



सत्यमेव जयते

GOVERNMENT OF INDIA

MINISTRY OF ELECTRONICS & INFORMATION TECHNOLOGY

Expression of Interest

for

**Conducting study on
Methods suitable for manufacturing of Electronics goods covered under
ITA agreement”**

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1. INTRODUCTION

- a. Electronics industry is the world's largest and fastest growing industry, and is increasingly finding applications in all sectors of the economy. The Government attaches high priority to electronics hardware manufacturing, hence "Make in India" and "Digital India" are one of the most important programmes of Government of India. Besides the economic imperative, focus on electronics hardware manufacturing up to the integrated circuit or chip level is required due to the growing security concerns. The ESDM industry is of strategic importance as well. India is a signatory to the Information Technology Agreement (ITA-1) of WTO and Free Trade Agreements (FTAs) with various countries/ trading blocs such as ASEAN, Korea and Japan. However, the electronics hardware manufacturing sector faces lack of level playing field vis-à-vis competing nations on account of several disabilities which render domestic electronics hardware manufacturing uncompetitive. These inter-alia include lack of adequate infrastructure, domestic supply chain and logistics; high cost of finance; inadequate availability of quality power; inadequate components manufacturing base; limited design capabilities and focus on R&D by the industry; and inadequacies in skill development. Most of the electronic items are covered under the ITA-1 agreement, and India's experience with the ITA has been most discouraging, which almost wiped out the IT industry from India.
- b. The global electronics production is estimated to be USD 2 trillion (approximately INR 1,30,00,000 Crores) in 2017. Indian electronics hardware production has increased from INR 1,90,366 Crores in 2014-15 to INR 3,87,525 Crores (approximately USD 59 billion) in 2017-18, registering a Compound Annual Growth Rate (CAGR) of 26.7%, as against a growth rate of 5.5% in 2014-15. India's share in the global hardware electronics production is about 3%. The share of domestic electronics production in India's GDP is 2.3%. The import of electronics goods was of USD 53 billion (approximately INR 3,44,500 Crores) in 2017-18. With the demand for electronics hardware expected to rise rapidly to about USD 400 billion (approximately INR 26,00,000 crore) by 2025, India cannot afford to bear a huge foreign exchange outgo on import of electronics alone. This is both an opportunity and a challenge to address a severe Balance of Payments (BoP) problem, which cannot be addressed by manufacturing for India alone. This calls for measure to promote large eco-system for domestic manufacturing, a special emphasis on exports and increasing domestic value addition. Specific policy initiatives are required to meet these objectives.
- c. The purpose of this Expression of Interest (EoI) is, therefore, to seek the services of a reputed and experienced organization to carry-out a study to have an in-depth knowledge on "*Encouragement for manufacturing of Electronics goods covered under ITA agreement*".

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2. Notice Inviting Expression of Interest

- a) Ministry of Electronics & IT invites expression of interest from agencies / companies desirous of and having proven track record of having conducted similar studies.
- b) Interested Agencies / Companies who meet the criteria may furnish their Expression of Interest with all the necessary documents in a sealed cover along with the covering letter duly signed by an authorized signatory and a Bid Security fee of Rs. 15,000/- (Rs. Fifteen Thousand Only) in the form of Account Payee Demand Draft, Fixed Deposit Receipt, Banker's Cheque or Bank Guarantee from any of the Commercial Banks or payment online in an acceptable form, safeguarding the purchaser's interest in all respects, drawn in favour of "**Pay & Accounts Officer, MeitY**" payable at New Delhi. The document related to bid security may be enclosed in a separate envelope.
- c) Government Agencies/organizations need not to submit bid security. However, as per the provision of GFR 170 (iii), they have to submit a declaration as per the Annexure-II along with their proposal.
- d) The Expression of Interest may be submitted on or before 15-09-2020 by 17:30 at the following address:

Shri Saurabh Ranjan
Scientist'C
Ministry of Electronics & Information Technology,
Room No. 2283, Electronics Niketan,
6, CGO Complex, Lodi Road, New Delhi - 110003
- e) Bid securities of the unsuccessful bidders should be returned to them at the earliest after expiry of the final bid validity and latest on or before the 30th day after the award of the contract.
- f) The EoI submitted by telegram / fax / e-mail etc shall not be considered. MeitY shall not be responsible for any postal delay or non-receipt / non- delivery of the documents. No further correspondence on the subject will be entertained.

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3. CRITICAL INFORMATION

Submission of a proposal in response to this notice shall be deemed to have been done after careful study and examination of this document with full understanding of its terms, conditions and implications.

SNo.	Information	Details
1	EoI No. and Date	26 (3)/2019-IPHW- 16-07-2020
2	Last date for submission of written queries for clarifications	14-08-2020
3	Release of response to clarifications on www.MeitY.gov.in	31-08-2020
4	Last date for submission of EoI proposal	15-09-2020
5	Address at which proposal in response to EoI is to be submitted	Shri Saurabh Ranjan Scientist 'C' Ministry of Electronics & IT, Room No. 2283, Electronics Niketan, 6, CGO Complex, Lodi Road, New Delhi – 110 003
6	Opening of responses / EoI	30-09-2020

4. ELIGIBILITY CRITERIA

The invitation of bids is open to all entities registered in India who fulfil the criteria as specified below:

- a) **Incorporation** - The bidder agency should be a registered entity under the relevant Act of Government. The company / agency/academic institution should have been in existence for a period of at least 5 years on the date of application as evidenced by the Certificate of Incorporation/ other document issued by the Competent Authority under the relevant Act.
- b) **Expertise** - Agencies with experience and proven track record of having conducted similar studies. A statement of work done or such projects undertaken in the past need to be submitted with EoI. The agencies should have domain knowledge in the area of ITA/ WTO /HS classification.
- c) **Relaxation** - The work being of exclusive nature, if bids received are limited in numbers, the competent authority may relax one or may of the eligibility criteria at its discretion.

5. SCOPE OF WORK

1. **Critical examination of the items imported at zero duty under the pretext of coverage under ITA**
 - a. Study of legal text of ITA-1 agreement to clarify the coverage of items (HS codes / description) w.r.t items listed in the Ministerial declaration.
 - b. Identification of items being imported at zero duty even if they are not covered under Original ITA agreement.
 - c. Compare bound duty rate for India and concession accorded through legal instrument in plurilateral agreements like ITA, and study the items which are bound to zero even if not covered under such instruments.
 - d. Coverage of items under others & exclusive category under original ITA agreement to see what actually was covered at that time (list to be provided with justification/status note).
 - e. Whether the ITA covers the technicalities prevailing at that time for products or covers all future technicalities.
 - f. Study on transposition of HSN 1996 to HSN 2007 by WTO for concession of tariff schedule of India, and finding out discrepancies and expansion of scope of concession.
 - g. Implications of violating the WTO ITA commitments on account of proposing duty equaling penalties & date of effect for imposition of such penalties.
 - h. Study of ITA-2 and schedule of concession of ITA -2 participants and comparison with ITA-1 to carve out items which were not covered under ITA; A note on overlapping of the items under ITA-1 and ITA-2 may also be provided.
2. Remedial measures along with the justification for items wherein the bound duty is zero and India has imposed duty, if any.
3. Detailed analysis of import/domestic production of ITA-1 electronic goods and their impact on domestic electronics manufacturing industry.
4. Strategy and action plan to promote domestic manufacturing of ITA-1 electronic goods including inter-alia, IT products (personal computers etc.) and telecom equipment .
5. Strategies to curb the import of these items and what have other countries done to address such issues.

6. EVALUATION PROCESS

- a) For evaluation purpose, each Agency shall submit an all-inclusive lump sum quotation for conducting this study along with a write up describing its strengths as to why it considers itself suitable and fit for award of this work. The agency will also describe in detail the methodology for executing this study.
- b) MeitY will constitute an Evaluation Committee to evaluate the responses of the applicants.
- c) The Evaluation Committee constituted by MeitY shall evaluate the responses to the EoI and all supporting documents & documentary evidence. The committee may seek additional documents / presentation as it deems necessary.
- d) Each of the responses shall be evaluated to validate competence of the applicant according

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to the supporting documents specified in this document.

- e) In case of excessive qualifying responses received, weightage shall be given based on the written statement of the agency describing its strengths and its claim for suitability for the job and a merit list of qualifying companies shall be prepared.
- f) The decision of the Evaluation Committee in the evaluation of responses to the Expression of Interest shall be final. No further correspondence will be entertained in this regard.
- g) The Evaluation Committee reserves the right to reject any or all proposals.
- h) Based on the recommendation of the Evaluation Committee, work order would be awarded to the selected agency.

7. PAYMENT TERMS

The selected Agency shall be entitled for 100% payment as per Government norms, against a bill submitted to MeitY after submission of the study report.

8. SUBMISSION OF EOI

- a) The application shall be submitted in a single sealed envelope and superscripted as ***“Study on methods suitable for manufacturing of Electronics goods covered under ITA agreement”*** and EOI No. 26(03)/2019-IPHW-, dated 16-07-2020. The envelope should contain signed hard copy of Eoi proposal and other necessary documents mentioned below.
- b) Applicant shall enclose supporting proofs and documents as specified in para 4 on page no. 6 as will be necessary to prove the eligibility of the applicant to be considered for the award of work.
- c) No overwriting/changes is allowed in submitted EOI documents.

9. EOI PROPOSAL PREPARATION COSTS & RELATED ISSUES

- a) The Applicant is responsible for all costs incurred in connection with participation in this process, including, but not limited to, costs incurred in preparation of proposal, participation in meetings / discussions. MeitY in no case will be responsible or liable for these costs, regardless of the conduct or outcome of the EOI process.
- b) This Eoi does not commit MeitY to award a contract or to engage in negotiations. Further, no reimbursable cost may be incurred in anticipation of award or for preparing this Eoi.
- c) All materials submitted by the Applicants will become the property of MeitY and may be returned completely at its sole discretion.

10. QUERIES

- a) All queries may be sent to the following Officer of MeitY by post, or e-mail on or before 14-08-2020

Shri Saurabh Ranjan, Scientist 'C'
Ministry of Electronics & Information Technology, Room No. 2283, Electronics
Niketan,
6, CGO Complex, Lodi Road, New Delhi – 110 003
E-mail: saurabh.ranjan@MeitY.gov.in.

- b) All enquiries / clarifications from the Applicants, related to this EoI, must be directed in writing exclusively to the contact person(s) notified in 10 (a) above. Enquiries received after the due date shall not be entertained.
- c) The preferred mode of delivering questions is through e-mail. Telephonic responses, if sought for, shall not be treated as valid responses. The queries by the applicants shall be raised in the following format:

S. No.	Page	Clause of the EoI	Clarification required

11. RESPONSES TO PRE-SUBMISSION QUERIES & ISSUE OF CORRIGENDUM

- a)** Based on the response to the EoI, queries from interested parties would be taken to clarify / to amend the scope / mechanism of sampling criteria / data collection / analysis and reporting responsibilities etc. and revised scope / term shall be issued to the parties responding to the EoI. Further, emulation of bids received shall be as per Para 6(c). After distribution of the EoI, the contact person notified by MeitY will begin accepting written questions from the applicants. MeitY will endeavor to provide timely response to all queries. However, MeitY makes no representation or warranty as to the completeness or accuracy of any response made in good faith, nor does MeitY undertake to answer all the queries that have been posed by the applicants. The responses to the queries from all Applicants will be posted online on www.meity.gov.in by 31.08.2020.
- b)** At any time prior to the last date for receipt of EoI, MeitY may, for any reason, whether at its own initiative or in response to a clarification requested by a prospective applicant, modify the EoI document by a corrigendum.
- c)** The corrigendum (if any) shall be posted only online at www.meity.gov.in.
- d)** Any such corrigendum shall be deemed to be incorporated into this EoI.
- e)** In order to provide prospective applicants reasonable time for taking the corrigendum into account, MeitY may, at its discretion, extend the last date for the receipt of EoI proposals which shall again be notified online through MeitY portal www.MeitY.gov.in.

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Covering Letter on Letterhead of the Applicant

<Location, Date>

To,

The Scientist 'C', IPHW Division,
Ministry of Electronics & Information Technology, Room No. 2283,
Electronics Niketan, 6 CGO Complex, Lodi Road, New Delhi – 110 003

Kind Attn. – Shri Saurabh Ranjan, Scientist' C'

Dear Sir / Madam,

We, the undersigned, offer to provide our services to carry-out “Study on methods suitable for manufacturing of Electronics goods covered under ITA agreement”.

We are hereby submitting our Expression of Interest. We understand you are not bound to accept any proposal you receive.

We fully understand and agree to comply that on verification, if any of the information provided here is found to be misleading, we are liable to be dismissed from the EoI selection process or termination of the contract during the project.

We agree to abide by the conditions set forth in this EoI.

We hereby declare that our proposal submitted in response to this EoI is made in good faith and the information contained is true and correct to the best of our knowledge and belief.

Sincerely,

Signature:

Applicant's Name with seal>

(Declaration by the Authorized signatory on Letterhead)

BID SECURING DECLARATION

We accept that if we withdraw or modify the “Expression of Interest (EoI)” during the period of validity, or if we fail to sign the contract after the contract is awarded to us, or if we fail to submit a performance security before the deadline defined in the request for EoI / work order document, we will be suspended for the period of time specified in the EoI document from being eligible to submit the EoI for contracts with the entity that invited the proposal.

<Signature of the authorized signatory with seal>

<Name>

<Designation>

<Name of the Organization>

<Phone & E-mail>

Place:

Date