

SOFTWARE TECHNOLOGY PARKS OF INDIA (STPI)

Date - 04.10.2017

Please refer RFP Reference No: STPI/HQ/PDC/09/2017-18/035/5 published on 17.09.2017 for India BPO Promotion Scheme (IBPS). The clarifications/responses for the queries received for pre-bid meeting held on 04.10.2017 are mentioned below at Table-A.

Table-A

S. No.	Query	Response
1	<p>1. Para 2.1.1. Financial Support: Up to 50% of expenditure incurred on BPO/ITES operations towards capital expenditure (CAPEX) and/or operational expenditure (OPEX) on admissible items as per Appendix-E, subject to an upper ceiling of Rs. 1 Lakh/Seat Please clarify that the above upper ceiling of Rs. 1 Lakh/Seat for 1 month or for whole 1 year.</p> <p>2. please explain the term VGF in detail, and can you provide me the details of the company which is running 100 seats in Madhya Pradesh.</p>	<p>1. Upper ceiling for Financial Support of Rs 1 Lakh/Seat is for the overall VGF claim period for an approved BPO/ITES setup under IBPS. Please refer RFP for detail.</p> <p>2. VGF stands for Viability Gap funding. You may please refer to RFP para 2.1 for applicable benefits under IBPS.</p>
2	<p>1. Undertaking to take appropriate premise (@40sq.ft./seat) on lease for atleast 3 years for setting up BPO/ITES operations. Do we need Premises documentary evidence before applying for this Scheme?</p> <p>2. Appendix-C - Bidder's Client Reference Do we need clients before applying for this BID?</p> <p>3. Detail if investment started for the operation after previous round of IBPS bidding Do we should have Invested in Capital or Operation Expenses Before applying to this Scheme.</p>	<p>1. If space not already owned/leased by the bidder, undertaking to take appropriate premise on lease may be submitted with bid.</p> <p>2. Reference of earlier/existing clients may be provided.</p> <p>3. Not necessary. However, if one has done eligible capital investment after the previous round of IBPS bidding, it can be included as expense subject to the terms and conditions of RFP. Refer RFP para 3.(vi) for detail.</p>

3	<p>1. Appendix E pg 52 List of Admissible items for Financial Support BPOs have a major expensure towards operating cost of telecom services. We request inclusion of ISDN PRI/ SIP under admissible items too</p> <p>2. Appendix E pg 52 List of Admissible items for Financial Support While Compute hardware is well included; operating cost of hosting is excluded. Many customers especially MNCs as part of infra due deligence of BPOs would like to ensure their data be hosted in a safe tier 3 Data center environment. Request Hosting charges to be also included for support</p> <p>3. Appendix E pg 52 List of Admissible items for Financial Support- Data Communication Pl confirm if our understanding of data communication is Enterprise Internet Leased line is correct.</p>	<p>1. Operational expenses related to Data Communication may already be claimed under IBPS (Item no 17 of Appendix-E).</p> <p>2. Data Storage is already included in admissible list of items under IBPS (Item no 5 of Appendix-E). Services from Empanelled Cloud Service Providers (CSP) under GI Cloud (Meghraj) initiative [http://meity.gov.in/content/gi-cloud-meghraj] may be availed, if needed.</p> <p>3. Any type of data communication facility required for execution of the BPO/ITES operation in the approved unit under IBPS may be considered.</p>
4	<p>My company Binding bridge private limited is Incorporated on this twenty fifth day of September two thousand seventeen under the companies Act ,2013 (18 of 2013) and that the company is limited by shares .</p> <p>I want to know my company is eligible to apply for this bpo scheme or not ?</p>	<p>Binding bridge private limited is not eligible, as it doesn't have even one completed audited financial year to produce turnover. However, you may form consortium with an eligible entity to bid under IBPS. Refer RFP para 3 "ELIGIBILITY CRITERIA" for detail.</p>
5	<p>I wish to start an online examination centre as well as an ITES inititative.</p> <p>Will this RPF enable such online examination centre activity</p>	<p>Please refer Q2 of FAQ section on the website http://www.meity.gov.in/ibps, for admissible BPO/ITES operations under IBPS.</p>

6	<p>We are 2 years 9 months old start up IT company and our turnover is 65 lakhs per annum. We have zero debt and there are no other liabilities. We have our own land and building with capacity of 150 seats and operating from rural town in Kerala. We would like to bid for 100 seats by providing 100% Bank Guarantee for 3 years, since our turn over is less than 2 crore per annum.</p> <p>Please confirm whether we are eligible to apply for this scheme by providing 100% Bank Guarantee.</p>	<p>No, as your company doesn't meet turnover criteria as per RFP.</p> <p>Please refer RFP para 3.(iii) for minimum average annual turnover during last 3 financial years/1 financial year.</p> <p>If your company is not able to meet the required financial eligibility criteria, you may form consortium with an eligible entity to bid under IBPS. Refer RFP para 3 "ELIGIBILITY CRITERIA" for detail.</p>
7	<p>1. In eligibility criteria Section 3 (iii), it is mentioned that a bidder with INR 2 cr average turnover can bid for 100 seats and someone with INR 5 cr can bid upto 500 seats. We would like to know the eligibility for bidders with revenue more than 2 cr , but less than 5 cr.</p> <p>2. In case of existing bid winners participating again, will the eligibility criteria be considered afresh or cumulative basis ? For example, if the revenue is 2 cr and we got 100 seats in the previous bid, can we again be considered for another 100 seats or the eligibility will not be there since the entire eligibility was exhausted in the previous bid itself ?</p>	<p>1. The bidder can bid for the 100 seats.</p> <p>2. The eligibility criteria will be considered cumulative. Please refer RFP para 3.(iii).</p>

8	<p>Fact 1: ABC is a Private Limited Company running successful BPO operations in Shimla. It has the adequate turnover and expertise for bidding for SS0 and SS1. ABC wishes to form a consortium along with a new Company (XYZ) also promoted by same promoters as ABC. However, XYZ is not a subsidiary of ABC and is an independent legal entity. This consortium with ABC (in capacity of lead bidder) and XYZ will bid for BPO operations in Shimla. Also, this cannot be seen as an expansion or shifting of operations of ABC. The operations will be handled by a SPV of the consortium.</p> <p>Query 1: Can ABC be the lead bidder in this consortium for operations in Shimla?</p> <p>Fact 2: ABC has an audited turnover of over 6 Crores Rupees in past three financial years. The consortium therefore qualifies for both SS0 and SS1. However, ABC has a negative net worth of mere Rs. 1,40,000 (One Lakh Forty Thousand only) being a startup.</p> <p>Query 2: Can ABC take part in bidding process even with this negligible negative net worth? What are the exceptions which will make us qualify?</p> <p>Query 3: How long will the Bid Security Amount (Rs. 5000 x No. of Seats) be retained (as it is refundable) by the STPI after submission?</p>	<ol style="list-style-type: none"> 1. ABC cannot bid for Shimla as it is already operating BPO operation in that location. 2. Positive net worth is required. 3. For successful bidder, the Bid Security will be released after commencement of operation on furnishing Bank Guarantee of 10% of eligible bid against the Grant of Advance. If the unit doesn't claim the advance, then the Bid Security will be retained as Performance Security and will be returned after completion of 3 years from the commencement of operation (Refer RFP para 8.(viii)). <p>The Bid Security will be refunded to the unsuccessful bidders without any interest within 4 weeks after issue of IPA to the Successful Bidders.</p>
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<p>9</p>	<ol style="list-style-type: none"> 1. Though list of admissible items under Capex has been shared, list of items available under Opex have not been shared in the RFP Circular. Please advise. 2. Can the items which are not part of admissible items, i.e. architect activities and other bricks works/Fit outs be started before IPA is signed? 3. Can we release PO (purchase order) before the IPA is signed and take the delivery post IPA is in place. 4. One of our sister company (separate entity) is operating from Baroda. One of their clients wants to expand their business with us. Fresh contract for expansion will be signed with us in the new site. Some of the employees will be taken in our roles to kick off the business but subsequently new employees will be taken for expansion. We will count only the new employees, taken after the signing of IPA, for the purposes of incentive. Will this arrangement be acceptable? 5. In case of business with existing employee moved from one entity to another entity with expansion (contract newly signed with new entity name and employee also resigned and rejoined in new entity), can we get the benefit under IBPS. 6. Minimum Density is 40 Sq. Ft per seat. Is it including the common space such as mailroom , meeting rooms etc? Can size be more than 40 Sq. Ft? 7. In Technical bid format, can we reduce or go for lesser seat eligibility. 8. Kindly explain about monthly average employment. 9. What are the mandatory compliances to be met for claiming the benefit? 10. What happens in case there is variance (upward/ downward) in projected expenses and actual expenses?. What will be the VGF (Visibility GAP Funding) in that case. Will it be changed and how? 	<ol style="list-style-type: none"> 1. The list of Admissible items (Appendix - E of RFP) includes both Capex and Opex items. 2. Only items under admissible items list will be considered. 3. Yes. Refer RFP para 3.(vi) for detail. 4. Expansion or shifting of exiting operation of any kind is not permissible under IBPS. Refer RFP para 3.(v) for detail. However for smooth operation, the new BPO Unit may employ up to 10% of the Employment Target (under IBPS) from their existing unit at other location. Such employees will not be considered towards fulfilment of Employment Target. 5. Only new recruitments to the approved BPO/ITES unit under IBPS will be considered. 6. It includes common space. 40 sq. Ft. is minimum criteria. 7. Please refer RFP for eligibility and availability of seats. A bidder with higher turnover can always apply for lower numbers of seats. 8. Refer "Procedure to calculate Average Monthly Employment in the unit" under RFP para 9.15 9. Refer RFP for detail. 10. Financial support will be upto 50% of actual expenditure on admissible items or total bid amount whichever is lower. Refer RFP for detail.
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10	<p>As per our understanding, we have come to know that the lowest bidder in each seat slab will be shortlisted. As a result, at the completion of bidding there will be at least 6 shortlisted bidders in all seat slabs. Now, how the seat allotment would further process.</p> <p>For example: If there are only 1000 seats available for the bidding process and the one bidder is bidding for those all 1000 seats then whether it will be allotted on the basis of wider dispersal or it will be allotted to the person with maximum seats bidding? Or explain if any other mechanism .</p>	Refer RFP para 7.(vi)
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