

**Ministry of Heavy Industries & Public Enterprises**  
**Department of Public Enterprises**  
**Government of India**

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**Request for Proposal (RFP)**

**For**

**Appointment of Consultant for conducting an evaluation study on the efficacy of MoU System**

The Department of Public Enterprises (DPE) under the Ministry of Heavy Industries and Public Enterprises of the Government of India is the nodal department for coordination and formulation of policy on matters of non-financial nature affecting all public sector industrial and commercial undertakings and matters relating to Memorandum of Understanding (MoU) mechanism for improving the performance of Public Sector Undertakings.

The Department of Public Enterprises (DPE), Government of India, invites RFP from consultants for conducting an efficacy study of MoU System being implemented by Government of India for Central Public Sector Enterprises (CPSEs) so as to improve the efficiency and performance of CPSEs through MoU mechanism. This RFP document provides the terms of reference, pre-qualification criteria, bidding terms & conditions and suggested response formats. For easy understanding the RFP has been divided into the following sections:

<b>Section 1</b>	-	Instructions to Consultants
<b>Section 2</b>	-	Terms of reference
<b>Part I</b>	-	Objective & Scope of Services
<b>Part II</b>	-	ToR related information
<b>Section 3</b>		
<b>Technical Proposal</b>	-	Standard Forms & Other Undertakings
<b>Financial Proposal</b>	-	Standard Forms

**Section 1**

**Instructions to Consultants - Part I**

**Standard**

**1. Definitions**

(a) "Employer" means DPE which has invited the bids for consultancy services and with which the selected Consultant signs the Contract for the Services and to which the selected consultant shall provide services as per the terms & conditions and TOR of the contract.

  
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(b) "Consultant" means any interested firm/company/agency/institute who submit their proposals that may provide the services to the Employer under the Contract.

(c) "Contract" means the Contract signed by the Parties and all the attached documents listed in its Clause 1, that is the General Conditions (GC), the project Specific Conditions (SC), and the Appendices.

(d) "Project specific information," means such part of the Instructions to Consultants used to reflect specific project and assignment conditions.

(e) "Day" means calendar day.

(f) "Government" means the Government of India

(g) "Instructions to Consultants" (Section 1 of the RFP) means the document, which provides Consultants with all information needed to prepare their proposals.

(h) "Personnel" means professionals and support staff provided by the Consultant to perform the Services or any part thereof.

(i) "Proposal" means the Technical Proposal and the Financial Proposal.

(j) "RFP" means the Request For Proposal prepared by the Employer for the selection of Consultants.

(k) "Assignment / Job" means the work to be performed by the Consultant pursuant to the Contract.

(l) "Terms of Reference" (ToR) means the document included in the RFP as Section 2 which explains the objectives, scope of work, activities, tasks to be performed, respective responsibilities of the Employer and the Consultant, and expected results and deliverables of the Assignment/job.

## **2. Introduction**

2.1 The Employer will select a consulting firm/organization (the Consultant) in accordance with the method of selection specified in the Part II of Section 2.

2.2 The name of the assignment/Job has been mentioned in Part II of Section 1. Detailed scope of the assignment/ job has been described in the Terms of Reference in Section 2.

2.3 The date, time and address for submission of the proposals have been given in Part II of Section 1.

2.4 The Consultants are invited to submit their Proposal, for consulting Assignment/job named in the Part II of Section 1. The Proposal will be the basis for signed Contract with the selected Consultant.

2.5 Consultants shall bear all costs associated with the preparation and submission of their proposals and contract negotiation. The Employer is not bound to accept any proposal, and reserves the right to annul the selection process at any time prior to Contract award, without thereby incurring any liability to the Consultants.

### **3. Eligibility of Association of consultants and Sub-Consultants**

3.1 If the consultant has formed an association of consultants, each member of the association of consultant shall be evaluated as per the qualification/ eligibility criteria set forth in Part II of Section 2. The combined score of the each member of the association of consultant shall be taken into account for evaluation purpose. If any member of the association of consultants is dropped at the RFP stage, such association of consultant is liable to be rejected by the Employer. However, the Employer, at its sole discretion, may decide to evaluate for short-listing such association of consultant without considering the strength of the dropped member and if found eligible, may allow such association of consultant to submit their proposal.

3.2 A consultant may associate with consultants and /or individual expert at the time of submission of proposal. Under such circumstances each member of the association of consultant shall be evaluated as per the qualification/ eligibility criteria set forth in Part II. of Section 2. The combined score of the each member of the association of consultant shall be taken into account for evaluation purpose. However, the lead member of the association of the consultant shall be the consultant who has submitted the proposal and employer shall deal with only the lead member for the purpose of this assignment. Although the contract shall be signed by all the members of the associations of the consultants, the lead member of the association of the consultant shall be responsible and liable to the Employer for every aspects of their proposal, contract etc.

### **4. Clarification and Amendment of RFP Documents**

4.1 Consultants may request a clarification on any clause of the RFP documents up to the number of days indicated in the Part II of Section 1 before the proposal submission date. Any request for clarification must be sent in writing, or by standard electronic means to the Employer's address indicated in the Part II of Section 1. The Employer will respond in writing, or by standard electronic means and will send written copies of the response (including an explanation of the query but without identifying the source of inquiry) to all

Consultants. Should the Employer deem it necessary to amend the RFP as a result of a clarification, it shall do so following the procedure under para 4.2 below.

4.2 At any time before the submission of Proposals, the Employer may amend the RFP by issuing an addendum in writing or by standard electronic means. The addendum shall be sent to all Consultants and will be binding on them. Consultants shall acknowledge receipt of all amendments. To give Consultants reasonable time in which to take an amendment into account in their Proposals the Employer may, if the amendment is substantial, extend the deadline for the submission of Proposals.

#### **5. Conflict of Interest**

The study involves conducting an evaluation of efficacy of MoU System and giving suggestions for improvement of the same hence the clause in respect of Conflict of Interest is not applicable.

#### **6. Unfair Advantage**

The study involves conducting an evaluation of efficacy of MoU System and giving suggestions for improvement of the same hence the clause in respect of Unfair Advantage is not applicable.

#### **7. Proposal**

7.1 Consultants shall only submit one proposal. If a Consultant submits or participates in more than one proposal, such proposals shall be disqualified. However, this does not limit the participation of the individual experts, to more than one proposal.

#### **8. Proposal Validity**

8.1 The para 3 of Part II of Section 1 indicates how long Consultants' Proposals must remain valid after the submission date. During this period, Consultants shall maintain the availability of Professional staff nominated in the Proposal and also the financial proposal unchanged. The Employer will make its best effort to complete the selection process within this period. Should the need arise, however, the Employer may request Consultants to extend the validity period of their proposals. Consultants who agree to such extension shall confirm that they maintain the availability of the Professional staff nominated in the Proposal and their financial proposal remain unchanged, or in their confirmation of extension of validity of the Proposal, Consultants could submit new staff in replacement, who would be considered in the final evaluation for contract award. Consultants who do not

agree have the right to refuse to extend the validity of their Proposals, under such circumstance the Employer shall not consider such proposal for further evaluation.

## **9. Preparation of Proposals**

9.1 The Proposal as well as all related correspondence exchanged by the Consultants and the Employer, shall be written in English language, unless specified otherwise.

9.2 In preparing their Proposal, Consultants are expected to examine in detail the documents comprising the RFP. Material deficiencies in providing the information requested may result in rejection of a Proposal.

9.3 While preparing the Technical Proposal, if a Consultant considers that it may enhance its expertise for the Assignment/job by associating with other Consultants in sub-consultancy, it may associate with a Consultant who has not been technically qualified as a part of the application process of this RFP.

9.4 Depending on the nature of the Assignment/job, Consultants are required to submit a Technical Proposal (TP) in forms provided in Section-3. The section 3 indicates the formats of the Technical Proposal to be submitted. **Submission of the wrong type of Technical Proposal will result in the Proposal being deemed non-responsive.** The Technical Proposal shall provide the information indicated in the following paras from (a) to (d) using the attached Standard Forms (Section 3). Form Tech – 1 in Section-3 is a sample letter of technical proposal which is to be submitted along with the technical proposal.

(a) A brief description of the consultant's organization and in the case of a consortium/ joint venture, of each partner, will be provided in Form Tech-2. In the same Form, the consultant and in the case of a consortium/ joint venture, each partner will provide details of experience of assignments which are similar to the proposed assignment/ job as per the terms of reference. For each Assignment/job, the outline should indicate the names of Sub-Consultants/Professional staff who participated, duration of the Assignment/job, contract amount, and Consultant's involvement. Information should be provided only for those Assignment/jobs for which the Consultant was legally contracted by the Employer as a corporation or as one of the major firms within a joint venture. Assignment/ jobs completed by individual Professional staff working privately or through other consulting firms cannot be claimed as the experience of the Consultant, or that of the Consultant's associates, but can be claimed by the Professional staff themselves in their CVs. Consultants should be

prepared to substantiate the claimed experience along with the proposal and must submit letter of award / copy of contract for all the assignments mentioned in the proposal.

(b) Comments and suggestions on the Terms of Reference including workable suggestions that could improve the quality/ effectiveness of the Assignment/job (Form TECH-3 of Section 3).

(c) A description of the approach, methodology and work plan for performing the Assignment/job covering the following subjects: technical approach and methodology, work plan, and organization and staffing schedule. Guidance on the content of this section of the Technical Proposals is provided under Form TECH-4 of Section 3. The work plan should be consistent with the Work Schedule which will show in the form of a bar chart the timing proposed for each activity.

(d) CVs of the Professional staff as mentioned above signed by the staff themselves or by the authorized representative of the Professional Staff (Form TECH-5 of Section 3).

9.5 The Technical Proposal shall not include any financial information. A Technical Proposal containing financial information shall be declared non responsive.

9.6 **Financial Proposals:** The Financial Proposal shall be prepared using the attached Standard Forms (Section 3). The financial proposal shall not include any conditions attached to it and any such conditional financial proposal shall be rejected summarily.

#### **10. Taxes**

10.1 The Consultant shall fully familiarize themselves about the applicable Domestic taxes (such as: value added or sales tax, service tax or income taxes, duties, fees, levies) on amounts payable by the Employer under the Contract. All such taxes must be included by the consultant in the financial proposal.

#### **11. Currency**

11.1 Consultants shall express the price of their Assignment/job in India Rupees.

#### **12 Earnest Money Deposit (EMD) and Performance Bank Guarantee**

##### **12.1 Earnest Money Deposit**

I. An EMD of Rs.1,00,000 (One Lakh Rupees only), in the form of DD drawn in favor of Drawing and Disbursing Officer, Department of Public Enterprises, payable at New Delhi has to be submitted alongwith the Proposal.

II. Proposals not accompanied by EMD shall be rejected as non-responsive.

III. No interest shall be payable by the Employer for the sum deposited as earnest money deposit.

IV. No bank guarantee will be accepted in lieu of the earnest money deposit.

V. The EMD of the unsuccessful bidders would be returned back within 45 days of award of job.

12.2 The EMD shall be forfeited by the Employer in the following events:

I. If Proposal is withdrawn during the validity period or any extension agreed by the consultant thereof.

II. If the Proposal is varied or modified in a manner not acceptable to the Employer after opening of Proposal during the validity period or any extension thereof.

III. If the consultant tries to influence the evaluation process.

IV. If the First ranked consultant withdraws his proposal during technical negotiations (failure to arrive at consensus by both the parties shall not be construed as withdrawal of proposal by the consultant).

### **12.3 Performance Bank Guarantee**

The successful bidder will have to submit Performance Bank Guarantee equivalent to 5 % of value of project awarded with validity up to 6 months from target date for submission of the final report.

### **13. Submission, Receipt, and Opening of Proposal**

13.1 The original proposals, both technical and Financial Proposals shall contain no interlineations or overwriting, except as necessary to correct errors made by the Consultants themselves. The person who signed the proposal must sign such corrections. Submission of letters for both Technical and Financial Proposals should respectively be in the format of TECH-1 of Section 3 & FIN-1 of Section 3.

13.2 An authorized representative of the Consultants shall initial all pages of the original Technical and Financial Proposals. The authorization shall be in the form of a written power of attorney accompanying the Proposal or in any other form demonstrating that the representative has been dully authorized to sign. The signed Technical and Financial Proposals shall be marked "ORIGINAL".

13.3 The original and all copies of the Technical Proposal shall be placed in a sealed envelope clearly marked "TECHNICAL PROPOSAL" Similarly, the original Financial Proposal shall be placed in a sealed envelope clearly marked "FINANCIAL PROPOSAL" followed by the

A handwritten signature in black ink, followed by the date ".18" written below it.

name of the Assignment/job. The envelopes containing the Technical Proposals, Financial Proposals, EMD shall be placed into an outer envelope and sealed. This outer envelope shall bear the submission address, reference number be clearly marked **“DO NOT OPEN, BEFORE-Date of Opening (as mentioned in Section 1 – Part II)”**. The Employer shall not be responsible for misplacement, losing or premature opening if the outer envelope is not sealed and/or marked as stipulated. This circumstance may be case for Proposal rejection. **If the Financial Proposal is not submitted in a separate sealed envelope duly marked as indicated above, this will constitute grounds for declaring the Proposal non-responsive.**

13.4 The Proposals must be sent to the address/addresses indicated in the Part II of Section 1 and received by the Employer no later than the time and the date indicated in the Part II of Section 1, or any extension to this date in accordance with para 4.2 above. Any proposal received by the Employer after the deadline for submission shall be returned unopened.

#### **14. Proposal Evaluation**

14.1 From the time the Proposals are opened to the time the Contract is awarded, the Consultants should not contact the Employer on any matter related to its Technical and/or Financial Proposal. Any effort by Consultants to influence the Employer in the examination, evaluation, ranking of Proposals, and recommendation for award of Contract may result in the rejection of the Consultants' Proposal.

14.2 The employer has constituted a Consultant Evaluation Committee (CEC) which will carry out the entire evaluation process.

#### **14.3 Evaluation of Technical Proposals:**

CEC while evaluating the Technical Proposals shall have no access to the Financial Proposals until the technical evaluation is concluded.

14.4 The CEC shall evaluate the Technical Proposals on the basis of their responsiveness to the Terms of Reference and by applying the evaluation criteria specified in Part II of Section 2. In the first stage of evaluation, a Proposal shall be rejected if it is found deficient as per the requirement indicated in the Part II of Section 2. Only responsive proposals shall be further taken up for evaluation. Evaluation of the technical proposal will start first and at this stage the financial bid (proposal) will remain **unopened**. The qualification of the consultant and the evaluation criteria for the technical proposal shall be as defined in Part II of Section 2.

#### **14.5 Public opening & evaluation of the Financial Proposals:**

Financial proposals of only those firms who are technically qualified shall be opened on the date & time specified the Part II of Section 1, in the presence of the Consultants' representatives who choose to attend. The name of the Consultants, their technical score (if required) and their financial proposal shall be read aloud.

14.6 The CEC will correct any computational errors. When correcting computational errors, in case of discrepancy between a partial amount and the total amount, or between word and figures, the former will prevail. In addition to the above corrections the items described in the Technical Proposal but not priced, shall be assumed to be included in the prices of other activities or items. In case an activity or line item is quantified in the Financial Proposal differently from the Technical Proposal, no corrections will be applied to the Financial Proposal in this respect.

14.7 After opening of financial proposals, appropriate selection method shall be applied to determine the consultant who will be declared winner and be eligible for award of the contract. The method of selection is described in the Part II of Section 2. This selected consultant will then be invited for technical negotiations, if considered necessary.

#### **16. Award of Contract**

16.1 After completing negotiations the Employer shall issue a Letter of Intent to the selected Consultant and promptly notify all other Consultants who have submitted proposals about the decision taken.

16.2 The consultants will sign the contract after fulfilling all the formalities/pre-conditions mentioned in the standard form of contract, within 14 days of issuance of the letter of intent.

16.3 The Consultant is expected to commence the Assignment/job on the date and at the location specified in the Part II of Section 1.

#### **17. Confidentiality**

Information relating to evaluation of Proposals and recommendations concerning awards shall not be disclosed to the Consultants who submitted the Proposals or to other persons not officially concerned with the process, until the publication of the award of Contract. The undue use by any Consultant of confidential information related to the process may result in the rejection of its Proposal and may be subject to the provisions of the Employer's antifraud and corruption policy.

## Instructions to Consultants - Part II

### 1. OBJECTIVES OF THIS REQUEST FOR PROPOSAL

The objective of the RFP is RFP is to invite interested organizations for conducting an **evaluation study on the efficacy of Memorandum of Understanding (MoU) system being implemented by Government of India for Central Public Sector Enterprises (CPSEs)**. This study is expected to generate valuable inputs in improving the MoU mechanism presently being implemented by the Gol.

### 2. RFP ISSUING AUTHORITY

This RFP is issued by the MoU Division of DPE, Ministry of Heavy Industries & Public Enterprises. The decision of DPE with regard to the selection of bidders through this RFP shall be final and DPE reserves the right to reject any or all the bids without assigning any reason.

1.	<b>Project Title</b>	Appointment of Consultant for conducting an evaluation study on the efficacy of MoU System.
2.	<b>Contact Person</b>	Shri Vijay Darak (Assistant Director-MoU) Department of Public Enterprises Public Enterprises Bhavan Block - 14, 3 <sup>rd</sup> Floor, Room No. 309 CGO Complex, Lodhi Road, New Delhi- 110003. 011-24360841/24363066
3.	<b>Department</b>	Department of Public Enterprises, Ministry of Heavy Industries
6.	<b>Contact Details</b>	Department of Public Enterprises 3 <sup>rd</sup> Floor Room No. 309, Block-14, CGO Complex New Delhi-110003 Email: <a href="mailto:mou-dpe@nic.in">mou-dpe@nic.in</a>
6.	<b>Website</b>	<a href="http://www.dpemou.nic.in">http://www.dpemou.nic.in</a>

### 3. TENTATIVE CALENDAR OF EVENTS

The following table enlists important milestones and timelines for completion of bidding activities:

S.No.	Milestone	Date and time (Tentative) (dd-mm-yyy;hh:mm)
1.	Issue of RFP	02.08.2017
2.	Pre-bid Meeting	16.08.2017, 3:00 P.M.
3.	Last date for submission of written question by bidders <b>though email at <a href="mailto:mou-dpe@nic.in">mou-dpe@nic.in</a></b>	17.08.2017
4.	Response to the Queries (through email)	28.08.2017
5.	Last date for Submission of Proposal/ Response	01.09.2017, 2:00 P.M.

S.No.	Milestone	Date and time (Tentative) (dd-mm-yyy;hh:mm)
	Validity of Proposal	28.02.2018
6.	(a) Opening of RFP Responses	01.09.2017, 3:00 P.M.
	(b) Finalization of technical bid	As decided by DPE
	(c) Opening of Financial bid	As decided by DPE
7.	Selection of the Consultant	As decided by DPE

#### 4. AVAILABILITY OF THE RFP DOCUMENTS

RFP can also be downloaded from the websites - (<http://dpe.nic.in> , <http://www.dpemou.nic.in> and <http://eprocure.gov.in>). The bidders are expected to examine all instructions, forms, terms, tentative calendar of events, time frame, terms of reference, project requirements and other details in the RFP document. Failure to furnish complete information as mentioned in the RFP documents or submission of a proposal not substantially responsive to the RFP documents in every respect will be at the bidder's risk and may result in rejection of the proposal.

#### 5. Pre-Bid Meeting :

DPE will host a pre bid meeting in Delhi at the address given under Contact Details Para 2 above. The pre bid meeting is tentatively scheduled as per the schedule given in Para 3 above. A representative of the interested organizations may attend this meeting at their own cost. The purpose of the meeting is to provide bidders with any clarifications regarding the RFP. It will also provide each bidder with an opportunity to seek clarifications regarding any aspect of the RFP and the project.

#### 6. EARNEST MONEY DEPOSIT

A Refundable Earnest Money Deposit (EMD) of Rs.1,00,000 (One Lakh Rupees only) in the form of a Demand draft or a Pay Order drawn in favor of "Drawing and Disbursing Officer, Department of Public Enterprises", payable at New Delhi has to be submitted along with the RFP Response. Bids received without or with inadequate EMD shall be liable to get rejected. EMD will be refunded within 45 days of award of work job, to all bidders other than successful bidder.

#### 7. VENUE & DEADLINE FOR SUBMISSION OF PROPOSALS

Proposals, in its complete form in all respects as specified in the RFP, must be submitted to Department of Public Enterprises, Ministry of Heavy Industries with the following contact person and address :-

Shri Vijay Darak  
Assistant Director (MoU Division)  
Department of Public Enterprises  
Public Enterprises Bhavan  
Block-14, 3<sup>rd</sup> Floor, Room No. 309,  
CGO Complex, Lodhi Road,  
New Delhi-110003  
PH- (011)24360841/24363066

The bids duly completed in all respect are to be submitted within the time prescribed. The bids received after due date will be rejected and no action will be taken on these bids. Further DPE, on its discretion, may extend the deadline for submission of proposals by issuing an addendum to be made available on the DPE website, in which case all rights and obligations of DPE and the bidders previously subject to the original deadline will thereafter be subject to the deadline as extended.

## Section 2

### TERMS OF REFERENCE

#### PART I: OBJECTIVE & SCOPE OF SERVICES

##### **1. GENERAL BACKGROUND**

The Central Public Sector Enterprises (CPSEs) are Government companies in which the shareholding of the Central Government is more than 50% and includes their subsidiary companies as well as statutory corporations set up under specific Acts of Parliament.

The Department of Public Enterprises (DPE) is the nodal department in the Government of India for Central Public Sector Enterprises (CPSEs). It is involved in policy formulation on non-financial matters and also lays down policy guidelines for performance improvement (and evaluation), increased autonomy/financial power delegation, personnel and management and other related areas.

DPE is also the interface between the administrative Ministries/Departments and the CPSEs. The Memorandum of Understanding (MoU) as applicable to public sector enterprises is a negotiated document between the Government and the management of the enterprise specifying clearly the objectives of the agreement and the obligations of both the parties. Under this agreement, the CPSE undertakes to achieve the targets (both financial and non-financial) set in the agreement at the beginning of the year and submits itself to evaluation on the basis of its achievements at the end of the year.

The process of finalizing the MoU starts with the issue of detailed Guidelines by the Department of Public Enterprises (DPE) on the basis of which the CPSEs submit their draft MoU after getting them approved by the respective Boards and the Administrative Ministries. These draft MoUs are then discussed, improved and finalized during the Pre Negotiation meetings and Inter Ministerial Committee meetings.

##### **2. OBJECTIVE OF ASSIGNMENT**

The objective of RFP is to invite interested organizations for conducting an **evaluation study on the efficacy of Memorandum of Understanding (MoU) system being implemented by Government of India for Central Public Sector Enterprises (CPSEs)**. This study is expected to generate valuable inputs in improving the MoU mechanism presently being implemented by the Gol.

### 3. SCOPE OF WORK

#### PART A – Evaluation of Efficacy of Existing MoU System

- i. A detailed study to determine the efficacy of Memorandum of Understanding (MoU) system being implemented by Government of India for Central Public Sector Enterprises (CPSEs) from the year 2016-17.
- ii. The study would be required to analyse the impact of the MoU mechanism on the performance of CPSEs.

#### PART B – Gap analysis and suggestions for improvements MoU System

- i. The consultant will also conduct a gap analysis, identify the key areas and suggest measures to improve the system of MoU. While doing so the consultant should take into account the policy environment, priorities of Gol and the operational conditions of CPSEs whether it operates in a monopolistic or competitive environment.
- ii. The consultant will also make a comparative study of the MoU system or any other similar system, being followed in private sector or public sector enterprises in other economies comparable to India and suggest the parameters/measures that can be useful for the MoU system in India.
- iii. The consultant will study the current process, format and parameters of MoU and suggest additions/modifications in the process, format and parameters.

### 4. DELIVERABLES & TIME FRAME

The time frame of the deliverables is as follows:

Sl. No.	Milestone	Time frame (Tentative)	
		PART - A	PART - B
1.	Submission of Inception Report	30 days from award letter	60 days from award letter
2.	Submission of Draft Report	75 days from award letter	105 days from award letter
3.	Submission of final report after incorporation of suggestion/comments of Consultancy Review Committee	90 days from award letter	150 days from award letter

4.1 The consultant is required to submit the final reports in the form of soft copies as well as hard copies inclusive of the workings, assumptions, source of obtaining information,

different methodology used for reaching logical conclusion and these documents will remain the property of DPE and will not be used for any other purpose other than those intended under RFP without obtaining permission of DPE. DPE will issue completion certificate to this effect.

4.2 Each deliverable of the consultant will be reviewed by the Consultancy Evaluation Committee (CEC) constituted by DPE for this purpose. The consultant would also be required to make a presentation on the draft reports before DPE and incorporate their suggestions in the final report.

4.3 The consultant shall ensure timely completion of the milestones mentioned above. There will be a penalty @ 0.5% of total value of work awarded for every week of delay in non-achieving the milestones of work order unless such delay is duly approved by DPE. In case of non-submission of final report by the prescribed date the Consultant has to refund the entire amount released by this department together with a penal rate of interest @ 15%.

## **PART II: TOR related information**

### **1. CONDITIONS UNDER WHICH THIS RFP IS ISSUED**

- i. This RFP is not an offer and is issued with no commitment. DPE reserves the right to withdraw the RFP and change or vary any part thereof at any stage. DPE also reserves the right to disqualify any bidder, should it be so necessary at any stage. Information provided in this RFP to the Applicants 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. The Authority accepts no responsibility for the accuracy or otherwise for any interpretation or opinion on the law expressed herein.
- ii. DPE may in its absolute discretion, but without being under any obligation to do so, update, amend or supplement the information, assessment or assumption contained in this RFP.
- iii. The Applicant shall bear all its costs associated with or relating to the preparation and submission of its Proposal including but not limited to preparation, copying, postage, delivery fees, expenses associated with any demonstrations or presentations which may be required by DPE or any other costs incurred in

- connection with or relating to its Proposal. All such costs and expenses will remain with the Applicant and DPE 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 Proposal, regardless of the conduct or outcome of the Selection Process.
- iv. Department of Public Enterprises reserves the right to withdraw this RFP, if it is in the best interest of the Government of India.
  - v. Timing and sequence of events resulting from this RFP shall ultimately be determined by DPE.
  - vi. No oral conversations or agreements with any official, agent, or employee of Department of Public Enterprises shall affect or modify any terms of this RFP and any alleged oral agreement or arrangement made by a bidder with any department, agency, official or employee of Department of Public Enterprises shall be superseded by the definitive agreement that results from this RFP process. Oral communications by Department of Public Enterprises to bidders shall not be considered binding on Department of Public Enterprises, nor shall any written materials provided by any person other than Department of Public Enterprises.
  - vii. Neither the bidder nor any of the bidder's representatives shall have any claims whatsoever against Department of Public Enterprises or any of their respective officials, agents, or employees arising out of, or relating to this RFP or these procedures (other than those arising under a definitive service agreement with the bidder in accordance with the terms thereof).
  - viii. Applicants who are found to canvass, influence or attempt to influence in any manner the qualification or selection process, including without limitation, by offering bribes or other illegal gratification, shall be disqualified from the process at any stage.

## **2. RIGHTS TO THE CONTENT OF THE PROPOSAL**

For all the bids received before the last date and time of bid submission, the proposals and accompanying documentation of the Qualification proposal will become the property of DPE and will not be returned after opening of the qualification proposal. Department of Public Enterprises is not restricted in its rights to use or disclose any or all of the information contained in the proposal and can do so without compensation to the bidders. Department

of Public Enterprises shall not be bound by any language in the proposal indicating the confidentiality of the proposal or any other restriction on its use or disclosure.

### **3. ACKNOWLEDGEMENT OF UNDERSTANDING OF TERMS**

By submitting a proposal, each bidder shall be deemed to acknowledge that it has carefully read all sections of this RFP, including all forms, schedules and annexure hereto, and has fully informed itself as to all existing conditions and limitations.

### **4. EVALUATION OF PROPOSALS**

The bidders' proposals in the bid document will be evaluated as per the requirements specified in the RFP and adopting the qualification criteria spelt out in this RFP. The Bidders are required to submit all required documentation in support of the qualification criteria specified in RFP. DPE will constitute a Consultancy Evaluation Committee (CEC) to monitor the progress/completion of assignment.

### **5. LANGUAGE OF PROPOSALS**

The proposal and all correspondence and documents shall be written in English.

### **6. ELIGIBILITY CRITERIA**

The eligibility criteria is as follows:

#### **I. In case of Consultancy Firm**

- (a) The firm should be in existence for last 10 years and have experience in the area of Finance/Technical/Management Consulting.
- (b) The firm should have given consultancy in the area of Performance Management System for atleast 3 years.
- (c) Avg. gross annual revenue from consultancy during the last 3 years should not be less than Rs. 5 Crore.

#### **II. Academic Institutions / Think Tanks**

- (a) The academic institution should be in accreditation for a period of 10 years with AICTE/UGC/NBA/any other competent Government Authorities and have experience in the area of Finance/ Technical / Management Consulting.
- (b) The institute should have given consultancy in the area of Performance Management System for atleast 3 years.
- (c) Avg. gross annual revenue from consultancy during the last 3 years should not be less than Rs. 1 Crore.

**7. SELF CERTIFIED DOCUMENTARY EVIDENCE TO BE SUBMITTED IN SUPPORT OF ELIGIBILITY WITH TECHNICAL PROPOSAL**

1. Copy of Contract/ work orders along with completion certificate indicating the details of previous assignment completed, client, value of assignment / proportionate value in use of projects/assignment in process date and year of award.
2. Registration / Accreditation Certificate.
3. Detailed resume of the team leader and team members indicating the details of qualifications and professional experience.
4. Gross Annual Revenue from consultancy during last three years
5. An undertaking stating that firm/organization is not blacklisted by Government or its agencies including Central/State Level Public Enterprises.
6. A certificate regarding non-disclosure/sharing of confidential information with third parties.
7. Duly filled check list as given in Annexure II of the RFP.

**8. PROPOSAL SUBMISSION**

Interested consultant should submit both technical and financial proposals in two parts as per the Schedule mentioned in Part-II of Section 1 i.e. Tentative Calendars of Events.

The technical and financial proposal must be submitted in two separate sealed envelopes indicating clearly on envelopes as **“TECHNICAL PROPOSAL”** and **“FINANCIAL PROPOSAL”**. Financial Proposal should indicate a warning **“DO NOT OPEN WITH THE TECHNICAL PROPOSAL”**. Both the envelopes containing the Technical and Financial proposals shall be placed into an outer envelope and sealed along with EMD. This outer envelope shall bear the title of the assignment **“Appointment of Consultant for conducting an evaluation study on the efficacy of MoU System”**

**I TECHNICAL PROPOSAL CONTENT**

Technical proposal should be prepared considering the terms of Reference, Detailed Approach & Methodology, Activity Schedule & Deliverables, Time period and any other information to highlight the capability of the consultant.

Technical Proposal must be submitted in the form of all the duly signed forms as per Section 3 of RFP i.e. **Technical Proposal – Standard Forms & Other Undertakings**

Technical Proposal should be a complete document and should be bound as a volume. The documents should be page numbered and duly signed by Authorized Representative who has the capacity to sign along with Authorization Letter.

## **II FINANCIAL PROPOSAL CONTENT**

- a) Financial proposal (in Indian Rupees) should be in the form of a lump sum amount inclusive of all taxes for the entire Scope of Services.
- b) The lump sum quote should be inclusive of all expenses which consultant may incur while executing the assignment including Travel, Boarding & Lodging as required.
- c) Financial Proposal must be submitted in the form of all the duly signed forms as per Section 3 of RFP i.e. **Financial Proposal – Standard Forms**.

## **9. PRESENTATION**

The consultant are required to make a presentation of their credentials and the proposed methodology for conducting the study, before the Consultancy Evaluation Committee at CGO Complex, New Delhi – 110003 and the duration of presentation will be of twenty minutes tentatively. The date, time & venue of the presentation will be intimated separately. The Committee will assess the presentation broadly on the following criteria:-

### **A) General Criteria :**

- a) Experience and capabilities of handling similar projects as Consultant.
- b) Understanding of CPSEs.
- c) Team Qualification and Manpower commitment to the RFP.
- d) Research capabilities.

**B) Specific Criteria :** The methodology for preparation of the report with special emphasis on the following:

- a) Impact of the MoU mechanism on the performance of CPSEs.
- b) Gap analysis, identification of the key areas and suggest measures to improve the system of MoU.

## **10. EVALUATION OF PROPOSAL**

The technical proposal will be evaluated as per the following criteria:

S. No.	Description	Marks
1	<b>Relevant experience in work of consultancy (except audit) for Govt./PSE/Public Ltd Company as under</b>	
1.1	Relevant experience of consultancy in the area of Performance Management System in terms of no. of assignments <b>(Marks – 10)</b>	
	<b>No. of assignments having value of more than 1 Lakh each</b>	<b>Marks</b>
	1 - 3	Max. 2 Marks
	4 - 7	Max. 5 Marks
	7 - 10	Max. 7 Marks
	10 & above	Max. 10 Marks
1.2	Relevant experience of consultancy (except Audit) in terms of no. of assignments <b>(Marks – 10)</b>	
	<b>No. of assignments having value of more than 5 Lakh each</b>	<b>Marks</b>
	1 - 5	Max. 4 Marks
	6 - 10	Max. 6 Marks
	11 - 20	Max. 8 Marks
	21 & above	Max. 10 Marks
1.3	Avg. gross revenue from consultancy during the last 3 years ending 31.03.2017 <b>(Marks – 10)</b> <b>In case of Consultancy Firm</b> <ul style="list-style-type: none"> <li>• More than Rs.5 Cr. but less than or equal to Rs. 7 Cr. <b>(Max. 6 Marks)</b></li> <li>• More than Rs.7 Cr. but less than or equal to Rs. 10 Cr. <b>(Max. 8 Marks)</b></li> <li>• Above Rs.10 Cr. <b>(Max. 10 Marks)</b></li> </ul> <b>In case of Academic Institutions</b> <ul style="list-style-type: none"> <li>• More than Rs.1 Cr. but less than or equal to Rs. 3 Cr. <b>(Max. 6 Marks)</b></li> <li>• More than Rs.3 Cr. but less than or equal to Rs. 5 Cr. <b>(Max. 8 Marks)</b></li> <li>• Above Rs.5 Cr. <b>(Max. 10 Marks)</b></li> </ul>	<b>30 Marks</b>
2	<b>Skills &amp; Competencies as under</b>	
2.1	<b>Team Leader's Qualification (Marks – 10)</b> <ul style="list-style-type: none"> <li>• Minimum qualification – Post-Graduation in Engineering/ Management/ Finance/ Business Economics/ Economics or any other related field <b>(7 Marks)</b></li> <li>• Professional qualification: Any other Higher professional qualification in the field relevant to the assignment <b>(Max. 3 Marks)</b></li> </ul>	
2.2	<b>Team Leader's Professional Experience (Marks – 10)</b> <ul style="list-style-type: none"> <li>• Minimum relevant experience – 15 years <b>(7 Marks)</b></li> <li>• More than 15 years but less than or equal to 20 years <b>(Max. 8 Marks)</b></li> <li>• Above 20 years <b>(Max. 10 Marks)</b></li> </ul>	<b>20 Marks</b>

S. No.	Description	Marks
3	<b>Team Members' Experience – To be read in conjunction with Point (a) to (e) below</b>	
3.1	<b>Team Members' Professional Experience (Marks – 10)</b> <ul style="list-style-type: none"> <li>• Minimum experience in the field relevant to the assignment – 7 years <b>(7 Marks)</b></li> <li>• More than 7 years but less than or equal to 10 years <b>(Max. 8 Marks)</b></li> <li>• Above 10 years <b>(Max. 10 Marks)</b></li> </ul>	<b>10 Marks</b>
4.	<b>Presentation</b>	<b>40 Marks</b>
<b>Total</b>		<b>100 Marks</b>

- (a) The team should constitute of minimum 3 members excluding the Team Leader.
- (b) The team should include at least one Chartered Accountant with relevant experience of 10 years.
- (c) The minimum qualification of team members should be B.E., B.Tech., MBA, CA and ICWA.
- (d) The team should include at least one member apart from team leader having minimum past relevant experience of 3 years in Performance Management System.
- (e) The team leader should be a permanent employee of the consulting firm/academic institution submitting the proposal.
- (f) **Evaluations will be based on documentary evidence submitted by the applicant with respect to evaluation/selection criteria.**
- (g) To be technically qualified, the consultants would need to secure a minimum of 70 % marks.
- (h) The financial proposals of only the technically qualified consultants will be opened.
- (i) The bidder with lowest qualifying financial bid (L1) will be awarded 100% score (amongst the technically qualified bidders). Financial Scores for other than L1 bidders will be evaluated using the following formula:  
Financial Score of a Bidder (Fn) =  

$$\{(Commercial\ Bid\ of\ L1 / Commercial\ Bid\ of\ the\ Bidder) \times 100\} \%$$
(Adjusted to two decimal places)
- (j) The technical and financial scores secured by each bidder will be added using weightage of 70% and 30% respectively to compute a Composite Bid Score.
- (k) The overall score will be calculated (upto two decimal points) as follows:-

$$B_n = 0.70 * T_n + 0.30 * F_n$$

Where

B<sub>n</sub> = overall score of bidder

T<sub>n</sub> = Technical score of the bidder (out of maximum of 100 marks)

F<sub>n</sub> = Financial score of the bidder

- (l) The bidder securing the highest Composite Bid Score will be adjudicated as the most responsive Bidder for award of contract.
- (m) In the event the bid composite bid scores are 'tied', the bidder securing the highest technical core will be adjudicated as the Best Value Bidder for award of the Project.

### 11. METHODOLOGY FOR THE STUDY

- (a) The consultant shall review of existing data/reports.
- (b) The consultant shall interact with atleast 30 CPSEs as per bifurcation proposed as under:
  - Maharatna CPSEs – 4 Nos.
  - Navratna CPSEs – 8 Nos.
  - Mini Ratna (Category – I) CPSEs – 8 Nos.
  - Mini Ratna (Category – II) CPSEs – 5 Nos.
  - Other CPSEs – 5 Nos.

### 12. PAYMENT TERMS

The payment installments will be released as per the following schedule:

Sl. No.	Milestone	Payment (as % of the total service cost)	
		PART - A	PART - B
1.	Submission of Inception Report	5 %	5 %
2.	Submission of Draft Report	15 %	15 %
3.	Submission of final report after incorporation of suggestion/comments of Consultancy Review Committee	30 %	30 %

### 13. General Terms and Conditions

- (i) Data provided for the study are confidential in nature. The consultant should not share the data without DPE's permission. A certificate regarding non-sharing/informing of confidential data to third party is to be given by the consultant along with Technical Proposal.

- (ii) At the time of submission of bid, the bidder has to ensure that each page is duly signed by the bidder or his duly authorized representative. In case the bid is signed by the authorized representative, a letter of authorization should be enclosed with the bid.
- (iii) The bidding institution(s) should provide professional, objective and impartial advice and at all times hold the client's interest paramount, without any consideration for future work, and that in providing advice they avoid conflicts with other assignments and their own corporate interests.
- (iv) Rates quoted shall remain firm till completion of works.
- (v) The jurisdiction in case of disputes shall be the Courts of Delhi/New Delhi.
- (vi) The bidder should be registered under relevant Laws /Acts of the country.

### **Section 3**

#### **Technical Proposal - Standard Forms**

Form Tech 1: Letter of Proposal submission

Form Tech 2: Consultant's organization & experience

Form Tech 3: Comments & suggestions on TOR

Form Tech 4: Approach & methodology

Form Tech 5: Curriculum vitae

#### **Technical Proposal – Other Undertakings**

1. An undertaking stating that firm/organization is not blacklisted by Government or its agencies including Central/State Level Public Enterprises.
2. An undertaking regarding non-disclosure/ sharing of confidential information with third parties.

LETTER OF PROPOSAL SUBMISSION

[Location, Date]

To: [Name and address of Employer]

Dear Sirs:

We, the undersigned, offer to provide the consulting Assignment/job for (Conducting an evaluation study on the efficacy of MoU System) in accordance with your Request for Proposal dated [Insert Date] and our Proposal. We are hereby submitting our Proposal, which includes this Technical Proposal, and a Financial Proposal sealed under a separate envelope and requisite EMD.

We are submitting our Proposal in association with: [Insert a list with full name and address of each associated Consultant]

We hereby declare that all the information and statements made in this Proposal are true and accept that any misinterpretation contained in it may lead to our disqualification.

We understand you are not bound to accept any Proposal you receive.

Yours sincerely,

Authorized Signature [In full and initials]:

Name and Title of Signatory:

Name of Firm:

Address:

A handwritten signature and the initials '1/8' are located in the bottom right corner of the page.

**CONSULTANT'S ORGANIZATION AND EXPERIENCE**

**A - Consultant's Organization**

[Provide here a brief description of the background and organization of your firm/entity and each associate for this Assignment/job. The brief description should include ownership details, date and place of incorporation of the firm, objectives of the firm etc. Also if the consultant has formed a consortium, details of each of the member of the consortium, name of lead members etc shall be provided]

**B - Consultant's Experience**

[Using the format below, provide information on each Assignment/job for which your firm, and each partner in the case of consortium or joint venture, was legally contracted either individually as a corporate entity or as one of the major partners within an association, for carrying out consulting Assignment/job similar to the ones requested under this Assignment/job (If possible, the employer shall specify exact assignment / job for which experience details may be submitted). In case of consortium, association of consultant, the consultant must furnish the following information for each of the consortium member separately]

**A) Organizational Experience**

S.No	Name of Entity with complete communication address.	Order No. & Date	Scope of Consultancy work	Date of award of contract & Contract Period	Value of Contract	Actual Date of completion	Person /Project authority who could be contacted for further information

**B) Skill & Competencies & Team Size**

S.No	Name of the Team Leader/Member	Qualification/ Professional Qualification	No. of Years Experience	Details of Experience	Remarks

**C) Gross Annual Revenue (in Rs.)**

Financial Year	Gross Annual Revenue/Turnover	Revenue/ Turnover from consultancy business	Remarks
2014-15			
2015-16			
2016-17			

**(Seal & Signature of Bidder)**

**Note:** Please provide documentary evidence from the client i.e. copy of work order, contract and completion certificate for each of above mentioned assignments. The experience shall not be considered for evaluation if such requisite support documents are not provided with the proposal.



**COMMENTS AND SUGGESTIONS ON THE TERMS OF REFERENCE**

[Suggest and justify here any modifications or improvement to the Terms of Reference you are proposing to improve performance in carrying out the Assignment/job (such as deleting some activity you consider unnecessary, or adding another, or proposing a different phasing of the activities). Such suggestions should be concise and to the point, and incorporated in your Proposal.]



**DESCRIPTION OF APPROACH, METHODOLOGY AND WORK PLAN FOR PERFORMING THE  
ASSIGNMENT/JOB**

[Technical approach, methodology and work plan are key components of the Technical Proposal. You are suggested to present your Technical Proposal divided into the following three chapters:

- a) Technical Approach and Methodology,
- b) Work Plan, and
- c) Organization and Staffing,

a) **Technical Approach and Methodology:** In this chapter you should explain your understanding of the objectives of the Assignment/job, approach to the Assignment/job, methodology for carrying out the activities and obtaining the expected output, and the degree of detail of such output. You should highlight the problems being addressed and their importance, and explain the technical approach you would adopt to address them. You should also explain the methodologies you propose to adopt and highlight the compatibility of those methodologies with the proposed approach.

b) **Work Plan:** The consultant should **propose and justify** the main activities of the Assignment/job, their content and duration, phasing and interrelations, milestones (including interim approvals by the Employer), and delivery dates of the reports. The proposed work plan should be consistent with the technical approach and methodology, showing understanding of the TOR and ability to translate them into a feasible working plan. A list of the final documents, including reports, drawings, and tables to be delivered as final output, should be included here.

c) **Organization and Staffing:** The consultant should **propose and justify** the structure and composition of your team. You should list the main disciplines of the Assignment/job, the key expert responsible, and proposed technical and support staff.]

**CURRICULUM VITAE (CV) FOR PROPOSED PROFESSIONAL STAFF**

1. Proposed Position:

[For each position of key professional separate form Tech-5 will be prepared]:

2. Name of Firm:

[Insert name of firm proposing the staff]:

3. Name of Staff:

[Insert full name]:

4. Date of Birth:

5. Nationality:

6. Education:

[Indicate college/university and other specialized education of staff member, giving names of institutions, degrees obtained, and dates of obtainment]:

7. Membership of Professional Associations:

8. Other Training:

9. Countries of Work Experience:

[List countries where staff has worked in the last ten years]:

10. Languages [For each language indicate proficiency: good, fair, or poor in speaking, reading, and writing]:

11. Employment Record:

[Starting with present position, list in reverse order every employment held by staff member since graduation, giving for each employment (see format here below): dates of employment, name of employing organization, positions held.]:

From [Year]: To Year]:

Employer:

Positions held:

12. Detailed Tasks Assigned

[List all tasks to be performed under this Assignment/job]

13. Work Undertaken that Best illustrates Capability to Handle the Tasks Assigned

[Among the Assignment/jobs in which the staff has been involved, indicate the following information for those Assignment/jobs that best illustrate staff capability to handle the tasks listed under point 12.]

Name of Assignment/job or project:

Year:

Location:

Employer:

Main project features:

Positions held:

Activities performed:

14. Certification:

I, the undersigned, certify that to the best of my knowledge and belief, this CV correctly describes myself, my qualifications, and my experience. I understand that any wilful misstatement described herein may lead to my disqualification or dismissal, if engaged.

Date:

[Signature of staff member or authorized

Place:

representative of the staff]

[Full name of authorized representative]



**Section 3**

**Financial Proposal - Standard Forms**

Form Fin 1: Financial Proposal Submission Form

Form Fin 2: Financial Proposal for Benchmarking Reports

FINANCIAL PROPOSAL SUBMISSION FORM

[Location, Date]

To: [Name and address of Employer]

Dear Sirs:

We, the undersigned, offer to provide the consulting Assignment/job for [Insert title of Assignment/job] in accordance with your Request for Proposal dated [Insert Date] and our Technical Proposal. Our attached Financial Proposal is for the sum of [Insert amount(s) in words and figures<sup>1</sup>]. This amount is inclusive of the Domestic taxes. We hereby confirm that the financial proposal is unconditional and we acknowledge that any condition attached to financial proposal shall result in reject of our financial proposal.

We understand you are not bound to accept any Proposal you receive.

Yours sincerely,

Authorized Signature [In full and initials]:

Name and Title of Signatory:

Name of Firm:

Address:



Financial Proposal for the Study

Sr. No.	Name of the Assignment	Fees Quoted (Inclusive of all Taxes)

(Fees in Words): Rs.

Authorized Signature

Name: .....

Designation: .....

Name of firm: .....


Address: .....



Check list of Documents

The bids shall be accompanied with the followings:-

- |   |                                       |
|---|---------------------------------------|
| 1) DD/Pay Order towards EMD   | <input type="text" value="Yes / No"/> |
| 2) Firm/Institution's registration/Accreditation certificate.   | <input type="text" value="Yes / No"/> |
| 3) Copy of Work Orders.   | <input type="text" value="Yes / No"/> |
| 4) Copy of Completion certificates along with value.  | <input type="text" value="Yes / No"/> |
| 5) Resume of Team Leaders & Team members with supporting Documents  | <input type="text" value="Yes / No"/> |
| 6) Undertaking that that the Firm/Institution is not blacklisted by any Government Institution/CPSE/SLPE/Local Authority. | <input type="text" value="Yes / No"/> |
| 7) Authority Letter, if any.  | <input type="text" value="Yes / No"/> |
| 8) Duly Audited copy of Annual Accounts of Last Three Years.  | <input type="text" value="Yes / No"/> |
| 9) Undertaking regarding Non Disclosure   | <input type="text" value="Yes / No"/> |
| 10) Duly Filled Format (As Given in Technical bid & Financial Bid)  | <input type="text" value="Yes / No"/> |

  
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Check list of Documents

The bids shall be accompanied with the following:

1) Down Payment towards EMD  Yes /  No

2) Firm/Institution Registration/Accreditation certificate  Yes /  No

3) Copy of Work Orders  Yes /  No

4) Copy of Corporation certificates along with value  Yes /  No

5) Resume of Team Leaders & Team members with supporting Documents  Yes /  No

6) Undertaking that the firm/institution is not blacklisted by any government institution/State/Local Authority.  Yes /  No

7) Authority letter if any.  Yes /  No

8) duly audited copy of Annual Accounts of Last Three Years.  Yes /  No

9) Undertaking regarding Non Disclosure  Yes /  No

10) Only Firms Firms (As given in Technical bid & Financial Bid)  Yes /  No

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