

# Expression of Interest for Selection of Technical and Logistic Support Agency (TLSA) for Pulses procurement under Minimum Support Price

# **INSTRUCTIONS TO THE APPLICANT**

# **1.** Background:

Small Farmers' Agribusiness Consortium (SFAC) is a Society set-up under the Department of Agriculture & Cooperation, Ministry of Agriculture, and Government of India. Currently SFAC is engaged in implementing a Central Sector scheme "Agri-business Development through Venture Capital and Project Development Facility for Development of Agribusiness sector in India" along with various other agribusiness related programmes of Government of India. SFAC is also implementing a pilot project for promoting member-based Farmers' Producer Organisations. Under this programme, SFAC has registered approximately 2.5 lakh farmers all over the country, out of which around 1.50 lakh are pulses growing farmers. These farmers have been grouped together in Farmers' Interest Groups (FIGs) and these are being further federated to form Farmers' Producer Organisation (FPO). These FPOs are either in form of Producer Companies Farmers' Cooperatives. Resource Institutions (RIs) appointed by SFAC provide training, handholding and support services to FPOs.

To take this initiative further and to facilitate the FPOs in marketing of their produce, Ministry of Agriculture, Government of India has notified SFAC as a national procurement agency for Pulses under Minimum Support Price (MSP) operations. SFAC has decided to procure pulses directly from farmers through Farmers' Producer Organisations. Wherein, FPOs will work as procurement agency at the ground level and procure pulses on behalf of SFAC at Minimum Support Prices (MSP) announced by the Government of India.

To smoothly execute the procurement activity, SFAC is now seeking Expression of Interest from the interested organisations, having technical capabilities, network, financial strength and experience to provide technical (quality control & certification, record keeping, online MIS) and logistics (material handling, bagging, transportation, warehousing and issuance of negotiable electronic WHR) services.

# 2. Scope of work:

Broad scope of work of the agency will be as follows:

I. Planning & Capacity Building

- a. Assist in developing detailed procurement plan, time-lines and strategy for the season, including various reporting formats, budget and finalisations of other financial implications, in consultation with the SFAC;
- b. Facilitate in making real-time assessment of arrival of products, based on data and information received from Farmers' Producer Organisations (FPOs) and considering various factors influencing farmers to sell their produce at MSP;
- c. Assisting FPOs in finalising locations for procurement centres, infrastructure to be created, records to be maintained and capacity building of FPO/RI staff to support the procurement on behalf of SFAC;

## II. Quality testing & Certification:

- a. Ensuring quality of product throughout the supply chain, starting from the procurement centre to warehouse, till WHR is issued in the favour of SFAC, as per MSP quality norms, as agreed between SFAC and TLSA and defined in Service Level Agreement (SLA);
- b. Developing system for collecting commodity samples, sample testing and quality certification at each stage of product movement as described in SLA;
- c. To check weight /quality of bags and stitching of the packed bags selected at random and Packing size;
- d. To check gunny bags are of sound unmended quality jute material, with proper stencils, as per the quality specifications provided by SFAC in SLA.
- e. Submit product quality reports and certificates as per schedules provided in SLA;
- f. Rejection of stock not meeting the specification at procurement centre. Proper record of such rejections to be maintained for tracing back the depositor farmer;

#### III. Procurement operations and supervision:

- a. Support the procurement activities of FPOs by providing qualified manpower;
- b. Taking charge of procured material at procurement centre; arrange packaging material such as jute bags, *jute* string/thread and all other material required for bagging of pulses procured under the MSP procurement programme of SFAC:
- c. Supervise the activities of unloading, cleaning, weighing, bagging, stitching and transit holding of pulses at the procurement centre;
- d. Facilitate record keeping of procurement by FPO staff as well as update the records in central data-server (online platform) on daily basis;

#### IV. Logistics services:

- a. Coordinate and ensure transportation of pulses procured from Procurement Centre to nearest designated / identified warehouse for storage;
- b. Identify and empanel / select suitable warehouses for storage of pulses procured. The selected warehousing facility should fulfil all the technical criteria described by SFAC in SLA;
- c. Deposit the procured pulses in designated warehouse and get negotiable electronic Warehouse Receipt from the warehousing service provider mentioning all the required information as per guidelines of Warehousing Development & Regulatory Authority (WDRA);

#### V. Management Information System (MIS)

- a. Capture real-time data, as described in SLA on various parameters, from each procurement centre on daily basis and report as directed.
- Provide MIS reports to SFAC in agreed formats as per pre-agreed periodicity as mentioned in SLA;

Scope of work is for TLSA is not limited to details mentioned above but will also include any other relevant activity to ensure procurement activities to take place in efficient and effective manner as well as quality of product is ensured throughout the supply chain.

TLSA will be responsible for quality of pulses (fixed by SFAC as FAQ) procured from procurement, till it is deposited in warehouse and WHR is issued. If there is any quality or quantity loss during this period, TLSA will have to bear the losses.

# **3.** Volume of work

No definite volume of work to be performed can be guaranteed by the SFAC, It should be clearly understood that no guarantee is given that all the items of work as mentioned in the scope of services shall be performed / required to be performed. SFAC may appoint more than one organisation as TLSA in one or more states as per local needs and exigencies.

# **4.** Eligibility Criteria

The proposals will be screened on the basis of the following essential eligibility criteria: -

- The Agency interested in applying for the EOI should be any legal entity like registered company/Cooperative/Society/Trust/ and should be in business of agricultural trade / agrilogistic services / collateral management/ Procurement operation or any other similar business for minimum of 2 years as on 31<sup>st</sup> August, 2013;
- The Agency should have the capability of undertaking quality testing & certification for pulses procured on various parameters;
- The Agency should have experience of providing end-to-end agricultural logistic services and/or warehousing services.

- The Agency should have handled businesses in combination of activities relating to manning procurement centre; quality testing; product movement; warehousing and had handled minimum of 5,000 MT of agricultural commodities in individual assignment;
- The eligible agency should have business operations and experience in minimum of one state in India;
- The Agency must have technically competent, well experienced and sufficient staff to take-up the activity at multiple locations simultaneously;
- The Agency should have handled agricultural commodities of minimum value of Rs. 10.00 Cr. per year for the last three financial years;
- The applicant should furnish an undertaking to the effect that the Agency has never been black listed in India or abroad;
- Bank guarantee (qualifying criteria);
- Agency should have professionally neat/clear track record in past. In case of any irregularities, malpractices, etc during the association the security deposit will be forfeited, contract terminated and suitable legal action will be taken;
- The above norms are relaxable for Farmer Producer Companies/Cooperatives and Resource Institutions which are currently associated with SFAC/State Government/Central Government.

# **5.** Authorized Signatory

The 'Applicant' mentioned in the EoI document shall mean the one who has signed the EoI document forms. The applicant should be the duly Authorized Representative, for which a certificate of authority will be submitted. All certificates and documents (including any clarifications sought and any subsequent correspondence) received hereby, shall, as far as possible, be furnished and signed by the Authorized Representative.

#### **6.** Submission of EoI

The Expression of Interest complete in all respects shall be submitted in sealed envelope super scribed as "EOI for Selection of Technical and Logistic Support Agency for pulses procurement" to SFAC by 5:00 PM on 09<sup>th</sup> September, 2013 at following address:

#### **Managing Director**,

Small Farmers' Agribusiness Consortium (SFAC), Department of Agriculture & Cooperation, Government of India, NCUI Auditorium Building, 5<sup>th</sup> floor, 3 Siri Institutional Area, August Kranti Marg, Hauz Khas, New Delhi – 110016 Tel – 011 2656617/37

#### www.sfacindia.com

#### 7. Documents to accompany EoI

The applications shall be complete with the following documents:

- Expression of Interest in Form I.
- Details of experience of similar assignment along with supporting documents such as work orders, proof of volume handled, satisfactory completion certificate etc. (at least for the last 2 years).
- Details of Financial status of the applicant (at least for the last 2 years).
- Details of staff working in the organisation along with Name, Educational qualification, experience and trainings etc.
- Self certified copy of documents establishing that organisation / infrastructure available with organisation has been accredited by WDRA, NABCB, any other National Accreditation Body or International Accreditation Body (Copy of Registration or Accreditation Certificate).
- 2 reference letters from reputed oraganisation involved in similar business regarding professional experience and fair practices of the applicant (reference should be on the letterhead referring organisation).
- Any other information required in support to the scope of work.

Every sheet and all forms complete in all respects shall be signed by the person / persons duly authorized to sign on behalf of the applicants with affixing the applicant's rubber stamp. The Power (s) of Attorney on 50 Rupees stamp paper authorizing the signatory shall be enclosed with the offer. Any / all corrections made in the proposal shall be duly authenticated by the signature of the Authorized Signatory.

#### **8.** Amendment to EoI

At any time prior to the last date for receipt of proposals, SFAC, may for any reason, whether at its own initiative or in response to a clarification requested by a prospective applicant, modify the EOI document by an amendment. In order to provide prospective applicants reasonable time in which to take the amendment into account in preparing their proposals, SFAC may, at its discretion, extend the last date for the receipt of proposals and/or make other changes in the requirements set out in the EOI.

#### **9.** Time Period

The services of the selected TLSA will be engaged initially for 1 year and may be extended for another one year subject to satisfactory performance of TLSA.

# **10.** Rejection of EoI

The application is liable to be rejected if:

a) The application is not covered in proper sealed cover with superscription as indicated above.

b) Not in prescribed form and not containing all required details.

c) Not properly signed.

d) Received after the expiry of due date and time.

e) Offer is received by fax, telegram or e-mail & not followed /supported by the prescribed documents within the stipulated date.

# **11.** Evaluation Procedure

The proposals will be evaluated on the basis of the eligibility criteria and will carry maximum marks of 100. The maximum marks for each component of proposal are as under:

Eligibility criteria	Max Marks
1. General Experience of the organisation in similar areas of	20
business	
2. Relevant experience (number of relevant assignments)	30
3. Geographical presence & Key staff on permanent basis	25
3.1. Presence at multiple locations (minimum five states)	10
3.2. Number of staff	10
3.3. Qualification and experience	05
4. Financial/Technical strength of the firm	25
4.1. Financial strength based on last three years audited accounts.	15
4.2. Accreditation certificates	10

# **12.** Selection Procedure

All the applicants will be asked to make a presentation before the SFAC selection committee. Date of presentation will be intimated to the organisation well in advance. Based on EoI submitted and presentation made, technically qualified agencies will be shortlisted and will be requested for providing their financial bids. At the time of this intimation, a format for **Financial Bid** will be provided along with **Service Level Agreement (SLA)** and a format for **Bank Guarantee** to shortlisted agencies.

## **13.** Disclaimer

SFAC shall not be responsible for any late receipt for any reasons whatsoever. The applications received late will not be considered and returned unopened to the applicant.

SFAC reserves the right:

• To reject any / all applications without assigning any reasons thereof.

- To relax or waive any of the conditions stipulated in this document as deemed necessary in the best interest of the SFAC without assigning any reasons thereof.
- To include any other item in the Scope of work at any time after consultation with applicants or otherwise.
- To determine the number of sample for quality certification / Inspection taking into account the existing/likely work load.

# <u>FORM – I</u>

# **Eol Letter Pro forma**

To, Managing Director, Small Farmers' Agribusiness Consortium (SFAC), Department of Agriculture & Cooperation, Government of India, NCUI Auditorium Building, 5<sup>th</sup> floor, 3 Siri Institutional Area, August Kranti Marg, Hauz Khas, New Delhi – 110016 Tel – 011 2656617/37

# Sub: Expression of Interest for 'Selection of Technical and Logistic Support Agency for pulses procurement'

Sir,

The undersigned having read and examined in detail all the EOI documents pertaining to the Selection of Technical and Logistic Support Agency for pulses procurement, do hereby express the interest to do the work as specified in the scope of work.

Correspondence details:

1.	Name of the Agency / Organisation	
2.	Address	
3.	Telephone & Fax Number	
4.	E-mail Address	
5.	Name and designation of the person authorized to make commitments to SFAC	
6.	Year of Establishment	
7.	Constitution of organisation	
8.	Legal Status of Organisation	
9.	The details of the top management with professional qualifications and Experience	
10	Whether the organization has any widely accepted accreditation / recognition / certification. If yes, furnish certified copies	
. 11	Profile of key professional having desired qualifications and experience, of minimum 10 years in the field of pulses procurement, quality certification, agricultural logistics (Transportation & warehousing)	

	management	
12	Financial Statement of last three years	
13	Business Volumes handled in last three years	

## 14. List of similar Assignments handled in last three years:

Year	Name of Assignment	Name of Clients	Supporting Documents

# 15. List of infrastructure available with organisation:

Particular	Capacity	Location	Ownership type	Supporting Documents
Warehousing facility				
Testing Laboratory				
Any Other				
Infrastructure				

16. Whether following documents have been enclosed with the application :

S. No.	Document	Yes / No
1.	A write up on the capability statement	
2.	A write up on the understanding of the assignment	
3.	CV's of the person(s) proposed to be involved for this contract	
4.	Company/ Organization profile giving details of current activities and management structure	
5.	Evidence of Incorporation	
6.	Any other supporting documents	
7.	Undertaking mentioning the organisation has not been black-listed by any of the State Government / Central Government or International organisation	

I/ We hereby declare that my/ our EOI is made in good faith and the information contained is true and correct to the best of my/ our knowledge and belief.

Thanking you,

Yours faithfully,

(Signature of the Applicant)
Name:
Designation:
Seal:
Date:
Place:
Witness:
Signature