



పట్టణ పేదరిక నిర్మూలన సంస్థ, తెలంగాణ  
Mission for Elimination of Poverty in Municipal Areas  
Department of Municipal Administration and Urban Development, Govt of Telangana



From  
Dr. B. Janardhan Reddy, I.A.S.,  
Mission Director (FAC),  
MEPMA,  
Hyderabad

To  
All the Project Directors,  
MEPMA in the state  
The Additional Commissioner, UCD, GHMC  
Hyderabad.

**Lr.No. 563/TS/EDP/2014/C. dated: 17-07-2015**

Sir,

Sub: - MEPMA - NULM - 2015-16 - SEP - Supporting and Handholding to Self Help Groups (SHGs) - Conduct of Awareness Programmes - Reg.

Ref: - 1. Agreement with APITCO Ltd., dt: 06.06.2015.

2. This office Lr. No. 563/TS/EDP/2014/C, Dated: 30.06.2015

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I invite your attention to the subject and ref cited. Agreement was entered with APITCO Ltd for Supporting and Handholding to Self Help Groups (SHGs) for establishment of Micro Enterprises in NULM towns for the year 2015-16.

A orientation programme was conducted on 02.07.2015 with all DMCs, TMCs & APITCO Staff and communicated tentative proposed units for all districts.

In the meeting, the DMCs & APITCO Staff were instructed to conduct awareness programmes to the beneficiaries of SEP and to invite the bank manager in all NULM towns immediately. But as on date, the awareness programmes are not conducted in any town.

Hence, all the Project Directors and the AC,UCD, GHMC are directed to take necessary action and ensure that the programme be implemented as per the TOR. Further, you are requested to submit the progress of the programme every week to the under signed.

Encl: TOR Copy

Yours faithfully

  
MISSION DIRECTOR (FAC)

1. Copy to the Municipal Commissioners concerned for taking necessary action
2. Copy to Team Leader, APITCO Ltd with a request to conduct the awareness programmes and to submit the progress every week

## Terms of Reference (TOR)

**"Selection of Income Generating Activity Support Agency (IGASA) for supporting and handholding of Self Help Groups (SHGs) for establishment of Micro Enterprises in various ULBs in Telangana"**

### Background:

**Mission for Elimination of Poverty in Municipal areas (MEPMA)** is a Society set up by the Government of Telangana with the objective to implement urban poverty alleviation schemes for socio economic development of the urban poor. As part of its objective, MEPMA has initiated many initiatives such as providing Bank Linkages, Promoting Micro Enterprises and Self Employment under SEP, EST&P and other Programmes.

MEPMA has conducted a survey in all ULBs to identify the potential markets, livelihood activities which can generate income to the individuals as well as groups to match the schemes available with MEPMA. Based on the inputs received from survey, MEPMA has proposed to promote entrepreneurship among the SHGs members in urban areas by facilitating the SHG members in setting suitable enterprises for enhancing their livelihoods and income levels.

In this regard, MEPMA is proposed to take support from expert agency i.e., Income Generating Activity Support Agency (IGASA) for supporting and handholding of Self Help Groups (SHGs) for establishment of Micro Enterprises in various ULBs in Telangana State.

### The Assignment


To identify the Income Generating Activity Support Agency (IGASA) for supporting and handholding of Self Help Groups (SHGs) for establishment of Micro Enterprises in various ULBs in Telangana

### Objectives of the Assignment

- ❖ To identify viable business opportunities in the ULBs
- ❖ To promote sustainable livelihoods among SHG members
- ❖ To enhance the income levels of the SHG members by promoting enterprises
- ❖ To provide handhold support to the units set up by SHGs
- ❖ To facilitate marketing linkages

### Scope of the Work

- ❖ To conduct Sustainability & Viability study for setting the enterprises
- ❖ To prepare Project Report / Business Plan for selected enterprises and CLCs
- ❖ To organize Awareness Generation Programme to the selected SHG groups / Members in the ULB
- ❖ To conduct EDP Training to the selected SHG groups / Members
- ❖ To facilitate bank linkages for the selected beneficiaries

  
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**Hyderabad**





- ❖ To extend required support in Vendor Selection & Machinery Purchase
- ❖ To extend required support in getting necessary Permissions & Registrations for setting enterprises.
- ❖ To facilitate marketing linkages and market tie ups in large scale
- ❖ To organize periodical Skill Trainings to the entrepreneurs on Market Survey, Entrepreneurial competencies, Marketing Management & Product Promotion, Book Keeping, Business Development, Financial Management etc., during the agreement period if required
- ❖ To extend Handholding services upto six months from the date of grounding of the enterprises
- ❖ To extend Handholding services up to six months from the date of grounding of the CLCs (City Livelihood Centers)
- ❖ To facilitate Branding and E-marketing facility, within the unit costs based on the Technical feasibility.
- ❖ Documentation

### Sample Design

- ❖ Identification of SHG Groups
- ❖ Orientation / Awareness Generation Programme to the identified SHGs
- ❖ Assessment & Selection of Prospective entrepreneurs
- ❖ Sustainability & viability study for setting the unit
- ❖ EDP Training to selected entrepreneurs
- ❖ Detailed Project Report preparation for each entrepreneur
- ❖ Assistance in vendor selection & machinery selection
- ❖ Technology demonstration / Technical training
- ❖ Technical support, Monitoring & Handholding of the entrepreneurs upto six months after grounding the unit
- ❖ Regular inputs to the entrepreneurs in various aspects

### Expertise

- ❖ The agency should have strong implementing teams in districts and municipalities.
- ❖ The agency should appoint one person at State level and one per each District for regular coordination / Monitoring.
- ❖ The agency should have in house trained faculty for organizing EDPs. The trainers should have undergone training from reputed national / international organizations.
- ❖ The Agency should possess extensive experience in preparing project, facilitating bank linkages and industry tie up for providing suitable machinery for setting enterprises by SHGs.
- ❖ The Agency should possess extensive experience in Data Management, Reporting and Documentation.

## Deliverables

Setting of minimum of 10 units in each Town with the project cost of minimum of **Rs.2.00 lakhs** per each unit in at least three different Innovative activities in each municipality **(the list of ULBs are attached at Annexure 1)**

## Timeline:

.No	Activity	Timeline	Expected Outcome
1	Awareness Generation Programme	Shall be completed by June 2015	150 SHG Members will be benefited. After completion of Awareness programs reports (with photos) submit to MEPMA office.
2	EDP Training & Technology Demonstration	Shall be completed by Aug 2015	SHG Members will be getting EDP training. After completion of EDP trainings reports (with photos) submit to MEPMA office
3	Grounding the Unit	Shall be completed by October 2015	150 units will be grounded. After grounding of Units reports (with photos) submit to MEPMA office with certification of Municipal Commissioner
4	Mentoring & Handholding for six months	Shall extend handholding up to end of May 2016.	150 units will get Handholding services up to six months

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## Topics to be covered in Trainings

S.No	Activity	Topics to be covered
1	One Day Awareness Generation Programme	<ul style="list-style-type: none"> <li>❖ Expectations of the Participants</li> <li>❖ Business Opportunities</li> <li>❖ Business Selection</li> <li>❖ Sources of information</li> <li>❖ Schemes of financial assistance</li> <li>❖ Pre Feasibility of Project</li> <li>❖ Preliminary Project Report</li> <li>❖ Business Cycle</li> <li>❖ Marketing</li> </ul>



*[Signature]*  
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S. No.	Activity	Topics to be covered
2	2 Days EDP Training & Technology Demonstration	<ul style="list-style-type: none"> <li>❖ Introduction to Entrepreneurship</li> <li>❖ Entrepreneur Characteristics</li> <li>❖ Identification of Business opportunities</li> <li>❖ Market Survey, Tools, Techniques and Guidelines</li> <li>❖ Technical &amp; Commercial aspects of the Business Plan / Project Report</li> <li>❖ Preparation of detailed Project Report</li> <li>❖ Legal Formalities involved in the enterprise creation</li> <li>❖ Interfacing with R&amp;D Institution and other Technical Institutions</li> <li>❖ Marketing Aspects</li> <li>❖ Book Keeping and other Statutory Books to be maintained by Entrepreneur</li> <li>❖ Management aspects in Production, Finance &amp; HR related to Entrepreneur</li> <li>❖ Soft Skills Development</li> </ul>
3	Three Periodical Skill trainings after grounding during hand holding period	<ul style="list-style-type: none"> <li>❖ Market Survey</li> <li>❖ Marketing Management</li> <li>❖ Product Promotion, Sales &amp; Advertisement</li> <li>❖ Business Development</li> <li>❖ Financial Management (Accounting &amp; Book Keeping)</li> <li>❖ Personal Management</li> <li>❖ Negotiation &amp; Networking</li> <li>❖ Leadership</li> <li>❖ Efficiency Orientation &amp; Systematic Planning</li> <li>❖ Loan Repayment</li> <li>❖ Business ethics</li> </ul>
S.No.	Activity	Services to be provided
4	Mentoring & Handholding for 6 months	<ul style="list-style-type: none"> <li>❖ Facilitate required Legal formalities and registrations after startup</li> <li>❖ Facilitate Progress Monitoring</li> <li>❖ Organize Progression Trainings on various aspects</li> <li>❖ Facilitate Technical inputs</li> <li>❖ Facilitate Technical inputs for trouble shooting in production &amp; Machinery</li> </ul>

		<ul style="list-style-type: none"> <li>❖ Facilitate Technology Updation</li> <li>❖ Facilitate Networking with local markets</li> <li>❖ Facility Marketing activities</li> <li>❖ Facilitate in regular Loan Repayment</li> </ul>
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### Payment Schedule


- The payment shall be milestone wise and in Four installments. The release the payments to the agency as per the following break up, as per payment terms and conditions of agreement.

Milestone	Activity	Release by MEPMA
1 <sup>st</sup> Milestone	Awareness Generation Programme EDP Training & Technology Demonstration Preparation of Business plans and necessary approvals	10% of the total approved cost of the contract shall be released within 30 days on submission of documents and proof of organizing Awareness Programmes, EDP trainings, Business plans.
2 <sup>nd</sup> Milestone	Project Report Preparation & Financial Linkage & Grounding	25% of the total approved cost of the contract shall be released within 30 days from the date of grounding of the unit on submission of proof.
3 <sup>rd</sup> Milestone	Book keeping, Financial Management, Marketing Trainings.	15% of the total approved cost of the contract shall be released within 30 days on submission of documents and proof of organizing trainings after verification by the first party.

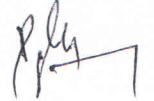
4 <sup>th</sup> Milestone	Mentoring & Handholding service upto 6 months	Remaining 50% shall be released after completion of six months hand holding with the proof of status of Sustainable units
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### Taxes

Fee shall include all statutory taxations.

  
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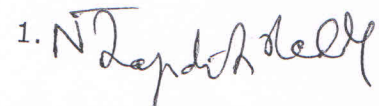



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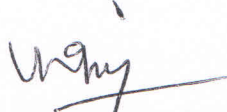
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T..Srinivas Raghu  
Senior Consultant  
APITCO Limited, Hyderabad

1.   
(N. JAGADISH REDDY)

2.   
(G. Devsingh)

  
for Mission Director  
Mission for Elimination of Poverty  
in Municipal Areas  
MA&UD Dept., Govt. of Telangana  
Hyderabad





## TERMS AND CONDITIONS OF CONTRACT

### 1. Payment Terms and conditions.

1.1 Payment shall be made in installments as per mile stones in the payment schedule prescribed in the TOR as follows.

1.2 The total estimated cost of units is tentative and payment shall be as per the actual cost of units established in the respective ULBs.

1.3 Payment shall be made as per agreed percentage on total cost of all units established by SHGs, subject to fulfillment of the terms and conditions of the contract.

1.4 First Party shall, unless otherwise specified in the contract, make payment within 30 days of receipt of the Agency's invoice, which is issued only upon MEPMA's acceptance of the work specified in the contract.

1.5 No increase in the fee shall be permitted, resulting from any changes during execution (or) interpretations of the statements of assignment.

### 2. Limitation of Expenditure

2.1 No increase in the price of the assignment shall be permitted, resulting from any changes during execution (or) interpretations of the statements of assignment.

2.2 The total payment on the assignment shall not be more than 2.4% on the total cost of all units established in the state.

### 3 Legal Status

The Agency shall be considered as having the legal status of an independent Agency vis-a-vis First Party. The Agency's personnel and Sub-Agencies shall not be considered in any respect as being the employees or agents of First Party.

### 4. Agency's Responsibility for Employees

The Agency shall be responsible for the professional and technical competence of its employees and will select, for work under this Contract, reliable individuals who will perform effectively in the implementation of the Contract, respect the local customs and conform to a high standard of moral and ethical conduct.



## 5. Indemnification

The Agency shall indemnify, hold and save harmless and defend, at its own expense, first party, its officials, servants and employees, from and against all suits, claims, demands and liability of any nature or kind, including their costs and expenses, arising out of the acts or omissions of the Agency or its employees or sub-Agencies in the performance of this Contract. This provision shall extend, inter alia, to claims and liability in the nature of workmen's compensation, product liability and liability arising out of the use of patented inventions or devices, copyrighted material or other intellectual property by the Agency, its employees, officers, agents, servants or sub-Agencies. The obligations under this Article do not lapse upon termination of this Contract.

## 6. Insurance and Liabilities to Third Parties

10.1 The Agency shall provide and thereafter maintain all appropriate workmen's compensation and liability insurance, or its equivalent, with respect to its employees to cover claims for death, bodily injury or damage to property arising from the execution of this Contract. The Agency represents that the liability insurance includes sub-Agencies.

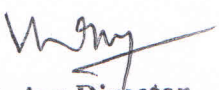
10.2 The Agency shall also provide and thereafter maintain liability insurance in an adequate amount to cover third party claims for death or bodily injury, or loss of or damage to property, arising from or in connection with the provision of work under this Contract or the operation of any vehicles, or other equipment owned or leased by the Agency or its agents, servants, employees or sub-Agencies performing work or services in connection with this Contract.

## 7. Source of Instructions

The Agency shall neither seek nor accept instructions from any authority external to First Party in connection with the performance of its services under this Contract. The Agency shall refrain from any action which may adversely affect First Party and shall full fill its commitments with the fullest regard to the interests of First Party.

## 8. Force Majeure; Other Changes in Conditions

8.1 In the event of and as soon as possible after the occurrence of any cause constituting force majeure, the Agency shall give notice and full particulars in writing to First Party of such occurrence "" change if the Agency is thereby rendered unable, wholly or in part, to perform its obligations and meet its responsibilities under this Contract The Agency shall also notify First Party of any

  
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other changes in conditions or the occurrence of any event which interferes or threatens to interfere with its performance of the Contract. On receipt of the notice required under this Article, First Party shall take such action as, in its sole discretion; it considers being appropriate or necessary in the circumstances, including the granting to the Agency of a reasonable extension of time in which to perform its obligations under the Contract.

8.2 If the Agency is rendered permanently unable, wholly, or in part, by reason of force majeure to perform its obligations and meet its responsibilities under this Contract First Party shall have the right to suspend or terminate this Contract on the same terms and conditions as are provided for in Article 9, "Termination", except that the period of notice shall be seven (7) days instead of thirty (30) days.

8.3 Force majeure as used in this Article means acts of God, war (whether declared or not), invasion, revolution, insurrection or other acts of a similar nature or force.

## **9. Termination**

9.1 If the Agency fails to deliver any or all of the deliverables within the time period(s) specified in the contract, or fails to perform any of the terms, conditions, or obligations of the contract, or should the Agency be adjudged bankrupt, or be liquidated or become insolvent, or should the Agency make an assignment for the benefit of its creditors, or should a Receiver be appointed on account of the insolvency of the Agency, First Party may, without prejudice to any other right or remedy it may have under the terms of these conditions, terminate the Contract, forthwith, in whole or in part, upon thirty (30) days' notice to the Agency.

9.2 First Party reserves the right to terminate without cause this Contract at any time upon thirty (30) days prior written notice to the Agency, in which case First Party shall reimburse the Agency for all reasonable costs incurred by the Agency prior to receipt of the notice of termination.

9.3 In the event of any termination no payment shall be due from First Party to the Agency except for work and services satisfactorily performed in conformity with the express terms of this contract.

9.4 Upon the giving of such notice, the Agency shall have no claim for any further payment, but shall remain liable to First Party for reasonable loss or damage, which may be suffered by First Party for reason of the default. The



Agency shall not be liable for any loss or damage if the failure to perform the contract arises out of force majeure.

9.5 Upon termination of the contract, First Party may require the Agency to deliver any finished work which has not been delivered and accepted, prior to such termination and any materials or work-in-process related specifically to this contract. Subject to the deduction of any claim First Party may have arising out of this contract or termination, First Party will pay the value of all such finished work delivered and accepted by First Party. The initiation of arbitral proceedings in accordance with Article 12 "Settlement of Disputes" below shall not be deemed a termination of this Contract.

#### **10. Sub-Contracting**

No sub-contracting is permitted under this assignment

#### **11. Officials not to Benefit**

The Agency warrants that no official of First Party has received or will be offered by the Agency any direct or indirect benefit arising from this Contract or the award thereof. The Agency agrees that breach of this provision is a breach of an essential term of the Contract.


#### **12. Settlement of Disputes**

##### **Amicable Settlement**

Both Parties shall use their best efforts to settle amicably any dispute, controversy or claim arising out of, or relating to this Contract or the breach, termination or invalidity thereof. Where the parties wish to seek such an amicable settlement through a procedure as may be agreed between the parties.

##### **Arbitration**

Any dispute, controversy or claim between the Parties arising out of this Contract or the breach, termination or invalidity thereof, unless settled amicably under the preceding paragraph of this Article within sixty (60) days after receipt by one Party or the other Party's request for such amicable settlement, shall be referred by either Party to arbitration in accordance with the Government of Telangana Arbitration Rules then obtaining. The arbitral tribunal shall have no authority to award punitive damages. In addition, the arbitral tribunal shall have no authority to award interest in excess of six percent (6%) and any such interest shall be simple interest only. The Parties shall be bound by any

  
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arbitration award rendered as a result of such  
adjudication of any such controversy, claim or dispute.

### 13. Replacement of Personnel

13.1 First Party reserves the right to request the Agency to replace the assigned personnel if they are not performing to a level that First Party considers satisfactory. After written notification, the Agency will provide curriculum vitae of appropriate candidates within three (3) working days for First Party review and approval. The Agency must replace the unsatisfactory personnel within seven (7) working days of First Party's selection.

13.2 If one or more key personnel become unavailable, for any reason, for work under the contract, the Agency shall (i) notify the First Party at least fourteen (14) days in advance, and (ii) obtain the First Party's approval prior to making any substitution of key personnel.

13.3 In notifying First Party, the Agency shall provide an explanation of circumstances necessitating the proposed replacement(s) and submit justification and qualification of replacement personnel in sufficient detail to permit evaluation of the impact on the engagement. Acceptance of a replacement person by First Party shall not relieve the Agency from responsibility for failure to meet the requirements of the contract.

The First Party  
For MEPMA  
Telangana, Hyderabad

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Mission Director  
Mission for Elimination of Poverty  
in Municipal Areas  
MA&UD Dept., Govt. of Telangana  
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The Second Party  
For M/s APITCO Limited  
Hyderabad

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*T. Srinivas Raghu*  
T. Srinivas Raghu  
Senior Consultant  
APITCO Limited, Hyderabad

1.

1. *N. Jagadish Reddy*  
(N. JAGADISH REDDY)

*(H. Dev Singh)*  
(H. Dev Singh)  
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*For* Mission Director  
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# Annexure I - LIST OF TOWNS / DISTRICTS

S.No	Name of District	Name of the ULB
1	Adilabad	Adilabad
2	Karimnagar	Karimnagar
		Ramagundam
		Jagitial
3	Khammam	Khammam
4	Mahabubnagar	Mahabubnagar
5	Medak	Sanga Reddy
		Siddipet
6	Nalgonda	Nalgonda
		Suryapet
		Miryalaguda
7	Nizamabad	Nizamabad
8	Ranga Reddy	SCB
9	Warangal	Warangal
10		GHMC

The First Party  
For MEPMA  
Telangana, Hyderabad

*[Signature]*  
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**MA&UD Dept., Govt. of Telangana**  
**Hyderabad**

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1.

The Second Party  
For M/s APITCO Limited  
Hyderabad

*[Signature]*

T.Srinivas Rao  
WITNESS Senior Consul  
1. APITCO Limited, Hyc

*[Signature]*  
(N. JAGADISH)

2. *[Signature]*  
(H. Devsingh)

*[Signature]*  
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