CHENNAI METRO RAIL LIMITED

TENDER DOCUMENT

FOR

RISK MANAGEMENT CONSULTANCY

Tender No. CMRL/FINANCE/2016

Dated. 26.12.2016

Pre-Bid Meeting	:	**17th January 2017 at 15:00 hrs**
Opening Date of submission of tender	:	**23rd January 2017**
Last Date & Time of submission of tender	:	**Up to 14:00 hrs on 27th January 2017**
Opening Date & Time of tender	:	**31st January 2017 at 14:30 hrs**

NOTICE INVITING TENDER

CHENNAI METRO RAIL LIMITED

TENDER FOR RISK MANAGEMENT CONSULTANCY

1. BACKGROUND

Chennai Metro Rail Limited (CMRL), hereinafter referred to as the Client, is the Special Purpose Vehicle of the Government of Tamil Nadu and the Government of India for implementation of Phase 1 of the Chennai Metro Rail Project. The GoI and GoTN have approved a Metro Rail project for Chennai in January 2009 with a total budget of INR 14600 crores. Stage 1 and 1A sections have been partly opened up for public utility .

CMRL intends to invite tenders to carry out a detailed study of various risks involved in the project construction and operation of Metro Rails by CMRL and submit a detailed Enterprise Risk Management Report to address the ways to mitigate the effect of various risks identified.

2. PURPOSE

The purpose of the assignment is to establish and a risk management policy for CMRL, after identifying various risks involved in the construction and operation of Metro rail network established and run by CMRL.

- This inter-alia involves the establishment of enterprise wide risk management policy (ERM) framework to make the ERM Programme effective, operational and sustainable across CMRL.

- and the establishment of department level Risk Registers after successfully identifying, assessing and evaluating business risks, and further facilitate the prioritization of the identified risks and the development of the mitigation plans.

To carry out above assignment CMRL invites tenders from suitable Risk management Consultancy firms to carry out above assignment for CMRL.

3. ELIGIBILITY CRITERIA:

Firms must meet the following minimum qualifying criteria:

Sl No	Criteria	Supporting document required to be submitted
1	The bidder should be a registered company/ Partnership firm/ LLP/ having expertise in the field of preparation of Risk Management Policy. They should be having an office located in Chennai.	A copy of memorandum of association and article of association for registration under the company act should be enclosed. In the case of any other form of organization, a copy of the "Registration document" creating the organization, duly certified by the Chief Officer of the organization is to be attached.
2	The bidder should have average annual consultancy turnover , for last three financial years as mentioned below:- a. Company Rs.5 crore b. Firm Rs 20 Lakh	Copies of audited Profit & loss account and Balance Sheet of bidder should be enclosed. These are to be certified by a Chartered Accountant, indicating his Membership and Certificate of Practice Registration Numbers.
3	1.Bidder, during last four financial years should have conducted Risk Management assignments of value of minimum Rs 5 Lakh in at least 3 reputed companies. 2.Bidder, during last four financial years, should have conducted at least 1 (One) Risk Management assignments with a listed company/PSU whose gross asset was not less than Rs. 1000 crore. 3.Having strong domain experience in Transportation, Infra structural, and in Metro rail project will be an added advantage	Copy of relevant work order issued by client should be enclosed. Documentary evidence of client's turnover should be enclosed
4	The bidder should offer a project team consisting of in-house Project Manager(Risk Expert), and team members having Chartered Accountancy /MBA (Insurance) /Cost Accountancy / Engineering degree of an institute of repute qualification	Copies of documentary Evidence of working experience issued by HR department, duly attested by the authorized officer of the tenderer is to be submitted.

	with five years experience in Risk Advisory Assignments	
5	The proposed team leader for the assignment should have a minimum working experience of ten years in consultancy jobs and out of ten years he should have at least one year experience in Risk Management assignment during last three years.	Copies of documentary Evidence of working experience issued by HR department, duly attested by the authorized officer of the tenderer is to be submitted.
6	The team must have at least one other member having minimum five years experience as Senior Consultant other than Team Leader.	Copies of documentary Evidence of working experience issued by HR department, duly attested by the authorized officer of the tenderer is to be submitted.

Any firm not qualifying these minimum criteria need not apply and their proposal shall be summarily rejected.

Supporting Documents for Eligibility Criteria:

All the documents listed out in the above table under the coloumn" Supporting document required to be submitted" are to be submitted by the firm along with the technical proposal.

4. TERMS OF REFERENCE (ToR)

The entity-level risk assessment would include, but not limited to the following categories of risks faced by CMRL:

- Strategic Risks;
- Reputational Risks;
- Operational Risks;
- Project Risks;
- Financial Risks;
- Marketing Risks;
- Transportation Risks;
- Regulatory Risks;
- Compliance Risks;
- Information Technology Risks

5. SCOPE OF THE WORK

The scope of work is to develop enterprise wide risk management policy (ERM) for CMRL. The scope of work will cover all desired aspects and issues regarding Risk Management so that leading/ best practices related to ERM are evolved at CMRL.

This scope inter-alia includes:-

1. Develop the ERM Framework. The ERM framework should at the minimum include:
   - Risk Policy
   - Process for Risk Identification
   - Risk Categorisation
   - Risk Quantification and Prioritisation
   - Risk Monitoring and Reporting
   - Risk Review Mechanism
   - Risk Organization Structure
2. Develop comprehensive risk profile of CMRL
3. Quantify and prioritise various risks of CMRL
4. Suggest a suitable risk mitigation plan
5. Presentation to senior management of CMRL
6. Training in final risk policy to select senior management team of CMRL

This assignment of Risk Management Consultancy will be done by adequately qualified/ experienced Risk Management person.

6. RISK MANAGEMENT REPORT

Following shall be covered in the Risk Management Report:-

- Policy and Procedure for conducting Risk Management for CMRL
- Risk Organization Structure
- Risk Assessment Criteria Matrix
- Process of Risk Identification
- Process of Risk prioritization:
- Risk monitoring and reporting templates.

7. PERIOD OF COMPLETION AND SUBMISSION OF REPORT

The successful bidder should take all care to complete the assignment within a period of Ten Weeks from the date of issue of LOA.

Sl No.	Stage of completion	Time-line
1	Inception meeting	T
2	Submission of inception report along with ERM framework	T+1

3	Submission of comprehensive risk profile of CMRL	T+4
4	Submission of draft risk policy as per the ToR	T+6
5	Presentation to CMRL	T+8
6	Submission of final risk policy	T+9
7	Training in final risk policy to select senior management team of CMRL	T+10

8. OTHER TERMS AND CONDITIONS:

1. Firms selected by CMRL shall maintain ethics of faith and the information provided by CMRL shall be kept 'strictly confidential'. The firm shall execute "Confidentiality Non-Disclosure Agreement" before commencement of the Assignment.
2. The selected consultancy firm shall deploy adequate number of personals meeting the criteria laid down in Para 3 above. The firm shall furnish the list of personnel deputed for CMRL assignment before commencement of the work. Except as CMRL may otherwise agree, no change shall be made in the approved list of personnel. If for any reason beyond the reasonable control of the Consultancy Firm, it becomes necessary to replace any of the Personnel, the Firm shall forthwith provide as a replacement, a person of equivalent or superior qualification/ experience with the prior approval of CMRL.
3. In case of any dispute, the decision of MD, CMRL shall be final and binding.
4. All assignments shall be carried out with due diligence maintaining quality of work done and in least possible time.
5. CMRL reserves the right to cancel selected firms, if it considers necessary.
6. In case of non satisfactory performance of the Consultancy Firm, CMRL will be entitled to cancel the assignment without any obligations.
7. The successful firm shall not be entitled to claim any additional amount for any reason whatsoever for the above work.
8. The CMRL reserves the right to reject any or all offers received without assigning any reasons.
9. These are only proposed draft terms and conditions and can be modified at any time by the CMRL at its sole discretion.

9. CONTENTS OF THE TENDER PROPOSAL

This is a two bid open tender. Tenderer has to submit the offer in two different packets. One packet will be for technical bid packet 'A' and another packet will be for financial bid as packet 'B'. The packet 'A' shall be superscripted as "Technical & Commercial Cover" and the packet 'B' shall be superscripted as "Financial Bid". Both the covers should be in sealed condition and placed in a larger

cover which should be superscripted with the tender No. CMRL/FINANCE/2016. The tender shall be addressed to Advisor (Finance) , CMRL.

(i) Technical bid (Packet A) will be opened on due date (as per Notice for Invitation of Tender). This packet must contain the following:

a. All the supporting documents as listed out in Para 3 above to assess the eligibility criteria/technical evaluation shall also be furnished.

b. A proposed plan of action to complete the above assignment .
c. A list of references of Risk Management assignments;
d. The curricula vitae of the team members who will carry out the assignment.
e. Finally, all the supporting documents as listed out in Para 3 above to assess the eligibility criteria/technical evaluation shall also be furnished.

(ii) Financial bid (Packet B) will be in the separate sealed envelope, which will contain

a) Price bid as per Forms Fin 1 and Fin 2
b) In case tenderers' bid disqualifies technically, bidders' unopened financial bid will be returned in sealed intact condition.

10. FINANCIAL PROPOSAL (TENDER PRICE)

The Financial Proposal (tender price) is to be in Indian currency and must include applicable taxes and the firm must complete the price table as in Fin 1 and Fin 2 for The quoted tender price shall be valid for a period of 120 days from the opening date of tender. The price is firm and fixed.

11. STAGE PAYMENT OF FEES

Fee for the above assignment would be paid as per the following schedule:-

Sl No	Stage	Payment %
1	On submission of Comprehensive Risk Profile of CMRL: 30%.	40
2	On submission of Final Risk Policy: 40%.	40
3	On completion of Training of CMRL Management team of CMRL.	20

12. PENALTY

Penalty equivalent to 0.5% of the Fee would be levied for non completion of assignment and non submission of Risk Management Final Report for every week of delay. This is subject to the maximum of 10% of the Consultancy Fee.

CHECKLIST:

The following checklist is intended to help the tenderers in submitting offer which are complete. An incomplete offer is liable to be rejected. Tenderers are advised to go through the list carefully and take necessary action.

S.No.	Description	Yes	No
1.	Certified copy of the Memorandum of Association & Articles of Association/ Registration document of the organization to be submitted.		
2.	Attested Copies of the Audited Balance Sheets and Profit & Loss Accounts for the last three years viz.2013-14, 2014-15 and 2015-16 to be submitted.		
3.	Attested copies of relevant work orders issued by the clients to be enclosed.		
4.	Documentary evidence of the turnover of the respective client to be enclosed.		
6.	Attested copies of documentary evidence of Qualifications and working experiences of the members of the project team, issued by HR department , duly authorized by the tenderer to be submitted.		
7.	Copies of documentary evidence of Qualifications and working experience of the team leader issued by HR department , duly authorized by the tenderer to be submitted.		
8.	Declaration of staff strength indicating the qualification, membership numbers and years of experience of the staff members of the organization to be furnished along with technical bid		
9.	Any other document which the tenderer considers relevant		

Form FIN-1: Financial Proposal Submission Form

Date

To:

Chennai Metro Rail Limited,
Administration Building,
Chennai Metro Rail Depot,
Poonamallee High Road, Koyambedu,
Chennai 600 107.

Dear Sirs:

We, the undersigned, offer to provide the Risk Management Consultancy Services for Chennai Metro Rail Limited in accordance with your Request for Proposal dated [*Insert Date*] & its addendum. Our attached Financial Proposal is for the sum of [*Insert amount(s) in words and figures*[1]]. This amount is inclusive of all the taxes, cess duties and levies..

Our Financial Proposal shall be binding upon us subject to the modifications resulting from Contract negotiations, up to expiration of the validity period of the Proposal as mentioned in para 10 above.

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

We remain,

Yours sincerely,

Authorized Signature [*In full and initials*]: _____

Name and Title of Signatory: _____

Name of Firm: _____

Address: _____

Form FIN-2: BREAK UP OF FINANCIAL PROPOSAL QUOTED

Item	Price	
		Indian Rupees
Total Price of Financial Proposal inclusive all local taxes, duties, fees, levies ,other impositions.		
Service tax in INR[1]	%	
Total price of Financial Proposal inclusive of all taxes (i.e., local taxes, duties, fees, levies ,other impositions and service taxes included)		

Note :

1. The service tax shall be reimbursed separately at actuals. If there is any increase or decrease in the service taxes due to change in applicable law during the currency of contract, such additional or reduced cost shall be paid by or credited to CMRL.

2. The Consultancy firm shall indicate the local taxes, duties, fees levies etc except service tax including percentage of taxes considered in their financial proposal in a separate format.

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