

. No.9/6/2013-HE&MT  
Government of India  
Ministry of Heavy Industries & Public Enterprises  
Department of Heavy Industry  
(HE&MT Section)

\*\*\*\*

Udyog Bhawan, New Delhi  
Dated : 26<sup>th</sup> March, 2013

**Request for proposal**

Department of Heavy Industry looks after the development and growth and Capital Goods Sector. It is proposed to evolve a National Policy for development, growth and global competitiveness of the Indian Capital Goods Sector. For this a profiling study on Indian Capital Goods Industry with analysis and recommendations is proposed to be undertaken through a knowledge consultant.

2. Proposals are hereby invited in two bid system – technical and financial from consultants for undertaking the study indicated above. Terms of Reference (ToR), eligibility conditions etc. are available in the website of the Department of Heavy Industry website [www.dhi.nic.in](http://www.dhi.nic.in) .

3. The proposal may be submitted by 1430 hrs. of 16.04.2013 to the Under Secretary (HE&MT), Department of Heavy Industry, Ministry of Heavy Industries & Public Enterprises, Government of India, Room No.384, Udyog Bhawan, New Delhi. The pre bid meeting is scheduled for 2.4.2013 in Kaustubham Conference Hall (No. 172), Udyog Bhawan, New Delhi at 1100 hrs. The technical bids will be opened on 16.4.2013 at 1500 hrs

4. This Ministry reserves the right to accept or reject in part of full all or any of the responses without assigning any reason whatsoever.

*UKKhoje*

Under Secretary (HE&MT)  
Room No.384,  
Udyog Bhawan,  
New Delhi.

No. 9/6/2012- HE&MT  
Government of India  
Ministry of Heavy Industries & Public Enterprises  
Department of Heavy Industry

-----  
Udyog Bhavan, New Delhi  
Dated 26<sup>th</sup> March, 2013

**Request for proposal for comprehensive consultancy to profile Indian Capital Goods Industry, SWOT analysis, Vision, Mission, Plans till 15<sup>th</sup> Five Year Plan and draft Policy.**

**1. Background:**

Department of Heavy Industry looks after the development and growth of the Capital Goods Sector. The Capital Goods Sector is vital to the value addition in the entire manufacturing chain. Further details of the Capital Goods Sector may be perused at DHI website [www.dhi.nic.in](http://www.dhi.nic.in) in the Working Group Report on "Capital Goods and Engineering Sector" prepared for the 12<sup>th</sup> Five Year Plan.

**2. Objective:**

It is proposed to evolve a National Policy for medium and long term development, growth and global competitiveness of the Indian Capital Goods Sector. For this a profiling study with analysis and recommendations leading to road map policy for global competitiveness is proposed to be undertaken through a knowledge consultant.

**3. Scope of Work/ Terms of Reference (ToR):**

Diagnostic Study to profile India Capital Goods Sector (illustrative list of sub-sectors given below) and to draft a comprehensive policy:-

- a) To identify and describe the present state of the Indian Capital Goods Sector and how it fares in relation to the Global capital Goods Industry;
- b) To carry out a SWOT analysis of the Indian Capital Goods Sector to look at the competitive strengths vis-a-vis its global competitors;
- c) To look at various policy parameters that govern the growth of Indian capital goods industry and identify the shortcomings. This should include the entire gamut of industrial policy, fiscal policy, foreign trade policy in light of regional trade agreements being signed by India and other relevant policies;
- d) To identify key R &D, technology development, skill development, exports promotion, local purchasing promotion, increasing depth in local manufacturing, trade, taxation and

other policy measures that are required to promote Indian Capital Goods in India and abroad;

- e) Look at the Roles of Central and State Governments in promoting Capital Goods Industry. Also suggest measures about how these Governments could be engaged to promote the development of capital goods industry in the country;
- f) Taking all the above together draw up a Strategy Roadmap for National Policy for the Development of Capital Goods Industry till 15<sup>th</sup> FYP (2027); and
- g) Any other issues which deemed necessary.

**Illustrative List of capital Goods manufactured in India**

1.	Plastics Machines	14.	Wood Working Machines
2.	Chemical Machines	15.	Machines Tools
3.	Pharmaceuticals Machines	16.	Paper & Paper Product Manufacturing Machines
4.	Packaging Machines	17.	Printing Machines
5.	Process Plant Machines	18.	Sugar Machines
6.	Agriculture Machines	19.	Mining & Metallurgical Machines
7.	Food Processing Machines	20.	Construction & Earthmoving Machines
8.	Glass & Cement Machines	21.	Foot Wear Manufacturing Machines
9.	Rubber Machines	22.	Electrical Machines
10.	Tea, coffee & other plantation crops processing Machines	23.	Dairy Machines
11.	Textile Machines	24.	Special Purpose Machines
12.	Cement Machines	25.	Foundry Machines
13.	Stone Working Machines	26.	Misc industrial machines

**4. Methodology :**

- a. Primary and secondary desk research,
- b. Interactions with all stake holders in India
- c. Mid work and end work Meetings facilitated with Industry & other stakeholders by the Department for course corrections.
- d. Connected methodology as deemed appropriate.

**5. Output:**

Report in the format: MS word 2007/ 2010 or earlier with a PPT + 100 colour prints in Perfect binding containing .

- (1) Profile of Indian Capital Goods Sector with sub-sectors
- (2) SWOT analysis with global best practice



- (3) Recommendations
  - (4) Projections till 5<sup>th</sup> FYP.
  - (5) Vision
  - (6) Mission
  - (7) Specific Planned interactions by Industry, Government and in PPP with financial estimates, impact analysis and feasibility
  - (8) Enabling draft National Policy for development, growth and global competitiveness of Indian Capital Goods Sector
  - (9) Any other connected output
6. **Time Frame:**

As indicated in the Time lines. The detailed time lines are specified as under:

7. **Time Lines**

Task	Timeline
Publication of Tender on DHI website and ads through DAVP including identified consultations.	T = Start (26 <sup>th</sup> March, 2013)
Pre-bid meeting at Conference Room of Deptt. Of Heavy Industry, 1 <sup>st</sup> Floor, Udyog Bhawan, New Delhi 110 011 contact Under Secretary (HE & MT), 384, Udyog Bhawan, New Delhi –110 011 Tel : 011 2306 3189	T + 1 week
Offers receipt (21 days) Under Secretary (HE & MT), 384, Udyog Bhawan, New Delhi –110 011 Tel : 011 2306 3189	T + 3 weeks
Technical Offers opening, Conference Room of Deptt. Of Heavy Industry, 1 <sup>st</sup> Floor, Udyog Bhawan, New Delhi 110 011.	T + 3 weeks 1500 hrs
Issue of Work Order	T + 6 weeks
Submission of Initial report ( 2 months) to specified stake holders	T + 14 weeks
Mid term Review of Progress of Work : “In principle OK” - by DHI in consultation with stakeholders	T + 15 weeks
Final report circulation to stakeholders	T + 18 weeks
Final Review of the draft Report	T + 19 weeks
Final acceptance of the Report	T + 20 weeks
Supply of Printed / E copies	T + 22 weeks
Final Payments	T + 24 weeks

8. **Essential Qualifications of the applicant**

- Legal entity registered in India,
- Net worth should be positive,
- Minimum average turnover for last three years: Rs 25 lakh from consultancy,
- Experience of having completed one consultancy work of diagnostic studies of an industrial sector/ state/ region/ place of not less than Rs 40 lakhs during anytime in the last seven years in India or experience of completing at least three industrial studies in India of individual value not less than Rs 20 lakh

- At least 25 consultants on role in India.
  - At least three of which including the proposed leader should have been involved in the past in the diagnostic studies of an industrial sector/ state/ region/ place.
  - Offices in Delhi/NCR, West & South of India.
9. **Application Procedure:**
- Expression of Interest (EoI) may be submitted with covering letter in two bid system. Each of the Envelop to be marked clearly “Technical Proposal by M/s ..... for CG Sector Study of DHI” and “Financial Proposal by M/s ..... for CG Sector Study of DHI”. The bidder should submit two bids i.e Technical Bids and Financial Bids separately in two sealed envelopes. The envelop containing Technical Bid should also contain the Earnest Money Deposit as indicated below. The bidder should put these two sealed envelops in a bigger envelop duly sealed and submit the same to the Department by the specified date and time at the specified place.
  - Application format and list of documents need to furnished with the Application are annexed. **(Annexure I)**
  - An Earnest Money Deposit (EMD) of Rs one lakh by way of Bank Draft in favour of DDO, Department of Heavy Industry will be submitted in the Technical Proposal. EMD should remain valid for a period of 45 days beyond the final bid validity period.
  - Financial offers should remain valid for a period of not less than one year from the date of submission of financial bid.
  - The Check list annexed may be used to ensure completeness of the proposal.
  - Proposals should be submitted within the specified deadlines.
10. **Consultant Selection Process - Consultancy Evaluation Committee: As per GFR, CVC Guidelines, GO and other rules**
- A Consultancy Evaluation Committee (CEC) will analyse and evaluate the Technical Bids and Financial Bids in accordance with extant Government Guidelines and Rules.
  - First Technical bids will be opened as per the timelines specified.
  - Incomplete Bid documents will be rejected.
  - Late bids, i.e. bids received after the specified date and time of receipt will not be considered.
  - Essentialities will be examined in light of the Bid provisions and support documents provided.
  - The Technical Bid will be graded using the evaluation criteria annexed **(Annexure II)** and the Technical Bid should contain all the required information for evaluation.
  - Minimum qualification is set at 75%.

- Only those Financial bids will be opened which are from the technically qualified applicants.
- L 1 will be invited for negotiations, if deemed necessary.
- The successful applicant will be required to offer performance security of 10% of the fees in form of an account payee Demand Draft, Fixed Deposit Receipt from a Commercial bank, Bank Guarantee from a Commercial bank in favour of DDO, Department of Heavy Industry in an acceptable form safeguarding the purchasers interest in all respects. Performance Security should remain valid for a period of sixty days beyond the date of completion of all contractual obligations of the supplier including warranty obligations
- Work order will be issued to L-1 .
- The EMD would be returned as per Rules after issuing of the Work Order.

11. Terms of the proposed Contract:

(A) Deliverables: Final Report containing information and Roadmap as per ToR.

(B) Payment Terms:

- 40% after satisfactory completion of first draft report,
- 40% after satisfactory completion of second and final draft report and
- 20% after one month of the satisfactory completion of second and final draft report.

(C) Delays and/or poor quality of work will attract penalties including forfeiting of Performance Security, black listing etc as per rules.

*UK Mukherjee*

(U. K. Mukherjee)  
Under Secretary (HE&MT)



**Application Format (Technical): on the letter head of Organization**

- (1) About the Consultant in India
  - a) Name,
  - b) Complete address,
  - c) website,
  - d) profile in India
    - legal status Firm/ Limited Liability Partnership Firm/ company/ Corporation with Registration No.
    - work
    - people
    - financial with last IT return
    - past work done,
    - similar jobs,
    - pipeline jobs,
    - references with contact points,
- (2) Suggested methodology with identified key personnel (internal & external) and Task wise PERT showing , people, outputs and payment linkages.
- (3) Leader, Key persons + CVs
- (4) Contact person
- (5) Any other relevant detail
- (6) Check list for essential qualification, enclosures and others

**Application Format (Financial Proposal)**

- (1) Name
- (2) Financial terms linked to time lines (specify sums in clear terms with no assumption/if/terms & conditions ) unclear/ tied up terms will be rejected. Indicate bifurcation sub-head wise ( personnel, travel, communication, stationary and like)
- (3) Other relevant information

**Check list**

<b>Essential qualifications</b>	
Legal entity registered in India,	Registration Certificated certified by Authorized signatory
Net positive worth,	Audited Balance sheet for last three years.
Minimum average turnover for last three years: Rs 25 lakh,	do
Experience of having completed atleast consultancy work of diagnostic studies of an industrial sector/	Customer references

state/ region/ place of not less than Rs 40 lakhs during anytime last seven years in India or experience of atleast three industrial studies in India of individual value not less than Rs 20 lakh	
At least 25 consultants on role in India.	List with CVs
At least three including the proposed leader involved in the past in the diagnostic studies of an industrial sector/ state/ region/ place.	List with CVs
Offices in Delhi NCR, West & South of India.	Statement with addresses and details.
EMD	Bank draft
Other support documents as per Bid evaluation criterion	To be enclosed.

-----



## Evaluation Criteria for the technical proposals for Capital Goods Sector Study

	<b>Criteria</b> Minimum, qualifications 75%	<b>Total Marks</b> <b>100</b>	<b>Marking Criteria</b> <b>Agency getting zero marks on criteria (A. i, ii, iii, B. I, ii, iii and C.i, ii) shall be rejected straight away and shall not be evaluated further)</b>
<b>A</b>	<b>Past experience of the Agency</b>	<b>50</b>	
(i)	Number of years' experience of the Agency submitting the proposal	10	Less than 3 Years: 0 Marks 3-7 years: 04 Marks 8- 10 years : 07 Marks More than 10 years: 10 Marks
(ii)	Past experience in carrying out Industrial Diagnostic studies	10	No Experience: 0 Marks Up to 5 similar work: 5 Marks More than 5 Similar Works: 1 Mark for each completed work. Max 10.
(iii)	Past experience in carrying out economic / industrial / trade / finance policy impact studies	10	02 Marks for each completed study Max 10
(iv)	Past experience in carrying out studies to compare industrial policies or to evolve industrial growth plan for a place / region / state / country	10	Upto 5 similar work: 5 Marks More than 5 Similar Works: 1 Mark for each completed work. Max 10.
(v)	On time Completion of previous assignments	10	02 Marks: If any of the assignment in last 02 years has been successfully completed on time  Full Marks: If at least 02 of the assignments in last 02 years have been successfully completed on time
<b>B</b>	<b>Experience of Key personnel company</b>	<b>40</b>	
(i)	Qualifications	15	75% of the key personnel Less than the PG Qualifications in Engineering, management and / or economics.: 0 marks  50% of the key personnel Less than the PG

			Qualifications in Engineering, management and / or economics.: 8 marks  All of the key personnel Less than the PG Qualifications in Engineering, management and / or Economics.: 15 marks
(ii)	Relevant Experience of involved in industrial diagnostic, policy or similar studies	20	75% of the key personnel lacking relevant experience.: 0marks  50% of the key personnel lacking relevant experience.: 10 marks  25% of the key personnel lacking relevant experience.: 15 marks  All of the key personnel having relevant experience. : 20 marks
(iii)	Number of years of service in the organization	05	30% of the project staff having less than one year of service current organization0 Marks  50% of the project staff having more than 2 years of service in current organization: full Marks
<b>C</b>	<b>Financial Strength</b>	<b>10</b>	
(i)	Turnover figure of last three years	5	Less than Rs 15 Lakhs : 0 Mark  More than 15 Lakhs and upto Rs 50 lakhs : 2 Marks  More than Rs 50 lakhs : 5 Marks
(ii)	Net Profit figure for last three years	5	Net Profit for last 3 years : 5 Marks Net Profit for last 2 years: 3 Marks Net Profit for last 1 year: 1 Mark No Profit during last 3 years: 0 Mark

:

-----