

LETTER OF INVITATION

To,

Date

Sub: Letter of invitation for conducting Study on “The impact of De-reservation on NSIC’s Business”.

Sir,

National Small Industries Corporation Limited (NSIC), established in 1955, is an ISO 9001 certified company and has been working to fulfill its mission of promoting, aiding and fostering the growth of Micro, Small and Medium Enterprises (MSMEs). NSIC has been providing integrated support through its various schemes under Marketing, Technology, Credit and Support services.

NSIC intends to get conducted a study on the subject of **“Impact of de-reservation policy on NSIC’s business”**. The objective of study is to obtain the feed back from the Micro, Small & Medium Enterprises and to assess the impact of de-reservation so as to formulate the strategies to cope with such challenges.

In this regard, NSIC would like to solicit your interest, under the two bid systems, to conduct the said study. The quotations in two separate envelopes (Technical bid in envelope ‘I’ and Financial bid in envelope ‘II’) should be address to the under signed, super scribing as ‘Quotation to study the impact of de-reservation policy on NSIC’s business’.

The copy of the Terms of Reference along with the Standard form of certificates (i.e. Annexure A, B, B1) and Standard form of agreement are enclosed for your reference. The technical bid in a separate envelope, marked as ‘Envelope I- Technical Bid’ should contain the following:

- 1) Annexure A
- 2) Annexure B
- 3) Annexure B1

The financial bid in a separate envelope, marked as ‘Envelope II-Financial Bid’ should contain the Annexure ‘C’.

The sealed quotations must reach to the NSIC Central Receipt Section by 15th September, 2008. 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 thereof.

Thanking you,

Yours faithfully,

Sunil Bali
General Manager(BD)

Enclosed: As above

TERMS OF REFERENCE

1.0 Background

National Small Industries Corporation Limited (NSIC), established in 1955, is an ISO 9001 certified company and has been working to fulfill its mission of promoting, aiding and fostering the growth of Micro, Small and Medium Enterprises (MSMEs). NSIC provides integrated support services to MSMEs through its various schemes under Marketing, Technology, Credit and Support services. These schemes are a set of specially tailored schemes designed to put MSMEs in a competitive and advantageous position. NSIC activities are being largely guided by the prevailing market scenario as well as the strategic guidelines given by the Government w.r.t. the future activities of the Corporation.

2.0 Assignment:

To study the impact of dereservation on NSIC's business

3.0 Objective of Study:

To formulate strategies to cope with the impact of de-reservation on NSIC's Business

4.0 Scope of Work

1. To review all existing database containing information of the Micro & Small units registered with NSIC under its various schemes prior to dereservation and to investigate their paraphernalia relative to trade and business projections, marketing trends, generating of revenue as a whole dereservation policy.
2. To assess the short term & long term impact of dereservation on each of the scheme of NSIC with a special thrust given on potential schemes like Single Point Registration Scheme and Internal Marketing Scheme.
3. To formulate & design specific strategies with comprehensive recommendations for each of the NSIC scheme which would enable NSIC to cope with the impact dereservation on its business.

5.0 Methodology

- a) Preparation of standard questionnaire and finalise in consultation with NSIC.
- b) Distribution of standard questionnaire to atleast 2500 units registered under all schemes of the NSIC, with their business growth analysis covering both the period i.e. pre dereservation & post dereservation scenario.

In addition, at least 200 Small Industries Association may also be contacted/consulted to cover the impact of dereservation on micro & small enterprises.

- c) Sample size should also include personal discussions & interviews of micro & small units with a sample size of atleast 50 enterprises.
- d) Analysing the data so received and synchronizing the same in the line with the objectives of the study as explained above. However, the analyzing of data should be covered for atleast 1000 units including 500 units registered under NSIC's Single Point Registration Scheme & remaining 500 units registered/involved with other schemes of NSIC.
- e) Preparation & submission of draft report containing strategy to cope with the short term as well as long term impact of dereservation on NSIC's business including suggestion for any modification/amendment in the schemes relative to dereservation of certain items manufactured by micro and small enterprises.
- f) Incorporating the amendments as suggested by NSIC and submission of final report

6.0 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 may be adhered to:

Sl. No.	Project Activity	Weeks									
		1	2	3	4	5	6	7	8	9	10
1.	i) Desk Research ii) Finalization of questionnaire in consultation with NSIC.										
2.	i) Field Survey ii) Data Analysis & Draft Report preparation & submission.										
3.	Report Finalisation										

6.1 Time Schedule:

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

Phase I. (0-2 weeks) : Desk research related to identification of the specific sectors of MSMEs and preparation of questionnaire.

Phase II (3-8 weeks): During this phase, field survey by way of interacting through personal visits, interviews, meetings with the stake holders is to be made. Obtaining feedback by way of Questionnaires. The analysis of the data is also to be completed in terms of the objectives of the study and accordingly draft report is to be prepared and submitted to NSIC for its comments.

Phase-III (9-10 weeks): On the basis of comments of NSIC on the draft report, the final report is to be prepared and submitted.

6.2 Reports:

Draft report (5 copies) is to be submitted within 8 weeks from the date of award of assignment. Thereafter the final report (10 copies along with 5 CD's) is to be submitted within 2 weeks from the date of receipt of draft report from NSIC.

6.3 Penalty

Any delay in submission of report without due approval by NSIC will attract a penalty of 5% of the contract sum per week subject to maximum of 25% of the amount of contract.

7.0 Payment:

The final payment shall be made not later than 6 weeks following the acceptance of the final report and submission of bills etc. by the agency.

8.0 Other Terms and Conditions:

The other terms and conditions applicable under this assignment will be:

- i) The assignment should be completed within the time stipulated in the award letter. Delay in submission of the report beyond the stipulated time will attract penalty as stipulated above. For factors beyond the control of the agency, suitable extension in time may, however, be granted at the request of the agency.
- ii) NSIC shall not pay any extra amount for any escalation in the cost of the assignment beyond the time period stipulated in the award letter.
- iii) The total fee for the study to be quoted by the agency will include service tax and other tax, if any, and any other expenses to be incurred during the course of conducting the survey. The liability of payment of the tax will be of the agency conducting the study.

- iv) The draft/final reports and the contents thereof would be the intellectual property of NSIC and would not be published by the agency concerned without prior approval of NSIC.
- v) If the performance of the agency during the currency 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 will be recovered.
- vi) The raw data/processed data/ findings should not be disclosed by the agency to any third party without prior approval of NSIC.

9.0 Data to be provided by NSIC:

A copy of the each of the Scheme detailing salient features of the scheme offered by NSIC, and other operational issues along with the list of units registered under each scheme, will be provided to the agency conducting the study at the time of award of assignment.

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