

**FAQs RELATED TO RFP FOR APPOINTMENT OF PROGRAMME MANAGEMENT AGENCY (PMA) FOR PROVIDING ASSISTANCE TO FARMER/PRODUCER GROUPS, FARMER PRODUCER COMPANIES (FPCs), FARMER PRODUCER ORGANIZATIONS (FPOs), SELF HELP GROUPS (SHGs) TO PARTICIPATE IN THE SCHEME FOR CREATION OF BACKWARD AND FORWARD LINKAGES OF MINISTRY OF FOOD PROCESSING INDUSTRIES (MoFPI)**

**Queries raised/clarifications sought during the Pre-Bid Meeting held on 01.09.2017**

- 1. Whether one or more Programme Management Agencies (PMAs) can be appointed under the Scheme for Creation of Backward and Forward Linkages?**

**Clarification:** The Ministry has issued Expression of Interest inviting proposals for 50 projects from Entrepreneurs/FPOs in food processing under the scheme for Creation of Backward and Forward Linkages. Final decision with regard to number of PMAs to be appointed vests with the Ministry.

- 2. Whether applicant may deposit Bank Guarantee (BG) against Earnest Money Deposit (EMD) of Rs. 10 lakhs in place of online payment by RTGS / NEFT as mentioned in the RFP?**

**Clarification:** Yes, Bank Guarantee (BG), from scheduled commercial banks / Nationalized Banks notified by RBI, against Earnest Money Deposit (EMD) of Rs. 10 lakhs will also be accepted apart from RTGS / NEFT. In such case, the applicants are required to submit BG valid for a period of 45 days beyond the validity of the proposal i.e. 135 days from the closing date of the RFP. Further, a Clause shall be mentioned in the BG that the applicant will submit / deposit performance guarantee of Rs. 10 lakhs in case of selection of their proposal, failing which Ministry will have right to encash the BG. The scanned copy of BG shall be attached with the proposal and original copy of the same should be submitted to the Ministry on or before the date of closing of RFP failing which the proposal will be treated as unresponsive.

- 3. Whether consortium / joint venture is allowed to bid?**

**Clarification:** No.

- 4. Whether last date for submission of proposal can be extended?**

**Clarification:** Last date for submission of proposals online through e-procurement portal is 14.09.2017 (5:00 PM).

5. **(a) Whether MBA Marketing/ MBA Finance can also be considered towards Team Leader’s qualification: MBA (Agribusiness / Post graduate in Food technology or related field?**

**Clarification:** Qualification of Team Leader is one of the essential eligibility conditions for appointment of PMA. Therefore, the same cannot be altered.

- (b) Whether B.Tech Food Technology / B.SC Agri / MBA Agribusiness can also be considered as team member in place of M.SC Agriculture / Horticulture / Food Technology / Dairy Technology / Fisheries, etc.**

**Clarification:** The Educational Qualification and Experience mentioned in the Evaluation Criteria in para 9 of the RFP will be adhered to.

6. **What is the import of “Checking the authenticity of the documents submitted by the applicants” as mentioned in the Scope of Work of PMA in RFP?**

**Clarification:** As a part of due diligence, the PMA will have to verify the documents submitted along with the proposal with the original ones during the course of implementation of the project and convey the same to the Ministry appropriately.

7. **What are the minimum number of site inspections to be carried out by the PMA?**

**Clarification:** The PMA will have to carry out at least four inspections including one Joint Inspection as per the provisions of the scheme guidelines and para 10 of RFP. Besides, the PMA may also be asked to carry out additional site inspections to ascertain the status of implementation of a particular project, wherever considered necessary.

8. **What is the meaning of “development and implementation of suitable operation (O&M) plan for assisted project”?**

**Clarification:** Based on the experience gained during the implementation of the scheme and while submitting final evaluation report after release of final installment of grant, the PMA would be expected to provide inputs based on their experience/observations gained during the course of implementation of the project/scheme which would add value to the implementation of the scheme in respect of future EOIs.

9. **What is the amount of maximum liquidated damages and whether maximum liability be limited to the grant of the project?**

**Clarification:** The penalty clause for non-performance/delayed performance will be governed by the provisions of para 11 of RFP.

10. **Whether the evaluation criteria relating to number of years of experience in consultancy for horticulture and non-horticulture food processing sector scheme of Central/State Government (Para 9, Sl. 1.1 of RFP) can also include experience of consultancy in any schemes with Central & State Government?**

**Clarification:** No.

11. **Whether Chartered Accountant / MBA can be allowed in place of M.Com. as one of the key personnel?**

**Clarification:** Chartered Accountant and MBA are higher technical qualifications and can be considered for assessment.

12. **Whether any information, advice, recommendations or other content of any reports, representation or other communications provided under this Agreement (“Reports”) are for the Ministry’s internal use only (consistent with the purpose of the particular service)?**

**Clarification:** The Ministry would have the discretion to use any information, advice, recommendations provided by the PMA during the course of its normal official business.

13. (a) **What would be the terms of payment in cases when the project is dropped/ delayed by the applicant after it is approved?**

(b) **If the implementation period overshoots the prescribed timelines in case of particular project, what would be the terms of payment?**

**Clarification:** As per RFP for appointment of PMA, professional fee will be paid only in respect of approved grant amount.

14. **As there is no minimum cap for the size of the project under this scheme, it would be difficult to assess the average size of the project. If the fee is linked to the grant amount, then in case of small size projects (which would be there in most of the projects of FPOs), there might be cases wherein the fee amount be too less to even cover the cost of the site visits. In view of**

**this, it is proposed that the fee quoted shall be in terms of absolute amount per project and not in terms of percentage of grant?**

**Clarification:** As mentioned in para4(ii) of RFP the fee to be quoted in financial bid should be expressed in percentage of approved grant excluding applicable taxes.

**15. (i) Liquidated Damages should be imposed if solely attributable to the bidder and should be tightly aligned to a well laid consultative process and ascertaining the cause of the delay in question. This should be clearly mentioned in the agreement. Also maximum liquidity damage shall be capped to maximum 5% of the fees.**

**(ii) A liability clause should be added in the agreement and PMA's overall liability under the engagement shall not exceed the fees paid to under the agreement. Also, PMA will not be liable for indirect/ consequential losses of any nature whatsoever.**

**Clarification:** Provisions mentioned in para 11 relating to penalty clause would be adhered to.

**16. The bid processing charges should be reduced to INR 10,000?**

**Clarification:** There is no change in refundable bid security (EMD) of Rs 10 lakh and a non-refundable bid processing charges of Rs 50,000 to be submitted by the bidders.

**17. Whether the eligibility condition of having an annual turnover of atleast Rs 20 crore during each of the last three financial years can be relaxed?**

**Clarification:** No.

**18. Whether against the evaluation criteria relating to experience of working as food processing consultant with Central/State Govt., ongoing assignments considered as eligible against the experience requirement?**

**Clarification:** Yes.

**19. The related field may be defined clearly as against the requirement of key personnel for the position of Team Leader?**

**Clarification:** Related field means sectors related to horticulture and non-horticulture food processing activities.

**20. The contract/agreement to be entered into with consulting firm approved as PMA by the Ministry should define the currency of agreement?**

**Clarification:** The Ministry would follow the extant practice where contracts/agreement entered into with the PMAs will be co-terminus with the implementation of projects allotted to them.

**21. How shall the amount for advance for award of work be estimated?**

**Clarification:** The amount of advance for award of work as detailed in para 10 (a) of RFP will be based on approved grant of successful proposals.

**22. Whether terms of payment to the PMA as mentioned in para 10 of RFP can be changed to a lump-sum financial quote exclusive of Service Tax instead of linked to grant?**

**Clarification:** The professional fee would be linked to the approved grant. However, stages and slabs of payment can be reconsidered in consultation with consulting firms appointed as PMA.

**23. Since the PMA doesn't have any role in the financial closure for a project, therefore, can the condition laid down in para 10(b) of RFP relating to payment of 20% of profession fee on financial closure be removed from the PMA payment milestone?**

**Clarification:** The release of 2<sup>nd</sup> installment of PMA fee amounting to 20% is linked to release of 1<sup>st</sup> instalment of approved grant to the project.

**24. Whether payment milestone for the PMA is separate for each project?**

**Clarification:** Payment to PMA will be linked to milestones achieved by each approved project.

**25. What is the basis of payment of 20% as advance on award of work?**

**Clarification:** It means the 20% of the PMA fee in respect of approved grant of the projects allotted to the PMA. For example, if the total approved grant of projects allotted to a particular PMA is Rs. 100 Crore and PMA fee is X%. Then, 20% would mean 20% of X % of Rs. 100 Crore.

**26. Whether the penalty can be capped at max. 5% of fees?**

**Clarification:** Penalty, if any, would be imposed as per terms and conditions laid down in Para 11 of RFP.