

**Government of India
Ministry of Rural Development
Department of Rural Development
(Economic and Monitoring Wing)**

**Guidelines for Evaluation, Impact Assessment and Research Studies for the
Economic and Monitoring Wing**

1. Introduction:

- The Ministry of Rural Development (MoRD), Government of India is committed to eradicate poverty and hunger from the rural India and usher in all round development of rural masses. Accordingly, the ministry is implementing a number of programmes, which aim at, bridging the rural-urban divide, guaranteeing wage employment and ensuring food security, provide for economic upliftment by self employment, creating rural infrastructure, providing dignified living by providing shelter and restoring lost or depleted productivity of natural resources like land, water and biomass. MoRD implements various rural development schemes namely, Pradhan Mantri Gram Sadak Yojana (PMGSY), Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), Indira Awaas Yojana (IAY), National Social Assistance Programme (NSAP), Swarnjayanti Gram Swarajgar Yojana (SGSY)/National Rural Livelihood Mission (NRLM) and Integrated Watershed Management Programme (IWMP) in rural areas of the country through State Governments and Union Territory Administration. The purpose of this 'Guidelines for Evaluation, Impact Assessment and Research Study' is to lay-down in clear terms, the methods of organising/conducting these studies.

II. Rationale for Evaluation, Impact Assessment and Research Studies Research Studies

Over the past years the allocation of financial resource for rural development programme is increasing in fast pace. In order to assess the outcomes of this huge expenditure and to improve the efficiencies and effectiveness of the programmees, the Ministry organises evaluation and impact assessment studies on a regular basis. Also, the ministry treats

evaluation of its policies, programmes, schemes, projects and interventions as an instrument of accountability. Considering the size and scope of the programme implementation, it is necessary for the policy makers and implementers to know the benefits and impacts of such development intervention. Further, issues and challenges limiting the effective implementation of the programme at the grass-root level can be diagnosed through a detailed micro-level data analysis and corrective measures can be outlined, accordingly.

III. Scope and Coverage:

The ministry would treat evaluation of its policies, programmes, schemes, projects and interventions as an instrument of accountability. The evaluation work may be entrusted to the agencies internal to the ministry (Programme Divisions, NIRD, monitoring division, etc.), or external agencies or it may be conducted jointly. Partnership by choice in evaluation would be encouraged- between the ministry and outside agencies, between programme divisions and monitoring division. But, in order to ensure credibility, third party independent evaluation would be the preferred mode of evaluation. The focus of the evaluation approach would be practical and the findings should be useable to large extent. To ensure usesability of the findings, the main users of evaluation should be involved in specifying the objectives and selecting the most appropriate model, methods and theory. The evaluation studies may be ex-ante, ex-post and/or mid-term. The instruments may be concurrent evaluation, evaluation and impact assessment (pilot or otherwise). Wherever evaluation is necessary or mandatory, funding will also be made to conduct the study. All the policies, programmes, schemes, projects and interventions of the ministry are to be framed in such a way that it becomes possible to evaluate them meaningfully. This means; outcome budgeting, logical framework analysis, stakeholder analysis and modern tools of management are to be made use of while framing them. The findings of the evaluation studies are to be shared with all the concerns as per the discloser policy of the ministry and the Right to Information Act.

In general, the evaluation and impact assessment studies would capture the ground realities regarding the execution/implementation processes and the impact of the programmes/projects. However, these studies in general, can not examine specific queries

with regard to individual programmes/projects. The theories, hypotheses and assumptions on the basis of which the rural development interventions are designed and implemented can not be probed by these studies. As the utility of such studies are of immense importance to strengthen the public accountability of the range of poverty alleviation and rural development programmes, it is proposed to organize few issue based and thematic research studies. The research studies would concentrate mainly on:

- a) Sector, area and programme/scheme/project specific issues relating to theories, hypotheses and assumptions of government interventions in the rural areas.
- b) Research methodology would be adopted keeping in view the recent developments in the field of social research in the subject of economics, statistics, sociology and psychology etc.
- c) As far as possible the findings will be used to design and implement central government interventions at the all-India level.
- d) Studies that cut across various government schemes/interventions will be given priority.

Some identified research themes which could be explored for deeper analysis and documentation are at **Annexure-I**. The list is not comprehensive and can be modified by the Ministry from time to time.

IV. Modes of Receiving Study Proposals

Ministry will consider proposals received from UGC affiliated universities/colleges and reputed research institutions/agencies with proven track record of research. Those organizations/ institutions/ agencies should be a legal entity eligible to enter into an agreement/ contract with the Ministry to undertake work contract in India. However, while awarding the study to them it shall be ensured that the agreement/contract conforms to the Rule 163-177 of the GFR. There could be three modes of accepting research proposals:

- A. Suo-moto proposals:** Proposals can be submitted, at any time during a year, to the Chief Economic Adviser.
- B. Invited Proposals (Competitive):** Proposals may be invited by the Ministry, depending upon need, from a set (or network) of research institutions identified on the basis of recognized capabilities in the concerned area, depending upon specific needs of policy making and implementation of Scheme. Selection of proposals

would be made through a competitive bidding process. Focus would be laid on the technical soundness of the proposal including research credentials of the proposed research team.

- C. Commissioned Proposals (Non-competitive):** The Ministry, may directly commission research studies to one or a network of research institutions, identified on the basis of recognized capabilities in the concerned area, depending upon specific needs of policy making and preparation of Scheme.

V. Cost and Duration

The cost and duration of research studies under these three categories are as follows:

Proposal Category	Cost (Rs. Lakh)	Maximum Duration (Months)
A. Suo-moto	15.00 (Maximum)	12
B. Invited competitive	To be determined on the basis of financial and technical bids	
C. Commissioned non-competitive	Normally will be restricted to Rs. 10 lakh although there will be no bar to assignments involving financial cost of more than Rs. 10 lakh for justifiable reasons. Final cost and Maximum duration shall be fixed based on Terms of Reference through discussions and negotiations.	

Costs beyond the limits prescribed as above would require detailed justification. The Ministry would consider the request of such proposals and take final decisions of the cost estimates.

VI. Appraisal of Proposals in the Ministry

VI.A Suo-moto Proposals

The following procedures will apply to all suo-moto proposals.

Step 1: Submission of the synopsis – 1000 words proposal covering (i) title of the research study, (ii) objectives and (iii) dominant research method/tool to be utilised (field survey based on structured questionnaires, focus group discussion, participatory rural appraisal or

any of its' variants, action research, desk-top intellectual input based, pilot experiments, any other-name). This proposal should be sent to the Chief Economic Adviser, Ministry of Rural Development, Krishi Bhawan, New Delhi- 110001. If such proposal is found to be useful from the point of view of the Ministry, the applicant would be advised to submit detail proposals. *However, the Ministry does not ensure to support or fund all such proposal for which detail proposals are invited. Only innovative research proposals with noble ideas that looks at existing problems from new perspectives or exhibit other uniquely creative qualities, using advanced research methodology, would be considered under this category. The Ministry reserves the right to reject any or all the proposals received under this category if not found suitable.*

Step 2: Submission of detail Proposals in Support of Research: The proposals should clearly elaborate the research questions and specify study methodologies which include research and study design, data sources, data collection methods, sampling plan and techniques, etc. It should also list out complete team of investigators/ project coordinators and provide their detailed resume highlighting their academic backgrounds and publication record. Additional personnel support required for implementing the research project should be outlined with proper justification. It should also provide a detailed break-up of the costs consistent with the funding norms. Proposals should provide the project time lines and milestones, and an indication of the outputs of the project. Proposals should be made in the prescribed application format (*Annexure II*).

Proposals prepared by the Principal Investigator (PI)/Project Coordinator should be forwarded by the Head of the Institution. In case a research proposal involves a network of research institutions, the PIs would identify the lead investigator from each of the participating institutions.

Step 3: Scrutiny of Proposals: Proposals received by the Ministry of Rural Development, will be acknowledged within two weeks. While examining the proposals, the Ministry will determine the Order of Priority in terms of the proposed research themes and relevance of conducting such research.

Step 4: Sanction by Ministry: After the preliminary scrutiny, the proposals would be placed before a Research Advisory/Technical Committee of the Ministry chaired by the competent

authority as prescribed in the GFR and DFPRs for approval. The members of the Committee would be as following:

Economic Adviser, M/o Rural Development	Member (Expert)
Director/Dy Secy. (Finance), M/o Rural Development	Member
Director (Monitoring/Plan & Policy), M/o Rural Development	Member Secretary

If required, a representative from the relevant Programme Division/Subject Ministry may be invited. Similarly, if required, an outside expert may be invited.

Step 5: Regular review and methodological guidance by Steering Committee: The Ministry may refer the proposal, to a Steering Committee comprising experts in the priority areas to ensure regular methodological guidance and periodic review of research project.

Step 6: Consultancy Monitoring Committee (CMC): A CMC comprising at least three members at appropriate level shall be constituted after the selection procedure is over for monitoring the progress of the assignment. If considered appropriate, all or any of the members of Research Advisory/Technical Committee would act as members of CMC. The CMC shall be responsible to monitor the progress of the assignment, to oversee that the assignment is carried out as per agreed TOR and contractual conditions, to assess the quality of the deliverables, to accept / reject any part of assignment, to levy appropriate penalty if the assignment is not carried out as per the contract and if the quality of services is found inferior and for any such deficiency related to the completion of the assignment.

VI.B Invited Proposal (Competitive):

In case of invited competitive proposals, selections are to be made through a bidding process. A two part bid systems (i.e., Technical and Financial bids) will be followed. The technical and financial bids shall be evaluated by a committee constituted for the purpose by adopting Combined Quality cum Cost Based System (CQCCBS). Depending upon the size and complexity of the study project, Expression of Interest (Eoi) may be called before sending Request for Proposal (RFP) to shortlisted institutions/organisations.

VI. C Commissioned Proposals (Non-Competitive):

In case of studies commissioned by MoRD on non-competitive or single source basis without tender, the fee (as per GFR 184) would be fixed on terms of reference through discussions and negotiations.

VII. Cost Norms

For the research studies on 'invited competitive proposals', the cost would depend on the CQCCBS. For the remaining two, i.e. Suo-moto Proposals and Commissioned Non-Competitive proposals the norms for funding would be as following:

Sl. No.	Items	Funding Norm (Rs.)
1	A. Remuneration/Compensation to key professionals: Principal Investigators (PI)/Project Coordinator (PC) Number: One Months :	That of a newly appointed Professor (scale -Rs. 37400-67000+ GP Rs. 10000) or the last pay drawn by the PI/PC whichever is low (certificate/document to be produced)
	B. Remuneration/Compensation to key professionals: Research Officer (RO) Number: (maximum two) Months:	That of a newly appointed Assistant Professor (scale -Rs. 15600-39100+ GP Rs. 7000) or the last pay drawn by the RO whichever is low (certificate/document to be produced)
	C. Remuneration/Compensation to field staff support staff and Investigator (FS&I) Number: Months:	That of a newly appointed Statistical Assistant (scale -Rs. 5200-20200+ GP Rs.2800) or the last pay drawn by the FS&I whichever is low (certificate/document to be produced)
	D. Remuneration/Compensation to Office staff and Support Staff (OS&SS) Number: Months:	That of a newly appointed Statistical Assistant (scale -Rs. 5200-20200+ GP Rs.2800) or the last pay drawn by the FS&I whichever is low (certificate/document to be produced)
	Sub-Total	
2	Travel for key person (PI/PC and RO)	
3	Travel for Field & Secretariat staff (PS&I and OS&SS)	

4	Contingent expenses	
5	Office expenses**	
6	Total (1+2+3+4+5)	
7	Institutional Overheads if any, and basis of charge	
8	Service Tax, if any to be charged	
9	Grand Total (6+7+8)	
(In words _____)		
** Office expenses: Include expenses for 20 hard copies of the final report and 5 Compact Disks		
Note: Justifications is to be given for the number(s) human resource and duration for which they would work. Similarly for other items of costing		

VIII. Terms and Conditions for Sanctioning Research Projects

- i. A Project will normally be sanctioned for a period ranging between 12 to 18 months. The grant will be payable in three instalments. While 25% of the approved cost would be released at the time of approval of the project, 50% would be released after receiving interim reports of the study and Utilisation Certificate for 60% of the amount already released (in a prescribed format at **Annexure III**). The remaining 25% would be released only after acceptance of final reports and examination of financial statements like UC and Audit Report. The third instalment will be released only after 90% of the total available funds is utilised.
- ii. **Performance security** is to be made available for an amount of 10% of the value of the project/contract. The Performance Security may be furnished in the form of an account payee demand draft/fixed deposit receipt from a commercial bank/ bank guarantee from a commercial bank in an acceptable form safeguarding the Government in all respect. The Performance Security would remain valid for a period of 60 days beyond the date of completion of all contractual obligations.
- iii. The authorities of the institution(s) where the research activities are to be carried out would submit account details to receive the grants and shall be responsible for their utilisation. Project administration, submission of periodic progress reports and maintenance of accounts shall be the responsibility of the grant recipient organisation.

- iv. In case, during the course of the study, principal/lead investigator/project coordinator leaves the institute, the responsibility for completion of the project may be entrusted to another equally qualified Investigator/project coordinator by the Head of the Institution with due approval of the Ministry at **no additional cost**.
- v. All accounts in respect of the project shall be subject to audit by the Chartered Accountant. On termination of the project, the duly audited accounts shall be submitted and the unspent balance, if any, shall be refunded to the MoRD within six calendar months of completion of the project. Full and final payment will be made after the acceptance of all the financial certificates, audit reports and final report (s).
- vi. During the course of implementation of the project, the MoRD may depute its staff or experts from other institutions to visit the research institution(s) concerned to review progress.
- vii. The selection and appointment of Support Staff for the project may be made by the Principal/Lead Investigator in terms of the procedures of the concerned Institutions for periods not exceeding the sanctioned duration of the project.
- viii. In respect of particular research projects, *at the time of sanction*, the Ministry may prescribe requirements of prior approval by the Ministry before submitting the same for publication or conference presentation, publication of papers or articles based on the Project.
- ix. If, after due enquiry, the Ministry concludes that the progress of a research Project is highly unsatisfactory and cannot be improved, it may terminate the Project. Upon such termination, the agency shall be liable to refund the entire amount to the Ministry within two weeks of such decision alongwith interest.
- x. All equipment purchased out of the grant would remain with the institution concerned unless otherwise specified in the sanction. However, the guarantee organization will submit the list of assets acquired under the project. The terms "Assets" here means (a) immovable property and (b) movable property of a capital nature where the value exceeds Rs. 10,000/-. The list of equipment to be purchased will be indicated in the project proposal alongwith estimated cost.
- xi. The project will become operative with effect from the date of receipt of the First Sanction Order by the grantee organization. The date of receipt of the Sanction

Order will be intimated by the Principal Investigator/Project Coordinator to the Ministry of Rural Development.

- xii. Extension of the project beyond the approved period may be granted in exceptional cases. Request for such extension of the project should be sent by the guarantee institution to the Ministry at least three months prior to the closing date of the project. The Ministry could grant extension of project for a maximum period of three months without any additional cost for justified reasons. If there is undue delay in completion of the Project, the Agency will be liable to pay interest at Government rate on the amount released for the period of such delay.
- xiii. The guarantee organization(s) will furnish 20 copies of the final report, including Executive Summary, along with a soft copy, to the Ministry.
- xiv. **Contract for Consultant's Services:** An agreement is to be signed by the Ministry and the Agency (as consultant) on Non-judicial Stamp Paper of Rs.100/- (format in Annexure IV).
- xv. The Ministry reserves the right to terminate the agencies' contract at any point of time with assigning justifications/ reasons. In such eventuality, the agency shall have to refund the amount released by the government together with a penal interest of 12% per annum.
- xvi. Deduction of TDS and Service Tax as applicable shall be made at the prescribed rates at the time of release of the consultancy fee.

14. Arbitration Clause

- (a) In the event of any question, dispute or difference arising under or out of or in connection with the conditions mentioned in TOR and sanction letter, the same shall be referred for the Sole Arbitration of any person appointed by the Secretary to the government of India in the Department of Rural Development. There shall be no objection if the person so appointed is a Government Servant.
- (b) In the event of the Arbitrator dying, neglecting or refusing to act or resigning or being unable to act for any reason or his award being set aside by the Court for any reason, it shall be lawful for the said Secretary to appoint an Arbitrator in the place of the outgoing Arbitrator in the manner aforesaid and the persons so appointed will proceed with the references from the stage at which it was left by his predecessor. It is also a term of this contract that no persons, other than a person appointed by the Secretary in the Ministry as aforesaid shall act as

Arbitrator and if for any reason that is not possible the matter shall not be referred to arbitration at all.

- (c) Subject to aforesaid , the Arbitration and Conciliation Act, 1996 and the Rules there under, any statutory modification thereof for the time being in force shall apply to the arbitration proceedings under this clause.
- (d) Upon every and any reference as aforesaid, the assessment of costs of the incidental to the reference and award respectively shall be in discretion of the Sole Arbitrator.
- (e) The venue of the arbitration proceedings will be premises of the Government of India, Ministry of Rural Development, New Delhi or such other place as the Sole Arbitrator may decide.
- (f) If no request in writing for arbitration is made by the Evaluator(s)/Consultant/Agency within a period of one year from the date of completion of job, all claims of the agency shall be deemed to be waived and absolutely barred, the President of India shall be discharged and released of all the liabilities under the subject contract.

IX. Dissemination of Research Findings

Wide dissemination of research findings with due acknowledgement of the Ministry and its grant would be encouraged. Apart from professional journals/books, final technical reports of completed projects may be disseminated through one or more of the following channels, as appropriate:

- Web site of the Ministry.
- Website of NIRD/SIRDs/Institutes
- Websites of Major Universities (through UGC)
- Websites of State Rural Development Departments
- Professional and Policy-makers' Workshops

Suggested Research Themes (indicative only)

1. Analysis of theories, hypotheses and assumptions of wage employment interventions by government with special reference to MGNREGA.
2. Analysis of theories, hypotheses and assumptions of self employment interventions, skill development by government with special reference to SGSY/NRLM
3. Analysis of theories, hypotheses and assumptions of government interventions in rural road sector with special reference to PMGSY
4. Analysis of theories, hypotheses and assumptions of government interventions in rural housing sector with special reference to IAY
5. Analysis of theories, hypotheses and assumptions of government interventions in rural infrastructure sector with special reference to drinking water and sanitation etc.
6. Inclusive growth through Rural Development Programmes viz., MGNREGA and NRLM
7. Women empowerment and gender issues
8. Impact of Rural Development Programmes included under Prime Minister's New 15-Point Programme viz. IAY and NRLM on the welfare of Minorities
9. Levels of living of women and other vulnerable social groups
10. Labour market relations and role of government interventions like MGNREGA and NRLM.
11. Process studies of MGNREGA, NRLM, IAY, NSAP and other schemes/programmes to find out effectiveness and efficiencies.
12. Rural Development and good governance
13. MGNREGA and natural environment
14. Sustainable livelihood support- role of government, particularly the MoRD
15. Vulnerability reduction through Rural Development Programmes
16. Financial inclusion through NRLM/MGNREGA/IAY
17. Social Capital formation and its impact on the implementation of Rural Development Programme.
18. Community based Monitoring
19. Social audit and community empowerment
20. Stemming distress migration
21. Public-private-PRI-community partnerships for sustainable development
22. Convergence feasibilities and methods
23. Rural development interventions and migration implications
24. Rural development interventions and human skill implications
25. Institutional capacity of the PRIs and Effective Implementation of the RD Programmes.
26. Gender Budgeting and its operationalisation.

Application for the Grant for Research project

(Applicable to suo-moto and commissioned non-competitive proposals only.)

To be completed by the Principal Investigator / Project Coordinator)

1. Title of the Project :
2. Name, Designation and Address of
Principal Investigators (PI)/Project Coordinator (PC):
3. Date of superannuation of PI/PC :
4. Name(s), Designation and Address (es)
of Co-Investigators :
5. Institution where the project will be implemented
(Lead institution in case of network) :
6. Names of Network Partners
(if project is to be carried out by a network) :
7. Duration of the Project (years, months) :
8. Total amount of **fee/service** required (details in Appendix- d):
9. **Appendices:**

Appendix (a): Project Brief

- A brief summary of the project (not exceeding one page)

Appendix (b): Project Investigators and Background of the Applicant Institution

- i. CVs of PI/PC and all research staff, covering academic qualifications, peer reviewed research publications and institutions where previously located.
- ii. Details of relevant project(s) proposals submitted and executed by (all participating) institutions to Ministry of Rural Development in the past three years and all other funding organisations.

A. Ministry of Rural Development				
Title of the research studies and other projects (Training, IEC	Name of Client Division in	Month & Year of starting (S) and	Sanctioned Value (in Rs.)	Funds received till data (in

activity, etc.)	case of MoRD	completion (C) of the project S-MM/YYYY C- MM/YYYY		Rs.)
B. Other Funding Organisations				

Appendix (c): Technical Proposal

- a) Specification of research Question (s) and objectives
- b) Survey of literature relating to the project
 - Existing relevant literature on the subject; two page note on key findings, gaps in knowledge
- c) Justification for the proposed project in relation to the Thematic Priorities
- d) Outline of research methodology
- e) Data sources
- f) Survey to be conducted
- g) Infrastructure available
- h) Infrastructure required
- i) Support staff available (Technical/non-Technical)
- j) Additional Support Staff Required (Technical/non-Technical)
- k) Time schedule of the project (PERT – Chart)
- l) Modalities for dissemination of Research Outputs

Appendix (d): Financial Proposal (details) refer para-VII. Cost Norms

Form GFR 19 – A
Form of Utilization Certificate

Sl.No	Letter No. and date	Amount	Certified that out of Rs..... of grants-in-aid sanctioned by Ministry of Rural Development during the year in favour of and Rs..... on account of unspent balance of the previous year, a sum of Rs..... has been utilized for the purpose of for which it was sanctioned and that the balance of Rs..... remaining unutilized at the end of the year has been surrendered to Government (vide cheque/draft No....., dated.....) / will be adjusted towards the grants-in-aid payable during the next year.....
Total			

2. Certified that I have satisfied myself that the conditions on which the grants-in-aid was sanctioned have been duly fulfilled / are being fulfilled and that I have exercised the following checks to see that the money was actually utilized for the purpose for which it was sanctioned.

Kinds of checks exercised

- 1.
- 2.
- 3.
- 4.
- 5.

Signature

Designation

Date

DRAFT CONTRACT FOR CONSULTANT'S SERVICES

between

Ministry of Rural Development, Govt. of India

And

(Name of the Consultant)

Subject: Services provided by the

Dated:

This CONTRACT (herein after called the “ Contract”) is made on the (day) day of the month of (month), (year) between the Ministry of Rural Development, Government of India, Krishi Bhavan, New Delhi-110114(name of Employer), (hereinafter called the ‘Employer’) of the First Part and, (name of consultant/ Evaluating Agency) (hereinafter called the ‘Consultant’) of the Second Part.

WHEREAS:

(a) the Consultant, having represented the “Employer” that he has the required professional skill, personnel and technical resources, has offered to provide the services in response to the Tender Notice dated issued by the Employer;

(b) the “Employer” has accepted the offer of the Consultant to provide the services on the terms and conditions set forth in this Contract.

NOW, THEREFORE, IT IS HEREBY AGREED between the parties as follows:

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

- (i) Conditions of Contract
- (ii) Appendix: Request for Proposal (RFP) and Terms of Reference

2.The mutual rights and obligations of the “Employer” and the “Consultant ”shall be as set forth in the Contract, in particular:

(a) the Consultant shall carry out and complete the Services in accordance with provisions of the Contract; and

(b) the “ Employer” shall make payments to the Consultant in accordance with provisions of the Contract.

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

In the presence of:

Signed by:

For and on behalf of the Ministry of Rural Development, Govt. of India.

Witnesses:

(i)

Signed by

(ii)

(Consultant)

CONDITIONS OF CONTRACT

1. GENERAL PROVISIONS

1.1 Definitions: Unless the context otherwise requires, the following terms whenever used in this Contract have the following meanings:

(a) "Applicable Law" means the laws and any other instruments having the force of law in India for the time being.

(b): "Employer" means Ministry of Rural Development, Govt. of India.

(c) "Consultant" means any private or public entity that will provide the Services to the "Employer" under the Contract.

(d) "Contract" means the Contract signed by the Parties and all the attached documents listed in its Clause 1 that is this Contract and the Appendices.

(e) "Day" means calendar day.

(f) "Effective Date" means the date on which this Contract comes into force country.

(g) "Government" means the Government of India

(h) "Party" means the "Employer" or the Consultant, as the case may be, and "Parties" means both of them.

(i) "Personnel" means professionals and support staff provided by the Consultants assigned to perform the Services or any part thereof .

(j) "Services" means the work to be performed by the Consultant pursuant to this Contract, as described in the RFP/TOR hereto.

(k) "Third Party" means any person or entity other than the "Employer", or the Consultant.

(l) "In writing" means communicated in written form with proof of receipt.

1.2 Relationship Between the Parties

Nothing contained herein shall be construed as establishing a relationship of master and servant or of principal and agent as between the "Employer" and the Consultant. The Consultant, subject to this Contract, has complete charge of Personnel performing the Services and shall be fully responsible for the Services performed by them hereunder.

1.3 Law Governing Contract: This Contract, its meaning and interpretation, and the relation between the Parties shall be governed by the applicable laws of India.

1.4 Headings: The headings shall not limit, alter or affect the meaning of this Contract.

1.5 Notices

1.5.1 Any notice, request or consent required or permitted to be given or made pursuant to this Contract shall be in writing. Any such notice, request or consent shall be deemed to have been given or made when delivered in person to an authorized representative of the Party to whom the communication is addressed, or when sent by registered post to such Party at the following address :

i). Employer: (Name) (Designation)

Ministry of Rural Development, Govt. of India,

Krishi Bhavan, New Delhi-110114.

ii) Consultant: (Name).....(Designation)

Address:

1.5.2 A Party may change its address for notice hereunder by giving the other Party notice in writing of such change to the address specified in Clause 1.5.1.

1.6 States covered: The Study shall cover all States/UTs which are included in the sample, the "Employer" may approve.

1.7 Taxes and Duties: The Consultant shall be liable to pay such direct and indirect taxes, duties, fees and other impositions levied under the applicable laws of India.

1.8 Fraud and Corruption:

1.8.1 Definitions: It is the Employer's policy to require that Employers as well as Consultants to observe the highest standard of ethics during the execution of the Contract. In pursuance of this policy, the Employer defines, for the purpose of this provision, the terms set forth below as follows:

(i) "corrupt practice" means the offering, receiving, or soliciting, directly or indirectly, of anything of value to influence the action of a public official in the selection process or in contract execution;

(ii) "fraudulent practice" means a misrepresentation or omission of facts in order to influence a selection process or the execution of a contract;

(iii) "collusive practices" means a scheme or arrangement between two or more consultants, with or without the knowledge of the Employer, designed to establish prices at artificial, noncompetitive levels;

(iv) "coercive practices" means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in a procurement process, or affect the execution of a contract;

1.8.2 Measures to be taken by the Employer: The Employer may, if it determines at any time that the Consultant or Representatives of the consultant were engaged in corrupt, fraudulent, collusive or coercive practices during the selection process or the execution of that contract,

(a) terminate the Contract, and /or

(b) declare the Consultant ineligible, either indefinitely or for a stated period of time, to be awarded a contract .

2. COMMENCEMENT, COMPLETION, MODIFICATION AND

TERMINATION OF CONTRACT

2.1 Effective Date of Contract: This 'Contract' shall come into force and effect on the date of execution/signing of 'Contract' by the 'Parties'.

2.2 Commencement of Services: The Consultant shall begin carrying out the Services not later than 15 days after execution of the Contract.

2.3 Termination of Contract for Failure to Become Effective: If this Contract has not become effective within 15 days after execution, Employer may, by not less than 7 days written notice to the other Party, declare this Contract to be null and void, and in such event, Consultant shall have no claim against the Employer with respect hereto.

2.4 Expiration of Contract: Unless terminated earlier pursuant to Clause 2.3 or 2.8 hereof, this Contract shall expire at the end of 6 months after the Effective Date as specified in Clause 2.1 unless further extended by the Employer.

2.5 Modifications or Variations: (a) Any modification or variation of the terms and conditions of this Contract, including any modification or variation of the scope of the Services, may only be made by written agreement between the Parties.

2.6 Force Majeure

2.6.1 Definition (a) For purposes of this Contract, "Force Majeure" means an event which is beyond the reasonable control of a Party, is not foreseeable, is unavoidable and not brought about by or at the instance of the Party claiming to be affected by non-performance or delay in performance, and which makes a Party's performance of its obligations hereunder impossible or so impractical as reasonably to be considered impossible in the circumstances, and includes, but is not limited to, war, riots, civil disorder, earthquake, fire, explosion, storm, flood or other extreme adverse weather conditions, strikes, lockouts or other industrial action (except where such strikes, lockouts or other industrial action are within the power of the Party invoking Force Majeure to prevent, confiscation or any other action by Government agencies)

(b) Force Majeure shall not include (i) any event which is caused by the negligence or intentional action of a Party (ii) any event which a diligent Party could reasonably have expected and taken into account at the time of conclusion of this Contract, (c) insufficiency of funds or non-availability of personnel.

2.6.2 No Breach of Contract: The failure of a Party to fulfill any of its obligations hereunder shall not be considered to be a breach of, or default under, this Contract insofar as such inability arises from an event of Force Majeure, provided that the Party affected by such an event has taken all reasonable precautions, due care and reasonable alternative measures, all with the objective of carrying out the terms and conditions of this Contract.

2.6.3 Measures to be Taken: (a) A Party affected by an event of Force Majeure shall continue to perform its obligations under the Contract as far as is reasonably practical, and shall take all reasonable measures to minimize the consequences of any event of Force Majeure.

(b) A Party affected by an event of Force Majeure shall notify the other Party of such event as soon as possible, and in any case not later than 7 days following occurrence of such event, providing evidence of the nature and cause of such event, and shall similarly give written notice of the restoration of normal conditions as soon as possible.

(c) Any period within which a Party shall, pursuant to this Contract, complete any action or task, shall be extended for a period equal to the time during which such Party was unable to perform such action as a result of Force Majeure.

(d) During the period of their inability to perform the Services as a result of an event of Force Majeure, the Consultant, upon instructions by the "Employer", shall either:

(i) demobilize,; or

(ii) continue with the Services to the extent possible, in which case the Consultant shall continue to be paid proportionately and on prorata basis, under the terms of this Contract.

(e) In case of disagreement between the Parties as to the existence or extent of Force Majeure, the matter shall be settled according to Clause 8.

2.7 Suspension: The "Employer" may, by written notice, suspend all payments to the Consultant hereunder, if the Consultant fails to perform any of its obligations under this Contract, including carrying out of the Services, provided that such notice of suspension shall (i) specify the nature of the failure, and (ii) allow the Consultant to remedy such failure within a period not exceeding 7 days after receipt of such notice.

2.8 Termination

2.8.1.1 Termination by the "Employer": The "Employer" may terminate this Contract in case of the occurrence of any of the events specified in following paragraphs (a) through (h) of this Clause:

(a) If the Consultant fails to remedy a failure in performance of its obligations hereunder, as specified in a notice of suspension pursuant to Clause 2.8 hereinabove, within 7 days of receipt of such notice or within such further period as "Employer" may have subsequently approved in writing.

(b) If the Consultant becomes insolvent or go into liquidation or receivership.

(c) If the Consultant fails to comply with any final decision reached as a result of arbitration proceedings pursuant to Clause 8 hereof.

(d) If the Consultant, in the judgment of the "Employer", has engaged in corrupt or fraudulent practices in competing for or in executing this Contract.

(e) If the Consultant submits to the "Employer" a false statement which has a material effect on the rights, obligations or interests of the "Employer".

(ee) If the Consultant places itself in position of conflict of interest or fails to disclose promptly any conflict of interest to the Employer.

(f) If the consultant fails to provide the quality services as envisaged under this Contract. The Consultancy Monitoring Committee (CMC) formulated to monitor the progress of the assignment may make judgment regarding the poor quality of services and for any such deficiency, the reasons for which shall be recorded in writing. The CMC may decide to give one chance to the consultant to improve quality of the services.

(g) If, as a result of Force Majeure, the Consultant is unable to perform a material portion of the Services for a period of more than 30 days.

(h) If the "Employer", in its sole discretion and for any reason whatsoever, decides to terminate this Contract.

2.8.1.2 In such an occurrence the "Employer" shall give a written notice of not less than 7 days for termination of the Contract.,

2.8.2 Termination by the Consultant: The Consultant may terminate this Contract, by not less than 7 days' written notice to the "Employer", in case of occurrence of any of the events specified in following paragraphs (a) through (d) of the this Clause:

(a) If the "Employer" fails to pay any money due to the Consultant pursuant to this Contract and not subject to dispute pursuant to Clause 8 hereof within 15 days after receiving written notice from the Consultant that such payment is overdue.

(b) If, as the result of Force Majeure, the Consultant is unable to perform a material portion of the Services for a period of not less than 30 days.

(c) If the "Employer" fails to comply with any final decision reached as a result of arbitration pursuant to Clause 8 hereof.

(d) If the "Employer" is in material breach of its obligations pursuant to this Contract and has not remedied the same within 7 days or the period agreed by the Consultant on receipt of the Consultant's notice specifying such breach.

2.8.3 Cessation of Rights and Obligations: Upon termination of this Contract pursuant to Clauses 2.3 or 2.8 hereof, or upon expiration of this Contract pursuant to Clause 2.4 hereof, all rights and obligations of the Parties hereunder shall cease, except (i) such rights and obligations as may have accrued on the date of termination or expiration, (ii) the obligation of confidentiality set forth in Clause 3.3 hereof, (iii) the Consultant's obligation to permit inspection and copying of their records set forth in Clause 3.5 and 3.6 hereof, and iv) any right which a Party may have under the Law.

2.8.4 Cessation of Services: Upon termination of this Contract by notice of either Party to the other pursuant to Clauses 2.8.1 or 2.8.2 hereof, the Consultant shall, immediately upon dispatch or receipt of such notice, take all necessary steps to bring the Services to a close in a prompt and orderly manner and shall make every reasonable effort to keep expenditure for this purpose to a minimum.

2.8.5 Payment upon Termination: Upon termination of this Contract pursuant to Clauses 2.8.1 or 2.8.2 hereof, the "Employer" shall make the following payments to the Consultant:

(a) If the Contract is terminated pursuant to Clause 2.8.1 (g), (h) or 2.8.2, remuneration pursuant to Clause 6.3(h) hereof for Services satisfactorily performed prior to the effective date of termination;

(b) If the agreement is terminated pursuant of Clause 2.8.1 (a) to (f), the consultant shall not be entitled to receive any agreed payments upon termination of the contract. However, the "Employer" may consider to make payment for the part satisfactorily performed on the basis of Quantum Merit as assessed by it, if such part is of economic utility to the Employer. Applicable under such circumstances, upon termination, the "Employer" may also impose liquidated damages as per the provisions of Clause 9 of this agreement. The consultant will be required to pay any such liquidated damages to "Employer" within 15 days of termination date.

2.8.6 Disputes about Events of Termination: If either Party disputes whether an event specified in paragraphs (a) through (g) of Clause 2.8.1 or in Clause 2.8.2 hereof has occurred, such Party may, within 7 days after receipt of notice of termination from the other Party, refer the matter as

provided under Clause 8 hereof, and this Contract shall not be terminated on account of such event except in accordance with the decision in the matter.

3. OBLIGATIONS OF THE CONSULTANT

3.1 General

3.1.1 Standard of Performance: The Consultant shall perform the Services and carry out their obligations hereunder with all due diligence, efficiency and economy, in accordance with generally accepted professional standards and practices, and shall observe sound management practices, and employ appropriate Personnel. The Consultant shall always act, in respect of any matter relating to this Contract or to the Services, as faithful adviser to the "Employer", and shall at all times support and safeguard the "Employer"'s legitimate interests in any dealing with Third Parties.

3.2 Conflict of Interests: The Consultant shall hold the "Employer"'s interests paramount, without any consideration for future work, and strictly avoid conflict of interest with other assignments or their own corporate interests. If during period of this contract, a conflict of interest arises for any reasons, the Consultant shall promptly disclose the same to the Employer and seek its instructions.

3.2.1 Consultant and Affiliates Not to Engage in Certain Activities: The Consultant agrees that, during term of this Contract and after its termination, the Consultant and any entity affiliated with the Consultant, shall be disqualified from providing services resulting from or directly related to the Consultant's Services for the preparation or implementation of the project.

3.3 Confidentiality: The know how generated from the Project would be the property of the 'Employer'. Except with prior written consent of the "Employer", the Consultant and the Personnel shall not at any time communicate to any person or entity any confidential information acquired in course of the Services, nor shall the Consultant and its Personnel make public the recommendations formulated in the course of, or as a result of, the Services.

3.4 Subcontracts: the Consultant should execute the 'Services' through its own technical manpower and will not outsource the job, completely or partially, through any other consultant.

3.5 Monitoring and Reporting Obligations: The "Consultant" shall extend all facilities to Consultancy Monitoring Committee (CMC), as also experts and officers assigned by the "Employer" to monitor progress of the assignment, to oversee that the assignment is as per RFP/TOR and contractual conditions and to assess quality of deliverables and to accept/reject in part of the assignment, (b) The Consultant shall submit to the "Employer" draft report and the Final report as specified in RFP/TOR.

3.6 Documents Prepared by the Consultant to be the Property of the "Employer": All plans, drawings, specifications, designs, reports, other documents and software prepared by the Consultant for the "Employer" under this Contract shall become and remain the property of the "Employer", and the Consultant shall, not later than upon termination or expiration of this Contract, deliver all such documents to the "Employer", together with a detailed inventory thereof.

4. CONSULTANTS' PERSONNEL:

4.1. Description of Personnel: The title, agreed job description, minimum qualification and estimated period of engagement in the carrying out of the Services of each of the Consultant's Key Personnel are as per the consultant's proposal.

4.2. Removal and/or Replacement of Personnel: (a) If, for any reason beyond reasonable control of the Consultant, such as retirement, death, medical incapacity, among others, it becomes necessary to replace any of the Personnel, the Consultant shall forthwith provide as a replacement a person of equivalent or better qualifications.

(b) If the "Employer" (i) finds that any of the Personnel has committed serious misconduct or has been charged with having committed a criminal action, or (ii) has reasonable cause to be dissatisfied with performance of any of the Personnel, then the Consultant shall, at the "Employer"'s written request specifying the grounds therefor, forthwith provide appropriate replacement by a person with equivalent or better qualifications and experience.

4.3 The Consultant shall nominate a Team Leader for the period of the study who will not be changed during the course of the study and would not differ from the name suggested in the Technical Bids.

5. OBLIGATIONS OF THE "EMPLOYER"

5.1 Assistance and Exemptions : The "Employer" shall Provide to the Consultant any such assistance as may be appropriately required in connection with the study, such as issue of instructions to the concerned officials of Government/ organization, as may be necessary or appropriate for the prompt and effective performance of the Services.

5.2 Payment: In consideration of the Services performed by the Consultant under this Contract, the "Employer" shall make to the Consultant such payments and in such manner as is provided by Clause 6 of this Contract.

6. PAYMENTS TO THE CONSULTANT

6.1 Total Cost of the Services (a) The total cost of the Services payable (inclusive of all taxes, service charges etc.) is Rs. _____, as per the consultant's proposal to the Employer and as negotiated thereafter.

(b) Except as may be otherwise agreed under Clause 2.5 and subject to Clause 6.3, payments under this Contract shall not exceed the amount specified in Clause 6.1(a).

6.2 Currency of Payment: All payments shall be made in Indian Rupees.

6.3 Terms of Payment: (a) the consultant shall submit the invoice for payment when the payment is due as per the agreed terms. The payments in respect of the Services shall be made in three installments as per terms & conditions given below:

- i). First installment of 20% after submission of the acceptance letter, contact agreement, pre-receipt, performance security and after finalization of methods, questionnaires, research tools, work plan and work schedule etc to the satisfaction of the Ministry.
- ii). Second installment of 30% after completion of field survey and computerization of all types of data and a certificate is to be given by the EA to the Ministry.
- iii). Third installment of 25% on acceptance of 1st draft of the Report by the Ministry.
- iii). Fourth and Final installment of 25% on acceptance of the final Evaluation Reports and Recommendations to the satisfaction of the Ministry and 50 hard copies of the final (a) consolidated national report and (b) sample Special Project reports and 5 Compact Disks.

(b) Once a milestone is completed, the consultant shall submit the requisite deliverables as specified in this Contract. The Employer shall release the requisite payment upon acceptance of the deliverables. If the deliverables are not found to be acceptable by the Employer or the consultant has not carried out the work, he shall be liable to refund the advance of instalment, if any, released to the consultant. However, if the Employer fails to intimate acceptance of the deliverables or its objections thereto, within 30 days of receipt of it, the Employer shall release the payment to the consultant without further delay.

(c) Final Payment : The final payment shall be made only after acceptance of all the deliverables as indicated in the RFP/TOR. The Services shall be deemed completed and Report finally accepted by the 'Employer' unless the 'Employer' gives a written notice to the 'Consultant' specifying in detail deficiencies in the 'Services', within 30 days of receipt of final Report and relevant documents. The 'Consultant' shall thereupon promptly make any necessary corrections, and thereafter the foregoing process shall be repeated.

(d) For the purpose of payment under Clause 6.3 (b) above, acceptance means: acceptance of the deliverables by the Employer after submission by the Consultant and Consultant has made presentation to the Employer with/without modifications to be communicated in writing by the Employer to the Consultant.

(e) If the deliverables submitted by the Consultant are not acceptable to the Employer, the Employer shall not release payment due to the consultant. This is without prejudice to the Employer's right to levy any liquidated damages under clause 9. In such case, the payment will be released to the consultant only after it re-submits the Report and is accepted by the Employer.

(f) All payments under this Contract shall be made to the account of the Consultant .

(g) With the exception of the final payment under (c) above, payments do not constitute acceptance of the Services nor relieve the Consultant of any obligations hereunder, unless the acceptance has been communicated by the Employer to the consultant in writing and the consultant has made necessary changes as per the comments / suggestions of the Employer communicated to the Consultant.

(h) In case of early termination of the contract, the payment may be made to the consultant on pro-rata basis in respect of the services, which are found to be useful to the Employer.

7. FAIRNESS AND GOOD FAITH

7.1 Good Faith: The Parties undertake to act in good faith with respect to each other's rights under this Contract and to adopt all reasonable measures to ensure the realization of the objectives of this Contract.

7.2 Operation of the Contract: The Parties recognize that it is impractical in this Contract to provide for every contingency which may arise during the life of the Contract, and the Parties hereby agree that it is their intention that this Contract shall operate fairly as between them, and without detriment to the interest of either of them, and that, if during the term of this Contract either Party believes that this Contract is operating unfairly, the Parties will use their best efforts to agree on such action as may be necessary to remove the cause or causes of such unfairness, but failure to agree on any action pursuant to this Clause shall not give rise to a dispute subject to arbitration in accordance with Clause 8 hereof.

8. SETTLEMENT OF DISPUTES

8.1 Amicable Settlement: Performance of the contract is governed by the terms & conditions of the contract. In case of dispute arises between the parties regarding any matter under the contract, either Party of the contract may send a written Notice of Dispute to the other party. The Party receiving the Notice of Dispute will consider the Notice and respond to it in writing within 7 days after receipt. If that party fails to respond within 7 days, or the dispute cannot be amicably settled within 15 days following the response of that party, clause 8.2 shall become applicable.

8.2 Arbitration: In the case of dispute arising upon or in relation to or in connection with the contract between the Employer and the Consultant, which has not been settled amicably, any party can refer the dispute for Arbitration under (Indian) Arbitration and Conciliation Act, 1996. Such disputes shall be referred to an Arbitral Tribunal consisting of sole arbitrator appointed by the Secretary of the Department of Rural Development in the Ministry of Rural Development. The Arbitration and Conciliation Act, 1996 and any statutory modification or re-enactment thereof, shall apply to these arbitration proceedings.

8.3. Arbitration proceedings shall be held at Delhi and the language of the arbitration proceedings and that of all documents and communications between the parties shall be English.

8.4 The decision of the arbitrator shall be final and binding upon both parties. The expenses of the arbitrators as determined by the arbitrator shall be shared equally by the Employer and the Consultant. However, the expenses incurred by each party in connection with the preparation, presentation shall be borne by the party itself. All arbitration awards shall be in writing and shall state the reasons for the award.

9. LIQUIDATED DAMAGES:

9.1 The parties hereby agree that due to negligence of act of any party, if the other party suffers losses, damages the quantification of which may be difficult, and hence the amount specified hereunder shall be construed as reasonable estimate of the damages and the consultant party agree to pay such liquidated damages, as defined hereunder as per the provisions of this Contract.

9.2 The amount of liquidated damages under this Contract shall not exceed 50% of the total value of the contract .

9.3 The liquidated damages shall be applicable under following circumstances:

(a) Penalty @ 5% of the released amount will be imposed on the Consultant in the event of the delay upto 1 month in submission of Report as per schedule until extended by the Employer and after two months additional penalty @ 1% on each fortnight period.

(b) If the Report is not acceptable to the Employer as mentioned in Clause 6.3 (c), and defects are not rectified to the satisfaction of the Employer within 15 days of the receipt of the notice, the Consultant shall be liable for Liquidated Damages for an amount equal to 1% of released amount for every fortnight or part thereof for the delay.

10. MISCELLANEOUS PROVISIONS:

(i) "Nothing contained in this Contract shall be construed as establishing or creating between the Parties, a relationship of master and servant or principal and agent.

(ii) Any failure or delay on the part of any Party to exercise right or power under this Contract shall not operate as waiver thereof.

(iii) The Consultant shall notify the Employer of any material change in their status, in particular, where such change would impact on performance of obligations under this Contract.

(iv) The Contractor/Consultant shall at all times indemnify and keep indemnified the Employer/Government of India against all claims/damages etc. for any infringement of any Intellectual Property Rights (IPR) while providing its services under the Project.

(v) The Consultant shall at all times indemnify and keep indemnified the Employer/Government of India against any and all claims by Employees, Workman, agent(s), engaged or otherwise working for the Consultant, in respect of wages, salaries, remuneration, compensation or the like.

(vii) All claims regarding indemnity shall survive the termination or expiry of the Contract.

(vii) It is acknowledged and agreed by all Parties that the staff employed for the project are not employees of Employer and there is no representation of any type, implied or otherwise, of any absorption, regularization, continued engagement or concession or preference for employment of persons engaged by the Consultant for any engagement, service or employment in any capacity in any office or establishment of the Government of India or the Employer.

