

MINUTES OF THE MEETING

PROJECT APPROVAL COMMITTEE (PAC) HELD ON 29.11.2019

FIRST PHASE OF PAC HELD ON 28.06.2019

DDU-GKY COMPONENT OF NRLM

CHAIRMANSHIP OF THE WORTHY SECRETARY (RD) TO THE GOVT. OF HP.

The meeting of the Project Approval Committee (PAC) constituted under Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY) component of National Rural Livelihood Mission (NRLM) was convened by the Himachal Pradesh State Rural Livelihood Mission (HPSRLM) on 29.11.2019 under the Chairmanship of Worthy Secretary (RD) to the Govt. of H.P. at 10.00 am in the Meeting Hall of the HP Secretariat, Shimla.

This meeting concludes the tender of new projects floated in October 2018 for inviting applications in order to provide Skills under DDU-GKY. In response to the Expression of Interest (EOI) floated, total 73 agencies (PIA) had applied. The last date of submission of proposals online at erp.ddugky.info was 30th November 2018. Six Agencies out of 73 Agencies were not considered due to late submission of proposal on e-portal. Only 67 agencies were recommended for Initial Screening.

In the initial screening process, 2 agencies were rejected due to non-fulfillment of required documents. 65 agencies were qualified for the second phase of appraisal i.e. Qualitative Appraisal (QA). Under QA, 9 agencies were rejected due to non-payment of appraisal fee and proposals of 56 agencies were taken up for Qualitative Appraisal. Out of 56 agencies 2 Govt. agencies Central Institute of Plastics Engineering and Technology (CIPET), Baddi and Apparel Training and Design Center (ATDC) Haryana were exempted from QA as per the notification no 65/2016 dated 30-Nov-2017 of Ministry of Rural Development. Apparel Training and Design Center (ATDC) Haryana was called in both the PACs but PIA did not turn up and has requested HPSRLM to be called for the next PAC.

Thus, total 54 Agencies were considered for QA and field visits. Out of 54 agencies, Qualitative Appraisal for 35 agencies was completed in first phase in meeting held on 28.06.2019, 17 firms were shortlisted for the project under DDU-GKY, out of 35 firms. It was



decided by the PAC that in order to secure the advance given to PIAs as installments bank guarantee of equal amount against installment will be taken. The condition of 100% bank guarantee against the installment was conveyed to the agencies , has brought forward only 2 firms to sign the MoU with HP SRLM namely Quess Corp. and Centre for Unemployed Youth.

Following PAC members were present in the meeting: -

1. Secretary (RD) – Chairman
2. Director (RD)- Member
3. Representative from Department of Labor& Employment. - Member
4. Representative from Department of Technical Education.- Member
5. Representative from Department of Higher Education.- Member
6. Representative from HPKVN- Member
7. Representative from Planning.- Member
8. CEO, HPSRLM- Member Secretary.
9. Dy.CEO- HPSRLM
10. Appraisal Team from HPKVN.
11. DDU-GKY team from HPSRLM.

PROCEEDINGS OF THE PAC MEETING

1. The meeting began by apprising the Worthy Secretary (RD) & Chairman, PAC on Qualitative Appraisal status of 17 PIAs. The Secretary (RD) was informed about the first phase of PAC held on 28.06.2019. In that PAC 17 agencies were selected for empanelment of DDU-GKY project, out of which two agencies Quess Corp. and Centre for Unemployed youth have agreed the condition of 100% Bank Guarantee against the installment given under the project. Rest has not agreed to the 100 percent bank guarantee condition. The COO of the DDUGKY HP informed that the state insisted on 100 percent bank guarantee because in the past few agencies having taken 25 percent advance with just 6.25 percent bank guarantee against the advance taken did not perform well and closed down their operations. They are still not responding to the recovery requests by the DDUGKY team of HPSRLM.



2. For PAC meeting scheduled on 29th November 2019, 17 agencies have been recommended for the PAC, based on the qualitative appraisal and recommendation of the Technical Support agency, viz. HPKVN.
3. The HPSRLM invited the agencies to give a presentation before the PAC about their core strengths, preferential sectors, infrastructure identification, skill gap study, placement tie-ups, mobilization strategy, challenges and work experience substantiating their proposal's worthiness for Himachal Pradesh.
4. Parameters for the Project Sanction which were finalized in previous PAC held on 28-06-2019 were put under review by PAC members again (consensus decision of members of PAC). After discussion new parameters were selected -

- (i) Agencies with Red flag in any parameter and non-recommended agencies should be given an opportunity to present their case before the Director RD. The date for which may be communicated soon.
- (ii) PIAs offering training centers outside the state will be considered only upto Chandigarh. The PIA has to provide a centre within geographical limits and this option shall be given to the PIAs.
- (iii) PIAs should in general adhere to Notification no 20/2017 dt 3.04.2017 under 2.2 detailing the Project application filling process, however the final decision will be left to PAC which considering the geographical difficulties of the state and the fact very less agencies are interested to work in remote areas, will have a final decision to accept or reject the applications for empanelment.

Selection Criteria

5. The appraisal process conducted by HPKVN found to be very subjective and on the directions of the PAC a decision was taken to rope in agency like PRTI Mashobra or any other appropriate agency for conducting appraisal process in future.
6. The fee taken by HPKVN was also put under review and it was decided that the new agency would make the appraisal fees reasonable.



7. The criteria for appraisal process was found to be very subjective and according to the members of the PAC, firms/ prospective project implementing agencies with 'Red flags' may also be considered for project and target allocation. Regarding which the PAC decided that in the interest of the scheme agencies with Red flag in any parameter and non-recommended agencies should be given an opportunity to present their case before the Director RD cum Vice-Chairman HPSRLM. The date for which may be communicated soon. The Director RD has been authorized, that if any PIA satisfy their case that they have the capacity and potential to perform and deliver results may be consider for selection, the approval for which will be taken Ex-post facto from PAC.
8. The PAC found that due to the subjectivity involved in the appraisal process for the selection of agencies and was of the unanimous view that the agencies with red flags (one or more) along with Himachal based agencies may be considered for the empanelment, keeping in view the location advantage, connect with the people and ease of setting up infrastructure locally with available means.
9. The committee decided that the firms who participated in the first PAC held on 28-06-2019 along with the agencies present in the PAC dated: 29-11-2019 (recommended agencies with no red flags in any parameters) may be allocated with 400 targets each, provided that each PIA will have to furnish Bank guarantee of equal amount given to them as advance/ Instalment for implementation of the scheme.
10. A new request for proposal (RFP) is being floated for the wider participation of PIAs which will be general RFP and PIAs can apply in any trades as per their expertise.
11. Installment to the PIAs will be released in the percentage of 12.5% against equal bank guarantee and on the utilization of first part of installment i.e 12.5% second part of installment will be released again as 12.5% of project cost.

1. General Instructions given by PAC to the selected PIAs

1. The PAC emphasized that the readiness in terms of courses, training schedule, curriculum, placement plan and possible tie ups have to be shared by the selected PIAs with SRLM before commencement of targets.
2. All the PIAs have to start the training centers and begin training within 30-45 days from the date of release of the First Installment. Any deviation will be brought to the notice of the Director RD for penalizing action.
3. Focus should be on mass mobilization aimed at inclusion of all sections of societies. The residential trainings are compulsory.



4. 5 % of compulsory mobilization from tribal districts has to be done by all PIAs.
5. 10% of the total targets sanctioned have to be commenced under Project Unnati. Non achievement of which will lead to imposition of penalty.
6. PIAs have to mobilize the maximum candidates from schools, colleges and ITIs and the monitoring of the same will be done by DDU-GKY team of HPSRLM.
7. Approval to start the batches will be given only when 50% of the center capacity will be utilized by the PIA.
8. ToT of trainers should be completed before the commencement of the batch.
9. It was decided that the Bank Guarantee of equal amount against the advance given as per installment release will be taken from PIAs.

The meeting ended with a vote of thanks from and to the chair.


Chairman, (PAC), DDU-GKY
HPSRLM, Rural Development Department H.P.