

Department of Micro & Small Scale Enterprises & Textiles
Government of West Bengal
Writers' Buildings
Kolkata - 700001

Request For Proposal (RFP)
for
Empanelment of Project Management Consultant for Development of Clusters in the
State of West Bengal

The Department of Micro and Small Scale Enterprises & Textiles (M&SSE&T), Government of West Bengal (Govt of WB), is responsible for industrial promotion and development in the State through facilitation of the potential and existing entrepreneurs by way of guidance, facilitation, incentives, monitoring, marketing etc. The Department is focused on promotion of industrial clusters in the State, leveraging assistance under several schemes of State and Government of India. There are more than 48 identified clusters at present and several of them are under various stages of implementation. The Department proposes to engage the services of company/ firm/ agency experienced in cluster development activities, as Project Management Consultant (PMC) to support development of clusters in the State. The PMC shall carry out appropriate studies, prepare necessary reports, capacity building and provide project management services for implementation of clusters, in accordance with the guidelines of Micro and Small Enterprises Cluster Development Programme (MSE CDP) of Ministry of Micro Small and Medium Enterprises, Government of India (GOI).

The Terms of Reference (TOR) for empanelment of the PMC are as follows:

A. SCOPE OF WORK

1. Diagnostic Study, preparation and submission of Diagnostic Study Report (DSR)
2. Soft Intervention implementation
3. Preparation of Detailed Project Report (DPR) and submission of Project Proposal
4. Project Management Services for project execution/ CFC implementation

Detailed scope of work are described in Annex

NOTE: Award of Project Management Services will be at the sole discretion of the Department. The continued support by the selected PMC for Project Management Services shall be decided at a later stage if required and the decision of the Department shall be final and binding in this matter.

B. WORK SCHEDULE:

1. **Diagnostic Study Report (DSR) preparation:** Draft report within 30 days and Final report within 45 days
2. **Soft Intervention implementation:** Maximum allowed as per guidelines of MSE CDP is 18 mts.
3. **Detailed Project Report (DPR) preparation:** Draft report within 45 days and Final report within 60 days
4. **Project Management Services for execution of works**

Linked with agreed project milestone, till completion, successful operation and hand over of project to SPV.

C. TERMS OF PAYMENT

Sl	Scope of Work	Payment Terms
1	Preparation of DSR	Rs 2.50 lacs as per guidelines under MSE CDP
2	Preparation of DPR	Rs 5.00 lacs as per guidelines under MSE CDP
3	Soft Intervention Implementation	2.0% of approved Soft Intervention cost per cluster as per approved DSR.
4	Project Management Services during CFC implementation/ execution of works	2.0% of allotted Cost for setting up of CFC per cluster as per approved DPR

NOTE: All payments except the permitted expenditure (to be agreed upon upfront) as per guidelines of MSME CDP will become project cost. The cost in excess of the guidelines, if any, will be borne by Department of M&SSE&T, Govt. of WB. The Department shall bear the cost for of SIDBI appraisal, if any.

D. PAYMENT MILESTONE

1. **Diagnostic Study and Diagnostic Study Report (DSR) preparation**
 - Mobilization advance along with work order - 25%
 - Submission of final report - 25%
 - Approval of DSR by Steering Committee of MSE CDP - 50%
2. **Detailed Project Report (DPR) preparation and submission of Project Proposal**
 - Mobilization advance along with work order - 25%
 - Submission of final report - 25%
 - Approval of DPR by Steering Committee of MSE CDP - 50%

3. Soft Intervention implementation and Project Management Services

- Linked with the successful completion of agreed implementation and execution milestones and release of grant in-aid of MSE CDP.

E. EMPANELMENT PROCESS

- a) Proposal submitted within the last date for submission will be scrutinized for short-listing based on conformity with eligibility criteria. The short-listed firms will be required to make presentations on their technical proposal before the Selection Committee. Based on the technical evaluation, scores will be awarded and firms, which obtain equal or more than the threshold score of 65, will only be considered for empanelment.
- b) Given the intensive nature of this engagement, the Department shall decide to engage 4 to 5 number PMC(s) to support MSE CDP scheme. In such a case, the highest scoring firm(s) fulfilling the threshold score will be selected for empanelment. The Department reserves the right to decide upon the empanelment of more than one PMC
- c) Final allocation of a cluster project to any of the empanelled PMC(s) shall be decided upon by a high level Selection Committee comprising the following members: The Director, M&SSE, WB, The Director, MSME-DI, Kolkata, The Managing Director, WBSIDC, The Joint Secretary, M&SSE&T, WB, The Addl Director, WBSEPS, The Joint Director of M&SSE in-charge of MSE-CDP scheme, GM, DIC of concerned District of the cluster. The committee may co-opt members as per need for implementation of the cluster.
- d) The allocation of cluster shall be based on the availability of required sector-specific professional expertise and also affirming technical experience and competency to handle the specific cluster.
- e) The empanelment is valid for a period of 3 years. However, the Selection Committee may decide to remove any PMC from the empanelled list if the performance is found to be unsatisfactory. The decision of the Section Committee is binding in this matter.

F. INFORMATION MEMORANDAM

Refer to Annex

ANNEX – DESCRIPTION OF SCOPE OF WORK

1. Mapping and profiling of clusters:

PMC shall undertake a rapid study to validate and develop profile of clusters under guidance of concern District Industries Center (DIC), covering origin of the cluster, number of units fulfilling critical mass, market demographics, competition, turn over / value addition, export potential, employment generation, investment requirements along with backward and forward linkages, service and institutional support, facilitation by industry bodies, core issues, policy support needs, etc. Based on the rapid study, PMC shall prepare initial proposal for submission under MSE CDP scheme to Director, MSME, Govt. of WB.

2. Diagnostic Study, preparation and submission of Diagnostic Study Report (DSR)

PMC shall carry out Diagnostic Study, if approved, which will cover analysis of the business processes of the cluster on the basis of attributes such as, manufacturing processes, technology, marketing, quality control, testing, purchase, outsourcing etc. in order to crystallize the strengths, weaknesses, threats and opportunities of the cluster. The diagnostic study will identify and highlight the major problems and impediments of the cluster and a well-planned course of action/ roadmap shall be prepared in order to support the cluster for self-sustaining growth. The Diagnostic Study Report (DSR) will also include a validated action plan for soft intervention, cost estimate for implementing the action plan, performance indicators, timelines and milestones for evaluation of the clusters.

3 Soft Intervention implementation

PMC shall be responsible for implementation of the action plan identified in the approved DSR to support cluster beneficiaries in activities which lead to creation of general awareness, counseling, motivation, trust building, exposure visits, market development, capacity building, participation in seminars, workshops and training programme, amongst others. PMC will be responsible for compliances as per guidelines of MSE CDP, timely completion and proper utilization of fund. Suitable Management Information System in form periodic progress reports and utilization certificate of fund shall be prepared and submitted in prescribed format.

4. Preparation of Detailed Project Report (DPR) and submission of Project Proposal

Pursuant to the approval of the Diagnostic Study Report under the MSE CDP scheme, the PMC shall take up preparation of technically feasible and financially viable Detailed Project Report (DPR) for setting up Common Facility Centres (CFC) for cluster of MSE units. The MSE-CDP guidelines shall be followed while preparing the DPR and submission of the project proposal for approval by Steering Committee of the MSE CDP, including conforming the pre-requisite procedures like on-line submission, technical appraisal by MSME DI and financial appraisal by SIDBI.

To ensure conformity with the MSE CDP scheme, PMC shall assist the identified entrepreneurs in establishing suitable institutional entity in the form of a Project Special Purpose Vehicle (SPV) for execution of the proposed project.

5. Assistance in DPR Appraisal

PMC shall obtain appraisal of DPR by SIDBI, MSME Development Institute (DI)/ Technical Screening Committee for the approval process.

6. Project Management Services

PMC shall be responsible for providing end-to-end solution in implementation of the Common Facility Centres (CFC) in accordance with the approved DPR, covering:

i. *Project Implementation:* PMC will assist SPV in execution of the works, including, design and engineering for civil, electrical, mechanical, infrastructure and utilities, selection of plant and machinery, sourcing and transfer of technologies, procurement of consultant/ contractors/ vendors, assist obtaining statutory approvals, project finance, commissioning and ensure successful operation.

ii. *Developing Operation & Maintenance (O&M) framework:* PMC shall assist the project SPV in developing suitable O&M framework for sustainability of the assets and services created under the project, including appropriate structuring of user charges.

iii. *Monitoring & Evaluation:* PMC shall monitor the progress of the execution of works to ensure compliances and timely implementation. PMC shall be ensure proper utilization of funds vis-a-vis physical progress of the project. Suitable Management Information System in form periodic progress reports and utilization certificate of fund shall be prepared and submitted in prescribed format.

iv. *Participate in all relevant meetings:* PMC shall assist the State Government /SPV in obtaining approval/ sanction and accessing the grant-in-aid under MSE-CDP scheme. PMC shall participate in all relevant meeting with Government of India ministries along with the SPV and State Government representatives and all necessary documents in this context shall be prepared by the PMC.

v. *Operation & Maintenance (O&M) services:* PMC shall be responsible for providing O&M support to the SPV for a period of six months post commissioning to ensure smooth operation of the CFC.

NOTE: Award of Project Management Services will be at the sole discretion of the Department. The continued support by the selected PMC for Project Management Services shall be decided at a later stage if required and the decision of the Department shall be final and binding in this matter.

ANNEX- TECHNICAL EVALUATION PARAMETERS

SI	Technical Parameters	Points
1.	Past experience of working with MSE sectors	15
2.	Expertise in the preparation of DSR and DPR for at least five projects	15
3.	Experience in assisting Government of India in managing at least one scheme/ program of similar nature	10
4.	Experience of assisting at least one State Government or State Government Agency in developing proposals under the MSE-CDP which has been favorably appraised and recommended by SIDBI and approved under MSE CDP	10
5.	Demonstrable experience in facilitating incubation of SPV and related key implementation of soft intervention for at least two projects.	10
6.	Experience of Project Management Service provider in at least two projects	10
7.	Experience of having developed a project worth Rs. 15 crore or more, anywhere in the country, during the past three years, inclusive of implementation interventions.	5
8.	Work plan including key functional and domain experts proposed to be deployed for this engagement	10
9.	Working experience and presence in West Bengal/ Kolkata)	5
10.	Organization structure and in-house domain expertise	5
11.	Technical Presentation	5
	Total	100

ANNEX- INFORMATION MEMORANDUM

1.0 GENERAL

The Terms of Reference (TOR) are outlines based on guidelines of MSME CDP scheme. In case any modification is made in the scheme from time to time, the TOR will be changed in accordance with the revised guidelines.

2.0 ELIGIBILITY CRITERIA

- i. Should have experience in assisting Government of India or any State Government
- ii. Should possess experience of working with the MSE sectors including handicraft.
- iii. Should have experience in preparation of Diagnostic Study Reports, Detailed Project Reports for Common Facility Centre, or such similar exercises as per guidelines of MSE CDP scheme, besides possessing experience of working in the State of West Bengal.
- iv. Should have assisted any State Government/ Government of India in managing program or scheme related to industrial cluster development.
- v. Should have office in West Bengal/ Kolkata, along with in-house domain expertise.

3.0 PROPOSAL SUBMISSION

- a) The Proposal should be submitted in sealed envelope. Eligible bidders shall be required to make a presentation on Technical proposal.
- b) The bidder shall enclose with its Technical Proposal, copies of relevant certificate(s) supporting the technical information and audited financial statements during each of the past three financial years, as given below:
 - Formal Registration of the company.
 - The authenticated copy of audited financial statement (Balance sheet and Profit & Loss account) for last three years.
 - Annual Report for last three years
 - Experience in the development of industrial clusters, industrial parks, supply chain, capacity building etc.
 - Areas of Field Operation in last three years.
 - Details of similar assignments handled in last three years.
 - List of reports and sector studies prepared in relevance to MSE sectors.
 - Documents in support of work experience as per the assessment criteria.

- Organizational strength including present staff strength and their qualification/experience.
 - Authenticated work orders and copies of CVs of the proposed team members
 - Document reflecting presence in West Bengal.
 - Description of the general approach /methodology along with a work plan to carry out the proposed engagement, not limited to, Field work, Time Schedule, Staff allocation, Strategy, Approach and tools.
- c) Any entity which has been barred by the Central Government, any State Government, a statutory authority or a public sector undertaking, as the case may be, from participating in any project, and the bar subsists as on the date of Proposal, would not be eligible to submit a proposal either by itself or through its Associate.
- d) The bidder or its Associate should have, during the last three years, neither failed to perform on any agreement, as evidenced by imposition of a penalty by an arbitral or judicial authority or a judicial pronouncement or arbitration award against the bidder or its Associate, nor been expelled from any project or agreement nor have had any agreement terminated for breach by such bidder or its Associate.

4.0 NUMBER OF PROPOSALS

No bidder or its Associate shall submit more than one proposal for the engagement. Consortium of parties is also not permitted under this bid.

5.0 COST OF PROPOSAL

The bidder shall be responsible for all of the costs associated with the preparation of their proposals and their participation in the bid process including subsequent negotiations/ visits to Department of M&SSE&T, Govt. of WB, project site etc. Department of M&SSE&T, Govt. of WB will not be responsible or in any way liable for such costs, regardless of the conduct or outcome of the Selection Process.

6.0 RIGHT TO REJECT PROPOSALS

- i) The Department of M&SSE&T, Govt of WB reserves the right to accept or reject any proposal and to annul the Selection Process and reject all proposals, at any time without notice and shall not have any liability or obligation for such acceptance, rejection or annulment, and without assigning any reasons thereof.
- ii) At any time, if a material misrepresentation is made or discovered, or the bidder does not provide, within the time specified by the department, the supplemental information sought for purposes of evaluation can lead to the rejection of the proposal.

7.0 PROPOSAL SUBMISSION TIMELINE

1	Last date for submission of Proposals	12 noon on 25 Oct 2013
2	Opening of Technical Proposals	2 pm on 25 Oct 2013
3	Technical presentations	29 Oct 2013

8.0 CONTACT INFORMATION

All communication and submission of proposal shall be addressed to:

The Director
Micro & Small Scale Enterprises, West Bengal
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