

**The National Small Industries Corporation Ltd.
“NSIC Bhawan” Okhla Industrial Estate
New Delhi-110020**

Tender Document

For

**Conducting Study to identify benchmark of Raw Material
Distribution Scheme of the Corporation**

Last date of receipt of tender : 14.08.2015
(Latest by 14.00 hrs)

Date of opening of Technical Bid : 14.08.2015
(16.00 hrs)

Date of opening of Price Bid : 21.08.2015
(16.00 hrs)

**(Sunil Bali)
General Manager SG
Business Development Division**

**The National Small Industries Corporation Ltd.
(A Government of India Enterprise)
“NSIC Bhawan” Okhla Industrial Estate
New Delhi-110020**

Ref. No. SIC/HO/BD/BENCHMARK STUDY/15-16

Dated: 27-07-2015

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The National Small Industries Corporation Ltd.
“NSIC Bhawan”, Okhla Industrial Estate
New Delhi-110020

Ref. No. SIC/HO/BD/BENCHMARK STUDY/15-16

Dated: 27-07-2015

M/s -----

Sub: Invitation for Conducting Study to identify benchmark of Raw Material Distribution Scheme of the Corporation.

National Small Industries Corporation Ltd (NSIC) is a Government of India Enterprise under the administrative control of Ministry of MSME working for promotion of Micro, Small & Medium Enterprises (MSMEs).

NSIC intends to conduct a study to identify benchmark of Raw Material Distribution Scheme of the Corporation as stated in Terms of Reference (ToR). A copy of the Terms of Reference along with following documents is attached for your reference:

- (i) Standard form of certificates (i.e. Annexure A, B, B1) along with EMD to be included in the technical proposal and Annexure C in the financial proposal.
- (ii) Standard form of agreement to be executed with the agency to which the work will be awarded.

In this regard sealed quotations are invited on two bid system (i.e. Technical proposal and Financial proposal) from Government / Semi-Government / Autonomous Bodies / reputed professional agencies / Institutions having experience of conducting similar studies.

Earnest Money Deposit (EMD) of Rs 25,000/- will have to be submitted by the participating agency in the form of DD in favour of NSIC and will only be returned after selection and acceptance of the offer by the final bidder. However, the units registered under Single Point Registration Scheme (SPRS) of NSIC will be exempted from EMD.

Eligibility Criteria: The bidder must have to submit the proof of the following eligibility criteria in the Technical Bid:-

- a) Bidder must have an experience of 5 years in the similar nature of work.
- b) Bidder must submit the proof that he has earned minimum revenue of Rs. 50 Lac each year in the last 3 years from the studies/ research/ consultancy.
- c) Bidder must have successfully conducted atleast 5 similar studies for PSU/Govt. Depts. in the last 3 years.
- d) Bidder must have conducted 2 studies of minimum Rs. 7.5 Lac each in the last financial year (2014-15). In support of the same the bidder must submit details of the 2 studies as per Annex-A and copies of corresponding Completion Certificates or TDS Certificates (issued in the name of the Bidder only).
- e) Attested copies of Service Tax Registration number and PAN number.
- f) Copies of Income Tax Return for the last 2 financial years.

* All above documents should be self-attested by the bidder. A stamped and signed copy of this tender document also needs to be submitted by the bidder.

Offer/Proposal should contain quotations in two separate sealed envelopes (marked as ‘Technical Proposal’ and ‘Financial Proposal’) should be addressed to the General Manager SG (BD), superscribing as ‘Quotation to conduct the study to identify benchmark of Raw Material Distribution Scheme of the Corporation’. The quotation must reach the following address on 14.08.2015 by 14.00 hrs.

General Manager SG (BD)
National Small Industries Corporation Ltd.
(A Govt. of India Enterprise)
NSIC Bhawan, Okhla Industrial Estate-III,
New Delhi-110020
Tel. No. 011-26926275, Fax-011-26927270

NSIC reserves the right to accept or reject any or all of the quotations received in response to the above referred invitation, without assigning any reason.

NOTICE INVITING TENDERS

Sub: Invitation for conducting Study to identify benchmark of Raw Material Distribution Scheme of the Corporation.

National Small Industries Corporation Ltd (NSIC) is a Government of India Enterprise under the administrative control of Ministry of MSME working for promotion of Micro, Small & Medium Enterprises (MSMEs).

NSIC's Raw Material Distribution Scheme aims to assist MSMEs in procuring their essential raw material(s) at competitive rates by entering into an arrangement with main producers like- NALCO, BALCO, SAIL, RINL, Sesa Sterlite, CPCL, CIL etc. NSIC intends to conduct a study to benchmark the prevailing Raw Material Distribution Scheme against the industry's best standards as stated in Terms of Reference (TOR). A copy of the Terms of Reference along with following documents is attached for your reference:

- (i) Standard form of certificates (i.e. Annexure A, B, B1) along with EMD to be included in the technical proposal and Annexure C in the financial proposal.
- (ii) Standard form of agreement to be executed with the agency to which the work will be awarded.

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TERMS OF REFERENCE

1. Overview of Raw Material Distribution Scheme

NSIC's Raw Material Distribution Scheme aims to assist the Micro, Small & Medium Enterprises (MSMEs) in procuring their essential raw material(s) at competitive rates by entering into an arrangement with main producers for giving priority in supplying the basic raw material to MSME units. By consolidating the quantity requirement, better and higher discounts are negotiated with the main producer. These discounts are passed on to the units to make their end product competitive in the market.

Benefits of Raw Material Distribution Scheme

- ✓ Bulk purchase of basic raw materials at competitive rates.
- ✓ Additional bulk discounts
- ✓ Cash discount
- ✓ Quantity discount
- ✓ Priority in getting the material under the arrangement with the main producers.
- ✓ Financial Assistance for procurement of raw material.
- ✓ NSIC takes care of all the procedures and documentation for availing the scheme.

Procurement of Raw Material

To help MSME's procure raw materials from the right place at the right price, NSIC has tied up with major bulk producers namely NALCO, BALCO, SAIL, RINL, Sesa Sterlite, CPCL, CIL etc. for distribution of their materials to MSME's. Bulk Quantity discounts are passed on to MSMEs and MoU discounts are shared with MSMEs, thus bringing down their cost of raw materials and finally the price of their finished goods, as compared to private agencies. The supply of raw material is extended to MSMEs against advance payment or against security of Bank Guarantee. NSIC also facilitates the industry by opening godowns in industrial areas for distribution of material of major bulk producers. The raw materials like Aluminium, Iron & Steel, Paraffin Wax, Copper and polymer products are available to the units near to their works, thus reducing their inventory holding cost.

Prevailing distribution channels

Manufacturers of raw material follow different distribution channels for reaching the end consumers, like:

1. Direct dispatch to bulk customer
2. DSA/Whole Sale Depots
3. Dealers/Consignment Stockists (CS)
4. Resellers/ Agents
5. Government Agencies

In order to achieve the above objective and to assess the impact of the scheme, to identify the demand and need amongst MSMEs for new raw material/main producers and based on a comparative analysis, identify the best practices and benchmark for the scheme, NSIC intends to conduct this study.

2. **Objective of the Study:** To identify benchmark of Raw Material Distribution Scheme of the Corporation.

3. **Scope of Assignment:**

- To understand NSIC's distribution system.
- Identify other agencies/departments engaged in similar activities distributing raw material to MSMEs.
- Comparative analysis of Raw Material Distribution Scheme with similar schemes of other government departments/ private players.
- To identify the best practice followed by the industry w.r.t. raw material distribution system in the country.
- Carry out a SWOT analysis of the raw material distribution system prevailing in the Corporation.
- Assessment of best practices prevailing in the market determining bench mark in the distribution/service delivery mechanism.

4. **Methodology:**

- Collect data regarding similar schemes of other government departments/ private players and study the market conditions through secondary/primary research.
- Visiting the beneficiary MSME units of NSIC's Raw Material Distribution scheme as well as other MSME units across India, main producers of raw material, other departments engaged in similar activities and collecting primary data through questionnaire by way of personal interaction with concerned persons.
- It should be ensured that the sample size of the study is at least 100 units on a Pan India basis.
- Analyzing the data so received and evaluating the same in terms of objectives/scope of the study as mentioned above.
- Preparation and submission of draft report & PowerPoint presentation.
- Submission of final report alongwith presentation to the Board/Ministry.

5. Report and Time Schedule:

The study is to be completed within 10 weeks from the date of award of assignment. It is expected that the following assignment schedule for reporting will be adhered to:-

S.No.	Project Activity	Weeks									
		1	2	3	4	5	6	7	8	9	10
1	Desk research	√	√								
2	Field survey			√	√	√					
3.	Data Analysis						√	√			
4.	Submission of draft report & presentation								√		
5.	Incorporation of NSIC's comments									√	
6.	Submission of Final Report & PPT. In addition, the bidder will be required to give presentation in the Ministry.										√

6. Time schedule:

The assignment is to be completed in 3 stages as described below:

Phase I (1st- 2nd week): Data collection through secondary/primary research.

Phase II (3rd- 8th week): During this phase, field survey to be carried out by way of interaction through personal visits, interviews, meetings preferably with the owner of MSMEs is to be carried out. The analysis of the data is also to be completed in terms of the objectives/scope of the study and accordingly draft report is to be prepared and submitted to NSIC for its comments.

Phase III (9th- 10th week): On the basis of comments of NSIC on the draft report the final report is to be prepared and submitted. A PowerPoint presentation also needs to be submitted/ made to NSIC/Ministry of MSME.

7. Deliverables:

- 2 copies of draft report to be submitted within 10 weeks from the date of assignment of work.
- 5 copies of final report along with soft copy within 12 weeks from the date of assignment of work.

8. Data to be provided by NSIC:

The following data will be provided to the agency at the time of conducting the survey:

- Documents w.r.t. procedure of distribution of various raw materials being followed at present.
- Branch office wise/ depot wise list of beneficiary units.
- Contact List of all NSIC offices.

9. Penalty:

Any delay in submission of report by the agency (unless a written permission is accorded by NSIC) will attract a penalty of 5% of the contract value per week subject to a maximum of 25% of the amount of the contract.

10. Payment:

- 20% of the payment will be made to the agency on submission of first draft report.
- 30% of the contract value shall be paid upon submission of draft of final report.
- Balance 50% payment will be released to the agency on acceptance of final report.

11. Other Terms & Conditions:

1. The assignment should be completed within the stipulated time in the award letter. Delay in submission of the report beyond the stipulated time will attract penalty as mentioned above. For factors beyond the control of the agency, suitable extension in time may, however, be granted at the written request of the agency. However, the decision of NSIC shall be final and binding on the agency.
2. The total fee for the study to be quoted by the agency will include service tax and other taxes, if any and all other expenses to be incurred during the course of conducting the survey. The liability of payment of the tax shall be of the agency conducting the study. The Corporation shall not be liable to pay to the agency other than the total fee (including taxes) quoted by the agency.
3. The draft/ final reports and the contents thereof would be the intellectual property of NSIC and would not be published by the concerned agency without prior approval of NSIC.
4. If the performance of the agency during the conduct of the study is not found to be satisfactory, the award of the assignment can be terminated and the amount already paid to the agency shall be recovered.
5. The raw data/ processed data/ findings should not be disclosed by the agency to any third party without prior approval of NSIC.
6. Earnest Money Deposit (EMD) of Rs. 25,000/- in the form of Demand Draft in favour of NSIC will have to be submitted by each tender participating agency along with technical bid. **However, the units registered under Single Point Registration Scheme (SPRS) of NSIC will be exempted from EMD.**
7. The validity of the quotations including charges for the study must be for atleast six months from the date of tender opening.

CONSULTANT'S ORGANIZATION AND EXPERIENCE

A – Consultant's Organization

[Provide here a brief note (not more than two pages) description of the background and organization of your entity and each associate, if any, for this assignment.]

1. Constitution of Company

2. List of its main Partners/ Directors

B – Consultant's Experience

[Using the format below, provide information on each assignment for which your entity, and each associate for this assignment, was contracted for carrying out consulting services similar to the ones requested under this assignment.]

1. Assignment name:

Value of the contract (in Rs.)

Country:

Location within country:

Name of client:

Address:

Start date (month/year):

Completion date (month/year):

2. Assignment name:

Value of the contract (in Rs.)

Country:

Location within country:

Name of client:

Address:

Start date (month/year):

Completion date (month/year):

B-2 Name of associated Consultants, if any:

B-3 Name of senior professional staff of your firm involved and functions performed:
(indicate most significant profiles such as Project Director/Coordinator/
Team Leader)

B-4 Narrative description of Project:

B-5 Description of actual services provided by your staff within the assignment:

Firm's Name: _____

Note:- The bidder must submit the proof of the following:-

- a) Bidder must have an experience of 5 years in the similar nature of work.
- b) Bidder must submit the proof that he has earned minimum revenue of Rs. 50 Lac each year in the last 3 years from the studies/ research/ consultancy.
- c) Bidder must have successfully conducted atleast 5 similar studies for PSU/Govt. Depts. in the last 3 years.
- d) Bidder must have conducted 2 studies of minimum Rs. 7.5 Lac each in the last financial year (2014-15). In support of the same the bidder must submit a brief write-up on the 2 studies and copies of corresponding Completion Certificates or TDS Certificates (issued in the name of the Bidder only).
- e) Attested copies of Service Tax Registration number and PAN number.
- f) Copies of Income Tax Return for the last 2 financial years.

* The Corporation reserves the right to relax the above conditions depending upon the response from the bidders.

Even though the bidders meet the above qualifying criteria, they are subject to be disqualified if they have:

- Made misleading or false representation in the forms, statements and attachments submitted in proof of the qualification requirement as mentioned above.
- Records of poor performance such as abandoning the work, not properly completing the contract, inordinate delay in completion, litigation history or financial failure etc.
- Their business banned by any central / state govt., departments / public sector undertakings or enterprises of central / state govt.
- Not submitted all the supporting documents or not furnished the relevant details as per the prescribed format.
- Concealed any information required to be furnished as per the offer conditions or made misleading or false representations in the forms, statements and attachments submitted in proof of the qualification requirements.
- No condition / deviation which is either additional or in modification of the offer conditions shall be included in the offer. If the offer contains any such condition or deviation from proposed condition, the offer is liable to be rejected.
- Record of adverse performance of the bidder such as termination of contract awarded to him and completion of balance works at his risk and cost / banning of business with the bidder by any of the central / state govt., departments / public sector undertakings or enterprises of central / state govt. will weigh against the qualification of the bidder for the award of the contract and may lead to rejection of the offer.
- NSIC does not bind itself to accept lowest or any other offer and reserves the right to reject lowest or any or all offers without assigning any reasons whatsoever. Decision of NSIC shall be final and binding on the entire bidders.
- NSIC further reserves the right to cancel the bidding process at any time prior to award of contract without thereby incurring any liability to the affected bidder or bidders on account of NSIC's such action.
- All papers/documents including Tender Document should be stamped and signed by the authorized person.

General Description of Team

S. No.	Name of Team Leader & Staff	Position	Input (Staff-months)
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			

Note: CV of Team Leader/Project Head to be provided in the format given at **Annexure B-I**.

**CURRICULUM VITAE (CV) OF PROPOSED
PROFESSIONAL STAFF FOR THE ASSIGNMENT**

1. Proposed Position (Only one candidate shall be nominated for each position):

2. Name of Entity:

3. Name of Staff [Insert full name]:

4. Date of Birth:

5. Nationality:

6. Education: [Indicate college/ university and other specialized education of staff member, giving names of institutions, degrees obtained, and dates of obtainment]:

7. Membership of Professional Associations:

8. Publications (Indicate books, research papers and other articles published in reputed journals).

9. Other Training(s): [Indicate significant training since degrees under point 5 – Education was obtained]:

10. Countries of Work Experience: [List countries where staff has worked in the last ten years]:

11. Employment Record:[Starting with present position, list in reverse order every employment held by staff member since graduation, giving for each employment (see format here below): dates of employment, name of employing organization, positions held]:

From [Year]:_____ To [Year]:_____

Employer:_____

Positions held:_____

12. Detailed Tasks Assigned (List all tasks to be performed under this assignment)

Certification:

I, the undersigned, certify that to the best of my knowledge and belief, this CV correctly describes myself, my qualifications, and my experience. I understand that any willful misstatement described herein may lead to my disqualification or dismissal, if engaged.

[Signature of staff member or authorized representative of the staff]

Date: _____
(Day/Month/Year)

Full name of authorized representative:_____

CONSULTANT'S FINANCIAL PROPOSAL

(a) Cost of the Study/Survey/Research Paper: Rs. _____

(b) Service Tax: Rs. _____

(c) Total Cost (a+b): Rs. _____

Note: No separate payment towards overheads, equipment, accommodation, procurement of primary and /or secondary data, necessary travel (if any), etc. shall be allowed.

AGREEMENT

THIS AGREEMENT is entered into this between the National Small Industries Corporation Ltd. "(NSIC)" (a Government of India Enterprise) having its Corporate Office at NSIC Bhawan, Okhla Industrial Estate, New Delhi-110020 and("The Consultant") having its principal office located at acting through Shri.....

WHEREAS, NSIC wishes to have the Consultant perform the Assignment hereinafter referred to, and

AND WHEREAS, the Consultant is willing to perform this Assignment,

NOW, THEREFORE, THE PARTIES hereby agree as follows:

1. **Services:** (i) The Consultant shall perform the assignment specified in "Terms of Reference and Scope of Assignment," which is an integral part of this Agreement (the "Assignment").
(ii) The Consultant shall provide the details of personnel listed in Annex B & B-1, "Consultant's Personnel," to perform the Assignment.
(iii) The Consultant shall submit to the NSIC the reports in the form and numbers and within the time periods specified in clause no 4, 5, 6 & 7 of TOR.

2. **Term:** The Consultant shall perform the Assignment within 10 weeks from the date of award of assignment or any other period as may be subsequently agreed by the parties in writing, subject to liquidated damages for the delay attributable to the Consultant as indicated in clause 12 of this agreement.

3. **Payment**

A. Ceiling

For the Assignment, the NSIC shall pay the Consultant the sum of [insert amount]. This amount includes all of the Consultant's costs and deliverables as well as any tax obligation that may be imposed on the Consultant.

B. Schedule of Payments

The schedule of payments is specified below:

- 20% payment shall be made by NSIC to the Consultant on submission of first draft report.
- 30% payment shall be made by NSIC to the Consultant upon submission of draft of final report.
- Balance 50% payment shall be released by NSIC to the Consultant on acceptance of final report.

C. Payment Conditions

- (i) Payment shall be made as per Clause "B" above on receipt of draft report from Consultant and acceptable to NSIC.
- (ii) Final payment shall be made as per Clause "B" above but not later than 6 weeks, following submission by the Consultant of complete invoices in duplicate to NSIC whichever is later.

4. **Project Administration Coordinator:** NSIC designates Shri K. Ravindranathan (DGM-BD/Exhb.) as NSIC's Coordinator; for this Assignment. The Coordinator shall be responsible for the coordination of activities under this Agreement, for acceptance and approval of the reports and of other deliverables by NSIC and for receiving and approving invoices for the payment.

5. Performance Standards

The Consultant undertakes to perform the Assignment with the highest standards of professional and ethical competence and integrity. The Consultant shall promptly but not later than 5 days replace any employee(s) assigned under this Contract that NSIC considers unsatisfactory.

6. Confidentiality

The Consultant shall not disclose any proprietary or confidential information relating to the services under this Agreement or NSIC's business or operations, data without the prior written consent of NSIC.

7. Ownership of Material

Any studies, reports or other material, graphic, software or otherwise, prepared by the Consultant for NSIC under the Agreement shall belong to and remain the property of NSIC. The Consultant may retain a copy of such documents and software for the purpose of this Agreement.

8. Insurance

The Consultant shall be responsible for taking out appropriate insurance coverage at its own cost.

9. Re-Assignment

The Consultant shall not re-assign this Agreement or sub-contract any portion of it without NSIC's prior written consent.

10. Dispute Resolution

Any dispute arising out of the Agreement, which cannot be amicably settled between the parties, shall be referred for arbitration to an arbitrator nominated by the Chairman cum Managing Director, NSIC. Provisions of the Arbitration and Conciliation Act, 1996, as amended from time to time, shall be applicable. Courts in Delhi shall have jurisdiction in the matter.

11. Events of Default

- (i) Delay in furnishing of any report(s) within the period mentioned for in clause no 4, 5, 6 & 7 of TOR, provided that there shall not be default for the period of Force Majeure and delays solely attributable to NSIC.
- (ii) The report being non-acceptable to NSIC for lack of professional quality.
- (iii) Breach of any of the terms of this Agreement.

12. Consequences of Default

- (i) On the occurrence of any of the event of default on the part of Consultant, NSIC may terminate this Agreement and claim refund of any money paid and refuse to make any more payment.
- (ii) In case of default being limited to delay only, NSIC, may in the alternative, claim the agreed liquidated damages @ 5% of the amount of contract for every week of delay, not exceeding in any case 25% of the amount of contract. The amount of liquidated damages shall be withheld and/or recovered from the payment to be made to the Consultant.

13. Force Majeure

The Parties shall be entitled to excuse performance of their respective obligations to the extent they are unable to perform the contract by an event of Force Majeure. A party claiming relief on this account shall immediately on becoming aware of Force Majeure event give notice to the other party disclosing the manner in and the period during which performance of its obligation is likely to be affected.

For the purpose of the Agreement Force Majeure means Acts of God, wars or similar action affecting India, Civil Commotions or general strike (excluding by its own employees) lying beyond the reasonable control of the affected Party.

14. Notice

The address of the Parties for all communication is:

NSIC:

General Manager SG
BD Division
National Small Industries Corporation Ltd.
NSIC Bhawan, Okhla Industrial Estate,
New Delhi-110020

Consultant:

All notices with the aforesaid address sent by pre-paid registered-post or speed post or sent by fax with confirmation of its delivery or email shall be deemed to have been served and received by the addressee within the time they should have been delivered/received at the addressee's end.

Any change of address will not be valid unless acknowledged by the other party.

IN WITNESS WHEREOF, the representatives of the Parties to this Agreement being duly authorized have hereunto set their hands and have executed those present this ___ day of _____

For and on behalf of the

The National Small Industries
Corporation Ltd.

FOR

Signed by _____

Signed by _____

Designation: _____

Designation: _____

In presence of _____

In presence of _____