

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

Tender Document

For

“Conducting Study to assess the impact of Chinese imports on MSMEs in Bi-cycle part industry and to suggest remedial measures for corrective action.”

Last date of receipt of tender	:	21.06.2013 (Latest by 15.00 hrs)
Date of opening of Technical Bid	:	25.06.2013 (15.00 hrs)
Date of opening of Price Bid	:	25.06.2013 (16.00 hrs)

General Manager (MIC)

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

Ref. No. SIC/MIC/Study/52/2013-14

Dated:

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NOTICE INVITING TENDERS

Sub: Invitation for conducting Study to assess the impact of Chinese imports on MSMEs in Bi-cycle industry and to suggest remedial measures for corrective action.

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 (MSME).

NSIC intends to conduct a study to assess the impact of Chinese imports on MSMEs in Bi-cycle parts industry and to suggest remedial measures for corrective action as stated in Terms of Reference (TOR). A copy of the Terms of Reference is attached for your reference.

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 study / survey.

Eligibility Criteria: The bidders must have experience of conducting at least three similar studies.

The proposals must be accompanied with the **Earnest Money of Rs.25,000/- (Rupees Twenty five thousand only)** in the form of DD favoring "The National Small Industries Corporation Limited" payable at New Delhi. Without the EMD, the proposal shall be rejected outright **In case the Consultant(s) is MSME, the exemption rules as per public procurement policy in tender participation for MSME shall be applicable provided a valid EM-II certificate is attached in the technical bid.** Request for Proposal (RFP) should contain quotations in two separate sealed envelopes (marked as 'Technical Proposal')

and 'Financial Proposal') should be addressed to the General Manager (MIC), superscribing as 'Quotation to conduct the study to assess the impact of Chinese imports on MSMEs in Bicycle parts industry and to suggest remedial measures for corrective action. DD towards earnest money must be enclosed in Technical Bid. In case the Consultant(s) is MSME, the exemption rules in tender participation for MSME shall be applicable provided a valid EM-II certificate is attached in the technical bid. The quotation must reach the following address on 21.06.2013 by 15.00 hrs.

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

The detailed Tender document can be downloaded from NSIC's Website www.nsic.co.in.

NSIC reserves the right to reject any bid and to annul the bidding process and reject all bids at any time prior to award of contract without assigning any reason whatsoever and without thereby incurring any liability to the affected bidder(s) on the grounds of NSIC's action.

NSIC
ISO 9001:2008

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

No. SIC/MIC/52/STUDY/2013-14

Dated:

M/s -----

Sub: Invitation for conducting Study to assess the impact of Chinese imports on MSMEs in Bi-Cycle Industry and to suggest remedial measures for corrective action.

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 assess the impact of Chinese imports on MSMEs in Bi-cycle parts industry and to suggest remedial measures for corrective action as stated in **Terms of Reference (TOR)**. A copy of the Terms of Reference is attached for your reference.

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 study / survey.

The proposals must be accompanied with the **Earnest Money of Rs.25,000/- (Rupees Twenty five thousand only)** in the form

of DD favouring “The National Small Industries Corporation Limited” payable at New Delhi. Without the EMD, the proposal shall be rejected outright **In case the Consultant(s) is MSME, the exemption rules as per public procurement policy in tender participation for MSME shall be applicable provided a valid EM-II certificate is attached in the technical bid..** Request for Proposal (RFP) should contain quotations in two separate sealed envelopes (marked as ‘Technical Proposal’ and ‘Financial Proposal’) should be addressed to the General Manager (MIC), superscribing as **“Quotation to conduct the study to assess the impact of Chinese imports on MSMEs in Bicycle parts industry and to suggest remedial measures for corrective action”**. The quotation must reach the following address on 21.06.2013 by 15.00 hrs.

Proposal Formats are given in **(Annexure-‘B’)**. The details of assignment are provided in the enclosed **Terms of Reference (TOR) (Annexure-‘A’)**. The EMD should be enclosed with the Technical bid.

1.) Objective of Study: The Objective of the Project is to assess the impact of Chinese Imports on MSMEs in BI-cycle parts industry, carry out a gap analysis in different areas and then suggest remedial measures for corrective action.

2.) SCOPE OF Assignment

- Assessing the current market share of MSMEs in Bi-cycle Industry in India.
- Imports of the Components from various countries with ABC analysis.
- Identification of clusters and manufacturing hubs for the said industry.
- Assessing the current market share of Chinese imports for the said industry.

- Identify the technology gaps in the Indian Bi-cycle part industry as compared to Chinese Bi-cycle part industry.
- Carrying out a SWOT analysis of MSMEs in Indian Bi-cycle industry.
- Carry out Price comparison and quality check Issues.
- Distribution channels Direct/ Indirect and availability of after Sales services.
- Problems of financing and Marketing Constraints.
- Raw material availability problems.
- Design and conduct the physical surveys in the cluster of Bi-cycle industry pan India.
- Suggest possible short-term as well as long-term remedial measures to overcome the challenge of increasing Chinese import of Bi-cycle parts.
- Preparation of the Questionnaire in consultation with NSIC and to do sample testing.
- Add parametric and non-parametric tests on samples collected.
- Generation of sample reports based on the tests and sample collected.

2.0) METHOD OF SELECTION

The method of selection will be on the basis of "**Cost Base Selection**" (**CBS**). A two stage procedure will be adopted for evaluation of Proposals. Technical evaluation will be carried out prior to opening financial proposal. The Price bid of the Technically Qualified bidders shall only be opened for consideration of CBS. Formats for Technical Bid and Financial Bid are enclosed in **Annexure 'B'**.

The NSIC reserves the right to reject any bid and to annul the bidding process and reject all bids at any time prior to award of contract without assigning any reason whatsoever and without thereby incurring any liability to the affected bidder(s) on the grounds of NSIC's action.

3.0 BID SUBMISSION PROCEDURE

Sealed proposals (i.e. Technical Proposal and Financial Proposal) may be submitted in two separate envelopes (marked as "Technical Proposal" or "Financial Proposal"). The proposals should be addressed to the undersigned super scribing as **"Proposal to conduct the study to assess the impact of Chinese imports on MSMEs in Bicycle parts industry and to suggest remedial measures for corrective action"**

The proposal must reach to NSIC on or before 21st June, 2013. Tenderers seeking clarifications can attend the pre-bid meeting on 18th June , 2013 at 15:00 Hrs. The technical bid shall be opened on 25th June,2013 at 15:00 Hrs Interested tenderers may also be present while opening the tenders of technical bids.

3.1 Earnest Money Deposit

The technical proposal must be accompanied with the EMD of Rs.25,000/- (Rupees Fifty Thousand only) in the form of DD favouring "The National Small Industries Corporation Limited" payable at New Delhi. Without the EMD, the proposal shall be summarily rejected. The EMD should be enclosed with the Technical Bid. In case the Consultant(s) is MSME, the exemptions rules of tender participation for MSME shall be applicable, provided a valid EM-II certificate is attached in the technical bid.

3.2 Evaluation Process

The Evaluation Criteria is as follows:

S.No	Criteria	Percentage
i)	Qualification of the proposed consultants	30%
ii)	Experience of the proposed	20%

	consultants	
iii)	Implementation & Report Summaries	10%
iv)	Past Experience of consultants in similar kind of studies	40%

3.2.1 An Agreement with NSIC will be signed after award of work order.

3.3 TERMS OF PAYMENT

The payment schedule will be as follows:

S.no	Description	Payment Percentage
i)	On submission of first draft report	20%
ii)	On submission of final draft report	30%
iii)	On approval of the final report and submission.	50%

3.4 Time Schedule and Reports: The study is to be completed within 12 weeks from the date of award of assignment. It is expected that the following assignment schedule for reporting may be adhered to:-

S. No.	Project Activity	Weeks												
		1	2	3	4	5	6	7	8	9	10	11	12	
1	Desk research & Finalization of questionnaire in consultation with NSIC	√	√											
2	Field survey in clusters			√	√	√	√							
3.	Data Analysis							√	√	√				
4.	Submission of draft report comprising of findings, suggestions & remedial measures for corrective action										√	√		
5	Presentation of the final Report											√		

5.	Submission of Final Report																		√
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3.5 Deliverables:

- a. 2 copies of draft report to be submitted within ten weeks from the date of assignment of work.
- b. Presentation of the Report.
- c. 5 copies of final report along with soft copy within 12 weeks from the date of assignment of work.

3.6 LIQUIDATED DAMAGES

Time is the essence of the assignment. The assignment should be completed as per the time schedule given. In the event of delay in Expected Outcome and Deliverables as given in the "Terms of Reference" at S.no 4, the Expert/ Consultant shall be charged liquidated damages/ penalty shall be charged @.5% per week of the total amount of project.

3.7 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 by giving one month notice and the amount already paid to the agency shall be recovered along with liquidated damages/ penalty shall be charged @.5% per week of the total amount of project.

4.0 ARBITRATION

4.1.1 For any resolved dispute or differences arises between NSIC and the bidder with this regard to this Tender Document/ Agreement, the same shall be referred to the sole arbitrator appointed by CMD.

Such appointed arbitrator shall be either an employee serving or retired from the office of NSIC or of any other Public Sector Undertaking (PSU) or Law Faculty Member of Government University or any other Advocate Retired Judge. There shall be no objection by any party for appointment of such person as Arbitrator. The award of the Arbitrator so appointed shall be final and binding on the parties to this Tender Document/ Agreement.

4.1.2 The Venue of Arbitration shall be at Delhi.

Thanking you,

Yours faithfully,

GM(MIC)

**Terms of Reference
For**

“Conducting Study to assess the impact of Chinese imports on MSMEs in Bi-cycle part industry and to suggest remedial measures for corrective action”

Terms of Reference
Proposal for Conducting Study to assess the impact of Chinese imports on MSMEs in Bi-cycle part industry and to suggest remedial measures for corrective action

1. **Background**

1.1 India produces approximately 10% of the world annual bicycle production, which is estimated at 125 Million units. Most of the manufacturers of Bi-cycle parts are from Micro Industry.

With an annual turnover of more than 12 million bicycles, the bicycle industry is one of the most established industries in India. It has raised the country's position to that of the second largest bicycle manufacturer in the world, next only to China. India has seen a tremendous increase in the number of bicycle manufacturers and bicycle exporters in the recent past. Today, the Indian bicycle manufacturing and bicycle spares industry is well accepted and is also widely recognized for its quality standards in international markets.

There are enough evidence to suspect that import to India from countries other than China are now increasingly been replaced by cheap Chinese import. Therefore the import to India is progressively concentrating with China. Broadly the Basic Goods and the Intermediate Goods sectors seem to be negatively affected from the cheap Chinese import. However, across Industry sub-group, there is number of products having negatively impacted by Chinese import.

Since the imports from the China is destroying Indian Bi-cycle parts Industry. Hence, it has been decided to conduct a study to assess the impact of Chinese imports on Indian MSMEs in Bi-cycle parts Industry in India.

2.Objective of Study : The Objective of the Project is to assess the impact of Chinese Imports on MSMEs in BI-cycle parts industry , carry out a gap analysis and SWOT in different areas and then suggest remedial measures for corrective action.

3. Scope of Assignment:

The scope of Work for the project will include following activities:

- To study and assess the current market share of MSMEs in Bi-cycle Industry in India.
- TO study and collect database for Imports of the Components from various countries.
- Identification of clusters and manufacturing hubs for the said industry.
- Assessing the current market share of Chinese imports for the said industry with ABC Analysis.
- Identify the technology gaps in the Indian Bi-cycle part industry as compared to Bi-cycle part industry.
- Carrying out a SWOT analysis of MSMEs in Indian Bi-cycle industry.
- Carry out Price comparison and quality check Issues.
- To identify the distribution channels Direct/ Indirect
- To check for the availability of after Sales services and parts in terms of quality and price in comparison to Indian Industry.
- Problems of financing Constraints in the Indian Bi-cycle part industry
- To identify the sources of raw material and problems in procuring the Raw material.
- Preparation of the Questionnaire in consultation with NSIC and to do sample testing.
- Add parametric and non-parametric tests on samples collected.
- Generation of sample reports based on the tests and sample collected.

- Design and conduct the physical surveys in the cluster of Bi-cycle industry pan India.
- Suggest possible short-term as well as long-term remedial measures to overcome the challenge of increasing Chinese import of Bi-cycle parts.

4. Expected Outcome and Deliverables

S. No.	Project Activity	Weeks												
		1	2	3	4	5	6	7	8	9	10	11	12	
1	Desk research & Finalization of questionnaire in consultation with NSIC	√	√											
2	Field survey			√	√	√	√							
3.	Data Analysis							√	√	√				
4.	Submission of draft report comprising of findings, suggestions & remedial measures for corrective action										√	√		
5	Presentation of the Report highlighting major events/activities and results.											√		
6.	Submission of Final Report													√

4.1 Deliverables:

- a. 2 copies of draft report to be submitted within ten weeks from the date of assignment of work.
- b. Presentation of the Report
- c. 5 copies of final report along with soft copy within 12 weeks from the date of assignment of work.

5. Competency and Expertise requirement

The agency would be expected to be highly qualified, skilled and talented in the relative field with a vast experience of having carried out similar kind of assignments successfully in the past and would have proven track record of handling such assignments.

The Expert/Consultant would have:

- Have a Team of experts having relevant technical qualification and experience.(CV's of Experts/Team members should be submitted)
- Knowledge of demand of various products and services of MSMEs and their supply chain.
- Vast experience in the area of similar kind studies.
- Project Head with minimum total experience of 5 years in making assessments and "Studies"
- The team should possess excellent communication and content management skills.
- The Expert/Consultant/ Agency should have a strong financial standing.

6. Evaluation Process

The evaluation will be carried out through a two stage process. Sealed proposals (i.e. Technical Proposal and Financial Proposal) may be submitted in two separate envelopes (marked as "Technical Proposal" or "Financial Proposal"). The Tenderers can attend the pre-bid meeting on 18th June at 15:00 hrs. The candidates shortlisted in Technical bid will be considered for opening the commercial bid. Details of this stage will be shared among the short listed agencies.

The Evaluation Criteria is as follows:

S.No	Criteria	Percentage
i)	Qualification of the proposed consultants	30%
ii)	Experience of the proposed consultants	20%
iii)	Implementation & Report Summaries	10%
iv)	Past Experience of consultants in similar kind of studies	40%

6. 1 An Agreement with NSIC will be signed after award of work order.

7. Earnest Money Deposit

The technical proposal must be accompanied with the EMD of Rs.25,000/- (Rupees twenty five Thousand only) in the form of DD favouring "The National Small Industries Corporation Limited" payable at New Delhi. Without the EMD, the proposal shall be summarily rejected.

8. Payment Term

The Payment terms are as follows:

S.n o	Description	Payment Percentage
i)	On submission of first draft report	20%
ii)	On submission of final draft report	30%
iii)	On approval of the final report and submission.	50%

The Expert/Consultant will make his own arrangement of travel, hotel accommodation etc.

9. Time frame

The assignment is for 12 Weeks. In the event of delay in “**Expected Outcome and Deliverables**” as Terms of Reference at S.no 4. The Expert/ Consultant shall be charged liquidated damages/ penalty shall be charged @.5% per week of the total amount of project.

S. No.	Project Activity	Weeks												
		1	2	3	4	5	6	7	8	9	10	11	12	
1	Desk research & Finalization of questionnaire in consultation with NSIC	√	√											
2	Field survey			√	√	√	√							
3.	Data Analysis							√	√	√				
4.	Submission of draft report comprising of findings, suggestions & remedial measures for corrective action										√	√		
5.	Presentation of the Report												√	
	Submission of Final Report													√

DELIVERABLES

- a. 2 copies of draft report to be submitted within ten weeks from the date of assignment of work.
- b. Presentation of the Report.
- c. 5 copies of final report along with soft copy within 12 weeks from the date of assignment of work.

10. 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.
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. NSIC will not be responsible for any mislead information provided by the Consultant(s).
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 by giving one month notice and the amount already paid to the agency shall be recovered along with liquidated damages/ penalty shall be charged @.5% per week of the total amount of project.
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, NSIC registered units 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.

The neatly typed application should be sent by post/ speed post to GM(MIC), NSIC Limited, "NSIC Bhavan", Okhla Industrial Estate, New Delhi-110 020 by superscribing on top of the envelope "**Proposal for Conducting Study to assess the impact of Chinese imports on**

MSMEs in Bi-cycle part industry and to suggest remedial measures for corrective action” latest by 21st June,2013.

NSIC reserves the right to reject any bid and to annul the bidding process and reject all bids at any time prior to award of contract without assigning any reason whatsoever and without thereby incurring any liability to the affected bidder(s) on the grounds of NSIC’s action.

Annexure 'B'

Formats for Bids

- A) Technical Bid Format
- B) Financial Bid Format

Technical Bid

1.	Name of the Vendor and address	
2.	PAN / TIN No and Service Tax Number	
3	Qualification Certificates of Proposed Consultant and CV's of the Consultants to be engaged in the project	
4.	Experience of Proposed Consultants (List of projects undertaken along with Project Values)	
5	Action Plan for study	
6.	Past Experience in similar kind of study.	
7.	Referees in all projects	
8.	Details of Earnest Money Deposit	
9.	Photocopies of all certifications/ empanelment etc.	

(Please enclose separate sheets, if needed)

Financial Bid

Activities*		Amount (in Rs.)
1.		
2.		
3.		
Taxes		
Total Amount		

*Activities are mentioned in detailed Terms of Reference under the head

at S.No. 4 "**Expected Outcome and Deliverables**"