

No. 55012/2/2006-CRC-II  
Government of India,  
Ministry of Coal.

Shastri Bhavan, New Delhi.  
Dated 26<sup>th</sup> June. 2013.

To,

1. M/s Deloitte Touche Tohmatsu India Pvt. Ltd. (deals in providing professional services)  
DTTIPL, Deloitte Centre, Anchorage II, #100/2, Richmond Road, Bangalore-560025  
Karnataka
2. M/s IMC-SRG Consulting Pvt. Ltd. (International Mining Consultancy)  
IMC- SRG Consulting Pvt. Ltd., 135, Jodphur Park, Kolkata – 700068
3. M/s Mckinsey & Company (Management consultancy)  
Plat No. 4, Echelon Institutional Area, Sector-32, Gurgaon- 122001 (Haryana)
4. M/s A.T. Kearney Ltd., 14<sup>th</sup> Floor, Tower-D,  
Global Business Park, Gurgaon – 122022 (Haryana)
5. M/s Mazars SAS, Plot No. 421,  
IInd Floor, Udyog Vihar, Phase- IV, Gurgaon – 122016 (Haryana)
6. M/s Ernst & Young Pvt. Ltd., 6<sup>th</sup> Floor, HT House, 18-20,  
K.G. Marg, New Delhi- 110001
7. M/s KPMG Advisory Services Pvt. Ltd., Lodha Excellus,  
Ist Floor, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400011
8. M/s ICICI Securities Ltd., ICICI Centre,  
H.T. Prakash Marg, Churchgate, Mumbai – 400020.
9. M/s CRISIL Ltd.,  
CRISIL House, Plot No. -46 Sector -44, Opp. Provident Fund Office, Gurgaon-122003

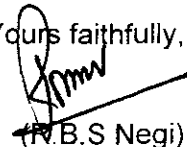
Sub:- Request for Proposal (RFP) for engagement of consultant for restructuring of Coal India Limited.

Sir/Madam,

I am directed to forward herewith a copy of Request for proposal (RFP) for engagement of Consultant for conducting study on restructuring of Coal India Limited.

You are requested to submit your proposal to this Ministry as per the instructions given in the RFP document.

Yours faithfully,



(N.B.S Negi)  
Under secretary to the Govt. of India

# **Request for Proposal**

**Government of India  
Ministry of Coal**

**REQUEST FOR PROPOSAL FOR ENGAGEMENT OF  
CONSULTANT FOR RESTRUCTURING OF COAL INDIA LIMITED**

Ministry of Coal  
Shastri Bhavan  
New Delhi

# Request for Proposal

## Schedule of Activities

1. Last date and time for receipt of response to this RFP : 18<sup>th</sup> July, 2013, (12.00 Noon)
2. Date and time of opening technical bid ( in the presence of bidders, should they prefer so), in the Ministry of coal, New Delhi : 18<sup>th</sup> July,(3 PM)
3. Short-listing and evaluation of Technically qualified bidders : 22<sup>nd</sup> July,2013
4. Opening of Financial Bids and ranking of Bids : 29<sup>th</sup> July,2013
5. Negotiation with best ranked Bidder & finalization of terms (if required) : 5<sup>th</sup> August,2013
6. Finalising and organization /consultant : 19<sup>th</sup> August,2013

### Address for all communications :

Shri D.N Prasad, Adviser (project), Room No 309-A, Ministry of Coal, New Delhi  
e-mail : [advp.moc@nic.in](mailto:advp.moc@nic.in) Fax No. 23387738

# **Request for Proposal**

**Government of India  
Ministry of Coal**

REQUEST FOR PROPOSAL FOR ENGAGEMENT OF  
CONSULTANT FOR RESTRUCTURING OF COAL INDIA LIMITED

Ministry of Coal  
Shastri Bhavan  
New Delhi

## Request for Proposal

### Schedule of Activities

1. Last date and time for receipt of response to this RFP : 15<sup>th</sup> July, 2013, (12.00 Noon)
2. Date and time of opening technical bid ( in the presence of bidders, should they prefer so), in the Ministry of coal, New Delhi : 15<sup>th</sup> July,(3 PM)
3. Short-listing and evaluation of Technically qualified bidders : 22<sup>nd</sup> July,2013
4. Opening of Financial Bids and ranking of Bids :29<sup>th</sup> July,2013
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6. Finalising and organization /consultant :19<sup>th</sup> August,2013

### Address for all communications :

Shri D.N Prasad, Adviser (project), Room No 309-A, Ministry of Coal, New Delhi  
e-mail : [advp.moc@nic.in](mailto:advp.moc@nic.in) Fax No. 23387738

# Request for Proposal

## Section A :

### Disclaimer –

The information contained in this Request for Proposal (hereinafter, referred to as "RFP") document provided to the eligible and interested organisation/consultant, by the Ministry of Coal (hereinafter, referred to as "the Ministry") is provided on the terms and conditions set out in this document and all other terms and conditions subject to which such information is provided. The purpose of this RFP document is to provide the Organisation/Consultant(s) with information for the formulation of their proposals. This RFP document may not be complete in all respects, and it is not possible for the Ministry to consider the business/investment objectives, financial situation and particular needs of each Organisation/consultant, who reads or uses this RFP document. Each Organisation/consultant should conduct its own investigations and analysis and should examine the accuracy, reliability and completeness of the information in this RFP document and wherever necessary, may obtain independent advice from appropriate sources. The Ministry makes no representation or warranty and shall incur no liability under any law, statute, rules or regulations as to the accuracy, reliability or completeness of the RFP document. The Ministry may, in their absolute discretion, and without being under any obligation to do so, update, amend or supplement the information in this RFP document.

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### Section B :

#### Definitions—

- (a) "Ministry" means the Ministry of Coal which has invited the bids for consultancy services and with which the selected Organisation/consultant signs the Contract for the Services so defined and to which the selected Organisation/consultant shall provide services as per the terms and conditions and Terms of Reference (TOR) of the agreement.
- (b) "Organisation/consultant" means any entity or person or associations of person who have been shortlisted to make presentation for providing consultancy Services to Ministry of Coal and eventually undertake the consultancy task.
- (c) "Agreement" means the Contract signed by the Parties and all the attached documents and the Appendices.
- (d) "Project specific information" means such part of the Instructions to Organisation/consultant used for reflecting specific project and assignment conditions.
- (e) "Personnel" means professionals and support staff provided by the Organisation/consultant or by any sub-organisation/consultant and assigned to perform the Services of any part thereof.
- (f) "Proposal" means the Technical Proposal and the Financial Proposal.
- (g) "RFP" means this Request for Proposal prepared by the Ministry for the selection of Organisation/consultant.
- (h) "Assignment/job" means the work to be performed by the Organisation/consultant pursuant to the Agreement.
- (i) "Sub-Organisation/consultant" means any person or entity with which the Organisation/consultant subcontracts any part of the Assignment/job.

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## Section C :

### Background :

Soon after nationalization of Coal sector, Government of India formed Coal India Limited (CIL) as a holding company in November, 1975 with five subsidiary companies based on geographical location of coalfields including one company exclusively for mine planning and designing. Subsequently, from the administrative point of view the subsidiaries were reorganized by splitting some of the areas in their geographical boundaries and seven producing subsidiaries were formed from the initial four producing subsidiary companies in addition to the already existing planning and designing institute. Details of the organisation and its activities may be seen at the website of Coal India Ltd. ([www.coalindia.in](http://www.coalindia.in)).

Since establishment of CIL in 1975, there have been significant changes in the energy policy of the country particularly after the onset of economic liberalization in the early 1990s. The coal sector has been partially opened for private investment limited to captive consumption and coal development policy has evolved over a period of time leading to doing away with the administrative price mechanism/decontrol of coal price and distribution, empowerment of performing public sector coal companies, etc. The Planning Commission and a number of high level committees including Expert Committee on Road Map for Coal Sector reforms also known as T.L. Shankar Committee recommended restructuring of CIL keeping in view the rapidly increasing demand for coal and the need for enhancing coal production and to make the coal industry competitive in the rapidly changing economic scenario.

## Section D:-

### Information to be submitted by bidders

1. Name of the Organisation  
Nature of Firm/Company etc.
2. Year of Establishment



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3. Address and Contact Number  
with name of contact person
4. Key In-house personnel  
(Professionals only with details  
of qualifications and experience)
5. Experience of the Organisation  
in related areas
6. Annual Turn-over (last three financial years)
7. Brief of Major Consultancy Assignments  
Undertaken in last three financial years  
(Indicate name of client, nature of work etc.)
8. Suggestions on the objectives and  
Scope of work projected in the enquiry

### Section E :-

#### Scope of consultancy / Terms of Reference of the Consultant (TOR) :-

In light of the above, it has been proposed to take up a study for restructuring of Coal India Limited to address the following issues with a view to strengthen coal development in the country.

- (i) To examine the recommendations of various Committees and the Planning Commission regarding the need for restructuring of CIL;
- (ii) To assess the effectiveness of the current management structure in meeting the objectives of the Company enunciated in the Articles of Association;
- (iii) To assess the need for restructuring of CIL in light of the avoidance of drawbacks inherent in a monopolistic situation and requirements of the Company Law and SEBI regulations and tax laws;
- (iv) To assess the scope for improving competition amongst coal mining companies which should improve production and marketing with the special emphasis on customer satisfaction.

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(v) To assess the need for evolving administrative structures which would promote capability enhancement in individual companies to undertake planning and implementation of innovative technologies;

(vi) To assess the current financial strengths and scope for better investment plans for enhanced production with suitable administrative control; and

(vii) To Prepare a Road Map for smooth transition towards proposed Restructuring.

### Section-F

**Transaction of Government Business in respect of Coal and lignite are as below :-**

Ministry of Coal Development (Koyala Mantralaya) –

The Ministry of Coal is responsible for development and exploitation of coal and lignite reserves in India. The subjects allocated to the Ministry which include attached and sub-ordinate or other organizations including PSUs concerned with their subjects under the Government of India (Allocation of Business) Rules, 1961, as amended from time to time, are as follows:

- Exploration and development of coking coal and non-coking coal and lignite deposits in India.
- All matters relating to production, supply, distribution and prices of coal.
- Development and operation of coal washeries other than those for which Department of Steel (ISPAAT Vibhag) is responsible.
- Low Temperature carbonization of coal and production of synthetic oil from coal.
- Administration of the Coal Mines (Conservation and Development) Act, 1974 (28 of 1974).
- The Coal Mines Provident Fund Organization.
- The Coal Mines Welfare Organization.

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- Administration of the Coal Mines Provident Fund and Miscellaneous Provision Act, 1948 (46 of 1948).
  - Administration of the Coal Mines Labour Welfare Fund Act, 1947 (32 of 1947).
  - Rules under the Mines Act, 1952 (32 of 1952) for the levy and collection of duty of excise on coke and coal produced and dispatched from mines and administration of rescue fund.
  - Administration of the Coal Bearing Areas (Acquisition and Development) Act, 1957 (20 of 1957).
  - Administration of the Mines and Minerals (Development and Regulation) Act, 1957 (67 of 1957) and other Union Laws in so far the said Act and Laws relate to coal and lignite and sand for stowing, business incidental to such administration including questions concerning various States.
- (ii) Annual Report of 2012-13 available on the website of Ministry.

### Section G

The Consultancy Firms/ Organisations capable of taking the job of providing consultancy for restructuring of Coal India Limited (CIL), a Maharatna Public Sector Undertaking of Govt. of India. The Consultancy Firm/Organisation should have at least 10 years of experience in providing consultancy to governments/public sector organisations/MNCs in energy sector, coal mining, Government policy issues, management consultancy and corporate restructuring.

The details of experience required and the broad objective and scope of work were put on the web site of the Ministry of Coal, Govt. of India ([www.coal.nic.in](http://www.coal.nic.in)).

### Section H.

In response to EOI issued by MOC, the Following seventeen Firms had submitted EOI :

No.	Name of the Applicant Agency
1.	JPS Associates (P) Ltd.
2.	Deloitte Touche Tohmatsu
3.	IMC Group Consulting Limited
4.	Mckinsey & Company
5.	A.T. KEARNEY LIMITED
6.	SBI CAPITAL MARKETS LTD.
7.	IL&FS Energy Development Company Limited
8.	Infosys Limited
9.	Mazars Advisory Pvt. Ltd.
10.	Ernst & Young Pvt. Ltd.

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11.	Agricultural Finance Corporation Ltd.
12.	KPMG Advisory Services Pvt. Ltd.
13.	ICICI Securities Limited
14.	CRISIL Limited
15.	Feedback Infrastructure Services Pvt. Ltd.
16.	Infraline Technologies (India) Pvt. Ltd.
17.	SPA Capital Advisors Ltd.

02. Out of above seventeen firms /organization /companies, following Nine firms /companies have qualified for the next stage of bidding:-

Sl. No.	Name of the Applicant Agency
1.	Deloitte Touche Tohmatsu India Pvt. Ltd.
2.	IMC Group Consulting Limited
3.	Mckinsey & Company
4.	A.T. KEARNEY LIMITED
5.	Mazars SAS Advisory Pvt. Ltd.
6.	Ernst & Young Pvt. Ltd.
7.	KPMG Advisory Services Pvt. Ltd.
8.	ICICI Securities Limited
9.	CRISIL Ltd.

03. This invitation to respond to the RFP is open to the above nine firms /company meeting all of the requirements stated in this Section.

04. An interactive meeting under the Chairmanship of Additional Secretary(C) with the representatives of above nine firms and Sr. officers of MOC was held on 22<sup>nd</sup> May, 2013.

### Section I : General guidelines

#### 1. Introduction :

1.1 Ministry of Coal will select a consulting firm/organisation (the Organisation/consultant) from the bids received in response to the RFP as per the objectives laid down in Section E above.

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- 1.2 The name of the Assignment/job shall be "Consultancy for restructuring of Coal India Limited " Detailed Scope of consultancy and TOR of RFP are given in Section E of the RFP.
- 1.3 The date and time for submission of the proposals have been given in the para 1 to 6 of schedule of activities of RFP.
- 1.4 The selected proposal will be the basis for contract negotiations and ultimately for a signed Contract with the selected firm/consultant.
- 1.5 Organisation/consultant shall bear all costs associated with the preparation and submission of their proposals and contract negotiation. The Ministry is not bound to accept any proposal and reserves the right to annul the selection process without assigning any reason(s), at any time prior to Contract award, without thereby incurring any liability to the Organisation/consultant.

## 2. Clarification and Amendment of RFP Documents

- 2.1 Interested Organisation/consultant may request a clarification on any clause of the RFP documents in writing upto 12<sup>th</sup> July,2013 or by e-mail to Sri D.N Prasad, Adviser(projects) (e-mail address : [advp.moc@nic.in](mailto:advp.moc@nic.in)) . A Bidder's meeting will be conducted at 3 PM in the office of Shri D.N Prasad Adviser (P) Ministry of Coal, Shastri Bhavan, New Delhi on 16<sup>th</sup> July,2013 to provide clarifications to the written queries and also present the expectations. It may be noted that the Ministry is not bound to respond to all the queries raised by a prospective respondent without assigning any reason. No written reply to the queries will be made by the Ministry. The Ministry would endeavor to provide clarifications to all valid queries raised during the pre-bid meeting. No separate request for clarification in this regard will be entertained by the Ministry. Should the Ministry deem it necessary to amend the RFP as a result of a clarification, it shall do so following the procedure under **Para 2.3** below. The clarifications provided in the pre-bid meeting will be tabulated and placed in the website for the

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guidance of all bidders. No separate written communication would be sent to any individual bidder.

- 2.2 Interested bidders, who attend the pre-bid meeting might be invited to give a presentation to the Committee entrusted with the responsibility for Organisation/consultant selection. The schedule for presentation, if any would be put up on the website of the Ministry. Please note the Ministry would not be incurring any liability towards the cost of such travel, documentation or non receipt of intimation etc.
- 2.3 At any time before the submission of proposals, the Ministry may amend the RFP by issuing an addendum. The addendum shall be notified in the website of the Ministry. To enable the Organisation/consultant to take into account the impact of the amendments in their proposals, the Ministry may, at its sole discretion, extend the deadline for submission of proposals.

### **3.0 Conflict of Interest**

- 3.1 The Ministry requires that Organisation/consultant provide professional, objective, and impartial advice and at all times hold the Ministry's interests paramount, strictly avoid conflicts with other Assignment(s)/Job(s) or their own corporate interests and act without any expectations/consideration for award of any future assignment(s) from the Ministry and/ or from Coal India Limited or any of its subsidiary company.
- 3.2 Without limitation on the generality of the foregoing, Organisation/consultant, and any of their affiliates, shall be considered to have a conflict of interest and shall not be engaged under any of the circumstances set forth below.

(i) **Conflicting Assignment/job:**

An Organisation/consultant (including its Personnel and Sub-Organisation/consultant) or any of its affiliates shall not be hired for any Assignment/job that, by its nature, may be in conflict with another

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Assignment/Job of the Organisation/consultant to be executed/being executed for the same and/or for another Employer during the currency of the assignment.

(ii) Conflicting Relationships :

An Organisation/consultant (including its Personnel and Sub-Organisation/consultant) that has a business or family relationship with a member of the Ministry's employee who is directly or indirectly involved in any part of :

- (a) the preparation of the scope and intent of Consultation of the Assignment/job.
- (b) the selection process for such Assignment/job, or
- (c) supervision of the Contract,

shall not be awarded a Contract, unless the conflict stemming from this relationship has been resolved in a manner acceptable to the Ministry throughout the selection process and the execution of the Contract. The respondent to RFP is expected to provide complete details of the Ministry's employees associated with the organization/consultant in any manner whatsoever. In case the information is Nil, explicit mention should be made in this regard.

- 3.3 Organization/consultant have an obligation to disclose any situation of actual or potential conflict that impacts their capacity to serve the best interest of the Ministry or that may reasonably be perceived as having this effect. If the Organization/consultant fails to disclose the said situations and if the Ministry comes to know about any such situation at any time, it may lead to the disqualification of the Organization/consultant during bidding process or the termination of its Contract during execution of assignment.
- 3.4 Employees of the Ministry shall not work as, for or be a part of the firm of Organisation/Consultant.

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## 4. Proposal

- 4.1 Time frame for the task:- Total duration of the assignment is six months. Draft study report should be submitted to the Ministry within 4 months from the date of award of the Consultancy.
- 4.2 No organization/Consultant shall submit more than one proposal. If an Organization/Consultant submits or participates in more than one proposal, such proposals shall be disqualified. A proposal submitted independently and another under consortium arrangement would tantamount to two proposals and both would be rejected.
- 4.3 The Proposal and the documents submitted by the Organization/consultant shall be generally held to be available to the public under the Right to Information Act. unless the organization/consultant specifically mentions in the proposal that the proposal and documents submitted along with the proposal should not be shared under the Right to the Information Act. However, the decision of the Ministry as required under law in this matter shall be final.

## 5. Proposal Validity

The Proposal must remain valid for 120 days after the submission date. During this period, Organization/consultant shall maintain the availability of professional staff nominated in the Proposal and also the financial proposal unchanged. The Ministry will make its best effort to complete negotiations within this period should the need arise the Ministry may request Organisation/consultant to extend the validity period of their proposals. Organisation/consultant who agree to such extension shall confirm that they maintain the availability of the Professional staff nominated in the Proposal, or in their confirmation of extension of validity of the Proposal, Organisation/consultant could submit new staff in replacement, which would be considered in the final evaluation for contract award. Organisation/consultant who do not agree have the right to refuse to extend the validity of their Proposals. The Ministry would treat such



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proposals as withdrawn and shall not consider the same for further evaluation.

### **6. Sub-Organisation/Consultant**

In case an interested eligible Organisation/consultant intends to associate with other Organisation/consultant and/or individual expert(s), such other Organisation/consultant and/or individual expert(s) shall be subject to meeting the eligibility criteria set forth in the RFP.

### **7. Preparation of Proposals**

7.1 The Proposal as well as all related correspondence exchanged by the Organization/consultant and the Ministry shall be written in English language, unless specified otherwise.

7.2 In preparing their Proposal, the Organisation/consultant are expected to submit in detail the documents comprising the RFP. Material deficiencies in providing the information requested may result in rejection of a Proposal.

#### **Technical Proposal:-**

7.3 The Technical proposal shall provide the information indicated in the following paragraphs from (a) to (i).

- a) A brief description of the organization/consultant's organization and in the case of a consortium/joint venture, of each partner.
- b) Details of experience of assignments which are similar to the proposed assignment/job as per the scope and intent of Consultancy. Information should be provided only for those Assignment/jobs for which the Organisation/consultant was legally contracted 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 Organization/consultant or that of the Organization/consultant's associates, but can be claimed by the Professional staff themselves in

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their CVs. Details of the 'Deal Team' indicating the names areas of expertise, details of work done etc. by each person and the number of man-days for which his services will be required. A written consent from the each of the 'Deal Team' members, indicating availability for the consultancy, must be attached.

- c) Organization/consultant should be prepared to substantiate the claimed experience along with the proposal and must submit letter of award/copy of contract/Project Completion Letter as proof for all the assignments mentioned in the proposal.
- d) The Organization/consultant should clearly indicate the support services required from the Ministry for carrying out the activity.
- e) A description of the approach methodology and work plan for performing the Assignment/job covering the following aspects :
  - (i) Approach and major thematic areas
  - (ii) Activities proposed to be undertaken
  - (iii) Team composition and assignment of work
  - (iv) Proposed engagement & networking with relevant organizations and institutions.
- f) Activity Chart with clear time lines.
- g) For each Activity indicated, the deliverables to the Ministry or actions required from the Ministry would also be provided in the proposal.
- h) The Organisation/consultant should clearly indicate the deliverables output emerging out of and as envisaged in the TOR.
- i) Any other compelling recommendations.

### 8. Financial Proposals

- 8.1 The total fee (Lump Sum) in INR shall be quoted by the bidder. Foreign exchange component if any shall form a part of the lump sum bid in INR. Travelling expenses, if any, and other such add on through a part of the "Lump Sum" bid should be indicated separately for the purpose of comparison/evaluation.

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- 8.2 Terms of payment may be quoted. These should be subject to final negotiation with the selected company.
- 8.3 The financial proposal shall not include any conditions attached to it and any such conditional financial proposal shall be liable for rejection.
- 8.4 Payment will be made after deducting Tax Deductible at Source as per applicable Tax Laws.
- 8.5 No additional expenses would be paid for personnel, if any who are required to come from outside India.

### 9.0 Earnest Money Deposit (EMD)

- 9.1 An Earnest Money Deposit of Rs. 1 lakhs (One lakhs), in the form of DD drawn in favour of the Pay and Accounts Officer, Ministry of coal, and payable at New Delhi must be submitted along with the Proposal.
- 9.2 Proposals not accompanied by EMD shall be rejected as non-responsive.
- 9.3 No interest shall be payable by the Employer for the sum deposited as earnest money deposit.
- 9.4 No bank guarantee will be accepted in lieu of the earnest money deposit.
- 9.5 The EMD of the unsuccessful bidders would be returned back within one month of signing of the contract with the selected company.
- 9.6 The EMD shall be forfeited by the Ministry of Coal in the following events.
  - (i) If Proposal is withdrawn during the validity period or any extension agreed by the consultant thereof.

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- (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 negotiations (failure to arrive at consensus by both the parties shall not be construed as withdrawal of proposal by the consultant).

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

- 10.1** The original proposal both Technical and Financial Proposals shall contain no interlineations or overwriting, except as necessary to correct errors made by the Organization/consultant themselves. the person who signed the proposal must initial such corrections.
- 10.2** An authorized representative of the Organization/consultant shall initial all pages of the original Technical and financial Proposals. the authorisation shall be in the form of a letter or in any other form demonstrating that the representative has been duly authorized to sign and shall be enclosed to the Proposal.
- 10.3** The signed Technical and Financial Proposals shall be marked "ORIGINAL". 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 name of the Assignment/job. The soft copies of the Technical and Financial proposals MUST be inserted in the relevant envelopes. However, only the written submissions will be the valid document in case of a dispute. the envelopes containing the Technical Proposal and the Financial Proposal shall be placed in an outer envelope and sealed. This outer envelope shall be

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superscripted " Restructuring of Coal India Limited" and addressed to :

Shri D.N Prasad  
Adviser (Projects), Room No.309-A  
Ministry of Coal, Shastri Bhavan, New Delhi.

- 10.4** The Ministry 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 a cause 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.
- 10.5** The sealed envelope containing the proposals shall be received at the address given in paragraph 10.3 above not later than 12 Noon on 15<sup>th</sup> July,2013 and the Technical Bids will be opened at 3 PM on the same date and venue in the presence of representatives of the consulting firms who wish to witness. No separate intimation in this regard will be made by the Ministry unless there is change in the schedule. Such intimation, if considered desirable shall be notified on Ministry's website. Any proposal received by the Ministry after the deadline for submission shall be returned unopened.
- 11. Proposal Evaluation**
- 11.1** The proposals received within the prescribed time limit shall be evaluated on a scale of 100 points, with maximum 70 points for technical proposal and 30 points for the financial proposal. The bidder securing the highest combined marks in both technical and financial proposal ( $H_1$ ) shall be offered letter of invitation to finalise the terms.
- 11.2** The responses will be opened first for scrutiny of technical proposal in order to ascertain whether the prospective organization/consultant meets the eligibility criteria in terms of the following criteria :

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- (a) Clarity regarding Coal industry, problems, strength and challenges and also clarity of its existing organization structure of Coal India and its strength and weakness– 15 marks.
- (b) Professional capability in terms of team manpower assigned for the tasks - 10 marks.
- (c) Experience in developing or analyzing regulatory frameworks - 5 marks.
- (d) Ability to network and assemble information / data from relevant organizations / institutions. – 10 marks.
- (e) Expertise in the subject areas. - 20 marks :
- (f) Track record and credentials in the last five years- 10 marks

**11.3** At the stage of technical evaluation, the financial proposal will remain unopened.

**11.4** Only those respondents who score minimum 42 marks out of 70 marks under section 10.2 above of technical evaluation will be declared as technically qualified respondents. The Ministry will notify the technically qualified respondents on completion of the exercise.

**11.5** Financial proposals of only those firms who are technically qualified shall be opened in the presence of representatives of the eligible Organisation/consultant who choose to attend. The Ministry shall inform the date, time and place of opening of the Financial Proposals to all eligible organisation/consultant after completion of the evaluation of the Technical

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Proposals. The financial proposals of respondents declared unsuccessful during technical evaluation will be returned to them unopened.

**11.6** The method for awarding points for the financial proposal (maximum of 30 marks) will be as follows :

- (i) The minimum lumpsum fees quoted by a qualified respondent would carry 30 marks, i.e.  $L_1 = 30$  marks.
- (ii) Any other lumpsum fees amount quoted (higher than  $L_1$  fees) would be given marks proportionately as per the given formula :

Marks for any other lumpsum fees higher than  $L_1 = (L_1 / L) \times 30$

e.g. if the lumpsum fee quoted by the organization A, amongst the financial proposals submitted by the qualified technical proposals is the lowest at Rs.100, the organization A will be awarded 30 marks for the financial evaluation. An organization B quoting Rs.150 as lump sum fees would be awarded 19.9 marks ( i.e.  $100/150 \times 30$ )

**11.7** From the time the Proposals are opened to the time the Contract is awarded, the Organization/consultant should no contact the Ministry or any of its officers/employees of representatives on any matter related to its Technical and/or Financial Proposal with a view to influence the Ministry in the examination, evaluation, ranking of Proposals, and recommendation for award of Contract. Such an effort shall result in the rejection of the Organization/consultant's Proposal.

**11.8** In case of discrepancy between amount in words and figures, the former will prevail.

**11.9** The Ministry reserves the right to negotiate the price and terms of assignment with H1 (arrived after combining the assigned marks of technical and financial evaluation)

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11.10 The Ministry reserves the right :

- a) to accept or reject any or all the proposals at any time during the process.
- b) to engage a organization/consultant for the entire project or only for one or more segments of the project.

11.11 If the organization/consultant that is selected after the process fails to perform the task as indicated in their response to RFP, it may be debarred from bidding for any assignment with the Ministry for a period of five years from the date on which it is notified to the Organization/consultant.

### 12. Contract finalization

12.1 The Ministry and the selected Organization/consultant shall finalise the terms of contract to be executed through mutual discussions. the Ministry shall have the right not to enter into the contract with the Organization/consultant if the Organization/consultant is unable to provide the Professional staff assured in the Technical Proposal. In such an eventually the Ministry reserves the right to reject the proposal and considered the next best respondent.

12.2 The Ministry will not consider substitution of professional staff during contract negotiations unless both parties agree that undue delay in the selection process makes such substitution unavoidable or for reasons such as long leave, death or medical incapacity or if the professional staff has left the organization/consultant. Any proposed substitute shall have equivalent or better qualifications and experience than the original candidate and be submitted by the Organization/consultant within the period of time specified.

### 13. Payment terms.

Following phasing of payments shall be applicable;

1. Mobilisation of Admn = 25%
2. Submission of Draft Report = 50%



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- 3. Submission of Final Report = 15%
- 4. Upon approval/acceptance of Report = 10%

All the payments for the job completed by the organization/consultant awarded the contract shall be based on submission of bills, subject to the condition that the Ministry may hold back 10% of the bill amount for payment as final settlement on the completion of the project.

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