

**NO.11(1)/2008-DBA-II/NER  
GOVERNMENT OF INDIA  
MINISTRY OF COMMERCE & INDUSTRY  
DEPARTMENT OF INDUSTRIAL POLICY AND PROMOTION**

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**RE-TENDER NOTICE**

The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, in supercession of its tender notice dated 23/24 November, 2008, invites fresh proposals for Expression of Interest (EOI) from reputed Consultants to undertake critical evaluation of the Transport Subsidy Scheme (TSS). Interested firms/persons having experience of conducting such evaluation studies may visit our website [www.dipp.nic.in](http://www.dipp.nic.in) for the Expression of Interest (EOI) document.

2. The EOI proposals may be submitted in a sealed cover on or before 23.02.2009 upto 1500 hrs to Shri Puran Chand, Deputy Secretary, Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Udyog Bhavan, New Delhi (Room No. 256-A), New Delhi- 110107. For enquiry, if any, contact on Tel No. 011-23062651; FAX No. 23062626. Proposals received after the stipulated date and time will not be entertained under any circumstances.

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**Government of India**  
**Ministry of Commerce and Industry**  
**Department of Industrial Policy and Promotion**  
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**EXPRESSION OF INTEREST (EOI)**

**CONSULTANCY FOR CRITICAL EVALUATION OF THE TRANSPORT  
SUBSIDY SCHEME, 1971.**

Department of Industrial Policy and Promotion (DIPP), for and on behalf of the President of India, hereby invites EOI in the prescribed format (**Annexures I to IV**), both in hard and soft copies, from reputed consultancy firms with proven experience in conducting evaluation studies to critically evaluate the Transport Subsidy Scheme with a view to introducing measures to prevent possible leakages and misuse.

Government of India introduced the Transport Subsidy Scheme on 23.7.1971 with a view to facilitate the process of industrialization in the remote, hilly and inaccessible areas by providing subsidy on the transportation costs incurred by the industrial units so as to offset the disadvantages pertaining to their geographical location.

A 'Brief' on the Scheme is at **Appendix**.

**2. TERMS OF REFERENCE (TOR)**

The consultancy firm would be required to:

- (i) Examine the impact of the Transport Subsidy Scheme on the process of industrialization in all the beneficiary States/UTs/Areas and particularly in the North Eastern Region.
- (ii) Examine the implementation mechanism of the Transport Subsidy Scheme with a view to identifying the leakages and malpractices, if any.
- (iii) Suggest safeguards/ measures/arrangements to prevent possible leakages/misuse and for effective implementation and monitoring of the Scheme so that the Scheme is not misused.

- (iv) Examine the scope of extension of the Transport Subsidy Scheme to other sectors. (At present, the Scheme is applicable only to manufacturing sector).

### **3. COVERAGE**

The critical evaluation study will cover all the fourteen (14) beneficiary States/UTs (through the method of both desk and field work) where the total number of industrial units are estimated to be about 4000 in different Sectors (See Appendix).

### **4. SUBMISSION OF EXPRESSION OF INTEREST**

Reputed consultants/consulting firms with adequate and specific expertise in conducting such assignments are invited to submit Expression of Interest for selection, to Shri Puran Chand, Deputy Secretary, Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Udyog Bhavan, New Delhi (Room No. 256-A), New Delhi- 110107 by 1500 hrs on 23<sup>rd</sup> February, 2009 in a sealed cover superscribing 'Expression of Interest For.....' alongwith refundable **earnest money of Rs.50, 000/-** (Rupees fifty thousand only) by way of demand draft in favour of "DDO, DIPP, New Delhi, payable at New Delhi. The Proposal shall be typed or legibly written in ink and signed by the authorised signatory of the Applicant who shall initial each page, in blue ink. The person(s) signing the Proposal shall initial all the alterations, omissions, additions, or any other amendments made to the Proposal in blue ink.

Note: DIPP reserves the sole right to accept or reject any or all Expressions of Interest without assigning any reasons therefor.

Together with the EOI, the following details are to be sent to ensure eligibility:

- (i) Full particulars of the Organization/Company/Institution on their financial strength, constitution/ownership, organizational structure, manpower, registration and main activities of the prospective consultant (**Annexures I & II**)
- (ii) Unabridged annual report or audited financial account for the last five years along with latest income tax clearance certificate and solvency certification from bankers.
- (iii) Names and short CVs including field of specialization of each of the proposed key personnel to be deployed on the assignment (**Annexures-III & IV**);
- (iv) The CV should be recent and duly signed by the concerned Persons and countersigned by the Applicant in blue ink. Unsigned/not countersigned CV shall be rejected;
- (v) The CV shall contain an undertaking from the Key Person and other professionals intended to be engaged in the proposed evaluation study about his/her availability for the entire period of report preparation;

- (vi) Details of major assignments of a similar nature including those undertaken for the Government during the last five years. Briefs/Gists of reports of such evaluation done must be provided with further details whether these reports were finally accepted by the sponsoring agency/Ministry/Department and the details of remuneration paid for them.
- (vii) Methodology: A detailed plan indicating how the firm proposes to carry out the proposed study. The plan should include the rationale behind the intended methodology and number/type of personnel proposed to be deployed for the assignment.

**Failure to comply with the above requirements shall render the Proposal liable to be rejected.**

## **5. ELIGIBILITY**

- (a) Experience of at least five years in conducting such assignments and evaluation studies of **at least three Schemes** of the Central Government, with a view to detecting malpractices/loopholes and suggestions to plug them.
- (b) An annual turnover of at least Rs. 1 crore per year during the last three years.
- (c) The professionals proposed to be engaged in the evaluation work should be well experienced in the above work and should include sufficient number of financial experts such as Chartered Accountants, Cost & Works Accountants, Financial Analysts etc.
- (d) Sector-specific experience and in-house capability to manage the assignment will be an added advantage.

### **Note:**

- (i) An Applicant should have, during the last five years, neither failed to perform on any agreement, as evidenced by imposition of a penalty by an arbitral or judicial authority or a judicial pronouncement or arbitration award against the Applicant, nor been expelled from any project or agreement nor have had any agreement terminated for breach by such Applicant.
- (ii) Any entity which has been barred by the Central / State Government in India, or any entity controlled by them, from participating in any project, and the bar subsists as on the date of Proposal, would not be eligible to submit a Proposal.

## **6. CRITERION FOR EVALUATION OF APPLICANTS**

The EOI will be evaluated on the basis of the criteria stipulated below. Only those Applicants who score at least 50 % marks both in total and in individual criteria shall qualify for further consideration, and shall be ranked from highest to the lowest on the basis of their technical score.

The scoring criteria to be used for evaluation shall be as follows:

Sl. No.	Criteria	Weightage
(a)	Past experience of the firm  (i) No. of years in existence- 15 % (ii) Past experience of studies of similar nature- 55% (iii) Past experience in carrying out studies in related sectors- 30%	40%
(b)	Experience of key personnel dedicated to this assignment  (i) Qualifications – 30% (ii) Relevant experience – 70%	20%
(c)	Methodology to be adopted for evaluation & No. of dedicated personnel to be engaged for the evaluation	20%
(d)	Financial status of the Applicant  (i) Turnover (during the last three years)- 50% (ii) Net profit in last three years- 50%	20 %

**Note:** DIPP will not reimburse any of the expenses incurred by the applicant towards preparation of the EOI document, traveling cost, boarding and lodging incurred for attending any pre-bid/bid meeting or visiting DIPP's office for making the presentation. DIPP shall, in no case, be responsible or liable for any such costs whatsoever, regardless of the outcome of the EOI process.

## **7. VALIDITY OF PROPOSAL**

Proposals shall remain valid for a period of **not less than three months** after the deadline date for submission of proposal. A proposal valid for a shorter period shall be rejected by the Department as non-responsive. The Department may request the Consultant to extend the period of validity for a specified additional period in exceptional

circumstances. During this time/period, the Consultant will maintain without change, the personnel proposed for the assignment and the proposed price.

#### **8. EARNEST MONEY DEPOSIT (EMD)**

Each proposal should be accompanied by a Demand Draft for **Rs.50, 000/- (Rupees Fifty Thousand only)**, as earnest money (refundable), payable at New Delhi issued in favour of DDO, Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, New Delhi.” The EMD will be forfeited if the firm/ bidder withdraws his bid during the validity period.

#### **9. PRELIMINARY EXAMINATION**

After receipt of the proposals, DIPP at its discretion may invite any or all the bidders for discussions with a view to sort out any inconsistencies and seek clarifications on the proposals received.

**No price bid, rates or cost estimates should be submitted along with the Expression of Interest.**

**The short listed parties will thereafter be asked to submit technical and financial bids. Eventual selection will be based on combined weightage for technical (70%) and financial (30%) bids.**

#### **10. EVALUATION OF BIDS**

Each Technical and Financial Proposal will be assigned a technical score (ST) and financial score (SF) respectively. The DIPP will determine whether the Financial Proposals are complete, unqualified and unconditional. The cost indicated in the Financial Proposal shall be deemed as final and reflecting the total cost of services. Omissions, if any, in costing any item shall not entitle the firm to be compensated and the liability to fulfill its obligations as per the TOR within the total quoted price shall be that of the Consultant.

**(a) The lowest financial proposal (FM) will be given a financial score (SF) of 100 points.**

The financial scores of other proposals will be computed as follows:

$$SF = 100 \times FM/F$$

(F = amount of Financial Proposal)

**(b) Combined Technical and Final Evaluation**

Proposals will finally be ranked according to their combined technical (ST) and financial (SF) scores as follows:

$$S = ST \times Tw + SF \times Fw$$

(Where S is the combined score, and Tw and Fw are weights assigned to Technical Proposal and Financial Proposal that shall be 0.80 and 0.20 respectively.)

**The Selected Applicant shall be the first ranked Applicant (having the highest combined score). The second and third ranked Applicants shall be kept in reserve for consideration in case the first ranked Applicant withdraws, or fails to comply with the requirements, as the case may be.**

#### **11. PRESENTATION**

Short listed applicants **may** be required to make a presentation of their credentials and the proposals before a committee of officers, in which case the exact date, time and venue of the presentation will be intimated separately.

#### **12. TIME-FRAME FOR STUDY**

The draft of the report will be submitted to the Secretary, DIPP within eight (8) weeks from the date of awarding the work. The final report, in three copies (hard as well as soft), will be submitted within twelve (12) weeks from the date of awarding the work. **No extension of time for submission of report would be granted unless in exceptional circumstances as deemed fit by DIPP.**

#### **13. PAYMENT TO THE CONSULTANT**

The Consultant shall be paid for its services as per the Payment Schedule below:

- (i) upon submission of draft report – 20% of contract value
- (ii) upon submission of final report – 50% of contract value
- (iii) upon acceptance of report by the DIPP – 30% of contract value

The DIPP shall cause the payment due to the Consultant to be made within 60 (sixty) days after the receipt by the DIPP of duly completed bills with necessary particulars.

All payments under this Agreement shall be made to the account of the Consultant as may be notified to the DIPP by the Consultant.

#### **14. MODE OF DELIVERY OF PROPOSALS**

The EOI should be put in a single sealed envelope bearing the address of DIPP, EOI Notice No., Consultancy name and the name and address of the Applicant

If the envelope is not sealed and marked as instructed above, DIPP assumes no responsibility for the misplacement or premature opening of the contents of the Proposal submitted.

The completed Proposal must be delivered on or before the specified time on the due date. Proposals submitted by fax, telex, telegram or e-mail shall not be entertained.

#### **15. DUE DATES**

The EOI should be submitted on or before 1500 hours on 23<sup>rd</sup> February, 2009 to

**Shri Puran Chand, Deputy Secretary, Department of Industrial Policy and Promotion, Room No. 256-A, Udyog Bhavan, Maulana Azad Road, New Delhi – 110 011.**

Proposals received by the DIPP after the specified time on the due date shall not be eligible for consideration and shall be summarily rejected.

#### **16. GENERAL CONDITIONS**

- (a) Only short-listed Consultants will be issued Request for Proposal documents with an invitation to submit Technical and/or Financial bids.**
- (b) DIPP reserves the right to cancel/re-tender this Consultant procurement process if the necessity so arises. It also reserves the right to seek further information/details.
- (c) Firms/organizations if found to have indulged in any corrupt or fraudulent practices will have their EOI document not taken up for consideration.

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**BRIEF**

The Transport Subsidy Scheme is applicable to:

- (i) 8 States of North East (Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim and Tripura)
- (ii) Himachal Pradesh
- (iii) Hilly districts of Uttarakhand (Dehradun, Nainital, Almora, Pauri Garhwal, Tehri Garhwal, Pithoragarh, Uttarkashi and Chamoli)
- (iv) Jammu and Kashmir
- (v) Darjeeling District of West Bengal
- (vi) Andaman & Nicobar Administration
- (vii) Lakshadweep Administration

Under the Scheme, subsidy ranging between 50% and 90% of the transport cost for transportation of raw material and finished goods to and from the location of the unit and the designated rail-head. (For North East States, J&K and UTs, the subsidy is 90%. For Himachal Pradesh, Uttarakhand and Darjeeling District of West Bengal, the subsidy is 75%). However, for movement of goods from one State to another in the NER, the subsidy is 50%. The subsidy is eligible to a unit for a maximum period of five years from the date of commencement of commercial production. The period includes the period of 'substantial expansion.'

The Scheme is applicable to all industrial units (**barring** plantations, refineries and power generating units both in public and private sectors irrespective of their size).

The disbursement of subsidy to the eligible industrial units in the States is made through the nodal agencies appointed for the purpose. These are:

- (i) North East Development Financial Corporation (NEDFi), Guwahati for North Eastern Region.
- (ii) Jammu and Kashmir Development Finance Corporation (JKDFC) for J&K
- (iii) Himachal Pradesh State Industrial Development Corporation (HPSIDC) for Himachal Pradesh
- (iv) State Infrastructure and Industrial Development Corporation of Uttaranchal Ltd (SIDCUL) for Uttarakhand

The disbursement of subsidy to the industrial units in the Union Territories is made through the Union Territories Administration.

The scheme has been extended from time to time the last being on 29.3.2007 when the Scheme was extended upto 31.3.2008 by the Cabinet Committee on Economic Affairs with directions that an early evaluation of the Scheme be conducted with a view to introducing necessary safeguards to prevent possible leakages and misuse.

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**Particulars of the Applicant**

1.	Title of Consultancy:
2.	<p>State the following:</p> <p>Name of Company or Firm</p> <p>Legal Status (e.g. incorporated private company, unincorporated business, partnership etc.):</p> <p>Country of incorporation:</p> <p>Registered Address:</p> <p>Year of Incorporation:</p> <p>Year of commencement of business:</p> <p>Principal place of business:</p> <p>Brief description of the Company including details of its main lines of business (50 words):</p> <p>Name, designation, address and phone numbers of Authorized Signatory of the applicant:</p> <p>Name:</p> <p>Designation:</p> <p>Company:</p> <p>Address:</p> <p>Phone No:</p> <p>Fax No.</p> <p>E-mail address:</p>
3.	<p>For the Applicant, state the following information:</p> <p>(i) In case of non-Indian company, does the company have business presence in India?</p> <p>If so, provide the office address(es) in India.</p>

	<p>(ii) Has the applicant been penalized by any organization for poor quality of work or breach of contract in the last five years?</p> <p style="text-align: right;">Yes/No</p> <p>(iii) Has the Applicant/Member ever failed to complete any work awarded to it by any public entity/Planning Commission in the last five years?</p> <p style="text-align: right;">Yes/No</p> <p>(iv) Has the Applicant been blacklisted by any Government department/Public Sector Undertaking in the last five years?</p> <p style="text-align: right;">Yes/No</p> <p>(v) Has the Applicant suffered bankruptcy/insolvency in the last five years?</p> <p style="text-align: right;">Yes/No</p> <p><b>Note: If answer to any of the questions at (ii) to (v) is ‘yes’, the Applicant is not eligible for this consultancy assignment.</b></p>
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### Eligible Assignments of Key Personnel

Name of Key Person	
Designation of Key Person	
Name of the Consultancy Project/Assignment	
Name of Consulting firm where employed:	
Description of services performed by the Key Personnel (including designation):	
Name of client and Address:	
Name, telephone No. and Fax No. of client's representative(s):	
Start date and finish date of the services (month/year):	
Brief description of the assignment:	

**Notes:**

Use separate sheet for each Eligible Project/Assignment.

Attach a single page summary containing the brief particulars of each project/Assignment.

Exchange rate should be taken as Rs. 40 .(forty) per US \$ for converting in Indian Rupees.

**ANNEXURE-II**

**Experience of the Applicant#**

S.No.	Name of Project/Assignment	Estimated capital cost of Project/Assignment (in Rs.....cr./US \$ million)	Payment## received by the Applicant (in Rs. million)
(I)	(II)	(III)	(IV)
1			
2			
3			
4			
5			
6			
7			

# The applicant should provide details of only those projects that have been undertaken by it under its own name.

##Exchange rate should be taken as Rs. 40 (Forty) per US \$ for converting to Rupees.

Attach a single page summary containing the brief particulars of each project including similar projects as proposed/assigned

**ANNEXURE-III**

**Particulars of Key Persons**

S. No.	Designation of Key Persons	Name	Educational Qualification(s)	Length Of professional Experience	Present Employment		No. of Relevant Assignments
					Name of firm	Employed since	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)

**Curriculum Vitae (CV) of Key Person**

1. Name of Personnel:
2. Date of Birth
3. Nationality
4. Educational Qualifications:
5. Employment Record:

(Starting with present position, list in reverse order every employment held)

6. List of projects/Assignments on which the Personnel has worked.

Project/Assignment Name Description of project/assignment performed.

7. Details of the current assignment and the time duration for which services are required for the current assignment.

Certification:

1. I am willing to work on the Project/Assignment and I will be available for entire duration of the Project/Assignment as required.
2. I, the undersigned, certify that to the best of my knowledge and belief, this CV correctly describes me, my qualifications and my experience.

(Signature and name of the Professional)

Place.....

**(Signature and name of the authorized signatory of the Applicant)**