

Request for Proposal for Appointment of Consultant for Formulation and implementation of Business cum Development Strategy & Organisational Restructuring - SIDBI Vision 2.0	 भारतीय लघु उद्योग विकास बैंक	Issue Date: September 29, 2017
<b>PRE-BID CLARIFICATIONS</b>		

Pre-bid meeting for the aforesaid RfP was held at SIDBI Office Premises at 11 AM on October 13, 2017. Based on the queries received from the prospective bidders and discussions with the bidders during the meeting, following clarifications / Corrigendum may please be noted.

**I – Responses to Pre-bid queries**

<b>SIDBI Vision 2.0- Pre-Bid Queries</b>		
Clause / Section of RfP	Clarification sought	Reply of SIDBI
Section 3.1	Articulation of revenue or profit aspirations under SIDBI 2.0 and the timeline	The overall exercise is expected to result in transformation of the Organisation and lead to inter-alia improved business profile. Thus, revenue and profit are integral part of the exercise.
Section 3.1:	<b>Validation of internal concept on SIDBI Vision 2.0:</b> <ul style="list-style-type: none"> <li>- Whether the validation shall be based on Consultant knowledge and the Vision document only</li> <li>- Whether interviews by consultant with SIDBI board and management are to be done?</li> </ul>	Yes. Interviews would need to be conducted with various stakeholders including SIDBI Board & Management.
Section 3.1:	<b>Partnerships and Linkages is emerging as important area:</b> Whether consultant will be required to scan the market, understand the possible partnership opportunities across the value chain, help in prioritisation and interaction with these partners. Whether implementation is out of scope of RfP ?	Both formulation & implementation are part and parcel of the scope of SIDBI Vision 2.0
Section 3.1.3:	Details of the scope of the <b>Next Generation Credit Capabilities</b>	The scope may include, inter-alia, shifting from extant lending models to alternate models based on proxy indicators / parameters so as to achieve efficiency and economies of scale. It would entail credit processes, technology required, partnerships,

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		sourcing arrangements and skill requirements which need to be detailed by the Consultant taking into account SIDBI Vision 2.0
Section 3.1.4	Expectation from the consultant under this clause	The consultant is expected to undertake both business design and UI / UX design
Section 3.1.4	Introducing an Aggregator platform or marketplace may require additional regulatory licenses as these businesses are regulated by RBI through separate Regulations. Is the regulatory and corporate structuring included as part of scope?	The requisite regulatory requirement could be suggested by the Consultant, which the Bank would be taking up separately. Thus, the consultant is to provide structuring accordingly. Incidentally, SIDBI has come out with another RfP UdayamiMitra 2.0 in this regard.
Section 3.1.6	<b>Are subsidiaries in scope of engagement?</b> Is consultant expected to review them with respect to relationship with SIDBI 2.0 program only or specifically look at strategies for growth in these subsidiariess	Relationship of subsidiaries with SIDBI needs to be reviewed so as to leverage their strengths to achieve SIDBI Vision 2.0. However, the growth strategy of the subsidiaries also needs to be looked into so that they can significantly add value to the overall objective of SIDBI. Detailed action plans for Subsidiaries would be prepared by respective organizations.
3.1.6	Whether scope includes assisting SIDBI in creating new subsidiaries?	Creation of new subsidiaries and / or review of the existing subsidiaries to achieve the goals of SIDBI Vision 2.0 are within the Scope of RfP.

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3.1.7	Whether the transaction of stake sale / purchase is included in the scope of work?	While actual transaction is outside the scope, the Consultant need to suggest the different ways, (including public listing) in which SIDBI may achieve the objectives as per 3.1.7
3.1.8.d	Whether this RfP includes the scope of previous RFP i.e. "Request for Proposal For Appointment of Consultant for Process Documentation and Business Process Re-engineering (BPR)" released on 25th May 2017	SIDBI Vision 2.0 is a broad canvass and not necessarily focussed only on BPR. As detailed in the Terms of Reference, the Consultant needs to effectively suggest ways and means for the Organisation to transform itself to achieve Vision 2.0, which may also include restructuring, Process re-designing etc.
<b>Generic:</b>	Whether the Scope includes the following : Designing analytics model Recruitment and Hiring Performance evaluation of current staff Technology Implementation.	The Vision document expects Transformation of SIDBI, which may require suggestive structure for the organisation, process re-design, to build capabilities and resources to execute the vision. Thus, the Vision document also includes designing analytics models, suggestive plans for recruitment / hiring, indicative Performance evaluation methods, need based technological implementation.
Section 3.3:	What sort of implementations are in scope of current program?	The Scope of the RfP consist of two parts (i) suggest the strategy for SIDBI Vision 2.0 (ii) Implement the specific

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		action points as per suggested strategy.
Section 4.1	Removal of profitability criteria	No modification proposed
Section 4.1 Page No 19	1. (Sr.No.2) Clarify, whether the consultant should have provided consulting services to atleast 1 Indian Public Sector Bank / Private Sector Bank/ Foreign Bank / Financial Institution / NBFC during <b>each</b> of the last 5 years. 2. (Page No.21 - Note (g)) Whether the Completion letter / Client reference letter will be adequate for client certificates	1) Consultant should provide necessary documents / engagement letters / completion certificates which indicate that firm was engaged in Consultancy services throughout the last 5 years. 2) Please refer to the <b>Corrigendum</b>
Page No 20 Section 4.1	Clause no.5 - Clarification in respect of financial Results :- (a) Following Financial year other than April to March (b) Non-availability of audited Financials for FY 17	In case of Audited results of FY 2016-17 not being available, the bidders may submit the copy of Provisional results certified by the statutory / tax auditor of the firm, along with audited results of preceding 3 years. Please refer to the <b>Corrigendum</b>
Page No 20 Section 4.1	Clause No.9 – Whether PAN card copy could be submitted instead of CIBIL report	Yes. Necessary documents required to extract CIBIL report is acceptable
Clause 6.3 i.e. Technical Evaluation	Clarify the following : § Team composition including Number of resources to be deployed on the project including senior, middle and junior resources	The discretion of team composition has been rested with the Consultant with specification for a team of atleast 4 qualified professionals with judicious mix of Senior, Middle and Junior executives

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	§ Job description of resources proposed to be deployed on the project (including total no. of years of experience, relevant experience and qualification etc.) for each of the resource  § Division of total marks as per the resource hierarchy i.e. senior, middle and junior	<ul style="list-style-type: none"> <li>• Evaluation shall be based on the adequacy of resources, their qualification and relevant experience.</li> <li>• Taking into account the nature of assignment, the Consultant is expected to deploy the best possible resource.</li> <li>• No specific division of marks for hierarchy proposed</li> </ul>
6.3	Clarify the following :	
	· No. of relevant projects that the bidder is required to showcase to gain maximum marks	Relevance of the experience of completed projects to the proposed assignment would be a key parameter.
	· Bifurcation of total marks on the basis of no. of projects	Not stipulated
	· Whether on – going projects shall also be considered as a part of evaluation.	It is proposed to consider only completed project for evaluation.
Section 6.3	Modify the experience requirement to reflect the best practices in respect of Development Finance Institutions.	No change in the parameter proposed. However, relevance to the proposed assignment and introduction of best practices from India / Globally would be factored into during evaluation process.
Section 6.3	Include the relevant experience of working with Global / International Development Finance Institutions as part of consulting firm's experience.	
Clause 6.3 page 27	<b>Clarification:</b> Request to modify Annexure VIII. Instead of exact names of the Team members, indicative list of profiles may be permitted for submission.	This criteria being one of the parameters of Technical Evaluation, specific names as indicated in the format may be provided.  No modification proposed

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Section 6.3 Page No 28	To consider experience with Small Finance Banks and Payment Bank for the Technical evaluation criteria	No modification proposed
6.3 - Annexure III page 58	<b><u>Request for amendment of Annexure-III</u></b> (reference letter “not older than 1 month”):- Request to consider past reference letters in lieu of Annexure-III	<ul style="list-style-type: none"> <li>• In case of non-availability of reference letters of recent date, the letters / Certificates issued earlier could be accepted.</li> <li>• However, the Annexure-II to the RfP has to be submitted with contact details of the senior Executive of the Client (Name, Contact Number, email-id).</li> </ul> Please refer to the <b>Corrigendum</b>
6.4	Revise the evaluation to 70:30 techno-commercial.	No modification is proposed.
Clause 7.4, page 32	SLA / NDA - modifications	No modifications proposed at this stage.
Clause 7.7 i.e. Payment Terms	Request to provide: <ul style="list-style-type: none"> <li>• Specific milestones / deliverables</li> <li>• Timelines associated with the milestones / deliverables</li> <li>• Details of Payment linked with the milestones/ deliverables</li> <li>• The benchmark for measuring growth and profitability, basis on which the payment shall be made</li> </ul>	As indicated in Clause 3.4 of the RfP, milestones would be defined in the SLA and payments shall be linked to the milestones (payable quarterly)
Clause 7.8 page 34	Request for removal of Clause 7.8 point (iii)	No modification is proposed
Clause 7.8, page 33 & 34	Request to delete the paragraph “ <i>Notwithstanding whatsoever stated in para above, if the selected Consultant fails to adhere to the time schedule or fails to complete the due performance of the obligations under this RFP as per the Bank’s satisfaction, then the Bank</i> ”	No modification is proposed

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	<i>can repudiate the contract and recover 20.00% of the contract value as penalty from the selected Consultant "</i>	
7.9	Whether exemption letter of non-deduction of TDS is acceptable	Acceptable as per extant TDS guidelines
7.9	Relaxation of Eligibility Criteria – Minimum turnover requirement	No modification proposed
Clause 7.14 i.e. Workspace and administrative requirements	Clarify whether the cost of intercity / intra city travel undertaken by the selected consultant will be on actual or to be included in the total cost of consultancy · Indicate the list of locations / cities to be covered under the assignment	No separate travel costs are to be considered. The costs is to be inbuilt in the total cost of the Consultancy Indicative list of locations / cities is as under : <ul style="list-style-type: none"> <li>• Mumbai</li> <li>• Lucknow</li> <li>• New Delhi / NCR</li> <li>• Ahmedabad</li> <li>• Jaipur</li> <li>• Chennai</li> <li>• Kolkata</li> </ul> It may undergo some changes at the time of SLA.
Modification in Clauses	Request for modification in Clause 7.16, 7.17, 7.18, 7.25, 7.33, 7.36	No modification proposed at this stage

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**II – Corrigendum / Modified Clauses / Reference**

Reference clause in RFP	Clause as appearing in the RfP uploaded in SIDBI Website	Proposed Amendment
4.1 Eligibility : Sl.No.5	<p>The Consultant should have average positive profit in the last three consecutive financial years (2014-15, 2015-16 and 2016-17). The profitability at Profit Before Tax levels would be considered for evaluation.</p> <p><b><u>Supporting Documents to be submitted</u></b>            Certified copies of audited Balance sheet and Profit &amp; Loss OR Certificate from auditor certifying the average positive Profit Before Tax for the last three consecutive years</p>	<p>The Consultant should have average positive profit in the last three consecutive financial years (2014-15, 2015-16 and 2016-17). The profitability at Profit Before Tax levels would be considered for evaluation.</p> <p><b><u>Supporting Documents to be submitted</u></b>            Certified copies of audited Balance sheet and Profit &amp; Loss OR Certificate from auditor certifying the average positive Profit Before Tax for the last three consecutive years            In case of Audited results of FY 2016-17 are not available; the bidders may submit the copy of Provisional results certified by the Statutory / Tax Auditor of the firm alongwith audited results of preceding 3 years.</p>
4.1 Eligibility Note (g)	<p>Completion Letter / Reference Letter (Format given in Annexure III) from relevant Senior Executive of the client to be attached for each engagement reference mentioned.</p>	<p>Completion Letter / Reference Letter (Format as given in Annexure III) from relevant Senior Executive of the client to be attached for each engagement reference mentioned.</p> <ul style="list-style-type: none"> <li>• In case of non-availability of reference letters of recent date, the letters / Certificates issued earlier could be accepted.</li> <li>• However, the Annexure-II to the RfP has to be submitted with contact details of the senior Executive of the Client (Name, Contact Number, email-id).</li> </ul>

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