

Ref. Tender No. BGL/553/2022-23 , dated 30.07.2022

Sub: Tender for Engagement of Consultant for Business Process Re-Engineering

CORRIGENDUM/ADDENDUM-03

Sl.no.	Vol & Section	Page no	Clause /Description	Bidder Queries	BGL Remarks / Clarifications
Technical Queries					
1	Replies to pre-bid queries	13 of 14	Point 4. – Clause no. 7 under Terms of payment (d) : Realization of Benefit amount shall be said to have been achieved on successful execution of the proposal and increase in profit for consecutives 6 (six) months.	Bidder requested to please delete the clause as the benefit accrued through an initiative could have seasonality but profitable in a longer time period like overall annual benefit.	Refer Annexure - 1 to Corrigendum03
2	Replies to pre-bid queries	16 of 18	Point 6. Under section Scope of Work: The project envisages the Benefit (Increase in Profit and Reduction in Costs) of minimum Rs. 15 Crores within 18 months period.	Bidder requested to clarify on the significance of achieving minimum 15 Cr. of benefit within 18 months.	Refer Annexure - 1 to Corrigendum03
3	Vol. I of II Section-I, BEC	15 of 86	QCBS – 2.3.1, 2.3.2, 2.3.3, 2.3.4 and 2.3.5: 2.3.1 Gas sourcing, sales / trading, marketing and pricing of CNG / PNG / Petroleum products 2.3.2 Energy and fuel cost analysis, O&M cost of major equipment 2.3.3 CGD installations & network – CNG stations, PNG Network; Gas Pipelines- steel, MDPE. CAPEX 2.3.4 Treasury / Cost structure / Overheads; C&P and Inventory Controls 2.3.5 F&S, HR, Finance and other operations	Bidder requested to align the clauses 2.3.1, 2.3.2, 2.3.3, 2.3.4 and 2.3.5 with the levers identified in Vol II of II, page no. 17, Levers for profit maximization. 1. Corporate Governance Framework 2. IT Systems 3. Gas sourcing and Pricing 4. Marketing and Sales 5. Optimizing Finance, C&P and Costs The given levers in the current QCBS are missing specialists from Corporate Governance and IT systems who will be crucial during project implementation.	Refer Annexure - 1 to Corrigendum03

4	Vol. II of II Section-8, Scope of Work	18 of 26	Detailed Scope of work: Optimizing the Corporate Governance Framework, clause (a): Revisiting the segments agreement, Joint Venture Agreement, AOA, service agreements, etc. for optimization, redrafting and recommending the best practices, if required including legal vetting of these.	Bidder requested to delete the underlined highlighted text in the clause description “if required including legal vetting of these.” Further, it is informed that vendor has received communication from The Bar Council of Delhi mandating us not to practice law or get engaged in providing legal advice (which includes legal vetting) to clients. Bidder referred following links (available in public domain and for your reference only) which talks more about this subject. Links of articles available in public domain: Bar Council of Delhi directs KPMG, PwC, E&Y, Deloitte not to practise law: https://www.business-standard.com/article/companies/bar-council-of-delhi-directs-kpmg-pwc-e-y-deloitte-to-not-practice-law-119050300266_1.html Delhi Bar Council directs E&Y, Deloitte, PwC and KPMG to refrain from practising law: https://www.businesstoday.in/latest/corporate/story/delhi-bar-council-ey-deloitte-pwc-kpmg-practising-law-193847-2019-05-05	Refer Annexure - 1 to Corrigendum03
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5	general		The project envisages the Benefit (Increase in Profit and Reduction in Costs) of minimum Rs. 15 Crores within 18 months period. This will be in the form of Quick-Win Benefits of at least Rs. 10 Crores to be realized within 9 months of the start of the project with almost negligible investment and at least another Rs. 15 Crores in next 9 months with minimal investments. (Fetching at least 14% IRR for long term returns post tax paid by BGL).	Bidder suggested that another 15 crores to be reworded as a total of 15 crores (including 10 crores of Quick -wins)	Refer Annexure - 1 to Corrigendum03
6	Replies to pre-bid queries	14 of 18	Implementation Phse 1 - Realization of Quick-Win Benefits of at least Rs. 10 Crore in comparison incremental profit to FY 21-22.	Bidder suggested to reword as below : Rs. 10 crore gains as 5 year NPV benefit. Benefits post implementation, to be monitored for 2 months by a BGL appointed committee, post which benefit to be considered deemed implemented	Refer Annexure - 1 to Corrigendum03
7	Replies to pre-bid queries	14 of 18	Implementation Phase Part 2 (a): Minimum 10 nos. of initiatives to BGL from identified levers for realizations of other benefits of at least of Rs. 100 Crores per year average enhancement in projected revenue for FY 23-24 to FY 28-29 (5 Financial years) in comparison to FY 21-22.	Bidder suggested to reword as below : Rs. 100 crores revenue enhancement on a 5 year NPV basis Benefits post implementation, to be monitored for 2 months by a BGL appointed committee, post which benefit to be considered deemed implemented	Refer Annexure - 1 to Corrigendum03
8	Replies to pre-bid queries	14 of 18	Implementation Phase Part 2 (b): Successful implementation pilot project atleast of three initiatives from suggested implementation phase 2 (a), till FY 24 – 25 estimated realizations of other Benefits of at least Rs. 15 crores or IRR of 14% in comparison to profit of FY 21-22.	Bidder suggested that Benefits of atleast 15 crores(to be considered on a 5 year NPV basis)	Refer Annexure - 1 to Corrigendum03

9	General		General	<p>Bidder suggested that the tender be split into separate tenders for Profit Maximization and Diversification. The immediate need of the organization is profit maximization. That should be retained in the current tender. The activities such as corporate governance, diversification, reverse merger with parent company and policies should be moved to a 2nd separate tender, as some of these are not aligned with the end objective of the tender – to improve immediate profit.</p>	Tender condition prevails
	Commercial				
10	Vo I of II	2 of 86	<p>Due Date & Time of submission of bid : extended till 23.09.2022 at 1500 hrs (IST) Date & Time for Opening Un-Priced Bids: extended till 23.09.2022 at 1600 hrs (IST)</p>	<p>Bidders requested for estention of bid due date for on more week.</p>	<p>Dates shall be read as : Due Date & Time of submission of bid : extended till 30.09.2022 at 1500 hrs (IST) Date & Time for Opening Un-Priced Bids: extended till 30.09.2022 at 1600 hrs (IST)</p>

Annexure-I

CORRIGENDUM/ ADDENDUM-03 dtd. 23.09.2022

Subject: Engagement of Consultant for Project Profit Maximization at BGL (Bid document ref: BGL/553/2022-23, dtd. 30.07.2022)

This has reference to tender document no. BGL/553/2022-23 for the above subject requirement.

The subject tender is modified to the following extent: -

- 1. Clause no. 3 (Evaluation of Financial Bids) under Volume I of Bid document sub-section - Quality and Cost Based Selection (QCBS) on page no. 14-17 the mentioned below may be read as:**

Sr. No.	Criteria / Particulars	Weightage	Limits/ Values	Unit
	Key Personnel / Specialist to be engaged with BGL in this assignment	30		
2.1	Experience of Team-Leader in Oil & Gas Sector/Energy/Utility/CGD industry who will be engaged with BGL for this project	7	>=15 : 7 >=10 : 5 <10 : 0	Years
2.2	Experience of Domain Expert across sectors for Profit Maximization Projects	7	>=15 : 7 >=10 : 5 <10 : 0	Years
2.3	Experience of the respective Specialists in the Oil & Gas Sector/Energy/Utility/CGD industry in the following 5 Levers, who will be engaged with BGL for this project:	16		Years
2.3.1	Corporate Governance and IT System	4	>=8 : 4 >=6 : 3 =5 : 1 <5 : 0	Years
2.3.2	Gas sourcing, sales / trading, marketing and pricing of CNG / PNG / Petroleum products	4	>=8 : 4 >=6 : 3 =5 : 1 <5 : 0	Years
2.3.3	CGD installations & network – CNG stations, PNG Network; Gas Pipelines- steel, MDPE. CAPEX, energy and fuel cost analysis, O&M cost of major equipment	4	>=8 : 4 >=6 : 3 =5 : 1 <5 : 0	Years
2.3.4	Treasury / Cost structure / Overheads; C&P and Inventory Controls	2	>=6 : 2 =5 : 1 <5 : 0	Years
2.3.5	F&S, HR, Finance and other operations	2	>=6 : 2 =5 : 1 <5 : 0	Years

2. **Clause no. 3 (Contract Period and Completion period) under Section SCC on page no. 4 – 6 and Time Schedule for Implementation Phase on page no 6 may be read as:**

Implementation Phase	
Implementation Phase Part 1	Realization of Quick-Win Benefits of at least Rs 10 Crore within 9 months from date of work order on 5 years NPV basis discounted at rate of 12% per annum. Benefits post implementation will be monitored for 3 months by EIC of the tender, post which benefit to be considered deemed implemented.
Implementation Phase Part 2 (a)	Successful submission of minimum 10 nos. of initiatives to BGL from identified levers for realizations of other benefits of at least of Rs. 100 Crores per year average on 5 years NPV basis discounted at rate of 12% per annum enhancement in projected revenue for FY 23-24 to FY 28-29 (5 Financial years) in comparison to FY 21-22.
Implementation Phase Part 2 (b)	Successful implementation pilot project atleast of three initiatives from suggested implementation phase 2 (a), till FY 24 – 25 estimated realizations of other Benefits of at least Rs. 15 crores on NPV basis discounted at rate of 10% per annum or IRR of 14% in comparison to profit of FY 21-22 5 years NPV basis discounted at rate of 12% per annum.

3. **Under Section Scope of Work - (Objective, paragraph 3) may be read as:**

The project envisages the Benefit (Increase in Profit and Reduction in Costs) of minimum Rs. 15 Crores within 18 months period on 5 year NPV basis discounted at rate of 12% per annum. This will be in the form of Quick-Win Benefits of at least Rs. 10 Crores to be realized within 9 months of the start of the project with almost negligible investment and at least another Rs. 5 Crores in next 9 months with minimal investments on 5 years NPV basis discounted at rate of 12% per annum or fetching at least 14% IRR for long term returns post tax paid by BGL 5 years NPV basis discounted at rate of 12% per annum.

4. **Under Section Scope of Work - (Optimizing the Corporate Governance Framework) may be read as:**

i) Revisiting the segments agreement, Joint Venture Agreement, AOA, service agreements, etc. for optimization, redrafting and recommending the best practices, if required including legal vetting of these (in case, if consultant has been advised to not practice law by Bar council of India and by producing successful document or discretion of EIC of the tender, BGL in consultation with consultant will consider the same for same).

5. **Clause no. 7 (Terms of Payments) under SCC on page no. 10-26: As per corrigendum II only to be referred.** Tender conditions and earlier Corrigendum/ Addendum prevails.

The corrigendum/addendum-03 becomes the part of the tender document and superseded all related points in Bid document & further correspondences till now and must be submitted along with the offer duly signed and stamped.

All other terms and conditions of the subject tender documents remain unaltered.