

Request for Qualification  
(RFQ)

FOR

EMPANELMENT OF CONSULTANTS  
(Financial Advisors)



**Indian Ports Association**

1st Floor, South Tower, NBCC  
Place B. P Marg, Lodi Road  
New Delhi - 110 003  
Ph No: 011-24369061/63; Fax No: 011-24365866

INR 10,000/-

(December 2016)

**LETTER FOR ISSUE OF RFQ FOR THE**  
**“Empanelment of Consultants-Financial Advisors”**

The set of RFQ document is issued to:

Name : \_\_\_\_\_

Address :

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

The cost of the RFQ document is INR 10,000/- (Indian Rupees Ten Thousand only)

**IPA**

Signature of the Officer  
Issuing the RFQ Document:

\_\_\_\_\_

## Indian Ports Association

IPA/GAD/Consultant-FA /2016

\_\_07/12/2016

### **Notice for Empanelment of Consultants (Financial Advisors)**

Indian Ports Association has been assigned by Ministry of Shipping, Government of India with the task of preparation of panel of consultants (Financial Advisors). Accordingly, Indian Ports Association invites Requests for Qualification (RFQ) for empanelment of consultants (Financial Advisor) for evaluation of Project initiatives in Port Sector/SEZs, MMLPs. The detailed terms and conditions including evaluation criteria and application fee are available on the web site [www.ipa.nic.in](http://www.ipa.nic.in).

The schedule for receipt of the application is as follows:-

1. Submission of queries must be requested before 2.00 PM on 14/12/16
2. Pre-bid meeting 15/12/2016 at 3.00 pm (1500 hrs) at IPA, New Delhi.
3. Receipt of offers on or before 3.00 pm(1500 Hrs) on 29/12/2016
4. Opening of offers at 3.30 pm (1530 Hrs) on 29/12/2016

Reputed and interested consultants/consulting firms/consortia may download the RFQ from the above website and send in their response to the Managing Director, Indian Ports Association, 1st. Floor, South Tower, NBCC Place, Bhisham Pitamah Marg, Lodi Road, New Delhi – 110 003.

In case, if RFQ is downloaded from website, the requisite document fee of Rs. 10,000/- in the form of Demand Draft drawn in favour of Indian Ports Association shall be submitted along with bid.

\*\*\*\*\*

## **Indian Ports Association**

### **Empanelment of Consultants- Financial Advisor**

#### **1. INTRODUCTION**

Government of India is contemplating investment of more than Rs. 25 lakh crore to strengthen inland waterways, ports and rail-road links in the country. The investment is expected to create more than four crore jobs and shall increase overall profits of 12 Major Ports from Rs.6000 cr. presently to Rs 35,000-40,000 cr. in four years. It is planned to increase capacity of existing ports and to upgrade them to international standards by constructing and modernizing cargo handling system including dredging to accommodate large vessels etc. It is proposed to develop integrated eco-system with setting up of Special Economic Zones, Multimodal Logistics Parks etc. at various Ports. Majority of the development is expected to be taken by private sector under PPP Model.

#### **2. Brief Scope of Financial Advisor for PPP projects.**

Financial Appraisal and Advisory Services for bankable project development, would inter-alia, include

- Evaluation of project plans from project formulation stage for bankability of the project.
- Assistance in preparation of project feasibility study and bankable detailed project reports.
- Assistance in formulation of optimal project implementation structure.
- Assistance in optimal allocation of risk, investments, operational and financing responsibilities among stakeholders.
- Assistance in project formulation / cash flow projections and undertaking financial appraisal of project.
- Transaction Advisory- Pre-Bid/ Post Bid including assistance in preparation of Bid Document, assistance in preparation of optimal bidding parameters, assistance in formulating optimal bidding/ project award structure.

### **3. Objective**

Financial Advisor shall be engaged and work closely with IPA, Ministry of Shipping, Govt. of India, port authorities, prospective bidders, port users, potential project investors and various other project stakeholders. The Advisor shall engage with IPA/MoS from project formulation stage till award of project to project developer.

The advisor can engage external advisors, consultants and experts with the prior written approval of IPA/MoS/Ports.

### **4. Broad Role of Consultants**

Financial Advisor shall be required to provide services in Technical, Financial & Legal matters for PPP Projects of all Major Ports.

In short, they shall be instrumental in conceptualization of the PPP project till implementation. However, while inviting the RFP, concerned Port will spell out the detailed scope of work of Financial Advisor.

### **5. Entering into Agreement**

- a) The invitation of applications for enrolment as Financial Advisor for PPP project will have a pre-bid conference before submission of final application for evaluation. The Pre-Bid conference will be held on 15/12/2016 at 3.00 pm (1500 hrs) at IPA, New Delhi.
- b) All the queries must be submitted upto one day before the pre-bid meeting. No fresh queries will be allowed thereafter. The clarifications will be issued as early as possible so as to leave atleast 10 days time for submitting the bid.
- c) On selection of the Financial Advisor, the concerned Major Port Trust will enter into agreement in the form prescribed by them. The format of agreement will be enclosed by the Port Trust while seeking financial offers.

## **6. Qualification Criteria for Empanelment of Consultant-Financial Advisor.**

### **Stage-I**

The Tenderers shall meet the following qualifying criteria:

6.1 Average annual turnover during the last 3 financial years ending with 31st March (2014, 2015 and 2016) should be at least Rs 100 Lakhs for empanelment.

6.2 Experience of having successfully completed similar works during last 7 years, ending last day of the month previous to the one in which applications are invited should be either of following:-

a) Three completed similar works for the Project each costing not less than Rs 100 Crores.

OR

b) Two completed similar works for the Project each costing not less than Rs.125 crores.

OR

c) One completed similar work for Project costing not less than Rs.200 crores.

**Similar Works:** The Tenderer should have experience of providing Financial Advisory Services i.e. providing qualified Legal, Financial & Technical Experts with a minimum three years carrying out PPP Transactions in any infrastructure Projects.

## Stage –II (Shortlisting / Scoring Criteria for Empanelment of Financial Advisor)

### 7.0 Evaluation Criteria

<b>7.1 Experience (40 Points )</b>			
<b>7.1.1</b>	The applicant should provide details of completed assignments in the last 07 years to demonstrate experience in providing the consultancy service.  For each assignment, the applicant should provide details of the nature of consultancy provided, the clients response, further action taken by the client in implementation and its status as also the duration of the assignment including date of start and completion of the assignment and cost of project and total fees etc.		Demonstration of appropriate experience upto 40 points as per criteria given at Appendix-1.
	<b>Response-</b> The applicant should submit clients completion certificate for each assignment to support their claim along with firm’s experience and team experience separately in not more than 2 pages for specific assignments by the authorized person of the firm.		
<b>7.2 Human Resources( Total : 30 Points)</b>			
<b>7.2.1</b>	Full Time Equivalent (FTE) professional	The applicant should indicate the team with the team leader and the role and responsibility of each key member.	Upto 10 points as per criteria given at Appendix-1
	<b>Response-</b> The applicant should indicate the details of FTE professionals along with supporting documents for their engagement and provide an organization structure of the applicant indicating the FTE professional in that category		
<b>7.2.2</b>	Key Personnel	The applicant should indicate the team key personnel with experience in finance and legal fields/ sectors.	Upto 20 points as per criteria given at Appendix-1.

### 8. General Conditions

**8.1. Conflict of Interest:** The applicant or its affiliates should not have conflict of interest with the project authority in taking up the financial Advisory Service assignment. Applicants are required to provide details of any existing or potential conflict of interest. It should be noted that applicant will be required to demonstrate that no conflict of interest exists when providing or submitting financial proposal for specific assignments to the concerned port by way of an Undertaking.

8.2 The applicant will be required to submit their financial offer strictly on the basis of terms of reference provided by individual port without attaching any counter conditions and certificate to this effect has to be furnished.

8.3 If there is any change in the key personnel or full time professionals, it should be brought to the notice of IPA immediately for considering either to accept such changes or otherwise. The details of qualifications, experience etc. of such key personnel when there is change and if they are replaced by personal with equivalent level of qualification, experience etc. the same may be intimated to IPA for approval. In case the change of personnel/professional is ultimately not acceptable to IPA, the firm will not continue to be empanelled.

8.4 The empanelment of consultant- Financial Advisor will be valid for three years or extended period as may be arrived at through mutual consent from the date of original empanelment or any date stated in the empanelment letter.

8.5 The applicant has to submit along with the bid document Rs.10,000/- as non-refundable application fee, which will be valid for 3-years irrespective of number of disciplines quoted.

8.6 The empanelment made by IPA is intended to be used by all Major Ports.

8.7 In case of any dispute arising out of the empanelment, the decision of the Governing Body of IPA will be final and binding.

8.8 For applicants who are subsidiaries of foreign companies (Equity of Foreign entity more than 50%) and if their turnover are claimed, the IPA/Major Port shall insist for a letter from the Parent Company to make their services available to Indian Company as required and demanded by IPA/Major Port without any extra financial liabilities.

8.9 The applicant should have regular set up of a team of Persons having sufficient experience in Technical, Financial & Legal as per requirement of PPP Projects.

8.10 When two or more firms are forming a consortium to participate in RFQ than one firm shall become the lead member of the consortium and shall submit an authorization letter for other members of consortium. The evaluation will be conducted on the basis of performance of consortium as a whole against evaluation criteria. However, no applicant applying individually or as a member of a consortium, as the case may be, can be member of another applicant.



8.11 Even though applicants satisfy the necessary requirements they are subject to disqualification if they have:

- (i) Made untrue or false representation in the form, statements required in the application document.
- (ii) Records of poor performance such as abandoning work, not properly completing contract, financial failures or delayed completion.
- (iii) Submitted fake, fictitious or fabricated documents in support of their work experience, eligibility criteria etc.

8.12 It may be noted that after empanelment, works shall be allotted to various Financial Advisors commensurate to their capabilities and capacities as assessed by IPA/Major Port. No representation in this respect will be entertained.

8.13 For the purpose of empanelment, applications received will be evaluated based on the details furnished and minimum criteria stipulated at **Clause \_6\_ above**. Further, the Financial Advisors who had applied already and were/are in the services of the Major Ports will be reviewed by the Major Ports based on their past performance, if required.

8.14 Applicant has to furnish following undertaking along with bid: “I/we certify that in the last three years, we/any of the consortium members have neither failed to perform on any contract, as evidenced by imposition of Penalty by an arbitral or judicial authority or a judicial pronouncement or arbitration award, nor been expelled from any project or contract by any public authority nor have had any contract terminated by any public authority for breach on our part”.

#### **8.15 EARNEST MONEY DEPOSIT**

No tender will be considered which is not accompanied by a sum of Rs.2,50,000/- (Rs. Two lakhs and fifty thousand only) as Earnest Money Deposit. In the event of the bidder withdrawing the tender before the expiry of 180 (one hundred and eighty) days from the date of opening of the tender, the tender shall be cancelled and the earnest money deposit therewith forfeited by the IPA.

The Earnest Money shall be paid in the form of Demand Draft (DD) issued by a Nationalized Bank / Scheduled Bank drawn on New Delhi Branch of the Bank in favour of the Indian Ports Association, New Delhi. The EMD must

be forwarded in separate cover (cover I) along with tender. In case, it is not forwarded as stated above, the tender will be liable to be rejected. No cash remittance along with the tender will be accepted. The amount of earnest money will be refunded to disqualified tenderers/non short listed tenderers as soon as possible by IPA. No interest will be allowed on the earnest money from the date of receipt until it is refunded. EMD of successful bidders/empanelled bidders will be retained for entire period of empanelment i.e. 3 years or such extended period by IPA.

#### **8.16 Right to accept or reject any or all proposals**

8.16.1 Notwithstanding anything contained in this document, the IPA reserves the right to accept or reject any Proposal and to annul the Selection Process and reject all Proposals, at any time without any liability or any obligation for such acceptance, rejection or annulment, and without assigning any reasons thereof.

8.16.2 The Major Ports Trust/ IPA/ MoS reserves the right to reject any Proposal if: (a) at any time, a material misrepresentation is made or discovered, or (b) the Applicant does not provide, within the time specified by the Authority, the supplemental information sought by the Authority for evaluation of the Proposal. Misrepresentation/ improper response by the Applicant may lead to the disqualification of the Applicant. If the Applicant is the Lead Member of a consortium, then the entire consortium may be disqualified / rejected. If such disqualification/rejections occurs after the proposals have been opened and the highest ranking Applicant gets disqualified / rejected, then the Authority reserves the right to consider the next best Applicant, or take any other measure as may be deemed fit in the sole discretion of the Authority, including annulment of the Selection Process.

#### **8.17 Language**

The Proposal with all accompanying documents (the "Documents") and all communications in relation to or concerning the Selection Process shall be in English language and strictly on the forms provided in this document. No

supporting document or printed literature shall be submitted with the Proposal unless specifically asked for and in case any of these Documents is in another language, it must be accompanied by an accurate translation of the relevant passages in English, in which case, for all purposes of interpretation of the Proposal, the translation in English shall prevail.

### **8.18 Evaluation Processes**

The applications will be scrutinized as per the criteria given in the RFP and a list of pre-qualified bidder shall be prepared and communicated to all the Major Ports. The Major Ports as and when required will obtain financial offers from the empanelled Financial Advisors along with key personnel required specifically for the project from the Consultants evaluated as below:

- Key personnel - 70 points
- Financial Bid - 30 points.

### **8.19 Correspondence with Applicant**

Given and except as provided in RFQ, the IPA shall not entertain any correspondence with any applicant in relation to the acceptance or rejection of any application. IPA, in its sole discretion and without incurring any obligation or liability, reserves the right, at any time to:

- (a) Suspend and/or cancel the bidding process and/or amend and/or supplement the Bidding process or modify the dates or other terms & conditions relating there to.
- (b) Consult with any applicant in order to receive clarification or further information.
- (c) Empanel or not to empanel any applicant and/or to consult with any applicant in order to receive clarification or further information.
- (d) Retain any information and / or evidence submitted to the IPA by, on behalf of, and/or in relation to any applicant and/or.
- (e) Independently verify, disqualify, reject and/or accept any and all submissions or other information and/or evidence submitted by or on behalf of any applicant.

## **8.20 Fraud and corrupt practices**

8.20.1 The Applicants and their respective officers, employees, agents and advisers shall observe the highest standard of ethics during the Selection' Process. Notwithstanding anything to the contrary contained in this document, the Authority shall reject a Proposal without being liable in any manner whatsoever to the Applicant, if it determines that the Applicant has, directly or indirectly or through an agent, engaged in corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice (collectively the "Prohibited Practices") in the Selection Process. In such an event, the Authority shall, without prejudice to its any other rights or remedies, forfeit and appropriate the Bid Security or Performance Security, as the case may be, as 'mutually agreed genuine pre-estimated compensation and damages payable to the Authority for, inter alia, time, cost and effort of the Authority, in regard to this document, including consideration and evaluation of such Applicant's Proposal.

8.20.2 Without prejudice to the rights of the Authority herein above and the rights and remedies which the Authority may have under the LOA or the Agreement, if an Applicant or Financial Advisor, as the case may be, is found by the Authority to have directly or indirectly or through an agent, engaged or indulged in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice during the Selection Process, or after the issue of the LOA or the execution of the Agreement, such Applicant or Financial Advisor shall not be eligible to participate in any tender or RFP issued by the Authority during a period of three years from the date such Applicant or Financial Advisor, as the case may be, is found by the Authority to have directly or through an agent, engaged or indulged in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice, as the case may be.

8.20.3 For the purposes of this Section, the following terms shall have the meaning hereinafter respectively assigned to them: (a) "corrupt practice" means (i) the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence the action of any person connected with the Selection Process (for avoidance of doubt, offering of employment to or employing or engaging in any manner whatsoever, directly or indirectly, any official of the

Authority who is or has been associated in any manner, directly or indirectly with the Selection Process or the LOA or has dealt with matters concerning the Agreement or arising therefrom, before or after the execution thereof, at any time prior to the expiry of one year from the date such official resigns or retires from or otherwise ceases to be in the service of the Authority, shall be deemed to constitute influencing the actions of a person connected with the Selection Process); or (ii) save as provided herein, engaging in any manner whatsoever, whether during the Selection Process or after the issue of the LOA or after the execution of the Agreement, as the case may be, any person in respect of any matter relating to the Project or the LOA or the Agreement, who at any time has been or is a legal, financial or technical adviser of the Authority in relation to any matter concerning the Project; (b) "fraudulent practice" means a misrepresentation or omission of facts or disclosure of incomplete facts, in order to influence the Selection Process; (c) "coercive practice" means impairing or harming or threatening to impair or harm, directly or indirectly, any persons or property to influence any person's participation or action in the Selection Process; (d) "undesirable practice" means (i) establishing contact with any person connected with or employed or engaged by the Authority with the objective of canvassing, lobbying or in any manner influencing or attempting to influence the Selection Process; or (ii) having a Conflict of Interest; and (e) "restrictive practice" means forming a cartel or arriving at any understanding or arrangement among Applicants with the objective of restricting or manipulating a full and fair competition in the Selection Process.

## **9. Conflict of Interest**

9.1 An Applicant shall not have a conflict of interest that may affect the Selection Process or the Consultancy. Any Applicant found to have a Conflict of Interest shall be disqualified.

9.2 It is necessary that the Financial Advisor provides professional, objective, and impartial advice and at all times hold the interests of the Port Trust as paramount, avoid conflicts with other assignments or its own interests, and act without any consideration for future work. The Financial Advisor shall not accept or engage in any assignment that would be in conflict with its prior or current obligations to other clients, or that may place it in a position of not being able to carry out the assignment in the best interests of the Port Trust.

9.3 Addressing Conflicts of Interest have been illustrated in the Guidance Note at Schedule. Without limiting the generality of the above, an Applicant shall be deemed to have a Conflict of Interest affecting the Selection Process, if:

(a) the Applicant, its consortium member (the "Member") or Associate (or any constituent thereof) and any other Applicant, its consortium member or Associate (or any constituent thereof) have common controlling shareholders or other ownership interest; provided that this disqualification shall not apply in cases where the direct or indirect shareholding or ownership interest of an Applicant, its Member or Associate (or any shareholder thereof having a shareholding of more than 5 per cent of the paid up and subscribed share capital of such Applicant, Member or Associate, as the case may be) in the other Applicant, its consortium member or Associate is less than 5% (five per cent) of the subscribed and paid up equity share capital thereof; provided further that this disqualification shall not apply .to any ownership by a bank, insurance company, pension fund or a public financial institution referred to in section 4A of the Companies Act, 1956. For the purposes of this, indirect shareholding held through one or more intermediate persons shall be computed as follows:

9.3 (aa) where any intermediary is controlled by a person through management control or otherwise, the entire shareholding held by such controlled intermediary in any other person (the "Subject Person") shall be taken into account for computing the shareholding of such controlling person in the Subject Person; and

9.3 (ab) subject always to sub-clause (aa) above, where a person does not exercise control over an intermediary, which has shareholding in the Subject Person, the computation of indirect shareholding of such person in the Subject Person shall be undertaken on a proportionate basis; provided, however, that no such shareholding shall be reckoned under this "sub-clause' (ab) . if- the shareholding of such-person in the intermediary is less than 26% (twenty six per cent) of the subscribed and paid up equity share holding of such intermediary; (b) a constituent of such Applicant is also a constituent of another Applicant; or (c) such Applicant or its Associate receives or has received any direct or indirect subsidy or grant from any other Applicant or its Associate; or (d) such Applicant has the same legal representative for' purposes of this Application as any other Applicant; or (e) such Applicant has a relationship with another Applicant, directly or through common third parties, that puts them in a position to have

access to each others' information about, or to influence the Application of either or each of the other Applicant; or (f) there is a conflict among this and other consulting assignments of the Applicant (including its personnel and Sub-Financial Advisor) and any subsidiaries or entities controlled by such Applicant or having common controlling shareholders. The duties of the Financial Advisor will depend on the circumstances of each case. While providing consultancy services to the Authority for this particular assignment, the Financial Advisor shall not take up any assignment that by its nature will result in conflict with the present assignment; or (g) a firm which has been engaged by the Authority to provide goods or works or services for a project, and its Associates, will be disqualified from providing consulting services for the same project save and except as provided in Clause 9.5; conversely, a firm hired to provide consulting services for the preparation or implementation of a project, and its Members or Associates, will be disqualified from subsequently providing goods or works or services related to the same project; or (h) the Applicant, its Member or Associate (or any constituent thereof), and the bidder or Concessionaire, if any, for the Project, its contractors or sub-contractor(s) (or any constituent thereof) have common controlling shareholders or other ownership interest; provided that this disqualification shall not apply In cases where the direct or indirect share holding or ownership interest of an Applicant, its Member or Associate (or any shareholder hereof having a share holding of more than 5% (five per cent) of the paid up and subscribed share capital of such Applicant, Member or Associate, as the case may be.) in the bidder or Concessionaire, if any, or its contractor(s) or sub-contractor'(s) is less than 5% (five per cent) of the paid up and subscribed share capital of such Concessionaire or its contractor(s) or sub-contractor(s); provided further that this disqualification shall not apply to ownership by a bank, insurance company, pension fund or a Public Financial Institution referred to in section 4A of the Companies Act, 1956. For the purposes of this sub-clause (h), indirect shareholding shall be computed in accordance with the provisions of sub-clause (a) above.

9.4 For purposes of this bid, Associate means, in relation to the Applicant, a person who controls, is controlled by, or is under the common control with such Applicant (the "Associate"). As used in this definition, the expression "control" means, with respect to a person which is a company or corporation, the ownership, directly or indirectly, of more than 50% (fifty per cent) of the voting shares of such person, and with respect to a person which is not a company or

corporation, the power to direct the management and policies of such person by operation of law or by contract.

9.5 An applicant eventually appointed to provide consultancy by any port trust or any specific project and its associate, shall be disqualified from subsequently providing goods or works or services related to the construction and operation of the same Project and any breach of this obligation shall be construed as Conflict of Interest; provided that the restriction herein shall not apply after a period of 5 (five) years from the completion of the original assignment or to consulting assignments granted by banks/ lenders at any time; provided further that this restriction shall not apply to consultancy/ advisory services performed for the Port Trust in continuation of a specific Consultancy or to any subsequent consultancy/ advisory services performed for the Port Trust in accordance with the rules of the Port Trust. For the avoidance of doubt, an entity affiliated with the Transaction Advisor shall include a partner in the Financial Advisor's firm or a person who holds more than 5% (five percent) of the subscribed and paid up share capital of the Financial Advisor, as the case may be, and any Associate thereof.



## Guidance Note at Schedule

**SCHEDULE-3**  
**(See Clause 9.3)**

### Guidance Note on Conflict of Interest

1. This Note further explains and illustrates the provisions of Clause 10.3 of the RFQ and shall be read together therewith in dealing with specific cases.

2. Financial Advisors should be deemed to be in a conflict of interest situation if it can be reasonably concluded that their position in a business or their personal interest could improperly influence their judgment in the exercise of their duties. The process for selection of Financial Advisors should avoid both actual and perceived conflict of interest.

3. Conflict of interest may arise between the Major Ports/IPA and a Financial Advisor or between Financial Advisors and present or future concessionaries/contractors. Some of the situations that would involve conflict of interest are identified below:

(a) Major Ports/IPA and Financial Advisors:

- (i) Potential Financial Advisor should not be privy to information from Major Ports/ IPA which is not available to others; or
- (ii) Potential Financial Advisor should not have defined the project when earlier working for the Major Ports/IPA; or
- (iii) Potential Financial Advisor should not have recently worked for the Major Ports/IPA overseeing the project.

(b) Financial Advisors and concessionaires/contractors:

- (i) No Financial Advisor should have an ownership interest or a continuing business interest or an on-going relationship with a potential concessionaire/contractor save and except relationships restricted to project-specific and short-term assignments; or
- (ii) No Financial Advisor should be involved in owning or operating entities resulting from the project; or
- (iii) No Financial Advisor should bid for works arising from the project.

The participation of companies that may be involved as investors or consumers and officials of the Major Ports/IPA who have current or recent connections to the companies involved, therefore, needs to be avoided.

4. The normal way to identify conflicts of interest is through self-declaration by Financial Advisors. Where a conflict exists, which has not been declared, competing companies are likely to bring this to the notice of the Major Ports/IPA. All conflicts must be declared as and when the Financial Advisors become aware of them.

5. Another approach towards avoiding a conflict of interest is through the use of “Chinese walls” to avoid the flow of commercially sensitive information from one part of the Financial Advisor’s company to another. This could help overcome the problem of availability of limited numbers of experts for the project. However, in reality effective operation of “Chinese walls” may be a difficult proposition. As a general rule, larger companies will be more capable of adopting Chinese Walls approach than smaller companies. Although, “Chinese Walls” have been relatively common for many years, they are an increasingly discredited means of avoiding conflicts of interest and should be considered with caution. As a rule, “Chinese Walls” should be considered as unacceptable and may be accepted only in exceptional cases upon full disclosure by the Financial Advisor coupled with provision of safeguard to the satisfaction of Major Ports/IPA.

6. Another way to avoid conflicts of interest is through the appropriate grouping of tasks. For example, conflicts may arise if Financial Advisors drawing up the terms of reference or the proposed documentation are also eligible for the consequent assignment or project.

7. Another form of conflict of interest called “scope-creep” arises when Financial Advisors advocate either an unnecessary boarding of the terms of reference or make recommendations which are not in the best interest of the Major Ports/IPA but which will generate further work for the Financial Advisors. Some forms of contractual arrangements are more likely to lead to scope-creep. For example, lump-sum contracts provide fewer incentives for this, while time and material contracts provide built in incentives for Financial Advisors to extend the length of their assignment.

8. Every project contains potential conflicts of interest. Financial Advisors should not only avoid any conflict of interest, they should report any present/potential conflict of interest to the Major Ports/IPA at the earliest. Officials of the Major Ports/IPA involved in development of a project shall be

responsible for identifying and resolving any conflicts of interest. It should be ensured that safeguards are in place to preserve fair and open competition and measures should be taken to eliminate any conflict of interest arising at any stage in the process.

<b>1</b>	<b>Experience Criteria as per Clause 7.1</b>	<b>Points:40</b>
<b>1.1</b>	<p>a) Three completed similar works for the PPP Projects each costing not less than Rs. 100 Crores. OR</p> <p>b) Two completed similar works for the PPP Projects each costing not less than Rs. 125 Crores. OR</p> <p>c) One completed similar work for a PPP Project costing not less than Rs. 200 Crores.</p> <p>Note: For each additional project - additional 2 points will be given if the similar project cost is not less than Rs. 100 cr and 3 points if the similar project cost is not less than Rs. 125 cr and 5 points if the similar project cost is not less than Rs. 200 cr.</p>	<p>Initial three completed similar works for the project – 20 points.</p> <p>Initial two completed similar works for the project – 20 points.</p> <p>Initial one completed similar work for the project – 20 points</p>
<b>2</b>	<b>Human Resources as per Clause 7.2</b>	<b>Points :30</b>
<b>2.1</b>	<p>Details of full time Equivalent (FTE) professional as per para <b>7.2.1</b> (Project value more than Rs 250 Crs)- Min 20 FTE</p>	<p>For 20 FTE – <b>10 Points</b></p> <p>More than 20 FTE -10 Points</p>
<b>2.2</b>	<b>Key Personnel as per Clause 7.2.2</b>	<p>Key personal with experience in finance and legal -20 Points</p> <p>Distribution of 20 marks will be as follows:</p> <p>1. Finance Key Personnel – 15 points (for one – 5; for two – 10 for three and above – 15).</p> <p>2. Legal key Personnel – 5 (for one – 3 and for two and above – 5)</p>

### Minimum Qualification for

- Finance Key Personnel: Either CA or ICWA or CFA or MBA (Finance) having 5 years experience.
- Legal Key Personnel: Bachelor of Law or any equivalent Degree in Law and above having five years post qualification experience.