

# Orissa State Renewal Fund Society

*(A Society under the Department of Public Enterprise, Government of Orissa)*

\*\*\*\*\*

## Advertisement for Engagement of Management Consultant Firm

Orissa State Renewal Fund Society (OSRFS), a society under the Department of Public Enterprises (DPE), Government of Orissa (GoO), will engage a Management Consultant (MC) Firm, for a period of five years for providing technical assistance to the Society as well as DPE for management and implementation of PE Reform programme.

Offer is invited from interested MC firms of national/ international repute in two separate sealed covers. The MC firm must have experience in management and implementation of Public Enterprise reform programme in Indian State (s) or at national level. The MC firm is required to provide a team of specified positions of qualified consultants to be based at Bhubaneswar for the duration of the assignment.

For submission of offer for the assignment, Principal Tasks & criteria for short-listing Management Consultant Firm and other details, please visit our website: <http://orissa.gov.in/publicenterprises.index.htm>.

Firms wishing to provide management consultancy should submit their offer with clear Capability Statement. Five hard copies of the completed and compliant technical proposal and one copy of financial offer should be submitted in two separate sealed cover to the address below, within 60 (sixty) days from the date of publication of this advertisement. The technical proposal should include- turnover and experience of the firm, CVs of core consultants and panel of consultants. The financial offer of only technically qualified firms will be opened.

The OSRFS reserves the right to reject the proposal or bid or offer without assigning any reason thereof at any stage of the process.

Additional Secretary to Government

Department of Public Enterprises and Member-Secretary, OSRFS

Orissa Secretariat, Bhubaneswar - 751 001

Phone: 0674- 2390303

Fax: 0674- 2391981

E-mail - [dpesec@ori.nic.in](mailto:dpesec@ori.nic.in)

## **Advertisement for Engagement of Management Consultant Firm**

### **01 Background**

An MoU was entered into by Government of Orissa with Department of Economic Affairs, Government of India on 11 October 2001 to act jointly to enable the Orissa Government to achieve fiscal sustainability in accordance with the Orissa Medium Term Fiscal Reform Programme (MTFRP). The Orissa Public Enterprise Reform Project (OPERP) is one of the vital components of the Orissa Public Sector Reform Project (OPSRP). The OPERP was implemented since 1999 in two phases with DFID assistance to reduce fiscal burden, increase allocation of public resources for priority sector development by the principle of optimum utilization of scarce public resources and to create more employment opportunities. Besides, implementation of PSUs reform had a human face like safety net programme for the redundant workers adversely affected due to Enterprises restructuring, privatisation and also due to closure. The OPERP was closed on 31 December 2008.

To continue with the pace of reform and also to implement the next generation reform, the Government of Orissa set-up the Orissa State Renewal Fund Society (OSRFS), which will function till 31 March 2014 and can be extended , if Government desires.

Department of Public Enterprises (DPE), Government of Orissa is the “Nodal Department” for implementing decisions relating to Privatization/ Restructuring of State Public Sector Undertakings through support of OSRFS. The Management Consultant (MC) Firm will be appointed to assist DPE in undertaking the following principal tasks under OSRFS.

### **02 Principal tasks of Management Consultant Firm**

The Management Consultant Firm will be required to undertake the following principal tasks during the period of assignment

1. Advise and assist the OSRFS in carrying out the business keeping in view its stated objectives:
  - a) To undertake such activities that will reduce the overall dependence of PSUs on the state exchequer in terms of investments, equity, grants, guarantees, direct indirect and hidden subsidies etc.,
  - b) To take up measures that will result in yielding better returns for the Government’s investments in PSUs

- c) Continuation of the restructuring programme already underway including the key work streams of VRS/ VSS, restructuring, privatizations and closure of enterprises,
  - d) To take steps for increased compliance of state PSUs on corporate governance;
  - e) Ensure implementation of the Cabinet approved restructured plans for the core enterprises so that the gains of OPERP are not reversed;
  - f) To carry forward the residual tasks of the Social Safety Net Programme so that the enterprise reform does not lose its humane face;
  - g) To provide post privatization support to the transferees of the PSUs so that the processes of economic activity set in motion gather further momentum;
  - h) To provide legal support to the various processes of privatization/ closure and on employees dues so as to minimize the risks from legal threats;
  - i) To continue the processes of separation of redundant employees, privatization and closure of unviable PSUs;
2. Provide support on the overall strategy of implementation as well as monitoring of overall Public Sector Enterprise Reforms as well as OSRFS.
  3. Support implementation of corporate governance practices, guidelines for functional autonomy to the State PSUs as per prevalent best practices.
  4. In case of enterprises to be restructured should suggest appropriate financial, organizational and business process restructuring and develop a suitable business model to ensure commercial viability, post-restructuring. The plan should also contain the projected business plan for the enterprise over a period of 5 years. The sequence of restructuring and timetable for implementation of the reform plan should be clearly laid down with monitorable quarterly milestones.
  5. In case of enterprises to be divested, the MC will suggest necessary restructuring which should precede sale. Further the MC will suggest the appropriate method of divestment after conducting appropriate options study and also lay down a clear timetable for divestment. The MC will

assist OSRFS/ DPE in selection of Advisors for individual transactions, wherever necessary.

6. The MC will facilitate the asset sale and closure of defunct units. This will include conducting liquidation procedures for individual enterprises and assisting the OSRFS/ DPE in broader institutional reform to ensure an effective & efficient system of privatization of closed and defunct enterprise.
7. The MC will assist the OSRFS/ DPE in administering VRS in the enterprises selected.
8. The MC will assist the OSRFS/ DPE in planning, re-designing and administering the Social Safety-Net Programme (SSNP).
9. The MC will assess and quantify the benefits resulting from the reform process and provide information that assists DPE in monitoring outputs and impact committed in the log frame relating to the programme. The MC will also facilitate a baseline of the social and economic background of employees to be separated and monitor impact of separation.
10. The MC will advise the OSRFS/ DPE and continue with the momentum of the PE Reform programme already implemented.
11. The MC will advise the OSRFS/ DPE on the matter of legal challenges arising out of implementation of activities of OSRFS.
12. Assist OSRFS and DPE in any other activity as may be required from time to time.

### **03 Personnel**

The MC should have the following consultants/ personnel for the specialized activities. The core team on full time basis will comprise Strategic Advisor, Corporate Governance Advisor, Legal Advisor, Human Resource Advisor and an Office Manager. One of the core consultants would function as Team Leader, who will be the contact person between the MC firm and DPE/ OSRFS.

In addition to the above positions, it will provide Finance Advisor, Monitoring Advisor, Information Technology & Accounts Advisor, Transaction Advisor, Market Analyst and for such other activity as may be required by the Department of Public Enterprises, from a pool of consultants, not exceeding 10 (ten) disciplines. They will be provided by the MC on a need basis with the approval of DPE.

#### **04 Terms & Conditions**

- The MC firm cannot sub-contract any task/ assignment to any other firm/ agency.
- The MC firm should give the details of its clients (contact person & contact numbers) for the last five years, so that DPE has the option to verify the firm's performance and credibility.
- No consortium of firms is allowed and the interested MC firm should bid for the assignment in its sole capacity.

#### **05 Basis of Evaluation of the offer**

1. Years of business experience of the firm;
2. Turnover of the firm (should not be less than Rs. 3.00 crores per annum during the three years: 2006-07, 2007-08 & 2008-09 from consultancy services);
3. Experience in undertaking similar tasks for large institutions including Government;
4. Experience in similar works in India, preferably in Orissa State;
5. Availability of qualified professionals to undertake the work;
6. Methodology for the assignment.

#### **06 Non-refundable fee**

Pay order/ Bank draft of Rs. 10,000/- (Rupees Ten thousand only) should be submitted along with the offer, payable at Bhubaneswar in favour of "Orissa State Renewal Fund Society".

#### **07 Submission of Proposal**

Firms wishing to provide management consultancy should submit their proposal in writing (hard/paper copy) in two parts, i.e., (i) technical offer (Annexure-1, 2 & 3) and (ii) financial offer (Annexure-4) in separate sealed envelopes to the address below, within 60 (sixty) days from the date of publication of this advertisement. The financial offer of only the technically qualified firms will be opened.

The first envelope shall contain:

- (i) Five hard copies of the technical offer.

Non-refundable application fee in shape of pay order/ Bank draft of Rs. 10,000/- (Rupees Ten thousand only) payable at Bhubaneswar in favour of "Orissa State Renewal Fund Society" .

- (ii) The second envelope shall contain the financial offer proposal as per the proforma provided at Annexure-4.

The OSRFS reserves the right to reject the proposal or bid or offer without assigning any reason thereof at any stage of the process.

Additional Secretary to Government  
Department of Public Enterprises and Member-Secretary, OSRFS  
Orissa Secretariat, Bhubaneswar - 751 001  
Phone: 0674- 2390303  
Fax: 0674- 2391981  
E-mail - dpesec@ori.nic.in

**Proposal for engagement as Management Consultants Firm for OSRFS**  
(To be forwarded on the letterhead of the interested companies submitting proposal)

Reference No..... Date

To

The Additional Secretary to Government  
Department of Public Enterprises and Member-Secretary, OSRFS  
Orissa Secretariat  
Bhubaneswar- 751001

**Sub: Proposal for engagement as Management Consultants for OSRFS.**

Sir,

This is with reference to your advertisement dated..... inviting proposal for engagement as Managing Consultants for OSRFS. We have read and understood the details of the tasks and are desirous of performing in the above assignment, and for this purpose:

We hereby submit our proposal on behalf of ..... (insert name of the Company). Our company satisfies the eligibility criteria set out in relevant sections of the advertisement issued and certify that we have not been convicted by a Court of law or indicted or adverse orders passed by a regulatory authority which would cast a doubt on our ability to provide such service.

We further certify that no investigation is pending either against us or against our sister concerns or against our CEO or any of our Directors/Managers/ employees.

We shall be glad to receive further communication on the subject.

Yours faithfully,

Authorized Signatory  
(For and on behalf of the Company)

Enclosures:

1. Statement of Legal Capacity (*Annexure-2*)
2. Request for Qualification (*Annexure-3*)

Statement of Legal Capacity

*(To be forwarded on the letterhead of the interested Company submitting proposal)*

Reference No..... Date

To

The Additional Secretary to Government  
Department of Public Enterprises and Member-Secretary, OSRFS  
Orissa Secretariat  
Bhubaneswar- 751001

**Sub: Invitation of proposal for acting as Managing Consultants for OSRFS.**

Sir,

This is with reference to the advertisement dated \_\_\_\_\_ inviting proposal for acting as Managing Consultants for OSRFS. We have read and understood the contents of the advertisement and pursuant to this hereby confirm that we satisfy the eligibility criteria laid out in the advertisement.

Yours faithfully,

Authorized Signatory  
(For and on behalf of the Company)

**Proforma for Technical Proposal**

(To be submitted in respect of interested Companies)

Name of the interested Company.....

1. Constitution (Tick, wherever applicable)
  - i) Public Limited Company
  - ii) Private Limited Company
  - iii) Others, if any (Please specify)
2. Sector (Tick, wherever applicable)
  - i) Public Sector
  - ii) Private Sector
3. Nature of business:
4. Date of commencement of business:
5. Full address including phone No./ fax No:
  - i) Registered Office:
  - ii) Head Office:
6. Address for correspondence
7. Turnover achieved for the last five years:
8. Experience in undertaking similar tasks for large institutions including Government.
9. Experience in similar works in India, preferably in Orissa State.
10. Availability of qualified professional to undertake the work (CVs of core and non-core consultants to be attached as per the requirement mentioned in the Advertisement).
11. Methodology (separate statement to be attached not exceeding 20000 words which should contain inter alia the understanding of the tasks and the contribution of the MC Firm towards their achievement)
12. Contact Person(s):
  - i) Name:
  - ii) Designation:
  - iii) Phone No.:
  - iv) Mobile No.:
  - v) Fax No.:
  - vi) Email:

Yours faithfully,

Authorized Signatory  
(For and on behalf of the Company)  
Place:  
Date:

*Note: Please follow the order adopted in the Format provided. If the interested party is unable to respond to a particular question/ request, the relevant number must be nonetheless be set out with the words " No response given" against it.*

Proforma for Financial Proposal

Contract for: Engagement as Management Consultant for OSRFS

1. Consultants inputs and fee rates

Name and position	Description	No. of days	Rate	Total fees (INR)
Total projected consultants input and fee costs:				Rs.

2. Projected Reimbursable Costs

Projected reimbursable costs should be shown separately in the format set out below using separate sheets to provide full details under each heading. Unit prices should be quoted for such items as air fares (stating the class of fare envisaged), subsistence, property rents and local transport.

	No	Class	Rate	Cost (INR)
Fares Domestic		Economy		
Other travel costs (specify)				
Vehicle Rental for Local Travel				
Sub Total				
Subsistence person/days				
Sub Total				
Accommodation person/days				
City 1. Person				
City (specify)				
Sub Total				
Communication including telephones and postage				
Documentation and reporting including computing expenses				
Any other (Specify)				
Total projected reimbursable costs:				Rs.

Total projected contract cost: (1) + (2)	Rs.
--	-----