

**Ministry of Consumer Affairs, Food & Public Distribution
Department of Consumer Affairs
Government of India**

Expression of Interest

For

**Appointment of Public Sector Bank to Design, Develop, Implement & Manage
the
Digitization of Price Stabilization Fund**

Date of Release: 21st September 2023

Last date of Submission of EOI: 17th October 2023

Interested parties can download the EOI document containing the details of qualification criteria, submission requirements, brief objective and the scope of work from the website <https://consumeraffairs.nic.in>.

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Contents

1. Invitation of expression of interest	3
2. Introduction.....	4
3. Broad Scope of Work	5
4. Qualification Criteria	6
5. Submission Requirement	6
6. Venue and Deadline for submission of proposal	7
7. Instructions for Submission of Expression of Interest (EOI).....	7
8. Checklist of Documents to be submitted.....	8

PS-61004/1/2023 PMC Section (E-30551)
Ministry of Consumer Affairs, Food & Public Distribution
Department of Consumer Affairs
Government of India

Krishi Bhawan, New Delhi
Date 15th September 2023

INVITATION OF EXPRESSION OF INTEREST

Director "Price Monitoring Division (PMD)" on behalf of Department of Consumer Affairs, Ministry of Consumer Affairs, Food & Public Distribution, Government of India invites online Expression of Interest (EOI) from all Public Sector Bank to Design, Develop, Implement & Manage the Digitization of Price Stabilization Fund.

2. The EOI document containing the details of qualification criteria, submission requirements, brief objective & scope of work and evaluation criteria, etc. can be downloaded from the Central Public Procurement Portal at www.eprocure.gov.in as well as from www.consumeraffairs.nic.in and www.gem.gov.in.

3. Further details/clarifications, if any, may be obtained from the **Director (PMD), Room No. 374, 3rd Floor, F block, Krishi Bhawan, New Delhi**, during working hours (Tel : 011 23388317) or Assistant Director (PSF), Room No. 486 (C) 4th Floor **Krishi Bhawan, New Delhi** (Tel : 011 23385821).

4. Last date of submission of EOI online is 17.10.2023 by 1500 hours. Applicants meeting the qualification criteria may be invited for presentation before the Consultancy Evaluation Committee (CEC). Further based on the evaluation, Bid documents will be subsequently issued to the short listed applicant only.

Subhash Chandra Meena
Director (PMD)

**Department of Consumer Affairs
Government of India**

Subject: Invitation for Expression of Interest for appointment of PSU Bank to Design, Develop, Implement and Manage the Digitisation of Price Stabilisation Fund.

1. Introduction

The Price Stabilization Fund (PSF) was set up in 2014 to tackle inflationary trends of identified agri-horticultural commodities like onion and pulses to protect the interests of consumers. These commodities are procured and stored for regulated release to help moderate the prices. The fund is managed by a “Price Stabilisation Fund Management Committee (PSFMC) under Chairmanship of Secretary (CA).

Since the inception of Price Stabilisation Fund (PSF) corpus in 2014-15 till date, the Government has provided budgetary support of Rs.27,489.15 crore for providing working capital and other incidental expenses for the procurement and distribution of agri-horticultural commodities.

Prices of some of the agri-horticultural commodities especially onion and pulses are highly volatile. At the harvest time and soon thereafter, a steep fall in the wholesale and retail prices is normally observed. With depletion of the stored stocks, the prices tend to increase. This phenomenon is more apparent in the case of onions, potatoes and pulses. Price volatility affects consumers in a big way. Abnormal increase in price of these commodities affect the consumers by way of increase in food consumption budget. Wide price fluctuations also lead to speculation which further impact prices in retail market.

To mitigate hardships to consumers, a central sector scheme for providing working capital and other incidental expenses for procurement and distribution of agri-horticultural commodities was approved. For this purpose, a corpus – “Price Stabilisation Fund” was created. The intervention is expected to regulate price volatility through procurement by State/UT Government and Central agencies/Central PSUs/Cooperative organisations as decided by respective Ministries of selected produce, maintenance of buffer stocks and regulated release into the market.

The Department of Consumer Affairs monitors the progress of implementation of the Price Stabilization Operations by the implementing agency and advises suitable measures/corrective actions, if any, keeping in view the overall aim & objectives of the scheme, i.e.

1. To promote Direct purchase from farmers/farmers' associations at Farm Gate/Mandi
2. To maintain a strategic buffer stock that would discourage hoarding and unscrupulous speculation
3. To protect consumers by supplying such commodities at reasonable prices through calibrated release of stock

2. Broad Scope of Work

The main deliverable from the Bank, but not limited to the following:

1. Selected Bank will open a Pool A/c i.e. Savings Account with Limit setup functionality for better & effective fund management
2. *External Benchmark Linked Rate i.e. (MIBOR) linked rate of interest* to the funds lying in the Corpus Fund (Pool Savings Account)
3. Use of virtual accounts for Reconciliation of Sale and Purchase
4. Dashboard with Holistic view for the Department
5. Inventory & Sale Purchase Management System to be developed
6. End to end process to manage the various journeys of procurement, storage and disposal.
7. Tracking Commodity wise stock availability across states
8. Role based data access provided to Department.
9. Detailed Expenditure & Receipt Statement
10. Advanced features to capture reports as per Department's needs.
11. Bank to offer solution towards Digitisation of PSF backed with in-depth understanding of the Department's requirement and scheme objectives.
12. Real time access of data to the Department to facilitate in minimising price fluctuations and maintenance of buffer stock.
13. No charge/cost of any nature would be levied by the selected bank.
14. The selected Bank shall provide return as agreed between PSFMC (DoCA) and the Bank as interest calculated on daily balances of Pool Account.
15. Bank shall provide high level of service quality to DoCA as this account is highly sensitive towards timely operation and accuracy.

4. **Qualification Criteria**

Mandatory Criteria

1. Net NPA as on March 31, 2023 shall be less than 5.5%
2. Capital Adequacy Ratio as on March 31, 2023 to be > 12%
3. Net Worth as on March 31, 2023 to be > Rs. 25,000 crore
4. Profitability should not be negative in the last 3 years

Financial Criteria

1. The Bank shall design a benchmark rate of interest to DoCA in terms of percentage of return which shall be quoted on the daily balance of the Pool Account /Savings Account and to be paid to DoCA, on every quarter end.

Bidder shall be selected based on the highest Benchmark rate of offer.

The participating Bank shall qualify in Mandatory Criteria. The selection of Bank shall then be on basis of highest return to the Department. Once the Bank qualifies on the above mentioned criteria, an opportunity will be given to all shortlisted bidders to submit a presentation on their understanding and experience of IT capabilities and solutions which will assist the Department in better Fund Management and Digitization of PSF.

5. **Submission Requirement**

Interested Banks may submit their application on their letter head duly signed and stamped by their Authorised officer, clearly mentioning the following:

1. The proposed nodal branch and name designation, contact number and email id of the person authorised to deal with DoCA.
2. Net NPA as on March 31, 2023
3. Capital Adequacy Ratio as on March 31, 2023
4. Net Worth as on March 31, 2023
5. Net Profit for last 3 years i.e. FY 20-21, 21-22 and 22-23
6. Benchmark return RoI on daily balance in Pool/Savings Account
7. Not covered under Prompt Corrective Action (PCA)

8. A copy of Annual Report/Audited Annual Financial Statement for the FY 2022-23 of the Bank to be attached with the application.
9. A letter from Bank's Auditor certifying the above details.
10. Interested bank shall also submit a brief write up/proposal on how they intend to manage the PSF corpus w.r.t. MIS, Reports & Reconciliation, Technology solution & Dashboard, etc.

Venue & Deadline for submission of proposal

The proposal in all respects as specified in the EOI, must be submitted online at www.eprocure.gov.in. The interested applicants are advised to visit this website regularly to keep themselves updated for any change/ modification in the EOI invitation, issuance of corrigendum will be intimated & published through this website only. In exceptional circumstances and at the discretion of Director PMD Department of Consumer affairs, may extend the deadline for submission of EOI. Intimation will be made available on the website, in which case, all rights and obligations pertaining to Project and the bidders, previously subject to the original deadline will thereafter be subject to the extended revised.

Instructions for Submission of Expression of Interest (EOI).

1. Banks are advised to study all instructions, forms, terms, requirements and other information in the EOI document carefully. Submission of the bid shall be deemed to have been done after careful study and examination of the EOI document with full understanding of its implications. Banks shall go through the guidelines before submitting the EOI proposal.
2. Banks who meets the eligibility criteria shall prepare EOI as per the guidelines given. The Banks may submit additional information in support of his suitability for the assignment.
3. The proposal in all respects as specified in the EOI, must be submitted online at www.eprocure.gov.in with a Letter of Intent not later than 1500 hours (1ST) on closing date.
4. Bidders must ensure that their Bid response is submitted online on CPPP (www.eprocure.gov.in) as per the formats attached with this document. Special comments on the objectives and scope of the service projected in the enquiry may also be submitted along with the offer.
5. The EOI shall be strictly as per the format specified in this Invitation for Expression of Interest and any deviation may result in the rejection of the EOI proposal.
6. Any EOI received by CAPFIMS, after the stipulated deadline, shall be rejected and returned unopened to the Bidder.
7. The application shall be the basis of drawing up a shortlist of eligible consultants who will be invited to submit RFP.
8. All Applications shall be submitted in English.

9. The bidder shall be responsible for all costs incurred in connection with participation in the EOI process, including, but not limited to, costs incurred in conduct of informative and other diligence activities, participation in meetings/ discussions/ presentations, preparation of proposal, in providing any additional information required by Purchaser to facilitate the evaluation process and in negotiating a definitive contractor all such activities related to the bid process.
10. The authority will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the bidding process.
11. A firm shall submit only one proposal, If a firm submits or participates in more than one proposal; all such proposals shall be disqualified.

13. The supporting documents and printed literature to be furnished by Applicant shall be accompanied with English translation in case original documents are in a language other than English.
14. Director “PMD” Department of Consumer Affairs, reserves the right to reject any Applications, without assigning any reasons therefore. The Applicant shall provide all the information sought under this EOI. Director PMD’, would evaluate only those Applications that are received in the required format and complete in all respects. Incomplete and / or conditional Applications shall be liable for rejection.
15. No claims whatsoever will be entertained if submission is not received by due date and time.
16. The Proposal of EOI must be submitted no later than: last date of the EOI
- 17 The EOI will be opened by Consultancy Evaluation Committee on pre decided date and time specified in presence of members of opening committee and Banks or their authorized representative who have offered the EOI proposal may choose to remain present.
18. The bidders are required to submit soft copies of their EOI electronically on the CPP Portal, using valid Digital Signature Certificates. The instructions given below are meant to assist the bidders in registering on the CPP Portal, prepare their bids in accordance with the requirements and submitting their bids online on the CPP Portal. More information useful for submitting online bids on the CPP Portal may be obtained at: <https://eprocure.gov.in/eprocure/app>.

Expression of Interest Document

Checklist of Documents to be submitted

1.0	Basic REOI Details
Tender Title	Request for Expression of Interest for Consultancy and financial Services
Name of Project	

Tender Reference Number	REOI/	Tender ID	
Tender Type		Tender Category	
No.of Covers		Product Category	Consultancy
Domestic/ Global Procurement			
2.0 Bank Details			
Bank Name			
Branch Name			
Contact Person Name			
Contact Details			
Mail ID			
Address			
3.0	Eligibility and Qualification Criteria		
Nature of work			
The proposed nodal branch and name designation, contact number and email id of the person authorised to deal with DoCA.			
Net NPA as on March 31			
Capital Adequacy Ratio as on March 31, 2023			
Net Worth as on March			

31, 2023	
Net Profit for last 3 years i.e. FY 20-21, 21-22 and 22-23	
Benchmark return RoI on daily balance in Pool/Savings Account	
Not covered under Prompt Corrective Action (PCA)	
A copy of Annual Report/Audited Annual Financial Statement for the FY 2022-23 of the Bank to be attached with the application.	
A letter from Bank's Auditor certifying the above details.	
Interested bank shall also submit a brief write up/proposal on how they intend to manage the PSF corpus w.r.t. MIS, Reports & Reconciliation, Technology solution & Dashboard, etc.	

Any additional Eligibility or responsiveness Criteria	
Declaration	

The EOI is not an offer and is issued with no commitment. DoCA reserves the right to withdraw EOI and or vary any part thereof at any stage. DoCA further reserves the right to disqualify any Bank, should it be so necessary at any stage.

Last date of submission of EOI is 17.10.2023.

Interested parties may submit Expression of Interest in a sealed cover by 17.10.2023 (1500 hours IST) to Director (PMD), Room No. 374, 3rd Floor, F block, Krishi Bhawan, New Delhi.

Annexure I

Declaration

1. I certify that the information in the above Expression of Interest forms is true to the best of my knowledge.
2. I also understand that any misleading or wrong information will disqualify this application straightaway.

[Note: Declaration is to be submitted on the letter head of the Firm].

Authorized Signatory
(Applicant)