

IPA/MSD/ICTD/External Consultant/2016	RFQ for Hiring External Consultant for Assisting Ministry of Shipping on Shipbuilding, Ship Repair and Ship Breaking	Clarifications on Pre-Bid Queries
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Sr No	Reference Clause No.	Page No	Clarification Particulars		Clarification Sought	Clarification Given
			Clause	Organization		
1	9.2.1 Point 1 A	28	“Experience of Undertaking strategy, operations, project management, business process re-engineering (excluding audit/IT implementation) assignments of value> \$250,000 for international and domestic shipyards in the last ten years”	PWC	As you would appreciate that the Indian shipbuilding industry has been under significant economic and financial strain over past few years. Thus their ability to hire consultants for large assignments has been very limited. Hence the threshold of assignment value of over USD 250,000 for consulting engagements is likely to limit any domestic experience that the firm may have in this sector. Given the state of Indian shipbuilding industry and its specific issues, it is imperative that the challenges faced by domestic shipyards are duly reflected in consultant’s experience. Hence it is requested that to ensure domestic experience gets correct weightage, the threshold value be reduced from USD 250,000 to USD 25,000	- No Change -

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2	Pt 18/3	15	“ Receipt of offers on or before 3 Pm (1500 Hrs) on 28/06/2016”	PWC	The proposal involves sourcing of not only domestic experience but also international experts who can bring in their experience to the policy fold. This would require us to connect with a number of network countries within our firm. Thus we would request you increase the bid submission deadline by atleast two (2) weeks so that we can ensure that we bring together a very experienced domestic and International team to deliver on the project	Accepted. Bid submission deadline may be extended to July 11, 2016.
3	Section 1, Point 8.4, sub-point e			A.T. Kearney	Does the proposal need to be written as running text in word, or can it be in form of slides. (both can be converted to pdf form and submitted)	The proposal is to be provided in running text in pdf format.
4	Section 2, Point 9, sub-point 9.1.2		Technical Criteria for evaluation	A.T. Kearney	For the team leader position, is there any on-ground time commitment that is expected? For team leader position, we suggest that experience in heavy engineering sector should also be included, along with ship building/ repair/ breaking, given	Since, this is a short term policy making process, at least 50% time engagement and commitment of the team leader position is expected. There may be meetings on short term basis which he/she may be required to attend and other discussions in which his/her presence will be highly appreciated.

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					<p>the close synergies involved.</p> <p>We believe that partnering with legal firms should be allowed to enhance the policy expertise of consulting firms, and should not be differentiated against while evaluating.</p>	<p>For Team leader, we may not agree to any change since the team leader should have domain expertise in shipbuilding/ship repair/ship breaking.</p> <p>Partnering with other agencies for knowledge enhancement and support is encouraged if the consultant (service provider) does not have the required talent/ support available in-house. The responsibility for the assignment shall continue to be with the engaged consultant.</p>
5	General			A.T. Kearney	<p>Channelling of defence orders in commercial shipyards will require assessment of their capability, order books etc. This will affect the growth aspiration that we have for shipbuilding Industry in India, and should be included as part of the ToR to bring clarity in scope of work.</p>	<p>Accepted.</p> <p>The following text needs to be appended to Para 2.1.1.(a)(i) of Section 2 (Terms of Reference), namely:- "Assessment of capability of existing shipyards, their present order book position etc. to be done with a view to channel defence orders to such commercial shipyards."</p>
6		4	Objective	BCG Group	<p>Original text: "The objective of this RFP is to engage an internationally reputed consultant to carry out an Operational Improvement and</p>	<p>The consultant is only required to provide the road map and way-forward for the policy outline. They may probe into analysis such as why</p>

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					<p>capability enhancement program, building upon the operational improvement roadmaps for promotion of Shipbuilding, ship-repair and shipbreaking industry in India"</p> <p>BCG Query: Is the objective to create a road map, or to also support in operational improvement and capability enhancement after the road map is created? In our understanding, the current RFP is for Phase 1 i.e., definition of the strategy and roadmap only.</p>	<p>operationalization of certain aspects of the policy may be difficult and what could be done in order to implement the same.</p> <p>There is no requirement to carry out the operations/ improvements with respect to the policy by the consultant.</p>
7	4.3	24	Penalty	BCG Group	<p>Original Text "The consultant shall ensure timely completion of the milestones mentioned above. There will be a penalty @ 0.5% of the 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 IPA. The maximum penalty will be 10% of the total value of contract. In case of non-submission of final report by</p>	<p>Prescribed Date for the purposes of penalty shall mean date mentioned in ToR unless and until a mutually agreeable date for the deliverable has been agreed upon.</p>

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					<p><i>the prescribed date the consultant has to refund the entire amount released by IPA together with a penal rate of interest @ 10%."</i></p> <p>BCG Request: We work collaboratively with our clients, sharing interim deliverables, seeking approvals and feedback on a regular basis. Further, delays in report submissions may not be entirely attributable to the consultant. Further, there may be a situation where it is in the best interest of IPA to invest time on specific questions. We therefore request to delete the clause, "In case of non-submission of final report by the prescribed date, the consultant has to refund the entire amount released by IPA together with a penal rate of interest @ 10%.", as it is not in the spirit of consulting assignments of such nature.</p>	
8	7(iv)	27	Audited Financial	BCG Group	Since we are a privately held company, our global norms	Auditor's certificate for the previous 3 years as documentary evidence for Gross

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			Statements		restrict us to submit our audited financial statements. We request you to provide the option of submitting a certificate from auditors or a chartered accountant as proof of turnover in the last three financial years.	Revenue, P&L and Balance Sheet Accounts may be submitted instead of financial details.
9	2.1.2(iii)	19	“Key Industry players”	BCG Group	<p>With respect to specific action plan for key industry players</p> <p>BCG Query: In order to accurately anticipate the time commitment required for this activity, it will be important to answer the following questions: (a) How many industry players to be covered? (b) Which ones (private/public/Indian / global /...) ? (b) What is the extent of industry player involvement in the study, and access granted? (which determines specificity of action plan) (d) What are the key areas for action planning and expected detail? - What is the output expected?</p>	<p>- No Change -</p> <p>The consultant should be able to identify the various players who already exist in this industry. There is a need to also identify new players who may be interested in investing in this industry as the main object of this policy is to rope-in the larger industry players and make a pitch for investment for the development of this industry.</p>

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					BCG suggestion: Our suggestion is to change this to action plan for the industry rather than for specific industry players which is more in line with the objective specified in the RFP. Industry player specific action steps can be covered in subsequent phases when there is greater clarity on the overall direction and relevant industry players. We would ensure that the perspectives of all key industry stakeholders will be taken into consideration via interviews	
10	2.2.1 (a)	19	“Analysis of major ancillary industry units”	BCG Group	Same as above	- No Change - It is understood that with the development of the industry there will be scope for improvement for the ancillary industry units and hence it is necessary that the consultant also has information of existing as well as new interested players for providing the required investment in the ancillary industry units for their development.

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11	2.2.2 (b) (iii)	20	“Specific action plan for key industry players”	BCG Group	Same as above	- No Change -
12	2.3.2 (b) (iii)	22	“Specific action plan for key industry players”	BCG Group	Same as above	- No Change -
13	Part II, Point 2	25	Rights to the Contents of the Proposal	BCG Group	<p>BCG Query:</p> <p>Assuming that our proposal would contain BCG methodologies as well, we suggest amending the clause as follows (the underlined text has been added by BCG as a suggestion)</p> <p>"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 IPA and will not be returned after opening of the qualification proposal. IPA 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</p>	<p>- No Change -</p> <p>It also needs to be ensured that there is no conflict of interest and unfair advantage for any parties involved.</p> <p>Disclosure is important and shall be provided.</p>

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					<p>compensation to the bidders. IPA 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. <u>Notwithstanding anything to the forgoing, Consultant shall retain ownership of any drafts, notes, analyses, other work papers, its knowledge of business principles, and those analytical concepts, approaches, methodologies, models, processes, discoveries, ideas, and formats developed by Consultant or its staff and are submitted along with the proposal. ("Consultant Methodology").</u></p>	
14	Part II, Point 6 (a)	26	Eligibility and qualification criteria for selecting the consulting firm	BCG Group	<p>Original text: "The firm should be registered under relevant statutes in India and should have minimum average annual turnover from Indian operations of Rs. 100 Crores during 2012-13, 2013-14 and 2014-15"</p>	- No Change -

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					<p>BCG Suggestion: Given the strategic importance of the project, and the criticality of the expertise required, the firms competing for the project should have size of Indian ops much higher than suggested 100 crores (from consulting operations in India and should not include audit or IT revenues)</p>	
15	Part II, Point 6 (c)	26	Eligibility and qualification criteria for selecting the consulting firm	BCG Group	<p>Original text: "The firm should have conducted a minimum of 5 projects in shipbuilding / ship repair globally/nationally in the past 7 years"</p> <p>BCG Suggestion: Given the strategic importance of the project, and the criticality of the expertise required, we should factor in the importance of recency of experience. Hence, for eligibility, the applicant should have more recent relevant experience</p>	- No Change -

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16	9.1.2 (1A)	28	Technical Criteria	BCG Group	<p>BCG Given the strategic importance of the project, and the criticality of the expertise required, the experience of the applicant needs to be on significantly larger projects instead of given size of >\$250,000</p> <p>Suggestion: Also, the experience should be more recent, instead of given 10 years.</p>	<p>- No Change -</p> <p>Criteria w.r.t experience of 10 years is very crucial and should remain since many relevant events had taken place from the period 2001-2005 and the players with such learning and knowledge are to be encouraged to participate in this tender.</p>
17	9.1.2 (2C)	29	Technical Criteria	BCG Group	<p>Original text: "The consulting company is allowed to partner with other firms working in the sector to enhance their expertise on this front."</p> <p>BCG suggestion: In-house expertise should be given a higher weightage, as it would ensure most aligned and effective advice, rather than having to partner with an external agency. In addition, the amount of committed time spent by key members of the team should be taken into account while evaluating the proposals.</p>	<p>- No Change -</p>

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18	9.1.2 (2 Overall)	29	Technical Criteria	BCG Group	We wanted a clarification on the evaluation criteria for team leader and expert profiles. For evaluation of team leader, shipbuilding and policy experts profiles, how many profiles should be included for consideration of the committee?	3 expert profiles shall be provided.
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