

**GOVERNMENT OF MEGHALAYA
FINANCE (EA) DEPARTMENT**

OFFICE MEMORANDUM

FEA. 67/2020/02

Dated Shillong, the 7th July, 2020

Subject: Adoption of Swiss Challenge Method of Procurement in the State of Meghalaya.

(i) Swiss Challenge Method of Procurement - Definition

- (a) "Swiss Challenge" means a method of Procurement in which an unsolicited proposal for a government project is received and the third party are allowed to challenge the original proposal through open bidding, and then the original proponent is given a chance to counter match the most advantageous/ most competitive bid.
- (b) The Swiss Challenge Method of procurement may be adopted by the Departments or Undertakings/Agencies fully or partially owned by it, to procure public assets or services that fulfil any essential and important public need though such public need may not have been specifically or completely determined by the procuring entities or originally included in their procurement plans

Provided that, no such procurement shall be taken up, if the public needs sought to be fulfilled by such procurement is not essential or not well defined or ambiguous or falls under the negative list notified by the State Level Empowered Committee constituted by the State Government for the said purpose.

Provided further that, the provisions of the relevant Delegation of Financial Power Rules, 2006 as amended from time to time, shall be applicable to all procurements through the Swiss Challenge method.

(ii) Eligible Sectors under the Swiss Challenge Method:

The Swiss Challenge Method of procurement may be adopted in the sectors or sub-sectors or across such sectors and sub-sectors of the economy, appended as Annexure 1. The

Planning Department may add/delete/modify the list under the reference to this OM from time to time.

(iii) **Projects not acceptable under Swiss Challenge:** The following types of proposals or projects shall not be accepted or processed under the Swiss Challenge method, namely:

- (a) Proposals or projects which contravene the provisions of any law that is in force;
- (b) Proposals or projects which would result in monopolistic situations;
- (c) Proposals or projects in sectors that are not declared eligible under clause (ii) of this OM;
- (d) Proposals below any threshold value that may be fixed for the purpose by Notification issued by the State Government, if so fixed;
- (e) Proposals for Public Private Partnership¹ Projects involving financial assistance from State Government by way of viability gap funding, by whatever name called, of more than twenty percent of the project cost excluding the value of land and all kinds of contingency or administrative charges, by whatever name called, included therein, if any;

(iv) The competent authority for deciding procurement by Swiss Challenge Method :

- (a) The State Government shall constitute a State Level Empowered Committee as specified under Form -I chaired by the Chief Secretary with the Senior-most Secretary of the Finance Department as a member and the Senior-most Secretary of the Planning Department as a member secretary and the concerned Administrative

¹Public Private Partnership (PPP) means an arrangement between a Government / statutory entity / Government owned entity on one side and a private sector entity on the other, for the provision of public assets and/or public services, through investments being made and/or management being undertaken by the private sector entity, for a specified period of time, where there is well defined allocation of risk between the private sector and the public entity and the private entity who is chosen on the basis of open competitive bidding, receives performance linked payments that conform (or are benchmarked) to specified and pre-determined performance standards, measurable by the public entity or its representative.

Department(s) as other Members. In cases where the project proposal in question covers eligible sectors that fall under the purview of different Administrative Departments, all the Heads of those Administrative Departments shall be included as Members. In case the project proposal relates to an Agency fully owned by the State Government, the Chief Executive Officer, or any other competent authority, of that Agency shall be included as a member:

Provided that, the Senior-most Secretary of Environment and Forest Department of the State shall invariably be included as a Member in the State Level Empowered Committee whenever the project proposal under consideration is so designed that it is likely to have an impact, even remotely, on any aspect of the environment or biodiversity or ecology.

- (b) The State Level Empowered Committee, hereinafter referred to as SLEC, shall be the competent authority for deciding whether Swiss Challenge method shall be adopted for procurement by the State Government as well as, in cases where such procurement is proposed to be done with substantial funding from the State Government, for the various Undertakings, Agencies and Bodies, etc. under it :

Provided further that, the State Government may, by notification, prescribe a financial threshold related to the estimated cost of the proposed project below which proposals need not be submitted to the SLEC but may be decided upon by the Head of the concerned Administrative Department in consultation with the Planning and Finance Department and in the same manner as prescribed for the purpose in these rules.

- (c) The SLEC may co-opt as member, or members, other officials of the State Government having expertise on issues relating to the project proposal or any of its components or, instead of so co-opting, seek and obtain the views and advice of any officer of the Union Government or the State Government or the various types of Undertakings under them or any other person having professional expertise in the relevant matters.
- (d) The SLEC shall examine and consider proposals placed before it along with the recommendations of the concerned Administrative Department as well as the views of the Planning Department thereon in detail and, upon satisfaction that important public need would be fulfilled by the project and having regard to the usefulness of the project in respect of the fulfilment of such public need, take a decision as to whether the Administrative Department shall be permitted to proceed with the

proposed procurement in the Swiss Challenge Method with or without any specific modifications as it may consider being necessary or whether the proposal shall be rejected.

- (e) While considering proposals placed before it, the SLEC may, if required, call for clarifications relating to the proposal from the project proponent or their authorized representatives within a specified time and such clarifications shall be provided by the project proponent in written form within that specified time.
- (f) On receipt of the communication of the decision of the SLEC, the concerned Administrative Department shall take further action as prescribed in these rules immediately after receipt of such communication:

Provided that, if the proposal is rejected by the SLEC, the Head of the concerned Administrative Department shall forthwith communicate the decision to the project proponent accordingly, in any case not later than five working days from the date of receipt of such communication.

(v) Procedure for procurement through Swiss Challenge Method:

- (a) The Project Proponent or his authorized representative, shall submit an application, along with the certificate and the details of the project proposal respectively in Form No. II appended to this OM to the Administrative Department, along with the Pre-feasibility report as provided. The contents of Pre-feasibility report shall be as specified in Form No. II Bappended to this OM.
- (b) The Administrative Department shall duly examine the proposal submitted by the project proponent and, if satisfied that the conditions specified in clauses (b) and (c) above are fulfilled, submit the proposal along with its recommendations and comments to the Planning Department, specifically indicating the status of relevant budget provision or funds for the purpose, as the case may be, for placing it before the SLEC
- (c) The Administrative Department shall scrutinize the proposal to determine whether it falls within the purview of the development plans of the Department and whether the "Public Need" is clearly established and, if so, whether the proposal, prima facie, addresses that public need and requirement.

- (d) If the Administrative Department finds that the proposal is unique and appropriate and satisfies essential and important public need and is in the public interest, it shall record the reasons thereof in writing and process it, along with a note clearly defining such public need, for submission to the SLEC, as prescribed herein in this OM. In case the Administrative Department finds that the proposal has no uniqueness and is similar to the procurement of goods, services, works or projects procured through conventional or other methods, then the Administrative Department shall reject the proposal under Swiss Challenge Method and intimate the project proponent accordingly :

Provided that, if the Administrative Department considers that the proposal meets essential and important public need and is appropriate to be taken up under the Swiss Challenge Method, despite it being similar to the procurement being done under conventional methods, it may process it under the Swiss Challenge Method, as prescribed, after recording the reasons in writing for such consideration.

- (e) The Planning Department shall convene meeting of the SLEC and place the proposal before the SLEC with its views thereon. The SLEC, after examination of the proposal, due consideration of the views of the Administrative Department as well as that of the Planning Department, and the suitability of available budget provision or funds for the purpose as relevant, may either accord permission to proceed, with or without modifications, or reject the proposal with reasons.
- (f) The Senior-most Secretary of the Planning Department shall thereafter convey such decision of the SLEC to the concerned Administrative Department.
- (g) The Administrative Department shall, on receipt of permission of the SLEC to proceed, immediately inform the project proponent in writing requesting incorporating modifications, if any and submission of detailed and comprehensive proposal in Form No. III appended to these rules along with the Detailed Project Report required for bidding within a period of three months from the date of such written communication :

Provided that, if so requested by the project proponent, the Administrative Department may suitably extend the time period of three months in case the project proponent is unable to submit the comprehensive proposal with Detailed

Project Report for reasons and circumstances beyond the control of the project proponent.

(h) If the project proponent fails to submit the detailed and comprehensive proposal within the specified period or extended period, the Administrative Department may, at its discretion, exercise the option to develop the project on its own or through its agencies or through any third party, without the project proponent having any claim thereon.

(vi) Preparation and submission of comprehensive proposal: -

(a) The project proponent shall submit the detailed and comprehensive proposal as per Form III and Detailed Project Report as well the details of bid value, financial proposal including Internal Rate of Return (IRR) calculations, etc., with supporting documents wherever necessary, project financial summary and the check list for submission of documents in hard copy and soft copy along with Earnest Security equal to 0.05% of the estimated cost of the project to the concerned Administrative Department within the specified or the extended period.

(b) The project proponent shall ensure that all financial reports and the documents having financial details submitted by it are duly verified by a competent Chartered Accountant and those reports and documents that are not so verified shall not be considered as valid.

(c) The Administrative Department may carry out additional studies for independently determining the project costs, revenues, viability and risk analysis etc. for proper benchmarking.

(d) The project proponent shall submit the detailed and comprehensive proposal prescribed herein in two covers. The first cover shall include the Detailed Project Report with costs thereof, the survey data, specifications, inputs, outputs or outcomes, as well as designs, estimated cost of the project, along with Earnest Security etc. As in sub-clause (a) above. The first cover shall be opened by the Administrative Department, or by a Committee specifically constituted by it for the purpose.

(e) The bid value shall be submitted in a separate second cover duly sealed by the project proponent which shall be kept in safe custody by the Administrative department to be opened later by it or by the Committee constituted for the purpose, at the time of

opening of the financial bids received from other bidders through the Open Competitive Bidding process.

(vii) Earnest Security:

The project proponent, as a token of sincerity and good faith, shall furnish interest-free Earnest Security amounting to a percentage of the total estimated cost of the project, as notified by the Finance Department from time to time, through bank guarantee from a scheduled bank or any other acceptable instrument with a validity period of not less than one hundred and eighty days commencing from the date of receipt of the comprehensive proposal by the Administrative Department including claim period of sixty days. The validity period may be extended as mutually agreed, from time to time. The bid shall be summarily rejected if the detailed and comprehensive proposal is not accompanied with the Earnest Security.

(viii) Bid Security:

- (a) In case bidding process is initiated for the proposed project by the concerned Administrative Department, the project proponent shall also deposit the requisite bid security as specified in the bidding document.
- (b) The bid security shall be calculated on the basis of the total estimated cost of the project as per the Detailed Project Report and the amount thereof shall be specified in the bidding documents.
- (c) The project proponent shall furnish the bid security as specified in the bidding document by the last date and time fixed for submission of bids in the bidding process for the proposed project. The Earnest Security furnished by the project proponent earlier shall be adjusted against the bid security.
- (d) If the project proponent fails to furnish bid security of the required amount within the time specified in the bidding document, the Earnest Security furnished earlier shall be forfeited and the project proponent shall cease to have any right as the project proponent.

(ix) Cost of Detailed Project Report (DPR) :

- (a) The direct cost of preparing the Detailed Project Report shall be mentioned by the project proponent in the detail and comprehensive proposal with necessary

documents. The cost may include external payout, internal cost, and taxes, all accompanied by original receipts.

- (b) The Administrative Department or the Committee constituted for this purpose, shall negotiate the cost of preparation of the Detailed Project Report with the project proponent and ensure that the assessment of the cost of preparing the Detailed Project Report is reasonable and justified.
- (c) Subject to such cost having been actually incurred by the project proponent, the cost of preparation of Detailed Project Report as determined under sub-clause (b) above shall be reimbursed to the project proponent only if a different bidder or challenger other than the project proponent is the successful bidder, and only after the procuring entity has entered into an agreement with such successful bidder for the project. Such reimbursement of the cost of preparation of Detailed Project Report shall not exceed 0.10% of the bid value of the project.
- (d) The cost of preparation of the Detailed Project Report payable to the project proponent, shall be recovered from the successful bidder immediately on acceptance of bid but before signing of the contract document with the successful bidder and, thereafter, reimbursed to the project proponent if such cost has been actually incurred by it:

Provided that the cost of preparation of the Detailed Project Report shall not be reimbursed and therefore not recovered, if the project proponent had failed to furnish the required bid security as specified in clause (viii).

- (e) In case, for any reason whatsoever, the project is not taken up by the Administrative Department, the cost of preparation of the Detailed Project Report shall not be reimbursed to the project proponent.

(x) Clarifications on the Detailed Project Report:

No changes shall be permitted in the Detailed Project Report once the project proponent submits it to the concerned Administrative Department. However, the Administrative Department may seek clarifications with respect to the Detailed Project Report from the project proponent and these clarifications shall be attached as an addendum to the Detailed Project Report.

(xi) Bid Parameters and Bid Value:

- (a) The project proponent shall submit the detailed and comprehensive proposal along with the bid parameters and bid value as provided for. The concerned Administrative Department shall decide the bid parameters and shall have the authority to make changes to the project proposal as per the public need or requirement and its development plans without changing the basic theme and fundamental structure of the project proposal. Any such change made in the proposal shall be intimated to the project proponent by the concerned Administrative Department and, if required, additional time of a maximum of fifteen working days may be allowed to the project proponent for submitting the final bid value.
- (b) If such additional time is allowed under sub-clause (a) above, the project proponent shall submit the final bid value in such form as may be required by the Administrative Department. After submission of the final bid value by the project proponent, the original bid value submitted by the project proponent shall become inoperative.
- (c) The final bid value shall be submitted by the project proponent in a separate cover, duly sealed by the project proponent, which shall be opened only at the time of opening of the financial bids received from bidders through open competitive bidding. In case, the project proponent desires to give additional information, such information may be enclosed in a separate cover.
- (d) After submission of the final bid value by the project proponent, the Administrative Department shall submit the proposal with appropriate recommendations to the Planning Department for placing before the SLEC.
- (e) If the project proponent agrees to match the lowest or most advantageous bid (in case, when the bidding is done through QCBS) as provided for in clause (xii) within the specified time period, the project proponent shall be selected and awarded the project. In case the project proponent fails to match the lowest or most advantageous bid within the specified period, the other responsive bidder who successfully submitted the lowest or most advantageous bid shall be selected and awarded the project.

(xii) Bidding Process:

- (a) Save as otherwise provided for in these rules, the procedure prescribed for the Open Competitive Bidding Method in these rules shall, mutatis mutandis, apply in the case

of bidding under the Swiss Challenge Method of procurement. Open Competitive Bidding shall be initiated by the Administrative Department as per the prescribed procedure for the purpose and also in accordance with e-procurement procedure where applicable.

- (b) Except for proprietary technology details constituting intellectual property rights contained therein, the Detailed Project Report shall be shared with prospective bidders.
- (c) The bidding document, among other essential clauses, shall incorporate details about the necessary clearances or approvals to be taken from the respective authorities indicating who shall be responsible for obtaining these, keeping in view the nature and requirements of the project. Also, the bidding document shall clearly incorporate the clause that the Open Bidding Process has been taken up under the Swiss Challenge Method of procurement.
- (d) After examination and evaluation of the bids by the Bid Evaluation Committee, if the proposal of the project proponent is found to be lowest or most advantageous (in case, when the bidding is done through QCBS) in accordance with the evaluation criteria as specified in the bidding document, the project proponent shall be selected and awarded the project. In case any other responsive bidder is the lowest or most advantageous bidder, the project proponent shall be given an opportunity to match the lowest or most advantageous bid within a maximum period of fifteen working days.
- (e) If the project proponent agrees to match the lowest or most advantageous bid as provided for in sub-clause (d) above within the specified time period, the project proponent shall be selected and awarded the project. In case the project proponent fails to match the lowest or most advantageous bid within the specified period, the other responsive bidder who successfully submitted the lowest or most advantageous bid shall be selected and awarded the project.

(xiii) Transaction Advisor:

- (a) The Administrative Department concerned may, if felt necessary, appoint a Transaction Advisor for the project or entrust such responsibility to an officer of the Department for that purpose. The process for engagement of the transaction advisor shall be notified by the Planning Department from time to time. The

Transaction Advisor or the officer so entrusted should be capable of providing technical, financial and legal advice and assisting the Administrative Department concerned in the entire process of finalization of the successful bidder and award of contract.

(xiv) Time frame for the total process :

The timeframe for procurement through Swiss Challenge Method shall be as specified in the Schedules which shall be notified by the Finance Department subsequent to the notification of this OM.

Provided that, if appropriate and found justified in a case, the concerned Administrative Department, in consultation with the Planning Department, may relax the time period specified in the Schedules after recording the reasons and justification thereof.

(xv) Eligibility criteria for the Project Proponent :

Any legal entity or person, including a Joint Venture or Consortium, shall be eligible for submitting a proposal as project proponent, if :

- (a) the person or lead member shall be in operation for last three financial years in India.
- (b) the person or lead member, or any other member of the Joint Venture or Consortium, has experience in handling at least one project in the sector in which the proposal is being submitted costing not less than 100% of total project cost over the last 10 years and, where the contract has been awarded and work has been completed, the relevant work order and completion certificate from the client shall be submitted by the project proponent;
- (c) the person or lead member has an average annual turnover of minimum of INR X^2 of the proposed project cost over the three previous financial years and in case of Joint Venture or Consortium, an average turnover of a minimum of INR X of the project cost over the three previous financial years by the lead member. The certified turnover certificate along with audited balance sheets of the three previous financial years shall be submitted by the project proponent to indicate eligibility under this criterion;

²Where X is determined by the: project cost X(365 days/Project Duration in days)

- (d) the person or lead member is presently not debarred or blacklisted by the Central Government or any State Government or any Government Undertaking or Agency. An undertaking to the effect that he has not been blacklisted by Central Government, or any State Government or any Government Undertaking or Agency shall be submitted by the project proponent;
- (e) the person or lead member shall necessarily fulfil the pre-qualification or qualification criteria or parameters for bidders as specified in the bid document issued by the Administrative Department for the Open Competitive Bidding process for the project.
- (f) (In case of Consortium, a person authorized through power of attorney executed by all the members in his favor shall sign the proposal on behalf of all the members of the Consortium and such power of attorney shall be submitted along with the proposal.
- (g) In case of Joint Venture or Consortium, the Lead Member and the member of Joint Venture or Consortium, on the basis of whose technical capability, the technical eligibility of Joint Venture or Consortium for the project is decided, shall not be allowed to exit from the Joint Venture or Consortium and an undertaking to that effect shall be submitted along with the proposal.
- (h) The following, as the case may be, shall be submitted along with the proposal by the project proponent:
1. in case of a Company, the certificate of incorporation;
 2. in case of a Firm, the certificate of registration; and
 3. in case of a Partnership Firm, the partnership deed.

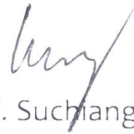
The above eligibility requirement is subject to approval from SLEC which may adapt them in best interest of the project.

(xvi) Power to call off the Project:

The Administrative Department concerned shall have the right to call off the project without assigning any reason thereof at any time during the procurement process till an agreement with the project proponent or the other successful bidder has been entered into:

Provided that, once the agreement is duly entered into and signed by the Administrative Department concerned, the respective clauses of the agreement entered into shall apply;

Provided, further, that, if the Administrative Department calls off the project in the manner specified herein, such project shall not be reopened for 2(two) years except with the express consent of the project proponent, wherein its status as the project proponent shall be retained even if modifications had been made therein as prescribed.



(R.V. Suchang)
Addl. Chief Secretary
Government of Meghalaya
Finance Department

**Form I: Institutional Framework for State Level Empowered Committee Swiss
Challenge Project**

1. Chief Secretary Government of Meghalaya (Chairperson)
2. Senior most Secretary of the Planning Department as a member secretary
3. Senior most Secretary of the Finance Department as a member
4. Senior most Secretary of Environment and Forest Department
5. and Senior most Secretary (ies) of the concerned Administrative Department(s) as other Member (s).

Form II: Application Form for Preliminary Assessment

Name of the project Proponent:

Name of the Project:

S. No	Description	Yes/No	Particulars	Ref/Annexure
I. General Information on the Project				
1	Define the Proposal			
2	Establish whether it is an innovative proposal or not and explain the reason for the project being innovative			
3	Characteristics of the Project			
4	Cost and Other Details			
5	State whether the letter has been submitted by the project proponent adhering the Swiss challenge method			
6	Details of possible competing projects and Likely impact of your project on the competing Project			
II. Assessment of Need of the project				
1	Nature of intended use			
2	Justification of need			
III. Details on innovative technology (applicable in case of new technology)				
1	State details of innovative technology used for the project			
2	Is the technology proprietary and only available to a few?			
3	(a) Why should govt. go for this technology only? (b) What if sourcing of another technology has to be made in future during the life of the project for any reason?			

IV. Need for Govt. Support				
1	State the type of govt. support required and why, if any			
2	Will the proponent be able to raise necessary debt and equity to undertake the project? (State how)			
V. Eligibility of the proponent to undertake the project				
1	Is proponent planning to undertake the project on its own or through a consortium to meet the technical, financial and technological needs? Please Elaborate			
VI. Prefeasibility report				
1	State whether the proponent has conducted prefeasibility study?			
2	State whether the any cost recover proposal has been considered for the project?			
3	State whether the proponent shall undertake all the studies including Technical, Environmental and Social which are required within the specified timeframe			
VII. Project Structure				
1	Whether the model is Turn-key or PPP (BOOT, BOT etc.), concession period, if any, been mentioned in the report			
VIII. Project Financials				
1	Service/ Output levels (Specify if applicable)			
2	User Fee, Tariff/ fares (Specify if applicable)			
3	Provide all IRR details Provide NPV of the project from income from operations and other forms			
4	Provide all the social cost benefit details and Economic IRR, Financial IRR			

	if any.			
IX. Environmental assessment				
1	State whether the environmental assessment is required for the project			
2	State whether the project proponent has mentioned all related approvals required for the project			
X. Qualification of project proponent				
1	State whether the proponent satisfies the technical qualification criteria			
2	State whether the proponent satisfies the financial qualification criteria			
3	Any other, if any			
XI. Any other				
1	Any other item/ observation which are relevant?			
2	Whether the project proponent agrees to come under the regulatory authority as and when formed by the Govt. or through law?			

Note

- 1 The above format could be modified or additional informationsought by the authority any time infuture.
- 2 The above reply has to be provided in signed hard copy and softcopy.

Signature
of the
Head of
the
Authority
/ Agency with Stamp

Form. II: A Certificate to be furnished by Original Project Proponent

It is hereby certified that:

1. The (Name of project) has been submitted by the undersigned as the duly authorized representative of (Name of Original Project Proponent) under the Swiss Challenge Method.
2. The Original Project Proponent shall support fair competition through open bidding process to obtain the most advantageous bid.
3. The Original Project Proponent agrees to the standard project structure, bidding documents, concession agreement similar to other projects in the sector as decided by the Administrative Department / Government of Meghalaya.
4. The Original Project Proponent agrees to abide by the Regulatory Authority, as and when formed by the Government of Meghalaya or through law.
5. The Original Project Proponent agrees that the cost of preparation of Detailed Project Report, as decided by the Administrative Department, shall be reimbursable to the project proponent as provided in the prevalent rules of Government of Meghalaya
6. The Original Project Proponent agrees that the Administrative Department concerned has the right to call off the project anytime during the process without assigning any reason, but the Administrative Department may call off the project before entering into an agreement with the project proponent or the successful bidder, as the case may be.
7. The Original Project Proponent is technically and financially competent to handle the project implementation for which the proposal has been submitted.
8. The Original Project Proponent understands and agrees that if the project proponent fails to submit the Detailed Proposal within the time given by the Administrative Department for the same, then, the Administrative Department may at its discretion exercise the option to develop the project on its own, through its agencies or through any third party, without the Original Project Proponent having any claims, whatsoever.
9. The Original Project Proponent agrees to abide by the Meghalaya Financial Power Rules 2006

10. That the above statements are true to the best of my knowledge and belief.

Dated:

(Signature, Name and Designation of Authorised Representative of Original Project Proponent)

Form II B: Content of pre-feasibility study report

1. Introduction
 - Project formulation
 - Aim, objective & methodology
2. Sector Profile
 - Industry overview with regional specific profile
 - Key Issues
3. Market Assessment
 - Industry outlook
 - Demand assessment
 - SWOT analysis
 - Case studies
4. Project Concept
 - Project description
 - Explanation of need and innovativeness of the project
 - Project components
 - Site location and analysis
 - Planning considerations
5. Statutory & Legal Framework
 - Applicable laws
 - Applicable policies
6. Environmental & Social Impacts
 - Environmental Impacts
 - Project related approvals
7. Project Financials
 - Preliminary Cost Estimation
 - Indicative Revenue Stream, (If any) etc.
 - Viability Assessment
8. Operation Framework
 - Risk identification and mitigation
 - Indicative Project Structure
 - Option analysis to finalize the PPP model (if applicable)
9. Way Ahead
 - Any other additional funding required from the government
 - Govt. Obligations for development
 - Project Development Framework

Form III: Format for submission of comprehensive proposal

S. No.	Item	Response
1	General	
1.1	Name of the Project	
1.2	Type of Project either Turn-key Project or PPP (BOT, BOOT, BOLT, OMT etc.), if applicable	
1.3	Location (State/District/Town)	
1.4	Authority	
1.5	Name of the Implementing Agency	
1.6	Concession Period	
2	Project Description	
2.1	Brief description of the project	
2.2	Justification for the project (Need)	
2.3	Possible alternatives, if any	
2.4	Estimated capital costs with break-up under major heads of expenditure. Also indicate the basis of cost estimation.	
2.5	Investment phasing	
2.6	Project Implementation Schedule (PIS)	
3	Financing Arrangements	
3.1	Sources of financing (Own funds, equity, debt, mezzanine capital etc.) as applicable	
3.2	Indicate the revenue streams of the Project (Annual flows over project life). Also indicate the underlying assumptions.	
3.3	Tariff/ user charges? Please specify in detail if any	
3.4	Value for Money Analysis	
4	Internal Rate of return (IRR)	
4.1	Economic IRR (if computed)	
4.2	Financial IRR, indicating various assumptions (attach separate sheet if necessary)	
4.3	Social Cost Benefit Analysis / Economic IRR (in case of Non PPP Projects)	

S. No.	Item	Response
5	Clearances	
5.1	Status of environmental clearances	
5.2	Clearance required from the State Government and other local bodies	
5.3	Other support required from the State Government	
6	Support from GoM	
6.1	Grant from state government	
6.2	Milestones based Payment	
6.3	Viability Gap Funding, if required	
6.4	GoM guarantees being sought, if any	
7	Contractual Arrangement	
7.1	Nature of relationship shout with Government of Meghalaya	
7.2	Draft Contractual Framework or In case of PPP Is the Concession Agreement based on MCA? If yes, indicate the variations, if any, in a detailed note (to be attached)	
8	Others	
8.1	Remarks, if any	

Signature
of the
Head of
the
Authority
/ Agency with Stamp

Note

- 1 The above format could be modified, or additional information sought by the authority any time infuture.
- 2 The above reply has to be provided in signed hard copy and softcopy.

Form III A: Content of Detailed Project Report

- 1 Executive Summary
- 2 Project profile
 - Project objectives
 - Project sponsors
 - Project location
- 3 Proposed business profile
 - Product mix
 - Estimated production and investments
- 4 Market analysis
 - Current scenario
 - Demand assessment
 - Strategies
 - Growth drivers
 - SWOT
- 5 Establishing the need of the project
 - Detailed explanation of unique and innovativeness of the project
 - Demonstration of Need of the project
 - Demonstration of being in compliance with plans of department
 - Demonstration of no conflict with any department scheme which provides the same service
- 6 Policy support and activities
 - Government initiatives
 - Special government schemes
 - Policy packages
- 7 Land and site analysis
 - Site location
 - Land ownership and land cost
 - Geographical conditions
- 8 Proposed master plan, technical specifications & project cost estimates
 - Utility relocation plan
 - Engineering surveys and investigations
 - Layout plans and drawings
 - Proposed common infrastructure, facilities etc.

- Design criteria and spatial requirements
 - Preparation of BOQ
 - Technical parameters, specifications and drawings
 - Cost estimates of the project
- 9 Project means of finance & financial appraisal
- Means of financing
 - Appraisal framework and objectives
 - Financial projections
 - Value for Money analysis (if applicable)
- 10 Identification of risks
- Risk identification
 - Risk allocation and mitigation techniques
- 11 Economic benefits of the project
- 12 Environment assessment (if applicable)
- Environmental impact assessment
 - Social assessment
 - Project related approvals
- 13 Project structure and implementation schedule
- Framework for project implementation
 - Contractual framework
 - Role of project consultant and project proponent
 - Model concessionaire agreement
- 14 Project operation and maintenance
- Operation and maintenance framework
- 15 List of Annexures (To be submitted as applicable)
- Memorandum and articles of association
 - List of participating entrepreneurs
 - Land documents (if any)
 - Draft shareholders agreement
 - Draft lease and license agreement
 - Draft procurement process
- 16 Any other documents as required by the authority

Form IIIB: Project financial summary

Sl. No.	Item	Response
1.1	Name of the Project	
1.2	Type of Project Turn-key Project or PPP (BOT, BOOT, BOLT, OMT etc.), if applicable	
1.3	Capacity of the Project	
1.4	Project Duration or concession period (If applicable)	
2	Project cost	
2.1	Land cost	
2.2	Building cost	
2.3	Plant & Machinery cost	
2.4	Operation & maintenance cost	
2.5	Other Costs if any	
3	Financing Arrangements (specify in case of PPP Projects)	
3.1	Financing Structure (% of equity and debt) If Applicable	
3.2	Interest on debt (Assumed)	
4	Revenue streams(specify in case of Cost Recovery or PPP Projects) for each Year	
4.1	Revenue from Tariff.	
4.2	Revenue from Advertising	
4.3	Other Revenue Streams	
4.4	Indicate the NPV of revenue streams with 10% discounting	
4.5	Social Cost Benefit Analysis	
5	IRR (Specify in case of PPP)	
5.1	Social Cost Benefit Analysis / Economic IRR (in case of Non PPP Projects)	
5.2	Equity IRR	
5.3	Project IRR	
6	Other remarks, if any	

Excel Sheet Format to be provided for year wise information (as applicable) for the Concession period

Signature of the Headoftheauthority / Agency
withStamp

Form IIIC Brief particulars of the Contract

Sl.No.	Item	Response (To be filled only if applicable)
1	General	
1.1	Scope of the Project	
1.2	Nature of Government Support to be granted (If Applicable)	
1.3	justification for fixing the period for Government Support (If Applicable)	
1.4	Estimated Cost	
1.5	Likely project period	
1.6	Conditions precedent, if any, for the contract to be effective (If Applicable)	
1.7	Status of land acquisition (If applicable)	
2	Construction and O&M (If any)	
2.1	Monitoring of construction; whether an independent agency/engineer is stipulated	
2.2	Minimum Operation and Maintenance Standards	
2.3	Penalties for violation of prescribed O&M standards	
2.4	Safety related provisions	
2.5	Environment related provisions	
3	Financial Provisions (Specify in case of PPP Projects)	
3.1	Maximum period for achieving financial Closer	
3.2	Nature and extent of capital grant/ subsidy	
3.3	Lum-sum Contract Value for turn-key contracts or Bidding parameter (capital subsidy or other parameter) for PPP Projects	
3.4	Provisions for change of scope and the financial burden thereof	
3.5	Concession fee, if any, payable by the Concessionaire (if applicable)	
3.6	User charges/ fee to be collected by the Concessionaire (If Applicable)	

Sl.No.	Item	Response (To be filled only if applicable)
3.7	Indicate how the user fee has been determined; the legal provisions in support of user fee (attach the relevant rules/ notification); and the extent and nature of indexation for inflation	
3.8	Provisions, if any, for mitigating the risk of lower revenue collection	
3.9	Provisions relating to escrow account, if any	
3.10	Provisions relating to assignment/ substitution rights relating to lenders	
3.12	Contingent liabilities of the government	
	a) Maximum Termination Payment for Government/ Authority Default	
	b) Maximum Termination Payment for Concessionaire Default	
	c) Specify any other penalty, compensation or payment contemplated under the agreement	
4	Others	
4.1	Provisions relating to competing facilities, if any	
4.2	Provisions relating to insurance	
4.3	Provision relating to audit and certification of claims	
4.4	Specify the proposed Dispute Resolution Mechanism	
4.5	Specify the proposed governing law and jurisdiction	
4.6	Provisions, if any for compulsory buy-back of assets upon termination/ expiry (If Applicable)	
4.7	Other remarks, if any	

Signature
of the
Head of the
authority
/ Agency with Stamp

Annexure 1: List of eligible sectors or Sub sectors.

S No	Sectors	Sub Sectors
1	Agri- infrastructure	<ol style="list-style-type: none"> 1. Agriculture and horticulture markets. 2. Floriculture parks and markets. 3. Agro-food processing and allied infrastructure (including common-user cold storage facilities). 4. Agriculture and horticulture <ol style="list-style-type: none"> a. Terminal storage b. Post-harvest storage infrastructure c. Logistics parks d. Warehouses. 5. Fisheries, Animal Husbandry Parks and Dairy infrastructure
2	Education	<ol style="list-style-type: none"> 1. Infrastructure and facilities for educational institutions, not on a purely commercial basis, but which satisfy a public need. 2. Knowledge City 3. Vocational Training 4. Skill Development 5. Science & Technology parks 6. E-Libraries
3	Energy	<ol style="list-style-type: none"> 1. Power generation, including captive power generation, as per provisions of the Electricity Act 2003, and co-generation projects, transmission, distribution and power trading services. 2. Oil and Gas (origination, terminals, transmission and gas works). 3. Renewable and non-conventional energy sources (Wind, Hydro, Solar, Tidal, Biomass and MSW).
4	Healthcare	<ol style="list-style-type: none"> 1. Infrastructure and facilities for healthcare, not on a purely commercial basis, but which satisfy a public need. 2. Infrastructure and facilities for healthcare <ol style="list-style-type: none"> a. Primary b. Secondary c. Tertiary 3. Nursing and Patient Care 4. Diagnostic Centres 5. Trauma and Rescue centres 6. Rehabilitation and training centres for physically and mentally challenged persons. 7. Geriatric Centres 8. Medical Education Infrastructure
5	Industrial Infrastructure	<ol style="list-style-type: none"> 1. Industrial Parks (including Biotechnology, Information technology parks, etc.) 2. Special Economic I Free Trade and Export Promotion Zones.

		<ol style="list-style-type: none"> 3. Industrial Estates and Industrial Townships. 4. Marine Parks 5. Food Parks 6. Special Investment Regions 7. Development of Specific Zones like National Investment and Manufacturing Zones 8. Corridor Development <ol style="list-style-type: none"> a. Industrial Corridors b. Infrastructure Corridors c. Freight Corridors 9. IT Services
6	Irrigation	Canals, Dams and Weirs
7	Public Markets	<ol style="list-style-type: none"> 1. Infrastructure and facilities for Public Markets, not on a purely commercial basis, but which satisfy a public need. 2. Markets to promote handicrafts and produces from women and Especially abled persons
8	Tourism	<ol style="list-style-type: none"> 1. Amusement, Entertainment, Theme Park. 2. Hotels/Resorts. 3. Convention and Exhibition Centres. 4. Cultural Fairs. 5. Cultural Centres. 6. Golf Courses 7. Hospitality Districts 8. Special Tourism Region 9. Wellness/eco/wildlife Tourism 10. Museum 11. Sports, Adventure related infrastructure
9	Transportation and Logistics	<ol style="list-style-type: none"> 1. Roads (including state highways, major district roads, other district roads, village roads, bypasses, bridges, interchanges and flyovers). 2. Railway systems. <ol style="list-style-type: none"> a. Tunnels b. Viaducts c. Bridges d. Terminals 3. Urban transport system: MRTS, LRTS, Monorail, High Capacity bus systems and High-Speed Rail System 4. Airports and Airstrips, Heliports 5. Minor Ports and Harbours. 6. Inland Water Transport. 7. Bus/ Truck/ Urban Transport Terminals and associated public facilities such as Public Amenities Centres. 8. Warehousing infrastructure (including container freight stations, container depots, cold storage facilities and tank

		<p>farms).</p> <p>9. Mechanized and Multi-storey Parking Facilities.</p> <p>10. Transport Terminals</p> <p style="padding-left: 20px;">a. Inter-modal Transit Centres</p> <p style="padding-left: 20px;">b. Traffic Management Centres</p> <p>11. Parking Facilities</p> <p style="padding-left: 20px;">a. Surface Parking.</p> <p style="padding-left: 20px;">b. Underground public parking facilities</p> <p style="padding-left: 20px;">c. Multi-level parking facilities</p> <p>12. Ropeways</p>
10	Urban and Municipal Infrastructure	<p>1. Township Development.</p> <p>2. Commercial development with common-user facilities.</p> <p>3. Water Supply, treatment, distribution, Sewerage and drainage.</p> <p>4. Desalination.</p> <p>5. Wastewater recycling and reuse.</p> <p>6. Solid Waste/Bio-Medical Waste/Hazardous Waste: collection, transportation, treatment and disposal facilities.</p> <p>7. Energy Efficiency in</p> <p style="padding-left: 20px;">a. Street Lighting</p> <p style="padding-left: 20px;">b. Traffic signal management</p> <p>8. Signage</p> <p>9. E-waste management</p>
11	Sports and Youth Services	<p>1. Sports Infrastructure</p> <p>2. Art & Culture Theatres</p> <p>3. Playgrounds/ sports stadiums</p> <p>4. Hostels/quarters in the Games villages.</p> <p>5. Sports training centres and Gyms</p>
12	Housing	<p>1. Low cost/VEWS housing</p> <p>2. Affordable housing</p>
13	Rural Development	<p>1. Waste to energy (agri-waste)</p> <p>2. Rural Drinking Water projects</p>
14	Tele Communications	<p>1. Telecommunication -Fixed network: Optic fibre/cable</p> <p>2. Networks which provide broadband/internet.</p> <p>3. Telecommunication Towers.</p>
15	Mining	Mining and mineral based industries and infrastructure development in mining areas
16	Land Resource Management	<p>1. Land Resource Management</p> <p>2. Wasteland Management</p>
17	Disaster Management	Disaster Management
18	Other Sector	As decided and notified by the Planning Department of Government of Meghalaya from time to time