

**Government of India  
Ministry of Commerce & Industry  
Department of Commerce  
Udyog Bhawan, New Delhi.**

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Ref. No. 9/17/2016-FT(NEA) Date: 22<sup>nd</sup> December 2017

**REVISED**

**Request For Proposal – Study on India’s Imports from China**

**Hiring Consultant for preparing a Study on India’s Imports from China.**

Request for Proposal is invited from Consultancy Firms, having proven expertise in executing research-based analytical studies in the area of economic and commercial policy. The RFP document may be submitted on the [www.eprocure.gov.in](http://www.eprocure.gov.in) website by 5.00 PM on 5<sup>th</sup> January 2018. Any response received after 5<sup>th</sup> January 2018 shall not be considered.

Bidders are advised to visit the website of the Department at <http://commerce.gov.in/TenderHome.aspx> as well as Central Procurement Portal (CPPP) at [www.eprocure.gov.in](http://www.eprocure.gov.in) for detailed information. Any Corrigendum/ Changes will be uploaded on Department of Commerce and the Central Procurement Portal (CPPP) websites.

**Last Date for Submission: 5<sup>th</sup> January 2018**

**Request for Proposals  
for Selection of a Consultant  
for Preparing  
Study on India's Imports from China**

**Request for Proposals [RFP]  
Department of Commerce  
Udyog Bhawan  
New Delhi**

## **1.1 Introduction**

1.1.1 The mandate of the Department of Commerce is regulation, development and promotion of India's international trade and commerce through formulation of appropriate international trade & commercial policies and implementation of the various provisions thereof.

1.1.2 .FT (NEA) division of Department of Commerce deals with all territorial matters relating to India's trade and economic cooperation with countries in North East Asia region including China. Mandate of the division, inter alia, includes promotion of trade and commerce with the countries in NEA region as well as collection, compilation and analysis of trade statistics in respect of countries under its territory from time to time.

1.1.3 Department of Commerce intends to hire a consultancy firm to conduct an in-depth study on the **Impact of Imports from China**. The Study aims to examine the impact of imports from china on domestic production and in particular to what extent Chinese imports are displacing domestic production in India by examining linkage between these imports to the pattern of consumption in India. It will also try to identify the import products from China which can be substituted competitively by domestic products. Analysis will also estimate the impact of Chinese imports on employment generation.

1.1.4. The consulting firm should have a proven expertise in executing research-based analytical studies in the area of economic and commercial policy. Potential firms must have the necessary reach and also have

access to all relevant resources that are required for conducting such a study. Prior experience in handling a project in a similar area will be an added advantage. Comprehensive details on the relevant past and present clientele / assignments are to be included in the proposal.

1.1.5. The Consulting Partner would be appointed on a project basis for the said project.

1.1.6. Interested firms are invited to submit their proposals for the assignment, which must include the following, as detailed subsequently in this document:

- (i) A Technical Proposal and

- (ii) A Financial Proposal

1.1.7. It may be noted that

- (i) The costs of preparing the proposal are not reimbursable and

- (ii) Department of Commerce is not bound to accept any of the proposals submitted.

1.1.8. The Agencies are required to provide professional, objective, and impartial service and at all times hold the Department of Commerce's interests paramount, without any consideration for future work, and strictly avoid conflicts with other assignments or their own corporate interests.

1.1.9. Agencies have an obligation to disclose any situation of actual or potential conflict that impacts their capacity to serve the best interests of Department of Commerce, or that may be reasonably perceived as having

this effect. Failure to disclose such situations by the Agency may lead to disqualification of the Agency or termination of the contract.

1.1.10. Agencies must observe the highest standards of ethics during the selection and execution of the contract. Department of Commerce may reject a proposal at any stage if it is found that the firm recommended for award has indulged in corrupt or fraudulent activities in competing for the contract in question, and may also declare a firm ineligible or blacklist the firm, either indefinitely or for a stated period of time, if at any time it is found that the firm has engaged in corrupt or fraudulent practices in competing for, or in executing, the contract.

1.1.11. The family members / blood relations of employees and / or full-time consultants (i.e. consultants working exclusively with Department of Commerce on retainer basis) of Department of Commerce shall not be eligible to participate in the RFP process. Any proposal submitted by them may be summarily rejected. In case, Department of Commerce comes to know of the relationship subsequent of the award of contract, the contract shall be liable to be cancelled and Department of Commerce shall be entitled to claim damages apart from engaging any other consultant / vendor at the cost and risk of the defaulting consultant. It is clarified that the term full time consultants of Department of Commerce does not refer to agencies / people, which may have been shortlisted for an assignment / project of Department of Commerce through an RFP process.

## **1.2 Minimum Eligibility Criteria**

1.2.1. The firm should have a **minimum turnover of Rs. 10 crores in each of the last 3 years**, i.e. 2014-15, 2015-16 and 2016-17. Audited

Balance sheet and Income statements should be submitted for these three years.

1.2.2. The firm should have an **experience of at least 5 years** in executing consultancy assignments in India.

1.2.3. The firm should have prior experience of policy advisory, institutional strengthening and capacity building related to government institutions. The firm should also have India experience on serving the government in similar projects – a minimum of 5 projects in the last 3 years.

1.2.5 The **minimum employee strength** (consulting staff only, and excluding audit / tax or other, non-consulting divisions) **of the applying firm in India should be 50.**

1.2.6 Consortia/Tie-Ups/JVs are not permitted.

### **1.3 Terms of Reference**

Since the opening up of Indian economy in early 1990s, India's international trade has increased many fold. The surge in international trade has also coincided with a fundamental change in the direction of trade as the share of developed countries in India's total trade has declined while the share of developing countries has increased substantially. Among developing countries, India's trade with China has witnessed the most staggering increase. The two way trade between China and India has increased to US\$71.4 billion and china has replaced US as the biggest trade partner of India. However, the surge in Indo China trade has been very lopsided as it has been primarily driven by phenomenal surge in

Chinese exports to India. In contrast, India's exports to China have not grown much. Consequently, India's trade deficit with China has increased to US\$ 51 billion. Serious concerns have been raised about the growing trade deficit with China. It has been argued that trade deficit with China is perhaps hurting the domestic manufacturing industry in India. A large trade deficit with one particular country is of concern if the surge in imports is due to uncompetitive imports. Also, it would be a concern if these imports are not complementing domestic production but are substituting domestic production. However, if imports are competitive and are intermediates being used for value addition, they would be important for the growth of the economy.

Against this backdrop, this study proposes to examine the impact of Chinese imports on domestic production in India. Specifically, it should explore to what extent Chinese imports are substituting and complementing the domestic production in India with specific emphasis on sectors like Steel, Urea and other chemicals, Electronics, Telecom and consumer products of mass consumption. In recent months, there has been a concern amongst stakeholders that imports of these items may be impacting domestic manufacturers. Therefore, it is important to assess statistically whether this is indeed the case and if so to what extent. For specific product groups, the entire value chain from import to ultimate utilisation and consumption needs to be mapped out.

Terms of Reference for the study proposed are as under:-

1. Analyse the trail of the imports in the selected sectors to map the use of imported products in various domestic industries and estimate their subsequent domestic consumption or use in exports. The selected sectors are Steel, Urea and other chemicals including pharmaceutical products, Electronics and Telecom. These commodities are mainly covered under Chapters 28 to 38, 72, 73, 84, 85 and 87. (This will involve interaction with the industries)
2. Examine the domestic production and capacity utilization of the products vis-à-vis imports from China over a period of 10 years (from 2007-08 to 2016-17) and draw inferences from the trend analysis. This analysis will be done on Chapters 28 to 38, 40 (Tyres), 72, 73, 84, 85, 87 (Automotive parts), 94 (Lamps and Lighting fittings) Ch 95 (Toys). (This will involve data analysis as well as information from annual reports of leading companies)
3. Examine the domestic production, capacity utilization and exports to the world of final commodities in which the commodities selected in sr. no. 1 above are being used as inputs for value addition over a period of 10 years (from 2007-08 to 2016-17). This will be examined vis-à-vis imports from China to draw inferences from the trend analysis (This will involve data analysis as well as information from annual reports of leading companies)
4. Identifying import products from China which are significant in import value for India but are globally uncompetitive and can be substituted through domestic production/alternate imports. (This will involve analysis of RCA of China)



5. Estimate the impact of Chinese imports on employment generation either through value addition or through provision of services by taking sample of two sectors like Telecom sector Electronics sector etc. (This will involve collating various research data and interaction with industry)

#### **1.4 Consulting Partner Delivery**

1.4.1. As elaborated above, the consulting partner needs to have a strong background in research and consulting projects involving government and private institutions on a global level.

1.4.2. The Agency should have access to all relevant knowledge reports, data sources, industry studies, etc. that will provide it with the much required secondary research inputs.

1.4.3. Additionally, the agency must have a strong interface with government institutions and offices in key trading hubs, enabling it to engage with them for the necessary inputs.

**1.4.4.** The selected agency should be able to deliver the project **within 150 days** of the receipt of confirmation of the project.

**1.4.5 Copyright of the Study outcome shall vest with the Department of Commerce, Government of India.**

#### **1.5 Preparation of Proposals**

1.5.1 Agencies are required to submit a Technical proposal and a Financial Proposal as specified below.

##### **(a) Technical Proposal**

1.5.2 The Agencies are expected to provide the Technical Proposal as specified in the RFP Document. Material deficiencies in providing the information requested for may result in rejection of a proposal.

1.5.3 The Technical Proposal shall contain the following documents:

- i) Brief profile of the organization/firm
- ii) Relevant documents for establishing the eligibility – in support of Para 1.2
- iii) It is expected that consultants would integrate their team deployment plan along with the overall approach and work plan and propose suitable number of resources required to successfully deliver the project over a period defined in the RFP. Brief CVs of the Key Personnel who will be engaged for the research project should be included. Each Consultant is required to provide CVs of proposed team. The key personnel whose CVs are provided will continue to be engaged and available for the project throughout the duration of the project. Substitution, will, however be permitted with prior written approval of DOC if the Key Personnel is not available for reasons of any incapacity or due to health, subject to equally or better qualified and experienced personnel being provided to the satisfaction of DOC. The following conditions would be applicable with respect to the Key Personnel indicated by the Consultant.
  - a) The Consultant should provide the details of the Key Personnel as prescribed in this RFP. It is mandatory that the Key Personnel proposed be permanent employees of the firm.
  - b) The composition of the proposed team and Task Assignment to individual personnel shall be clearly stated.

- c) No such Key Personnel shall be proposed for any position if the CV of the personnel does not meet the requirements of the TOR
  - d) No alternative proposal to any key personnel shall be made and only one CV for each position shall be furnished.
  - e) Each CV needs to have been signed by the Key Personnel on a date near to the issue of the advertisement for this RFP and counter-signed by the authorized official of the Firm.
  - f) The client reserves the right to ask for proof of age and qualification at any stage of the project.
  - i) The personnel proposed should possess good working knowledge of English Language.
  - j) No Consultant shall submit more than one bid for the Project.
- iv) Failure to comply with the prescribed requirements for evaluation of the proposals shall make the proposal liable to be rejected and the evaluation of Financial Bid shall not be undertaken.
- v) The Technical Proposal must not include any information related to the Financial Bid.
- vi) Proposals submitted by the applicants must be properly signed as detailed below:
- a) By the partner holding the Power of Attorney in case of a firm in partnership (A Certified copy of the Power of Attorney shall accompany the Proposal);
  - b) By a duly authorized person holding the Power of Attorney in case of a Limited Company or a corporation (A certified copy of the Power of Attorney and the board resolution shall accompany the proposal);
- vii) A description of the detailed approach and methodology and work plan for performing the Project.

viii) EMD in form of Bank DD worth Rs. 1 lakh drawn favour of Under Secretary (Cash), Department of Commerce. (validity of 6 months). The same shall be returnable within one month of acceptance of the final report.

**1.5.4 The Technical Proposal shall not include any financial information.**

**(b) Financial Proposal**

i) Consultants are expected to take into account the various requirements and conditions stipulated in this RFP document. The Financial Bid should be the lump-sum quote for the entire Project inclusive of all the costs including taxes associated with the Project (taxes/duties to be indicated in break up separately).

ii) While submitting the financial bid, the Consultant shall ensure the following:

a) The Financial Bid shall contain the financial quote covering the total fees / cost for the entire project. The Financial Bid shall be for an overall amount for the entire project .

b) The amount quoted should include all costs such as professional fees, consultancy fees, travel expenses, lodging, boarding, administrative charges and all taxes/duties etc. DOC will not reimburse any other expenses other than what is quoted in the lump sum total cost indicated in the Financial Bid.

c) The Financial Bid shall be in Indian Rupees only.

d) The total amount indicated in the financial proposal shall be without any condition attached or subject to any assumption, and shall be final and binding. In case any assumption or condition is indicated in the Financial Bid, it shall be considered non-responsive and liable to be rejected.

f) For the purpose of clarification, it is clarified that the consultant will bear all the taxes and duties by whatever name called and deposit them with the authority concerned and submit proof of the same. The client will only be responsible for reimbursing the fees quoted in the financial proposal after deducting the TDS as applicable.

g) The proposal should clearly indicate the scope of work, methodology to be adopted, challenges expected etc. without any ambiguity/ inferences to be made by the Department of Commerce.

h) Consultants must do their due diligence about the tax implications and the Client will not be responsible for submission of any tax incident.

i) The proposals must remain valid for a period of 4 months. During this period, the consultant is expected to keep available the professional staff proposed for the Project. The Client will make its best effort to complete negotiations within this period. If the Client wishes to extend the validity period of the proposals, it may ask the consultants to extend the validity of their proposals for a stated period. Consultants, who do not agree, have the right not to extend the validity of their proposals.

## **1.6 Submission of Proposals**

1.6.1 The Proposal (Technical Proposal and Financial Bid) shall be prepared in indelible ink. It shall contain no inter-lineation or overwriting, except as necessary to correct errors made by the firm itself. Any such corrections must be initialled by the person or persons who sign(s) the Proposal.

1.6.2 An authorized representative of the firm should initial all pages of both technical and Financial Bid. The representative's authorization should be confirmed by a written Power of Attorney by the competent authority accompanying the Proposals.

1.6.3 The consultant shall submit proposals on the [www.eprocure.gov.in](http://www.eprocure.gov.in) website.

1.6.4 The original draft of the EMD shall be submitted at the following address :

Director (North East Asia)  
Department of Commerce  
Udyog Bhawan  
New Delhi – 110 001  
Telefax: +91-11-23062932

1.6.5 After the deadline for submission of proposals the Technical Proposal shall be opened by the Evaluation Committee to carry out the technical evaluation.

The financial bids for each bid shall remain sealed till the technical evaluation is complete.

1.6.6 Withdrawal of Proposals: No modification or substitution of the submitted Proposal shall be allowed. A Consultant may withdraw its Proposal after submission, provided that the written notice of the withdrawal is received by DOC before the due date of submission of Proposals. The withdrawal notice shall be prepared in original only and each page of the notice shall be signed and stamped by the Authorised Signatories. The copy of the notice shall be duly marked "WITHDRAWAL". In case a Consultant wants to re-submit their Proposal, the Consultant shall submit a fresh Proposal, following all the applicable terms and conditions prescribed in this RFP. The Department of Commerce would reserve the right to treat such fresh proposal as eligible or ineligible based on merits and decision of the Department shall be final and binding in this regard.

## **1.7 Opening of Proposals and Selection Process**

1.7.1 The technical bids will be opened at first instance. The eligibility of the bidder shall be assessed as per the eligibility criteria detailed in Para 1.2 and completeness of the Technical Bid as per Para 1.5.3

The Technical Proposal will be evaluated based on the marking scheme mentioned below:

Bidder's credentials (experience)	10
Approach and methodology	40
Qualification and experience of Key personnel	40
Technical presentation	10

Minimum qualifying marks to become a Technically Qualified bidder will be 75.

1.7.2 The financial bids of only technically eligible bidding parties will be opened and the lowest cost (L1) bid from these eligible bidders will be accepted in accordance with the terms applicable for awarding of such contracts in Government.

1.7.3 From the time the Technical Proposals are opened to the time the contract is awarded, if any agency wishes to contact Department of Commerce on any matter related to its proposal, it should do so only in writing. Any effort by the agency to influence the Department of Commerce in the proposal evaluation or contract award decisions may result in rejection of the proposal of the Agency.

## **1.8 TERMS OF PAYMENT**

<b>Payment terms:</b>	
<b>Milestone</b>	<b>% of total fee</b>
On submission of detailed Plan after selection of the Consultant	10%
On submission of Preliminary Study Report	10%
On Submission of Final Study Report	30%
Approval of Final report	50%

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### **Disclaimer :**

1. This RFP document is neither an agreement nor an offer by Department of Commerce to the prospective Applicants or any other person. The purpose of this RFP is to provide information to the interested parties that may be useful to them in the formulation of their proposal pursuant to this RFP.



2. Department of Commerce does not make any representation or warranty as to the accuracy, reliability or completeness of the information in this RFP document and it is not possible for Department of Commerce to consider particular needs of each party who reads or uses this RFP document. This RFP includes statements which reflect various assumptions and assessments arrived at by Department of Commerce in relation to the statement of work. Such assumptions, assessments and statements do not purport to contain all the information that each Applicant may require. Each prospective Applicant should conduct its own investigations and analyses and check the accuracy, reliability and completeness of the information provided in this RFP document and obtain independent advice from appropriate sources.

3. Department of Commerce will not have any liability to any prospective Applicant/Firm/or any other person under any laws (including without limitation the law of contract, tort), the principles of equity, restitution or unjust enrichment or otherwise for any loss, expense or damage which may arise from or be incurred or suffered in connection with anything contained in this RFP document, any matter deemed to form part of this RFP document, the award of the Assignment, the information and any other information supplied by or on behalf of Department of Commerce or their employees, any Agency or otherwise arising in any way from the selection process for the Assignment. Department of Commerce will also not be liable in any manner whether resulting from negligence or otherwise however caused arising from reliance of any Applicant upon any statements contained in this RFP.

4. Department of Commerce will not be responsible for any delay in receiving the proposals. The issue of this RFP does not imply that Department of Commerce is bound to select an Applicant or to appoint the Selected Applicant, as the case may be, for the services and Department of Commerce reserves the right to accept/reject any or all of proposals submitted in response to this RFP document at any stage without assigning any reasons whatsoever. Department of Commerce also reserves the right to withhold or withdraw the process at any stage with intimation to all who submitted the RFP Application.

5. The information given is not exhaustive on account of statutory requirements and should not be regarded as a complete or authoritative statement of law. Department of Commerce accepts no responsibility for the accuracy or otherwise for any interpretation or opinion on the law expressed herein.

6. Department of Commerce reserves the right to change/modify/amend any or all provisions of this RFP document. Such revisions to the RFP/amended RFP will be made available on the website of Department of Commerce.

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