NUMALIGARH
REFINERY
LIMITED

A GOVERNMENT OF INDIA UNDERTAKING

TENDER DOCUMENT FOR – ‘SUPPLY OF 2 RAKES (5 TMT±10%) OF NAPHTHA AT NRL SITE, NUMALIGARH’.

(Tender No. OC44000056/PRA)

PART – I: UN-PRICED BID

PREPARED & ISSUED BY

NUMALIGARH REFINERY LIMITED

A Govt. of India Enterprise)

INDEX

NUMALIGARH REFINERY LIMITED
NOTICE INVITING TENDER (NIT)
ANNEXURE-A

1. Numaligarh Refinery Limited (NRL) invites e-bids from competent and experienced Indian supplier for the following under two bid system (Part-I: Techno-commercial part and Part-II: Price Part) with sound technical and financial capabilities fulfilling the Pre-Qualification Criteria (PQC) of the tender document.

SUPPLY OF 2 RAKES (5TMT±10%) OF NAPHTHA AT NRL SITE, NUMALIGARH **(Tender No : OC44000056/PRA)**	Tender Publishing Date:	25.09.2019 (12.05 Hours)
	Document Download/ Sale Date:	25.09.2019 (12.05 Hours)
	Seek Clarification Start Date:	25.09.2019 (12.05 Hours)
	Seek Clarification End Date:	10.10.2019 (12.05 Hours)
	Bid submission start date:	25.09.2019 (12.05 Hours)
	Bid submission close date (i.e. Bid Due Date)	16.10.2019 (11.00 Hours)
	Bid Opening Date:	17.10.2019 (11.00 Hours)

2. **SUBMISSION OF E-BID**:

The E-Bid should be prepared in Two Parts as per the following details.

i) PART – I : Techno-commercial / Unpriced Bid
ii) PART - II : Price Bid

Note:

i) Only online offer shall be considered against the subject enquiry. For details please go to our e-tendering portal http://eprocure.gov.in/eprocure/app
ii) This Tender is being conducted in e-tendering mode and the Bid documents can be downloaded for ONLINE bidding by the bidders, who has the Digital Signature Certificates.
iii) For any assistance you may please contact our service provider personnel at Phone No 03776 – 265774, email: z_tender@nrl.co.in
iv) Bids received by way of Post, Courier, Fax, Telex or Telegram or email or in open condition shall not be considered.
v) Corrigendum, Addendum (if any) will be published in e-tendering portal (http://eprocure.gov.in/eprocure/app) only.

3. **EARNEST MONEY DEPOSIT:** Not applicable.

4. **Bidders who are on holiday list by NRL or any other Oil sector PSU will not be considered. Accordingly, the bidder shall submit a self-declaration as per format enclosed with Tender Document. It may be noted that if this declaration is found to be false, NRL shall have the right to reject bidder's offer, and if the bid has resulted in a contract, the contract is liable to be terminated.**

5. **PRE-QUALIFICATION CRITERIA (PQC):** Refer Clause no. 2 of Technical Specification for supply of Naphtha.

6. **<u>DOCUMENTS TO BE UPLOADED AS A PART OF PART – I: TECHNO-COMMERCIAL / UNPRICED E-BID:</u>**

   a) Documents in support of PQC of the Tender.

   b) Technical Specification for supply of Naphtha **(<u>Annexure-B</u>)** duly signed and sealed.

   c) Agreed Terms & Conditions **(<u>Annexure -C</u>)** duly filled, signed & sealed. **The commercial terms & conditions should not be repeated in the offer.**

   d) List of deviations **(<u>Annexure -D</u>)** duly signed & sealed**. *In case of 'no deviation', Format-D to be submitted stating deviation as 'NIL'. (Bidders to note that deviations indicated elsewhere in the tender document, may not be considered while evaluating the offer).***

   e) Bidder's Self-Declaration of black listing/ holiday listing as per Performa enclosed **(<u>Annexure -E</u>)** - duly signed & sealed.

   f) Un-priced copy of Price Schedule Format *(with prices left blank and replaced by 'Quoted')* **(<u>Annexure -F</u>)**.

   g) Vendor Details **(<u>Annexure -G</u>)** as per Format enclosed.

   h) In case of Micro & Small Enterprise (MSE), bidder has to mandatorily submit copy of MSE registration document (i.e. UAM/EM Part-II) –**<u>Annexure-H</u>**

   i) In case bidder is availing benefits under Purchase Preference Policy (Linked with Local Content) (PP-LC Policy), bidder to submit documents as per '**Policy to Provide Purchase Preference (Linked with Local Content) (PP-LC)' enclosed with tender** and also state 'Table 1: Calculation of Local Content – Supply Contracts (Goods)' stating '**<u>Quoted In Priced Bid</u>'**. (Refer PP-LC Policy **at <u>Annexure-I</u>)**

   j) Integrity Pact **(<u>Annexure -J</u>)** duly signed & sealed.

7. **<u>DOCUMENTS TO BE SUBMITTED AS A PART OF PART – II: PRICED E-BID:</u>**

   i) BoQ/Priced Schedule Format "in "XLS" format as per instructions provided. **Bidder shall quote Fixed Premium/Discount in Rs. per MT in BOQ/Priced Schedule Format.**

   ii) In case availing benefits under PP-LC Policy, bidder shall provide break up of "Local component" and "Imported Component" as per format in 'Table 1: Calculation Of Local Content – Supply Contracts (Goods)' in 'PDF format'

8. **EVALUATION OF THE TENDER:** Refer Clause no. 7 of Technical Specification for supply of Naphtha.

9. **TENDERS FROM MICRO AND SMALL ENTERPRISES (MSEs): Refer Annexure-H**

10. **GENERAL:**

i) NRL adopts a practice to verify documents submitted by L1 (successful) bidder in support of bidder's credential against PQC. Authentication may be verified with the issuing authorities, by way of direct communication to NRL over official e-mail IDs / Original letter of authentication by post. Bidders may also follow up with the issuing authority for eliciting early response. If documents remain unauthenticated till given time line, NRL reserves the right to reject the bid.

Proper address for communication, including e-mail ID of the issuing authority should be provided along the tender document.

ii) Canvassing in any other form by the bidder or by any other agency on their behalf may lead to disqualification of their bid.

iii) In case any of the document/information(s) furnished by a bidder are found to be false/forged, such bidder shall be kept in holiday list/ black list apart from other penal actions as deemed fit by NRL.

iv) NRL reserves the right to defer the date/time of opening of the offer; to make changes in the terms & conditions of tender document and to reject any or all bids without assigning any reason thereof**.**

Date: 25.09.2019

GM (Commercial) I/c
Numaligarh Refinery Limited.
Commercial Dept, Pankagrant,
PO- NR Project, Dist – Golaghat.
PIN-785699, Assam.

Contact Person: Prasanta Barman
Email ID: prasanta.barman@nrl.co.in

TECHNICAL SPECIFICATION FOR SUPPLY OF NAPHTHA
(Tender No: OC44000056/PRA)

1. INTRODUCTION:

Numaligarh Refinery Limited (NRL) is a Public Sector oil refining company having refining capacity of 3.0 MMTPA located at Numaligarh in Assam. It is a subsidiary company of Bharat Petroleum Corporation Limited having 61.65% share. Main process units of the refinery are CDU/VDU, DCU, HCU, MSP (with NHTU, CRU & ISOM), HGU, DHDT, SDU & WHFU. The refinery was commissioned in the year 2000. Major products of the refinery are BS-IV MS, BS-IV HSD, SKO, ATF, LPG & Paraffin Wax.

NRL intends to procure Naphtha for internal consumption in the refinery.

2. PRE-QUALIFICATION CRITERIA (PQC):

Bidder must meet the following for their bid to be considered for technical evaluation.

2.1 The bidder should be a refiner or marketer of Petroleum Products having own refinery in India.
2.2 The bidder should have facility for loading product in Full BTPN Rail Rake of 50 wagons at its supply point / marketing terminal.
2.3 The bidder should be able to supply the Naphtha as per the specifications as mentioned in **clause 5.0** below.
2.4 Bidder must agree to the terms and conditions of delivery as per **clause 4.0** of the Technical Specifications.

Bidder shall submit the following documents along with the offer in support of their claim, to meet the PQC:

i. Brief company profile, location of the refinery, and production capacity.

ii. Name of the Railway Siding and code from which product will be despatched.

iii. Copy of test report from a reputed lab of previous batches supplied to other users, showing typical chemical & physical properties of the product.

iv. Copy of the PO (un-priced) of the supply made to other users in the last two years.

NRL reserves right to disqualify the bid in absence of sufficient supporting documents as asked above against the PQC.

3. QUANTITY REQUIRED: The total quantity to be supplied is **5000 MT (+/-10%)** to be supplied in two BTPN Rail Rakes

TECHNICAL SPECIFICATION FOR SUPPLY OF NAPHTHA (Tender No: OC44000056/PRA)

4. DELIVERY TERMS & SCHEDULE:

Bidder to note the following and submit the offer accordingly:

4.1 The entire ordered quantity is to be supplied in 1 month. Delivery schedule shall be intimated in advance. Bidder shall ensure the availability of the product accordingly.

4.2 The entire quantity against the PO shall be supplied on **Ex- works basis**, through Full BTPN **Rail Rakes** (50 Wagons) on train load basis.

4.3 Actual Rail Freight including any siding / shunting charges and GST shall be paid by the Supplier / Bidder initially and would be settled by NRL subsequently. NRL will execute a pure agent agreement with the supplier for payment of Rail Freight.

4.4 Demurrage during loading of the rake at supply point, if any, will be on supplier's account.

5. QUALITY SPECIFICATIONS:

The Naphtha proposed to be supplied by the bidder must meet the following chemical and physical properties:

SN	PARAMETER	TEST METHOD	UNIT	SPECIFICATION
		(ASTM/IP/IS1448)		
1	Density at 15 ^{0}C	P16	KG/M3	690-750
2	Distillation	P18		35-170 ^{0}C
	IBP		^{o}C	35 ^{0}C (Min)
	FBP		^{o}C	170 ^{0}C (Max)
3	Aromatic Content	P23	%Vol	20 (Max)
4	Olefin Content	P23	%Vol	2.0 (Max)
5	RVP @ 37.8 ^{0}C	P39	Kg/cm2	0.6 (Max)
6	Lead content as Pb	P80/ICP	ppb	50 (Max)
8	Total Sulfur	P34	ppm	50 (Max)
9	Cu corrosion @50 ^{0} C for 3 hrs	P15	---	not worse than 1
10	Chloride	UOP 395	ppm	5 (Max)
11	RON	ASTM D2699		60 (Min)
12	Benzene		Vol%	1% (Max)
13	PIONA	PIONA	Vol%	To report

Bidder shall submit the all the above physical & chemical properties of Naphtha to be supplied. Bidder shall also submit lab results of the Naphtha from a reputed laboratory along with the offer.

TECHNICAL SPECIFICATION FOR SUPPLY OF NAPHTHA
(Tender No: OC44000056/PRA)

6. PRICE BASIS: The bidder shall quote the **Fixed Premium / Discount** in **Rs. per MT** based on which **Basic Price** (including Packing & Forwarding, etc.) ex-works will be calculated as per following formula:

Basic Price Ex-works (Rs./MT),
P1 = Platts' Reference Price X Exchange Rate + Fixed Premium / Discount

6.1 **Platts' Reference Price (USD/MT):**

Average of 5 quotes of MOPAG published by Platts for 2 days prior to RR date, 2 days after RR date and including the quote published on the RR date will be used to calculate the Platt's Reference Price. In case there is no quotation published on the RR date, three quotes prior to the RR date and two quotes after the RR date would apply.

6.2 **Exchange Rate (INR/USD):**
Average of INR/USD exchange rates (as published by www.fbil.org.in) published for the period for which Platts' quotations shall be used for calculation of Exchange Rate.

6.3 Basic price shall be declared by supplier considering the above methodology, which shall be confirmed by NRL Finance department, prior to raising commercial sales invoice.

6.4 GST shall be chargeable at applicable rate on date of despatch

6.5 The transportation including transit insurance shall be in NRL's scope.

7. PRICE BID EVALUATION CRITERIA:

7.1 The technically qualified bidder shall be selected based on Lowest Landed Cost (P) calculated as per the formula mentioned below:

Landed cost (P) = P1+ P2

Where:

P1 = Quoted rate (ex-Works of Naphtha in Rs/MT including GST) as mentioned in 6.0

P2 = Estimated Rail Freight from the Railway Siding of the bidder to the NRL's railway siding at Numaligarh (NMGS) including all surcharges applicable.

7.2 Bidder shall indicate the Railway siding name and code for calculation of Actual Rail Freight from the FOIS system of Indian Railways.

TECHNICAL SPECIFICATION FOR SUPPLY OF NAPHTHA
(Tender No: OC44000056/PRA)

8. PAYMENT TERMS:

8.1 Naphtha shall be loaded for despatch only after confirmation of the Quality Specification of the product as mentioned in clause 5.0. Supplier shall mail a copy of the Quality Test Certificate of the tanks from which product shall be loaded to GM (TS) i/c, NRL for acceptance of the product.

8.2 The GST invoice considering the price basis shall be raised by supplier based on despatch date / RR date after price confirmation from NRL Finance. In case final price is not available / confirmed at the time of despatch, GST invoice shall be raised on provisional price to facilitate dispatch of the product. Subsequently final value will be calculated and necessary GST debit/credit note shall be raised and sent to NRL for processing of payment.

8.3 Bidder shall send a copy of invoice, RR, debit/credit note through courier, after dispatch of the material. The invoice, debit / credit note shall be addressed to GM (Commercial) i/c, NRL at Numaligarh.

8.4 Bidder shall send through email a copy of the GST invoice, RR and Quality Certificate of the product despatched and the original copy of RR by courier immediately after despatch of consignment to CM (NRMT) I/c at Numaligarh.

8.5 Physical properties of the product shall be checked after receipt of wagons at receiving location of buyer.

8.6 Payment terms: 15 days interest free credit from date of GST invoice.

Interest free payment against GST invoice shall be paid by NRL within 15 days from the date of respective invoice provided that scanned copy of GST invoice, GST debit / credit note (applicable in case GST invoice is provisional) and RR are received by NRL through email at least 07 working days in advance before payment due date. Original GST invoice along with GST debit / credit note to be sent by courier to GM (Commercial) I/c as per clause 8.3 above. In case payment due date happens to be bank/NRL holiday, payment shall be made on the immediate next bank and NRL working day.

SUPPLIER'S CONFIRMATION : We have noted as above and quoted accordingly.

SIGNATURE OF BIDDER : ____________

NAME OF BIDDER : ____________

COMPANY SEAL : ____________

DATE : ____________

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AGREED TERMS & CONDITIONS (ATC)

Bidder: M/s... Tender No: **OC44000056/PRA**

Offer Ref. &Date:... Signature:...

Tel. No. .... Name:...

Fax No. .... Official Seal:...

DULY FILLED, SIGNED & STAMPED COPIES OF THIS PRE-FILLED "QUESTIONNAIRE" SHALL BE ENCLOSED WITH BIDDER'S UNPRICED QUOTATION. FAILURE ON THE PART OF BIDDER IN NOT RETURNING THIS DULY FILLED-UP "QUESTIONNAIRE WITH UNPRICED QUOTATION AND/OR SUBMITTING INCOMPLETE REPLIES MAY LEAD TO REJECTION OF BIDDER'S QUOTATION.

SN	DESCRIPTION	BIDDER'S CONFIRMATION
01.	**Evaluation of Tender:** Evaluation of the tender will based on Lowest Landed Cost (P) calculated as per the formula mentioned below: **Landed cost (P) = P1+ P2** Where: P1 = Quoted rate (ex-Works of Naphtha in Rs/MT including GST) as mentioned in clause no. 6 of Technical Specification for supply of Naphtha. P2 = Rail Freight from the Railway Siding of the bidder to the NRL's railway siding at Numaligarh (NMGS) including all surcharges applicable. *Note : Bidder shall indicate the Railway siding name and code in clause no. 2 of ATC for calculation of Actual Rail Freight from the FOIS system of Indian Railways.*	Noted
02.	**Despatch Location:** Please indicate despatch railway siding with name and code.	Name:______________ ***(To be indicated by bidder)*** Code: _________________ ***(To be indicated by bidder)***

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(Bidder's Signature & Seal)

AGREED TERMS & CONDITIONS (ATC)
(Tender No: OC44000056/PRA)

<table>
<tr><th>SN</th><th>DESCRIPTION</th><th>BIDDER'S CONFIRMATION</th></tr>
<tr><td>03.</td><td><u>PRICE BASIS</u>:

The bidder shall quote the Fixed Premium / Discount in Rs. per MT based on which Basic Price (including Packing & Forwarding, etc.) ex-works will be calculated as per following formula:

Basic Price Ex-works (Rs./MT), P1 = Platts' Reference Price X Exchange Rate + Fixed Premium / Discount

<u>Note:</u>
• Platts' Reference Price (USD/MT): Average of 5 quotes of MOPAG published by Platts for 2 days prior to RR date, 2 days after RR date and including the quote published on the RR date will be used to calculate the Platt's Reference Price. In case there is no quotation published on the RR date, three quotes prior to the RR date and two quotes after the RR date would apply.

• Exchange Rate (INR/USD): Average of INR/USD exchange rates (as published by www.fbil.org.in) published for the period for which Platts' quotations shall be used for calculation of Exchange Rate.

• Basic price shall be declared by supplier considering the above methodology, which shall be confirmed by NRL Finance department, prior to raising commercial sales invoice.

• GST shall be chargeable at applicable rate on date of despatch

• Actual Rail Freight including any siding / shunting charges and GST shall be paid by the Supplier / Bidder initially and would be settled by NRL subsequently. NRL will execute a pure agent agreement with the supplier for payment of Rail Freight.</td><td>Noted & Confirmed.</td></tr>
<tr><td>04.</td><td><u>Rail freight</u>:

Actual Rail Freight including any siding / shunting charges and GST shall be paid by the Supplier / Bidder initially and would be settled by NRL subsequently. NRL will execute a pure agent agreement with the supplier for payment of Rail Freight.</td><td>Noted & Confirmed</td></tr>
</table>

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(Bidder's Signature & Seal)

AGREED TERMS & CONDITIONS (ATC)
(Tender No: OC44000056/PRA)

SN	DESCRIPTION	BIDDER'S CONFIRMATION
05.	**Delivery Destination:** Railway siding of NRL's railway sliding at Numaligarh in Golaghat district of Assam (Siding Name: NMGS, Siding Code: 05818724)	Noted & Confirmed
06.	**Taxes and duties:** Applicable taxes and duties shall be borne by NRL. Supplier's invoices shall facilitate NRL to avail input tax credit on GST paid against material.	Noted & Confirmed
07.	**Payment Term:** As per clause no.8 of 'Technical Specification for Supply of Naphtha'.	Noted & Confirmed
08.	**Delivery Terms & Schedule:** As per clause no.4 of 'Technical Specification for Supply of Naphtha'.	
09.	**RR Particulars:** The RRs should specify consignee as "Numaligarh Refinery Ltd., delivery to 'NRL's railway sliding at Numaligarh in Golaghat district of Assam".	Noted & Confirmed
10.	**Offer Validity:** Bid shall remain valid for periods of 120 days from the bid due date/extended due date.	Noted & Confirmed
11.	**Part Order:** Tender is not splitable and hence, part order is not applicable against this tender.	Noted
12.	**Repeat Order:** Repeat Order may be placed within 6 months from the date of the original order at the same price basis, terms & conditions. Please confirm acceptance.	________________ *(To be indicated by bidder)*
13.	**Test Certificate:** Bidder shall submit the all the above physical & chemical properties of Naphtha to be supplied. Bidder shall also submit lab results of the Naphtha from a reputed laboratory along with the un-priced techno-commercial bid.	Confirmed.

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(Bidder's Signature & Seal)

AGREED TERMS & CONDITIONS (ATC)
(Tender No: OC44000056/PRA)

SN	DESCRIPTION	BIDDER'S CONFIRMATION
14.	Kindly confirm whether you are a MSE registered vendor. If yes, kindly confirm whether you are a SC/ST vendor. If so, please furnish supporting documents.	Yes / No (If yes, please submit EM (II)/ UAM) Yes/No
15.	**Integrity Pact:** Please confirm that you have submitted the Integrity Pact duly signed & sealed along with un-priced techno-commercial bid.	Confirmed.
16.	All other terms and conditions shall be as per NRL's 'General Purchase Conditions (Indigenous) enclosed at **Annexure-K**.	To be confirmed, else, please specify deviations under List of Deviations in **Annexure-D**)

SIGNATURE OF BIDDER : ____________

NAME OF BIDDER : ____________

COMPANY SEAL : ____________

DATE : ____________

ANNEXURE - D

List of Deviations (if any) to the Tender Document

(Tender No: OC44000056/PRA)

SR. No. / Annexure	Reference Clause of Tender Document	Deviation

Note*:*

- ✓ ***In case of 'no deviation', Format-D to be submitted stating deviation as 'NIL'.***
- ✓ ***Bidders to note that deviations indicated elsewhere in the tender document, may not be considered while evaluating the offer.***

SIGNATURE OF BIDDER : _____________

NAME OF BIDDER : _____________

COMPANY SEAL : _____________

DATE : _____________

ANNEXURE - E

PROFOMA FOR SELF DECLARATION OF BLACK LISTING/ HOLIDAY LISTING

Name of Work: **SUPPLY OF 2 RAKES (5TMT±10%) OF NAPHTHA AT NRL SITE, NUMALIGARH**

Tender No : **OC44000056/PRA**

We hereby declare that we are not currently serving any holiday listing orders issued by NRL or MOPNG debarring us from carrying on business dealings with NRL/MOPNG or serving a banning order by another Oil PSE.

It is understood that any wrong declaration in this context shall make my agency/company liable for action under the Holiday Listing Procedure of NRL.

Date : **(Authorized Signatory)**
Place : Seal:

Note: ***In case any bidder does not submit the self-declaration of black listing/Holiday Listing along with un-priced techno-commercial bid, his offer shall be commercially rejected.***

ANNEXURE – F

PRICE SCHEDULE FORMAT (UN-PRICED)

(Tender No: OC44000056/PRA)

Note to Price Schedule:

1. *In column- D below, bidder to indicate whether they have quoted Fixed Pemium / Discount by selecting the dropdown provided therein.*
2. *In Column-E below, bidder to quote Fixed Premium / Discount in Rs. per MT.*
3. *Quoted Prices in the Priced Bid shall be firm and fixed till complete execution of the entire order.*
4. *Offer shall be evaluated on 'Lowest Landed Cost basis' as per the Priced Bid Evaluation Criteria of the tender.*

SN	ITEM	QUANTITY (IN MT)	BIDDER TO INDICATE	PREMIUM / DISCOUNT (Rs/MT)
(A)	(B)	(C)	(D)	(E)
10	Naphtha to NRL as per specification mentioned in 'Technical Specification for supply of Naphtha'.	5000 MT (± 10 %)	Whether Premium or Discount: **'Indicated in priced Bid'**	**'Quoted in Priced Bid'**

Please inform despatch Railway Siding Name: ………………… **Siding Code:** …………………..

SIGNATURE OF BIDDER : ____________

NAME OF BIDDER : ____________

COMPANY SEAL : ____________

DATE : ____________

ANNEXURE – G

VENDOR DETAILS

1	Name of Bidder:	
2	Address for Communication:	
3	General contact details viz. e mail address, telephone no., and fax no.	
4	Whether bidder is a manufacturer of Naphtha	
5	Type of Organization: Government Dept. / Public Sector Undertaking / Public Limited Company / Private Limited Company / Partnership / Proprietorship / Others (Pl. specify)	
6	Location of Registered Office , in the case of Company:	
7	Residential status : Indian or Non-resident	
8	GST and PAN Number	
9	Location of Refinery/Plant:	
10	**CONTACT PERSON's DETAILS:**	
	Name & Designation	
	E-mail id	
	Telephone No.- Landline	
	Mobile Number.	
	Fax number	
11	Whether the bidder falls under the category of Micro & Small Enterprises (MSE) as per the MSME Policy of Govt. of India. If YES, whether proof for the same (EM (II)/ UAM) enclosed with the bid.	

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(Signature & Seal of the vendor)

SPECIAL CONDITIONS FOR MICRO AND SMALL ENTERPRISES (MSEs) BIDDERS:

With reference the Public Procurement Policy for Micro and Small Enterprises (MSEs) Order 2012 notified by the Government under the Micro, Small and Medium Enterprise Development Act, 2006; notification S.O. 5670(E), dated 9th November, 2018, Ministry of MSME letter D.O. No. 21(8)/2018-MA dated 13th November, 2018, MoP&NG letter ref. No. J-25011/35/2016-Gen dated 15 November, 2018 and letter F.No. 21(3)/2016-MA dated 7th May,2018 from Office of the Development Commissioner M/o MSME; Micro and Small Enterprises (MSEs) shall be entitled for benefits, subject to terms and conditions as under:

A. Qualifying Criteria for MSE Bidder:

(i) MSE bidder has to mandatorily submit copy of MSE registration document (i.e. Udyog Adhaar Memorandum (UAM) or Entrepreneurs Memorandum (EM Part-II)) from any of the following body :-

- National Small Industries Corporation (NSIC)
- District industries Centers(DICs)
- Coir Board
- Khadi and Village Industries Commission(KVIC)
- Khadi and Village Industries Board(KVIB)
- Directorate of Handicrafts and Handloom
- Udyog Adhaar Acknowledgment / Udyog Adhaar Memorandum issued by MoMSME
- Any other body specified by the Ministry of MSME (MoMSME)

ii) If the bidder fails to submit MSE registration certificate mentioned above in the original tender, the bidder shall not be considered for evaluation as MSE.

(iii) The MSE registration shall be valid as on date of placement of order

(iv) The registration must be for the items/category of items/services relevant to the tendered items/category of items /services

B. Additional Qualifying Criteria for SC/ST MSE Bidder:

Definition of MSEs owned by SC/ST shall be as stated below:

- In case of proprietary MSE, proprietors(s) shall be SC/ST
- In case of partnership MSE, the SC/ST partners shall be holding at least 51 % shares in the unit
- In case of Private Limited Companies, at least 51 % share shall be held by SC/ST promoters.

In order for MSE owned by SC/ST Entrepreneurs to qualify for benefits available under Public Procurement Policy for MSEs order 2012 to SC/ST Entrepreneurs, the MSE shall additionally submit the following:-

- In case of a proprietorship firm, the name and address of proprietor, and certified copy of Bank Account Details or Cancelled Cheque.
- In case bidder is a partnership firm, certified copy of the partnership deed.
- In case of company (whether private or public), certified copy of the `Certificate of Incorporation' together with certified copy of Memorandum/Articles of Association.
- Notarized copy of a relevant SC/ ST certificate in the name of SC/ ST proprietor or partner(s) holding minimum 51% shares in case of partnership or person(s) holding minimum 51% shares in limited companies, issued by any of the following:-
  - District Magistrate/ Additional District Magistrate/ Collector/ Deputy Commissioner/ Deputy Collector/ 1st Class Stipendiary Magistrate/ City Magistrate/ Sub-Divisional Magistrate/ Taluka Magistrate/ Executive Magistrate/ Extra Assistant Commissioner (not below the rank of Ist Class Stipendiary Magistrate).
  - Chief Presidency Magistrate/ Additional Chief Presidency Magistrate/ Presidency Magistrate.
  - Revenue Officers not below the rank of Tehsildar
  - Sub-Divisional Officer of the area where the candidate and/ or his family normally resides.
  - Administrator/ Secretary to Administrator/ Development Officer (Lakshdweep Islands).

C. Additional Qualifying Criteria for MSE Bidders owned by Women Entrepreneurs:

Micro & Small Enterprises shall be considered as owned by Women Entrepreneurs as per the below definition:

- In case of proprietary MSE, proprietor should be Women.
- In case of partnership MSE, the Women partner(s) should be holding at least 51% shares in the unit.
- In case of Limited companies, at least 51% share should be held by Women shareholder(s).

In order for MSE owned by Women Entrepreneurs to qualify for benefits available under Public Procurement Policy for MSEs order 2012 to Women Entrepreneurs, the MSE shall additionally submit notarized copy of the following:

- In case of a proprietorship firm, the name and address of proprietor, and certified copy of Bank Account Details or Cancelled Cheque.
- In case bidder is a partnership firm, certified copy of the partnership deed.
- In case of company (whether private or public), certified copy of the `Certificate of Incorporation' together with certified copy of Memorandum/Articles of Association

- Self-certification by the women owner declaring herself as women owner of the MSE

D. Benefits Under The Public Procurement Policy for Micro and Small Enterprises (MSEs) Order 2012

ANNEXURE – H

1. Issue of Tender Sets Free of Cost

All Tenders shall be provided free of cost and tender documents are downloadable from the Central Public Procurement Portal (CPPP) **http://eprocure.gov.in/eprocure/app** or can be obtained from the Office of General Manager (Commercial). Tenders are also published in NRL Website **www.nrl.co.in** .

2. Exemption from payment of EMD (Earnest Money Deposit)

MSE units meeting the qualifying criteria (point A above) shall be exempted from paying EMD if EMD is applicable against the tender.

3. Price preference for MSE Bidder:

i) In tender, participating Micro and Small Enterprises quoting price within price band of L1+15% per cent shall also be allowed to supply a portion of requirement by bringing down the price to L1 price in a situation where L1 price is from someone other than a Micro and Small Enterprise and such Micro and Small Enterprise shall be allowed to supply up to 25 percent of total tendered value.

In case of more than one such Micro and Small Enterprise, the supply shall be shared proportionately (to tendered quantity)

ii) In case of tender item is non-splittable or non-dividable, etc. MSE quoting price within price band L1+15% may be awarded for full/complete supply of total tendered value to MSE, considering spirit of policy for enhancing the Government procurement from MSE, provided they agree to bring down their price to L1 price.

iii) NRL reserves the right to allow micro and small enterprises as well as MSEs owned by SC/ST entrepreneur and MSEs owned by Women, purchase preference as admissible under the prevailing procurement policy for MSEs.

iv) **For Supply of Goods only:**

- The quantity against the item(s) of tender may be split to enable ordering of 25% quantity against the item(s) of tender to MSE bidder(s) within the price range of L1 bidder’s evaluated price + 15% subject to their matching L1 bidder’s price.
- The quoted prices by bidders against various items of tender shall remain valid in case of splitting of quantities to MSE bidder.
- Out of this 25% allocation for MSEs, 4% shall be to MSEs owned by SC/ ST entrepreneurs. However, in event of failure of MSEs owned by SC/ ST entrepreneurs to participate in the bidding process or meet the tender requirements and L1 price, 4% will be met from other MSEs.
- Additionally, out of above 25% allocation to MSEs, 3% shall be to MSEs owned by Women. However, in event of failure of MSEs owned by Women to participate in the bidding process or meet the tender requirements and L1 price, 3% will be met from other MSEs.

- While granting purchase preference as above, procurement of goods may include certain small work, or some services, which are incidental or consequential to supply of such goods such as transportation, insurance, installation, commissioning, training & maintenance.

Clarification:

- *In case where quantity against a line item cannot be split (i.e., minimum 25% to MSEs) or items with single quantity or in grouped item, the complete line item/ group shall be awarded on MSE bidder within the price range of L1 bidder's evaluated price + 15% subject to their matching L1 bidder's price.*
- *In case, quantity(ies) against an item/ group cannot be split among MSEs, first opportunity shall be given to*
    - *MSEs owned by Women*
    - *then to MSEs owned by SC/ ST entrepreneurs, and*
    - *Lastly to other MSEs, within the price range of L1 non-MSE bidder's evaluated price + 15%.*
- *In cases where MSE bidder in order of preference indicated above refuses to accept the L1 price, opportunity shall be provided to the other bidders in order of preference and so on.*

v) **For Services only:**

- *The complete scope of Services shall be awarded on MSE bidder within the price range of L1 bidder's evaluated price + 15%, subject to their matching L1 bidder's price.*
- *In case, besides general MSEs, MSEs owned by SC/ ST and/ or MSEs owned by Women are within the price range of L1 bidder's evaluated price + 15%, first opportunity shall be given to*
    - *MSEs owned by Women*
    - *then to MSEs owned by SC/ ST entrepreneurs, and*
    - *lastly to other MSEs, within the price range of L1 non-MSE bidder's evaluated price + 15%.*
- *In cases where MSE bidder in order of preference indicated above refuses to accept the L1 price, opportunity shall be provided to the other bidders in order of preference indicated above.*

vi) In case purchase preference is applicable, but negotiation is to be conducted with L1 bidder, negotiation shall be carried out. Price range within 15% shall be considered for MSE bidders based on the original prices of L1 bidder not on the negotiated prices. However, MSE bidder shall be offered to match the negotiated prices (even if, post negotiation, they are higher by more than 15% as compared to L1 bidder provided they were within 15% of L1 bidder as per original quoted prices).

E. Relaxation of Past Tract Record (PTR) for MSEs and Start ups

- The Pre-Qualification Criteria (PQC) related to prior turnover and prior experience of the bidder will be relaxed if the bidder is Micro and Small Enterprises or Startups and meets the quality and technical specifications described in the tender, subject to submission of valid supporting documents by the bidder.

- This waiver of prior turnover and prior experience will not be applicable for items related to public safety, health, critical security operation and equipment's etc.

- If PTR for MSEs is not completely waived off but proposed to relax the same up to certain extent compared to PQC set for other non MSE bidders, in such cases, prior experience may be partially relaxed, however, prior turnover will remain waived off.

F. Applicability of the Policy

i) For a participating bidder, MSE status shall be considered for purchase preference in respect to procurement of goods and services only, if the vendor is registered as MSE for the tendered category of goods / service

ii) Policy meant for procurement of only goods produced and service rendered by MSEs. However, traders /resellers /distributors /authorized agents will not be considered for availing benefits under Public Procurement Policy 2012 for MSEs

iii) Public Procurement Policy is applicable for supply of goods and services. Works contract is not covered under the PP Policy for MSME. Accordingly, the clause D 3 (Price preference for MSE bidder) and clause E (Relaxation of past track record (PTR) for MSEs and Startups) as mentioned above will not be extended to works contracts.

iv) The provisions for MSE bidders mentioned in this document shall be applicable for limited enquiries as well as NITs.

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ANNEXURE – I

POLICY TO PROVIDE PURCHASE PREFERENCE (LINKED WITH LOCAL CONTENT) (PP-LC Policy)

MOP&NG has notified the purchase preference (linked with local content) for the procurement of goods and services under Oil & Gas Projects in India. Under this Policy, the bidders are allowed to avail the purchase preference linked with attaining the stipulated Local content.

NRL reserves the right to allow Manufacturers or Suppliers or Service providers, purchase preference as admissible under the prevailing policy, subject to their complying with the requirements/conditions defined herein and submitting documents required to support the same.

In order to avail the Purchase preference under this policy, bidder shall achieve minimum Local Content (LC) as specified in the Table below.

Items	Local Content (%)		
	2017-18	2018-19	2020-22
Service Contract	20%	22%	25%
Supply Contracts	20%	22%	25%
EPC Contracts (Others)	30%	35%	40%

The Policy shall be implemented in the following manner:

a) In case the lowest (L1) bidder meets the stipulated LC criteria, the order shall be awarded to such bidder.
b) In case none of the bidders meets the stipulated LC criteria, the order shall be awarded to the lowest bidder.
c) In case the lowest bidder does not meet the stipulated LC criteria, the bidders shall be ranked in the ascending order of evaluated prices and next bidder meeting minimum stipulated LC and with his evaluated price within a price band of (+) 10% of lowest bidder's evaluated price, shall be given opportunity to supply 50% of the requirement by matching the lowest bidder's evaluated price. However, if 50% quantity works out to a fraction of quantity, the bidder shall be considered for next higher quantity. In case the quantity cannot be split, the order shall be placed with the entire quantity.
d) In case there are more than one bidder within the price band of (+) 10% of lowest bidder's evaluated price, they shall be ranked in ascending order of their evaluated prices. The opportunity of matching the price shall be accorded starting from the lowest bidder out of these bidders and in case of his refusal, to the next bidder, and so on.
e) In case none of the bidders who meet the stipulated LC criteria agree to match the lowest price, the natural lowest bidder will be awarded the job.
f) The option in case of MSE bidders qualifying under both Policies, namely, Purchase Preference under the Public Procurement Policy - 2012 (PPP - 2012) from MSE bidders and Purchase Preference Linked with Local Content (PP-LC 2017) shall be exercised as under:

    i) The MSE bidder can avail only one out of the two applicable purchase preference policies, i.e. PP-LC 2017 or PPP-2012 and therefore, bidder will be required to furnish the option under which he desires to avail purchase preference. This option must be declared within the offer and in case bidder fails to do so although he is eligible for both the Policies, his offer would be evaluated considering PPP-2012 as the default chosen option.
    In case a MSE bidder opts for preference under PPP-2012, he shall not be eligible to claim benefit under PP-LC 2017 (irrespective of the fact whether he furnishes the detail of LC in his offer and this LC meets the stipulated LC criteria).

ii) In case a MSE bidder opts for purchase preference based on PP-LC 2017, he shall not be entitled to claim benefit of purchase preference benefit as applicable for MSE bidders under PPP-2012. However, the exemptions from furnishing Bidding Document fee and Bid security shall continue to be available to such a bidder.

g) In view of the above, the bidder's quoted prices against various items of enquiry shall remain valid even in case of splitting of quantities of the items, except in case of items where the quantity cannot be split since these are to be awarded in a Lot or as a package or Group.

h) While evaluating the bids, for price matching opportunities and distribution of quantities among bidders, the order of precedence shall be as under :

- MSE bidder (PPP-2012)
- PP-LC complied bidder (PP - LC)

Examples of Purchase Preference
Non divisible item:

L1 bidder is non MSE, non PP-LC bidder
L2 bidder is PPC-LC (within 10%)
L3 bidder is MSE bidder (within 15%)

MSE bidder shall be given preference to match the L1 price. If L3 bidder matches the L1 price, order shall be placed on him; otherwise option for matching the L1 price shall be given to L2 bidder (PP-LC)

Divisible Item:

L1 bidder is non MSE, non PP-LC bidder
L2 bidder is PP-LC (within 10%)
L3 bidder is MSE bidder (within 15%)

MSE bidder shall be given preference to match the L1 price. If bidder matches the L1 price, order shall be placed on him for the quantity specified in the bidding document. For the balance quantity (i.e. 50% of tendered quantity/value) option for matching the L1 price shall be given to L2 bidder (PP-LC) Balance quantity shall be awarded to natural lowest bidder.

For further clarification, in case an item has quantity 4 nos. then 1 no. can be given to MSE bidder, 2 to PP-LC bidder and left out 01 no. to natural L1 bidder.

i) In case lowest bidder is a MSE bidder, the entire work shall be awarded to him without resorting to purchase preference to bidders complying with Local Content.

j) In case lowest bidder is a PP-LC bidder purchase preference shall be resorted to MSE bidder as per provisions specified in the enquiry document w.r.t. PPP-2012 only.

k) **Certification of Local Content**

Manufacturers of goods and/or providers of service, seeking Purchase Preference under the policy, shall be obliged to certify the LC of goods, services or EPC contracts as under:

PP-LC Policy

At bidding stage

Bidder shall furnish the percentage of the local content, taking into account the factors and criteria listed out in the policy. These details shall be required only at aggregate level like supply value, transport value and other heads given in the price schedule.

The bidder claiming the PP-LC benefit shall be required to furnish an undertaking on bidder's letterhead confirming his meeting the Local Content and this undertaking shall be certified as under:

- Where the total quoted value is less than INR 5 Crore –

The LC content shall be self assessed and certified by the authorized signatory of the bidder signing the bid.

- Where the total quoted value is INR 5 Crore or above –

i. The Proprietor and an independent Chartered Accountant, not being an employee of the firm, in case of a proprietorship firm.
ii. Any one of the partners and an independent Chartered Accountant, not being an employee of the firm in case of a partnership firm.
iii. Statutory auditors in case of a company. However, where statutory auditors are not mandatory as per laws of the country, where bidder is registered, an independent chartered accountant, not being an Employee of the bidder's organization.

Note:

1. Sample formats for calculation of LC are given below as Table 1 (for Supply Contracts), Table 2 (for Service Contract), Table 3 [for EPC Contracts (Others)] .
2. LC of goods shall be computed on the basis of the cost of domestic components in goods, compared to the whole cost of product. The whole cost of product shall be constituted of the cost spent for the production of goods, covering: direct component (material) cost; direct manpower cost; factory overhead cost and shall exclude profit, company overhead cost and taxes for the delivery of goods.

   The onus of submission of appropriately certified documents lies with the bidder and the purchaser shall not have any liability to verify the contents and will not be responsible for the same. However, in case the procuring company has any reason to doubt the authenticity of the Local Content, it reserves the right to obtain the complete back up calculations before award of work failing which the bid shall be rejected.

After award of contract:

- Where the estimated value is less than INR 5 Crore:

The LC certificate shall be submitted along with each invoice duly self-certified by the authorized signatory of the bidder

- Estimated value is INR 5 Crore or above:

Supplier shall provide the necessary local content documentation to the statutory auditor, who shall review and determine that local content requirements have been met, and issue a local content certificate to that effect on behalf of procuring company, stating the percentage of local content in the goods or service measured.

***However, procuring company shall* also *have the authority to audit* as *well as witness production processes to certify the achievement of the requisite local content and/or to obtain the complete back up calculation before award of work failing which the bid shall be rejected and appropriate action may be initiated against the bidder*.**

Failure of bidder in complying with the local content post award:

In case a bidder, who has specified in his bid that the bid meets the minimum Local Content specified in the enquiry document, fails to achieve the same, the following actions shall be taken by the procuring company:

a. Pre-determined penalty @ 10% of total contract value

b. Banning business with the supplier/contractor for a period of one year.

To ensure the recovery of above pre-determined penalty, payment against dispatch/shipping document shall be modified to the extent that the 10% payment out of this milestone payment shall be released after completion of this milestone as well as submission of certification towards achievement of Local Content as per provision of enquiry document. Alternatively, this payment can be released against submission of additional bank guarantee valid till completion schedule, plus 3 months or as required by purchasing company.

Purchase Preference in case where Negotiation is also required:

In case purchase preference is applicable, but negotiation is to be conducted with L1 bidder, negotiation shall be carried out. MSE and/or LC complied bidder shall be offered to match the negotiated prices (even if, post negotiation, they are higher by more than 10% as compared to L1 bidder provided they were within 10% of L1 bidder as per original quoted prices) and left out quantity, if any, as per provisions of enquiry document shall be awarded to that bidder.

Table 1: CALCULATION OF LOCAL CONTENT – SUPPLY CONTRACTS (GOODS)

Name of Manufacturer	**Calculation of manufacturer Cost per ne unit of Product**			
Cost Component	**Cost (Domestic Component)**	**Cost (Imported Content)**	**Cost Total Rs./US$**	**% Domestic Component**
	a	**b**	**c = a+b**	**d = a/c**
I. Direct Material Cost				
II. Direct Labour Cost				
III. Factory Overhead				
IV. Total Production Cost				

Note :

% LC Goods = <u>Total Cost (IV.c) - Total imported component cost (IV.b) X 100</u>
Total cost (IV.c)

% LC Goods = <u>Total Domestic component cost (IV.a)</u> X 100
Total cost (IV,c)

Table 2: CALCULATION OF LOCAL CONTENT – SERVICE CONTRACTS

NAME OF SUPPLIER OF GOODS/PROVIDER OF SERVICE							
			Cost Summary				
			Domestic	**Imported Rs./US$**	**Total**	**LC**	
						%	**Rs./US$**
			b	**c**	**d**	**e=b/d**	f=d X e
A	**Cost Component** **I. Material Used Cost**	**Rs.** **US$**					
	II. Personnel & Consultant Cost	**Rs.** **US$**					
	III Other services cost	**Rs.** **US$**					
	IV Total Cost (I to IV)	**Rs.** **US$**					
B	**Taxes and Duties**	**Rs.** **US$**					
C	**Total Quoted Price**	**Rs.** **US$**					

$$\% \text{ LC Service} = \frac{\text{Total Cost (A. IV.d) - Total imported component cost (A. IV.c)}}{\text{Total cost (A. IV.d)}} \text{ X } 100$$

$$\% \text{ LC Service} = \frac{\text{Total domestic component cost (A. IV.b)}}{\text{Total cost (A. IV.d)}} \text{ X } 100$$

Table 3: CALCULATION OF LOCAL CONTENT – EPC (GOODS & SERVICES)

A	Cost Component (Rs./US$)	Cost Summary				
		Domestic	Imported Rs./US$	Total	LC	
					%	Rs./US$
		b	**c**	**d**	**e=b/d**	f=d X e
I	GOODS					
1	Material used cost					
2	Equipment cost					
3	Sub Total I					
II	SERVICES					
1	Personnel & Consultant Cost					
2	Equipment & Work Facility Cost					
3	Construction/Fabrication Cost					
4	Other Services Cost etc.					
5	Sub Total II					
III	TOTAL COST OF GOODS + SERVICES					
B	Non Cost Component					
C	Total Quoted Price					

% LC Combination = $\dfrac{\text{Total domestic component cost of goods (A.I.3.b) + Total domestic component cost of service (A.II.5.b)}}{\text{Total Cost (A. III .d)}}$