP or furnished by or on behalf of the Authority or relating to any of the matters referred here in the document
 - d) Satisfied itself about all matters, things and information, including matters referred to in Clause 2 herein above, necessary and required for submitting an informed Application and performance of all of its obligations there under;
 - e) Acknowledged that it does not have a Conflict of Interest;
- and
- f) Agreed to be bound by the undertaking provided by it under and in terms hereof.

The Authority shall not be liable for any omission, mistake or error in respect of any of the above or on account of any matter or thing arising out of or concerning or relating to RFP or the Selection Process, including any error or mistake therein or in any information or data given by the Authority.

3.9 Right to reject any or all Proposals

Notwithstanding anything contained in this RFP, the Authority reserves the right to accept or reject any Proposal and to annul the Selection Process and reject all Proposals, at any time without any liability or any obligation for such acceptance, rejection or annulment, and without assigning any reasons, therefore.

The Authority reserves the right to reject any Proposal if:

- a) at any time, a material misrepresentation is made or discovered, or
- b) The Applicant does not provide, within the time specified by the Authority, the supplemental information sought by the Authority for evaluation of the Proposal.

Misrepresentation/ improper response by the Applicant may lead to the disqualification of the Applicant. If such disqualification / rejection occurs after the Proposals have been opened and the highest ranking Applicant gets disqualified / rejected, then the Authority reserves the right to consider the next best Applicant, or take any other measure as may be deemed fit in the sole discretion of the Authority, including annulment of the Selection Process.

3.10 CLARIFICATIONS

Applicants requiring any clarification on the RFP may send their queries to the Authority in writing before the date mentioned in the Schedule of Selection Process. The envelopes shall clearly bear the following identification:

“REQUEST FOR PROPOSAL (RFP) FOR SELECTION OF PROFESSIONAL FIRM FOR IMPLEMENTATION OF FINANCIAL MANAGEMENT SERVICES IN VIJAYAWADA MUNICIPAL CORPORATION”

The Authority shall endeavor to respond to the queries within the period specified therein but no later than 7 (seven) days prior to the PDD. The responses will be sent by E-mail/upload in website.

The Authority reserves the right not to respond to any queries or provide any clarifications, in its sole discretion, and nothing in this Clause shall be construed as obliging the Authority to respond to any question or to provide any clarification.

3.11 AMENDMENT OF RFP

At any time prior to the deadline for submission of Proposal, the Authority may, for any reason, whether at its own initiative or in response to clarifications requested by an Applicant, modify the RFP document by the issuance of Addendum/ Amendment and posting it on the VMC website

The amendments will be posted on the VMC Official Website along with the revised RFP containing the amendments and will be binding on all Applicants.

In order to afford the Applicants a reasonable time for taking an amendment into account, or for any other reason, the Authority may, in its sole discretion, extend the PDD.

3.12 CONFLICT OF INTEREST

The Applicant shall not have a conflict of interest (the “Conflict of Interest”) that affects the Bidding Process. Any Applicant found to have a Conflict of Interest shall be disqualified. In the event of disqualification, VMC shall be entitled to forfeit and appropriate the Bid Security as mutually agreed genuine pre-estimated loss and damage likely to be suffered and incurred by the VMC and not by way of penalty for, inter alia, the time, cost and effort of the VMC, including consideration of such Applicant’s Application (the “Damages”), without prejudice to any other right or remedy that may be available to VMC under the agreement or otherwise. The shortlisted Firm shall not be allowed to bid for any Audit related assignments with VMC during the contract period of 3 years.

3.13 PERFORMANCE SECURITY

The firm will furnish within 10 days of the issue of Letter of Acceptance (LOA), an Account Payee Demand Draft / Fixed Deposit Receipt / Unconditional Bank Guarantee (in prescribed format) / in favor of Commissioner, Municipal Corporation VIJAYAWADA payable/ encashable at VIJAYAWADA, from any nationalized or scheduled commercial Bank in India for amount equivalent to 5 to 10% of total Contract Value towards Performance Security valid for a period of six (6) months beyond the stipulated date of completion of services. The Bank Guarantee will be released after six months of successful completion of the assignment.

The Applicant, by submitting its Application pursuant to this RFP, shall be deemed to have acknowledged that without prejudice to the Authority’s any other right or remedy hereunder or in law or otherwise, the Performance Security, if available, shall be forfeited and appropriated by the Authority as the mutually agreed pre-estimated compensation and damage payable to the Authority for, inter alia, the time, cost and effort of the Authority in regard to the RFP including the consideration and evaluation of the Proposal under the following conditions:

- a) If an Applicant engages in any of the Prohibited Practices.
- b) If the Applicant is found to have a Conflict of Interest; and
- c) If the selected Applicant commits a breach of the Agreement

3.14 PREPARATION AND SUBMISSION OF PROPOSAL

3.14.1 Format and signing of Proposal

The Applicant shall provide all the information sought under this RFP. The Authority would evaluate only those Proposals that are received in the specified forms and complete in all respects.

The Applicant shall prepare one original set of the Proposal (together with originals/ copies of Documents required to be submitted along therewith pursuant to this RFP).

The proposal shall be typed or written in indelible ink and signed by the authorized signatory of the Applicant who shall initial each page. In case of printed and published Documents, only the cover shall be initialed. All the alterations, omissions, additions, or any other amendments made to the Proposal shall be initialed by the person(s) signing the Proposal.

Except as specifically provided in this RFP, no supplementary material will be entertained by the Authority, and that evaluation will be carried out only on the basis of Documents received by the closing time of PDD. Applicants will ordinarily not be asked to provide additional material information or documents subsequent to the date of submission, and unsolicited material if submitted will be summarily rejected.

3.14.2 Technical Proposal

Applicants shall submit the technical proposal in the formats at Appendix-I (the “**Technical Proposal**”). While submitting the Technical Proposal, the Applicant shall, in particular, ensure that:

- a. all forms are submitted in the prescribed formats and signed by the prescribed signatories;
- b. power of attorney, if applicable, is executed as per Applicable Laws;
- c. CVs of all Key Personnel have been included;
- d. Key Personnel have been proposed only if they meet the Conditions of Eligibility
- e. no alternative proposal for any Key Personnel is being made and only one CV for each position has been furnished;
- f. the CVs shall contain an undertaking from the respective Key Personnel about his/her availability for the duration specified in the RFP;
- g. Key Personnel proposed have good working knowledge of English language;
- h. Key Personnel would be available for the period indicated in the TOR;
- i. no Key Personnel should have attained the age of 60 years at the time of submitting the proposal

Failure to comply with the requirements spelt out above shall make the Proposal liable to be rejected.

If an individual Key Personnel makes a false averment regarding his qualification, experience or other particulars, he shall be liable to be debarred for any future assignment of the Authority for a period of 3 (three) years. The award of this Service to the Applicant may also be liable to cancellation in such an event.

The Technical Proposal shall not include any financial information relating to the Financial Proposal.

The Authority reserves the right to verify all statements, information and documents, submitted by the Applicant in response to the RFP. Any such verification or the lack of such verification by the Authority to undertake such verification shall not relieve the Applicant of its obligations or liabilities hereunder nor will it affect any rights of the Authority there under.

In case it is found during the evaluation or at any time before signing of the Agreement or after its execution and during the period of subsistence thereof, that one or more of the eligibility conditions have not been met by the Applicant or the Applicant has made material misrepresentation or has given any materially incorrect or false information, the Applicant shall be disqualified forthwith if not yet appointed either by issue of the LOA or entering into of the Agreement, and if the Selected Applicant has already been issued the LOA or has entered into the Agreement, as the case may be, the same shall, notwithstanding anything to the contrary contained therein or in this RFP, be liable to be terminated, by a communication in writing by the Authority without the Authority being liable in any manner whatsoever to the Selected Applicant or Consultant, as the case may be.

In such an event, the Authority shall forfeit and appropriate the Performance Security, if available, as mutually agreed pre-estimated compensation and damages payable to the Authority for, inter alia, time, cost and effort of the Authority, without prejudice to any other right or remedy that may be available to the Authority.

3.14.3 Financial Proposal

Applicants shall submit the financial proposal in the formats (the “**Financial Proposal**”) clearly indicating “**Financial Proposal for Selection of Consultancy firm for Providing Financial Management Services to Vijayawada Municipal Corporation**” (Form-2 of Appendix II) in both figures and words, in Indian Rupees, and signed by the Applicant’s Authorized Representative. In the event of any difference between figures and words, the amount indicated in words shall prevail. In the event of a difference between the arithmetic total and the total shown in the Financial Proposal, the lower of the two shall prevail.

While submitting the Financial Proposal, the Applicant shall ensure the following:

- a. All the costs associated with the assignment shall be included in the Financial Proposal. These shall normally cover remuneration for all the Personnel (Expatriate and Resident, in the field, office, etc.). The total amount indicated in the Financial Proposal shall be without any condition attached or subject to any assumption, and shall be final and

binding. In case any assumption or condition is indicated in the Financial Proposal, it shall be considered non-responsive and liable to be rejected.

- b. The Financial Proposal shall consider all expenses and tax liabilities. For the avoidance of doubt, it is clarified that all taxes shall be deemed to be included in the costs shown under different items of the Financial Proposal. Further, all payments shall be subject to deduction of taxes at source as per Applicable Laws.
- c. VMC will provide office space and facilities e.g. communication, printing, stationery.
- d. Costs (including break down of costs) shall be expressed in INR.
- e. The Minimum fees for the assignment based upon the scope and nature of the work and the manpower is fixed at Rs.1,50,000/- (One Lakh Fifty Thousand only). This is mentioned as per the guidance issued by the Institute of Chartered Accountants of India (ICAI).

3.14.4 Submission of Proposal

All the bids shall be submitted online. The bidders shall also submit one (1) hard Copy of the original proposal and One (1) copy of Technical Proposal. The Technical Proposal shall not include any financial information. A Technical Proposal containing financial information may be declared non-responsive.

(a) Submission of Technical and Price proposal:

- Consultant can prepare and edit their offers number of times before final submission. Once finally submitted bidder cannot edit their offers submitted in any case. No written or online request in this regard shall be granted.
- Consultant shall submit their offer i.e. Technical bid as well as price Bid in Conventional Method (Box tenders) latest by the submission date as mentioned above.

(b) Opening of Proposals

- Opening of proposal will be held on Date and Time indicated in the Data Sheet
- The consultants or their representative who wish to remain present at the venue, at the time of opening of proposal may do so.
- The offline technical evaluation of the tender received on or before last date of submission would be done.
- After successful completion of Technical Evaluation, financial proposal of only those consultants shall be opened who are found qualified.

The signed Proposal shall be marked “Original”, and its copies marked “Copy” as appropriate. The number of copies is indicated in the **Data Sheet**. All copies shall be made from the signed original. If there are discrepancies between the original and the copies, the original shall prevail.

The original and all the copies of the Technical Proposal shall be placed inside of a sealed envelope clearly marked “**TECHNICAL PROPOSAL**”, “[Name of the Assignment]”, reference number, name and address of the Consultant, and with a warning “**DO NOT OPEN UNTIL [INSERT THE DATE AND THE TIME OF THE TECHNICAL PROPOSAL SUBMISSION DEADLINE].**”

Similarly, the original Financial Proposal (if required for the applicable selection method) shall be placed inside of a sealed envelope clearly marked “**FINANCIAL PROPOSAL**” followed by the name of the assignment, reference number, name and address of the Consultant, and with a warning “**DO NOT OPEN WITH THE TECHNICAL PROPOSAL.**”

The sealed envelopes containing the Technical and Financial Proposals shall be placed into one outer envelope and sealed. This outer envelope shall bear the submission address, RFP reference number, the name of the assignment, 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 Data Sheet]”.

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.

The Proposals must be sent to the address/addresses indicated in the Data sheet and received by the Employer no later than the time and the date indicated in it.

The Technical Proposal and Financial Proposal shall be typed or written in indelible ink and signed by the Authorized Representative of the Applicant. All pages of the original Technical Proposal and Financial Proposal must be numbered and initialed by the person or persons signing the Proposal.

The complete Proposal must be delivered on or before the specified time on PDD. Proposals submitted by fax, telex, or e-mail shall not be entertained.

The Proposal shall be made in the Forms specified in this RFP. Any attachment to such Forms must be provided on separate sheets of paper and only information that is directly relevant should be provided. This may include photocopies of the relevant pages of printed documents. No separate documents like printed annual statements, firm profiles, copy of contracts etc. will be entertained.

The rates quoted shall be firm throughout the period of performance of the assignment up to and including discharge of all obligations of the chartered accountant firm under the Agreement.

3.14.5 Modification/ substitution/ withdrawal of proposals

The Applicant may modify, substitute, or withdraw its Proposal after submission, provided that written notice of the modification, substitution, or withdrawal is received by the Authority prior to PDD. No Proposal shall be modified, substituted, or withdrawn by the Applicant on or after the PDD.

The modification, substitution, or withdrawal notice shall be prepared, sealed, marked, and delivered, with the envelopes being additionally marked “**MODIFICATION**”, “**SUBSTITUTION**” or “**WITHDRAWAL**”, as appropriate.

Any alteration / modification in the Proposal or additional information or material supplied subsequent to the PDD, unless the same has been expressly sought for by the Authority, shall be disregarded.

3.15 EVALUATION OF PROPOSALS

3.15.1 Technical Proposal Evaluation

Technical proposals of all the firms which meet the basic requirements (i.e. timely submission, bid security, sealing of application, Pass/ Fail criteria etc.) would be taken up for detailed evaluation as per the technical bid evaluation criteria. All firms scoring 75 or above marks would be technically qualified and would only move into the next stage of Financial evaluation. The Applications shall be first evaluated on the basic requirements parameters. Those Applicants, who meet the basic requirements, shall be evaluated further as part of Technical Evaluation. Detailed evaluation of the proposals shall be undertaken for those Firms which qualify the above basic requirements

3.15.2 Short-listing of Applicants

All the Applicants ranked as aforesaid, shall be pre-qualified for financial evaluation in the second stage. However, if the number of such pre- qualified Applicants is less than 2 (two), the Authority may, in its sole discretion, open the financial proposal of a sole technically qualified Applicant or pre-qualify the Applicant(s) whose Technical Score is less than the score specified in Clauses 3a; provided that in such an event, the total number of pre-qualified Applicants shall not exceed 2 (two).

3.15.3 Evaluation of Financial Proposal

The envelope containing the financial proposal shall not be opened till the technical evaluation is complete. The financial proposal of only such Applicants will be opened who obtain minimum qualifying 75 or above Marks prescribed. Out of the technically qualified applicants, the final selection shall be based on Quality cum Cost based selection (QCBS) method. The detailed contents of each Financial Proposal will be subsequently reviewed. The evaluated total price (ETP) for each Financial Proposal will be determined. The score for each Financial Proposal is inversely proportional to its ETP and will be computed as follows: - $Sf = 100 \times Fm/F$

Where:

Sf is the financial score of the Financial Proposal being evaluated

Fm is the ETP of the lowest priced Financial Proposal

F is the ETP of the Financial Proposal under consideration

The lowest evaluated Financial Proposal will receive the maximum score of 100 marks.

3.15.4 Combined and Final Evaluation

Following completion of evaluation of Technical and Financial Proposals, final ranking of the Proposals will be determined. This will be done by applying a weight age of 0.80 (or eighty percent) and 0.20 (or Twenty percent) respectively to the technical and financial scores of each evaluated qualifying Technical and Financial Proposals and then computing the relevant combined total score for each Consultant. The technical and financial scores shall be added, and the Contract will be awarded to the agency which scores maximum points and will be invited for contract negotiations.

3.16 Negotiations

The Selected Applicant may, if necessary, be invited for negotiations. The negotiations shall generally not be for reducing the price of the Proposal but will be for re-confirming the obligations of the firm under this RFP. Issues such as deployment of Key Personnel, understanding of the RFP, methodology

and quality of the work plan shall be discussed during negotiations. A Key Personnel who did not score 70% (seventy per cent) marks as required under Clause 3 shall be replaced by the Applicant with a better candidate to the satisfaction of the Authority. In case the Selected Applicant fails to reconfirm its commitment, the Authority reserves the right to designate the next ranked Applicant as the Selected Applicant and invite it for negotiations.

The Authority will examine the CVs of all other Key Personnel and those not found suitable shall be replaced by the Applicant to the satisfaction of the Authority.

3.17 Confidentiality

Information relating to the examination, clarification, evaluation for selection, and recommendation of the Preferred Applicant / Successful Applicant shall not be disclosed to any person who is officially not concerned with the Bidding Process or is not a retained professional advisor advising VMC in relation to, or matters arising out of, or concerning the Bidding Process. VMC shall treat all information submitted as part of Proposal as confidential and shall require all those who have access to such material to treat the same in confidence. VMC shall not divulge any such information unless it is ordered to do so by any authority that has power under law to require its disclosure or is to enforce or assert any right or privilege of the statutory entity and/or VMC.

3.18 Clarifications

To facilitate evaluation of Proposals, the Authority may, at its sole discretion, seek clarifications from any Applicant regarding its Proposal. Such clarification(s) shall be provided within the time specified by the Authority for this purpose. Any request for clarification(s) and all clarification(s) in response thereto shall be in writing.

If an Applicant does not provide clarifications sought within the specified time, its Proposal shall be liable to be rejected. In case the Proposal is not rejected, the Authority may proceed to evaluate the Proposal by construing the particulars requiring clarification to the best of its understanding, and the Applicant shall be barred from subsequently questioning such interpretation of the Authority.

3.19 Substitution of Key Personnel

The Authority expects the Key Personnel to be available during implementing the Agreement. The Authority will consider substitution of the Key Personnel only in extraordinary / unavoidable circumstances. Such substitution shall ordinarily be subject to equally or better qualified and experienced personnel being provided to the satisfaction of the Authority.

3.20 Indemnity

The selected firm shall, subject to the provisions of the Agreement, indemnify the Authority, for an amount not exceeding the value of the Agreement, for any direct loss or damage that is caused due to any deficiency in Services.

3.21 Award of Contract

The firm will sign the contract after fulfilling all the formalities/pre-conditions mentioned in the standard form of contract of VMC, within 30 days of issuance of the letter of intent. The firm is expected to commence the Assignment/job on the date and at the location specified in the contract.

3.22 Commencement of Assignment

The Firm shall commence the Services within seven days of the date of the Agreement, or such other date as may be mutually agreed. If the Selected Applicant fails to either sign the Agreement as specified or commence the assignment as specified herein, the Authority may invite the second ranked Applicant for negotiations. In such an event, the LOA or the Agreement, as the case may be, may be cancelled / terminated.

3.23 Proprietary data

Subject to the applicable provisions, all documents and other information provided by the Authority or submitted by an Applicant to the Authority shall remain or become the property of the Authority. The Authority will not return any Proposal, or any information related thereto. All information collected, analyzed, processed or in whatever manner provided by the Applicant to the Authority in relation to the chartered accountant firm Services shall be the property of the Authority.

3.24 Performance Security

The firm will furnish within 10 days of the issue of Letter of Acceptance (LOA), an Account Payee Demand Draft / Fixed Deposit Receipt / Unconditional Bank Guarantee (in prescribed format) / in favor of “The Commissioner, Vijayawada Municipal Corporation” payable/ en-cashable at Vijayawada, from any nationalized or scheduled commercial Bank in India for amount equivalent to 10% of total Contract Value towards Performance Security valid for a period of six (6) months beyond the stipulated date of completion of services. The Bank Guarantee will be released after six months of successful completion of the assignment.

4. FRAUD AND CORRUPT PRACTICES

The Applicants and their respective officers, employees, agents and advisers shall observe the highest standard of ethics during the Selection Process. Notwithstanding anything to the contrary contained in this RFP, the VMC may reject a Proposal without being liable in any manner whatsoever to the Applicant, if it determines that the Applicant has, directly or indirectly or through an agent, engaged in corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice (collectively the “**Prohibited Practices**”) in the Selection Process.

Without prejudice to the rights of the VMC under Clause 4.1 hereinabove, if the Applicant is found by VMC to have directly or indirectly or through an agent, engaged or indulged in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice during the Bidding Process, such Applicant shall not be eligible to participate in any RFP issued by VMC during a period of 2 (two) years from the date such Applicant is found by VMC to have directly or indirectly or through an agent, engaged or indulged in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice, as the case may be.

For the purposes of this Clause, the following terms shall have the meaning hereinafter respectively assigned to them:

- a. “**corrupt practice**” means (i) the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence the action of any person connected with the Selection Process (for avoidance of doubt, offering of employment to or employing or

engaging in any manner whatsoever, directly or indirectly, any official of the Authority who is or has been associated in any manner, directly or indirectly with the Selection Process or the LOA or has dealt with matters concerning the Agreement or arising there from, before or after the execution thereof, at any time prior to the expiry of one year from the date such official resigns or retires from or otherwise ceases to be in the service of the Authority, shall be deemed to constitute influencing the actions of a person connected with the Selection Process; or (ii) save as provided herein, engaging in any manner whatsoever, whether during the Selection Process or after the issue of the LOA or after the execution of the Agreement, as the case may be, any person in respect of any matter relating to the Project or the LOA or the Agreement, who at any time has been or is a legal, financial or technical consultant/ adviser of the Authority in relation to any matter concerning the Project;

- b. **“fraudulent practice”** means a misrepresentation or omission of facts or disclosure of incomplete facts, in order to influence the Selection Process;
- c. **“coercive practice”** means impairing or harming or threatening to impair or harm, directly or indirectly, any persons or property to influence any person’s participation or action in the Selection Process;
- d. **“undesirable practice”** means (i) establishing contact with any person connected with or employed or engaged by the Authority with the objective of canvassing, lobbying or in any manner influencing or attempting to influence the Selection Process; or (ii) having a Conflict of Interest; and
- e. **“Restrictive practice”** means forming a cartel or arriving at any understanding or arrangement among Applicants with the objective of restricting or manipulating a full and fair competition in the Selection Process.

5. MISCELLANEOUS

- a. The Selection Process shall be governed by, and construed in accordance with, the laws of India and the Courts at Patna shall have exclusive jurisdiction over all disputes arising under, pursuant to and/or in connection with the Selection Process.
- b. The Authority, in its sole discretion and without incurring any obligation or liability, reserves the right, at any time, to:
 - (i) suspend and/or cancel the Selection Process and/or amend and/or supplement the Selection Process or modify the dates or other terms and conditions relating thereto;
 - (ii) consult with any Applicant in order to receive clarification or further information;
 - (iii) retain any information and/or evidence submitted to the Authority by, on behalf of and/or in relation to any Applicant; and/or
 - (iv) Independently verify, disqualify, reject and/or accept any and all submissions or other information and/or evidence submitted by or on behalf of any Applicant.
- c. It shall be deemed that by submitting the Proposal, the Applicant agrees and releases the Authority, its employees, agents and advisers, irrevocably, unconditionally, fully and finally from any and all liability for claims, losses, damages, costs, expenses or liabilities in any way related to or arising from the exercise of any rights and/or performance of any obligations hereunder, pursuant hereto and/or in connection herewith and waives any and all

rights and/ or claims it may have in this respect, whether actual or contingent, whether present or future.

- d. All documents and other information supplied by the Authority or submitted by an Applicant shall remain or become, as the case may be, the property of the Authority. The Authority will not return any submissions made hereunder. Applicants are required to treat all such documents and information as strictly confidential.
- e. The Authority reserves the right to make inquiries with any of the clients listed by the Applicants in their previous experience record.

6. Dispute Resolution Procedure

6.1. Amicable Settlement

In the event that any dispute, controversy or claim arises among the Parties in connection with or under the Agreement or the interpretation of any of its provisions or upon the occurrence of an Event of Default, the Company and the Operator shall appoint one representative each, who is not involved in the day-to-day operations relating to the Project to meet promptly in an effort to resolve such dispute, controversy or claim. All such disputes shall be amicably settled through mutual consultation and negotiation between the representatives. Each Party shall bear all the expenses of its representative. The Parties hereto agree to use their respective best efforts to resolve all disputes arising hereunder through the consultative process.

6.2. Arbitration

6.2.1. Arbitrators

In the event the dispute or difference or claim, as the case may be, is not resolved, as evidenced by the signing of the written terms of settlement by the Parties, within 30 (thirty) days of reference for amicable settlement and/or settlement by the representatives, the same shall be finally settled by binding arbitration under the Arbitration and Conciliation Act, 1996.

6.2.2. Place of Arbitration:

The place of arbitration shall be VIJAYAWADA but by agreement of the Parties, the arbitration hearings, if required, can be held elsewhere from time to time.

6.2.3. English Language:

The request for arbitration, the answer to the request, the terms of reference, any written submissions, any orders and rulings shall be in English and, if oral hearings take place, English shall be the language to be used in the hearings.

6.2.4. Procedure:

The procedure to be followed within the arbitration including appointment of arbitrator, the rules of evidence which are to apply shall be in accordance with the Arbitration and Conciliation Act, 1996.

6.2.5. Enforcement of Award:

Any decision or award resulting from arbitration shall be final and binding upon the Parties. The Parties hereto hereby waive, to the extent permitted by law, any rights to appeal or to review of such award by any court or tribunal. The Parties hereto agree that the arbitral award may be enforced against the Parties to the arbitration proceeding or their assets wherever they may be found and that a judgement upon the arbitral award may be entered in any court having jurisdiction thereof.

6.2.6. Fees and Expenses:

The fees and expenses of the arbitrator and all other expenses of the arbitration shall be initially borne and paid by respective Parties subject to determination by the arbitrator. The arbitrator may provide in the arbitral award for the reimbursement to the prevailing Party of its costs and expenses in bringing or defending the arbitration claim, including legal fees and expenses incurred by such Party.

6.2.7. Performance during Dispute Resolution:

Pending the submission of a dispute, controversy or claim for arbitration and thereafter until the final decision of the arbitration, the Parties shall continue to perform all of their obligations under this Agreement, without prejudice to a final adjustment in accordance with such decision.

6.2.8. Survival:

The dispute resolution provisions contained in this Clause 2 shall survive the termination of the CONSULTANCY Agreement.

6.3. Limitation of Liability

The liability of the firm under this contract shall be limited to a maximum of 10% of the total Contract Value for the year under consideration.

APPENDIX-I

Form Tech - 1: Technical Proposal Covering Letter

FORM TECH 1

(To be placed in the sealed cover containing technical proposal)

[Location, Date]

To
The Commissioner,
Municipal Corporation
VIJAYAWADA

Dear Sir,

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

We are submitting our Proposal in our own individual capacity without entering into any association/as a Joint Venture. We hereby declare that all the information and statements made in this Proposal are true and accept that any misinterpretation contained in it may lead to our disqualification.

If negotiations are held during the period of validity of the Proposal, i.e., before the date indicated in the RFP, we undertake to negotiate on the basis of the proposed personnel. Our Proposal is binding upon us and subject to the modifications resulting from Contract negotiations.

We undertake, if our Proposal is accepted, to initiate the consulting services related to the assignment not later than the date indicated in the RFP (*Please indicate date*).

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

Yours sincerely,

Authorized Signature [*In full and initials*]:

Name and Title of Signatory:

Name of Firm:

Address:

Form Tech - 2: Profile of the Firm

FORM TECH 2

[Provide here a brief description of the background and organization of your firm/entity for this Assignment/job. The brief description should include both functional and sectorial experiences of the bidders. The description shall clearly cover the criteria indicated under clause 2.3 (1) and (2) **It should not exceed more than 6 pages.**]

**Form TECH-3: Comments and Suggestions on the Terms of Reference and on
Counterpart Staff and Facilities to be provided by the Client**

Form Tech - 4: Technical Approach and Methodology

[Explain your understanding of the objectives of the assignment, approach to the services, methodology for carrying out the activities under accounting, financial management, payroll management, internal control and project accounting services in line with the scope of work envisaged by VMC, and the degree of detail of such output, including the templates of the same. **(Not more than 20 pages)**]

Form TECH-5: Team Composition and Task Assignments

[illegible]

Form Tech - 6: Format for Submission of CVs of Experts

CURRICULUM VITAE (CV)

Position Title and No.	{e.g., Municipal Finance Specialist}
Name of Expert:	{Insert full name}
Date of Birth:	{day/month/year}
Country of Citizenship/Residence	

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., May 2015- present]			

Membership in Professional Associations and Publications:

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

Form TECH-7: Staffing Schedule

Form TECH-8 Work Schedule

S.No	Activity ¹									
		1	2	3	4	5	6	11	12	n
1										
2										
3										
4										
5										
n										

- 1 Indicate all main activities of the assignment, including delivery of reports (e.g.: inception, interim, and final reports), and other benchmarks such as Client approvals.
- 2 Duration of activities shall be indicated in the form of a bar chart.

APPENDIX-II

Fin 1 - Financial Proposal Covering Letter (To be placed in the sealed cover containing financial proposal)

To,
The Commissioner,
Municipal Corporation
VIJAYAWADA

Dear Sir,

We, the undersigned, offer to provide “**Implementation of Financial Management Services at VMC**” in accordance with your Request for Proposal [*Insert Date*] and our Technical Proposal. Our attached Financial Proposal is for the sum of [*Insert amount(s) in words and figures*] is fee for the services to be provided. This amount is inclusive of Service Tax.

Our Financial Proposal shall be binding upon us subject to the modifications resulting from Contract negotiations, up to expiration of the validity period of the Proposal, i.e. before the date indicated in Clause 1.6 of the Data Sheet.

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

Thanking you,
Sincerely,

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

Fin 2- Summary of Costs

S.N.	Details	Fees	
		Rs. (in figures)	Rs.(in words)
1	Financial Proposal (per month)		
2	Service tax (GST)		
	Total fees		

Note:-

For evaluation purpose, the financial proposal shall be submitted online.