

NSIC
NATIONAL SMALL INDUSTRIES CORPORATION LIMITED
(A Govt. of India Enterprises)

Subject : Request for Proposal (RFP)

Assignment: Feasibility Study for Utilization of Vacant Land and available Infrastructure at NSIC Industrial Estate, Naini, Allahabad, U.P.

NSIC intend to engage an experienced Consultant for above assignment. Detailed Terms of Reference (ToR) and submission requirement for RFP may be downloaded from NSIC website www.nsic.co.in. or can be collected from the following address from 09.08.2010 onwards during working days between 10.30 A.M to 5.00 P.M.

The last date for submission of the RFP at the following address on 25.08.2010 by 15.00 hours.

Chief General Manager (Estate)
National Small Industries Corporation Ltd.,
NSIC BHAWAN
Okhla Industrial Estate-III
New Delhi- 110020
Tele. No. 26311109, Fax: 011- 26910229

TERMS OF REFERENCE

For

Feasibility Study for Utilization of Vacant Land
and Infrastructure at Industrial Estate, Naini,
Allahabad for development of MSMEs

The National Small Industries Corporation Ltd.
(A Government of India Enterprise)
NSIC Bhawan, Okhla industrial Estate
New Delhi – 110 0020

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TERMS OF REFERENCE

1. Background

The National Small Industries Corporation Limited (NSIC), a Govt. of India Enterprise was set up in 1955 with a mission to promote aid and foster the growth of small scale industries and industry related small-scale services/business enterprises in the country. Over a period of five decades of transition, growth and development, NSIC has made its mark, both within and outside the country, through modernization and up-gradation of technology, marketing, quality consciousness, strengthening linkages among large and medium enterprises and boosting exports of projects and products from small scale enterprises.

NSIC with its head quarters at New Delhi operates through 120 offices spread across the country. NSIC carries forward its mission to assist micro, small and medium enterprises through a number of schemes designated to put them in a competitive and advantageous position.

2. NSIC Industrial Estate, Naini

Keeping in view the specific requirements of micro-small and medium enterprises NSIC has also established an Industrial Estate at Naini to cater the needs of the micro, small and medium enterprises located in the region, land measuring 37.11 Acres was allotted to NSIC (during 1956-61) by the Govt. of Uttar Pradesh for setting up an Industrial Estate consisting of factory sheds, Industrial plots and other essential infrastructure for the benefit of Micro and Small Enterprises in the region. The Industrial Estate, Naini is ideally located on Allahabad-Mirzapur highway about 25 Kms from Allahabad. After taking over the possession of the land NSIC constructed one Admn. Building, 36 no. of factory sheds 102 Industrial plots and 17 residential quarters. After construction of the above facilities about 15 Acres of land is lying vacant. NSIC intend to develop the vacant land and available idle infrastructure for the benefits of the MSMEs located in Naini and in surrounding areas.

3. Objective

The main objective of the feasibility study is to assess the industrial potential and opportunities for micro, small and medium enterprises in Naini and in the surrounding areas and based on the findings on the study to identify the best uses for the available vacant land and available infrastructure (about 15 Acres) for the promotion and development of MSMEs and to develop a financial model for gainful utilization of the vacant land and available idle infrastructure.

4. Scope of Assignment

- 4.1 Study the current status of MSMEs in the region, their requirements, problems as well as the potential for future development of MSMEs and their projected requirements.
- 4.2 Market survey to determine the needs of MSME sector in the region/surrounding areas and the infrastructure required to meet the same.
- 4.3 Conduct a topographical survey of the entire vacant land including the boundary and adjacent roads. The survey shall identify all above ground features. The spot elevations shall be taken at an appropriate grid. Based on the exact extent of the available land, determine the land development potential (i.e. the maximum build able area) for the four sub-parcels separately.
- 4.4 Develop a conceptual master plan and development plan for the proposed complex. The development plan for making the optimal use of the available land should provide for development of the necessary infrastructure for development activities of MSMEs. (Detailed floor plans, architectural details of construction details are not required at this stage),
- 4.5 To estimate and identify additional requirement in terms of built up area and other infrastructure facilities that may be required.
- 4.6 To study the Master Plan of the region prepared by the concerned authority
- 4.7 To determine the land use in consultation with the concerned local/municipal authorities.
- 4.8 Study various financing models for implementation of the project and develop an optimal model for its financial closure and making it viable.
- 4.9 Develop draft Terms Of Reference (TOR) and Request For Proposal (RFP) for inviting proposals/bids from potential bidders for the construction of the proposed project.

5. Methodology

- 5.1 Site visit of the main campus and the proposed site and study of various municipal codes for zoning, setbacks, height restrictions, open areas, parking requirements etc.
- 5.2 Analysis of the industrial activities in the surrounding areas, discussions with the MSMEs in the locality in determining the background, activities and goals of the proposed project.

- 5.3** Identify specific sectors, associations, Central & State Govt. entities (minimum sample size of 20 entities and minimum of 10 regional entities) and meet with the concerned officers/officials/ entrepreneurs in determining their potential needs and interest of MSMEs.
- 5.4** Discussions with cross section of micro, small and medium industrial units and small business entrepreneurs located in the nearby area at least for 300 sample units. Copy of the feed back obtained during the survey should be enclosed with the report.
- 5.5** Structured questionnaire will be developed to cover the following areas:
- Willingness of the industrial units to shift their establishment to proposed locations.
 - Required facilities in the centre.
 - Price perceptions about this location, etc.
 - Demand and nature of activities for optimum utilization of existing infrastructure
- 5.6** Discussions to be held with few real estate brokers around these locations to get an idea of prevailing leasing rates for office and commercial properties in the area.
- 5.7** Conduct market research by evaluating the local geographical area, site conditions, demand & supply, competitive factors through direct and indirect sources.
- 5.8** The master plan should contain a conceptual development plan for the optimal use of the available land identifying the various zones of the proposed activities, their built up area and supporting parking and infrastructure facilities.
- 5.9** Identify the cost of construction including supporting infrastructure and develop sustainable financial models for construction of the project **and** the cost of rehabilitation/up gradation of the existing infrastructure to make them suitable to meet the requirement.

6. Eligibility and Qualification Requirements of the Bidders

- 6.1** Bids for conducting feasibility study are invited from experienced consultants having done similar nature of assignment(s). To be eligible to qualify for award of work, the bidders are required to submit the following documents in support of their fulfillment of the qualifications requirements:

➤ Letter of submission of offer as per proforma attached.

- Copies of Income Tax Return etc. for the last three financial years.
- The bidder should submit the details of at least two similar nature of assignments executed enclosing the certificates/documents to corroborate the same.

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

- 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 conditions, the offer is liable to be rejected.
- NSIC does not bind itself to accept lowest or any other offer and reserve the right to reject lowest or any or all offers without assigning any reasons whatsoever. Decision of NSIC shall be final and binding on all the 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.

7. Site Visit

The bidders are advised to visit and examine the site and its surroundings and obtain for himself on his own responsibility all information that may be necessary for preparing the bid. The cost of any such visit shall be entirely at the bidder's own expenses.

8. Responsibilities of NSIC Industrial Estate, Naini

- 8.1** NSIC Indl.Estate Naini would make available to the bidders the relevant data and the information on its existing set up, infrastructure and details of activities pertaining to the estate as may be required by the bidders for conducting the proposed study.

9. Validity

9.1 Offers shall remain valid and open for acceptance for a period of 4 months from the date of opening of the bid. No modifications in the terms and conditions of the offer would be acceptable.

9.2 In exceptional circumstances, prior to expiry of the original validity period, NSIC may request the bidder for specified extension in the period of validity. The request and the responses thereto shall be made in writing or by cable or fax. Bidder may refuse the request. However, the bidder agreeing to the request will neither be required nor be permitted to modify his offer.

10. Submission of offers

10.1 Offers complete in all respect consisting of Proforma-I & II (enclosed herewith) shall be submitted in the following manner:-

i) Envelope-I Technical Bid

This envelope should contain the following:-

- a) Terms of reference duly signed and stamped as a token of acceptance
- b) Letter of submission of Offer as per proforma-I enclosed with the TOR

ii) Envelope-II - Price Bid

This envelope should contain the following:-

- a) Price bid as per proforma –II enclosed with the TOR

10.2 Both the envelopes i.e. Envelope I & Envelope-II should be placed in one envelope and properly sealed, the sealed offer shall be received at the following address on up to -----hrs. on---date

Chief General Manager (Works)
NSIC Ltd.,
NSIC Bhawan,
Okhla Industrial Estate,
New Delhi-110020.

10.3 Envelope-I marked Technical Bid shall be opened at---hrs. on-----date in the presence of the representative who choose to be present.

10.4 Envelope-II marked Price Bid of technically qualified bidder only shall be opened at a later date to be intimated to the qualified bidders.

11. Award of Work

11.1 NSIC will award the work to the bidder who meets the eligibility criteria as mentioned at sub para 6.1 above and who has offered the lowest fees provided further that the bidder has the capability and resources to carry out the assignment effectively. Offer of the bidders, who have not been found to meet the qualification criteria on the basis of the documents submitted to NSIC will be rejected. (Also refer conditions listed at sub para 6.2 above).

11.2 Time is essence of the contract. The bidder has to complete the work, with in the schedule time as stated in the offer at Para 12 below.

General

The bidder's operations and proceeding in connection with the assignment shall at all times be conducted during the continuance of contract in accordance with the laws, ordinance, rules and regulations for the time being in force. The bidders shall further observe and comply with the bye laws and regulations of the Govt. of India & State Govt. and Municipal and other authorities having jurisdiction over area involved in connection with the assignment or site and over operations such as those as carried out by the bidders. The Bidder shall give all notices required by such bye-laws and regulations. The hospital and medical regulation in force for the time being shall also be complied with by the bidders/bidder and his /their workman.

12. Time Schedule

The entire assignment shall be completed as per the following reporting schedule from the date of entering into the contract agreement:

End of 8 th Week	Item 4.1 and 4.2 of the scope of work along with first draft report. First presentation to NSIC of the findings.
End of 9 th Week	Second draft report with all items of the scope of work. Second presentation to NSIC of the findings.
End of 10 th Week	Final Report.
Date to be Determined	Final presentation at NSIC H.O, New Delhi.

13. Deliverables

The final deliverable shall be a report (Final Report) that contains the following. This should be strictly in accordance with the "Scope of Work" as out lined at para 4 above:

- A report on the present status, potential for development and requirements of MSMEs in the region.
- Schematic plan and the layout for the proposed project, taking into account the FAR and coverage allowed in the targeted area.
- Preliminary cost estimate of the project and cost of rehabilitation of existing infrastructure based on current prices.
- Estimate of annual revenue, based on prevailing/acceptable prices.

- Estimate of running costs.
- Profitability analysis for next ten years. The profitability statement will clearly indicate the different components/basis considered while working out the profitability, revenue and expenditure under various heads e.g. running expenses, maintenance charges, house keeping, security, municipal taxes, electricity, water etc.
- Break-even point.
- Pay back period.
- Internal Rate of Return (IRR)
- Sensitivity analysis.
- Debt Service Coverage Ratio (DSCR)
- A self-sustaining financial model and revenue forecast for the development.
- Draft RFP and TOR required for inviting offers/bids from the potential bidders for the development of the proposed project.
- Final RFP & TOR required for inviting offers/bids from the potential bidders for the development of the proposed project.

14. Reports and Presentations

The reports and presentations include the following:

- 14.1 First Draft Report, First Presentation, Second Draft Report, Second Presentation, Final Report at NSIC H.O. New Delhi and Updated Final Report, Final Presentation.
- 14.2 All reports and presentations shall be delivered as per the reporting schedule mentioned in para 12 above. Any delay in submission of the reports or the presentations without due approval of NSIC shall attract a penalty of 5% of the contract sum per week, but shall not exceed 25% of the total contract amount.
- 14.3 Two copies of all draft reports along with the first & second presentation printouts shall be submitted along with all electronic files (in editable format) on five CDs and four copies of the final report along with the final presentation printouts shall be submitted along with all the electronic files (in editable format) on ten CDs. The CDs should be properly indexed and a catalogue giving contents of all CDs shall be attached with the CDs.

15. Payment

- 15.1 30% of the contract amount shall be paid upon completion of the first presentation (including submission of the first draft report) to NSIC.
- 15.2 30% of the contract amount shall be paid upon completion of the draft final report (including submission of the second draft report and the second presentation) to NSIC.

15.3 40% of the contract amount shall be paid upon approval of the final report by the concerned authorities (including presentation at NSIC H.O. and submission of updated final report).

16. Other terms and Conditions

- 16.1** Time extension for completion of the assignment or for the submission of the reports or presentations should be granted by NSIC in writing at the request of the bidder in writing only for factors beyond the control of the bidder.
- 16.2** NSIC shall not pay any extra amount for any escalation in the cost of the assignment shall be payable to the consultant even if the time extension for completion of the assignment is granted.
- 16.3** Applicable taxes shall be deducted by NSIC from all payments.
- 16.4** If the performance of the consultant during the assignment is found to be unsatisfactory, the award of the assignment may be terminated and the amount already paid to the consultant shall be recovered.

17. Confidentiality

The draft reports, presentations, final reports, all findings, research and the contents thereof shall be the intellectual property of NSIC and shall not be published, shared with the others, or used for any other purpose by the bidder without prior approval of NSIC. All these materials (Hard copy as well as soft copy) should be handed over by the bidder to NSIC immediately after completion of the assignment by the bidder.

LETTER OF SUBMISSION OF OFFER**(TO BE TYPED BY THE BIDDER ON THEIR FIRM'S LETTER HEAD)**

To:

Name of the work: _____

Ref : Offer No. _____

Dear Sirs,

1. Having examined the conditions incorporated in the offer document for the execution of the above named work and having visited and examined the site of the said work, I/We the undersigned, offer my consultancy for the sum as indicated in the offer.
2. If this offer is accepted, I/We undertake to commence the work within 10 days of issue of the Letter of Award for the work and further undertake to complete and deliver the whole of the works comprised in the contract within 10 weeks from the date of issue of Letter of Award.
3. I/We agree to abide by this offer for a period of 4 months from the date of opening of the bid/or such extended period as may be mutually agreed of the Instruction to Bidders and it shall remain binding upon us and may be accepted at any time before the expiration of that period.
4. Unless and until an agreement is prepared and executed this offer together with your written acceptance thereof shall constitute a binding Contract between us.
5. We understand that you are not bound to accept the lowest or any offer you may receive.

6. Name of the partners of the firm authorized to sign

Name of the person having power of attorney to sign the contract (Certified true copy of the Power of Attorney should be attached)

7. **Correspondence address of the Consultant:-**

(The bidder should write his address and other details below at which the correspondence shall be made regarding this offer. in case of any change in the address provided below, Bidder has to inform NSIC immediately).

a) **Correspondence Address:-** _____

b) **Telephone No. (along with STD Code):-** _____

c) **Fax No. :-** _____

d) **Name of Contact Person:-** _____

e) **Mobile No.:-** _____

All the correspondence shall be made by NSIC at the above provided address/phone/Fax numbers only.

Yours faithfully,

Signature(s) of the Consultant(s)

Permanent address

Local address

The Bidder is to fill up the blanks in the above form before signing and submitting the offer.

PRICE BID

I/We hereby agree to render consultancy services and preparation of Detailed Project Report for NSIC Ltd., for Indl.Estate, Naini as per the scope of work defined in the offer and also agree to abide by all the terms and conditions put forth in the said document enclosed and my/our fee for the above all services will be Rs.....
(Rupees.....)

Inclusive/exclusive of Service Tax as lump sum fee of the accepted offer cost. The above fee shall remain firm till the completion of the assignment in all respect and shall be valid as per clause no. 12 of the TOR

(Authorized signatory along with seal)