

Expression of Interest for Operation
and Management of Integrated Export
Facility with Pack-house and
Irradiation unit at Industrial Area
Fatuha, Patna, Bihar

INTRODUCTION AND DETAILS

About Infrastructure Development Authority (IDA)

Infrastructure Development Authority (IDA) has been constituted under the chairmanship of the Chief Secretary, Government of Bihar under the Bihar State Infrastructure Development Enabling Act, 2006 to provide for the rapid development of physical and social Infrastructure in the State and to attract private sector participation in designing, financing and construction of Infrastructure Projects. IDA is the nodal agency for PPP initiatives in the State.

Department of Industry, Government of Bihar has entrusted Infrastructure Development Authority (IDA) for setting up Integrated Export Facility with Pack house and Irradiation unit at Industrial Area Fatuha, Patna, Bihar. IDA will create the facility under the leadership of Department of Industries, Government of Bihar and will invite the Operation and Management Agency for operation, running and management of the facility under Public Private Partnership Mode (PPP). All the investments in the infrastructure creation will be made by the Department & O&M Agency will not be required to make any investment in infrastructure creation or allied activities.

Background of the Project

Bihar, fundamentally an agrarian economy, has a large agricultural and animal production base, offering abundant supply of raw material to be processed for human consumption. Despite these natural advantages, the level of food processing is very low and there is scope to improve the food processing to meet the increasing requirements of the state's growing population, while at the same time offering a sustainable consumption market. **Moreover, any specific requirements of infrastructure or any other requirements after award of the contract will be made by the Department from state fund.**

Department of Industry, Government of Bihar is setting up an **Integrated Export Facility with Pack house and Irradiation unit at Industrial Area Fatuha, Bihar**. The major objectives of the project are:

- Creating advance irradiation facility targeting fruit and vegetable processing units in the state
- Reducing the overall wastage of fruit & vegetables and thereby ensuring the remunerative price to the farmers
- Increasing the export of fruits and vegetables from the state
- Creating the direct and indirect employment opportunities.

The irradiation processing offers some major benefits as detailed below:

- Insect disinfestations of dried stored products
- Phyto-sanitation to overcome quarantine barriers in fruits and vegetables
- Inhibition of sprouting in tubers, bulbs and rhizomes
- Delay in ripening and senescence of fruits
- Enhancement in shelf –life by destruction of spoilage microbes
- Elimination of pathogens and parasites

The benefits of Irradiation processing technology over other prevalent methods are as follows :

- Irradiation processing is a cold process and therefore, unlike heat based preservation methods, it can be used on agricultural commodities without changing their fresh-like character.
- Irradiation processing does not alter significantly nutritional value, flavour, texture and appearance of food.
- Irradiation using Cobalt-60 cannot induce any radioactivity in food and does not leave any harmful or toxic radioactive residues on foods as is the case with chemical fumigants
- Due to the highly penetrating nature of the radiation energy , it is very effective method
- Pre-packaged foods can be treated for hygienization and improving shelf-life.
- The Irradiation processing facilities are environment friendly and are safe to workers and public around.

Project Rationale for Setting up the facility in Bihar

The upcoming facilities will have a huge impact on the food processing industry of Bihar. Some of the reasons being as follows:

- Bihar is the largest producer of vegetables and the second-largest producer of fruits in India.
- In 2012-13, Bihar's annual maize exports touched 1.0 Mn MT – out of which 0.65 Mn MT was exported to South-East Asia and 0.35 Mn MT was exported to Bangladesh and Nepal. Apart from maize, Bihar has made significant progress in rice processing and exports, wheat milling and semolina processing. Several studies have established that gamma irradiation help in extending storage life of grains cereals and semolina.
- Bihar has high agricultural production which makes it one of the strongest sectors of the state.
- There are no existing irradiation plants in Bihar that can cater to processing of agro-produce, potatoes, cereals, pulses to prevent post-harvest losses in these commodities.
- The state will be able to tap lucrative export markets for its produce like mango, spices and herbs and will be able to tap the huge export potential of marketing chilled foods, fish, poultry & meat exits in the state has not been realized.

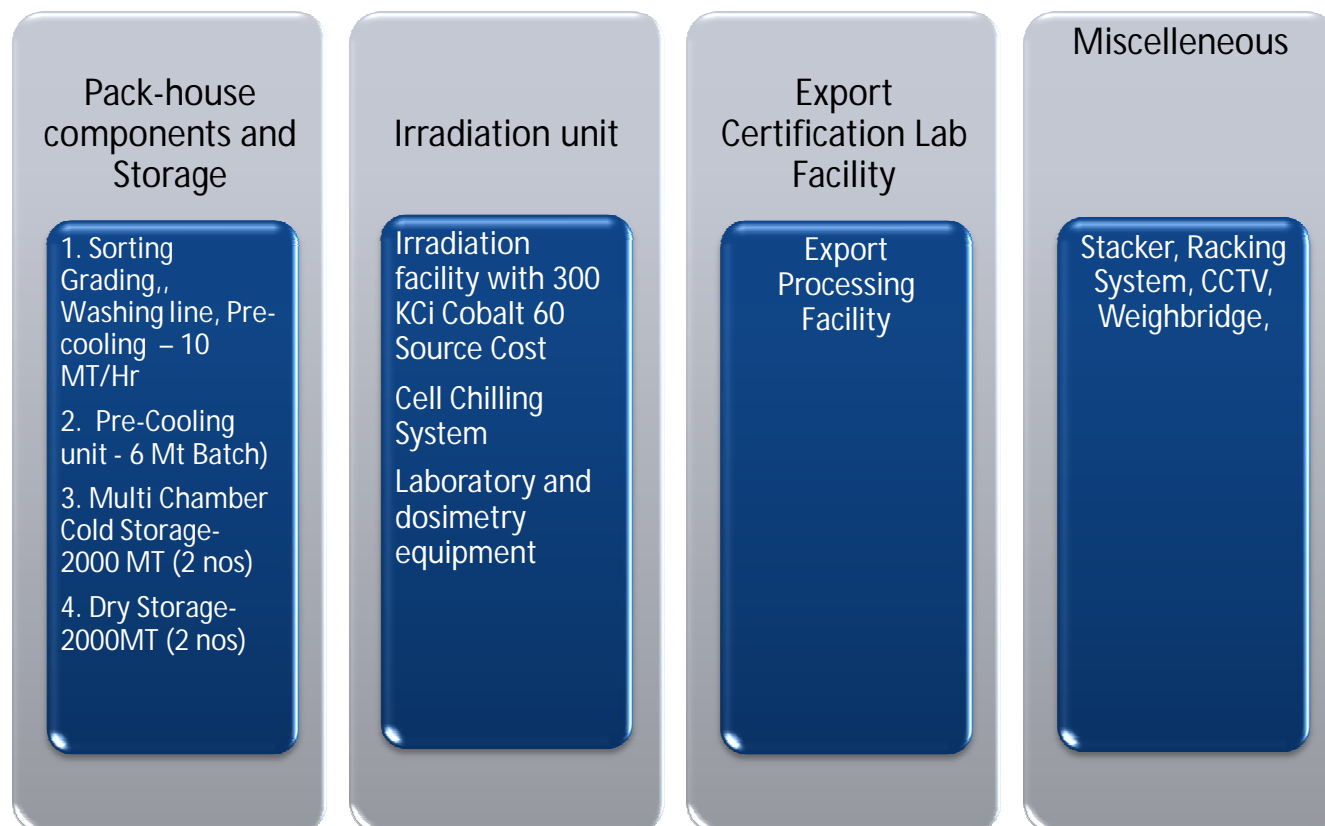
Proposed Product Mix

Proposed product mix for the facility Products	Purpose
Fruits & Vegetables	Disinfestations (Quarantine)
Fish & Poultry Products	Insect disinfestations
Spices and Herbs	Microbial decontamination

Cereals & Pulses	Insect disinfestations
Potatoes & Onions	Sprout inhibition/ de-vitalization
Honey and Allied products	Microbial decontamination
Packaged food products	Shelf life enhancements

Proposed Components under the Project

The proposed facility will have three components as mentioned below:



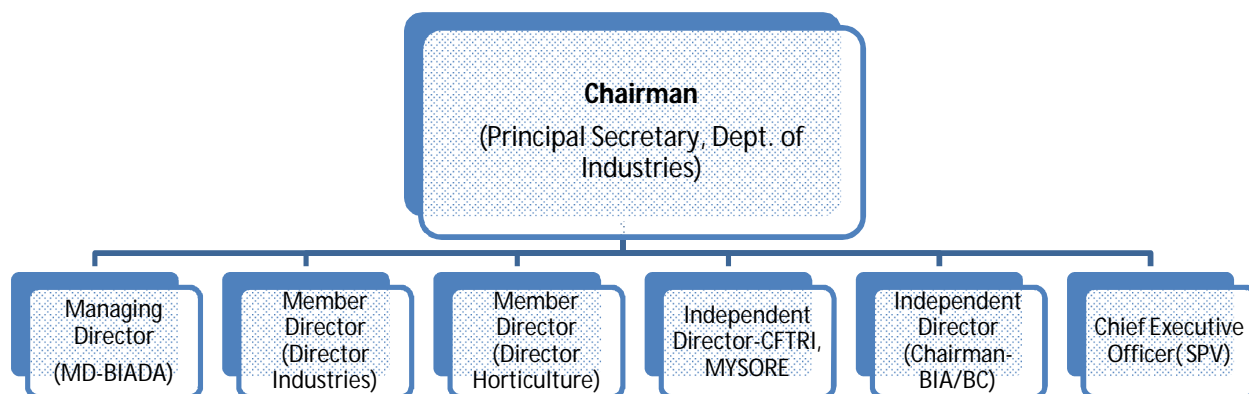
All the facilities being proposed at the unit will be suited to multiple product processing to ensure year round operation of the unit. The facility is expected to irradiate about 25000 MT of material at 100% capacity utilization. IDA may take the input from applicant during the EOI meet to make suitable modification in the proposed components in terms of capacity or new facilities.

Proposed Governance and Management Structure of the unit

The Department of Industry, Government of Bihar has proposed a Governance structure for the setting up and monitoring supervision of the unit. The governing body will meet monthly or quarterly for execution and monitoring of project progress.

Principal Secretary, Department of Industries as given below, will chair the board. The Chief Executive Officer will be appointed by the Operation and Management agency that will be representing the O&M partner.

Governance Structure of the proposed unit



Suggested implementation plan

- Department will create the above mentioned facility at the Industrial Area Fatuha, Patna, Bihar on Bihar Industrial Area Development Authority land (approx 6 Acres).
- IDA will select an Operation and Management Agency (O&M) for **Operating, Running and Management** of the facility under the Public Private Partnership arrangement under overall guidance of Department of Industries, Government of Bihar
- The appointed O&M agency will be required to run and maintain the facility created thereby ensuring the optimum utilization of the infrastructure for self use or job work
- IDA/Department of Industries will hand over the facility to the O&M partner for a period of **10 years or more (to be finalized at RFP stage based on inputs from applicants)** which can be further extended by 5 years or more based on the performance of the O&M partner. There will be an annual assessment of O&M performance. The renewal of the contract will be based on their overall performance during the period.
- **CSIR - Central Food Technological Research Institute, Council for Scientific & Engineering Research, GOI, Mysore** will be the Technical Partner assisting the department in selection of food processing technologies
- BARC and its empanelled agency will be the Technology partner for the Irradiation component
- IL&FS CDI has been appointed as PMA for support in implementation of the project

- **The Cost of the project is proposed to be fully financed through Equity by State Govt fund.**
- O&M agency will have to bring its own working capital for running of the facilities.
- **O&M agency can avail the benefits of all the state government schemes (except benefits related to capital investment)**
- **The infrastructure will be developed on the advice of the O&M agency. O&M agency will also be engaged in the complete process like technology selection, project implementation, technical consultations etc.**

Responsibility of the O&M partner

The roles and responsibilities of the O&M partner are as follows:

- The O&M Agency will **operate and manage** the facility for a period of **10 years** or more (to be finalized at RFP stage) to give an adequate opportunity for building up the backward and forward linkage.
- The department will hand over the facility in working condition after trial run to the O&M partner.
- The O&M agency will have to bring his own team for operating and managing the facility
- The O&M Agency will have to manage the day-to-day operation of the plan and will keep the Unit in the working condition.
- All the responsibility of the repair and maintenance of the facility during the tenure will be on O&M Agency and needs to meet by own funds of O&M agency.
- The O&M Agency will have the first right to reject the contract renewal post expiration of the contract agreement.
- The O&M Agency will adhere to all the Terms and Conditions signed in the agreement with the IDA, Department of Industries, Government of Bihar.

IDA may changes or modifies the role and responsibility as per the Applicants feedback during the EOI process.

Broader scope of work for O&M Agency

The detailed scope of work are as given below:

- Recruitment and selection of manpower for operations and management of the facility
- Creating market linkage/business development for the processed products/optimum utilization of the facility

- Running different components of the units optimally
- Offer the facility for job work to other entrepreneurs depending the scheduled engagements during lean time
- Run the facility in profitable manner ensuring optimum utilization of facilities created
- Maintain, repair or replace the equipment or other infrastructure available in the premise as and when required depending on the day to day wear and tear of the facility
- Pay for the day to day operational expenses for running the facility like electricity bill, water bill etc
- Bring own investments or raise the working capital from financial institutions for running the facility or new infrastructure creation

Responsibility of IDA

- To provide the hindrance free access to O&M agency
- Provide all the required statutory clearance for operation and management of the facility
- Provide basic utilities like water and electricity
- Create the infrastructure of the proposed facility

Utilization of the asset provided to O&M

- All the asset provided by the IDA will be only utilized for the above said purpose
- No movable or immovable asset will be used for purpose other than running of the proposed facility without approval

Financial bid O&M

No financial bid is being invited at EOI stage. The financial bid will be invited at the RFP stage however IDA would like to discuss the revenue models during the EOI meet to take the feedback of the Applicants on one of the three models:

- **Models I: Fixed Rental Model** - O&M will pay a fixed monthly/quarterly rental to IDA
- **Model II : Revenue Sharing** - O&M to share a fixed percentage of % of the revenue with the IDA on monthly/quarterly basis
- **Model III : Part Fixed & Revenue sharing** – O&M to share a fixed rental along with the fixed percentage of revenue with IDA

Information for the Applicant

Eligibility for participation in the EOI

Following firms are eligible for participation in the EOI

- a. Existing processors operating/running similar facility elsewhere in different parts of the parts of the country
- b. Fruit, Vegetable or milk processors having established sales and distribution network
- c. State/Central government/Dairy Cooperatives / Dairy Federations/Fruit and Vegetable Exporters (fresh/processed)/Food Processing units other than fruit and vegetable processor/Farmers Cooperatives /Farmers Organizations
- d. FMCG company planning to diversify and enter into fruit and vegetable processing sector
- e. Food products exporters

The bidder can be single legal entity/ consortium of different entities. There are three components of the project i) Irradiation unit, ii) Packhouse components with cold storage iii) Dry Warehouse. The bidder can run all the facility together or will have the freedom to run any component of the unit. Department may give higher weightage to

In the second stage of Bidding i.e., the RFP stage, IDA shall issue RFP document to the interested Bidder. This RFP document will contain information about the Project, Bidding Process, Bid submission, Qualification and Financial Proposal requirements. The RFP shall have detailed Technical and Financial Criteria required for qualification. The RFP shall also have format for Financial Bids in which the interested Bidder shall furnish its Financial Proposal. The Price Bids of only those bidders who qualify in the Technical Bid evaluation shall be opened for evaluation and selection of the successful Bidder. The other details will be mentioned in the RFP stage.

Submission of EOI:

IDA has adopted a two-stage process (collectively referred to as the "Bidding Process") for selection of the bidder[s] for award of the Project. The first stage (the "EOI Stage") of the process involves envisaging interest in the Project by submitting an Application in accordance with the provisions of this EOI (the "Applicants"). At the end of this stage, IDA shall forward the Request for Proposal (the "RFP") documents, which shall seek Financial Bids with detailed Technical Qualification (the "Bid Stage").

In this EOI stage, applicants are required to submit documents as specified in against the standard formats as provided. EOI document can only be downloaded free of cost from <https://www.idabihar.com/category/tenders/>.

Any queries pertaining to the project can be addressed to:

Managing Director

INFRASTRUCTURE DEVELOPMENT AUTHORITY

(A Government of Bihar institution)

First Floor, Udyog Bhawan, East Gandhi Maidan, Patna

Phone No: 0612-2675933, 2675935

Email: md@idabihar.com Website: www.idabihar.com

Submission of Queries related to EOI

IDA reserves the right not to provide answers to any or all queries raised by Applicants. The revised last date of submitting queries is 25/02/2019.

Applicant having any queries regarding the EOI and the Project can discuss the same during the applicant meet or can write to the above mentioned address provided in the RFP.

Notwithstanding anything contained in this EOI, IDA reserves the right to accept or reject any Application and to annul the Bidding Process and reject all Applications, at any time without any liability or any obligation for such acceptance, rejection or annulment, and without assigning any reasons thereof.

At any time prior to the deadline for submission of Application, IDA may, for any reason, whether at its own initiative or in response to clarification.

Key details for Applicants

Bid No
Date of issue of EOI document	13/02/2019
Last date for submission of queries (if any)	30/03/2019
Last date of EOI submission	Time 16.00 Hrs Date : 15 April 2019
Language of bid	English ¹
Contact persons for queries	Rupesh Kumar Contact No : +91-7033591701 Email ID : rupesh.kumar@ilfsindia.com
Address of for Communication and Submission of Bid	Managing Director INFRASTRUCTURE DEVELOPMENT AUTHORITY (A Government of Bihar institution)

¹Supporting documents and printed literature furnished by the Applicant with the Application may be in any other language provided that they are accompanied by appropriate translations of the pertinent passages in the English/ Hindi language. Supporting materials, which are not translated into English/ Hindi, may not be considered. For the purpose of interpretation and evaluation of the Application, the English/ Hindi language translation shall prevail.

	First Floor, Udyog Bhawan, East Gandhi Maidan, Patna Email: md@idabihar.com Website: www.idabihar.com Phone No: 0612-2675933, 2675935
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EOI Application Form

Letter of Application

(on letterhead, including full postal address, telephone, fax, e-mail address)

Date

To

Managing Director

INFRASTRUCTURE DEVELOPMENT AUTHORITY

(A Government of Bihar institution)

First Floor, Udyog Bhawan, East Gandhi Maidan, Patna

Subject: Application against Expression of Interest for Operation and Management for Integrated Export Facility with Pack house and irradiation unit at Industrial Area Fatuha, Patna, Bihar

Sir

1. With reference to the EOI document dated,we, having examined the EOI document and understood its content, hereby submit our Application showing our interest in the Project. The Application is unconditional and unqualified.
2. Attached to this letter is a duly filled format for the Expression of Interest a prescribed **INFRASTRUCTURE DEVELOPMENT AUTHORITY** along with copies of original documents defining:
 - a. The Applicant's legal status;
 - b. The principal place of business;
 - c. All documents as specified in EOI
3. IDA and its authorized representatives are hereby authorized to conduct any inquiries or investigations to verify the statements, documents, and information submitted in connection with this application, and to seek clarification from our bankers and client regarding any financial and technical aspects. This letter of Application will also serve as authorization to any individual or authorized representative of any institution, to provide such information deemed necessary to verify statements and information provided in this application, or with regard to the resources, experience, and our competence.
4. This application is made in the full understanding that:
 - a. IDA reserves the right to reject or accept any application, cancel the process, and reject all applications; and

- b. IDA shall not be liable for any such actions and shall be under no obligation to inform the Applicant of the grounds for them.
- 5. The undersigned declare that it **has not been debarred or blacklisted by any state, central or public sector undertaking for any wrongful activities and similar services**
- 6. The undersigned declare that the statements made and the information provided in the duly completed application are complete, true, and correct in every detail.

(Authorized Signatory)

Signature

Name

Designation

For and on behalf of

Detail of the applicants

Company/Applicant Details	
a. Name of Applicant	
b. Country of incorporation	
c. Country/Place of Operations	
d. Address of the corporate headquarters and its branch office(s), if any, in India	
e. Date of incorporation and/or commencement of business	
f. Nature of Applicant (whether public or private company, proprietorship firm, partnership)	
Brief description of the Company including details of its main lines of business and proposed role and responsibilities in this Project	To be provided as annexure
Annual Turnover of their firm/firms for last three Financial Years.	FY 16-17: FY 15-16: FY 14-15: (Provide Copy of Audited Balance Sheet along with Income statement for above mentioned year as attachment)
Details of individual(s) who will serve as the point of contact/ communication with IDA:	

<p>a. Name:</p> <p>b. Designation:</p> <p>c. Company:</p> <p>d. Address:</p> <p>e. Telephone Number:</p> <p>f. E-Mail Address:</p> <p>g. Fax Number</p>	
<p>Previous experience in Fruit and Vegetable Processing, if any</p>	<p>Please include details such as:</p> <ul style="list-style-type: none"> a. Details of managing similar facilities b. Raw Material Processed c. Daily Processing Capacity installed (product wise) d. Total product marketed in the year e. Country of export (if any) f. Location/site of projects g. Years of Operations <p>Attach details as annexure. Please attach supporting documents like Project Brochure, Operational Brochure etc.</p>

DISCLAIMER

The information contained in this Expression of Interest document (the "EOI") or subsequently provided to Applicant(s), whether verbally or in documentary or any other form, by or on behalf of Infrastructure Development Authority any of their employees or advisors, is provided to Applicant(s) on the terms and conditions set out in this EOI and such other terms and conditions subject to which such information is provided.

This EOI is not an agreement and is neither an offer nor invitation by IDA to the prospective Applicants or any other person. The purpose of this EOI is to provide interested parties with information that may be useful to them in the formulation of their application for expressing their interest pursuant to this EOI (the "Application"). This EOI includes statements, which reflect various assumptions and assessments arrived at by IDA in relation to the Project. Such assumptions, assessments and statements do not purport to contain all the information that each Applicant may require. This EOI may not be appropriate for all persons, and it is not possible for IDA, its employees or advisors to consider the investment objectives, financial situation and particular needs of each party who reads or uses this EOI. The assumptions, assessments, statements and information contained in this EOI may not be complete, accurate, adequate or correct. Each Applicant should therefore, conduct its own investigations and analysis and should check the accuracy, adequacy, correctness, reliability and completeness of the assumptions, assessments, statements and information contained in this EOI and obtain independent advice from appropriate sources.

Information provided in this EOI to the Applicant(s) is on a wide range of matters, some of which depends upon interpretation of law. The information given is not an exhaustive account of statutory requirements and should not be regarded as a complete or authoritative statement of law. IDA accepts no responsibility for the accuracy or otherwise for any interpretation or opinion on law expressed herein.

IDA, its employees and advisors make no representation or warranty and shall have no liability to any person, including any Applicant, under any law, statute, rules or regulations or tort, principles of restitution or unjust enrichment or otherwise for any loss, damages, cost or expense which may arise from or be incurred or suffered on account of anything contained in this EOI or otherwise, including the accuracy, adequacy, correctness, completeness or reliability of the EOI and any assessment, assumption, statement or information contained therein or deemed to form part of this EOI.

IDA also accepts no liability of any nature whether resulting from negligence or otherwise howsoever caused arising from reliance of any Applicant upon the statements contained in this EOI.

IDA may, in its absolute discretion but without being under any obligation to do so, update, amend or supplement the information, assessment or assumptions contained in this EOI.

The issue of this EOI does not imply that IDA is bound to select and/or short-list Applications rather it is just to envisage the interest of Applicants in the Project. IDA reserves the right to reject all or any of the Applications without assigning any reasons whatsoever.

The Applicant shall bear all its costs associated with or relating to the preparation and submission of its Application including but not limited to preparation, copying, postage, delivery fees, expenses associated with any demonstrations or presentations which may be required by IDA or any other costs incurred in connection with or relating to its Application. All such costs and expenses will remain with the Applicant and IDA shall not be liable in any manner whatsoever for the same or for any other costs or other expenses incurred by an Applicant in preparation or submission of the Application, regardless of the conduct or outcome of the EOI Process.