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## Corrigendum No.1 Dt. 05.07.2016 to Tender No. LCP1623L17 Dt.01.07.2016

Caretaking Service at House No. S – 393, GK – II, New Delhi

This corrigendum is issued to bring to your notice amendment of **Public Procurement Policy for Micro and Small Enterprises (MSEs)** (Appendix-A) of above tender in lieu of existing. Amended **Public Procurement Policy for Micro and Small Enterprises (MSEs)** is enclosed as Annexure-I for future reference.

The other terms and conditions will remain unchanged.

## **Public Procurement Policy for Micro and Small Enterprises (MSEs) (AMENDED)**

Government of India, vide Gazette of India no.503 dated 26.03.2012 has proclaimed the Public Procurement Policy on procurement of goods and services from Micro & Small Enterprises (MSEs) by all Central Ministries/Departments/PSUs for promotion and development of Micro and Small Enterprises. In accordance with the provisions of the said policy, OIL has implemented following policy on procurement of goods and services:

- i) Issue of tender documents to MSEs free of cost.
- ii) Exemption to MSEs from payment of EMD / Bid Security.
- Purchase Preference for Goods Purchase Tenders: In case, participating Micro and Small Enterprises, quoting price within price band of L1 + 15% shall also be allowed to supply a portion of requirement by bringing down their prices to L1 price in a situation where L1 price is from someone other than a Micro and Small Enterprises and such Micro and Small Enterprises shall be allowed to supply up to 20% of the total tendered value. In case of more than one such Micro and Small Enterprises, the supply shall be shared equally subject to matching the L1 price.

The government vide office memorandum no. 21(1)/2014-MA dated 12.02.2015 have intimated that in the situation of L-1+15% and subsequent matching of L-1 price, CPSUs may take more than 20% supplies from micro and small enterprises as per their previous procurement pattern on case to case basis for which the Ministry has no objection.

Further, out of above 20%, 4% (20% of 20%) shall be from MSEs owned by SC/ST entrepreneurs. This quota is to be transferred to other MSEs in case of non-availability of MSEs owned by SC/ST entrepreneurs.

The MSEs owned by SC/ST entrepreneurs shall mean:

- a) In case of Proprietary MSE, proprietor(s) shall be SC/ST.
- b) In case of Partnership MSE, the SC/ST partners shall be holding at least 51% share in the unit.
- c) In case of Private Limited Companies, at least 51% share is held by SC/ST. If the MSE is owned by SC/ST entrepreneurs, the bidder shall furnish appropriate documentary evidence in this regard.

In case tendered item is not splitable or non-dividable, OIL reserves the right to place order for supply of 100% quantity to lowest eligible MSE subject to matching of L1 price amongst the MSEs qualifying for 15% Purchase preference.

iv) <u>Purchase Preference for Service Contract Tenders</u>: In case participating MSEs quote price within price band of L1+15%, such MSE shall be considered for award of contract by bringing down their price to L1 price in a situation where L1 price is from someone other than a MSE. In case of more than one such MSE qualifying for 15% purchase preference, the Contract shall be awarded to lowest eligible MSE amongst the MSEs qualifying for 15% purchase preference.

- v) <u>Documents Required to be submitted by MSEs</u>: In case bidder is a Micro and Small Enterprise under the Micro, Small and Medium Enterprises Development Act 2006, the bidder shall submit the following:
  - a. Documentary evidence that the bidder is a Micro or Small Enterprises registered with District Industry Centers or Khadi and Village Industries Commission or Khadi and Village Industries Board or Coir Board or National Small Industries Corporation or Directorate of Handicrafts and Handloom or any other body specified by Ministry of MSME.
  - b. If the MSE is owned by SC/ST entrepreneurs the bidder shall furnish appropriate documentary evidence in this regard.

The above documents submitted by the bidders shall be duly certified by the Statutory Auditor of the bidder or a practicing Chartered Accountant (not being an employee or a Director or having any interest in the bidders company / firm) where audited accounts are not mandatory as per law.

If the bidder does not provide the above confirmation or appropriate document or any evidence, then it will be presumed that they do not qualify for any preference admissible in the Public Procurement Policy (PPP), 2012.

vi) If against an order placed by OIL, successful bidder(s) (other than Micro /Small Enterprise) is procuring materials / services from their sub-vendor who is Micro or Small Enterprise registered with District Industry Centers or Khadi and Village Industries Commission or Khadi and Village Industries Board or Coir Board or National Small Industries Corporation or Directorate of Handicrafts and Handloom or any other body specified by Ministry of MSME, with prior consent in writing from OIL, the complete details (i.e. name of the subcontractor, value of sub-contacted work, copy of valid MSE registration certificate, Contact No., details of material and value of procurement made etc.) of the subcontractor(s) shall be furnished by the successful bidder at the submission of invoice/ bill

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