



GAIL (India) Limited
CORPORATE OPERATIONS AND MAINTENANCE (O&M) - DEPARTMENT
NOIDA

NOIDA
05th April 2018

EXPRESSION OF INTEREST (EOI)

INVITING TECHNICAL PROPOSALS FOR ENLISTMENT OF CONSULTANTS FOR “ENGAGEMENT OF CONSULTANT FOR BENCHMARKING FOLLOW UP EXERCISE AND PROVIDING ROAD MAP FOR ACHIEVEMENT OF BENCHMARK TARGETS”

Interested reputed Consultants experienced in similar jobs are invited to submit application in prescribed format along with necessary documents in support of their technical and financial capabilities in order to get enlisted for the proposed job.

The completed Application form along with attachments in a sealed envelope super-scribed with **“Application for enlistment of Consultants for Benchmarking Follow Up Exercise and Providing Road Map For Achievement Of Benchmark Targets”** may be forwarded to the address mentioned below or the same can also be emailed to a.chopra@gail.co.in or vp04799@gail.co.in within 15 days of publication of this EOI i.e. latest by **20th April, 2018**. Application received after 20th April, 2018 will not be entertained.

Consultants applying against the EOI will be screened based on the technical proposals submitted by them in the attached template along with supporting documents. Shortlisted consultants will only be eligible to participate in the subsequent tendering process for engagement of consultant(s) for the project.

Brief Scope of work, Terms of engagement are indicated in the following sections. Detailed Scope of Work, Schedule of Rates, Evaluation Methodology, Bid Evaluation Criteria etc. will be intimated during the subsequent tendering process.

Address for Submission of Proposal & Documents

Deputy General Manager (O&M)-CO

GAIL (India) Ltd

20th Floor, GAIL Jubilee Tower

B- 35 & 36, Sector-1

Noida-201301

Uttar Pradesh, India

Email: vp04799@gail.co.in

Contact no: +91-(120) 2446400/4862400 ext.12010



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SCOPE OF WORK & SPECIAL CONDITIONS

1.0 BACKGROUND

1.1 GAIL (India) Ltd is a Central Public Sector Undertaking (PSU) under the Ministry of Petroleum & Natural Gas (MoP&NG) Government of India. GAIL operates network of Natural Gas Pipelines covering more than 11000 Km with a capacity of above 206 MMSCMD & two LPG Pipelines covering 2040 Km with a capacity of 3.8 MMTPA of LPG. Along the pipelines, there are booster/compressor stations. In addition, GAIL owns seven process plants across India for extraction of liquid hydrocarbons from natural gas and integrated petrochemical complex producing 900 KTA of polymers.

2.0 OBJECTIVE

2.1 GAIL proposes to engage a consultant for Benchmarking follow up Exercise and Road Map for Achievement of Benchmark Targets.

3.0 SCOPE OF WORK

3.1 GAIL business has undergone through major changes over the years with various activities like expansion of Pipelines, Petrochemicals, Hydrocarbon business, etc. Many External factors have also impacted the GAIL Operations like Resources, Demand, Government policies, PNGRB, Environment Policies, Competitors entry etc. Moreover, internally also GAIL functionalities have undergone many changes due to implementation of ERP, IT infrastructure, State of art technologies, Sustainability, Energy Efficiency, Quality control, Safety & Environment, Public Liability measures etc.

3.2 To estimate GAIL's position compared to best in class companies and in order to identify initiatives that GAIL could implement to stay ahead of the curve, GAIL engaged a reputed consultant to conduct thorough benchmarking studies for its various functionalities in FY 2015-16.

3.3 The consultant has done a positional analysis of GAIL with respect to the peer group. However no two units / plants or pipelines in the world are identical and therefore cannot be directly compared for operational performance as all sources of differences may not be accurately normalize-able.

3.4 As per the report submitted by the consultant engaged by GAIL for Benchmarking studies the performance level against various KPI's have been scaled between worst, median and best with respect to peer groups. The performance of GAIL has been marked at various levels lying in between the scale of worst, median & best.

3.5 GAIL has identified various KPI's for long term Benchmark targets for performance improvement and wishes to set targets based on the performance level of the best companies in the world.

- i. Initially wherever the performance of GAIL is in between peer worst and median, median value is proposed to be taken as target.



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- ii. Wherever the performance of GAIL is in between peer median and best, best value is proposed to be taken as target
- 3.6 It is most likely that many of the identified target values against the KPI's may not be achievable in view of the GAIL Pipelines and GPU's design conditions, other factors like organizational structure, demographic conditions etc. Hence GAIL proposes to engage a consultant to evaluate the achievable target values and provide a roadmap for achieving the same by adoption of the best practices in the industry around the world.
- 3.7 Following GAIL Business areas will be covered in the scope of work:
- PART 1: Natural Gas Transmission Systems (with or without compression) – Pipelines, Compressor stations, and Metering and regulation systems, Terminals etc.
- PART-2: LPG transmission systems – Pipelines, Terminals, Pumping Stations, Metering and regulation systems etc.
- PART 3: Liquid Hydrocarbon Production – Gas processing plants at Vijaipur (LPG and C2-C3 recovery plants), Gandhar and Vaghodia.
- 3.8 The detailed scope of work for the consultant will be as follows:
- i. The consultant will do as is survey with respect to the listed KPI's as per Annexure-1 and any other KPI's deemed fit for GAIL O&M and will provide the detailed gaps analysis. The instant exercise is the follow up activity of the already concluded Benchmarking exercise which was based on FY-2015-16 performance levels. On the basis of the earlier study the consultant will provide the GAP analysis based on the current performance levels.
 - ii. The consultant will evaluate the present and past performance levels against the KPI's and provide the most feasible improvement target values against these KPI's.
 - iii. The consultant will help GAIL in deciding the target to be values for achievement over a horizon of 1 to 5 years depending on the GAIL processes and procedures and adoption of best practices being followed in other companies globally. The short term targets should be defined on yearly basis along with the long term target spread over a time horizon of 2- 5 years depending on the achievability.
 - iv. Consultant will also provide / identify any other KPI that may be important for performance evaluation and not included in the identified KPI's in the goal setting exercise.
 - v. Consultant will also provide a detailed methodology for reviewing, monitoring, correction, normalization; catch up plan etc. for the KPI targets. The methodology shall also include interim review with governance mechanism for short term targets.
 - vi. The consultant will provide the target level categorized on the likeliness and difficulty level. The phased manner implementation of the target plans will be at various organizational levels.
 - vii. The consultant will provide the evaluation mechanism including the normalization factors required for assessment of the performance levels.



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- viii. The consultant will provide a detailed roadmap for achieving the long terms targets.
 - ix. The consultant will provide the details of best practices being followed in other similar industries that may be adopted by GAIL in these areas.
 - x. The consultant will provide detailed specifications / technical requirement for the recommended initiative for achieving the target values for agreed interventions by involving GAILs internal engineering design function or external engineering consultancies or external service providers through the normal procurement processes as mandated and agreed with by GAIL.
 - xi. Wherever the consultants proposes for a change in infrastructure / procedures / processes for achievement of the Benchmark targets, it will provide GAIL a detailed report on all such measures that will include the specifications / technical details / change procedures / timelines etc. by involving GAILs internal engineering design function or external engineering consultancies or external service providers through the normal procurement processes as agreed and mandated by GAIL.
 - xii. The consultant will provide detailed mapping of activities with timelines for conducting the goal setting exercise.
 - xiii. The consultant will prioritize the recommended initiatives based on the ease of implement ability and benefits to GAIL.
 - xiv. The consultant may be required to visit various GAIL sites for GAP analysis.
 - xv. The consultant shall make a detailed presentation for each case to GAIL team to understand the whole concept, advantages, benefits, financials, feasibility, constraints, limitations etc.
 - xvi. Consultant will also provide feasible best practices followed in other similar organization that may be adopted by GAIL.
- 3.9 Consultant shall submit the necessary formats in English for data collection in Soft/Electronic copy as well as one set of signed hard copy. Consultant shall appoint his nominated representative for assisting data collection from his office till the data collection is complete.
- 3.10 Methodology: The methodology for the proposed exercise will be finalized by the consultants as per the standards and practices in consultation with GAIL.
- 3.11 The Consultant shall submit necessary calculations, explanations, workings, documents in support of suggested improvements measures for verification and Assent to ideas and schemes by the Consultant, wherever applicable and requested by GAIL.
- 3.12 The Consultant will engage sufficient number of members with relevant experience for conducting the exercise.

4.0 COMPLETION SCHEDULE

12 months from the issue of Fax of Intent (FOI).



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5.0 TERMS OF PAYMENT

Detailed payment terms shall be provided in the tender document for engagement of consultants after this EOI stage.

6.0 CONFLICT OF INTEREST

GAIL policy requires that consultants provide professional, objective, and impartial advice and at all times hold the client's interests paramount, without any consideration for future work, and that in providing advice they avoid conflicts with other assignments and their own corporate interests. Consultants to be engaged for this assignment that would be in conflict with their prior or current obligations to other clients, or that may place them in a position of being unable to carry out the assignment in the best interest of GAIL, shall not be eligible to participate in this process of engagement. Without limitation on the generality of the foregoing, consultants shall not be engaged under the circumstances set forth below:

- (a) Conflict between consulting activities and procurement of goods, works or services (other than consulting services covered in the scope of present engagement): A firm that has been engaged by GAIL to provide goods, works, or services (other than consulting services covered by these Guidelines) for a project, and each of its affiliates, shall be disqualified from providing consulting services related to those goods, works or services for the Project. Conversely, a firm engaged to provide consulting services for the preparation or implementation of a project, and each of its affiliates, shall be disqualified from subsequently providing goods, works or services (other than consulting services covered by these Guidelines) resulting from or directly related to the firm's consulting services for such preparation or implementation.
- (b) Conflict among consulting assignments: Neither consultants (including their personnel and sub-consultants) nor any of their affiliates shall be engaged for any assignment that, by its nature, may be in conflict with another assignment of the consultants. As an example, consultants engaged to prepare engineering design for an infrastructure project shall not be engaged to prepare an independent environmental assessment for the same project, and consultants assisting a client in the privatization of public assets shall neither purchase, nor advise purchasers of, such assets. Similarly, consultants engaged to prepare Terms of Reference (TOR) for an assignment shall not be engaged for the assignment in question.
- (c) Relationship with Employer's staff: Consultants (including their personnel and sub-consultants) that have a business or family relationship with a member of the Employer's staff (or of the project implementing agency's staff) who are directly or indirectly involved in any part of: (i) the preparation of the TOR of the contract (ii) the selection process for such contract or (iii) supervision of such contract may not be awarded a contract, unless the conflict stemming from this relationship has been resolved in a manner acceptable to the Employer throughout the selection process and the execution of the contract.



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- (d) A Consultant, who prepares Detailed Feasibility Report (DFR) of a Project, is not debarred from participating as Project Management Consultant (PMC) for the same Project as both are services in nature.

7.0 CONFIDENTIALITY OF INFORMATION AND DATA

All information obtained by Consultant/consultant/expert during the project and all information / data / maps etc. provided by the Company to the Consultant / consultant / expert must be considered confidential and must not be divulged by the Consultant / consultant / expert or its personnel to any-one other than the Company's personnel. This obligation of Consultant/consultant/expert shall be in force even after the termination of the contract. No part of the consultancy work shall be permitted to be presented and / or published in scientific / technical papers / journals etc. without prior approval of the Company in this regard.

8.0 PRE QUALIFICATION REQUIREMENTS

8.1 Financial

The agency to be engaged through this EOI process shall be of sound financial standing evidenced by the following:

- i) The minimum annual turnover of the Consultant as per their financial results in any one of the immediate three preceding financial years (i.e. 2016-17, 2015-16 & 2014-15) shall be as under:

For Indian (Domestic) Consultants - Rs.2.2 Crores

For Foreign (Overseas) Consultants- USD 338,461

- ii) Consultant's Net worth should be positive as per the immediate preceding year's (i. e. FY 2016-17) audited financial statement.

In case the Consultant's working capital is inadequate, the Consultant should supplement this with a letter from the Consultant's bank, having net worth not less than Rs.100 Crores or US\$ 22 million, confirming the availability of line of credit to cover the inadequacy of working capital in the previous year to meet the working capital requirement.

Documentary evidence in support of the same shall be provided along with the proposal duly attested by CEO/ Authorized signatory of the company.

8.2 Technical

The Consultant must have successfully executed at least one consultancy job for Profit maximization / cost optimization / Benchmarking studies / Benchmarking target setting / Process improvement / Efficiency improvement engagements in Energy sector (oil & gas) in any Oil & Gas Industry for Govt./ PSE/ Reputed Private companies in India or abroad having a minimum value of Rs.2.2 crore (for Domestic/Indian Consultants) and US\$ 0.33 million (for foreign/overseas Consultants) in preceding five (05) years to be reckoned from bid submission date.



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Documentary evidence in support of the same shall be provided along with the proposal duly attested by CEO/ Authorized signatory of the company.

- 8.3 Applicants with qualification / experience / certifications not relevant to the current requirement of engagement shall be excluded in the screening process. Decision of GAIL in this regard shall be final and binding and no representation or correspondences will be entertained.
- 8.4 Any canvassing on the part of the applicant will make the application liable for rejection.
- 8.5 Subsequent to the above, a tender shall be issued to prequalified Consultants based on their response to EOI.



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APPLICATION FOR PRE-QUALIFICATION

1	Name of the Agency	
2	Address (HQ)	
3	Address (Consultant)	
4	Designated Person for Communication with Job Title	
5	Address of Designated Person	
	e-mail address	
	Mobile Number	
	Landline Number	
	Fax Number	
6	Pre-Qualifying Technical Requirements (Attach documents) The consultant must have successfully executed at least one consultancy job for Profit maximization / cost optimization / Benchmarking studies / Benchmarking target setting / Process improvement / Efficiency improvement engagements in Energy sector (Oil & Gas) in any Oil & Gas Industry for Govt./ PSE/ Reputed Private companies in India or abroad having a minimum value of Rs.2.2 crore (for Domestic/Indian Consultants) and US\$ 0.33 million (for foreign/overseas Consultants) in preceding five (05) years to be reckoned from bid submission date.	
7	Financial (Indicate Currency)	
	Turnover in last 3 years	
	Net Worth as on 31.3.2017	
	Attach Audited Balance Sheet – last 3 years	
8	Other information demonstrating Consultant's competence (attach documents)	Provide a list of key personnel with CVs

Place:

Date: _____

(Authorised Signatory)

Note: Documents in other than English Language shall have self-certified English translated copies.