

Gujarat Municipal Accounting Reform Project

**Proposal for
Project Management & Training Unit (PMTU) Cell**

for

**Accrual Based, Double - Entry Accounting System in
Municipalities of Gujarat State**

Name of Work :

Proposal for PMTU Cell invited from Chartered Accountant firm / experienced professional finance management agency for analyzing, monitoring, guiding etc. in implementation of Accrual Base Double Entry Accounting System in 159 Municipalities of Gujarat

**Gujarat Municipal Finance Board
Sector – 10a, Board Nigam Vistar,
Gandhinagar**

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No.GMFB/DE/PMTU/

**Gujarat Municipal Finance Board
Sector 10/A, Board Nigam Vistar,
Gandhinagar - 382010
Gujarat
Dt.**

To

Subject: Invitation for submitting Proposal for PMTU Cell from Chartered Accountant firm/experienced professional finance management agency for analyzing, monitoring, guiding etc. in implementation of Accrual based Double Entry Accounting System in 159 Municipalities of Gujarat.

The Government of Gujarat, as a part of its intention to strengthen the financial Capacities and Accounting System of its Urban Local Bodies has introduced Accrual based Double Entry Accounting System in all municipalities of Gujarat State.

In order to uniformly and efficiently implement accrual based, computerized double entry accounting system in municipalities, the GoG has appointed Gujarat Municipal Finance Board as Nodal Agency. Under which Project Management & Training Unit (PMTU), has to function as coordinator for overall supervision, guidance and overall monitoring, reporting under the project for all municipalities of the State. The task of Project Management and Training Unit (herein after called PMTU) will be to manage the project in its entirety, which includes designing, monitoring, guiding, training and reporting as to the performance of hired professionals, C.A. Firms and other individuals and agencies in consultation with the committee appointed by the GOG. The PMTU will have an experience expertise in the field as its Adviser and it will be guided by the Technical Committee / Executive Committee.

The Annual Account work based on Accrual Based Double Entry Accounting System for the financial Year 2006-07 to 2010-11 has been already completed and Annual Accounts for the Financial Year 2011-12 is under preparation. The PMTU Cell has to work for Annual Accounts of all 159 municipalities for the Financial Year 2012-13 and may be extended for further (2) two years on the basis of annual performance of the agency.

- 2. Invitation:** In this context, GMFB invites proposal from the eligible agencies to carry out the work of Accrual based Double Entry Accounting System in 159 Municipalities of Gujarat, the category wise / District wise list of municipalities appended herewith at **Appendix - A**. Your agency has to get prepared 3-quarterly balance sheet/accounts and final balance sheet/accounts after required scrutiny and analysis for the year 2012-13. Keeping these in view, you are requested to submit the proposal. Your proposal must be written in English. All pages of your proposal must be properly numbered and initialed by you or your authorized signatory. Along with the proposal the Earnest Money Deposit amounting to **Rs.25,000/-** (Rupees twenty five Thousands only) shall have to be paid in form of Demand Draft of any Schedule Bank except Co-operative Bank. DD shall be in favor of "Chief Executive Officer, Gujarat Municipal Finance Board, Gandhinagar"
- 3. Scope of Work:** The Agency(s) is/are responsible for monitoring of accounts prepared by C.A.Firms / ULBs and scrutiny of financial Accounts. The agency has to get prepared quarterly and final balance sheet, Reports, Schedules from C.A,Firms and has to visit municipalities in accordance with the Agreement / Scope of Work as amended from time to time by GOG / GMFB in order to fulfill the Goals, Objectives and Strategies of Project. The detailed scope of work & TOR as specified at in the bid document.
- 4. Proposal :** You are expected to examine all terms and instructions contained in these documents.. If you consider that your firm does not have all the expertise for the assignment, please don't quote. The majority of the key professional proposed to put for the job must be either permanent employee or should be associated with the firm on long term basis. A good working knowledge of Gujarati is essential for key professional staff of this assignment. Failure to provide all requested information will be at your risk and may result in rejection of your offer.
- 5. Proposal Evaluation:** The proposal must be in two separate packets viz. **(i) Qualification criteria (Technical Bid)** and **(ii) Financial Bid**

 - (i) Evaluation of Technical Bid which will be carried out prior to opening of Financial Bid and only those Financial Bid's cover (packet) shall be opened who qualify as per criteria of proposal evaluation.
 - (ii) The work shall be assigned to qualified agency.
- 6. Award of Work:** The work will be awarded to the qualified and successful Agency. However, the Executive Committee or designated Authority in this behalf, has right to accept or reject offer of agency / agencies without assigning reason thereof. Executive

Committee or designated Authority in this behalf has right to accept or reject offer of agency / agencies without assigning reason thereof.

7. Mile stone dates:

1	Last Date of Submission	Date : 21/01/2013, Monday
2	Date of opening of Proposal (Technical bids)	Date : 22/01/2013, at 16:00 hrs.

- 8.** GMFB invites sealed proposals, super scribed with “Proposal for PMTU Bid” for the above mentioned work from qualified agencies by Registered Post / Speed Post, reachable to the Chief Executive Officer, Gujarat Municipal Finance Board, Sector 10/A, Board Nigam Vistar, Gandhinagar on dt. 21/01/2013 or before the date mentioned in the tender. Hand delivery / delivery through courier will not be permitted.

Thanking you,

**Chief Executive Officer
Gujarat Municipal Finance Board
Gandhinagar**

DATA SHEET

1	Name of work	Gujarat Municipal Finance Board invites Proposal for PMTU Cell from Chartered Accountant firm / experienced professional finance management agency for analyzing, monitoring, guiding etc. in implementation of Accrual Base Double Entry Accounting System in 159 Municipalities of Gujarat
2	Name of client	Chief Executive Officer Gujarat Municipal Finance Board (Government of Gujarat Undertaking) GMFB building, Board Nigam Area, Sector - 10 / A, Gandhinagar.
3	Descriptions and the objectives of the Assignments	For implementation of Accrual based Double Accounting System work in all municipalities of Gujarat.
4	Language of documentation	English
5	Working knowledge of a Specified Language (Specifically for Junior level Staff)	Gujarati
6	Language of Reporting	Gujarati / English as desired by the Client
8	Currency for payment of consultancy fees	Indian Rupees
9	Required number of copies of the proposal	Proposal document - Technical Bid - 2 copies - Financial Bid - 1 copy
10	Address of submission of proposal	Chief Executive Officer Gujarat Municipal Finance Board GMFB Building, Sector - 10 /A Gandhinagar
11.	Last Date and time of proposal submission.	Dt. 21/01/2013 till the office hours
11.a	Date of opening of Technical Bid	Dt. 22/01/2013 at 16:00 hrs in Conference Room of GMFB.
12.	The points given to evaluation criteria.	Agency shall have to score minimum 50 % marks out of total marks prescribed in the Qualification Criteria

13.(A)	Minimum Eligibility criteria	
(1)	Agency's should have minimum 2 years of experience to work with ULb in the area of financial management.	
(2)	Agency's should have the experience of maintaining / implementing of accounts / audit work with minimum 3 projects of Government organization / undertaking.	
13.(B)	Other Qualifying Criteria	
(1)	Qualified and experience Key staff proposed for the assignment	
(2)	Financial Capacity of the Bidder	
(3)	Years of Registration of Team Leader with ICAI.	
Minimum threshold score will be 50 Marks		
14..	EMD	Rs. 25,000/- (Rupees in twenty five thousand only) in form DD of Nationalized Schedule Bank (Co-operative bank will not be allowed)
15.	Penalty	Rs. 500 per day (Maximum 5% of Work order value) if agency fails to complete the work within stipulated time as approved by GMFB.
16.	Security Deposit	10% of Project Cost.
17.	Agency not eligible for proposal	The agency engaged in the project of preparation and maintenance of Accrual Based Double Entry Accounting System for the financial year 2012-13 of any Municipalities of Gujarat is not eligible for the proposal of PMTU.

Only Technical Bid will be opened on the date as mentioned in Data Sheet in the presence of the Agency(s) or their authorized representatives.

Notice intending to Proposal

1. Gujarat Municipal Finance Board is inviting proposal for PMTU Cell from Chartered Accountant firm / experienced professional finance management agency for analyzing, monitoring, guiding etc. in implementation of Accrual Base Double Entry Accounting System in 159 Municipalities of Gujarat State. The proposal will be in two bid system and will be submitted to the Chief Executive Officer, Gujarat Municipal Finance Board, GMFB Building, Sector 10 /A, Gandhinagar for the work mentioned as under :
2. **Name of Work:** Monitoring, analyzing, training, and to get prepared three quarter balance sheet and final balance sheet and submit the reports, Schedules in accordance with the Agreement / Scope of Work as amended from time to time by GMFB in order to fulfill the Goals, Objectives and Strategies of Project.
3. The work is to be carried out as described under SOW / TOR / memorandum of work in this proposal.
4. Proposal consisting of general conditions, conditions of contract, different Annexure, Price-bid, etc. will be issued to qualified Agency on payment of non refundable tender fee of **Rs. 1000/- (Rupees One thousand Only)** by DD in favor of " Chief Executive Officer, Gujarat Municipal Finance Board, Gandhinagar "
5. The Tender document may also be downloaded from our website, www.gmfb.in and duly filled in documents should be submitted with cash or DD of **Rs. 1000/- (Rs. One Thousand only)** in favour of " Chief Executive Officer, Gujarat Municipal Finance Board, Gandhinagar " towards the tender fee.
6. Agency shall submit his Proposal in sealed covers as described below without fail and failing so, his proposal shall be liable for rejection out rightly.

I. Envelope-1 : Proposal

1. Proposal Document
2. Earnest Money Deposit envelope
3. Experience Certificate
4. Document Fee receipt.

Proposal Document(Technical) only shall be kept in the envelope super scribed with "**PMTU Technical Bid**". The Agency shall invariably write his name, address, name of work, Proposal Notice No. on this envelope and seal it properly. **Please note carefully that the Price Bid shall not be kept in this envelope.** Please also note that

EMD (Earnest Money Deposit) shall be placed in a separate envelope. This shall also be sealed and super scribed with **"PMTU Earnest Money Deposit"**(**All the certificate and necessary attachment should be attached with main documents. Any documents send separately to GMFB will not be considered as a part of proposal documents**).

II. Envelope-2 Financial Bid

The financial Bid documents issued as a part of the Proposal Document shall be kept in this envelope only and shall be properly sealed and super scribed with **"PMTU Financial Bid"** with the name of Agency, his address, name of the work and Tender Notice No.

III. Envelope-3

The above mentioned Envelope-1 and Envelope-2 shall be kept in this envelope of bigger Size and shall be properly sealed and super scribed with **"PMTU Cell Bid Documents"** with the name of Agency, his address, name of the work and Proposal Notice No.

7. The Envelops shall be opened by following procedure opening of the Proposal:
 - a. First the Envelope – 3 shall be opened by the competent officer. He shall then open the Proposal document
 - b. Envelope for the Scrutiny of the Proposal Documents. The Proposal Document shall be thoroughly scrutinized by the Competent Authority. The Data and information furnished by the Agency shall be evaluated on the basis of technical capability, financial capacity, assets and work experiences etc.
 - c. In case, if the Proposal document of any Agency/s falls short of any Document, his/their tender shall be considered as rejected out
 - d. Financial Bid document of only those agencies shall be opened who score minimum marks as per the qualification criteria.
 - e. After opening Proposal document and Financial Bid the department shall process Proposal document to rightly competent authority for the final decision
8. The following details are required in Proposal document:
 - a. The Proposal Document Envelop shall be accompanied by Earnest Money Deposit in the form of DD of Rs 25,000/- (Rupees Twenty five Thousands only). The Agency will pay Earnest Money Deposit only in form Demand Draft issued in favor of "Chief Executive Officer, Gujarat Municipal Finance Board, Gandhinagar". Earnest money in any other form other than specified above shall not be accepted.

- b. List of the Performa as copies of concerned prior experience (if any).
 - c. Declaration regarding the work on hand if any with the Agency shall also be given in Annexure. Attested copies of work orders, shall also be attached as supporting documents.
 - d. Agency shall show his financial capability with required documents. The details of which shall be declared in the Annexure. The Agency failing to submit/furnish these details may be out-richtly disqualified and no dispute thereof shall be entertained at any time. Any telephonic call or personal meeting will not be entertained at GMFB level other than the concern nominated authority.
 - e. Submission of a Proposal document by an Agency shall mean that he/she has read this notice and Proposal documents and has made himself/herself aware of the scope and terms and conditions of the work to be done, etc. that may be required by him in carrying out the work, local conditions, laws and bylaws of the Government, GMFB and other factors bearing influence on the execution of the service so proposed.
- 9.** Proposal document shall be received by Registered Post A.D. or by Speed Post through Postal Authority only reachable to The Chief Executive Officer, Gujarat Municipal Financial Board, GMFB building, Board Nigam Area, Sector - 10 / A, Gandhinagar on or before **dt. 21/01/2013** up to office hrs.
- 10.** The same will be opened on **dt. 22/01/2013 at 16.00 hours** (if possible) in the presence of the Agency(s), who shall remain present in the conference hall, Gujarat Municipal Finance Board (Government of Gujarat Undertaking) GMFB building, Board Nigam Area, Sector - 10 / A, Gandhinagar. Late documents (i.e. Tender Document received after the specified time of opening), delayed Proposal document (i.e. document received before the time of opening but after due date and the time of receipt of Proposal document) shall not be considered at all.
- 11.** Proposal received by **Registered Post A. D. / Speed Post only** after the time and the date specified in the Tender notice shall not be accepted / received by the GMFB from the postman. Such Proposal documents if received will not be opened and will stand rejected.
- 12.** Proposal Document offer shall be prima-facie rejected if:
- a. Agency proposes any alternation in the work specified or any conditions or corrections made in the TOR / SOW.
 - b. Any eraser is made in the Tender Document unauthenticated or any page or a

page is /are removed or replaced.

- c. Agency shall submit the Tender Document which does not satisfy each and every condition laid down in the notice and Tender Document documents, failing which the Tender Document will be liable for rejection.
 - d. Agency's Tender Document containing conditions shall be liable for rejection outrightly without assigning any reason for the same.
 - e. Stipulates the validity period less than what is stated in the form or tender.
 - f. Stipulates his own conditions.
 - g. Does not fill in and sign the Tender Document form as well as annexure, specifications etc.
 - h. Does not pay the Earnest Money Deposit by Demand Draft/Pay order with Tender Document (In separate envelope of envelope –I).
 - i. Does not submit the tender before the stipulated time and specified date in the Office of the Chief Executive Officer, Gujarat Municipal Finance Board, Sector – 10/A, Board Nigam Vistar, Gandhinagar as directed.
 - j. Does not attach the required documents.
 - k. All pages of Tender Documents should be initialed by the Agency.
- 13.** Inviting request for proposal shall be a part of the Tender Document.
- 14.** The successful Agency shall be required to enter into agreement with GMFB after the letter of Intention is issued & work order will follow after execution of agreement.
- 15.** Executive Committee or designated Authority reserves the right to open or not to open any or all Tender Document without assigning any reason thereof.
- 16.** The Executive Committee or designated authority, may nominate any person / persons to rate the Tender Document submitted by the Agencies.

Preliminary Definitions

1. **"Act"** means The Municipal Act and Bombay Provincial Municipal Corporation Act, 1947.
2. **"Accounting Code"** means Municipal Account Code as time by time in force.
3. **"Applicable Laws"** means all laws, promulgated or brought into force and effect by the Government of Gujarat or the Government of India including rules and regulations made there under, and judgments, decrees, injunctions, writs and orders of any court of record, as may be in force and effect during the subsistence of this Agreement.
4. **"Arbitration Act"** means the Arbitration and Conciliation Act, 1996 and shall include modifications to or any re-enactment thereof as in force from time to time.
5. **"Accounting Year"** means the financial year commencing from 1st April of any calendar year and ending on 31st March of the next calendar year.
6. **"Agreement"** means this Agreement, Schedules, condition, documents and any amendments thereto made In accordance with provisions contained in this Agreement.
7. **"Breach"** means a breach by either Party of any of its obligations in this Agreement which shall be deemed to have adverse effect to the proposed service.
8. **"C A & G "** means Comptroller and Auditor of General of India
9. **"Chartered Accountants"** means chartered Accountant registered with the ICAI
10. **"C.O."** means the officer functioning under section 47 of the Act.
11. **"Data"** shall mean the information in relation to the Municipal Corporation /Municipalities/GMFB or of other Organization as decided by GMFB and made available to the Agency for the project.
12. **"DoM"** means Director of Municipalities
13. **"ICAI"** means Institute of Chartered Accountants of India
14. **"GOG"** means Government of Gujarat.
15. **"GOI"** means Government of India.
16. **"GMFB"** means Gujarat Municipal Finance Board
17. **"Municipality"** means municipality constituted under the Municipal Act.
18. **"NA"** Not Applicable

19. **“National Municipal Account Manual “** means National Municipal Account Manual framed by the Ministry of Urban Development, Government Of India.
20. **“Report”** means Reports or Statement in the format as prescribed by GMFB
21. **“SOW “** means Scope of Work
22. **“ SC”** means Schedule Cast
23. **“ST”** means Schedule Tribe
24. **“TD”** Tender Document
25. **“Team Leader”** means Principal Chartered Accountant of the Agency.
26. **"Termination"** means termination of the Agreement.
27. **“UDD”** means Urban Development & Urban Housing Department of Government of Gujarat.
28. **“ULB”** means Urban Local Bodies.

Qualification Criteria and Evaluation

Agency's eligibility for pre-qualified agencies will be evaluated based on the following parameters and marking pattern.

- 1) Financial Criteria and 2) Technical Criteria

Financial Criteria

1. The annual turnover of last three years should not be less than Rs. 25/- Lakhs.
2. The Net cash Accruals (*PAT+ Depreciation+ Non Cash Accruals*) of the agency should be at least 5/- Lakhs during last 2 consecutive years.

Technical Criteria

1. The bidder Agency / Firm must be registered with The Institute of Chartered Accountants of India (ICAI) or the Agency's Principal Officer / Director who should be associated with such agency for at least 2 years and also registered with ICAI & having certificate of practice to work as Chartered Accountant.
2. The firm / Agency must be having minimum 2 Chartered Accountants (Including Principal Officer / Director) having certificate of practice from ICAI .
3. The firm leader / Project Director must have at least 7 Years of Experience as practicing Chartered Accountant.
4. Agency's should have minimum 2 years of experience to work with ULb in the area of financial management. And Agency's should have the experience of maintaining / implementing of accounts / audit work with minimum 3 projects of Government organization / undertaking.
5. The Agency should have the qualified staff to work on Tally Software / any customize software for Accounting. Agency have to submit the details of staff with this qualification and certificates there of.
6. Tender Document Evaluation procedures shall consist of marking system. Marks shall be allotted on the following basis:

No.	Item		Maximum Marks
1	Agency's experience related to the area of financial management.	Below 2 years	Disqualified
		2 to 5 years	15
		Above 5 years	20
2	Agency's Experience related to maintaining / implementing of accounts / audit works with minimum 3 projects / work carried out with Government organization / undertaking.	3 to 5 years	10
		5 to 10 years	20
		Above 10 years	25

3	Qualification and experience of the Key staff proposed for the assignment, at least	a(i)	2 CA having experience of accrual base double entry accounting system in ULB	15
		a(ii)	1 CA having experience of accrual base double entry accounting system in ULB	10
		a(iii)	2 CA having experience of accounting system in ULB	5
		b	4 Audit Clerk	5
		c	1 IT Expert	3
		d	3 Computer Operator	2
4	Financial Capacity of the Bidder	a.	Annual Turnover (Rs.25/- lacs)	10
		b.	Net Cash Accrual (Rs.5/-lacs)	5
5	Years of Registration of Team Leader / Project Director or of the Firm.		7 years	10
			Above 7 years	15
Total				100

The minimum thresh-hold score will be 50 Marks.

The Scope of Work and Terms of Reference for the PMTU Cell

The Scope of Work :-

1. The agency has to get prepared the quarterly accounts ending June, September, December and March for each financial year 2012-13 and annual accounts of all 159 municipalities in Accrual Base Double Entry Accounting System through chartered accountant firms / ULB and submit the quarterly and final Balance sheet with signature of President, Chief Officer and Accountant prepared by chartered accountant firms to GMFB in soft and hard copy.
2. The agency has to scrutinize the accounts of all 159 municipalities prepared by chartered accountant firms / ULBs whether it is prepared according to the norms and accounting standards prescribed by GMAM / NMAM Give comments on quarries found during scrutiny and get it resolved. Provide guidance to the C.A. Firms /ULBs, for preparation of accountant whenever require.
3. The agency has to perform following daily / monthly activities
 - a) Management Information System
 - To prepare Standard Formats for Monitoring
 - To prepare and collect Monthly Progress report for CA firm before 5th of the next month
 - Submission of Consolidation Report to the Government on Monthly Basis before 10th of the next month
 - Other various report as per the requirement of GMFB/DoM/UDD etc.
 - Analysis of implementation through ULB's and follows up.
 - b) Analysis of Quarterly Balance Sheets of ULBs
 - Verification of Financial Statement as per the requirement
 - Verification Cost center
 - Verification of account code
 - Verification of segment report and other function
 - Various Other disclosure as required
 - c) Final Balance Sheets of ULBs.
 - Analysis of Final balance sheet – Verification of Balance sheet and Profit and loss account
 - Details notes of Accounts & accounting policies and other Material observation or discrepancy
 - To verify the Grant / Loan Reconciliation – cross verification of Utilization of grant / Loan expenditure wise like Capital, revenue etc.
 - Segmental reporting for revenue income and expenditure in addition to as per requirement of client.
 - Verification of Financial ratio as per the Format
 - Verification and analysis of all the provision, control account, depreciation and all year end procedure.

- d) To help in issues, faced by the CA Firms / ULBs relating to the Accounting Entry or software or issue during the preparation of prescribed reports and financial statement
 - e) Provide hand holding facilitate for smooth transition to computerized environment
 - f) Verification & Follow up for Various Report
 - g) To Prepare the various MIS report as per the requirement
 - h) Require telephonic/electronic monitoring
 - i) To give Comment on Municipal Accounting code in coordination with GMFB and Director of Municipality.
 - j) To suggest any update in the chart of account on year to year basis base on the previous year accounting and update in the software
 - k) To Recommend Change in draft Accounting code base on the balance sheet and comment received from CA Firm
 - l) Required analysis of work implemented by the CA firm and update to GMFB as and when required.
 - m) Analysis of Opening Balance Sheet of ULBs as and when required
 - Analysis of Opening balance sheet – Verification of C& AG Form – Fixed assets details , Valuation , Details notes of Accounts & accounting policies and other Material observation or discrepancy – Action to sort out the issue.
4. The agency has to prepare and submit hard copy and soft copy activity/service wise statement of Income and Expenditure for all the Municipalities activities /services as identified and uniformly coded under GMARP. (Activities/Services holding Budget Code 0 to 9 including sub activities under each of these parent activities /services).
 5. To assist for recasting of budget into new formats.
 6. To follow instructions / directions / guidelines issued by GMFB from time to time regarding to this assignment.
 7. The Agency shall have to provide services of atleast one Inter CA & one conversant data entry operator at the clients office.
 8. Update new chart of account in Tally / customize master data in municipalities and strictly follow new chart of account for the financial year.

The CA of the Agency shall have to visit 25 % of the total the municipalities, to ensure the smooth efficient implementation of Accrual Base Double Entry Accounting System.

9. Any other service requirement as desired by the client for Effective implementation or monitoring of the project.

The Terms of Reference:-

1. The bidder/Agency may be proprietary or partnership firm / company registered under Indian Companies Act will be given weightage.
2. Following the issue of the letter of acceptance, the successful Agency shall be required to enter into Agreement with GMFB.
3. Executive Committee or Designated Officer reserves the right to accept one or to reject all RFP without assigning any reason thereof and which shall be binding to the Agency(s). No dispute whatsoever in this regard shall be entertained.
4. Dispute if any shall be discussed and mutually settled and in case of disagreement the same shall be referred to Executive Committee or Designated Officer. After referring to Executive Committee or Designated Officer if the said dispute is not solved, the same shall be referred to the court subject to Gandhinagar Jurisdiction only.
5. Agency shall indemnify GMFB, GOG and Government Agency against all actions, suits, claims, demands and proceedings and any loss or damage or cost or expense that may be suffered by them on account of anything done by the Agency in connection with the performance of its obligations under this contract.
6. Agency shall have the requisite organizational set up for carry out the work at ULB Level.
7. Agency has to perform the work as per the scope of work specified in this bid document.
8. **Award of Work:-** Executive Committee or Authority Designated in this behalf reserves the right to accept full or part of the RFP or reject any RFP, and to cancel the process and reject all RFPs at any time before the award of the work, without assigning any reason and thereby without incurring any liability to the affected Agency or Agency(s) or any obligation to inform the affected Agency or Agency('s) of the grounds for such action/decision.

9. Executive Committee or Authority Designated in this behalf reserves exclusive rights to modify / increase scope of the selected agency and will be informed accordingly to the selected agency
10. **Notification to Agency commitment to fair and transparent process:** Agency whose RFP have been accepted shall be notified of the award by the GMFB prior to the expiry of the period of validity of the RFP, by registered letter or by fax. This letter (hereinafter called the "Letter of Acceptance") shall state the sum that GMFB shall pay the Agency in consideration of the execution, completion and maintenance of the work as prescribed by the Contract (hereinafter the "Amount of agreement") in accordance with Payment Terms. The Agency shall acknowledge in writing, the receipt of the Letter of Acceptance and shall send its acceptance to enter into the agreement within five (5) days from the receipt of the Letter of Acceptance.
11. **Signing of Agreement:** Pursuant to the Agency acknowledging the Letter of Acceptance, the Agency and GMFB shall promptly and in no event later than 7 days from the date of acknowledgement of the Letter of Acceptance, sign the agreement. Executive Committee or Authority Designated in this behalf shall have the right and authority to negotiate certain terms with the successful Agency before signing of the agreement.
12. **Expenses for the work:** All incidental expenses of the execution of the work shall be borne solely by the successful Agency and such amount shall not be reimbursed to the successful Agency by GMFB.
13. **Failure to abide by the work:** The conditions stipulated in the work shall be strictly adhered to and violation of any of these conditions shall entail immediate termination of the work without prejudice to the rights of GMFB with such penalties as specified in the RFP Document and the agreement.
14. **Termination of Agreement**
 - a. **Termination for Default:** GMFB may, without prejudice, to any other remedy for breach of agreement, by prior written notice of default sent to the Agency, terminate the work in whole without assigning any reason if
 - i. The qualified Agency fails to deliver any or all of the obligations

within the time period(s) specified in the agreement, or any extension thereof granted by Executive Committee or Authority Designated in this behalf.

- ii. The qualified Agency fails to perform any other obligation (s) under the agreement.
- iii. If the Agency is in material breach of the representations and warranties contained in this agreement

- b. **Termination for Insolvency, Dissolution etc:** GMFB may at any time terminate the agreement in case of dissolution of firm or winding up of company, provided that such termination will not prejudice or affect any right of action or remedy which has accrued thereafter to GMFB.
- c. **Termination for Convenience:** GMFB reserves the right to terminate by prior written notice, the whole or part of the agreement. The notice of termination shall specify that termination be for GMFB'S convenience, the extent to which performance of work under the contract is terminated and the date on which such termination becomes effective. Upon termination of this agreement, GMFB shall have the right to enter into an agreement with any third party. The security Deposit and/or Performance Guarantee given to the GMFB by the Agency shall be confiscated.

FORCE MAJEURE

Force Majeure:

1. A Force Majeure event shall mean occurrence of any of the events like acts of God, exceptionally adverse weather conditions, earthquake, cyclone, flood, volcanic eruption or fire or landslide, strikes or boycotts (other than those involving the Agency or their respective employees/representative or attributable to any act or omission of any of them) interrupting supplies and services, an act of war, riot, terrorist or military action, industry wide or state wide or India wide strikes or industrial action which prevent carryout survey work and the work specified in the ToR, which prevent the Parties from performing its obligations under this Agreement.
2. Upon the Occurrence of a Force Majeure Event there shall be no Termination. There shall be no Termination payment to be made by either party.
3. If the Agency is rendered wholly or partially unable to perform its obligations because of a Force Majeure Event, it shall be excused from performance of such of its obligations to the extent it is unable to perform on account of such Force Majeure Event only and not due to other reasons whatsoever.
4. The Agency affected by a Force Majeure Event shall notify to GMFB in writing of the occurrence of the Force Majeure Event as Soon as reasonably practicable of its occurrence and the probable material effect that the Force Majeure Event is likely to have on the performance of its obligations under this Agreement.

Dispute Resolution:

Disputes if any shall be discussed and mutually settled and in case of disagreement the same shall be referred to concerned officer of GMFB.

MISCELLANEOUS

1. **Execution of the Agreement:** It shall be the responsibility of the Agency to get the Agreement executed on the non- judicial stamp paper of appropriate value under the Indian Stamps Act 1899 and registered if required under law, in two sets (one for the Agency and other for GMFB) at its own cost and expenses under the Indian Registration Act 1908.
2. **Non Assign ability :** Agency shall not, unless otherwise provided in the Agreement, directly or indirectly sell, transfer or assign sublet or otherwise part with the use whole or part of work under this agreement to any person or party in any manner whatsoever.
3. **Indemnity:**
 - a. Agency agrees and undertakes to defend, indemnify and hold harmless concerned municipalities and GMFB, its officers and employees from and against any and all claims, liabilities, actions, demands, judgments, losses, costs, expenses, suits, actions and damages arising by reason of bodily injury, death or damages to property sustained by third parties that are caused by an act of negligence or the willful misconduct of the Agency, or by any of its personnel of whatever status.
 - b. Agency also agrees and undertakes to defend, indemnify concerned municipalities and GMFB, from and against any and all claims, liabilities, actions, demands, judgments, suits and damages arising by reason of the facility and its maintenance and its use for advertisement under the Agreement.
 - c. concerned municipalities and GMFB, agrees to defend, indemnify the Agency from and against any and all claims, liabilities, actions, demands, judgments, suits and damages arising by reason of the ownership of the land proposed to be licensed under the Agreement.
4. The Agency shall not, unless otherwise provided in the Agreement, directly or indirectly sell, transfer or assign, sublet or otherwise part with the use

whole or part of sites and facilities under this agreement to any person or party in any manner whatsoever.

5. **Waiver:** The failure of either party to insist upon a strict performance of any of the terms or provisions of this Agreement or to exercise any option, right or remedy herein contained, shall not in future be construed as waiver or a relinquishment of such terms, provisions, option, right or remedy but the same shall continue and remain in full force and effect. No waiver by either party of any term or provision hereof shall be deemed to have been made unless expressed in writing and signed by such party.
6. **Modification of Agreement:** Any modification/alteration to the terms and conditions of the Agreement shall be made by mutual consent in writing to be effective and binding. In the event that any clause/s mentioned in the Agreement is held to be void or not valid or not enforceable the said clause/s shall be deemed not to have been a part of the Agreement and the existence of such clause/s shall not invalidate or nullify the Agreement and it shall continue to be in force uninterrupted and be binding on the parties hereto.
7. **Penalty :** If agency fails to complete the assigned work within stipulated time limit, the agency shall be liable to pay Rs. 500 per day (maximum 5% of the allotted project cost)

FINANCIAL BID

How to Quote Financial Bid

1. How to Quote ?

1. Agency should submit the BID in separate envelop.

FINANCIAL BID

Schedule - 1

Rate PMTU cell for Accrual Base Double Entry Accounting System in Municipalities of Gujarat State.

Rate for Financial Year 2012.13 Rs.	
In Figure	In words

The rate is inclusive of all taxes + all expenses & overhead.

Name & Signatures of Authorized Person

PAYMENT CONDITION

1. **Contract Amount :** An all inclusive cost of the services payable in Local currency is set as described below:
 - i. **Currency of payment :** All payments shall be made in Indian rupees
 - ii. **Performance Guarantee:** The amount payable to the Agency at each stage shall be paid as per ToR.
2. **Mode of Billing and Payments of professional Fees:**

Payments of professional fees will be made by the GMFB as per following. No mobilization advance or advance on establishment will be admissible.
3. The payment of professional fees shall be inclusive of all works to be carried out as per scope of work and other details prescribed in TOR.
4. The payment of professional fees shall be made as per the following stages and after submission of bill by the Agency
5. The payment of professional fees shall be done in stages as under along with deliverables data & reports at each of the following stages.

Sr. No.	Stages	% amount to be released.
1	After submission of first Quarter Accounts of every 40 municipalities, 5% amount of work order will be released. Thus after submission of first Quarter Accounts for total 159 municipalities, 20% amount will be released	20%
2	After submission of second Quarter Accounts of every 40 municipalities, 5% amount of work order will be released. Thus after submission of second Quarter Accounts for total 159 municipalities, 20% amount will be released.	20%
3	After submission of third Quarter Accounts of every 40 municipalities, 5% amount of work order will be released. Thus after submission of third Quarter Accounts for total 159 municipalities, 20% amount will be released	20%
3	After submission of final balance sheet of every 40 municipalities, 5% amount of work order will be released. Thus after submission of final balance sheet for total 159 municipalities, 20% amount will be released	20%
4	On satisfactory completion of the project the remaining 20% amount of the work order will be released	20%

6. No intermediate payment of professional fees shall be made.
7. The Agency shall submit the invoices in duplicate to the client on firms printed bill forms indicating the work done by him during the period for which payment is sought.
8. The stage wise payment of professional fees shall be release after verification/ certification of stage wise completion of work by officer in charge
9. If the progress is not satisfactory and according to the agreed work program / schedule the payment may be withheld until such times the Agency should be recovered the shortfall.
10. If there is any correction, Addition, modification asked by GMFB the Agency shall thereupon promptly make any necessary corrections, and upon completion of such correction, the foregoing process shall be repeated.
11. **Suspension of payments:**

Any point of time during the term of the Contract GMFB authority may issue a written notice for suspension and withhold all payments to the qualified Agency under the Contract, if the qualified Agency fails to perform any of his obligations under this Contract. Prior to the suspension of the payments, the GMFB shall make the request to the qualified Agency to remedy such failure within a period of 10 days from the date of issue of such notice of suspension. The notice of suspension shall specify the nature of the failure. In the event the Agency does not rectify the failure within the specified time prescribed, the GMFB shall have the right to terminate the Contract.
12. In case of any disputes, the decision of Executive committee or designated authority in this behalf shall be final & binding to agency carrying out the work
13. All legal matters shall be referred to the court of law subject to Gandhinagar Jurisdiction only.

Appendix - A

List of Category wise - District wise Municipal Corporations & Municipalities - Gujarat State							
Sr.No.	Name of District	Municipal Corporations	Name of Municipalities				Total
			A	B	C	D	
1	2	3	4	5	6	7	8
1	Ahmedabad	Ahmedabad		Dholka	Sanand	Barvala	7
				Viramgam	Bavla	Bareja	
					Dhandhuka		
2	Amreli			Amreli	Rajula	Lathi	9
				Savarkundla	Bagasara	Babara	
					Jafrabad	Chalala	
						Damnagar	
3	Anand		Anand	Khambhat	Umreth	Anklav	11
				Borsad	Vallabh - Vidhyanagar	Oad	
				Petlad	Karamsad	Boriavi	
						Sojitra	
4	Banaskantha		Palanpur	Deesa		Tharad	6
						Dhanera	
						Bhabhar	
						Thara	
5	Bharuch		Bharuch	Ankleshwar	Jambusar	Amod	4
6	Bhavnagar	Bhavnagar	Botad	Mahuva	Shihor	Vallbhipur	8
				Palitana	Gariyadhar		
					Gadhda		
					Talaja		
7	Dahod			Dahod	Zalod	Devgadh Bariya	3
8	Gandhinagar	Gandhinagar	Kalol		Dehgam	Pethapur	4
					Mansa		

9	Jamnagar	Jamnagar		Okha	Jamkhambhaliya	Kalawad	10
					Dwarka	Dhrol	
					Salaya	Jamjodhpur	
						Bhanvad	
						Sikka	
						JamRaval	
10	Junagadh	Junagadh	Veraval-Patan	Kesod	Kodinar	Sutrapada	12
				Mangrol	Manavadar	Chorvad	
				Unna		Talala	
						Visavadar	
						Vanthli	
						Bantva	
11	Kheda		Nadiad		Kapadvanj	Kheda	11
					Chaklasi	Dakor	
					Balasinor	Kathalal	
					Mahemdavad	Mahudha	
						Kanjari	
						Thasra	
12	Kachchh		Gandhidham	Bhuj	Mandvi	Rapar	6
				Anjar	Bhachau		
13	Mehsana		Mehsana	Visnagar	Vadnagar	Vijapur	7
				Kadi		Kheralu	
				Unjha			
14	Narmada				Rajpipla		1
15	Navsari		Navsari	Vijalpor		Gandevi	4
				Bilimora			
16	Pachmahals		Godhra		Halol	Kalol	6
					Lunavada	Santrampur	
						Shahera	
17	Patan		Patan	Sidhdhpur	Radhanpur	Harij	5
						Chanasma	
18	Porbandar		Porbandar		Ranvav	Kutiyaana	4
					Chhaya		
19	Rajkot	Rajkot	Morbi	Gondal	Wankaner	Bhayadar	9

			Jetpur-Navagadh	Dhoraji	Jasdan	Maliya-Miyana	
				Upleta			
20	Sabarkantha			Himmatnagar	Idar		8
				Modasa	Khedbrahma	Prantij	
						Vadali	
						Talod	
						Bayad	
21	Surat	Surat		Bardoli		Tarsadi	4
						Mandvi	
						Kanakpur-Kansad	
22	Tapi				Vyara	Songadh	2
23	Surendranagar		Surendranagar-Dudhrej	Dhrangadhra	Limbadi	Halvad	8
				Wadhvan	Thangadh	Chotila	
						Patadi	
24	Vadodara	Vadodara		Dabhoi	Padra	Chhotaudepur	5
					Karjan	Savali	
25	Valsad		Vapi		Pardi	Umargam	5
			Valsad			Dharampur	
	Total	8	18	33	45	63	159

Appendix B :

TIME FRAME OF WORK

Particulars	Executing Agency	Time Frame
Submit First, Second and Third Quarterly Balance Sheet & Reports for F.Y. 2012-13	PMTU Cell	To be completed by 31 st March, 2013.
Submit (Fourth Quarterly) duly scrutinized, analyzed & Certified Final Balance sheet & Reports for F.Y. 2012-13	PMTU Cell	To be completed by 30 th June, 2013.
Residual all Reports deliverable data in Softcopy as well as hard copy.		

Note : Apart from above time line the Agency has to submit progress Report & Trial Balance Sheet as and When required.

ANNEXURE-2
Format for Covering Letter

(On the Letterhead of the Agency lead partner of the company full postal address, telephone nos. or fax, e-mail address etc.)

Dated: _____

To,
Chief Executive Officer,
Gujarat Municipal Finance Board,
Sector – 10a, Board Nigam Vistar,
Gandhinagar.

Sub: Tender Notice No.

Dear Sir

We refer to your notice no _____ for inviting appointment of Chartered Accountants.

Having fully studied and understood the tender document and its accompaniments and the details therein, I / We _____ here by submit the application for qualification for the above project.

We hereby confirm that:

1. All information provided in the Qualification Statement and in the attachments is true and correct
2. This statement is made for the explicit purpose of qualifying as Chartered Accountants for implementation of Accrual Base Double Entry Accounting System in 159 Municipalities of Gujarat. as per GOG/GMFB guidelines.

We shall make available to the GMFB or their authorized agencies and additional information they may find necessary to verify the Qualification Statement. GMFB or its authorized representatives are hereby authorized to conduct or to make any inquiries or investigations to verify the statements, document and information submitted with this application and/or in connection therewith and to seek clarification from our bankers, financial institutions and clients regarding the same. This letter shall also serve as authorization to any individual or authorized representative of any institution

referred to in the supporting information, to provide such information and particulars or clarification as may be deemed necessary or appropriate by GMFB to verify the statements and information furnished in this application together with all annexure or with regard to the resources and experience of the Agency.

For any information, GMFB or its authorized agents may contact the following persons:

	Professional Enquiries		Financial Enquiries	
	Contact 1	Contact 2	Contact 1	Contact 2
Name				
Address				
Telephone				
Fax				
E-mail				
Address				

We understand that the final bids by Agency(s) will be subject to verification of any and all information submitted in the tender.

We also understand that GMFB reserve the right to amend, alter or vary the scope and terms of the bid.

We understand that GMFB shall not in any manner be liable for its actions described in item 7 and 8 above and shall be under no obligation to inform the Agency of the grounds and / or reasons for the same.

We hereby irrevocably waive any right at any stage at law or howsoever otherwise arising to challenge, question or delay in any decision taken by GMFB in selection process.

Yours sincerely,

Signature (authorized signatory)

For and on behalf of

ANNEXURE-4

Format for Affidavit / Undertaking

To,
Chief Executive Officer,
Gujarat Municipal Finance Board,
Sector – 10a, Board Nigam Vistar,
Gandhinagar.

I/We (Name and Designation) of _____
_____(Name of firm company) do solemnly
affirm and certify that all the statements made in the annexure hereto are true and correct.

I, hereby undertake to provide / furnish any other information / particulars as may
be required by GMFB.

I, the undersigned, further agree and undertake to arrange and / or assist GMFB and/or its
authorized representative in all respects, whatsoever, in conducting any enquiry or investigations for
verification / authentication of the statements, documents submitted by us in connection with this
application and to seek clarification from our bankers and clients regarding and financial,
technical and managerial aspect(s).

I, further agree and undertake to authorize and individual or authorized representative of
any institution referred to in the supporting information, to provide such information as
may be deemed necessary and requested by you to verify the statement and information furnished
in this application together with all Annexure or with regard to the resources, experience
and competent of the Agency herein.

Signature (Authorized Signatory)

ANNEXURE-5

Registration, Professional Experience & Financial Capacity

(A) Year of Registration of Team Leader with ICAI :-

(Copy of Registration Certificate may be attached)

(B) Professional Experience :-

(I) Agencies Specific Experience related to Assignment(Accrual Base Double Entry Accounting System in Municipalities)

Sr. No	Accrual Base Double Entry Accounting System in Municipalities					Authority for whom carried out
	Name of Municipalities were work done	Financial Year	Cost involved (Rs.Lakhs)	Date of Commencement of the work	Date of Completion of the work	
1.						
2.						
3.						
4.						
5.						

(Supportive document required to be attached with page no.)

(II) Agency's Experience related to Accounting works / Auditing works and no. of project / work carried out with Government Organization / under taking.

Sr. No	Name of Project / work	Financial Year	Cost involved (Rs.Lakhs)	Date of Commencement of the work	Date of Completion of the work	Authority for whom carried out
1.						
2.						
3.						
4.						
5.						

(Supportive document required to be attached with page no.)

(C) Financial Capacity of the Agency

(Audited Annual Account Report for last 3 Years of F.Y. 2009-10, 2010-11, 2011-12 may be attached)

ANNEXURE-6

BID FORM AND APPENDIX

Agencies are required to fill up all the blank spaces in this Bid Form.

**To,
Chief Executive Officer,
Gujarat Municipal Finance Board,
Sector – 10a, Board Nigam Vistar,
Gandhinagar.**

Sub :- Invitation Letter No_____ /2012-13

Dear Sir,

The complete set of Tender Document, Pre Bid Minutes, Clarification, amendments, addendum etc. for the execution of the above contract, we the undersigned offer to execute and complete whole of the said work in a schedule time limit from the date of issue of letter of Acceptance/ Work Order as given in Condition of Contract and in conformity with the above set of documents for the EOI in separate sealed Envelope.

I/We agree that,

The officer in-charge will be at liberty to take any action including termination of agreement and impose at his absolute discretion any penalties and/or reject the work.

I/We undertake, if my/our bid is accepted to deliver the works in accordance with the contract for period as specified in the bid from the date of receipt of letter of acceptance issued to me/us.

I/We agree to abide by this bid for a period of (120 days) from the date fixed for receiving the same and it shall remain binding upon us and may be accepted at any time before the expiry of that period.

In the event of our bid being accepted, we agree to enter into formal contract agreement incorporating the conditions of contract there to annexed but until such agreement is prepared this together with GMFB written acceptance there and shall constitute a binding contract between us.

We understand that we have to follow the instruction of GOG, GMFB & their designated officers. If any during the execution of the work within the contract period.

We understand that you are not bound to accept the lowest or any bid you may receive.

Dated this day of 2012.

Signature of the Agency

Name of the Person

In the capacity of

Company Seal

(Name of Firm)

Duly authorized to sign Bid for and on behalf of (fill in block capitals)

Witness Signature

Name :

Address :

ANNEXURE-7

(A) DETAILS OF KEY PERSONNEL

Name of the Chartered Accountant :

Sr N o	Name of incumbent	Age	Professional Qualification	Total Experience	Date Since employed with the consultants	Training	Annual Salary	Audited Evidence for Salary
1	2	3	4	5	6	7	8	9
1								
2								
3								
4								
5								

(B) DETAILS OF KEY PERSONNEL PROPOSED FOR THE PROJECT

Name of the Chartered Accountant :

Sr N o	Name of incumbent	Age	Professional Qualification	Total Experience	Date Since employed with the consultants	Training	Annual Salary	Audited Evidence for Salary
1	2	3	4	5	6	7	8	9
1								
2								
3								
4								
5								