

REQUEST FOR PROPOSAL (RFP)

For

CONSULTANCY SERVICES FOR UNDERTAKING A STUDY FOR THE RESTRUCTURING OF NEDFi

**QCBS
(Quality cum Cost Based Selection)**

RFP Ref No.NEDFi/HRM/2020-21/01, dated 22-10-2021

Date of Release of RFP	22-10-2021
Last Date for sale of Tender/ downloading Tender	03-11-2021 at 3:00 pm
Pre-bid Meeting	05-11-2021 at 11:00 am
Last Date for Proposal Submission	15-11-2021 before 3:00 pm
Date of Opening of Technical Proposal (EMD and Technical Proposal)	15-11-2021 at 3:30 pm
Tender Application Fee	Rs.1000/- plus GST @18% by Demand Draft in favour of "NEDFi, Guwahati"



North Eastern Development Finance Corporation Limited (NEDFi)

NEDFi House, Dispur, Guwahati-781006, Assam

Phone: 0361-2222200, website: www.nedfi.com

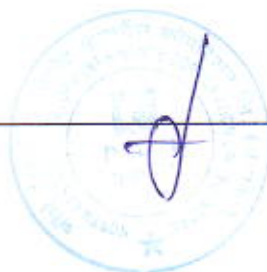


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DISCLAIMER

Information contained in this document for Request for Proposal (“RFP”) and/or subsequently provided to Tenders, whether verbally and/or in documentary form by or on behalf of North Eastern Development Finance Corporation Limited (“NEDFi”) or any of its authorized employees or advisors (collectively referred to as “NEDFi’s Representatives”), is provided to the Tenders on the terms and conditions set out in this RFP document and any other terms and conditions subject to which such information is provided. This RFP document is not an agreement and is not an offer or invitation by NEDFi to any other party. The purpose of this RFP document is to provide interested parties with information to enable formulation of their proposal.

This RFP document does not purport to contain all the information each Tender may require. The Tenders should conduct their own due diligence, investigations and analysis and should check the accuracy, reliability and completeness of the information in this RFP document and obtain independent advice from appropriate sources. NEDFi’s Representatives make 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 and concerned with any matter deemed to form part of the RFP document, award of the assignment, the information and any other information supplied by or on behalf of NEDFi or otherwise arising in any way from selection process. The prospective Tender will be responsible for all obligations to its staff, their payments, complying with provisions of law relevant for the working of the Tender’s staff.



1. Introduction

North Eastern Development Finance Corporation Limited is notified as a Public Financial Institution under Section 4A of the Companies Act 1956 and was registered as an NBFC in 2002 with RBI and was registered as an NBFC in 2002 with RBI. The management of NEDFi has been entrusted upon the Board of Directors comprising representatives from shareholder institutions, DoNER, State Governments and eminent persons from the NE Region and outside having wide experience in industry, economics, finance and management. As of September 2021, NEDFi has 16 branch offices with its head office at Guwahati, Assam.

NEDFi provides financial assistance to micro, small, medium and large enterprises for setting up industrial, infrastructure and agri-allied projects in the North Eastern Region of India and also Microfinance through MFI/NGOs. Besides financing, the NEDFi offers Consultancy & Advisory services to the state Governments, private sectors and other agencies.

The financial institutions are continuously exposed to intense pressures linked to market forces, customer expectations, globalisation, cost reduction, digitization, regulations and the specifically the ability to change constantly to achieve a competitive advantage.

In this context, NEDFi invites interested Tenders to submit their technical and financial offers in quality and cost-based selection (QCBS) for *“Undertaking a study for the restructuring of NEDFi”*, in accordance with the scope of work, conditions and manner prescribed in this Request for Proposal (RFP) document.

2. Broad Scope of Services for the Consultant

2.1 Objective

NEDFi was incorporated in 1996 with a mandate for industrial and infrastructural development in the North Eastern Region (NER). The Corporation is currently facing certain challenges as listed below:

- a) Scaling up operations of the Organisation and transforming itself as a major financial development institution in the North East India amidst intense competition from Commercial Banks and NBFCs.
- b) Ability to raise funding from the market at competitive rates
- c) Improving Asset Quality and Operational profitability
- d) Availability of high skilled resources
- e) Lack of structured marketing and promotion



Some of the problems /issues hampering the growth and scale up NEDFi's operation are given as under.

- Loan portfolio size is not grown over the last three years (consolidation).
- Poor visibility of NEDFi
- Low market penetration and low market share
- Limited geographical outreach
- High cost of operation (mainly due to high employee cost)
- Limited source of cheap fund (dependent mostly on interest free loan from M-DONER)
- Low adoption of digital technology
- Lack of clear road map for short, medium long term plan
- Lack of proper marketing strategies and branding
- Lack of proper organization structure for optimal use of Human Resources.
- Lack of decentralization and strengthening of Branch Offices (specially state capital).
- High Turnaround time in loan sanction and disbursement
- Lack of proper loan monitoring mechanism

In order to overcome the above challenges and transform itself into a socially relevant and efficient Development Finance Institution capable of elevating itself as a major player in the north east region, NEDFi is proposing to engage a consultant to carry out the below mentioned scope of work.

2.2 Broad Scope of Work

- a) To suggest measures to scale up the operations of the Organisation and for transformation into major development financial institution in the north eastern region.
- b) Strategy to make the organization capable to raise finance as per requirement at competitive rates from the market.
- c) To suggest ways to optimize the costs and improve profitability of the organization
- d) To suggest best practices with respect to the following after benchmarking best practices followed by other financial institutions and taking into account the emerging trends in the marketplace:
 - i) Business focus/target group & Business strategy
 - ii) Streamlining operational processes and systems
 - iii) Customer Service
- e) To prepare a roadmap and suggest a strategic plan/suitable business model for transformation of NEDFi to become a lean, adaptive and competitive financial institution.



- f) To examine the skill set of present human resources and suggest a suitable organizational structure, human resource requirement and methods to evaluate the performance of the employees to enable transformation and continued growing.

NOTE: Please refer to Para 27, for Terms of Reference indicating a more detailed Scope of Work.

2.3 Engagement Team

The Tenderer's team shall include experts and specialist in their respective areas of expertise and managerial / support staff such that the consultant should be able to complete the assignment within the specified time schedule.

The total duration of the assignment will be for a period of **15 weeks** for the submission of the final report.

2.4 Schedule Dates for Tender

- i) Last date and time for Sale of Tender/ downloading Tender { **03-11-2021 @ 3:00 PM**}
- ii) Pre-bid Meeting {**05-11-2021 @ 11: 00 AM**}
- iii) Last date and time for submission of Tender {**15-11-2021 @ 3:00 PM**}
- iv) Date and Time of opening of Cover – Part I {**15-11-2021 @ 3:30 PM**}
- v) Earnest Money Deposit: Rs.15,000/- (Refer clause 11 of RFP)
- vi) Date and Time of Opening of Financial bid – Part-II – to be intimated later to qualified bidders only.

2.5 The Tender Inviting Authority

The Tender Inviting Authority is The Chairman and Managing Director (CMD), North Eastern Development Finance Corporation Limited,(NEDFi), NEDFi House, Dispur, Guwahati-781006, Assam.

3. Qualification Criteria

Tenderer must read carefully the minimum conditions of eligibility (the “**Conditions of Eligibility**”) provided herein. Proposals of only those Tenderers who satisfy the Conditions of Eligibility will be considered for technical evaluation.

3.1 Eligibility Criteria:

Sl.No	Eligibility Criteria	Supporting documents to be submitted
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