

RFP NO: MPSEDC/CSC/2007-08/01

# REQUEST FOR PROPOSAL

FOR

SELECTION OF SERVICE CENTRE AGENCIES TO SET UP,  
MANAGE AND OPERATE COMMON SERVICES CENTERS IN  
THE STATE OF MADHYA PRADESH

VOLUME 2:  
COMMERCIAL TERMS AND INSTRUCTIONS TO BIDDERS

ISSUED BY  
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## **1. INTRODUCTION**

### **1.1 Preamble**

- a. Based on the Project Information Memorandum, enclosed as Volume 1 of this RFP, Managing Director, MPSEDC, invites sealed Technical & Financial Bids on behalf of Government of Madhya Pradesh, from Eligible Bidders, for establishment and implementation of Common Services Centers in the State of Madhya Pradesh on a Public Private Partnership (PPP) basis.

### **1.2 Cost of Bid Document**

- a. A complete set of the Bid Document may be purchased by the interested Bidder on the submission of a written application to MPSEDC and upon payment of a non-refundable fee of Rs.10, 000.00 (Rupees Ten Thousand only) either in the form of cash or in the form of a Banker's cheque / Demand Draft drawn in favor of MPSEDC Ltd, payable at Bhopal.
- b. The Bid Document may be purchased in person on all working days. It may also be downloaded from [www.mpsedc.com](http://www.mpsedc.com). Bid Document could also be ordered through post, by enclosing the demand draft towards bid document fee and Rs. 100/- towards postal/ courier charges. The Bid document will be sent by registered post or courier, as the case may be, at the risk and responsibility of the prospective Bidder.
- c. The Bid Documents, once purchased, cannot be resold to any other prospective Bidder.

### **1.3 The Bidding Process**

- a. The SCA would be selected through a transparent bidding process\*
- b. The Bidding Process is divided into three stages as follows:
  - i Pre-qualification Stage
  - ii Technical Bid Stage
  - iii Financial Bid Stage
- c. MPSEDC would encourage more than one SCA for the entire State. The bidder may bid for one or more divisions but a maximum of three divisions would only be awarded to a particular bidder. The decision of MPSEDC will be final and binding in this regard.

## 2. **ELIGIBILITY CRITERIA FOR BIDDERS**

### 2.1 Pre-qualification Criteria

- a. Pre-qualification criteria for participation in the Bidding Process is as follows:
  - i. Bid can be submitted by a Company/ Firm/ Trust/ Society/ NGO/ Permitted Consortium or Any Organization (Under related act, permitted to carry out such activities). Hereinafter referred as Bidder.
  - ii. In case the bidder is a Consortium, it can have a maximum of three members. In case if a consortium the prime bidder is to be specified. The Prime Bidder should have a minimum contribution of equity/ share of 51%. Only Prime Bidder is allowed to purchase & submit the bid.
  - iii. Bidder (Prime bidder, in case of a consortium Bid) should have been in existence in India for a minimum of three years..
  - iv. A bidder bidding individually or Prime Bidder in consortium, for a particular division, cannot be a member of another consortium for bidding in other divisions in the State.
  - v. Bidder responding to this RFP should have a minimum average annual net worth of Rs.5.00 Crores during the past three financial years, unless the Bidder is a Trust/ Society/ NGO. In case of consortium, constitution (nature of organization) of Prime bidder will be considered for evaluation.
  - vi. If the Bidder is a Trust/ Society/ NGO, average annual fund flow should be a minimum of Rs.1.5 Crores over the last three financial years. Bidders should furnish financial tie-up details such as source of funds, comfort letter from banks/ Financial Institutions, etc. along with their bids
  - vii. In case of Consortium bid, the Prime Bidder should individually fulfill at least 50% of the financial criteria as mentioned above.
  - viii. In case of those bidders who have established, and are successfully managing, at least 100 ICT-enabled kiosks for the past three years, the **financial criteria** mentioned above would be applicable to the extent of only **50%**.
  - ix. Bidders, in case of Consortium bid, should enclose inter-se agreement (as mentioned in Annexure-1). The agreement should be registered as per legal requirement, at the time of issue of LoI.
  - x. Bidders, in case of Consortium bid, should submit a Power of Attorney appointing the lead member of the consortium as per Annexure 2.
  - xi. Bidders must provide adequate documentary evidence in support of their claims.
  - xii. The final decision on the pre-qualification would solely lie with the MPSEDC.

## 3. **THE BID DOCUMENTATION**

### 3.1 Format for Submission of Bid/s

- a. Interested and eligible Bidders are required to submit the Bid in three separate, sealed envelopes as follows:
  - i. Envelope A should consist of the documentation supporting the pre-qualification criteria. The Bids should be accompanied by a Bid security amount as specified in the tender.
  - ii. Envelope B should consist of the Technical Bid
  - iii. Envelope C should consist of the Financial Bid
- b. Bidders should clearly specify the Envelope as A/B/C. Every envelope should also specify the complete address of the bidder.
- c. The Bid along with the Bid Security must be delivered to the Office of M.P. State Electronics Development Corporation Ltd, 147, Zone-I, M.P. Nagar, Bhopal-462011 on or before 3.00pm, 19/07/07.

### 3.2 Bid Documentation

- a. **Envelope A shall inter-alia contain:**
  - i. In case of a Consortium, an agreement as per Annexure 1 between the consortium members (as per legal requirements).
  - ii. In case of a Consortium, a Power of Attorney for appointing of the Lead member as the Prime Bidder as per Annexure 2
  - iii. Details of the Bidder organization/consortium as per format provided in Annexure 3.
  - iv. Copies showing the legal status, place of registration and prime place of business of the firm.
  - v. Copies of documents (Audited financial Statements/ Annual Reports) showing the firms average annual turnover over the immediate past three financial years.
  - vi. Copies of Sales Tax / VAT Registration and Sales Tax / VAT returns filed in the last financial year.
  - vii. Copies of acknowledgement of Income Tax returns filed in each of the last three years.
  - viii. Copies of Audited financial Statements/ Annual Reports for last three years.
  - ix. A Covering Letter in the form of Undertaking as per the format provided at Annexure-6
  - x. Bidders must furnish a bank reference from their lead bank as per Annexure 10.
  - xi. In case para 2.1(viii) applies to the Bidder, then details of number of existing ICT enabled centers/kiosks owned, managed and run by the Bidder as per Annexure 4(a) and all the necessary support documentation.
  - xii. A Power of Attorney of the Bidder appointing a designated person
  - xiii. Bid Security in form of a Demand Draft/ Bank Guarantee, as per Annexure 11 along with list of Divisions Quoted for.
  
- b. **Envelope B shall contain the Technical Bid comprising of the following:**
  - i. Details of the Bidder organization/Consortium including list of key staff and their qualifications/experience and their respective roles in CSC implementation.
  - ii. Details of project experience and track record of implementing projects on PPP (BOT/BOOT, etc.) or on a Franchise/Channel model (both ICT and non-ICT), as per the format provided in Annexure 4(b). May add additional sheets if required.
  - iii. Proposed Business Plan (over a four year period) covering the following components:
    - A. Conceptualization and understanding of the CSC Scheme
    - B. Implementation Plan and Methodology with specific timelines for setting up CSCs
    - C. Technology Plan that clearly brings out the following:
      - Proposed CSC Infrastructure
      - SCA Back Office Infrastructure
      - Proposed Internet / Network Connectivity Plan
      - Network Monitoring and Management Solutions
      - IT Security Proposed
      - IT Maintenance Solution at CSC including means for Remote Diagnostics
      - Content Management and Service Delivery Plan
      - Business Monitoring Architecture
    - D. Content and Services Strategy for non-Government services
    - E. Training and capacity building plan for VLEs
    - F. Estimated cost of Project
    - G. All financials including the assumptions, capital cost, operating costs, revenue estimates, etc. over a period of 4 years as per Annexure 8

- H. Fund mobilization plan
- I. Proposed organizational structure, size and skill sets of people proposed to be engaged
- J. Assessment of business risks and mitigation strategies thereof.
- iv. Letter of Acceptance of Implementation Schedule for rolling out the CSCs as per the format provided in Annexure 5
- v. Technical Deviation Statement as per format provided at Annexure-12.
- vi. Details of accreditation, affiliation, recognition (if any) by GoI or MPSEDC should be attached
- vii. Documentary evidence, wherever applicable, should be attached for all the above documentation
- c. **Envelope C shall contain Financial Bid as below:**
  - i. The revenue support (per division) sought in “Rupees per CSC per month” from MPSEDC averaged over a period of 4 years as per the format provided in Annexure 7

**Important Note:**

Bids including all the annexures/ enclosures should have signature and Seal of Bidder.

**4. INSTRUCTIONS TO BIDDERS****4.1 Information on Bid Security**

- a. The Bid Security shall be paid in Indian Rupees
- b. The Bid Security shall be in the form of Demand Draft/Bank Guarantee drawn on a Scheduled Commercial Bank in favor of MPSEDC payable at Bhopal, for an amount as specified below;

Sl. No.	Division	No. of Districts	No of CSCs	Bid Security (Rs. In Lacs) for Bidders except NGO/Trust/Society	Bid Security (Rs. In Lacs) for NGO/Trust/Society
1	Chambal	3	393	10.00	5.00
2	Gwalior	5	825	20.00	10.00
3	Ujjain	6	1028	25.00	12.50
4	Indore	7	1130	30.00	15.00
5	Bhopal	6	1311	35.00	17.50
6	Hoshangabad	2	257	10.00	5.00
7	Sagar	5	1076	25.00	12.50
8	Jabalpur	8	1765	45.00	22.50
9	Rewa	6	1447	35.00	17.50
		48	9232		

- c. Any Bid that does not accompany Bid Security in accordance with the above terms will be rejected, as non-responsive.
- d. An unsuccessful bidders' Bid Security amount will be discharged/ returned, as promptly as possible, after the expiration of the period of Bid validity or finalization of successful Bidder. The refund of the bid security amount shall not carry any interest.
- e. The successful Bidders' Bid Security will be adjusted towards performance security to be furnished by the Bidder before signing the contract agreement.
- f. The Bid security may be forfeited:
  - i. If a Bidder withdraws his Bid during the period of Bid validity.

- ii. In case of a successful Bidder, if the Bidder fails to sign the contract agreement and/or furnish performance security.

#### 4.2 Information on Performance Security

- a) A Bidder, on being selected as the SCA, will be required to furnish Performance Security of an amount equaling:

Sl. No.	Division	No. of Districts	No of CSCs	Performance Security (Rs. In Laacs) for Bidders except NGO/Trust/Society	Performance Security (Rs. In Laacs) for NGO/Trust/Society
1	Chambal	3	393	40.00	20.00
2	Gwalior	5	825	80.00	40.00
3	Ujjain	6	1028	100.00	50.00
4	Indore	7	1130	110.00	55.00
5	Bhopal	6	1311	130.00	65.00
6	Hoshangabad	2	257	25.00	12.50
7	Sagar	5	1076	110.00	55.00
8	Jabalpur	8	1765	170.00	85.00
9	Rewa	6	1447	140.00	70.00
		48	9232		

- b) Performance Security will be as specified above or higher (applicable in case of zero or equal bids) in accordance with the conditions of the Master Service Agreement (hereinafter termed as MSA), drawn in the form of a Bank Guarantee/Demand Draft valid for the entire period of the MSA drawn in the favour of MPSEDC, within 30 (thirty) days of receipt of the notification of the award of contract (Letter of Intent). Upon receipt of the Performance Security as prescribed, MPSEDC/ State Government will duly sign the MSA with the SCA.
- c) If the successful Bidder after signing the MSA fails to perform any contractual obligation/s specified in the MSA, the Performance Security will be forfeited. Failure to perform any contractual obligation/s in spite of written caution and notice on more than three occasions; may also lead to the black listing of the SCA in the State for a period of three years. Such information of black listing will also be sent to other States/Central Government.
- d) The Performance Security furnished by the successful Bidder in respect of his/her Bid will be returned to him/her at the end of the MSA subject to the satisfactory performance of the contractual obligations, provided there is no further extension of the MSA.

#### 4.3 Bidding Costs

The Bidder shall bear all costs associated with the preparation and submission of its Bid and MPSEDC will in no case be responsible or liable for these costs, regardless of the conduct or outcome of the bid process.

#### 4.4 Language of Bid

The Bid prepared by the Bidder and all correspondence and documents relating to the Bid exchanged by the Bidder and MPSEDC shall be written in English language only.

#### 4.5 Amendment of Bid Documents

- a. At any time prior to the deadline for submission of Bids, MPSEDC may, for any reason, whether at its own initiative or in response to a clarification requested by a Bidder, modify the Bid Documents through amendment/s.

- b. The amendment/s will be notified only on the website of MPSEDC (www.mpsedc.com) and will not be communicated to the bidders individually and such amendments will be binding on them.

#### **4.6 Bid Extension, if any**

- a. MPSEDC may extend the deadline for the submission of Bids, in order to allow prospective Bidders a reasonable time in which to take the amendment into account in preparing their Bid.

#### **4.7 Format and Signing of Bid**

- a. The Bidder shall submit two copies of the Bid, clearly marking each “Original” and “Copy”, as appropriate. In the event of any discrepancy, the “Original” version shall govern.
- b. The original and all copies of the Bid shall be typed or written in indelible ink and shall be signed by the Bidder or a person or persons duly authorized to bind the Bidder to the Contract. The letter of authorization shall accompany the Bid. Written power-of-attorney accompanying the Bid shall support the letter of authorization.
- c. The person or persons signing the Bid shall initial all pages of the Bid, except for un-amended printed literature.
- d. The Bidder must organize the Bid in accordance with the format specified.
- e. In case of a consortium bidding, the copy of agreements between consortium members entered into by executives of the Consortium who have been delegated authority by the Consortium, have to be enclosed in Envelope A. The authorized signatory(s) shall initial all the pages.
- f. The Bid shall contain no interlineations, erasures or overwriting except as necessary to correct errors made by the Bidder, in which case, such corrections shall be initialed by the person or persons signing the Bid in original.

#### **4.8 Sealing and Marking of Bids**

- a. Envelope A will be sealed and marked as follows: “PRE-QUALIFICATION BID FOR CSC SCHEME IN M.P (RFP No. MPSEDC/CSC/2007-08/01)”
- b. Envelope B will be sealed and marked as follows:  
“TECHNICAL BID FOR SELECTION OF SERVICE CENTRE AGENCY FOR THE CSC SCHEME IN MP (RFP No. MPSEDC/CSC/2007-08/01)”
- c. Envelope C will be sealed and marked as follows:  
“FINANCIAL BID/S FOR SELECTION OF SERVICE CENTRE AGENCY FOR THE CSC SCHEME IN IN MP (RFP No. MPSEDC/CSC/2007-08/01)”
- d. The Bidders should seal all the three above envelopes into one main envelope marked "RFP FOR SELECTION OF SCAs TO SET UP COMMON SERVICE CENTERS IN IN MP (RFP No. MPSEDC/CSC/2007-08/01)".

The sealed envelope shall be addressed to the SDA at the following address:

Managing Director,  
M.P. State Electronics Development Corporation Ltd,  
147, Zone-I, M.P. Nagar,  
Bhopal-462011

#### **4.9 Mode of Submission of Bids**

- a. The Bids could be sent by Speed Post or Registered Post or Courier or submitted in person.
- b. Bids sent by any other mode(s) will be rejected.

#### **4.10 Deadline for Submission of Bids**

- a. Bids must be received by MPSEDC at the address specified, not later than the due date specified. In the event of the specified date for the submission of Bid being declared a holiday, the Bids will be received up to the appointed time on the next working day.
- b. MPSEDC shall not be responsible for any delay whatsoever, in submission of Bids by the Bidders.
- c. MPSEDC may, at its discretion, extend the deadline for submission of Bids in which case, all existing rights and obligations of MPSEDC and the bidders will thereafter be applicable to the extended deadline.

#### **4.11 Late Bids**

- a. Any Bid received after the deadline for submission of Bids prescribed by MPSEDC, will be rejected.

#### **4.12 Modification and Withdrawal of Bids**

- a. The Bidder may modify or withdraw its Bid after the Bid's submission, provided that written notice of the modification or withdrawal is received by MPSEDC prior to the deadline prescribed for submission of Bids.
- b. The Bidder's modification or withdrawal notice shall be submitted in writing or can also be sent by Fax but followed by a signed confirmation copy, post-marked not later than the deadline for submission of Bids.
- c. No Bid may be modified subsequent to the deadline for submission of Bids
- d. No Bid may be withdrawn in the interval between the deadline for submission of Bids and the expiration of the period of Bid validity specified by the Bidder on the Bid Form. Withdrawal of a Bid during this interval may result in the Bidder's forfeiture of its Bid security.

#### **4.13 Period of Validity of Bids**

- a. The Bids shall be valid for a period of "SIX MONTHS" from the closing date for submission of the Bid. A Bid valid for a shorter period may be rejected as non-responsive. In exceptional circumstances, at its discretion, MPSEDC may solicit the Bidder's consent to an extension of the period of validity. The request and the responses thereto shall be made in writing (or by fax or email).

#### **4.14 Proposal Ownership**

- a. The proposal and all supporting documentation submitted by the bidder shall become the property of MPSEDC and MPSEDC will not use the proposal other than the purpose for which the proposal has been submitted.

#### **4.15 General Information: For Bid Submission**

- a. Bidders may be invited to present, at short notice, their capabilities to handle implementation of the Scheme, in the State. The date and venue for this presentation will be determined by MPSEDC or his authorized representative and will be intimated to the prospective Bidder either through fax/letter/email from MPSEDC or any of his authorized official/s.
- b. The Bidder is expected to examine all instructions, forms, terms and specifications in the RFP and the associated documents.
- c. Failure to furnish all information required by the Document, or submission of a Bid not substantially responsive to the Bid Documents, will be at the Bidder's risk and may result in rejection of the Bid.
- d. For each category of pre qualification criteria, the documentary evidence is to be produced duly attested, serially numbered and enclosed with the Bids. If the documentary proof is not enclosed for any/all criteria the Bid is liable for rejection.

- e. If any information given by the Bidder is found to be false/fictitious, the Bidder will be debarred for three years from participating in any tenders of Govt. of Madhya Pradesh.
- f. MPSEDC may invite re-submission of Financial Bids with or without changes in the format. In such an event, the earlier Financial Bids shall not be opened and shall be returned unopened by MPSEDC to the bidder.  
In case of a situation where bid quoted by the SCAs are equal (including zero bids); then such SCAs would be offered an opportunity to quote a revised performance security higher than the performance security as indicated in the RFP/ MSA. In such a situation, the SCA offering the highest performance security will be declared as successful bidder. MPSEDC's decision in this regard shall be final and binding.
- g. Bidders are expected to respond expeditiously to clarifications, if any, requested during the evaluation process. MPSEDC shall adhere to the above schedule to the extent possible. MPSEDC, however, reserves the right to modify the same. Intimation to this effect shall be given to all bidders including request for extending the Bid validity if required.
- h. In addition to the other requirements covered above, the Bidder should provide information about any on-going litigation or arbitration resulting from contracts undertaken by the Bidder (including individual members of bidding consortium). Suppression of any information or material in this regard would be construed as a fundamental breach and MPSEDC reserves the right to take appropriate action including cancellation of the Bid, forfeiting of Bid security/ Termination of Contract/ forfeiting of Performance security, etc. as may be deemed fit and proper by the MPSEDC at any time without requiring to give any notice to the Bidder in this regard.
- i. The MPSEDC reserves the right to accept or reject any proposal, and to annul the bidding process and reject all proposals, at any time prior to the award of contract, without assigning any reason and without thereby incurring any liability to the affected Bidder or bidders or any obligation to inform the affected Bidder or bidders of the grounds for the MPSEDC's action.
- j. The Bidder has to submit an undertaking in the prescribed format in the bid that he accepts all the technical and commercial conditions of the bidding and shall abide by the same fully, except the technical deviations mentioned in the format provided at Annexure-12.

#### **4.16 General Information: SCA**

- a. The amount to be paid to the SCA towards revenue support from MPSEDC for the 4 years period shall be based on the payment terms specified.
- b. The Competent Authority as designated by MPSEDC will have the right to inspect the centers of the SCA already in operation for the purpose of verification and assessing the fulfillment of qualification criteria by the bidder. The CSCs must be available for inspection to the competent authority of MPSEDC and Government of Madhya Pradesh at all times.
- c. The implementation schedule specified in the Contract shall be strictly adhered to.
- d. The prospective SCAs bidding for this project are required to make their own assessment of the volume of transactions possible in the Common Service Centers project through any or all of the service streams referred to and take appropriate decisions on the historical data on the number of transactions, type of transactions, locations, etc.
- e. The MPSEDC will not provide any guarantee, commitment or estimate of the number of transactions possible in the Common Service Centers project either for the purpose of sizing of the hardware, networking or for any other technical purposes. The bidders will have to make their own assessment based on business opportunities and growth possibilities that they perceive are feasible.

- f. The IPR and Source code of the present and all future enhancements of G2C architecture at the Common Service Centers System created by Government of MP as envisaged in this project would belong to GoMP Therefore any replication of the Common Service Centers system – application software in any other state or country by SCA would need approval from MPSEDC. Non compliance will lead to termination of contract at any stage of the project.

## **5. THE BID PROCESS**

### **5.1 Pre-bid Meeting**

- a. The Bidder or its official representative will be invited to attend the pre-Bid meeting, which will take place at the following address;  
M.P. State Electronics Development Corporation Ltd,  
147, Zone-I, M.P. Nagar, Bhopal-462011
- b. Only those bidders who have purchased the RFP document or deposited the document charges with MPSEDC, will be allowed to participate in the meeting.
- c. The purpose of the meeting will be to clarify issues and to answer questions on any matter regarding the bidding process or documentation that may be raised at this stage.
- d. Minutes of the meeting, including the text summary of the questions raised (without identifying the source of enquiry), and the responses given, will be hosted only the website (www.mpsedc.com). MPSEDC may make any modification of the Bid Documents, which may become necessary as a result of the pre-bid meeting, by issuing an amendment to the RFP. The amendments/changes/ corrigendum will be notified on the website (www.mpsedc.com).
- e. Non-attendance at the pre-bid meeting will not be a cause for disqualification of a Bidder.

### **5.2 Clarification on RFP**

- a. Prospective Bidder requiring any clarification on the RFP may forward their queries to MPSEDC in writing by signed letter or by e-mail or fax to:

Managing Director  
M.P. State Electronics Development Corporation Ltd,  
147, Zone-I, M.P. Nagar,  
Bhopal-462011  
e-mail: mpsc2007@yahoo.com  
fax: 0755-4299369

- b. MPSEDC will respond to the queries received during the pre-bid meeting. Minutes of the meeting, text of the questions raised, responses given, any modifications/ corrigendum/ amendments will be hosted on the website (www.mpsedc.com) only. MPSEDC will not respond to the bidders individually.
- c. It is further clarified that MPSEDC shall not entertain any correspondence regarding delay or non-receipt of clarification.

### **5.3 Appointment of the Evaluation Committee**

- a. The MPSEDC will appoint an Evaluation Committee for evaluation of Bids including representatives of DIT, GoI.
- b. The Evaluation Committee's decision would be binding on the Bidder

### **5.4 Opening of Bids**

- a. **Step 1:** Envelope A will be opened by the Evaluation Committee, as per timelines specified in the NIT, to qualify bidders for Technical evaluation. Preliminary scrutiny

- of the pre-qualification will be made to determine whether they are complete, whether any computational errors have been made, whether the documents have been properly signed and whether the Bids are generally in order. Bidders would be informed of the Committee's decision either through telephone/fax/email by MPSEDC or posted on the website.
- b. **Step 2:** Envelope B (Technical Bid) of only pre-qualified bidders, will be opened by the Evaluation Committee, in presence of the qualified bidders or their authorized representatives, who choose to attend. Date and time of opening of bids will be hosted on the website (www.mpsedc.com). Details of date/ time of presentations (if necessary) will also be hosted on the website.
  - c. **Step 3:** Envelope C would be opened by the Evaluation Committee only for those bidders who achieve the threshold score during the Technical Evaluation.
  - d. In the event of the date specified for Bid receipt and opening being declared as a holiday, the Bids will be received/ opened on the following working day at the same time.
  - e. Bids that are not opened shall not be considered further for evaluation, irrespective of the circumstances. Withdrawn Bids will be returned unopened to the bidders.
  - f. The Bidder shall be responsible for properly superscribing and sealing each Envelope and neither MPSEDC nor the Bid Evaluation Committee shall be responsible for accidental opening of Envelopes that are not properly super scribed and sealed.

## **6. EVALUATION OF BIDS AND SELECTION OF SCA**

### **6.1 Information on Bid Evaluation**

- a. The Evaluation Committee will evaluate and compare the Bids determined to be substantially responsive. A substantially responsive bid is one, which conforms to all the terms and conditions of the Bidding Documents without material deviations. Deviations from or objections or reservations to critical provisions such as those concerning Performance Security, Warranty, Applicable Law and taxes and duties will be deemed to be a material deviation. MPSEDC's determination of a bid's responsiveness is to be based on the contents of the bid itself without recourse to extrinsic evidence. It is MPSEDC's intent to select the proposal that is most advantageous to the State and each proposal will be evaluated using the criteria and process outlined.
- b. The Evaluation Committee, where deemed necessary, may depute consultant/s to support the evaluation and selection process.
- c. The Evaluation Committee may choose to conduct discussions with any or all of the bidders, at any time during the Bid evaluation process.
- d. Any attempt by a Bidder to influence MPSEDC or the Evaluation Committee in its Bid evaluation, Bid comparison or contract award decisions may result in rejection of the Bidder's Bid.
- e. If there is a discrepancy between words and figures, the amount in words will prevail. If the bidder does not accept the correction of the errors, its Bid will be rejected and its Bid security may be forfeited.
- f. The Evaluation Committee may waive any minor infirmity; nonconformity or irregularity in a Bid, which does not constitute a material deviation, provided such waiver does not prejudice or affect the relative ranking of any Bidder.
- g. The Evaluation Committee may visit the site of the Bidder's existing businesses and obtain additional information at their own cost and responsibility. The Bidder will arrange for the duly authorized personnel of the Bidder to provide access to the related departments participating in CSC Scheme.

- h. The evaluation methodology for this Scheme is purely internal to the State and would not be informed to any of the bidders.
- i. Information relating to the examination, clarification and comparison of the Bids and recommendations for the award of the project shall not be disclosed to bidders or any other persons not officially concerned with such process until the award to the successful Bidder has been announced.

## **6.2 Technical Bid Evaluation**

- a. The objective of the Technical Bid evaluation is to short list bidders who have:
  - i. The technical experience/skills that are essential to establish a predominantly IT-enabled business activity as envisaged in the CSC scheme
  - ii. The financial strength that is necessary to contribute and/or arrange the funds required to set up and manage the CSCs in the desired time frame.
- b. The Evaluation Committee shall evaluate the Technical proposals of the qualified bidders on the basis of their responsiveness to this RFP and applying the evaluation criteria as specified below. Marks shall be assigned to each prospective SCA on the basis of the Technical Bid submitted. The Technical evaluation score shall be based on the number of marks that shall be awarded as per the structure proposed in the following paragraphs.

## **6.3 Technical Bid: Evaluating the Technical Capabilities of the Bidder**

- a. This section should demonstrate the Bidder's understanding of the information provided in the RFP in terms of a viable business plan.
- b. The Evaluation Criteria along with the relevant marks for each component is summarized in Exhibit 3 below.

## **6.4 Technical Bid: Evaluating the Financial Capabilities of the Bidder**

- a. The bidders will be evaluated on the following parameters:
  - i. Average Tangible Net Worth as per the latest past 3 years audited annual reports of the Prime Bidder OR
  - ii. Average Annual Funds received for the last 3 years as per audited reports of the Prime Bidder
  - iii. Tangible Net worth = (Equity Capital + Reserves and Surplus - Revaluation Reserve) - (Accumulated Losses + Intangible assets)
  - iv. Existing Debt-Equity Ratio as per audited balance sheets for the past three financial years
  - v. Current Ratio as per the latest audited balance sheet
- b. The average shall be calculated as a simple average over the three years. In case of a consortium, the cumulative net worth of the consortium will be considered. In case of Debt-Equity Ratio and Current Ratio, the financial statements of the prime bidder will be considered.
- c. For a Consortium, the lead member's financial statements as well as of the other members shall be considered only for Tangible net worth calculations.
- d. Copies of audited annual reports to support the financials must be provided.
- e. If the lead member of the Consortium is a corporate body or a company registered under the companies act, the financial parameters shall be the average tangible Net worth.
- f. If the lead member of the Consortium is a TRUST/ NGO or a Society, then only the average fund flow parameter is to be considered

**Exhibit 3: Evaluation Criteria**

SI	Evaluation Criteria	Marks	Sub Total	Total
<b>A</b>	<b>Technical Criteria</b>			<b>70</b>
<b>1.</b>	<b>Project Experience:</b>		<b>20</b>	
	i. Projects implemented under PPP model	3		
	ii. ICT-enabled Projects/ Franchise based projects	7		
	iii. Experience in selling/working in rural markets/regions	7		
	iv. Local presence/project experience in <i>Madhya Pradesh</i>	3		
<b>2</b>	<b>CSC Project Proposal</b>		<b>50</b>	
	i. Tie-up with Content & Services Providers	10		
	ii. Business Plan including assumptions, Capital Cost, Operating Cost, G2C & B2C Revenues over a period of 4 years	5		
	iii. Organization Structure	5		
	iv. Selection of VLE and Training (weightage will be given for existing tie-ups with local SHGs/ NGOs)	5		
	v. Fund mobilization and financial commitments	5		
	vi. Project Implementation Plan and Schedule	5		
	vii. CSC Transaction Monitoring Mechanism	5		
	viii. Payment Mechanisms	5		
	ix. Technology Plan for Last Mile Connectivity	5		
<b>B</b>	<b>Financial Criteria</b>			<b>30</b>
	<b>For Corporates</b>		<b>30</b>	
<b>1</b>	<b>Average Tangible Net worth/ Unit Bidding Division</b>	<b>20</b>		
A	> <i>Rs.15 crores</i>	20		
B	<i>Between Rs.10-15 crores</i>	15		
C	<i>Between Rs.6-10 crores</i>	10		
D	< <i>Rs.6 crores</i>	5		
<b>2</b>	<b>Debt-Equity Ratio</b>	<b>5</b>		
A	< 1:1	5		
B	1.1:1 – 1.3:1	3		
C	> 1.3:1	1		
<b>3</b>	<b>Current Ratio</b>	<b>5</b>		
A	> 1.33	5		
B	1 – 1.32	3		
C	< 1	1		
<b>OR</b>				
	<b>For Trusts/ NGOs /Societies</b>			
<b>1</b>	<b>Average Annual Funds Received for the last 3 years</b>			
A	> <i>Rs.20 crores</i>	30	<b>30</b>	
B	<i>Between Rs.15-20 crores</i>	25		
C	<i>Between Rs.10-15 crores</i>	20		
D	<i>Between Rs.2-10 crores</i>	15		
E	< <i>Rs.2 crores</i>	10		
<b>TOTAL</b>			<b>100</b>	

c. To Technically qualify:

- i. For bidders except Trust/NGOs or Societies, would require to attain a total score of **at least 70**.
- ii. For Trust/ NGOs or Societies, the bidders would require to attain a total score of **at least 65**.

Bidders should submit related all information with support details, as per the evaluation criteria specified above.

The qualifying criteria may be modified by the Bid evaluation committee, in the interest of the project.

### **6.5 Financial Bid Evaluation**

Although the Financial Bid will be submitted at the same time with Technical Bid, it will be opened only after completing the evaluation of Technical Bids. Prior to detailed evaluation of financial bid, MPSEDC may determine whether each bid or bidder;

- i. Has been properly signed
- ii. Is presented in a manner that matches with the requirements of the RFP and follows the required formats;
- iii. Conforms to all terms, conditions, and specifications of the Bid Documents without material deviation or reservation.

The Bidder who quotes the lowest revenue support would be the successful bidder in that division subject to the conditions mentioned in the RFP.

No more than three divisions would be allotted to a particular bidder. Therefore, if a situation arises, wherein, a particular bidder becomes lowest in more than three divisions, he may choose to retain those three divisions, which he would like to and have to surrender remaining divisions. Those divisions would be offered to the second lowest bidder at **L1 rates**. In case, the bidder refuses to match L1 rates, the next lowest bidder would be offered. The decision of MPSEDC would be final and binding in this regard.

### **6.6 Selection of the SCA**

- a. The Evaluation Committee will select that Bidder as the SCA, who has quoted the lowest amount of revenue support from the State.
- b. In case there is a single Bid, the same would be accepted by the MPSEDC after appropriate negotiations with the Bidder.
- c. **In case of a situation where bid quoted by the SCAs are equal (including zero bids); then such SCAs would be offered an opportunity to quote a revised performance security higher than the performance security as indicated in the MSA. In such a situation, the SCA offering the highest performance security will be declared as successful bidder.**
- d. In case, **no bid** is received for any particular division, the lowest bidder in the other divisions would be offered first to quote for this division. In case of lack of interest among the existing parties, the particular division may be considered for re-bidding by the Government of Madhya Pradesh under different terms and conditions as they may deem fit. Government of Madhya Pradesh reserves the right to allocate the divisions to the bidders in case of equal bids. The divisions and the districts under each division are tabulated below:
- e. MPSEDC's decision would be final and binding to the Bidders.

### **6.7 Notification of Award of Contract (Letter of Intent)**

- a. A Bidder is allowed to bid for one or more number of the divisions.
- b. MPSEDC or its authorized representative will notify the successful Bidder in writing that the Bid has been accepted.

### **6.8 Negotiations**

- a. Negotiations, if any, will be held with the lowest/ selected bidder.
- b. The negotiations will conclude with the drafting and finalization of Master Service Agreement between the selected bidder and MPSEDC.

## 6.9 Signing of Contract

- MPSEDC or his authorized representative will send the Bidder the Master Service Agreement (MSA) { Volume III of this RFP}
- Within thirty days of receipt of the MSA, the successful Bidder shall sign and date the MSA and return it to MPSEDC or his authorized representative. Any incidental expenses for execution of agreement shall be borne by the successful Bidder(s).

The Bidder will furnish the Performance Security, adjusted against the bid security, in accordance with the conditions of the RFP, drawn in the form of a Bank Guarantee/Demand Draft valid for the entire period of the MSA drawn in the favour of MPSEDC. Upon receipt of the Performance Security as prescribed, MPSEDC will duly sign the MSA with the SCA.

- Any neglect or failure on the part of Bidder to obtain reliable information, upon the foregoing or any other matter affecting the implementation and operation of the CSC scheme and the Contract shall not relieve the selected Bidder from any risks or liabilities or from the responsibility of implementation and operation of the CSC scheme in the divisions, bid for by the Bidder for the specified period as defined in the Contract Documents.

## 7. PROPOSED TIME-LINES FOR THE BID & SELECTION PROCESS

### 7.1 Key Dates and Timelines

- The following timelines are proposed for this project. The bidders are required to comply with the target dates

#### Exhibit 4:

Activities	Time Lines
Issuance of RFP	T = 0
Pre-Bid Meeting	T + 0.5 months
Issuance of Amendments & Minutes of Pre-Bid Meeting	T + 0.75 months
Submission of Bids & Opening of Bid covers	T+ 1.75 months
Technical Presentations	T + 2.25 months
Submission of Evaluation Report by Evaluation Committee	T + 2.5 months
Approval of Evaluation Report by State	T + 2.75 months
Opening of Financial Bids	T + 3.0 months
Finalization of Service Level Agreements with preferred bidder	T + 3.75 months
Issuance of Letter of Intent	T + 4.0 months
Implementation Schedule	T + 4.5 months
Signing of the MSA	T + 5.0 months
Completion of ....% (say 25%)roll-out of CSCs	T + 10.0 months or As prescribed by the State Govt/MPSEDC
Completion of ...% (say 50%)roll-out of CSCs	T + 12.0 months or As prescribed by the State Govt/MPSEDC
Completion of ...% (say 75%) roll-out of CSCs	T + 14.0 months or As prescribed by the State Govt/MPSEDC
Completion of roll-out of CSCs & Operationalizing of 100% CSCs	T + 17.0 months or As prescribed by the State Govt /MPSEDC

# Annexures

### **ANNEXURE 1 – Agreement**

*(To be executed by the Consortium Members and should be enclosed, in original, with pre-qualification bid))*

Agreement between consortium's members will be entered in by executives, who have been delegated the authority by the company to enter into such an agreement.

Agreement should cover the following: -

- Roles of each member of the consortium
- Equity participation commitment by each member of the consortium and total Shareholding pattern (Lead Member to have minimum of 51% equity/ share)
- Lock in period for equity
- Mechanism for decision making in the JV company/ TRUST and dispute resolution

**ANNEXURE 2 – FORMAT FOR POWER OF ATTORNEY FOR APPOINTING THE LEAD MEMBER COMPANY/ TRUST/NGO**

{On Rs.100 Stamp Paper}

KNOW ALL MEN by these presents that we, ...[name of the company/ NGO/TRUST], a company/ TRUST incorporated under the Companies Act 1956/ Society’s Act, having its Registered Office at ...[Address of the Company/ NGO/TRUST] (hereinafter referred to as “Company/ TRUST”):

WHEREAS the Company/ NGO/TRUST along with \_\_\_\_\_ and \_\_\_\_\_ (give name and registered office address) is forming a joint venture/consortium to submit Technical and Financial Bids in response to the Request for Proposal (“RFP”) for CSC Project at Bhopal, issued byMPSEDC (MPSEDC), and is desirous of appointing an attorney for the purpose thereof.

Whereas the Company/ TRUST deems it expedient to appoint M/s. \_\_\_\_\_ (name of Company/ TRUST, registered office address) as the Attorney of the Company/ TRUST.

NOW KNOW YE ALL BY THESE PRESENTS, that \_\_\_\_\_[name of company/ TRUST] do hereby nominate, constitute and appoint...[name the lead member company/ TRUST]..as its true and lawful Attorney to do and execute all or any of the following acts, deeds and things for the Company/ TRUST in its name and on its behalf, that is to say :

- To act as the Lead Member of the Joint Venture/Consortium for the Purposes of the Project;
- In such capacity, to act as the Company/ TRUST’s official representative for submitting the Technical and Financial Proposals for the Project and other relevant documents in connection therewith.
- To sign all papers for all bids, offers, Project documents, necessary documents, papers, applications, representations and correspondence necessary and proper for the purpose aforesaid;
- To tender documents, receive and make inquiries, make the necessary corrections and clarifications to the Project documents, as may be necessary;
- To sign and execute contracts relating to the Project, including variation and modification thereto;
- To represent the Company/ TRUST at meetings, discussions, negotiations and presentations with MPSEDC name, Government Authorities, Competent Authorities and other Project related entities;
- To receive notices, instructions and information for and on behalf of the Company/ TRUST;
- To execute the Service level Agreement for and on behalf of the Company/ TRUST;
- To do all such acts, deeds and things in the name and on behalf of the Company/ TRUST as necessary for the purpose aforesaid.

AND the Company/ TRUST hereby covenants with the said Attorney to ratify and confirm all and whatever the attorney may lawfully do or cause to be done by virtue of these presents.

IN WITNESS WHEREOF the Company/ TRUST puts its hand and seal to this Power of Attorney on this [day, month & year]

The common seal of [name of the company/ TRUST] was here unto affixed pursuant to a resolution passed at the meeting of Committee of Directors held on the _____ day of _____, 2006 in the presence of [name & designation of the person] and countersigned by [name & designation of the person] of the Company/ TRUST of [name of the company/ TRUST]	) The common seal of [name of the ) ) )----- ) [name & designation of the person] )
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**ANNEXURE 3: DETAILS OF BIDDER**

<b>a) Information about the Company(Similar info in case of NGO/Trust/ Society):</b>					
Sl.No	name of the prime bidder or member company(in case of consortium)	Status of company (Public/ Pvt. Ltd)	Whether Prime Bidder/ Member	Date of Incorporation with RoC Ref. No.	Date of Commencement of Business with RoC Ref. No.
<b>b) Turnover of the Company (Similar info in case of NGO/Trust/ Society)</b>					
Sl. No.	Name of the Prime Bidder or Member company in case of consortium	FY 2003-04/ Year 1	FY 2004-05/ Year 2	FY 2005-06/ Year 3	Average of Last three years.
<b>c) Networth of the Company (Similar info in case of NGO/Trust/ Society)</b>					
Sl. No.	Name of the Prime Bidder or Member company in case of consortium	FY 2003-04/ Year 1	FY 2004-05/ Year 2	FY 2005-06/ Year 3	Average of Last three years.
<b>d) Details of Specific Responsibilities (applicable in case of Consortium)</b>					
Sl. No.	Name of the Prime Bidder or Member company in case of consortium	Specific Responsibility of each member including prime bidder, in the scope of implementation of CSCs.			

Note:

Details of Debt Equity Ratio, Current Ratio and Average annual funds received (in case of Trust/ NGO/ Society) for the last three years should also be submitted in similar format as specified above.

**ANNEXURE 4(a): DETAILS OF IT ENABLED KIOSKS/ CENTERS OWNED/ MANAGED**

Sl.No.	Name of Project/ Business	ICT/ Non ICT	Sector/ Industry	Type (PPP etc)	No. of Kiosks/ Franchisees/ Centres	Size/ Turnover (Rs. In Lacs)

Attach appropriate support documentation as Annexures, where necessary

**ANNEXURE 4(b): PROJECT EXPERIENCE AND TRACK RECORD**

Sl.No.	Name of Project/ Business	ICT/ Non ICT	Sector/ Industry	Type (PPP etc)	No. of Kiosks/ Franchisees/ Centres	Size/ Turnover (Rs. In Lacs)

Attach appropriate support documentation as Annexures, where necessary

## **ANNEXURE 5: LETTER OF ACCEPTANCE**

**To:**

**Managing Director**

M.P. State Electronics Development Corporation Ltd,  
147, Zone-I, M.P. Nagar,  
Bhopal-462011

Re: RFP for selection of SCAs for CSC Scheme

Sir/Madam,

We M/s..... (Name of the Bidder), agree to abide by the implementation schedule (enclosed hereinunder) for setting up the Common Services Centers, as may be allotted to us by MPSEDC, as an SCA, failing which Managing Director, MPSEDC, or his authorized representative may at their discretion, reject and cancel the contract agreement, if so awarded.

**Implementation Schedule**

Upon receipt of the LOI, the SCA shall submit an Implementation Schedule specifying the major milestones towards rolling out of the CSCs for implementation. The Implementation Plan duly approved by MPSEDC shall form an integral part of the MSA. Any deviation in these defined timelines of implementation schedule which have been mutually agreed upon between the SCA and MPSEDC/State Government shall constitute a material breach of the MSA as specified in Master Service Agreement (*No revenue support to be granted during the delay period for any CSCs + Liquidated damages as specified shall be levied*)

**Indicative Milestone** (to be stipulated by the State Government as per agreed Implementation Plan)

**Month/Year of Completion**

Signing of Contract -----

25% (say)CSCs to be set up and made operational by the end of 5---- Month of Agreement

50% (say)CSCs to be set up and made operational by the end of 7th----- Month of Agreement

75% (say)CSCs to be set up and made operational by end of 9th month of agreement

100% (say)CSCs to be set up by the end of 12<sup>th</sup> Month of Agreement

Yours faithfully,

**Place:**

**Date:**

**Signature & Seal of the Bidder**

**ANNEXURE 6: Letter of Submission of Bid**

(To be submitted as part of Bid on company's letter head)

Date: .....

Ref: .....

To,  
Managing Director,  
MPSEDC Ltd.  
147, Zone – 1, M.P.Nagar  
Bhopal

Ref: RFP for selection of SCAs for CSC Scheme.

Sir,  
We hereby declare that:

Our Offices/ facilities are open for inspection by authorized representatives of MPSEDC.

We hereby agree to set up, manage and operate CSCs allotted to us as per the Scope of work and terms & conditions mentioned in the RFP.

In the event of acceptance of our bid, we do hereby undertake:

We agree to abide by our offer for a period of 180 days from the last date of submission as prescribed by MPSEDC/GOMP and that we shall remain bound by a communication of acceptance within that time.

We have carefully read and understood the terms and conditions of the RFP and the conditions of the contract. We do hereby undertake to provision as per these terms and conditions, except the deviations mentioned in annexure-12

We hereby certify that our organization has not been blacklisted by any government department/agencies.

We are fully satisfied with reply given by MPSEDC against our queries raised by us in pre bid meeting and No queries are pending.

We hereby certify that the Bidder is a Directorate and the person signing the tender is the constituted attorney.

Bid Security in the form of a Bank Draft/ BG issued by \_\_\_\_\_ (bank), dated \_\_\_/\_\_\_/\_\_\_\_ (dd/mm/yyyy), for an amount of Rupees ..... Lacs for the divisions.....is enclosed, as required.

We do hereby undertake that, until MSA is executed, RFP and this bid, together with your written acceptance thereof and notification of award of contract, shall constitute a binding contract between us.

I/We hereby declare that the information provided by us in this document are correct and agree that at any point of time if it is found that any information given is incorrect, my/our bid is liable to be summarily rejected and MPSEDC will have full right to forfeit our bid security.

In case information provided in the tender document found to be incorrect during MSA/ contract period (If selected) MSA can be terminated and MPSEDC will have full right to forfeit our performance security.

Signature of Bidder (with name, designation & official seal)

## **ANNEXURE 7: FINANCIAL BID**

**To:**

**Managing Director**

M.P. State Electronics Development Corporation Ltd,  
147, Zone-I, M.P. Nagar, Bhopal-462011

Ref: Financial Bid for selection as an SCA for CSC Scheme

Dear Sir/Madam,

Having examined the RFP Document no. [including addenda number \_\_\_\_\_ dated \_\_\_\_\_], we the undersigned, offer to quote the following rates towards revenue support for setting up 9232 CSCs in the following divisions in the State of Madhya Pradesh.

<b>SL. No.</b>	<b>Name of Division/Districts for which Bid form is submitted</b>	<b>Quoted /Not quoted</b>	<b>Average Revenue Support Required from [MPSEDC] in Indian Rupees per CSC per month averaged over the 4-year period</b>
1	Chambal		
2	Gwalior		
3	Ujjain		
4	Indore		
5	Bhopal		
6	Hoshangabad		
7	Sagar		
8	Jabalpur		
9	Rewa		

### **CONDITIONS:**

- i. We undertake, if our Bid is accepted, we shall establish and operate CSCs in the divisions awarded to us in accordance with the terms and conditions in Bid document.
- ii. If our Bid is accepted we will obtain the required performance security as specified in the document.
- iii. We agree to abide by this Bid for a period of 180 days after the date fixed for opening of Second Envelope of this Bid document and shall remain binding upon us and may be accepted at any time before the expiry of that period.
- iv. Until a formal contract is prepared and executed, this bid, together with your written acceptance thereof and your notification of award shall constitute a binding contract between us.
- v. We understand that in competing for and if the award is made to us, in executing the above contract we will strictly observe the laws against fraud and corruption in force in India namely “ Prevention of corruption act 1988”.
- vi. We understand that you are not bound to accept a lowest offer that you may receive.

**Place & Date:**

**Signature & Seal of the Bidder**

**ANNEXURE 8: ASSUMPTIONS FOR BUSINESS PLAN (Table is Indicative)**

Division/District:				
Cost Head	Y1	Y2	Y3	Y4
	Avg Amt / Month	Amount Per Month	Amount Per Month	Amount Per Month
<b>CSC Revenues per month</b>				
e-Government Services				
B2C Services				
B2B Services				
G2B Services				
Others				
<b>Total Income - A</b>				
<b>Debt Servicing</b>				
<b>Operating Expenses</b>				
Connectivity				
Consumables				
Maintenance/Insurance				
Electricity				
Business Promotion				
Rent				
Staff salaries				
Others				
<b>Total Expenses - B</b>				
<b>Net Profit/Loss (A-B)</b>				

## **ANNEXURE 9: FORMAT - BANK GUARANTEE FOR PERFORMANCE SECURITY**

**From a Nationalized Bank's Branch in \_\_\_\_\_**

**(On a Non-Judicial Stamp Paper as per value applicable in the State)**

### **FORMAT FOR BANK GUARANTEE FOR PERFORMANCE SECURITY**

This Deed of Guarantee is made on this \_\_\_\_day of \_\_\_\_\_, 200\_ at. \_\_\_\_\_ by \_\_\_\_\_ (Scheduled Commercial Banks only), constituted under \_\_\_\_\_ and having its Head Office/Registered Office at \_\_\_\_\_ and inter-alia a Branch Office at \_\_\_\_\_ (hereinafter referred to as the Bank. or the Guarantor, which expression shall unless it be repugnant to the subject or context hereof be deemed to include its successors and assigns) in favor of MPSEDC Ltd ,here in after referred to as MPSEDC

WHEREAS

A. [..... ], a company within the meaning of the Companies Act, 1956 and having its Registered Office at [ \_\_\_\_\_ ] (herein after referred to as the said Service Centre Agency . Which expression unless repugnant to the subject or context includes its successors, legal representatives and permitted assigns) has been awarded the contract to implement the Common Services Centers Scheme on the terms and conditions stated in the Contract (Services) Agreement dated \_\_\_\_\_. As per the terms of the CONTRACT the said SCA has to provide a Performance Guarantee as per the format contained under the Contract Agreement. Accordingly, the said SCA requested the Bank to issue a Performance Guarantee in accordance with the terms and conditions of the Contract Agreement.

B. The said SCA has to undertake performance obligations for the \_\_\_\_\_ of the Works and Facilities under the Common Services Centers Scheme for \_\_\_\_\_ in accordance with the terms and conditions of the Common Services Centers Scheme entered into between the MPSEDC, acting through Government of Madhya Pradesh, and the Service Centre Agency.

C. The Bank, has agreed to issue this Performance Guarantee for securing the performance of the Contract Agreement.

NOW THIS GUARANTEE WITNESSETH and it is hereby agreed and guaranteed as follows:

1. At the request of the said SCA, the Guarantor has agreed to make and issue this Guarantee, in consideration of MPSEDC entering into the CONTRACT with the said SCA for the scope of work as set out in the CONTRACT in accordance with the terms and conditions contained in the CONTRACT executed with \_\_\_\_\_; and the Bank hereby undertakes as Guarantor to pay on demand without demur to MPSEDC an amount not exceeding Rupees \_\_\_\_\_ being Performance Security as defined under the CONTRACT in the event of any breach or non-performance of the terms and conditions contained in the Contract executed between MPSEDC, and the said SCA in accordance with the terms and conditions herein contained, without proof of actual damage or loss. This Guarantee shall come into effect only upon the notice to proceed being issued by MPSEDC or its nominated agencies to the said SCA in accordance with the CONTRACT and upon endorsement of a copy thereof to the Bank.

2. The Guarantor in pursuance of the terms and conditions of the CONTRACT hereby agrees absolutely and irrevocably and unconditionally guarantees as the prime obligor/principal debtor to make payment of the sum of Rupees \_\_\_\_\_ valid for \_\_\_\_\_ year/s and Rupees \_\_\_\_\_ for the subsequent years of the term

of the CONTRACT to MPSEDC to secure due and faithful performance by the said SCA of its obligations under the CONTRACT.

3. The Guarantor hereby undertakes to pay the amount due and outstanding or payable under this Guarantee, without any protest or demur and merely on a demand by MPSEDC stating that the amount claimed, in the demand notice is due by way of loss or damage caused or likely to be caused or suffered or likely to be suffered by MPSEDC, by reason of the breach by the said SCA under the CONTRACT of any of the terms and conditions contained therein or by reason of the said SCA's failure to perform any of its obligations under the CONTRACT.

4. The Bank as Guarantor here by agrees that the decision of MPSEDC as to whether the said SCA has failed to or neglected to perform or discharge its duties and obligations as afore said and not in accordance with the standards under the CONTRACT and/ or as to the amount payable to MPSEDC by the Bank hereunder is final and conclusive and binding on the Bank. A certificate of MPSEDC to the effect that the amount due and payable under the Guarantee shall be final, binding and conclusive upon the Bank.

5. In the event of delay on the part of the Bank to pay on demand, the Bank shall be liable to pay interest at the rate of 2% above its prime-lending rate, compounding quarterly, to the beneficiary. There shall not be any delay in payment of the guaranteed amount and payment of interest shall not be an excuse for delaying the payment of guarantee amount. Time is the essence of this Performance Guarantee.

6. The Guarantor shall also indemnify and keep MPSEDC indemnified against all losses, damages, costs, charges claims and expenses whatsoever which MPSEDC may suffer, pay or incur by reason of or in connection with any default on the part of the said SCA, including legal proceedings taken against the said SCA and/ or the Guarantor for the recovery of the monies referred to in para 1 above.

7. The Guarantor hereby agrees that without the concurrence of the Guarantor, MPSEDC and the said SCA shall be at liberty to vary, alter or modify the terms and conditions of the CONTRACT executed by MPSEDC with the said SCA, and in particular to defer, postpone or revise the payment schedule under the CONTRACT, modify the work at site and payment of interest or other monies under the CONTRACT on such terms and conditions as maybe considered necessary by MPSEDC.

8. The Guarantor agrees that its liability under this guarantee shall in no manner be affected by any such variation, alteration, modification, waiver dispensation with or release of security and that no further consent of the Guarantor is required for giving effect to any such variation, alteration, modification, waiver dispensation with or release of security.

9. MPSEDC shall have full liberty without notice to the Guarantor without in any way affecting this guarantee;

i. to exercise at any time and in any manner any power reserved to MPSEDC under the CONTRACT;

or

ii. to enforce or forebear to enforce payment under the CONTRACT or any part thereof or interest

or

other monies payable to MPSEDC by the said SCA or any of the remedies or securities available to MPSEDC or to enter into any composition or compound with the said SCA or to grant time or any other indulgence or facility to the said SCA, the Guarantor shall not be released by the

exercise by MPSEDC of its liberty in regard to the matters referred to above or by any act or omission on the part of MPSEDC or by any other thing, matter of whatever which under the law relating to sureties for the provisions herein have the effect of so releasing the Guarantor, the Guarantor hereby waives in favor of MPSEDC so far as may be necessary to give effect to any of the provisions of this Guarantee, all the surety-ship and other rights which the Guarantor may otherwise be entitled to enforce.

10. This Guarantee shall be enforceable against the Guarantor notwithstanding that any security or securities comprised in any instrument executed or to be executed by the said SCA in favor of MPSEDC may at the time when the proceedings are taken against the Guarantor of this guarantee be outstanding or unrealized or lost

11. The rights of MPSEDC against the Guarantor shall remain in full force and effect notwithstanding any arrangements which may be reached between MPSEDC and any other Guarantor, if any, or notwithstanding the release of that other, from liability and notwithstanding that any time hereafter the other Guarantor may cease for any reason whatsoever to be liable to MPSEDC, MPSEDC shall be at liberty to require the performance by the Guarantor of its obligations hereunder to the same extent in all respects as if the Guarantor had at all times been solely liable to perform the said obligations

12. To give effect to this Guarantee, the MPSEDC may act as if the Guarantor were the principal debtor to the MPSEDC. The MPSEDC shall be entitled to proceed to institute proceedings against the Guarantor notwithstanding that no legal proceedings or recovery action is commenced simultaneously or even during the course of recovery proceedings against the said SCA. The postponement of action against the said SCA shall be a matter of sole discretion of the MPSEDC and the Guarantor expressly agrees to such course of action and waives any objection thereto. The Guarantor accepts that the present guarantee is the prime security to the Common Services Centers Scheme and the realization from the said SCA's assets can be postponed by the MPSEDC till after the recovery of the amounts claimed or demanded from this Guarantee.

13. . In the event of liquidation of the said SCA, the Guarantor hereby undertakes not to take any excuse of the liquidation and guarantees to make payment forthwith on demand under the guarantee from MPSEDC.

14. A certificate in writing signed by a duly authorized official of the MPSEDC shall be conclusive evidence against the Guarantor of the amount for the time being due to the MPSEDC from the said SCA in any action or proceeding brought on this Guarantee against the Guarantor.

15. This Guarantee shall not be wholly or partially satisfied or exhausted by any payments made to or settled with the MPSEDC by the said SCA and shall be valid and binding on the Guarantor and operative until repayment in full of all moneys due to the MPSEDC under the CONTRACT.

16. This Guarantee shall be irrevocable and the obligations of the Guarantor hereunder shall not be conditional on the receipt of any prior notice by the Guarantor or by the said SCA except as provided in Para 3 above. The liability of the Guarantor under this Guarantee shall not be affected by

i. any change in the constitution or winding up of the said SCA/ Guarantor or any absorption, merger or amalgamation of the said SCA/ Guarantor with any other company, corporation or concern, or

ii. any change in the management of the said SCA or Guarantor or take over of the Management of the said SCA/Guarantor by Central or State Government or by any other authority, or

- iii. acquisition or nationalization of the said SCA/Guarantor and/or of any of its undertaking(s) pursuant to any law, or
  - iv. any change in the constitution of the said SCA, or
  - v. the absence or deficiency of powers on the part of the Guarantor/ said SCA to give guarantees and/ or indemnities or any irregularity in the exercise of such powers.
17. The Guarantor represents and warrants that it has the full authority to make and execute this Guarantee.
18. The Guarantor represents that all regulatory approvals, permits and authorizations as are necessary for the issuance of this Guarantee have been received and are in full force and effect.
19. The Guarantor represents that there is no litigation or arbitration or other proceedings pending against the Guarantor, which could reasonably be expected to have a material adverse effect or change in the Guarantor's ability to perform its obligations under this Guarantee. The Guarantor shall be bound to serve notice immediately to MPSEDC in the event of any winding up notice or action or proceeding being instituted against it or in the event of any Official Liquidator or Provisional Liquidator or Receiver being appointed for the Guarantor.
20. This Guarantee shall be valid during the CONTRACT period and till the expiry of 6 months after end of CONTRACT period. The Guarantor undertakes to execute the enhanced guarantee after \_\_\_\_ years from the date of execution of the CONTRACT to Rupees \_\_\_\_ as a Performance Guarantee and deliver the same to MPSEDC, 30 days prior to the expiry of each year till \_\_\_\_\_.
21. This Guarantee shall be released or discharged only by an express release letter issued by MPSEDC. Such a release letter shall be issued by MPSEDC only upon the completion of the works under the CONTRACT and the expiry of six months.
22. Notice to proceed referred to in Para 3 above and any demand for payment or notice under this Guarantee shall be deemed to be sufficiently given if sent by post to or left at the last known address of the Guarantor or their successors or assigns, as the case maybe, such demand or notice is to be made or given, and shall be assumed to have reached the addressee in the normal course, if given by post, and no period of limitation shall commence to run in against the Guarantor until after demand for payment in writing shall have been made or given as aforesaid and in proving such notice when sent by post, it shall be sufficient if proved that the envelope containing the notice was posted and a certificate by any of the responsible officers of the MPSEDC, Government of India or its nominated agencies that to the best of his knowledge and belief, the envelop containing the said notice was so posted shall be conclusive as evidence against the Guarantor, even though it was returned unserved on account of refusal of the Guarantor or otherwise. The Guarantor agrees that there is no necessity of issuing simultaneous demand or even a subsequent demand upon the said Operator for invoking this Guarantee as the Guarantor's liability under this Guarantee is on the basis that the Guarantor's liability is that of the principal debtor for all purposes. This Guarantee shall not be revocable and the obligations contained herein shall not be conditional on any prior notice to the said SCA and as an irrevocable Guarantee, the amounts due shall be paid forthwith upon demand by MPSEDC.
23. The rights of MPSEDC under this Guarantee may be assigned, at any time, to its nominated agencies or any other entity appointed by the Government of India/Government of Madhya Pradesh in place of MPSEDC.
24. Notwithstanding anything contained hereinabove our liability under this guarantee is restricted to Rs ... (Rupees .... only). The guarantee shall remain valid till.....inclusive of a six months claim period.

Unless a notice in writing enforcing your claim under the guarantee is received by us on or before.....all your rights under this guarantee shall be released and discharged from all liabilities under this guarantee, irrespective of whether or not the original is returned to us.

All future correspondence with reference to the above guarantee should be made to .....(Bank Name and Address)

The jurisdiction in relation to this Guarantee shall be the Courts at Bhopal and Indian Law shall be applicable.

IN WITNESS WHEREOF the Guarantor has executed this Guarantee on this \_\_\_\_\_ day of \_\_\_\_\_ and year first herein above written. Signed and delivered by the above named \_\_\_\_\_ Bank by its Authorized Signatory as authorized by Resolution / Regulation / Decision of its Regional Board / Central Board in accordance with the decision / resolution passed on \_\_\_\_\_.

\_\_\_\_\_  
Authorized Signatory

In the presence of:

- 1.
- 2.



**ANNEXURE-11: BID SECURITY FORM**

(Bank Guarantee to be furnished on Rs. 50/- stamp paper)

To, [Managing Director]

Sir,

Whereas..... (Hereinafter called “the Bidder”) has submitted its bid dated.....2006, for setting CSCs in the various divisions in the State of Madhya Pradesh. (Hereinafter called the “Bid”) KNOW ALL MEN by these presents that WE..... of.....having our registered office at ..... (hereinafter called the Bank”) are bound unto.....(hereinafter called “the [Managing Director] or his authorized representative”) in the sum of ..... for which payment well and truly to be made to the said [Managing Director] or his authorized representative , the Bank binds itself, its successors and assigns by these presents.

Sealed, with the Common Seal of the said Bank on this ..... day of ..... 2006.

THE CONDITIONS of this obligation are:

If the Bidder withdraws its Bid during the period of bid validity specified by the Bidder on the Bid Form;  
or

If the Bidder, having been notified of the acceptance of its bid by the [Managing Director] or his authorized representative during the period of bid validity:

(a)Fails or refuses to execute the Contract Form if required; or

(b)Fails or refuses to furnish the Performance Security, in accordance with the Instruction to Bidders.

We undertake to pay the [Managing Director] or his authorized representative up to the above amount upon receipt of its first written demand, without the [Managing Director] or his authorized representative having to substantiate its demand, provided that its demand the [Managing Director] or his authorized representative will note that the amount claimed by it is due owing to the occurrence of one or both of the two conditions, specifying the occurred condition or conditions.

The guarantee will remain in force up to and including 45 days after the period of the bid validity, and any demand in respect thereof should reach the Bank not later than the above date.

(Signature of the authorized officer of the Bank)

**ANNEXURE-12: TECHNICAL DEVIATION FORM**

**To:**  
**Managing Director**  
M.P. State Electronics Development Corporation Ltd,  
147, Zone-I, M.P. Nagar, Bhopal-462011

Re: RFP for selection of SCAs for CSC Scheme

Sir/Madam,

There are no technical deviations (null deviations) from the specifications or terms and conditions mentioned in this RFP. The entire work shall be performed as per your specifications and the RFP.

**OR (Strike out whatever is not applicable)**

Following is the exhaustive list of technical deviations and variations from the specifications/terms and conditions mentioned in the RFP. Except these deviations, entire work will be performed as per your specifications/ RFP.

Sl.No.	Particulars/ Section/ Page No. in the RFP	Deviation from Specifications/ terms and conditions.

Yours faithfully,

**Place & Date:**

**Name, Signature & Seal of the Bidder**