

PANIPAT REFINERY EXPANSION PROJECT

P-25 (EPCM 3)



IndianOil

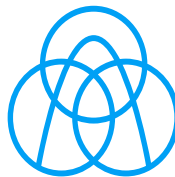
INDIAN OIL CORPORATION LTD.

BIDDING DOCUMENT
FOR

**SUPPLY OF ULTRASONIC FLOW METER FOR PP UNIT
(BIDDING DOCUMENT NO.: 6746-PPM-022-CA-0170)**

PREPARED BY



thyssenkrupp Uhde India Private Limited



thyssenkrupp

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Plant PPU & CDW	Client IOCL, PANIPAT REFINERY	Contract Code RHQ, EPCM-3 (P-25)	Contract No. 66-6746
	NOTICE INVITING TENDER (NIT) (Bidding Document No. 6746-PPM-022-CA-0170) for Ultrasonic Flow Meter for PP Unit)		
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Dear Sir,

Subject: Supply of Ultrasonic Flow Meter PP Unit as per Technical Requisition No. 6746-INS-022-EC-0130 for Project of EPCM3 (P25) at Panipat Refinery of M/s. Indian Oil Corporation Limited (IOCL).

1.0 M/s. Indian Oil Corporation Limited (IOCL), hereinafter also referred to as the "IOCL" proposes to implement Project of EPCM3 (P25) at Panipat Refinery, in the State of Haryana, India. For execution of this Project, M/s. IOCL have appointed thyssenkrupp Uhde India Pvt. Ltd. as their EPCM Consultant.



2.0 Scope of Work:

Design, Manufacture, Inspection, Testing, painting (if applicable) at vendor's works, Packing, Supply and transportation complete with all fittings, accessories and associated items including all Mandatory and Commissioning Spares, services for site supervision of erection and commissioning, etc. for IOCL Panipat EPCM3 project at Panipat Naptha Cracker complex (PNC Complex) Panipat, India. and item lists as mentioned in Material Requisition of tender document. For complete scope of work, refer tender document.



For complete scope of work, refer tender document.

3.0 Details of BID Document:



3.1	Bid Document No.	6746-PPM-022-CA-0170
3.2	Type of tender	Domestic Limited Competitive Bidding (Two Bid System)
3.3	Reverse Auction	Not Applicable
3.4	Pre-bid Meeting	Not Applicable
3.5	Opening of Unpriced Commercial Bid (Part-I) and Technical part (Part III)	As per the date and time indicated on e-portal.
3.6	Price Bid Opening (Part II)	Part-II (Price Part) "BoQ" of only those bidders, whose offers are found techno-commercially acceptable, shall be opened at a date and time to be communicated later after intimation to the bidders. (Bid opening details view online on IOCL e-tender portal)
3.7	Validity of Bids	120 days from unpriced bid opening date. (including extensions, if any).
3.8	Earnest Money Deposit (EMD)	EMD Not Applicable. In lieu of Earnest Money Deposit, Bidders are required to furnish Bid Security Declaration, on their Company Letterhead, as per the attached format (Refer Annexure-2 to NIT)
3.9	Completion Schedule	Supply: 07 (Seven) Months on FOT dispatch point basis from the date of issue of Letter of Acceptance (LOA) / PO. Date of Lorry Receipt (LR) shall be considered as the date of delivery. Delivery is of consideration and above is the maximum delivery period. Offers not meeting the delivery requirement may be rejected

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3.10	Payment Terms	<p>Payment Terms shall be as per following:</p> <p>A. Supply</p> <ul style="list-style-type: none"> • 5% against approval of drawings, wherever required (identified in PO/ PR) at least in Code-2 and against submission of ABG of equivalent amount. • 10% against identification of raw materials at Supplier's works and against submission of ABG of equivalent amount. • 70% against despatch documents (along with copy of LR/GR and IRN) through Bank or directly to IOCL/ CONSULTANT together with full taxes, duties. • 5% on receipt of Final/As built Drawings/Documents/Data/Manual in requisite number of copies/sets/CDs as per VDR specified in Purchase Requisition. • 10% on receipt & acceptance of all material at site. <p>B. Supply of Mandatory Spares</p> <ul style="list-style-type: none"> • 90% on receipt of spares at site after dispatch of main equipment. • 10% on receipt & acceptance of materials at site. <p>C. Any services on per-diem basis like Supervision of Erection, Testing & Commissioning / assistance during erection, Testing & Commissioning / Training at site / Supplier's works on per diem basis:</p> <ul style="list-style-type: none"> • 100% prorated against monthly bills to be submitted by Supplier duly certified by Engineer-in-Charge.
3.11	PBG Requirement	Applicable
3.12	Purchase Preference (linked with Local Content) -MII Policy	Applicable Bidders to submit Undertaking as per Proforma 2 for order value less than INR 10 Cr.
3.13	DOMESTICALLY MANUFACTURED ELECTRONIC PRODUCTS	Not Applicable
3.14	DOMESTICALLY MANUFACTURED IRON & STEEL PRODUCTS.	Not Applicable
3.15	Net Worth Requirement	Not Applicable
3.16	Integrity Pact	Not Applicable
3.17	Evaluation methodology	Item-wise lowest basis
3.18	Site Supervision	Applicable

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3.19	Site work	Not Applicable
3.20	Training	Not applicable
3.21	PWCAMC	Not applicable
3.22	Addition/Deletion rates	Not Applicable
3.23	Technical Loading	Not Applicable
3.24	Item Quantity split-able	No
3.25	Quantity Tolerance	Not Applicable
3.26	Pre-Qualification Criteria (PQC):	Not Applicable
3.27	Type of Tendered Item	Instrument (non-bulk)
3.28	Mode of Submission	Offer must be uploaded on e-tender website https://iocletenders.nic.in before the last date & time of submission of tender. Offer submitted using any other mode will not be accepted.
3.29	Other requirements (Additional document to be submitted)	i. Power of Attorney in the name of authorized signatory who is submitting the bid with his Digital Signature Certificate & signature. ii. Any other document required as per MR.
3.30	Tender Inviting Authority	<u>Tender Inviting Authority:</u> Mr. Abhijeet Mithari General Manager (Procurement) thyssenkrupp Uhde India Private Limited, Pune <u>Contact Person Details:</u> Commercial: Mr. Sunildatta Borade (sunil.borade@thyssenkrupp.com / +91 9579902755) Technical: Mr. Sagar Lagad (sagar.lagad@thyssenkrupp.com / +91 9850045212) thyssenkrupp Uhde India Private Limited, Pune 6th floor, Tower "C", Panchshil Business Park, Baner-Balewadi Road, Pune 411 045, India Phone: +91 20 4621 1100 / +91 9167251462 Email: tkuip.ioclp25.epcm3@thyssenkrupp.com abhijeet.mithari@thyssenkrupp.com



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3.31	SPC, ITB and Tender Documents	<ul style="list-style-type: none"> Special Purchase conditions and ITB in line with Generic SPC and Generic ITB of IOCL. All other terms and conditions of the tender are as per the approved Contracts and Purchase procedures of IOCL.
3.32	Commercial Loading	Applicable
3.33	Non-Disclosure Agreement (NDA):	Not Applicable.
3.34	Purchase Preference for Micro & Small Enterprises (MSE'S)	Applicable
3.35	Opportunity to Start-ups and Micro & Small Enterprises (MSE'S)	Not Applicable
3.36	Part Order	Not Applicable
3.37	Repeat Order	Applicable
3.38	Price Reduction Schedule:	Applicable Total order value for the purpose of PRS shall be considered including all the components.



3.40 General

Bidder to note the followings before bidding:



- i.) Offer from following types of bidder will not be accepted
- Who are in the Holiday/ Suspension /Banning List / Negative list of IOCL or MoPNG on due date of submission of bid / during the process of evaluation of the bids, the offers of such bidders shall not be considered for bid opening/evaluation/Award.
 - Who are under liquidation, court receivership or similar proceedings. Bidder shall submit a self-certificate stating that they are not under liquidation, court receivership or similar proceedings. Failure to do so or if the bidder is under liquidation, court receivership or similar proceedings, their bids shall not be considered.
 - Consultant either directly or indirectly. An indirect participation shall include participation through an affiliate or as subcontractor, consultant or supplier with the exception of participation as TPIA for the same job. The expression 'affiliate' for the purpose of this clause will include any person, or company or association (howsoever designated) who/which is a member of the consultant (if the consultant is a joint venture or consortium or who or which directly or indirectly holds 10% (ten percent) or more of the capital or voting capital of consultant (if the consultant or any of its members is a company or a body corporate) or who or which is consultant or sub-contractor of the consultant with regard to the project.
 - Foreign bidders are participating in Domestic /National Enquiry.

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- ii.) The failure to meet the above Qualifying Criteria(s) at clause 3.26 above will render the bid to be summarily rejected.
- iii.) Submission of authentic documents is the prime responsibility of the bidder. However, IOCL reserves the right to verify the PQC documents submitted by the bidder(s). For the purpose of verification, bidders shall submit complete client details with names, address, phone numbers and e-mail id with the understanding that IOCL may contact the bidder's client to verify the PQC documents. Wherever required, bidders may have to submit notarized /verified copy of PQC documents. Non submission of these documents, if asked for, will lead to rejection of offer. Should IOCL decide to place order pending verification of PQC documents, payment shall be made only after completion of order. If at any stage, the PQC documents are found to be forged / false / fake, suitable penal action shall be taken, which may include offer rejection, EMD forfeiture, termination of order (wherever applicable) and holiday listing / suspension (in GeM) of the bidder / vendor.
- iv.) Deleted
- v.) Offer from Joint Bidders / Consortium (Un-Incorporated) will not be acceptable unless stated otherwise elsewhere in the tender document.
- vi.) The offers with incomplete /irrelevant documents or anomalies are liable to be rejected without any communication. Hence, bidders are advised to take utmost care while uploading their prequalification documents.
- vii.) Relevant supporting documents towards other requirements specified are also to be uploaded along with Techno-commercial bid failing which bid is liable for rejection.
- viii.) IOCL reserves the right to reject any or all of the tenders or any parts of the tender so received and may cancel the tender in part or full, extend the due date of Tender submission etc. without assigning any reason.
- ix.) MSE bidders shall be allowed purchase preference as admissible/applicable from time to time under the existing Public Procurement Policy, 2012. For claiming PP-MSE bidder should submit their latest Udyam registration certificate. **Udyog Aadhar Memorandum certificate is null & void w.e.f 01.04.2021.**
- x.) **Purchase preference as defined in the Public Procurement (Preference to Make in India): Bidders qualifying for such preference shall submit the required documents as specified in the said policy.**
- xi.) Deleted
- xii.) Bidders are to quote their most competitive rates. Negotiations will not be conducted with the bidders as a matter of routine. However, Owner reserves the right to conduct negotiations.
- xiii.) All communication will be made through e-Tendering web site (<https://iocletenders.nic.in>). However, IOCL reserve the right to take cognizance of the communication made outside e-Tendering Portal under exceptional circumstances.
- xiv.) Bidder cannot make any claim against IOCL/tkUIPL towards its expense incurred in connection with the preparation and delivery of their bids, site visit, participating in the discussion and other expenses incurred during bidding process.
- xv.) Bidder should make sure that their priced bid (Part-II/BOQ) contains only prices. Rates mentioned elsewhere shall not be taken into cognizance. Offer shall be liable for rejection if any condition directly or implied, recorded in Priced Bid (Part-II/BOQ).
- xvi.) Bidders are advised to visit Announcement section/ Information for DSC/ Bidders Manual Kit/ FAQ of e-Tender Portal before bidding.

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- xvii.) The bidders must submit complete and unambiguous documents pertaining to BQC in the first instance itself along with the offer. tkUIPL/ IOCL may not offer any opportunity to the bidder to provide complete or unambiguous documents and reserve the right to proceed on the basis of documents received along with the offer and Incase of non-submission of some documents or submission of incomplete or ambiguous documents, the bid may be rejected.
- xviii.) **Notwithstanding any other condition/ provision in the tender documents, bidders are required to submit complete documents pertaining to BQC along with their offer. Failure to meet the BQC will render the bid to be summarily rejected. IOC reserves the right to complete the evaluation based on the details furnished by the bidder, with or without seeking any additional supporting documents /clarifications.**
- xix.) Refer ITB of the tender document /Special Instruction to Bidder (SITB) of e-tender web site for more details.
- xx.) Any Addendum/Corrigendum/Sale date extension in respect of above Tender shall be issued on our website: <https://iocletenders.nic.in> only and no separate notification shall be issued in the press. Bidders are therefore requested to regularly visit our website to keep themselves updated. Failure of Bidder to submit tender without taking cognizance of Corrigendum / Amendment (if any) issued by IOCL/tkUIPL shall make bid liable for rejection.
- xxi.) IOCL/tkUIPL does not take any responsibility for the correctness of tender documents obtained from any other source. Bidders are advised to visit above mentioned website before submitting their offer for official version of the tender document including any corrigendum / amendment if any, which shall be binding to the bidder.
- xxii.) Canvassing in any form by the Bidder or by any other Bidder on their behalf may lead to disqualification of their Bid.
- xxiii.) **Earnest Money Deposit (EMD):** Refer clause no. 3.8 above.
- xxiv.) Pre-qualification Criteria (PQC) and Bidder Qualification Criteria (BQC) means the same in bidding document.
- xxv.) Deleted
- xxvi.) During the contract / engagement the organization, its employees, agents, other contractors, sub-contractors and their employees, etc., may be exposed to certain unpublished price sensitive information (UPSI), that is not generally available and which upon becoming generally available is likely to materially affect the price of the securities issued by IOCL. Such UPSI shall be held by the organization, its employees, agents, other contractors, sub-contractors and their employees etc., in strictest confidence and shall not be disclosed to any other party except on need to know basis and with the prior consent of IOCL. It is hereby further cautioned that, the organization, its employees, agents, other contractors, sub-contractors, their employees and immediate relatives thereof, should not trade in the securities of IOCL while in possession of such UPSI or communicate such UPSI to any person except in furtherance of legitimate purposes, performance of duty or discharge of legal obligations. Any trades in securities of IOCL, while in possession of any UPSI would be presumed to have been motivated by the knowledge and awareness of the UPSI and liable for penal action under this contract / engagement as well as under SEBI (Prohibition and Insider Trading) Regulations, 2015. It is therefore advised to familiarize with the "Code for Prevention of Insider Trading in the Securities of IOCL", copy of which is hosted on the website www.iocl.com. Accordingly, it must be ensured that any UPSI, whenever received from the IOCL, (a) shall be used solely for the purpose for which it is being disclosed; (b) shall be preserved and the secrecy of such information shall be maintained; (c) shall not

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be disclosed to any third party; (d) shall be kept securely and properly protected against theft, damage, loss and unauthorized access (including access by electronic means) by deploying means similar to those being used to secure their own confidential information; (e) to notify IOCL immediately upon becoming aware that any of the confidential information has been disclosed to or obtained by a third party. The organization shall undertake that its employees & their immediate relatives, agents, sub-contractors and any other person associated with said contract / engagement does not violate any of the provision of the SEBI (Prohibition of Insider Trading) Regulation, 2015. Any violation shall be considered as breach of terms of contract / engagement and IOCL shall take necessary action for such breach in addition to reporting to SEBI for taking necessary action under SEBI (Prohibition of Insider Trading) Regulations, 2015.

Bidder to submit Signed and stamped copy of Insider trading undertaking attached with the tender along with the bid.



- xxvii.) Clarification, if any, can be obtained from Tender Inviting Authority as mentioned in clause no. 3.30 above.
- xxviii.) In case a bidder submits any of the Bidder Qualification support documents in any language other than English, then it will be the responsibility of such bidder to also provide the English translation copy of the same duly certified, stamped and signed by the Local Chamber of Commerce of the respective country. Translation by Indian Embassy/ High Commission or authorized/ approved translation agencies (by Indian embassy/ high commission or any other authority) shall also be acceptable.
- xxix.) It is mandatory to select Preferential Bidder Category and submit applicable documents against same as proof while uploading offer on IOCL e-portal. Any bidder who doesn't select Preferential Bidder Category on IOCL e-portal and claim for the preferences afterwards, shall not be entitled to avail any such preferences.
- xxx.) Cartel formation, bid rigging, collusive bidding are against the basic principle of competitive bidding and defeats the very purpose of open and competitive tendering system. Such practices are severely discouraged. Suitable administrative actions which include but no limited to rejecting the offers, holiday listing action as per policy in vogue for breach of integrity may be initiated in such cases.
- xxxi.) If a bidder withdraws its bid within validity period for any reason, their bid shall not be further evaluated, and suitable penal action taken which may include EMD forfeiture (if any) and / or holiday listing action as per the discretion of IOCL.
- xxxii.) **Refusal to accept order placed within validity:** If a bidder withdraws its bid within validity period for any reason, their bid shall not be further evaluated, and suitable penal action taken which may include EMD forfeiture (if any) and / or holiday listing action as per the discretion of IOCL
- xxxiii.) **The Government of India envisioned the Zero Defect Zero Effect (ZED) initiative (Bronze/Silver/Gold level) and the Lean Certification initiative (Basic/Intermediate/Advanced level) to enhance MSME competitiveness, ensure sustainability, and transform them into national and international champions. Kindly register and take advantage of these GOI initiatives.**

For complete details on registration, required documents, benefits, and other related information, visit the links following : <https://zed.msme.gov.in/> and <https://lean.msme.gov.in/>

Attachments:

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- ~~Annexure-1: CALCULATION OF NET WORTH~~
- Annexure-2: FORMAT OF BID SECURITY DECLARATION FROM BIDDERS IN LIEU OF EMD.
- Annexure-3: PANEL OF BANKS FOR ACCEPTANCE OF BANK GUARANTEE FROM CUSTOMERS/SUPPLIERS/CONTRACTORS
- ~~Annexure-4: SPECIAL PACKAGING REQUIREMENTS (FOR FOREIGN SUPPLIES)~~
- Annexure-5: SITE SUPERVISION SERVICES AND TRAINING (INDIAN BIDDERS)
- ~~Annexure-6: SITE SUPERVISION SERVICES AND TRAINING (FOREIGN BIDDERS)~~
- ~~Annexure-7: REQUEST FOR OPENING UNCONFIRMED LETTER OF CREDIT~~
- Annexure-8: LETTER FROM STATUTORY AUDITOR / CA
- Annexure-9: CERTIFICATE BY STATUTORY AUDITOR / CA
- Annexure-10: CERTIFICATION BY CEO / CFO
- Annexure-11: PUBLIC PROCUREMENT (PREFERENCE TO MAKE IN INDIA) ORDER ALONGWITH FORM-1, PROFORMA-II AND PROFORMA-III.
- Annexure-12: PROCEDURE TO SUBMIT BID AS A PREFERENTIAL BIDDER
- Annexure-13: GUIDANCE FOR BID SUBMISSION FOR ITEM WISE EVALUATION TENDERS

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Annexure 1 to NIT

Net Worth Calculation

The net worth means paid up share capital, share application money pending allotment* and reserve # less accumulate losses and deferred expenditure to the extent not written off.

Reserves to be considered for the purpose of net-worth shall be all reserves created out of the profits and securities premium account but shall not include reserves created out of revaluation of assets, write back of depreciation and amalgamation.

*Share application money pending allotment will be considered only in respect of share to be allotted.

Accordingly, the definition of net-worth shall be as follows:

Paid up share capital	XXXX
Add: Share application money pending allotment	XXXX
Add: Reserves (as defined above)	XXXX
Less: Accumulate Losses	XX
Less: Deferred revenue expenditure to the extend not written off	XX
Net-worth	XXXX

(On Bidder's Letterhead)

Format of Bid Security Declaration from bidders in lieu of Earnest Money Deposit / Bid Security

I /We, the authorized signatory of M/s.....participating in the subject Tender No:....., for the job of....., do hereby declare that in the event:

I / We withdraw / modify our bid during the period of bid validity

OR

I/We commit any other breach of tender conditions/ contract which would have otherwise attracted forfeiture of EMD



OR

I / We fail to / refuse to initiate the execution of the awarded Contract as per the terms of the Contract then I / We could be debarred from being eligible for bidding / award of all future tender(s) of IndianOil Corporation Limited per the GeM Incident Management Policy / Indian Oil's Holiday Listing Policy.

Signature and seal of authorized signatory of bidder

Name

Date

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ANNEXURE – 3

**PANEL OF BANKS FOR ACCEPTANCE OF BANK GUARANTEE FROM
CUSTOMERS/SUPPLIERS/CONTRACTORS**

All the Bank Guarantee(s) as stated above will be furnished from a Nationalised/Scheduled bank. The performance bank guarantee(s) shall be as per the Proforma appended with GPC. All bank guarantees should be submitted by Seller's bankers directly to the Owner. Seller shall enclose copy of bank guarantee(s) along with the invoice. Bank Guarantee(s) shall be submitted as per the following details: -

i) SELECTION OF BANK

a) BG upto Rs. 20 Million can be accepted if it is issued by an Indian branch of any scheduled bank appearing in the Second Schedule to the RBI Act, 1934.

b) BG of above Rs. 20 Million can be accepted if it is issued by an Indian branch of:

1) Any Nationalized / PSU bank appearing in the Second Schedule to the RBI Act, 1934.

Or

2) Any scheduled bank (other than a Nationalized Bank / PSU bank) having at least desired Credit Rating at the time of acceptance of BG:

Desired credit rating is defined as under:



In case of foreign banks:

If the tenor of BG is more than 1 year: credit rating of 'A' of Moody's or equivalent

If the tenor of BG is upto 1 year: credit rating of 'P-1' of Moody's or equivalent i.e. highest short term rating

In case of Indian banks:

If the tenor of BG is more than 1 year: credit rating of: 'AA' of CRISIL or equivalent

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If the tenor of BG is upto 1 year: credit rating of 'A 1 +' of CRISIL or equivalent i.e. highest short term rating

Apart from above, BG, irrespective of its amount, issued by any other bank including but not limited to non-scheduled banks, foreign branches of scheduled banks and foreign branches of foreign banks, can be accepted provided such BG is counter guaranteed by any bank mentioned above at (i) b.



ii) CREDIT RATING

The Vendor shall note that, in case of acceptance of BG issued or counter guaranteed by a bank mentioned at para (i) b 2, if the credit rating of such bank falls below the Credit Rating mentioned under clause (i) b 2 during the validity period of BG, the Vendor shall either submit a fresh BG or get the existing BG counter guaranteed, at its own cost, through a bank mentioned above at (i) b (having at least desired Credit Rating as mentioned above, if applicable). In case of non-submission of bank guarantee(s), without prejudice to any other right or remedy available to the owner, the owner shall be entitled to encash the bank guarantee(s).

iii) The vendor at the request of the owner extend the validity of the Bank Guarantee(s) for such further period(s) as may be required failing which without prejudice to any other right or remedy or remedy available to the owner, the owner shall be entitled to en-cash the bank guarantee(s).

iv) The vendor to ensure the validity of all bank guarantee(s) as stipulated else-where in the bidding documents/contract and no payments shall be released to the vendor, if the validity of the bank guarantee(s) is less than 30 days unless otherwise specifically intimated to the vendor.

Beneficiary Bank details for BG purpose shall be as per SPC.

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ANNEXURE – 4

SPECIAL PACKAGING REQUIREMENTS (FOR FOREIGN SUPPLIES)

All raw/solid wood packaging material used for packaging shall be appropriately treated and marked as per ISPM-15 (International Standards of Phytosanitary measures 15) OR shall be accompanied by a Phytosanitary Certificate with the treatment endorsed.

The treatment of raw/solid wood packaging material prior to export shall include either Methyl Bromide (MB) @48 g/m³ for 16 hrs at 21° C and above or any equivalent thereof or heat treatment (HT) at 56° C for 30 min (core temperature of wood) or Kiln Drying (KD) or Chemical Pressure Impregnation (CPI) or any other treatments provided that these meet the HT specifications of the ISPM-15.

However, the above conditions shall not be applicable to wood packaging material wholly made of processed wood products such as ply wood, particle board, oriental strand board of veneer that have been created using glue, heat and pressure or combination thereof. The above conditions shall also not be applicable to wood packaging material such as veneer peeler cores, wood wool & shavings and thin wood pieces (less than 6mm thickness) unless they are found to be harbouring any pests.

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ANNEXURE - 5

SITE SUPERVISION SERVICES AND TRAINING (INDIAN BIDDERS)

TENDER NO:

OFFER NO:

NAME OF BIDDER:

(A) Terms & conditions for Site Supervision & Training services for Indigenous Bidders.

Bidder shall quote per diem charges considering the following:



- Owner shall reimburse economy class airfare to and from the nearest Airport to (~~Patna, Bihar/Kolkata, West Bengal/Bhubaneswar, Odisha/New Delhi/Vadodara, Gujarat/ Guwahati, Assam, Dibrugarh, Assam~~) India Airport against documentary evidence.
- Transportation charges to and from (~~Patna/Kolkata/Bhubaneswar/New Delhi/Vadodara/ Guwahati/Dibrugarh~~) Airport to Refinery/Project Site at Panipat Refinery, shall also be reimbursed against submission of documentary evidence (limited to maximum First AC Railway Fare between ~~Patna/Kolkata/Bhubaneswar/New Delhi/Vadodara/ Guwahati/Dibrugarh~~ and Panipat).
- The per diem rates shall **include** lodging, boarding, local transport, medical, all insurance including third party, income tax, all taxes & all other incidental charges.
- The per diem rates shall exclude GST which shall be payable extra
- Per diem rates shall apply from the date the supervisory personnel reach site and upto the day they leave site. No payment shall be made for the transit period.
- Working hours as those prevailing at site – **upto** eight hours a day, Monday through Saturday and holidays as applicable to site personnel shall apply.
- Vendor's supervisory personnel shall observe / abide by site working conditions prevailing in the existing refinery, safety codes and Indian laws.
- A notice period of 15 days will be given for site supervision services.
- For evaluation purpose site **supervision of erection, testing and commissioning at site – X (in words) man-days per** shall be considered for Evaluation for Supervision Services.
- However, payment shall be made as per actual number of man-days.
- Bidder to ensure compliance to guidelines on PPE (Personal Protective Equipment) & Other Safety Norms

(B) Charges for Site Supervision of erection, testing and commissioning:

S. No.	Description	Man day Rates in INR
1.0	Per diem charges for upto 8 hours work on normal working days.	To be filled in price form/ Not Applicable
2.0	Overtime rate / hour beyond normal 8 hours work on normal working days.	
3.0	Overtime rate / hour for work on weekly off days / holidays(as applicable to Refinery site).	

(C) Training charges

S. No.	Description	Total charges
1	Charges for mandays of training at IOCL site	To be filled in price form/ Not Applicable

Plant PPU & CDW	Client IOCL, PANIPAT REFINERY	Contract Code RHQ, EPCM-3 (P-25)	Contract No. 66-6746		
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ANNEXURE – 6

SITE SUPERVISION SERVICES AND TRAINING (FOREIGN BIDDERS)

TENDER NO:

OFFER NO:



NAME OF BIDDER:

**Terms & conditions for Site Supervision & Training Services for Foreign Bidders.
Bidder shall quote per diem charges considering the following:**

- Owner shall reimburse economy class airfare to and from the nearest International Airport----- in vendor's country to the International Airport at ~~Patna/Kolkata/Bhubaneswar/New Delhi/Vadodara/Guwahati/Dibrugarh~~ against documentary evidence.
- Transportation charges to and from ~~Patna/Kolkata/Bhubaneswar/New Delhi/Vadodara/Guwahati/Dibrugarh~~ Airport to Refinery / Project Site at Panipat Refinery, Haryana, India, shall also be reimbursed against submission of documentary evidence (limited to maximum First AC Railway Fare between New Delhi Station and Panipat)
- The per diem rates shall include lodging, boarding, local transport, medical, all insurance including third party, withholding tax, Corporate Tax (as may be applicable) etc. & all other incidental charges.
- Taxes at source shall be deducted by IOCL as per prevalent Government policy while making payments against each invoice and tax deduction certificate shall be furnished by IOCL.
- The per diem rates shall exclude GST which shall be payable extra by IOCL
- Per diem rates shall apply from the date the supervisory personnel reach site and upto the day they leave site. No payment shall be made for the transit period.
- Working hours as those prevailing at site – **upto** eight hours a day, Monday through Saturday and holidays as applicable to site personnel shall apply.
- Vendor's supervisory personnel shall observe / abide by site working conditions prevailing in the existing refinery, safety codes and Indian laws.
- All foreign nationals coming to India for execution of projects / orders will have to apply for necessary visa. In their own interest bidders are advised to check latest visa rules from relevant sources in their country in case foreign nationals are required to be deputed to India during execution of order.
- Visa should not contain the clause "Not valid for Prohibited, Restricted and Cantonment Areas"
- A tentative schedule shall be given **15 days** in advance so that vendor's personnel reach site within **7 days** from final intimation for site supervision services.
- For evaluation purpose site supervision of erection, testing and commissioning at site – **X (in words) man-days per** shall be considered for Evaluation for Supervision Services. However, payment shall be made as per actual number of man-days.
- Bidder to ensure compliance to guidelines on PPE (Personal Protective Equipment) & Other Safety Norms



a) Charges for Site Supervision of erection, testing and commissioning.

SN	Description	Per Diem Charges in currency of quote
1	Per Diem charges upto 8 hrs on normal working days.	To be filled in price form/ Not Applicable
2	Overtime rate per hour (beyond normal 8 hours on normal working days).	
3	Overtime rate per hour for work on weekly off days / holidays (as applicable to Refinery Site).	

Plant PPU & CDW	Client IOCL, PANIPAT REFINERY	Contract Code RHQ, EPCM-3 (P-25)				Contract No. 66-6746
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b) Training charges

SN	Description	Total charges in currency of quote
1	Charges for mandays of training at IOCL site	To be filled in price form/ Not Applicable

Plant PPU & CDW	Client IOCL, PANIPAT REFINERY	Contract Code RHQ, EPCM-3 (P-25)	Contract No. 66-6746		
 thyssenkrupp	ANNEXURES TO NOTICE INVITING TENDER (NIT)				
				Rev	00	Page	9	of	20



ANNEXURE 7

REQUEST FOR OPENING UNCONFIRMED LETTER OF CREDIT



This shall be the tentative format of the Letter of Credit

Date:

FIELD	ITEM	DESCRIPTION
	Issued by	AUTHENTICATED SWIFT MT700
40A	Form of Documentary Credit	Irrevocable
40E	Applicable Rules	This credit is subject to the Uniform customs and practice for Documentary Credits (UCP); 2007 revision ICC Publication No 600 & UCPURR Latest Revision.
45A	Description of Goods	Supply of (Item <i>Description</i>) as per Applicant Purchase Order No. dt. on FOB Seaport of exit basis INCOTERMS 2010
44C	Latest Date of shipment as per Order	DD/MM/YYYY
31D	Expiry date and place	DD/MM/YYYY,
50	Applicant	INDIAN OIL CORPORATION LIMITED REFINERY ADDRESS:
59	Beneficiary	... (Complete Address)
32B	Amount	EURO/USD/etc (being xx % of order value)
39B	Maximum Credit Amount	Not Exceeding
	Available	.....
41A	Advising Bank	.....
42C	Drafts At	Sight

Plant PPU & CDW	Client IOCL, PANIPAT REFINERY	Contract Code RHQ, EPCM-3 (P-25)	Contract No. 66-6746		
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42	Drawee
43P	Partial shipments	Not Allowed
43T	Trans-shipments	Not Allowed
44A	Port Of Shipment	..... Seaport, (name of country)
45A	Port of Discharge	..... Sea Port, India
46A	Documents Required	<ol style="list-style-type: none"> 1. Original full set (3/3) + 3 Copies of Signed 'clean on board' Bill of Lading made out to order of Issuing Bank, notify Applicant, marked 'freight to pay' (For FOB shipment) indicating the Letter of Credit No, Date of Issuance and Purchase Order No. 2. Original signed commercial invoice in 1 original + 3 Copies; indicating Letter of Credit No, date of Issuance, Purchase Order No and indicating goods are freely importable and not covered under the negative list in terms of Para 2.1 chapter 2 read together chapter 7 of the Foreign Trade Policy 2015-2020 of the Government of India. 3. Original packing list in 1+ 3 Copies. 4. Original certificate of origin in 1 original and 2 copies certified by chamber of commerce. 5. Copy of Beneficiary's fax/e-mail sent to applicant informing shipment details 6. Original INSPECTION RELEASE NOTE signed by TPIA. 7. Copy of Letter from Applicant for the acceptance of Performance bank Guarantee for the 10% Total order value (foreign supply + Indian supply +site work charges) valid till Guarantee period + 3 Months. In the absence of the same 10% order value shall be retained up to the Guarantee period. 8. Dispatch clearance issued by IOCL. (Strike Out whatever is Not Applicable)
47A	Additional conditions	<p>BENEFICIARY TO INFORM FOLLOWING SHIPPING DETAILS TO APPLICANT WITHIN 05 WORKING DAYS AFTER SHIPMENT BY E-MAIL AND INSURANCE COMPANY BY E-MAIL</p> <p>RHQ/Refineries:</p> <p>Liaison Office:</p> <p>And Insurance Company by E-Mail - Policy No..... - M/s to (<i>email id</i>) with the following information:</p>

Plant PPU & CDW	Client IOCL, PANIPAT REFINERY	Contract Code RHQ, EPCM-3 (P-25)	Contract No. 66-6746		
 thyssenkrupp	ANNEXURES TO NOTICE INVITING TENDER (NIT)				
				Rev	00	Page	11	of	20

		<ol style="list-style-type: none"> 1. Marine Policy (Transit Insurance Policy) no. 2. Bill of lading number and date 3. Vessel name and voyage number 4. Description and quantity of material shipped 5. Value of Goods shipped 6. Letter of Credit Number and Date 7. Purchase Order Number and Date 8. In the event of delay in FOB delivery beyond (dd/mm/yyyy), the value of this letter of credit shall stand reduced by 0.5% (one half percent) of the price of Total Order Value (Foreign Supply + Indian Supply +Site Work Charges) per week or part thereof subject to a maximum discount of 5% (five percent) of the Total FOB Value. The date of Bill Of Lading will be considered as date of delivery.
71B	Charges	All banking fees or charges of any kind whatsoever payable outside India shall be borne by beneficiary
48	Period For Presentation	Documents must be presented to bank within 14 days after the date of bill of lading.
49	Confirmation	Unconfirmed. Confirmation if required will be at beneficiary's cost
78	Payment Instruction	<ol style="list-style-type: none"> 1. All the documents must be forwarded direct to the issuing bank by courier service in one lot after receipt by advising/negotiating bank. 2. Reimbursement instruction: Negotiating Bank will be provided reimbursement authorization within (7) seven days after receipt of document at the counters of LC opening bank if documents are strictly as per LC terms
57A	Advise Through Bank	.....
	Insurance	..By Applicant.

Applicable in case of Indian entities other than Indian companies

Annexure – 8 of NIT (Letter from CA)

(To be printed on Letter Head of CA)

FINANCIAL DETAILS

We, _____, a CA firm having our registered office address _____ and certificate number _____ certify that statutory auditor is not mandatory for M/s _____, having its registered office at _____ as per prevailing law and we are practicing Chartered Accountant, not being an employee or a Director or not having any interest in the company.

Financial details of the above-mentioned entity, as per latest available audited balance sheet are as follows:

S no.	Description	Year	Value Currency (_____)
1.	Turnover	Latest financial year (_____)	
		Preceding 1 st year (_____)	
		Preceding 2 nd year (_____)	
2.	Net Worth	Latest financial year (_____)	(*)

(*) – Indicate Positive or Negative (Value is not Mandatory)

Note:

1. In case the NIT publication date is within September or last date for filing audited balance sheet as notified by CBDT and audited annual report of immediately preceding financial year is not available, bidder has the option to submit the financial details of the three previous years immediately prior to the last financial year. Otherwise, it is compulsory to submit the financial details of the immediate three preceding financial years.

Example, In case, tax audit report of immediate preceding financial year (year ending 31st March) is not available and where NIT publication date is up to 30th September, the financial details of the three previous years immediately prior to the last financial year may be submitted. However, in case the NIT publication date is after 30th September, it is compulsory to submit the financial details of the immediate three preceding financial years only.

2. **Net worth calculation:** Net Worth means paid up share capital, Share Application Money pending allotment* and reserves# less accumulated losses and deferred expenditure to the extent not written off. Net worth has been calculated using the following formula, as per provisions of the enquiry document:

Reserves to be considered for the purpose of net worth shall be all reserves created out of the profits and securities premium account but shall not include reserves created out of revaluation of assets, write

back of depreciation and amalgamation.

*Share Application Money pending allotment will be considered only in respect of share to be allotted.

Paid up share capital	XXXX
Add: Share Application Money pending allotment	XXX
Add: Reserves (As defined Above)	XXXX
Les: Accumulated Losses	XX
Less: Deferred Revenue Expenditure to the extent not written off	<u>XX</u>
Net worth	<u>XXXX</u>

3. **Turnover:** Turnover shall be calculated including Excise Duty but excluding other Incomes.
4. Net worth and Turnover have been calculated using the above-mentioned formulae and after giving effect to the impact of Audit Qualifications given in the Audit Report.

Signature

Name & Designation

Stamp of Chartered Accountant (on all pages)

UDIN :

Applicable in case of Indian Companies
Annexure – 9 of NIT (Certification by CEO/CFO)
(To be printed on Letter Head of Company)

FINANCIAL DETAILS

I, _____ S/o/D/o of _____, working as CEO/CFO (indicate, as applicable) of the Company _____ having its registered office at _____ certifies the Financial details of our Company, as per latest available audited balance sheet are as follows : Company to select either of the following options and strike off the other.

Following are the financial details:

S no.	Description	Year	Value Currency (_____)
1	Turnover	Latest financial year (_____)	
		Preceding 1 st year (_____)	
		Preceding 2 nd year (_____)	
2	Net Worth	Latest financial year (_____)	(*)

(*) – Indicate Positive or Negative (Value is not Mandatory)

Note:

- In case the NIT publication date is within September or last date for filing audited balance sheet as notified by CBDT and audited annual report of immediately preceding financial year is not available, bidder has the option to submit the financial details of the three previous years immediately prior to the last financial year. Otherwise, it is compulsory to submit the financial details of the immediate three preceding financial years.

Example, In case, tax audit report of immediate preceding financial year (year ending 31st March) is not available and where NIT publication date is up to 30th September, the financial details of the three previous years immediately prior to the last financial year may be submitted. However, in case the NIT publication date is after 30th September, it is compulsory to submit the financial details of the immediate three preceding financial years only.

- In case a bidder (Parent Company) is having wholly owned subsidiaries but only a single consolidated annual report is prepared and audited, which includes the financial details of their wholly owned subsidiaries, consolidated audited annual report shall be considered for establishing the financial criteria subject to statutory auditor of the bidder certifying that separate annual report of bidder (without the financial data of subsidiaries) is not prepared and audited.

3. Further, in case a bidder is a subsidiary company and separate annual report of the bidder is not prepared and audited, but only a consolidated annual report of the Parent Company is available, consolidated audited annual report shall be considered for establishing the financial criteria subject to statutory auditor of the parent company certifying that separate annual report of bidder is not prepared and audited.

- **Networth calculation:** Networth means paid up share capital, Share Application Money pending allotment* and reserves# less accumulated losses and deferred expenditure to the extent not written off. Networth has been calculated using the following formula, as per provisions of the enquiry document:

Reserves to be considered for the purpose of networth shall be all reserves created out of the profits and securities premium account but shall not include reserves created out of revaluation of assets, write back of depreciation and amalgamation.

*Share Application Money pending allotment will be considered only in respect of share to be allotted.

Paid up share capital	XXXX
Add: Share Application Money pending allotment	XXX
Add: Reserves (As defined Above)	XXXX
Les: Accumulated Losses	XX
Less: Deferred Revenue Expenditure to the extent not written off	<u>XX</u>
Networth	<u>XXXX</u>

- **Turnover:** Turnover shall be calculated including Excise Duty but excluding other Incomes.
- Networth , and Turnover has been calculated using the above mentioned formulae and after giving effect to the impact of Audit Qualifications given in the Audit Report.

Signature

Name & Designation

Sign and Stamp of CEO/ CFO (on all pages)

Applicable only for Foreign Entity
Annexure – 10 of NIT (Certification by CEO/CFO)
(To be printed on Letter Head of Company)

FINANCIAL DETAILS

I, _____ S/o/D/o of _____, working as CEO/CFO (indicate, as applicable) of the Company _____ having its registered office at _____ certifies the Financial details of our Company, as per latest available audited balance sheet are as follows : Company to select either of the following options and strike off the other.

- a) In case bidder is a parent company, i.e., having its wholly owned subsidiaries: Company to select either of the following options and strike off the other:
- i. Financial details are of parent company without the financial data of subsidiaries.
 - ii. Financial details are of parent company including the financial data of subsidiaries. It is certified that separate annual report of bidder, without the financial data of subsidiaries, is not prepared and audited.

OR

- b) In case bidder is a subsidiary company: Company to select either of the following options and strike off the other.
- i. Financial details are of subsidiary company.
 - ii. Financial details are of parent company including the financial data of subsidiaries. It is certified that separate annual report of bidder, i.e., subsidiary, is not prepared and audited.

OR

- c) In case bidder does not have any subsidiary or parent company, financial details of are of the company itself.

Following are the financial details:

S no.	Description	Year	Value Currency (_____)
1	Turnover	Latest financial year (_____)	
		Preceding 1 st year (_____)	
		Preceding 2 nd year (_____)	

2	Net Worth	Latest financial year (_____)	(*)
---	-----------	----------------------------------	-----

(*) – Indicate Positive or Negative (Value is not Mandatory)

Note:

- 1) In case the NIT publication date is within September or last date for filing audited balance sheet as notified by CBDT/applicable regulatory authority and audited annual report of immediately preceding financial year is not available, bidder has the option to submit the financial details of the three previous years immediately prior to the last financial year. Otherwise, it is compulsory to submit the financial details of the immediate three preceding financial years.

Example, In case, audited annual report of immediate preceding financial year (year ending 31st March) is not available and where NIT publication date is up to 30th September, the financial details of the three previous years immediately prior to the last financial year may be submitted. However, in case the NIT publication date is after 30th September, it is compulsory to submit the financial details of the immediate three preceding financial years only.

- 2) In case a bidder (Parent Company) is having wholly owned subsidiaries but only a single consolidated annual report is prepared and audited, which includes the financial details of their wholly owned subsidiaries, consolidated audited annual report shall be considered for establishing the financial criteria subject to statutory auditor of the bidder certifying that separate annual report of bidder (without the financial data of subsidiaries) is not prepared and audited.
- 3) Further, in case a bidder is a subsidiary company and separate annual report of the bidder is not prepared and audited, but only a consolidated annual report of the Parent Company is available, consolidated audited annual report shall be considered for establishing the financial criteria subject to statutory auditor of the parent company certifying that separate annual report of bidder is not prepared and audited.
- 4) **Net worth calculation:** Net Worth means paid up share capital, Share Application Money pending allotment* and reserves# less accumulated losses and deferred expenditure to the extent not written off. Net worth has been calculated using the following formula, as per provisions of the enquiry document:

Reserves to be considered for the purpose of net worth shall be all reserves created out of the profits and securities premium account but shall not include reserves created out of revaluation of assets, write back of depreciation and amalgamation.

*Share Application Money pending allotment will be considered only in respect of share to be allotted.

Paid up share capital	XXXX
Add: Share Application Money pending allotment	XXX
Add: Reserves (As defined Above)	XXXX
Les: Accumulated Losses	XX
Less: Deferred Revenue Expenditure to the extent not written off	<u>XX</u>
Net worth	<u>XXXX</u>

- 5) **Turnover:** Turnover shall be calculated including Excise Duty but excluding other Incomes.

6) Net worth, and Turnover has been calculated using the above-mentioned formulae and after giving effect to the impact of Audit Qualifications given in the Audit Report.

Signature

Name & Designation

Sign and Stamp of CEO/ CFO (on all pages)

No. P-45021/2/2017-PP (BE-II)-Part(4)Vol.II
Government of India
Ministry of Commerce and Industry
Department for Promotion of Industry and Internal Trade
(Public Procurement Section)

Vanijya Bhawan, New Delhi
Dated: 19 July, 2024

To

All Central Ministries/Departments/CPSUs/All concerned

ORDER

**Subject: Public Procurement (Preference to Make in India), Order 2017-
Revision; regarding.**

Department for Promotion of Industry and Internal Trade, in partial modification [Paras 2, 3, 5, 10 & 13] of Order No.P-45021/2/2017-B.E.-II dated 15.6.2017 as amended by Order No.P-45021/2/2017-B.E.-II dated 28.05.2018, Order No.P-45021/2/2017-B.E.-II dated 29.05.2019, Order No.P-45021/2/2017-B.E.-II dated 04.06.2020 and Order No.P-45021/2/2017-B.E.-II dated 16.09.2020 hereby issues the revised 'Public Procurement (Preference to Make in India), Order 2017' dated 19.07.2024 effective with immediate effect.

Whereas it is the policy of the Government of India to encourage 'Make in India' and promote manufacturing and production of goods and services in India with a view to enhancing income and employment, and

Whereas procurement by the Government is substantial in amount and can contribute towards this policy objective, and

Whereas local content can be increased through partnerships, cooperation with local companies, establishing production units in India or Joint Ventures (JV) with Indian suppliers, increasing the participation of local employees in services and training them,

Now therefore the following Order is issued:

1. This Order is issued pursuant to Rule 153 (iii) of the General Financial Rules 2017.
2. **Definitions:** For the purposes of this Order:
'Local content' means the amount of value added in India which shall, unless otherwise prescribed by the Nodal Ministry, be the total value of the item procured (excluding net domestic indirect taxes) minus the value of imported content in the item (including all customs duties) as a proportion of the total value, in percent.

Explanatory notes for calculation of local content given above

- a. Imported items sourced locally from resellers/distributors shall be excluded from calculation of local content.
- b. The license fees/royalties paid/ technical charges paid out of India shall be excluded from local content calculation.

- c. Procurement/Supply of repackaged/refurbished/rebranded imported products as understood commonly shall be treated as reselling of imported products and shall be excluded from calculation of local content. The definition of repackaged/refurbished/rebranded imported products is as follows;

'Refurbishing' means repair or reconditioning of an imported product does not amount to manufacture because no new goods come into existence.

'Repackaging' means repacking of imported goods from bulk pack to smaller packs would not ordinarily amount to manufacture of a new item.

'Rebranding' means relabeling or renaming or change in symbol or logo/makes or corporate image of a company/organization/ firm for an imported product would amount to rebranding.

- d. To ensure that imported items sourced locally from resellers/distributors are excluded from calculation of local content, procuring entities to obtain from bidders, the cost of such locally-sourced imported items (Inclusive of taxes) along with break-up on license/royalties paid/technical expertise cost etc. sourced from outside India. For items sold by bidder as reseller, OEM certificate for country of origin to be submitted.
- e. For contracts involving supply of multiple items, weighted average of all items to be taken while calculating the local content.

'Class-I local supplier' means a supplier or service provider, whose goods, services or works offered for procurement, meets the minimum local content as prescribed for 'Class-I local supplier' under this Order.

'Class-II local supplier' means a supplier or service provider, whose goods, services or works offered for procurement, meets the minimum local content as prescribed for 'Class-II local supplier' but less than that prescribed for 'Class-I local supplier' under this Order.

'Non - Local supplier' means a supplier or service provider, whose goods, services or works offered for procurement, has local content less than that prescribed for 'Class-II local supplier' under this Order.

'L1' means the lowest tender or lowest bid or the lowest quotation received in a tender, bidding process or other procurement solicitation as adjudged in the evaluation process as per the tender or other procurement solicitation.

'Margin of purchase preference' means the maximum extent to which the price quoted by a "Class-I local supplier" may be above the L1 for the purpose of purchase preference.

'Nodal Ministry' means the Ministry or Department identified pursuant to this order in respect of a particular item of goods or services or works.

'Procuring entity' means a Ministry or department or attached or subordinate office of, or autonomous body controlled by, the Government of India and includes Government companies as defined in the Companies Act.

'Works' means all works as per Rule 130 of GFR- 2017, and will also include 'turnkey works'.

2A. Special treatment for items covered under PLI Scheme

The manufacturers manufacturing an item under PLI scheme shall be treated as deemed Class II local supplier for that item unless they have minimum local content equal to or higher than that notified for Class-I local supplier for that item, provided the manufacturer has received incentive from the concerned PLI Ministry for the item. The above shall be applicable for the specific time period only, as notified by concerned PLI Ministry.

3. Eligibility of 'Class-I local supplier'/ 'Class-II local supplier'/ 'Non-local suppliers' for different types of procurement

(a) In procurement of all goods, services or works in respect of which the Nodal Ministry / Department has communicated that there is sufficient local capacity and local competition, only 'Class-I local supplier', as defined under the Order, shall be eligible to bid irrespective of purchase value.

(b) Only 'Class-I local supplier' and 'Class-II local supplier', as defined under the Order, shall be eligible to bid in procurement undertaken by procuring entities, except when Global tender enquiry has been issued. In global tender enquiries, 'Non-local suppliers' shall also be eligible to bid along with 'Class-I local suppliers' and 'Class-II local suppliers'. In procurement of all goods, services or works, not covered by sub-para 3(a) above, and with estimated value of purchases less than Rs. 200 Crore, in accordance with Rule 161(iv) of GFR, 2017, Global tender enquiry shall not be issued except with the approval of competent authority as designated by Department of Expenditure.

(c) For the purpose of this Order, works includes Engineering, Procurement and Construction (EPC) contracts and services include System Integrator (SI) contracts.

3.1 Mandatory sourcing of items, with sufficient local capacity and competition, from Class-I local suppliers in SI/EPC/Turnkey Contracts/Service Tenders

a. The items, notified as having sufficient local capacity and competition, shall mandatory be sourced from Class-I local suppliers in SI/EPC/Turnkey Contracts/ Services tenders. This provision will be applicable only for those items which have been notified by the Nodal Ministry as Class I i.e. having sufficient local capacity and competition, with specific HSN codes."

b. Notwithstanding above, if in any project, it is considered that it is not practically feasible to source such items from Class I local suppliers, it may take relaxation from such stipulation with the approval of Secretary of the administrative Ministry/ Department concerned or with the approval of the Competent Authority specified by the Administrative Ministry/Department, on case-specific basis.

3A. Purchase Preference

(a) Subject to the provisions of this Order and to any specific instructions issued by the Nodal Ministry or in pursuance of this Order, purchase preference shall be given to 'Class-I local supplier' in procurement undertaken by procuring entities in the manner specified here under.

(b) In the procurement of goods or works, which are covered by para 3(b)

above and which are divisible in nature, the 'Class-I local supplier' shall get purchase preference over 'Class-II local supplier' as well as 'Non-local supplier', as per following procedure:

- i. Among all qualified bids, the lowest bid will be termed as L1. If L1 is 'Class-I local supplier', the contract for full quantity will be awarded to L1.
 - ii. If L1 bid is not a 'Class-I local supplier', 50% of the order quantity shall be awarded to L1. Thereafter, the lowest bidder among the 'Class-I local supplier' will be invited to match the L1 price for the remaining 50% quantity subject to the Class-I local supplier's quoted price falling within the margin of purchase preference, and contract for that quantity shall be awarded to such 'Class-I local supplier' subject to matching the L1 price. In case such lowest eligible 'Class-I local supplier' fails to match the L1 price or accepts less than the offered quantity, the next higher 'Class-I local supplier' within the margin of purchase preference shall be invited to match the L1 price for remaining quantity and so on, and contract shall be awarded accordingly. In case some quantity is still left uncovered on Class-I local suppliers, then such balance quantity may also be ordered on the L1 bidder.
- (c) In the procurement of goods or works, which are covered by para 3(b) above and which are not divisible in nature, and in procurement of services where the bid is evaluated on price alone, the 'Class-I local supplier' shall get purchase preference over 'Class-II local supplier' as well as 'Non-local supplier', as per following procedure:
- i. Among all qualified bids, the lowest bid will be termed as L1. If L1 is Class -I local supplier', the contract will be awarded to L1.
 - ii. If L1 is not 'Class-I local supplier', the lowest bidder among the 'Class-I local supplier', will be invited to match the L1 price subject to Class-I local supplier's quoted price falling within the margin of purchase preference, and the contract shall be awarded to such 'Class-I local supplier' subject to matching the L1 price.
 - iii. In case such lowest eligible 'Class-I local supplier' fails to match the L1 price, the 'Class-I local supplier' with the next higher bid within the margin of purchase preference shall be invited to match the L1 price and so on and contract shall be awarded accordingly. In case none of the 'Class-I local supplier' within the margin of purchase preference matches the L1 price, the contract may be awarded to the L1 bidder.
- (d) "Class-II local supplier" will not get purchase preference in any procurement, undertaken by procuring entities.

3B. Applicability in tenders where contract is to be awarded to multiple bidders- In tenders where contract is awarded to multiple bidders subject to matching of L1 rates or otherwise, the 'Class-I local supplier' shall get purchase preference over 'Class-II local supplier' as well as 'Non-local supplier', as per following procedure:

- a. In case there is sufficient local capacity and competition for the item to be procured, as notified by the nodal Ministry, only Class I local suppliers shall be eligible to bid. As such, the multiple suppliers, who would be awarded the contract, should be all and only 'Class I Local suppliers'.
- b. In other cases, 'Class II local suppliers' and 'Non local suppliers' may also participate in the bidding process along with 'Class I Local suppliers' as per provisions of this Order.
- c. If 'Class I Local suppliers' qualify for award of contract for at least

50% of the tendered quantity in any tender, the contract may be awarded to all the qualified bidders as per award criteria stipulated in the bid documents. However, in case 'Class I Local suppliers' do not qualify for award of contract for at least 50% of the tendered quantity, purchase preference should be given to the 'Class I local supplier' over 'Class II local suppliers'/ 'Non local suppliers' provided that their quoted rate falls within 20% margin of purchase preference of the highest quoted bidder considered for award of contract so as to ensure that the 'Class I Local suppliers' taken in totality are considered for award of contract for at least 50% of the tendered quantity.

- d. First purchase preference has to be given to the lowest quoting 'Class-I local supplier', whose quoted rates fall within 20% margin of purchase preference, subject to its meeting the prescribed criteria for award of contract as also the constraint of maximum quantity that can be sourced from any single supplier. If the lowest quoting 'Class-I local supplier', does not qualify for purchase preference because of aforesaid constraints or does not accept the offered quantity, an opportunity may be given to next higher 'Class-I local supplier', falling within 20% margin of purchase preference, and so on.
 - e. To avoid any ambiguity during bid evaluation process, the procuring entities may stipulate its own tender specific criteria for award of contract amongst different bidders including the procedure for purchase preference to 'Class-I local supplier' within the broad policy guidelines stipulated in sub- paras above.
4. **Exemption of small purchases:** Notwithstanding anything contained in paragraph 3, procurement where the estimated value to be procured is less than Rs. 5 lakhs shall be exempt from this Order. However, it shall be ensured by procuring entities that procurement is not split for the purpose of avoiding the provisions of this Order.

4A. Exemption In sourcing of spares and consumables of closed systems:

Procurement of spare parts, consumables for closed systems and Maintenance/ Service contracts with Original Equipment Manufacturer/Original Equipment Supplier/Original Part Manufacturer shall be exempted from this Order.

5. **Minimum local content:** The 'local content' requirement to categorize a supplier as 'Class-I local supplier' is minimum 50%. For 'Class-II local supplier', the 'local content' requirement is minimum 20%. Nodal Ministry/ Department may prescribe only a higher percentage of minimum local content requirement to categorize a supplier as 'Class-I local supplier'/ 'Class- II local supplier'. For the items, for which Nodal Ministry/ Department has not prescribed higher minimum local content notification under the Order, it shall be 50% and 20% for 'Class-I local supplier'/ 'Class-II local supplier' respectively.
6. **Margin of Purchase Preference:** The margin of purchase preference shall be 20%.
7. **Requirement for specification in advance:** The minimum local content, the margin of purchase preference and the procedure for preference to Make in India shall be specified in the notice inviting tenders or other form of procurement solicitation and shall not be varied during a particular procurement transaction.
8. **Government E-marketplace:** In respect of procurement through the Government E-marketplace (GeM) shall, as far as possible, specifically mark the items which meet the minimum local content while registering the item for

display, and shall, wherever feasible, make provision for automated comparison with purchase preference and without purchase preference and for obtaining consent of the local supplier in those cases where purchase preference is to be exercised.

9. Verification of local content:

- a. The 'Class-I local supplier'/ 'Class-II local supplier' at the time of tender, bidding or solicitation shall be required to indicate percentage of local content and provide self-certification that the item offered meets the local content requirement for 'Class-I local supplier'/ 'Class-II local supplier', as the case may be. They shall also give details of the location(s) at which the local value addition is made.
- b. In cases of procurement for a value in excess of Rs. 10 crores, the 'Class-I local supplier'/ 'Class-II local supplier' shall be required to provide a certificate from the statutory auditor or cost auditor of the company (in the case of companies) or from a practicing cost accountant or practicing chartered accountant (in respect of suppliers other than companies) giving the percentage of local content.
- c. The bidder shall give self-certification for local content in the quoted item (goods/works/services) at the time of tendering. However, at the time of execution of the project, for all contracts above INR 10 Crore, the contractor/ supplier shall be required to give local content certification duly certified by cost/ chartered accountant in practice. For cases where it is not possible to provide certification by Cost/Chartered Accountant at the time of execution of project, the supplier shall be permitted to provide the certificate for local content from Cost/ Chartered Accountant after completion of the contract, within time limit acceptable to the procuring entity. In case the contractor/ supplier does not meet the stipulated local content requirement and the category of the supplier changes from Class-I to Class-II/ Non-local or from Class-II to Non-local, a penalty upto 10% of the contract value may be imposed. However, contract once awarded shall not be terminated on this account.
- d. Decisions on complaints relating to implementation of this Order shall be taken by the competent authority which is empowered to look into procurement-related complaints relating to the procuring entity.
- e. Nodal Ministries may constitute committees with internal and external experts for independent verification of self-declarations and auditor's/ accountant's certificates on random basis and in the case of complaints.
- f. Nodal Ministries and procuring entities may prescribe fees for such complaints.
- g. False declarations will be in breach of the Code of Integrity under Rule 175(1)(i)(h) of the General Financial Rules for which a bidder or its successors can be debarred for up to two years as per Rule 151 (iii) of the General Financial Rules along with such other actions as may be permissible under law.
- h. A supplier who has been debarred by any procuring entity for violation of this Order shall not be eligible for preference under this Order for procurement by any other procuring entity for the duration of the debarment. The debarment for such other procuring entities shall take effect prospectively from the date on which it comes to the notice of other procurement entities, in the manner prescribed under paragraph 9

i below.

- i. The Department of Expenditure shall issue suitable instructions for the effective and smooth operation of this process, so that:
 - i. The fact and duration of debarment for violation of this Order by any procuring entity are promptly brought to the notice of the Member-Convenor of the Standing Committee and the Department of Expenditure through the concerned Ministry /Department or in some other manner;
 - ii. On a periodical basis such cases are consolidated and a centralized list or decentralized lists of such suppliers with the period of debarment is maintained and displayed on website(s);
 - iii. In respect of procuring entities other than the one which has carried out the debarment, the debarment takes effect prospectively from the date of uploading on the website(s) in the such a manner that ongoing procurement are not disrupted.

10. Specifications in Tenders and other procurement solicitations:

- a. Every procuring entity shall ensure that the eligibility conditions in respect of previous experience fixed in any tender or solicitation do not require proof of supply in other countries or proof of exports.
- b. Procuring entities shall endeavour to see that eligibility conditions, including on matters like turnover, production capability and financial strength do not result in unreasonable exclusion of 'Class-I local supplier' / 'Class-II local supplier' who would otherwise be eligible, beyond what is essential for ensuring quality or creditworthiness of the supplier.
- c. Procuring entities shall, within 2 months of the issue of this Order review all existing eligibility norms and conditions with reference to subparagraphs 'a' and 'b' above.
- d. Reciprocity Clause**
 - i. When a Nodal Ministry/Department identifies that Indian suppliers of an item are not allowed to participate and/ or compete in procurement by any foreign government, due to restrictive tender conditions which have direct or indirect effect of barring Indian companies such as registration in the procuring country, execution of projects of specific value in the procuring country etc., it shall provide such details to all its procuring entities including CMDs/CEOs of PSEs/PSUs, State Governments and other procurement agencies under their administrative control and GeM for appropriate reciprocal action.
 - ii. Entities of countries which have been identified by the nodal Ministry/Department as not allowing Indian companies to participate in their Government procurement for any item related to that nodal Ministry shall not be allowed to participate in Government procurement in India for all items related to that nodal Ministry/ Department, except for the list of items published by the Ministry/ Department permitting their participation.
 - iii. The stipulation in (ii) above shall be part of all tenders invited by the Central Government procuring entities stated in (i) above. All purchases on GeM shall also necessarily have the above provisions for items identified by nodal Ministry/ Department.
 - iv. State Governments should be encouraged to incorporate similar provisions in their respective tenders.
 - v. The term 'entity' of a country shall have the same meaning as under the FDI Policy of DPIIT as amended from time to time.
- e. Specifying foreign certifications/ unreasonable technical specifications/

brands/ models in the bid document is restrictive and discriminatory practice against local suppliers. If foreign certification is required to be stipulated because of non-availability of Indian Standards and/or for any other reason, the same shall be done only after written approval of Secretary of the Department concerned or any other Authority having been designated such power by the Secretary of the Department concerned.

- f. "All administrative Ministries/Departments whose procurement exceeds Rs. 1000 Crore per annum shall notify/update their procurement projections every year, including those of the PSEs/PSUs, for the next 5 years on their respective website."

10A. Action for non-compliance of the Provisions of the Order: In case restrictive or discriminatory conditions against domestic suppliers are included in bid documents, an inquiry shall be conducted by the Administrative Department undertaking the procurement (including procurement by any entity under its administrative control) to fix responsibility for the same. Thereafter, appropriate action, administrative or otherwise, shall be taken against erring officials of procurement entities under relevant provisions. Intimation on all such actions shall be sent to the Standing Committee.

11. **Assessment of supply base by Nodal Ministries:** The Nodal Ministry shall keep in view the domestic manufacturing / supply base and assess the available capacity and the extent of local competition while identifying items and prescribing the higher minimum local content or the manner of its calculation, with a view to avoiding cost increase from the operation of this Order.
12. **Increase in minimum local content:** The Nodal Ministry may annually review the local content requirements with a view to increasing them, subject to availability of sufficient local competition with adequate quality.
13. **Manufacture under license/ technology collaboration agreements with phased indigenization:** While notifying the minimum local content, Nodal Ministries may make special provisions for exempting suppliers from meeting the stipulated local content if the product is being manufactured in India under a license from a foreign manufacturer who holds intellectual property rights and where there is a technology collaboration agreement / transfer of technology agreement for indigenous manufacture of a product developed abroad with clear phasing of increase in local content.

13A. In procurement of all goods, services or works in respect of which there is substantial quantity of public procurement and for which the nodal ministry has not notified that there is sufficient local capacity and local competition, the concerned nodal ministry shall notify an upper threshold value of procurement beyond which foreign companies shall enter into a joint venture with an Indian company to participate in the tender. Procuring entities, while procuring such items beyond the notified threshold value, shall prescribe in their respective tenders that foreign companies may enter into a joint venture with an Indian company to participate in the tender. The procuring Ministries/Departments shall also make special provisions for exempting such joint ventures from meeting the stipulated minimum local content requirement, which shall be increased in a phased manner.

14. **Powers to grant exemption and to reduce minimum local content:** The administrative Department undertaking the procurement (including

procurement by any entity under its administrative control), with the approval of their Minister-in-charge, may by written order, for reasons to be recorded in writing,

- a. reduce the minimum local content below the prescribed level; or
- b. reduce the margin of purchase preference below 20%; or
- c. exempt any particular item or supplying entities from the operation of this Order or any part of the Order.

The Administrative Department, while seeking exemption under this para, shall certify that such an item(s) has not been notified by Nodal Ministry/ Department concerned under para 3 (a) of the Order.

A copy of every such order shall be provided to the Standing Committee and concerned Nodal Ministry / Department. The Nodal Ministry / Department concerned will continue to have the power to vary its notification on Minimum Local Content.

15. **Directions to Government companies:** In respect of Government companies and other procuring entities not governed by the General Financial Rules, the administrative Ministry or Department shall issue policy directions requiring compliance with this Order.
16. **Standing Committee:** A standing committee is hereby constituted with the following membership:
Secretary, Department for Promotion of Industry and Internal Trade - Chairman
Secretary, Commerce—Member
Secretary, Ministry of Electronics and Information Technology—Member
Joint Secretary (Public Procurement), Department of Expenditure—Member
Joint Secretary (DPIIT)—Member-Convenor

The Secretary of the Department concerned with a particular item shall be a member in respect of issues relating to such item. The Chairman of the Committee may co-opt technical experts as relevant to any issue or class of issues under its consideration.

17. **Functions of the Standing Committee:** The Standing Committee shall meet as often as necessary, but not less than once in six months. The Committee
 - a. shall oversee the implementation of this order and issues arising therefrom, and make recommendations to Nodal Ministries and procuring entities.
 - b. shall annually assess and periodically monitor compliance with this Order
 - c. shall identify Nodal Ministries and the allocation of items among them for issue of notifications on minimum local content
 - d. may require furnishing of details or returns regarding compliance with this Order and related matters
 - e. may, during the annual review or otherwise, assess issues, if any, where it is felt that the manner of implementation of the order results in any restrictive practices, cartelization or increase in public expenditure and suggest remedial measures
 - f. may examine cases covered by paragraph 13 above relating to manufacture under license/ technology transfer agreements with a view to satisfying itself that adequate mechanisms exist for enforcement of such agreements and for attaining the underlying objective of progressive indigenization

g. may consider any other issue relating to this Order which may arise.

18. **Removal of difficulties:** Ministries /Departments and the Boards of Directors of Government companies may issue such clarifications and instructions as may be necessary for the removal of any difficulties arising in the implementation of this Order.

19. **Ministries having existing policies:** Where any Ministry or Department has its own policy for preference to local content approved by the Cabinet after 1st January 2015, such policies will prevail over the provisions of this Order. All other existing orders on preference to local content shall be reviewed by the Nodal Ministries and revised as needed to conform to this Order, within two months of the issue of this Order.

20. **Transitional provision:** This Order shall not apply to any tender or procurement for which notice inviting tender or other form of procurement solicitation has been issued before the issue of this Order.



19/12/24

(Himani Pande)

Additional Secretary to the Government of India

Tel: 011-23038888

E-mail: ashp.dpiit@gov.in

No.F.1/4/2021-PPD
Government of India
Ministry of Finance
Department of Expenditure
Public Procurement Division

264-C, North Block, New Delhi.

18.05.2023.

OFFICE MEMORANDUM

Subject: Concurrent application of Public Procurement Policy for Micro and Small Enterprises Order, 2012 and Public Procurement (Preference to Make in India) Order, 2017.

The undersigned is directed to refer two Preferential Procurement Orders mandated for the Public Procurement in India, namely:

- i. Public Procurement Policy for Micro and Small Enterprises (MSEs) Order dated 23.03.2012 (PPP-MSE Order) issued by Ministry of Micro, Small and Medium Enterprises (MoMSME) in exercise of the powers conferred in Section 11 of the MSME Development Act, 2006. (Last revised on 09.11.2018)
- ii. Public Procurement (Preference to Make in India) Order, 2017 (PPP-MII order), under Rule 153(iii) of the General Financial Rules (GFRs) 2017, approved by the Cabinet. Implementation of this PPP-MII order is monitored by Department for Promotion of Industry and Internal Trade (DPIIT). (Last revised on 16.09.2020.)

2. It has been brought to the notice of this Department that concurrent application of these two orders are creating confusion to the procuring entities and different procuring entities interpret them differently. In order to bring predictability both to the procuring entities as well as bidders, following guidelines are being issued.

Guidelines

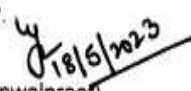
3. The Class-I local suppliers, under PPP-MII Order, participating in any government tender, may or may not be MSEs, as defined under the MSME Act. Similarly, MSEs participating in any government tender, may or may not be Class-I local suppliers. Suppliers may be categorised in following four broad categories for consideration or applicability of purchase preference:

Category	Terminology
Supplier is both MSE & Class-I local supplier.	"MSE Class-I local supplier"
Supplier is MSE but not Class-I local supplier.	"MSE but non-Class-I local supplier"
Supplier is not MSE but is Class-I local supplier.	"Non-MSE but Class-I local supplier"
Supplier is neither MSE nor Class-I local.	"Non-MSE non-Class-I local supplier"

4. The applicability of PPP-MSE Order and PPP-MII Order in various scenarios, involving simultaneous purchase preference to MSEs and Class-I local suppliers under PPP-MSE Order and PPP-MII Order respectively, shall be as under:
- a) *Items covered under Para 3(a) of PPP- MII Order, 2017 for which Nodal Ministry has notified sufficient local capacity and competition:* For these items, only Class-I local suppliers are eligible to bid irrespective of purchase value. Hence, Class-II local suppliers or Non-local suppliers, including MSEs which are Class-II local suppliers/ Non-local suppliers, are not eligible to bid. Possible scenarios can be as under:
- (i) L-1 is "MSE Class-I local supplier" - 100% of the tendered quantity is to be awarded to L-1.
 - (ii) L-1 is "Non-MSE but Class-I local supplier" - Purchase preference is given to MSEs as per PPP-MSE Order. Balance quantity is to be awarded to the L-1 bidder.
- b) *Items reserved exclusively for procurement from MSEs as per PPP-MSE Order:* These items are reserved exclusively for purchase from MSEs. Hence, non-MSEs are not eligible to bid for these items. Possible scenarios can be as under:
- (i) L-1 is "MSE Class-I local supplier" - 100% of the tendered quantity is to be awarded to L-1.
 - (ii) L-1 is "MSE non-Class-I local supplier" - Purchase preference is to be given to Class-I local supplier as per PPP-MII Order. Balance quantity, is to be awarded to L-1 bidder.
- c) *If items are neither notified for sufficient local capacity nor reserved for MSEs, then the process will be as follows:*
- c (a) Items covered under Para 3A(b) of PPP-MII Order are divisible items and both MSEs as well as Class-I local suppliers are eligible for purchase preference. Possible scenarios can be as under:
- (i) L-1 is "MSE Class-I local supplier" - 100% of the tendered quantity is to be awarded to L-1.
 - (ii) L-1 is "Non-MSE but Class-I local supplier" - Purchase preference is to be given to MSEs, if eligible, as per PPP-MSE Order. Balance quantity is to be awarded to L-1 bidder.
 - (iii) L-1 is "MSE but non-Class-I local supplier" - Purchase preference is to be given to Class-I local suppliers, if eligible, as per PPP-MII Order. Balance quantity is to be awarded to L-1 bidder.
 - (iv) L-1 is "Non-MSE non-Class-I local supplier" - Purchase preference is to be given to MSEs as per PPP-MSE Order. Thereafter, purchase preference is to be given to Class-I local suppliers for "50% of the tendered quantity minus quantity allotted to MSEs

above" as per PPP- MII Order. For the balance quantity, contract is to be awarded to L-1 bidder. (Kindly refer to the illustrative example in the annexure).

- c (b) Items covered under Para 3A(c) of PPP-MII Order, 2017 are non-divisible items and both MSEs as well as Class-I local suppliers are eligible for purchase preference. Possible scenarios can be as under:
- (i) L-1 is "MSE Class-I local supplier" - Contract is awarded to L-1.
 - (ii) L-1 is not "MSE Class-I local supplier" but the "MSE Class-I local supplier" falls within 15% margin of purchase preference - Purchase preference is to be given to lowest quoting "MSE Class-I local supplier". If lowest quoting "MSE Class-I local supplier" does not accept the L-1 rates, the next higher "MSE Class-I local supplier" falling within 15% margin of purchase preference is to be given purchase preference and so on.
 - (iii) If conditions mentioned in sub paras (i) and (ii) above are not met i.e. L-1 is neither "MSE Class-I local supplier" nor "MSE Class-I local supplier" is eligible to take benefit of purchase preference, the contract is to be awarded/ purchase preference to be given in different possible scenarios as under:
 - A. L1 is "MSE but non-Class-I local supplier" or "Non-MSE but Class-I local supplier" – Contract is be awarded to L1.
 - B. L1 is "Non-MSE non-Class-I local supplier" - First purchase preference to be given to MSE as per PPP-MSE Order. If MSE not eligible/ does not accept - purchase preference to be given to Class- I Local supplier as per PPP-MII Order. If Class-I Local supplier also not eligible/ does not accept – contract to be awarded to L-1.
- d) *Items reserved for both MSEs and Class-I local suppliers:* These items are reserved exclusively for purchase from MSEs as well as Class-I local suppliers. Hence, only "MSE Class-I local supplier" are eligible to bid for these items. Non-MSEs/Class-II local suppliers/ Non-local suppliers cannot bid for these items. Hence the question of purchase preference does not arise.
- e) Non-local suppliers, including MSEs falling in the category of Non-local suppliers, shall be eligible to bid only against Global Tender Enquiry.


(Kanwalpreet)
Director

Tel.: -223093811; email: - kanwal.irss@gov.in

To

1. Secretaries of all Central Government Ministries/ Departments.
2. Secretary Department of Public Enterprises with a request for issuing suitable instructions to all Central Public Sector Enterprises in this regard.

Annexure

Example explaining applicability in scenario explained in para 4 c (a)(iv)

(Scenario: Divisible items, both MSEs as well as Class-I local suppliers eligible for purchase preference and L-1 is "Non-MSE non-Class-I local supplier")

Item – Desktop computer

Qty – 50 Nos.

Details of bids received

Sr. No.	Name of bidder	Rates quoted	Price Ranking	Status of bidder
1.	A	100	L1	"Non-MSE non- Class-I local supplier"
2.	B	110	L2	"Non-MSE but Class-I local supplier"
3.	C	112	L3	"MSE but non- Class-I local supplier"
4.	D	115	L4	"Non-MSE but Class-I local supplier"
5.	E	118	L5	"MSE but non- Class-I local supplier"
6.	F	120	L6	"MSE Class-I local supplier"

1. In this case, first purchase preference is to be given to MSEs as per PPP-MSE Order for 25% of tendered quantity of 50 Nos. i.e. 12.5 Nos. (rounded off to the next whole number say 13 Nos). Accordingly, invite L3 (bidder C), whose quoted rates falls within 15% margin of purchase preference to match L1 price i.e. Rs. 100/- for quantity of 13 Nos. Bidder "E" and "F", although MSEs, will not get purchase preference since their quoted rates don't fall within 15% margin of purchase preference. Bidder C will be considered for order of 13 Nos. on confirmation of reduction of price.
2. For 50% of balance quantity of 37 number (tendered quantity of 50 – 13 awarded to bidder C; assuming bidder C has confirmed to accept L1 rates), purchase preference will be given to lowest Class-I local supplier as per PPP-MII Order. Accordingly, bidder B will be invited to match L-1 price for 50% of 37 Nos i.e. 18.5 (say 19 Nos of computers). If bidder "B" does not accept the L1 price i.e. price of Rs. 100/- per unit, next higher Class-I local supplier falling within 20% margin of purchase preference, i.e. bidder "D", may be invited to match L-1 price for 19 Nos. of computers and so on.
3. For remaining quantity i.e. 18 Nos (50-13-19), the contract will be awarded to lowest quoting bidder i.e. Bidder "A", who is L-1 in the example.

Declaration Form for availing Purchase Preference

Sr. no.	Parameter	Declaration	Remarks
1	We confirm that our offer is achieving the minimum local content target as per PPP-MII order 2017 and amendments thereof (enclosed elsewhere in the bidding document) and the requisite Undertaking along with supporting certificate (if required) is submitted in Unpriced Bid	Yes / No	
2	Whether bidder is an MSE bidder?	Yes/ No	If yes- Necessary documents to be attached along with unpriced part of the bid.

Note:

a) The bidder claiming the PPP-MII 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:

The LC content shall be self-assessed and certified by the authorized signatory of the bidder, signing the bid along with Statutory Auditor's Certificate (if required) as stated in the said Policy in this Tender Document.

Bidder's signature: _____ (With Seal/ Stamp)

UNDERTAKING (to be submitted on Company's Letterhead)

E-tender ID -

Certification by bidder

I _____, Son/ Daughter of _____, do solemnly affirm and state as under:

1. That I am the _____ <<Designation of the authorized signatory>> of _____ and I am duly authorized to furnish this undertaking declaration on behalf of _____.
2. That _____ has submitted its bid no _____ dated _____ against bidding document no _____ dated _____ for _____ item / works for _____ Project/Refinery of IOCL.
3. That the Company is fully aware of the provisions of **Policy to Provide Purchase Preference (Preference to Make in India) (PP-MII) dated 16.09.2020** and amendments thereof, enclosed in the above bidding document.
4. We hereby confirm that our offer is achieving the local content (LC) of
 - a. minimum 50%
 - b. 20% <= LC < 50%
 - c. LC < 20%

(Tick whichever is applicable.)

5. I confirm that I am aware of the implication of the above undertaking and our liability on account of wrong declaration.

(Authorized signatory of Supplier)

Note: This undertaking shall be certified by the authorized signatory of the bidder, signing the bid. Preference is applicable only for suppliers claiming minimum 50 % Local Content.

UNDERTAKING (to be submitted on Company's Letterhead)

E-tender ID -

Certification by the bidder

I _____, Son/ Daughter of _____, do solemnly affirm and state as under:

1. I am the _____ <<Designation of the authorized signatory>> of _____ and I am duly authorized to furnish this undertaking declaration on behalf of _____.
2. That _____ has submitted its bid no _____ dated _____ against bidding document no _____ dated _____ for _____ item / works for _____ Project / Refinery of IOCL.
3. That the Company is fully aware of the provisions of **Policy to Provide Purchase Preference (Preference to Make in India) (PP-MII) dated 16.09.2020** and amendments thereof, enclosed in the above bidding document.
4. We hereby confirm that our offer is achieving the local content (LC) of
 - a. minimum 50%
 - b. 20% <= LC < 50%
 - c. LC < 20%

(Tick whichever is applicable.)

5. I confirm that I am aware of the implication of the above undertaking and our liability on account of wrong declaration.

(Authorized signatory of Supplier)

Certification by the statutory auditor / Chartered Accountant of the bidder

We, _____, a CA firm having our registered office address _____ and certificate number _____ certify that we are statutory auditor of the Company M/s _____, having its registered office at _____.

OR

We, _____, a CA firm having our registered office address _____ and certificate number _____ certify that statutory auditor is not mandatory for the company M/s _____, having its registered office at _____ as per prevailing law and we are practicing Chartered Accountant, not being an employee / Director and not having any interest in the company.

We have understood the provisions of **Policy to Provide Purchase Preference (Preference to Make in India) (PP-MII) dated 16.09.2020**, enclosed in the above bidding document.

We hereby confirm that our offer is achieving the local content of

- a. minimum 50%
- b. 20% <= LC < 50%
- c. LC < 20%

(Tick whichever is applicable.)

(Statutory auditor / Chartered Accountant of the bidder)

E-tender ID -

Note: - This undertaking shall be certified by the authorized signatory of the bidder, signing the bid. Preference is applicable only for suppliers claiming minimum 50 % Local Content.

- 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 (as stated in said Policy in this Tender Document)

How to Submit Bid as “**Preferential**” Bidder

Step 1: Update Profile Details

Bidder to Login in the portal and update profile details by Selecting “Yes” for “**Preferential Bidder**” (if applicable) and select the applicable preference category for the bidder from the dropdown as shown below:

Corporate Users → Edit

Login ID: cbtc2@cbtc.com
User Type: Corporate/Bidder

Company Details

Company Name * 2, CBTC Groups of Industries

Preferential Bidder: Yes

Preference Category* -Select-
MSME
Purchase Pref. linked with Local Content(PP-LC)
Domestically Manf. Electronic Products (DMEP)

If you have selected MSME or Startup Company Accounts--> Privileges menu and complete registration under My

Registration Number * CBTC

Registered Address* CBTC

Step 2: Bid Submission

Bidder under any of the preference categories who have updated details in bidder profile will get option to avail preferential benefit and upload supporting document, based upon the tender provisions regarding applicable preference categories, as shown below:

2.1 Preference category details visible in Bidder’s Profile screen:

Company Details			
Login ID	cbtc3@cbtc.com		
Company Name	3, CBTC Groups of Industries	Registration Number	1111
Preferential Bidder	Yes	Preference Category	MSME
Establishment Year	2013	Nature of Business	ALL
Legal Status	Limited Company	Company Category	Others
City	Gurgaon	State	Haryana
Postal Code	122001	PAN Number	AESTG2458A

Bidder Pre Registration Details
Bidder Pre Registered With : NA

Contact Details

Title * Mr

Contact Name* ABC

Correspondence Email*

Designation

Phone* IND (91) 124 222222

Mobile* IND (91)

Registered Address* India

Name of Partners / Directors

Back Next

2.2 Option to avail preferential benefit using “Avail Preferential Bidder Option”:

My Tenders → 2019_COIS_106258_1 → Transaction Message

Organisation Chain :
Tender Reference Number :
Tender ID :
Tender Title :

Bid Process List		
S.No	Bid Process	Action
1	ITE Details	✓
2	Profile	✓
3	Avail Preferential Bidder Option	⬇

Encrypt&Upload



2.3 Upload Supporting Document for availing Preferential benefit

PREFERENTIAL BIDDER DETAIL

Organization Chain :
Tender Reference Number :
Tender ID :
Tender Title :
Preference Category : MSME

Avail Preferential Bidder Option: Yes No

Only pdf files are permitted to upload.

Upload Preference Document *  

Back Save

Bidders have to upload bid documents as normal tenders after availing preferential bidding option.

2.4 Bid Summary if bidder avails the preferential benefits

Bid Preparation Confirmation Back

Bid Information

Organisation Chain :
 Tender Reference Number :
 Tender ID :
 Tender Title :
 Bid Submission Closing Date : 11-Oct-2019 09:55 AM
 Avail Preferential Bidder Option : Yes

Preferential Bidder Document Details

S.No	File Name	File Size (KB)	Preference Name	Tolerance Percentage
1	TestFile1.pdf	87.78	MSME	15.00

Uploaded Documents

S.No	Packet Type	File Name	Description	File Size (KB)	File Hash
1	Fee/PreQual/Technical	TestFile1.pdf	tech response	87.00	6oGAgQnvxEn4dkALDj12ob0T9IU=
2	Finance	BOQ_116263.xls	price bid	283.00	x5XAf0RIG9MTNqwxBBN489t5Ays=
		TestFile4.pdf	comm. response	87.00	6oGAgQnvxEn4dkALDj12ob0T9IU=

Stagewise Bid Status

Tender Stages	Result
ItemWise Technical Evaluation	✓
ItemWise Technical Evaluation	✓

Submit / Freeze Bid

2.5 Bid Summary if bidder does not avail preferential benefits

Bid Preparation Confirmation Back

Bid Information

Organisation Chain : IndianOil||Refineries||COIS Gurgaon||Testing
 Tender Reference Number : Test Tender
 Tender ID : 2019_COIS_106951_1
 Tender Title : Test Tender
 Bid Submission Closing Date : 24-Oct-2019 11:25 AM
 Avail Preferential Bidder Option : No

Uploaded Documents

S.No	Packet Type	File Name	Description	File Size (KB)	File Hash
1	Fee/PreQual/Technical	TestFile1.pdf	Tech Bid	87.00	+eWOr6GzT+WBpW8jX/6riKq4yk8=
2	Finance	BOQ_116982.xls	BOQ	267.00	nT/rDQFtbMRfQxMQl2M/IGfn6xE=

Submit / Freeze Bid

2.6 System will prompt Bidders who have not updated any preference category details in their profile while submitting bids for tender in which preferential evaluation benefits are included in tender for certain preference categories.

My Tenders → 2019_COIS_106258_1 → Transaction Message

Organisation Chain :
Tender Reference Number :
Tender ID :
Tender Title :

Bid Process List		
S.No	Bid Process	Action
1	ITE Details	✓
2	Profile	✓

Message from webpage

ⓘ This tender allow bidders to avail preferential treatment.If you are a preferential bidder, update the necessary details in your profile in My Accounts Menu. Otherwise you will not be considered for preferential benefits.

OK Cancel

Encrypt&Upload

Bidders who wish to avail the preference benefits can do so by updating profile details accordingly as explained earlier in **Step 1** and proceed for bid submission.

2.7 Bidders for whom preferential benefits are not applicable can directly proceed for bid submission. In such cases, the bid summary will not include any preference category details for such bidders as shown below:

Back

Bid Preparation Confirmation

Bid Information

Organisation Chain :
Tender Reference Number :
Tender ID :
Tender Title :
Bid Submission Closing Date : 11-Oct-2019 09:55 AM

Uploaded Documents					
S.No	Packet Type	File Name	Description	File Size (KB)	File Hash
1	Fee/PreQual/Technical	TestFile2.pdf	tech response	87.00	V6mJxxrMi24rjUr24/UHhUFLPSU=
2	Finance	BOQ_116263.xls	price bid	283.00	V/YKxVwzxEAYJKuRIQPWoHjOPOS=
		TestFile4.pdf	comm. response	87.00	V6mJxxrMi24rjUr24/UHhUFLPSU=

Stagewise Bid Status	
Tender Stages	Result
ItemWise Technical Evaluation	✓

Submit / Freeze Bid

-----End of Document-----

Chapter – III Bid Submission

Bidder will have to provide following additional inputs which are specific to ITE enable tenders.

- 3.1.** While proceeding to submit bid, bidder will get a “**Transaction Message**” with the option to update “**ITE details**” after confirming his profile details as shown in the following screenshot.

My Tenders → 2017_COIS_45237_1 → Transaction Message

Organization Chain : COIS Gurgaon||Materials
Tender Reference Number :
Tender ID :
Tender Title :

Bid Process List	
S.No	Bid Process
1	ITE Details
2	Profile

Click here to edit ITE Details

Encrypt&Upload

- 3.2.** Upon clicking on “**ITE Details**” as marked in the above screenshot, system will take the bidder to a new page “**Bidder Item Wise Evaluation**” (shown below) where bidder will select “YES” / “NO” in the column “**Quoted Yes/No**” suitably for each line-item depending upon whether he wants to quote for that line item or not.

Bidder Item Wise Evaluation

Organisation Chain : COIS Gurgaon||Materials
Tender Reference Number :
Tender ID :
Tender Title :

S.No	Item Code	Description	Units	Quantity	Quoted Yes/No
1		Laying and Jointing PVC Pipe. Heading			
2	item1	Item 1	Nos	150.00	Yes
3	item2	Item 2	Nos	250.00	Yes
4	item3	Item 3	Nos	280.00	Yes
5	item4	Item 4	Nos	360.00	No
6	item5	Item 5	Nos	350.00	No
7	item6	Item 6	Nos	125.00	Yes

Back Save

Note: Bidder(s) will be evaluated only for those line-items for which they have selected “YES” in the column “**Quoted Yes/No**” irrespective of even if they have quoted price in BOQ (Price Bid) for other line-items also.

3.3. Once the bidder saves his itemwise response, system will take the bidder to Summary Screen (shown below) where his itemwise selection shall be available for review:

View Bidder Item Wise Evaluation

Organisation Chain :	COIS Gurgaon||Materials				
Tender Reference Number :					
Tender ID :					
Tender Title :					
No of sheets :	1	Total item(s) available in sheet(s) :	6		
Eligible item(s) as quoted :	4	Not eligible item(s) as quoted :	2	Click to View	

View Bidder Item Wise Evaluation List						
S.No	Sheet Name	Item Code	Description	Units	Quantity	Bidder Value
1	BoQ1	item1	Item 1	Nos	150.00	Yes
2		item2	Item 2	Nos	250.00	Yes
3		item3	Item 3	Nos	280.00	Yes
4		item6	Item 6	Nos	125.00	Yes

3.4. Bidder will review his selection. If the bidder wants to modify his selection at this stage, he can do so using “Back” button otherwise he will click on “Next” button to freeze his selection and proceed for bid submission.

All the subsequent screens shall be as that of normal tender. However, bidder needs to ensure that the line-items quoted in BOQ are in-line with his “YES/NO” selection in ITE Details.

3.5. In the final stage of bid submission, system will display the status of bidder’s ITE response in “**Bid preparation Confirmation**” page as described below:

a) In the below screenshot, ✓ (tick mark) given in the Result section of “**Itemwise Technical Evaluation**” means bidder has selected “YES” for all the line items available in “**Bidder Item Wise Evaluation**” page.

Bid Preparation Confirmation Back

Bid Information

Organisation Chain : COIS Gurgaon||Materials
Tender Reference Number :
Tender ID :
Tender Title :
Bid Submission Closing Date : 15-Feb-2017 12:45 PM

Uploaded Documents

S.No	Packet Type	File Name	Description	File Size (KB)	File Hash
1	Fee/PreQual/Technical	TestFile.pdf	Tender Acceptance Format	87.00	GSVib/aeJMytmAanWEYhZPvkho8=
2	Finance	BOQ_41758.xls	Price Bid	262.00	7Y4J0r6iz1g8afrR2uG68ETJYU=

Stagewise Bid Status

Tender Stages	Result
ItemWise Technical Evaluation	<input checked="" type="checkbox"/> All Items included in ITE Details
ItemWise Technical Evaluation	

Freeze Bid

b) In the below screenshot, \approx mark given in the Result section of “**Itemwise Technical Evaluation**” (ITE) means bidder has selected “**YES**” for some (not all) of the line items available in “**Bidder Item Wise Evaluation**” page.

Bid Information

Organisation Chain : COIS Gurgaon||Materials
Tender Reference Number :
Tender ID :
Tender Title :
Bid Submission Closing Date : 15-Feb-2017 12:45 PM

Uploaded Documents

S.No	Packet Type	File Name	Description	File Size (KB)	File Hash
1	Fee/PreQual/Technical	TestFile.pdf	Tender Acceptance Format	87.00	0+HCGt00M6s+/NS/aCTuLCmyfsM=
2	Finance	BOQ_41758.xls	Price Bid	262.00	ZZBwaSXR36j5bHgwC57fsMACkO4=

Stagewise Bid Status

Tender Stages	Result
ItemWise Technical Evaluation	<input type="checkbox"/>
ItemWise Technical Evaluation	<input type="checkbox"/> \approx Only part of Items included in ITE Details

Freeze Bid

Subsequently, bidder shall submit his bid by clicking on “**Freeze Bid**” button in line with normal tender.

3.6. Rebid Submission: Bidder(s) can change their response submitted in "**Bidder Item Wise Evaluation**" page using "**Other Criteria**"-**Resubmit** option even after freezing bid as shown in the following screenshot.

The screenshot displays the 'Bid Information' page. At the top, there is a 'Print' icon. Below it, the 'Bid Information' section contains the following details:

- Bid ID : 35734
- Organization Chain : COIS Gurgaon||Materials
- Tender Reference Number : TestITE20170215
- Tender ID : 2017_COIS_45237_2
- Tender Title : TestITE20170302
- Bid Submitted Date & Time : 02-Mar-2017 02:28 PM
- Bid Frozen IP Address : 61.246.252.4

Below this is the 'Uploaded Documents' section with a 'Resubmit' icon. It contains a table with the following data:

S.No	Packet Type	File Name	Description	File Size (KB)
1	Fee/PreQual/Technical	TestFile.pdf	Tender Acceptance Format	87.00
2	Finance	BOQ_42167.xls	Price Bid	262.00

Below the table is the 'Other Criteria' section, which is highlighted with a red box and has a 'Resubmit' icon. Below that is the 'Withdrawal Bid' section with a 'Withdraw' icon. At the bottom right, there is a 'Back My Bids' button.

On Clicking "**Resubmit**" option, system will take the bidder to following page:

The screenshot displays the 'Re-Bid Submission' page. At the top, there is a 'Re-Bid Submission' section with the following details:

- Organization Chain : COIS Gurgaon||Materials
- Tender Reference Number : TestITE20170215
- Tender ID : 2017_COIS_45237_2
- Tender Title : TestITE20170302

Below this is the 'Re-Bid Submission' section with a table containing 'Re-Submission Details' and 'Item Wise Technical Details'. The 'Action' button in the 'Re-Submission Details' row is circled in red. At the bottom right, there is a 'Back' button.

Upon clicking "**Action**" option, system will take the bidder(s) to the following page where they can make changes in their already saved response, verify and proceed further.

Bidder Item Wise Evaluation



Organisation Chain : COIS Gurgaon||Materials
Tender Reference Number : TestITE20170215
Tender ID : 2017_COIS_45237_2
Tender Title : TestITE20170302

Bidder Item Wise Evaluation					
S.No	Item Code	Description	Units	Quantity	Quoted Yes/No
1		Laying and Jointing PVC Pipe. Heading			
2	item1	Item 1	Nos	150.00	Yes <input type="checkbox"/>
3	item2	Item 2	Nos	250.00	Yes <input type="checkbox"/>
4	item3	Item 3	Nos	280.00	No <input type="checkbox"/>
5	item4	Item 4	Nos	360.00	No <input type="checkbox"/>
6	item5	Item 5	Nos	350.00	No <input type="checkbox"/>
7	item6	Item 6	Nos	125.00	Yes <input type="checkbox"/>

Back

Verify

Note: If a bidder is changing his itemwise evaluation selection, he must resubmit his BOQ accordingly. These changes may be made any number of times before scheduled / extended bid submission end date & time. In case of resubmission(s), only finally updated selections and documents shall be available in the e-Tendering portal.

Plant PPU & CDW	Client IOCL, PANIPAT REFINERY	Contract Code RHQ, EPCM-3 (P-25)	Contract No. 66-6746		
 thyssenkrupp	REQUEST FOR QUOTATION (RFQ) (Bidding Document No. 6746-PPM-022-CA-0170 for Ultrasonic Flow Meter for PP Unit)				
				Rev	00	Page	1	of	3

REQUEST FOR QUOTATION (RFQ)



~~(INDIGENOUS / GLOBAL / FOREIGN; LIMITED / OPEN)~~

(e-Bidding)

CLIENT: M/s INDIAN OIL CORPORATION LIMITED	
PROJECT: EPCM 3 (P-25 PROJECT) CDW, PP Unit	
ITEM: ULTRASONIC FLOW METER	
ITEM DESCRIPTION: "ULTRASONIC FLOW METER" FOR PP UNIT	
CATEGORY: II	
UNPRICED BID OPENING	1400 Hrs. on one day after bid submission (*)
PRICED BID OPENING	DATE, TIME AND VENUE SHALL BE INTIMATED LATER
Notes: If date identified as (*) above happen to be a declared holiday in IOCL / tkUIPL, the next working day shall be considered.	

Gentlemen,

- Indian Oil Corporation Limited (IOCL) is the largest commercial undertaking in India, which operates the largest number of refineries in the country. It owns and operates 9 of the country's refineries and additionally has two subsidiaries in the southern region totalling to nearly 80.7 MMTPA of refining capacity.
IOCL intend to increase the capacity of its Panipat Refinery from existing 15 MMTPA to 25 MMTPA (P-25 Project).
- IOCL has appointed thyssenkrupp Uhde India Private Limited, Pune as an EPCM Consultant for EPCM 3 package of this project consisting CDW & PP Unit.
- E-bids are requested on behalf of IOCL for the captioned item in total compliance to technical specifications, scope and terms & conditions of enquiry documents/attachments.
- Bidder can download the RFQ Documents from IOCL website (<https://iocletenders.nic.in/>).
- Bidder have to submit their bids complete in all respects in accordance with Instructions to Bidders (ITB) only through e-tendering website of IOCL website (<https://iocletenders.nic.in/>) **on or before the bid-submission date & time** as specified above. Bidder to carefully read and understand the instructions for e-tendering as indicated in ITB to upload their bid on e-tendering website. **Physical Bids sent through Fax/E-mail/Courier/Post will not be accepted.**
- Contact person for this RFQ:
Mr. Abhijeet Mithari, GM (Procurement),
Tel. No. +91-9167251462 & email: abhijeet.mithari@thyssenkrupp.com

Plant PPU & CDW	Client IOCL, PANIPAT REFINERY	Contract Code RHQ, EPCM-3 (P-25)	Contract No. 66-6746		
 thyssenkrupp	REQUEST FOR QUOTATION (RFQ) (Bidding Document No. 6746-PPM-022-CA-0170) for Ultrasonic Flow Meter for PP Unit)				
				Rev	00	Page	2	of	3

Mr. Sunildatta Borade, Sr. Manager (Procurement)

Tel No. +91-9579902755 & email: sunil.borade@thyssenkrupp.com

Mr. Sachin Bhat, Sr. Manager (Procurement)

Tel No. +91-9890038923 & email: sachin.bhat@thyssenkrupp.com

7. ***Please specify Bidding Document No. & e-Tender No. in all correspondence**

THIS IS NOT AN ORDER



Very truly yours,

Abhijeet Mithari

General Manager (Procurement)
thyssenkrupp Uhde India Private Limited

Enclosures:

- a) Acknowledgement letter.
- b) Instructions to Bidders & its appendix / annexures
- c) Bid Documents
- d) Special Purchase Conditions (SPC)
- e) General Purchase Conditions (GPC)
- f) Bid Data Sheet (BDS)
- g) Terms and conditions for Supervision of Erection, Testing & Commissioning, Training
- h) BOQ
- i) Material Requisition No: 6746-INS-022-EC-0130

Plant PPU & CDW	Client IOCL, PANIPAT REFINERY	Contract Code RHQ, EPCM-3 (P-25)	Contract No. 66-6746		
	REQUEST FOR QUOTATION (RFQ) (Bidding Document No. 6746-PPM-022-CA-0170) for Ultrasonic Flow Meter for PP Unit)				

REPLY / ACKNOWLEDGEMENT LETTER

E-MAIL # : abhijeet.mithari@thyssenkrupp.com ; sachin.bhat@thyssenkrupp.com ;
sunil.borade@thyssenkrupp.com

(PLEASE E-MAIL TO tkUIPL WITHIN THREE DAYS ON RECEIPT / DOWNLOADING OF RFQ / TENDER)

To,
Abhijeet Mithari
GM (Procurement)
thyssenkrupp Uhde India Private Limited,
Pune, India

Client: M/s INDIAN OIL CORPORATION
Project: EPCM 3 (P-25 PROJECT) CDW, PP Unit
RFQ No.: XXXXXXXXXXXXXXXXX
Item: XXXXXXXXXXXXXXXXXXXXX
Due Date: Up to 1200 Hrs. (IST) on XX-XX-20XX

Dear Sirs / Madam,

We acknowledge with thanks receipt of your above cited RFQ along with enclosures. We undertake that the contents of the above RFQ shall be kept confidential including all the drawings, specifications and documents and the said documents shall be used only for the purpose, for which they are intended.

Further, our response is as under:- (Bidders to put a tick ✓, as applicable).

1. **We will submit the bid within due date.**
2. **We regret to submit our offer/quote because of the following reasons:**
 - a. _____
 - b. _____

Thanking you,

Very truly yours,

Name of Bidder :
Contact Person :
Contact Person Mobile No :
Bidder's Address :
Bidder's Phone No. :
Bidder's Fax No. :
Bidder's E-mail :



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- b. Annexure-II Policy for Imports & Exports from Korea
- c. Annexure – III PP-LC Policy- amended 2020-21
- d. Annexure – IV DMISP Policy 2019_MOPNG
- e. Annexure – V Undertaking w.r.t. Land Border
- f. Annexure – VI MSE POLICY
- g. Annexure – VII Opportunity to startup's and Micro & Small enterprises (MSE'S)
- h. Annexure – VIII Reverse Auction Guidelines for Bidders
- i. Annexure-VIII DOMESTICALLY MANUFACTURED ELECTRONIC PRODUCTS (DMEP)
- j. Annexure-IX Carriage by road rules

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A. GENERAL

1.0 SCOPE OF BID & SALIENT POINTS

- 1.1 In connection with the covering letter of Request for Quotation (RFQ) / Invitation for Bid (IFB) / Notice Inviting Tender (NIT) of Bidding Document, ThyssenKrupp Industrial Solutions (India) Pvt. Ltd. on behalf of IOCL invites e- Bid(s), for the scope covered under the Bidding Document (hereinafter for the purpose of these instructions collectively referred to as the "WORKS" as specified in Bid Data Sheet (BDS)).
- 1.2 Throughout the RFQ Document:
- i) **CLIENT / OWNER:** Client / Owner means Project Owner M/s INDIAN OIL CORPORATION LIMITED (IOCL).
 - ii) **CONSULTANT:** Consultant means EPCM Consultant, M/s Thyssenkrupp Industrial Solutions (India) Private Limited, a company incorporated in India having its registered office at Uhde House, Lal Bahadur Shastri Rd, Vikhroli West, Mumbai, Maharashtra 400083, India and shall include its successors and assignees.
 - iii) except where the context requires otherwise, words indicating the singular also include the plural and words indicating the plural also include the singular; and
 - iv) "day" means calendar day.
 - v) Enquiry document / RFQ Document / Bidding Document have same meaning.
- 1.3 Bidder should submit their bids strictly as per the requirements outlined hereunder and as specified in the Material Requisition/Technical Specifications/Scope of Tender or equivalent term /Technical Specifications/ Scope of Tender or equivalent term
- 1.4 Tender document (Non-Transferable) can be downloaded from IOCL e-tendering website <https://iocletenders.nic.in/> during the period, as specified under "Critical Dates" stated in the e-tender portal. Offer shall have to be submitted ONLY through online mode on above mentioned IOCL e-tendering website during the period, as specified under "Critical Dates" and the bids shall be opened on the date & time, as specified under "Critical Dates".
- 1.5 Tender Opening: The Un-priced offers shall be opened on the due date (appearing in under "Critical Dates" stated in the e-tender portal) and in subsequent corrigendum, if any) and price bid of techno commercially acceptable bidders shall be opened on a suitable date, which will be communicated to bidders, through e-tendering interface. Tender opening can be witnessed by bidders by logging into the e-tender website.
- 1.6 The bidders are required to submit their bids electronically on the e-tender Portal only (URL:https://iocletenders.nic.in) using valid Digital Signature Certificates, on or before the bid submission date and time. Bidders are required to register themselves at <https://iocletenders.nic.in> .

Bidders to refer attached "Special Instructions to the Bidder for participating in e-Tender" for detailed instructions on registration and online bid submission.


Help Desk Details:

Tel. No.: +91-124- 2471850 / +91-22-2644-7708

Help Desk Email-id: ethdmkhonic@indianoil.in / etenderinghelpdesk@indianoil.in

Business Hours: Mon – Fri, 09:00 to 16:00 Hrs India Time (IST) (GMT + 5:30 Hrs)


- 1.7 Bidders in their own interest are requested to register on e-tender Portal and upload/submit their bid well in time. Bidder will be responsible for any delay due to any issues. IOCL shall not be responsible for any delay in uploading the offer on the e-tender website. E-tender portal does not allow uploading and submitting the bid after due date and time.

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- 1.8 Technical specification should be strictly as per the Material Requisition/Technical Specifications/Scope of Tender or equivalent term as attached. It may be noted that the Bid shall be evaluated as received and technical queries may not be issued.
- 1.9 Clarifications required, if any, must be raised at least five working days prior to Bid submission end date and time.
- 1.10 Commercial requirements are specified in the Notice Inviting Tender (NIT), General Purchase Conditions, Special Purchase Conditions (SPC), Instructions to Bidders (ITB), Agreed Terms & Conditions (ATC) questionnaire and Terms & Conditions for Supervision (wherever applicable). The pre-filled Agreed Terms & Conditions Questionnaire should be duly filled with all requisite details and be a part of your un-priced bid.
- 1.11 For Limited tenders, if not bidding, please inform vide E-mail with attached acknowledgement letter titled "ACKNOWLEDGEMENT OF Tender" within the due date & time, with reasons(s) of not participating in the Tender. In case there is no response, IOCL reserves the right not to consider such vendors for issuance of future enquiries.
- 1.12 Owner reserves its right to allow Government Organizations, Public Sector Enterprises (Central/State), Micro & Small Enterprises (MSEs) and MSEs owned by Scheduled Caste (SC)/Scheduled tribe (ST) entrepreneurs, and any other purchase preference as admissible/applicable from time to time under the existing Govt. policy. Bidder to submit documentary evidence for the same. In this regard, item wise quantity may be split and the quoted price shall remain valid. Declaration of (Udyog Aadhar Memorandum) UAM number by MSE bidders is recommended to be a part of Bidder's Offer and also in e-Tender portal through the following methodology:
- Existing bidders can also update their MSME details including their Udyog Aadhaar Number. To update the same in their account of IOCL E Tender Portal, they need to login into the portal -> Go to My Account -> Click on Edit profile -> there they can update their MSME details
- 1.13 IOCL reserves the right to complete the evaluation based on the details furnished with the bid without seeking any additional information
- 1.14 Authority of the person uploading the bids with his DSC shall be required to be submitted in the bids. Document required showing the authority of the person uploading & submitting the bid with his Digital Signature Certificate shall be as given in the following table

In case of Proprietary Concern	If the bid is submitted by the proprietor, no Power of Attorney (POA) is required. However, he will upload undertaking certifying that he is sole proprietor. If the bid is submitted by person other than proprietor, POA authorising the person to submit bid on behalf of the concern
In case of Company	Certified copy of Board Resolution authorising the person submitting the bid on behalf of the company OR POA and the supporting Board Resolution authorising the person submitting the bid on behalf of the company
In case of Partnership Firm/ LLP	POA along with Deed of Partnership / LLP Agreement.
In case of Co-Operative Society	Copy of resolution passed as per Society Rules

POA to mention authorization to sign and submit offer & make correspondences against tender documents, participate in negotiations, sign and execute agreements, etc.

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- 1.15 Bidders are required to upload the complete bid comprising of Part-I: - Unpriced Bid along with all supporting documents & Part-II:- Priced Bid on the e-tender portal only.
- 1.16 Bidders shall set their quotations in firm figures and without qualifications or variations or additions in the terms of the tender documents. Bids containing qualifying expressions such as “subject to minimum acceptance” or “subject to prior sale”, or any other qualifying expression or incorporating terms and conditions at variance with the terms and conditions incorporated in the tender documents shall be liable to be rejected.
- 1.17 Direct bids only, without the involvement of an Indian Agent will be considered from foreign bidder. In case of involvement of foreign Vendors, tenders can be submitted either by the Vendor directly or through their Indian Agent / representative on behalf of them, but not both. The Indian Agent / representative should represent only one Vendor and he will not be allowed to quote on behalf of another Vendor for the same tender.
- 1.18 Only E-Bids uploaded in the e-tender portal shall be acceptable. Physical bids and Bids/ Offer through Email or fax/ Courier or Bids received in open condition or Bids in any other mode shall not be accepted.
- 1.19 The E-bids received online shall be opened at IOCL office on due date and time as specified above. Bidder can view online the name of the other bidders who have submitted their e-bids after opening is performed by IOCL.
- 1.20 All technically and commercially acceptable bidders will be advised of date and time of priced bid opening. In case of e-tender, Bids shall be opened online; hence bidders may review opening status at their places.
- 1.21 As Purchaser intends to contract directly with suppliers of the goods for which bids are invited, the bids should be prepared by the suppliers and submitted directly. Purchaser reserves the right to reject offers made by intermediaries.
- 1.22 Addendum / corrigendum to the tender documents if issued must be submitted along with the bid.
- 1.23 Bidders to note that such price changes, which are against Technical / commercial clarifications, and are in line with existing terms & conditions of enquiry documents are not allowed. In case any bidder gives revised prices / price implications against such clarifications, their bid shall be liable for rejection.
- 1.24 IOCL reserves the right to use in-house information for assessment of bidder's capability for consideration of bid.
- 1.25 The bidder who is providing the technology from the company, which is recently acquired / taken over by them or purchasing the technology by other companies, shall provide proper documentary evidence. In the absence of the same their offer shall be liable for rejection.
- 1.26 Consortium bids are not acceptable.
- 1.27 In case unpriced bid opening date happens to fall on a Holiday, the next working day shall be deemed to be unpriced bid opening date.
- 1.28 Any Addendum / Corrigendum / Date extension in respect of above tender shall be issued on IOCL website: <https://iocletenders.nic.in> only and no separate notification shall be issued. Bidders are therefore requested to regularly visit our website to keep themselves updated.
- 1.29 All documents submitted by the bidder against the tender requirement should be genuine. In case of any fraud, it shall be bidders responsibility and the bidder may be debarred from future tenders.

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- 1.30 Price part of only those bidders, whose bids are considered techno-commercially acceptable, shall be opened. Bidders selected for opening of their price bids shall be informed about the date of price bid opening. Price Bid opening shall be done on e-tender portal only and bidders can also witness bid opening by logging in to the e-tender portal through their system using their valid digital signature / certificate.
- 1.31 Order for supply and site work shall not be split and only single order covering the entire scope of work on each supplier shall be placed. However, IOCL reserves the right to place multiple orders interlinked with each other for ease of execution.
- 1.32 Vendor may be put on "Holiday List/ Suspension List" If a party
- a) has committed Breach of Contract or has failed to perform a contract or has abandoned the contract.
 - b) has indulged in malpractices such as bribery, corruption, fraud and pilferage, bid rigging, price rigging.
 - c) has obtained official company information or copies of documents, in relation to the tender / contract, by questionable methods / means.
 - d) has deliberately violated and circumvented the provisions of labour laws/regulations/rules, safety norms or other statutory requirements.
 - e) has deliberately indulged in construction and erection of defective works or supply of defective materials.
 - f) has not cleared IOCL's previous dues.
 - g) is bankrupt or is being dissolved or has resolved to be wound up or proceedings for winding up or dissolution have been instituted.
 - h) has submitted fake, false or forged documents / certificates.
 - i) has substituted materials in lieu of materials supplied by IOCL or has not returned or has short returned or has unauthorizedly disposed off materials/ documents / drawings / tools or plants or equipment supplied by IOCL.
 - j) has refused to accept Fax of Acceptance / Letter of Acceptance / Purchase Order after the same is issued by IOCL within the validity period and as per agreed terms & conditions.
 - k) after opening of Price Bid, on becoming L1, withdraws/ revises his bid upwards within the validity period.
 - l) has parted with, leaked or provided confidential / proprietary information of IOCL given to the party only for his use (in discharge of his obligations against an order) to any third party without prior consent of IOCL.
 - m) any other points stating provision of Holiday List mentioned elsewhere in the Tender Document.
 - n) any other ground for which, in the opinion of the Corporation makes it undesirable to deal with the vendor/bidder.
- 1.33 In case a supplier quotes delivery longer than required in enquiry, the bid may get rejected and IOCL reserves the right to accept or reject the bid as per its discretion.


2.0 ELIGIBLE BIDDERS

- 2.1 A bidder may be a firm or a company, who, have been issued the Enquiry / RFQ Document on Limited Competitive Basis or/and intends to submit Bid, in response to Invitation for Bids (IFB) / Notice Inviting Tender (NIT) on Open Competitive basis.

2.2 REJECTION CRITERIA:

Bid is liable for rejection in the following circumstances:

- i. Does not pay the EMD / BSD, wherever required, before deadline
- ii. Does not fulfill minimum pre-qualification criteria as per the Tender Documents
- iii. Stipulates the validity period less than what is stated in the Tender Documents and refuses to extend
- iv. Stipulates their own conditions and does not agree to withdraw the deviations, rendering their bid unacceptable

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- v. Does not submit bid in the prescribed format making it impossible to evaluate the bid
- vi. Indulges in tampering of tender documents
- vii. Does not conform to any tender condition which stipulates non-conformance of tender conditions as a rejection criteria
- viii. Submits false/ fraudulent / forged documents.
- ix. Influences tender outcome
- x. Bidder is not eligible to participate
- xi. Unsolicited tenders
- xii. Does not disclose the full names and addresses of all his partners or Directors as applicable wherever called for in the tender.
- xiii. Does not fill in and sign the required annexures, Formats, specifications, etc. as specified in the tender.
- xiv. Within the validity period, if the party increases the price or refuses to keep their offer valid without variation, the bid should be rejected and EMD shall be forfeited.
- xv. Offer from following types of bidder will not be accepted:
- ✓ Who are in the Holiday list of IOCL or its Administrative Ministry, MoPNG.
 - ✓ Who are under liquidation, court receivership or similar proceedings.
 - ✓ Who are undergoing insolvency resolution process or liquidation or bankruptcy proceeding under Insolvency and Bankruptcy Code, 2016 (Code) or any other applicable law.
 - ✓ Whose insolvency resolution process or liquidation or bankruptcy proceeding is initiated under the Code or any other applicable law (in case where Code is not applicable) at any stage of evaluation of the bid.
 - ✓ In case where the bid of the L-1 bidder is rejected on the aforesaid grounds during the period between Price-Bid-Opening and Award, then the bid of the next eligible bidder will be considered for further processing as L1 basis.
 - ✓ Consultant or their subsidiary Company or companies under the management of consultant for execution of the same project for which they are working as consultant.
 - ✓ Foreign bidders participating in Domestic /National tender.
 - ✓ Offer from Joint Bidders / Consortium, unless specifically permitted in the tender for such bidding.

The grounds mentioned above for consideration of a tender as 'invalid and liable for rejection' may be established either based on documents or facts or information & declaration submitted by the bidder OR based on any other


- 2.3 The bidding is open only to the bidders to whom Enquiry Document has been issued in case of Limited bidding.
- 2.4 In case of limited competitive bidding, the bid is to be submitted only by the bidders to whom Bidding Document has been issued.

3.0 Cartel Formation / Pool Rates / Bid rigging / Collusive bidding

3.1 Cartel formation, bid rigging, collusive bidding are against the basic principle of competitive bidding and defeats the very purpose of open and competitive tendering system. Such practices are severely discouraged. Suitable administrative actions which include but not limited to rejecting the offers, holiday listing action as per policy in vogue for breach of integrity may be initiated in such cases.

4.0 ENQUIRY DOCUMENT

- 4.1 The Enquiry Document shall in general consist of the following and should be read in conjunction with any amendment issued in accordance with Clause 7.0 of ITB.
- Request for Quotation (RFQ) / Invitation for Bid (IFB) / Notice Inviting Tender (NIT).
 - Instructions to Bidders and its Appendices / Annexures
 - Bid Data Sheet
 - Bidding Forms
 - General Purchase Conditions (GPC) and its Amendment.
 - Special Purchase Conditions (SPC).
 - Packing, Marking, Shipping And Documentation Specification
 - Terms & Conditions of Incidental Services (i.e. Site Work / Supervision etc), if applicable.
 - Additional Documents Mentioned in BDS
 - Price Schedule.
 - Material Requisition (MR).

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4.2 Although all the details presented in this Enquiry Document have been compiled with reasonable care, the bidder is expected to examine the Enquiry Document, including all instructions, forms, terms, specifications and drawings in the Enquiry Document and it includes all the documents as per Table of Contents. In case of any ambiguity or incompleteness, the bidder must bring it to the attention of CONSULTANT immediately and prior to submission of Bid.

4.3 Enquiry Document once issued in case of limited competitive bidding is non-transferable.

5.0 SITE VISIT

5.1 For Scope involving Site Work, bidder, if required, may visit and examine the Project Site and its surroundings and obtain for itself on its own responsibility all information that may be necessary for preparing the bid. All costs towards the same including the cost of visiting the Site shall be at the bidder's own expense.

5.2 Bidder and any of its personnel will be granted permission by CONSULTANT/Owner to enter upon its premises and lands/ Project Site for the purpose of such visit, but only upon the express condition that the bidder and its personnel will relieve and indemnify CONSULTANT/Owner and its personnel from and against all liability in respect thereof, and will be responsible for death or personal injury, loss of or damage to property, and any other loss, damage, costs, and expenses incurred as a result of the inspection.

Bidder shall refer BDS for schedule and contact details related to site visit.


6.0 CLARIFICATION OF ENQUIRY DOCUMENT & PRE-BID MEETING

6.1 Bidders in their own interest are advised to take part in the pre-bid meeting seriously by issuing their genuine queries and also by attending the pre-bid meeting by their competent personnel. This will help bidder not only to cut short of the evaluation time leading to requirement of shorter bid validity but also enable them to submit their best prices based on the clear techno-commercial scope.

6.2 Bidder's authorized representative(s) shall attend the pre bid meeting on the prescribed day at the given venue specified in IFB/ LIB. During the pre-bid meeting, all the technical and commercial issues shall be discussed and concluded to ensure that the bid received subsequent to pre bid meeting shall be without any deviations to terms and conditions. Hence, bidders shall treat the pre bid meeting as utmost important and depute competent & senior person capable of taking on the spot decision to sort out all the technical and commercial issues. However, in case any bidder does not attend the pre bid meeting, it shall be understood that the bidder has a clear understanding of the scope, terms & conditions of the bidding document and does not have any comments/ deviations to the requirements of the bidding document.

6.3 In order to ensure fruitful discussions during pre-bid meeting, the bidder is requested to submit any queries/clarification/information pertaining to Bidding document in writing delivered by hand or by email in the format provided in Bidding Forms so as to reach two days prior to Pre-bid meeting. These queries shall be replied during pre-bid meeting. The editable soft copies of the queries shall also be e-mailed to concerned persons specified in BDS, to enable CONSULTANT to prepare replies to the queries in the same format expeditiously.

6.4 The bidders are required to participate in the pre-bid meeting after going through the entire bidding document along with BQC. Bidder shall come with all technical and commercial points on which they need clarifications and also to ensure that they possess all the supporting documentation for meeting the BQC (if any). In case of any doubt, they may discuss the same during the meeting to avoid any techno-commercial clarifications/ discussions post bid.

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- 6.5 Replies to the pre-bid queries / Conclusion agreed in this meeting shall be uploaded as “Record Notes of Pre-bid Meeting / Reply to Pre-bid Queries” on IOCL e-Tendering Portal (<https://iocletenders.nic.in/>). *Record Notes of Pre-bid Meeting/Reply to Pre-bid Queries shall be considered as part of enquiry document.*
- 6.6 Any modification of the Bidding Document, which may become necessary as a result of the pre-bid discussion, shall be intimated to all bidders through the issue of an Addendum/Amendment.
- 6.7 Based on the pre-bid discussions, no-deviation form/ techno-commercial compliance shall be signed and submitted by the bidders as part of their offer. After pre-bid meeting, no deviation other than commercially loadable deviations mentioned in SPC shall be accepted. Bidder in their own interest shall submit bids fully complying to bidding document requirements and CONSULTANT shall reserve the right to proceed with the available compliant bids for evaluation without raising any technical/ commercial queries.
- 6.8 Technical/ Commercial queries (TQ/CQ) shall normally not be issued once the bid have been opened. However, wherever CQ/ TQ are unavoidable, the same shall be raised as deemed necessary and the cut-off date given for CQ/ TQ replies shall be adhered to. Offers shall be evaluated based on the information available upto cut-off date for CQ/ TQ replies. Bidder shall not submit any Price against TQ/ CQ raised unless specifically sought in writing.

7.0 AMENDMENT OF ENQUIRY DOCUMENT

- 7.1 In case, the parameters and/or scope of certain item(s) included in the MR/ tender get revised due to revision in requirements or discussion during pre-bid meeting and/or any other reasons, after floating of enquiry but before bid due date, an amendment / revised MR/ tender clearly identifying the changes shall be issued. Similarly, in case of changes in Commercial terms & conditions, Commercial amendment shall be issued.
- 7.2 Any addendum issued shall be part of the Enquiry Documents and shall be uploaded on IOCL website (<https://iocletenders.nic.in/>)
- 7.3 To give bidders reasonable time in which to take an addendum into account in preparing their bids, CONSULTANT may extend the deadline for the submission of bids, pursuant to Clause 22.3 of ITB.
- 7.4 CONSULTANT may also for any reason issue amendment subsequent to receiving the bids. Any amendment thus issued shall become part of Enquiry Document. Bidder shall follow the instructions issued along with Amendment with regard to submission of impact on quoted price / revised price, if any.

8.0 ACKNOWLEDGEMENT & CONFIRMATION


- 8.1 Within 3 days of downloading of Enquiry Document, bidder shall acknowledge and confirm his intention to bid for the requested item/work.
- 8.2 Bidders should respond to this enquiry either by submitting their bids or by explaining the reason for non-submission of the offer. In case there is no response either way continuously, the bidder shall be liable for suitable action including review of their enlistment with CONSULTANT for that particular item.

C. PREPARATION OF BIDS

9.0 COST OF BIDDING

- 9.1 Bidder shall bear all costs associated with the preparation and submission of its Bid, and Owner / CONSULTANT shall not be responsible or liable for those costs, regardless of the conduct or outcome of the bidding process.

10.0 LANGUAGE OF BID

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- 10.1 The Bid, as well as all correspondence and documents relating to the bid exchanged by the bidder and Owner / CONSULTANT, shall be in the English language. Supporting documents and printed literature that are part of the Bid may be in another language provided they are accompanied by an accurate translation of the relevant passages in the English language, in which case, for purposes of interpretation of the Bid, such translation shall govern.
- 10.2 In case a bidder submits any of the Bidder Qualification support documents in any language other than English, then it will be the responsibility of such bidder to also provide the English translation copy of the same duly certified, stamped and signed by the Local Chamber of Commerce of the respective country. Translation by Indian Embassy/ High Commission or authorized/ approved translation agencies (by Indian embassy/ high commission or any other authority) shall also be acceptable.

11.0 DOCUMENTS COMPRISING THE BID

Electronic Bids (e-bid) in two parts i.e. PART-I (Techno-commercial part)& PART-II (Priced part) as detailed below shall be submitted in e-tendering portal in accordance with the instructions and terms & conditions enclosed with the Enquiry Document.

11.1.1 PART - I -TECHNO-COMMERCIAL/ UNPRICED BID

(a) List of Document required in the UNPRICED BID as per BDS

Note: The above shall be uploaded in "PREQUAL/ TECHNICAL" folder in e-tendering portal

11.1.2 SUBMISSION OF BID SECURITY IN ORIGINAL [PART-III] (For Applicability, refer BDS)

The Bid Security (wherever applicable) shall be submitted in original within the period as specified in IFB / NIT for submission of Bid security, at the address mentioned in BDS:

Note: Scanned copy of Bid security must be uploaded in "FEE FOLDER" in e-tendering portal on or before Bid due date and time.

11.1.3 The offer must be complete in all respects, leaving no scope for ambiguity. Bidder is fully responsible for the bid submitted and no relief or consideration can be given for errors and omissions


11.1.4 Bidders must ensure submission of prices without any erasures or corrections. Use of white fluid for correcting the rates is banned. Wherever rates are corrected with white / erasing fluid and bids are invited on overall basis then those bids shall be rejected. However if the bids are invited on line item basis and the correction is done on a particular line item, then that line item will be rejected. Cutting and corrections in the bid document should be avoided and if it is unavoidable, it should be kept at the bare minimum and it should be neatly cut and re-written without over-writing and use of erasing fluid. All corrections should be duly signed by the bidder. IOCL reserves the right to accept or reject the offer either in part or full wherever white / erasing fluid is used.

11.2 PART-II (Priced Bid)

(a) Prices in Price Schedule Format, in e-tendering portal, without making any changes in the format/names of the file/worksheet.

Note:

1. Part-II shall be uploaded in "FINANCE" folder in e-tendering portal
2. Deviation to terms & conditions, presumptions etc. shall not be stipulated in Priced part of bid and price bids shall not contains any stapled slips. In case of any conditions stipulated in price bid and bid containing any stapled slips, the bids of such bidders shall be summarily rejected and shall not be considered for further evaluation. Evaluation shall be carried out excluding such bidder(s).

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12.0 INTEGRITY PACT

- 12.1 Indian Oil Corporation Limited (OWNER) has signed an MOU with Transparency International India for adoption of the Integrity Pact Program. The MOU is available at IOCL website <http://www.iocl.com/aboutus/DraftMOU.pdf>. Owner is committed to follow the principles of transparency, equity and competitiveness in public procurements.
- 12.2 Bidder has also to commit the same through executing an Integrity Pact Agreement (IPA) and declarations which is now a part of tender document. In absence of the same, the tender would be summarily rejected. Format of Integrity Agreement and declaration are enclosed as **Annexure-I to ITB**, and are also available at Indian Oil website www.iocl.com.
- 12.3 IPA will prevail over General Conditions of Contract with regard to specific clauses of the IPA including consequential breaches by the bidders.
- 12.4 Any violations/alleged violation of IPA would not be subject matter of arbitration.
- 12.5 Integrity Pact shall be returned by the Bidder along with the bid documents, duly signed by the same signatory who is authorized to sign the bid documents. Bidder's failure to submit the Integrity Pact duly signed shall result in the bid not being considered for further evaluation.
- 12.6 Bidder may raise any tender-related complaints, for tenders covered under IP (i.e., tenders of Rs. 10 Crore and above), shall be addressed to the Nodal Officer or to IEMs on their common e-mail ID, i.e., iem-iocl@indianoil.in

Nodal Officer: Mr. Rajeev Mohan ED (Law, Taxation & Corp Affairs), Corporate Office E-mail: rmohan@indianoil.in	IEMs: 1. Mr. Ashok V Subhedar, Vice Admiral (Retd.) 2. Mr. K.D. Tripathi, IAS (Retd.) 3. Ms. Niva Singh, IRAS (Retd.)	IP Secretariat: IndianOil Corporation Limited, Room No. 514, 5th Floor, Core 6, Scope Complex, Lodhi Road, New Delhi – 110003
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- 12.7 Bidder shall submit, the scanned copy of the Integrity Pact duly signed and stamped in token of compliance in **Part-I** of the Bid, if required as mentioned in the bid data sheet (BDS). Copy of the Integrity Pact is provided in Bidding Forms.

Offers of Bidders who sign & submit the Integrity Pact Program (as applicable) will only be considered for evaluation. In case the bidder does not sign the Integrity Pact Agreement (IPA), a reasonable grace time may be given to the party to comply with the requirements. In case of non- submission within the grace period / refusal by any party to sign the IPA agreement, the offer of such bidder shall be rejected.

13.0 MULTIPLE/ALTERNATIVE BIDS

A bidder (i.e., the bidding entity) shall, on no account submit more than one bid either directly (as a single bidder or as a member of consortium) or indirectly (as a sub-contractor) failing which following actions shall be initiated:

- All bids submitted by such bidder (say 'A') either as a single bidder or as a consortium, shall stand rejected and BID SECURITY, if any, in case of all such bids submitted by bidder 'A' shall be forfeited.
- If another bidder (say 'B') has proposed bidder 'A' as a sub-contractor then bidder 'B's bid shall also be rejected. However, in case the bidder 'B' has also proposed an alternative subcontractor who is other than the bidder 'A', then bidder 'B's bid shall be evaluated with the proposed alternative sub-contractor only. Hence, every bidder shall ensure in his own interest that his proposed sub-contractor is not submitting alternative/ multiple bids. Wherever a bidder proposes a sub-contractor, consent/

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MOU with the sub-contractor shall be enclosed, without which the sub-contractor arrangement shall not be considered valid.

Note : However, in case Owner / CONSULTANT has proposed a list of sub-contractors/ sub-vendors in the enquiry document itself which shall be common for all the bidders, the provision at (b) above shall not be applicable as long as only the sub-contractors/ sub-vendors are common in case of various bidders. However, if any of such sub-contractors/ sub-vendors happens to be a bidder also, clause (b) above shall be applicable.

Deterrent for submission of multiple bid by single entity

- (i) A person shall be deemed to have submitted more than one bid if a person bids in an individual or proprietorship format at and/or in a partnership or association of persons format and/or in a company format.
- (ii) A company shall for this purpose include any artificial person whether constituted under the laws of Indian or of any other country.
- (iii) A person shall be deemed to have bid in a partnership format or in association of persons format if he is a partner of the firm which has submitted the bid or is a member of any association of persons which has submitted a bid.
- (iv) A person shall be deemed to have bid in a company format if the person holds more than 10% (ten percent) of the voting share capital of the company which has submitted a bid, or is a director of the company which has submitted a bid, or holds more than 10% (ten percent) of voting share capital in and/or is a director of a holding company of that company which has submitted the bid.

By making a bid pursuant to the Tender Documents, the bidder / tenderer shall be deemed to have declared that the bidder / tenderer has not made any other bid or a multiple bid as understood or deemed in terms of this clause.

All the multiple bids of a bidder shall be rejected and the Earnest Money Deposit for all such bids shall be forfeited, not by way of penalty or liquidated damages but by way of reimbursement of the pre-estimated costs likely to be incurred by the OWNER towards bidding process and in the scrutiny and evaluation of bids.


14.0 BID PRICES AND DISCOUNTS

- 14.1 The prices must be quoted strictly in the format provided in the Enquiry Document. Conditional discount, if offered, shall not be considered for evaluation.
- 14.2 Rates/ prices quoted by the bidder, shall remain firm, fixed and valid till the completion of the scope of supply/Works and will not be subject to variation on any account except as otherwise specifically provided in the Enquiry Documents.
- 14.3 All duties, taxes, and other levies payable shall be as per Special Purchase Conditions.


15.0 CURRENCIES OF BID AND PAYMENT

- 15.1 Unless otherwise specified in BDS, Indian bidder & foreign bidder shall submit Bid in currency as per Special Purchase Conditions (SPC) & Price Schedule (BOQ) and payment shall be made in respective currency only.

16.0 DOCUMENTS ESTABLISHING THE QUALIFICATIONS OF THE BIDDER

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- 16.1 If specified in the Invitation for Bids (IFB) / Notice Inviting Tender (NIT), bidder(s) intending to participate shall fulfill the Qualification Criteria specified in the Invitation for Bid (IFB) / Notice Inviting Tender (NIT). The Technical, experience and financial details submitted by the bidders shall be evaluated with respect to the Qualification Criteria specified in the Invitation for Bid. The bidders must submit complete and unambiguous documents pertaining to BQC in the first instance itself alongwith the offer. CONSULTANT/ IOCL may not offer any opportunity to the bidder to provide complete or unambiguous documents and reserve the right to proceed on the basis of documents received alongwith the offer and Incase of non-submission of some documents or submission of incomplete or ambiguous documents, the bid may be rejected.
- 16.2 Notwithstanding any other condition/ provision in the tender documents, bidders are required to submit complete documents pertaining to PQC along with their offer. Failure to meet the PQC will render the bid to be summarily rejected. IOC reserves the right to complete the evaluation based on the details furnished by the bidder, with or without seeking any additional supporting documents /clarifications
- 16.3 Bids of only those bidders who are found to qualify based on the Qualification Criteria specified in the Invitation for Bid // Notice Inviting Tender shall be considered for detailed Techno-Commercial evaluation. Decision of OWNER / CONSULTANT in this regard shall be final and binding.
- 16.4 While evaluating the bidder's conformity with Qualification Criteria, only such works shall be taken into consideration, the details of which have been submitted along with the Bid.
- 16.5 All PQC documents duly scanned to be uploaded by bidder in separate electronic envelope on the portal.
- 16.6 For fulfilling the financial pre-qualification criteria any one of the following documents may be considered as valid proof for meeting the criteria:
- a. Audited balance sheet of the bidder (Complete company financial statement).
 - b. Published Annual report.
- 16.7 In case the balance sheet is available in the public domain the same shall be acceptable.
- 16.8 For fulfilling the commercial Pre-Qualification experience criteria any one of the following documents may be considered as valid proof for meeting the criteria:
- I. Purchase Order copy along with Invoice(s) with self certification by the bidder that supplies against the invoices covering the "similar order" have been executed to the required value.
 - II. Purchase Order copy along with Bank Certificate indicating receipt of payment by the bidder against the subject PO
 - III. Execution certificate by client with order value
 - IV. Any other document in support of order execution like TPI release note, etc.
 - V. Internal records of IOCL for any reference of job executed for IOCL cited by the bidder for which bidder is not able to furnish documentary evidence.
- ~~16.9 The bidder shall not be allowed to use the credentials of its parent or any group company to meet the Experience Criteria.~~
- 16.10 FOB/FCA/FOR Dispatch point price (inclusive of P&F charges, if any) shall be considered for arriving at the executed order value. However, in case any other cost component are not indicated separately and are already included in the Purchase Order Value, as evident from the submitted Purchase order copies, then executed order value shall include such inclusive cost components also for the purpose of PQC evaluation.
- 16.11 For Global Tenders if bidders submit foreign orders in currency other than USD, same shall be converted to USD on the date of the said Purchase Order. For National Tenders if bidders submit foreign orders in currency other than INR, same shall be converted to INR on the date of the said Purchase Order.

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16.12 Submission of authentic documents is the prime responsibility of the bidder.

16.13 Wherever IOCL has concern or apprehension regarding the authenticity / correctness of any document, IOCL reserves the right of getting the documents cross verified from the document issuing authority/any relevant source.

If documents (part or full) are found forged, such offers will be summarily rejected, EMD will be forfeited, orders if any placed against subject tender will be terminated and may be debarred from future tenders. For the purpose of verification bidders shall submit complete client details with names, address, phone number, e-mail ID etc. unless otherwise mentioned in the NIT.

17.0 NET WORTH REQUIREMENT

17.1 Bidder shall have Positive Net worth. To establish the same, bidder shall furnish the latest Audited Financial Statement including Auditors Reports, Audited Balance Sheet, Profit & Loss Account, Notes, Annexure (if any) etc.

In case Net worth is negative, the bid shall be considered for further evaluation only if the bidder provides an undertaking from financial institutions towards "financial support for executing orders in case of order placement on them".

17.2 The net-worth means paid up share capital, Share application money pending allotment* and reserves# less accumulate losses and deferred expenditure to the extent not written off.

Reserves to be considered for the purpose of net-worth shall be all reserves created out of the profits and securities premium account but shall not include reserves created out of revaluation of assets, write back of depreciation and amalgamation.


*Share application money pending allotment will be considered only in respect of share to be allotted. Accordingly, the definition of net-worth shall be as follows:

Paid up share capital XXXX
Add: Share application money pending allotment XXXX
Add: Reserves (as defined above) XXXX
Less: Accumulate Losses XX
Less: Deferred revenue expenditure to the extend not written off XX
Net-worth XXXX

17.3 In case the financial year closing date is within 9 months from the date of NIT/IFB publication and audited annual report of immediate preceding financial year is not available, bidder has the option to submit the financial details of the previous year immediately prior to the last financial year. Otherwise, it is compulsory to submit the financial details of the immediate preceding financial years. Example, In case, audited annual report of immediate preceding financial year (year ending 31st March) is not available and where the date of NIT/IFB publication is up to 31st December, the financial details of the previous year immediately prior to the last financial year may be submitted. However, in case the date of NIT/IFB publication is after 31st December, it is compulsory to submit the financial details of the immediate preceding financial year only.

17.4 Any of the following documents furnished by the bidder in support of clause no. 17.1 above shall be

- i) Audited published Annual Report
OR
- ii) Audited Balance Sheet and Profit and Loss Statement
OR

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- iii) Financial statements duly certified by practicing Chartered Accountant (not being an employee or a Director and not having any interest in the bidder's company) where audited accounts are not mandatory as per law.

17.5 The failure to meet Net worth Criteria at 17.1 above will render the bid to be summarily rejected.


18.0 PERIOD OF VALIDITY OF BIDS

- 18.1 Bids shall remain valid for the period **specified in the** BDS. A bid with shorter validity shall be rejected by OWNER / CONSULTANT as non-responsive. Bidders shall not be entitled during the above period, without the consent of OWNER / CONSULTANT in writing, to revoke or cancel their Bid or to vary the Bid given or any term thereof. In case of bidders revoking or cancelling their Bid or varying any terms in regard thereof without the consent of OWNER / CONSULTANT in writing, OWNER / CONSULTANT shall reject their bids. Such Bidder may also be put on Holiday list/ Negative List.
- 18.2 In exceptional circumstances, prior to the expiration of the bid validity period, CONSULTANT / OWNER may request bidders to extend the period of validity of their bids. The request and the responses shall be made in writing. If a bid security is requested in accordance with Clause 19.1 of ITB, validity of EMD shall also be extended for validity required as per clause no. 19.8 beyond the deadline of the extended validity period. A bidder may refuse the request without forfeiting its bid security. A bidder granting the request shall not be permitted to modify its bid.

19.0 19.0 BID SECURITY

Bid Security is Not Applicable. However, declaration for Bid Security shall be submitted by bidders as per **Annexure-1 to NIT.**

- 19.1 Indian bidders shall submit Earnest Money Deposit (EMD), wherever applicable, for an amount as indicated in the NIT / TENDER in the form of NEFT or RTGS Option /Online Submission in e-Tender Portal/ or bank guarantee { bank guarantee acceptable for EMDs valuing above INR 1 Lac } (as per the Proforma provided in the Bidding Document) in favour of "Indian Oil Corporation Ltd, New Delhi/ (.....Refinery)". Issuance of Bank Guarantee shall be confirmed directly to IOCL. Bids not accompanied with EMD shall be liable for rejection of which IOCL shall be the sole judge.
- 19.2 For NEFT / RTGS option: Bidders to choose "NEFT/RTGS" option and submit. On next page he will get the option to download NEFT/ RTGS challan (ICICI NEFT/ RTGS form) having unique bank account number for that particular EMD. Bidder to pay NEFT/ RTGS as per details in generated challan either using online banking or by visiting his bank branch.
- 19.3 Foreign bidders shall submit EMD, if applicable, for an amount as indicated in the NIT / TENDER , through Bank guarantee in favour of "Indian Oil Corporation Ltd, New Delhi / (.....Refinery)" (as per the Proforma provided in the Bidding Document). However, based on authorization by foreign bidder, their Indian associates may be allowed to submit EMD in INR only in the form of Online Transfer. EMD through Demand Draft / Bankers Cheque / Swift Transfer shall also be accepted. Bids not accompanied with EMD shall be liable for rejection of which IOCL shall be the sole judge.
- 19.4 Earnest Money Deposit (EMD) as mentioned above shall be submitted within the bid submission end date and time. Earnest Money Deposit (EMD) shall be valid for 7 (Seven) months from the date of original unpriced bid opening mentioned in the tender documents.
- 19.5 Earnest Money Deposit (EMD) (if applicable) in the form of Bank guarantee as mentioned above shall be submitted in accordance with the attached Annexure-A to GPC.
- 19.6 For Bank Guarantee option: Bidder shall select YES against EMD exemption and shall select exemption type as "Percentage". Bidder shall enter 100 in Percentage/Amount field. Subsequently bidder shall upload the scanned copy of "Bank Guarantee" in the space provided for uploading EMD exemption

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document. Bank guarantee should be strictly as per as per IOCL standard format. Standard format has been annexed in IOCL General Purchase Conditions. BG must be executed on appropriate value of non judicial stamp paper. Bank guarantee must be sent by bank directly to tender inviting authority in sealed envelope.

- 19.7 Exemption of EMD will be applicable for Government organizations, Central/State PSUs, JVs of IOCL, and for Start Ups of definition as per Ministry of Commerce and Industry (Department of Industrial Policy and Promotion, DIPP) and Micro or Small Enterprises (MSEs) having Udyam Registration Certificate (<https://udyamregistration.gov.in>) permitted by GOI w.e.f., 01.04.2021, provided that certificate issued by the relevant agency is valid (wherever validity is specified in the certificate) on the closing date i.e Final Bid Due Date of tender. Scanned copy of Registration certificate should be uploaded in the eprocurement website under e-bidding.

*** EMD exemption will be applicable to MSE Bidders irrespective of the item (Manufacture/Service) for which is registered. However, purchase preference is applicable to MSEs for procurements of only goods produced and services rendered by MSEs .***

- i. MSE bidders who are traders and registered under Services category, shall not be considered for purchase preference under MSE policy for procurement of goods. Similarly, MSE vendors who are registered under Manufacturer category shall not be considered for purchase preference under MSE policy for procurement of services.
 - ii. Stockist/Traders are excluded from the purview of public procurement policy.
- 19.8 Bidders are required to submit the EMD (as per the Proforma provided in the Bidding Document) in original at the time of bid submission in sealed envelope and are required to upload the scanned copy of EMD on e-tender portal along with e-Bid. EMD in original shall be submitted in a sealed envelope titled "Earnest Money Deposit for Bidding Document No. (as applicable)". Swift message/Cheque/Cash shall not be acceptable. In case bidder fails to upload scanned copy of EMD on e-tender portal by the bid submission end date and time & time, such bid shall be liable for rejection of which IOCL shall be the sole judge. EMD in original must be received at the address stated for EMD submission within 10 days of bid submission end date and time. Bidders whose original EMDs are not received within 10 days of bid submission end date and time shall be liable for rejection of which IOCL shall be the sole judge. For the purpose of receipt of BG, the time recorded in the Receipt / DAK section against receipt shall be considered as receipt time. Only those Physical BG instruments found matching with the copy submitted in the e-portal shall be considered as valid. IOCL shall not be responsible for postal/courier delay, non-receipt or loss in transit.
- 19.9 EMD in original shall be submitted at address as mentioned in SPC.
- 19.10 EMD shall be released to the bidders in the following circumstances:
- a. EMD of bidders whose price bids are not opened/ disqualified during techno-commercial bid evaluation (unsuccessful Bidder) shall be released after price bid opening.
 - b. EMD of bidders qualified in the techno-commercial bid but unsuccessful for placement of Purchase Order shall be released after placement of Purchase Order on successful Bidder.
 - c. EMD of the successful bidder shall be released on receipt of acceptable PBG.
- 19.11 EMD shall be forfeited and the Supplier may be put on "Holiday List" in case;

- a. The bidder alters / modifies / withdraws the bid suo moto after opening the bids (Technical bids in case of two bid system) and within the validity period. In such a case, the offer submitted by the bidder shall be liable to be rejected.

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- b. The successful bidder who gets the order but fails to deposit the performance bank Guarantee or to execute the order.
- c. In case of submission of false/ fraudulent / forged documents.


20.0 FORMAT AND SIGNING OF BID

- 20.1 The e-bid shall be digitally signed (e-signed) using the digital signature of a person duly authorised to sign on behalf of the bidder. The digital signature used for signing the bid shall be issued in the name of such authorized person and the certificate details, available from the signed documents, should indicate the details of the signatories. All documents/files of the bid shall be signed by using the digital signature issued in the name of the person having valid Power of Attorney (POA) at the time of bid submission. Any consequences resulting due to such signing (e-signing) shall be binding on the bidder.
- 20.2 In case of a JV/Consortium bid (If permitted in the RFQ Document), the Bid shall be digitally signed (e-signed) using the digital signature of an authorized representative of the JV /Consortium, and so as to be legally binding on all the members as evidenced by a power of attorney signed by their legally authorized representatives.
- 20.3 Foreign supplier shall submit direct offer without the involvement of an intermediary as an Indian Agent, unless allowed elsewhere in the Enquiry Document.
- 20.4 In case Foreign Bidder wants to quote a portion of supply and services from India, he should quote Prices in the format applicable for Indian bidder for his Indian portion of supply & services. However, Foreign Supply & Services shall be quoted in the format applicable for Foreign Bidder.

D. SUBMISSION AND OPENING OF BIDS

21.0 SEALING AND MARKING OF BIDS

- 21.1 The bidder shall submit the, original Bid Security (wherever applicable), as per the requirement of clause no. 11.1.2 of ITB, , in separate sealed envelopes, duly marking the envelopes as per following:
 - Part III -Bid Security
 - Name of Work/ Item:
 - Bidding Document No.:_
 - Due date & Time of Submission:
 - From: [Name & Address of Bidder]_
- 21.2 The envelope shall bear the name and address of the bidder and bear a warning not to open before the time and date for opening.
- 21.3 If all envelopes are not sealed and marked as required, CONSULTANT / OWNER will assume no responsibility for the misplacement or premature opening of the Part-III of bid.
- 21.4 Bidders shall submit bids (**Part-I & Part-II**) electronically through IOCL's e-tendering portal by logging in to website <https://iocletenders.nic.in/>, on or before the bid submission date and time. Bidders are required to register themselves at <https://iocletenders.nic.in/> . No registration fee would be charged from the bidders.
- 21.5 Bidders are required to upload the bid along with all supporting documents & priced part on IOCL's e-tendering portal by logging in to website <https://iocletenders.nic.in/> only.
- 21.6 Bidders to refer Bidders Manual Kit - Open Source Software Link available on the website to get acquainted with the E-Tendering System in advance and obtain/seek clarifications, if any from IOCL e-tendering Portal Helpdesk, whose contact information is provided in the E-Tendering website.

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- 21.7 Various links such as “Help for Contractor”, “Information about DSC”, “FAQ”, “Resources Required”, “Bidders Manual Kit” etc. are available on home page of <https://iocletenders.nic.in> facilitating vendors to participate in the bidding process. Bidder are advised to download & utilize the available information/documents under these links for activities like Registration in IOCL portal, obtaining User ID & Password, uploading & submission of e-bids etc.
- 21.8 Bidders are advised in their own interest to carefully go through Instructions for E-tendering and other related document available against various help links so as to ensure that bids are uploaded in tendering website well before the closing date and time of bid submission.
- 21.9 The bidder is required to make a proposal in a format as outlined below in order to achieve the objective of maintaining a uniform proposal structure from all bidders.
- 21.10 The bid shall be submitted by uploading relevant document in respective covers provided in the e-tendering website.
- 21.11 Unsolicited bids or bids being submitted to address other than one specifically stipulated in the bid document will not be considered for opening / evaluation / award.
- 21.12 Unsolicited bids received from the bidders who were not issued the enquiry shall not be opened. However in case such a bid is accompanied with authorization letter from one of the bidders to whom enquiry was issued, the same shall be opened.

22.0 DEADLINE FOR SUBMISSION OF BIDS

- 22.1 Bidders shall submit their bids electronically in the e-tendering portal, within the date and time specified in the BDS.
- 22.2 Bid Security (wherever applicable) in accordance with ITB 19.0 (copy of documentary evidence as per ITB 19.0 in case of exemption under Government Organizations / MSE/PSU/JV of IOCL), in original, must be received by CONSULTANT at the address and within the period specified in IFB from the date of opening of technical bid in accordance to ITB 11.1.2.
- 22.3 OWNER / CONSULTANT may, at its discretion, extend the deadline for the submission of bids by amending the Bidding Documents in accordance with Clause 7.0 of ITB, in which case all rights and obligations of OWNER / CONSULTANT and bidders previously subject to the deadline shall thereafter be subject to the deadline as extended.

23.0 LATE BIDS

- 23.1 E-tendering system shall be close immediately for submission of bid, after the deadline for submission of bid. Any bids being submitted in physical form (other than Part-III of Bid) shall not be considered for opening / evaluation / award and will be returned to such bidders.
- 23.2 In the event the Bid Security in original, in accordance with ITB 22.2, are not submitted within the deadline, the bids shall be declared late and shall not be considered for further evaluation notwithstanding the fact that the bid has been submitted in electronic form within the deadline. However, in case of exemption from submitting Bid Security under MSE/PSU/JVs of IOCL as per ITB 19.2, then bidder shall submit the copy of documentary evidence as per ITB 19.2.
- 23.3 E-tendering system shall be close immediately for submission of bid, after the deadline for submission of bid. Any bids being submitted in physical form (other than the documents as per clause no.22.2of ITB) shall not be considered for opening / evaluation / award.

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24.0 WITHDRAWAL, SUBSTITUTION, AND MODIFICATION OF BIDS

- 24.1 The bidder may modify, re-submit or withdraw its e-bid after the bid submission, but, before the due date and time for submission of Bid following the electronic bid submission procedures.
- 24.2 No bid shall be withdrawn, substituted, or modified in the interval between the deadline for submission of bids and the expiration of the period of bid validity or any extension thereof.


25.0 BID OPENING

- 25.1 Wherever Bid Security is applicable, CONSULTANT shall verify the availability of requisite scanned copy of BID SECURITY/ documentary evidence of exemptions from submission of Bid Security under Government organizations / MSE / PSU / JV of IOCL (if applicable), prior to opening of Part-I of e-Bid. Techno-commercial e-Bid of those bidders shall be considered for opening, who have uploaded the requisite Bid Security in e-tendering Portal.
- 25.2 OWNER / CONSULTANT shall open Part-I of all bids received in the e-tendering portal except the cases where scanned copy of BID SECURITY / documentary evidence of exemptions from submission of Bid Security under MSE / PSU / JV of IOCL (if applicable) not uploaded.
- 25.3 The order of part wise opening of bids shall be as follows;
- (i) On scheduled date and time of UNPRICED bid opening,
 - (a) Scanned copy of BID SECURITY / documentary evidence of exemptions from submission of Bid Security under Government organizations / MSE / PSU / JV of IOCL (if applicable).
 - (b) Up on meeting the requirement of Bid Security as per Clause 19.0 of ITB (wherever applicable) , Opening of documents of Part-I, submitted in electronic form shall be processed on the e- Procurement module of the e-tendering portal.
 - (c) If a bidder has not complied with Bid Security requirement (b) above, such bidder's offer (Part-I) is not proceeded for further opening and rejected out rightly.
 - (ii) Supplementary opening for original Bid Security shall be done after seven working days from the date of opening of technical bid.
 - (iii) Part-II of bid of only those bidders whose bids is determined to be technically and commercially acceptable by OWNER / CONSULTANT shall be opened. Bidders selected for opening of their priced bids shall be informed about the date, time and place of price bid opening.

E. EVALUATION AND COMPARISON OF BIDS

26.0 CONFIDENTIALITY

- 26.1 A bidder may seek clarification regarding the Enquiry Document provisions, bidding process and / or rejection of his bid. OWNER / CONSULTANT shall respond to such requests within a reasonable time. However, such information relating to the evaluation of bids and recommendation of award shall not be disclosed to any other persons not officially concerned with the bidding process.
- 26.2 Any attempt by a bidder to influence OWNER / CONSULTANT in the evaluation of the bids or award decisions shall render their Bid liable for rejection.
- 26.3 Notwithstanding Clause 26.2 of ITB, from the time of bid opening to the time of placement of Order, if a bidder wishes to contact OWNER / CONSULTANT on any matter related to the bidding process, it shall done so in writing only.

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27.0 ZERO DEVIATION: - Not Applicable


28.0 DETERMINATION OF RESPONSIVENESS

- 28.1 OWNER / CONSULTANT's determination of a bid's responsiveness is to be based on the contents of the bid itself, as defined in Clause 11.0 of ITB.
- 28.2 A responsive bid is one that meets the requirements of the Enquiry Documents without deviation (except permissible deviations as per SPC), objections, Conditionality or reservations.
- 28.3 The Owner/CONSULTANT determination of a bid's responsiveness is to be based on the contents of the bid itself without recourse to extrinsic evidence. If a bid is not responsive, it will be rejected by the Owner/CONSULTANT, and may not subsequently be made responsive by the bidder by correction of the nonconformity.
- 28.4 Bidder should not be under liquidation, court receivership or similar proceedings. Bidder shall submit self-certificate in this regard. Bidder who is found to be under court receivership or similar proceeding as per above declaration, then their offer shall not be considered for further evaluation.
- 28.5 Prohibition on Direct or Indirect Import and Export from/to Democratic People's Republic of Korea. Bidder to comply the Notification No. 41/2015-2020 dated 21st March 2017 for Amendment in Para 2.17 of the Foreign Trade Policy 2015-20 on Imports and Exports to Democratic People's Republic of Korea. The Notification No. 41/2015-2020 dated 21st March 2017 is attached as Annexure-II to ITB.
- 28.6 Bidder shall not be allowed to submit any Price Implication or Revised Price after submission of Bid, unless there is change in the stipulations of the Tender Document and such changes are incorporated through an Amendment. In case Exceptions and Deviations submitted by Bidder along with Bid are not considered as acceptable and no Amendment is issued, then in such a case the Bidders would be required to withdraw such Exceptions/Deviations in favour of stipulations of the TENDER document and Bidders would not be eligible for submission of Price Implication/Revised Price, failing which such Bid(s) shall be considered as non-responsive and rejected

29.0 CLARIFICATION OF BIDS

- 29.1 Bidders should ensure that the Bid submitted is responsive Bid in the first instance itself. Evaluation may be completed based on the content of the Bid itself without seeking any subsequent additional information which may result in rejection of Bid. However, OWNER / CONSULTANT may, at its discretion, may request bidder to submit the necessary information or documentation, within a reasonable period of time, to withdraw deviation, reservation, or rectify omission in the bid related to documentation requirements. Requesting information or documentation on such account shall not be related to any spect of the price of the Bid. OWNER / CONSULTANT's request for clarification and the response shall be in writing.
- 29.2 No change, including any voluntary increase or decrease, in the prices or substance of the bid shall be sought, offered, or permitted. Bidder shall not be allowed to submit any price implication or revised price after submission of Bid unless the same is called for by OWNER / CONSULTANT in writing.
- 29.3 Any clarification submitted by a bidder that is not in response to a request by CONSULTANT shall not be considered. Failure of the bidder to comply with the request may result in the rejection of its Bid.
- 29.4 If a bidder does not provide clarifications of its bid by the date and time set in OWNER / CONSULTANT's request for clarification, its bid shall be evaluated with available information which may result in rejection of their bid.

30.0 EVALUATION OF TECHNO-COMMERCIAL BIDS

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30.1 Prior to price opening of bids, OWNER / CONSULTANT will determine whether each bid is accompanied with

requisite documents;

- (i) Fulfills the technical, financial and other requirements as specified in the Enquiry Document;
- (ii) Bid's responsiveness, in accordance with Clause 28.0 of ITB;
- (iii) Any other relevant factor, if any that OWNER / CONSULTANT deems necessary or prudent to be taken into consideration.

30.2 After opening of the techno-commercial (Unpriced) bids but before opening of the price bids, the bids may be rejected for unsatisfactory performance or adverse comments which have come to the notice after the issue of the tender enquiry.

30.3 OWNER / CONSULTANT reserves the right to use in-house information for assessment of capability of bidder and their performance on jobs completed/ in progress for evaluation purpose.

30.4 Bidders who are enlisted with OWNER / CONSULTANT are required to quote as per their capabilities registered with OWNER / CONSULTANT.

30.5 PRE PRICE BID MEETING

IOCL reserves the right to conduct Pre-Price Bid Meeting.

No technical issues shall be raised / discussed by either side during Pre -Price Bid meeting. Based on discussions in the pre-price bid conference, deviations, if any, from tender terms and conditions shall be communicated in writing to all the bidders and they shall be asked to submit price implication when substantial changes are made after taking into account the modified terms and conditions including deviations, within stipulated period.

If a bidder takes any further deviations other than those agreed, while submitting the revised price bids, its bid shall be rejected outright without any reference. In case it is found after opening that any deviation is incorporated in the revised price bid, bidder is also liable to be placed on holiday for a period of one year for future tenders in IOC after following the laid down policy in this regard.

Price implications received after the stipulated date are not to be considered. Bidders unable to comply with IOCL's terms and conditions including proposed deviations will be allowed to withdraw their bids.

31.0 CORRECTION OF ARITHMETICAL ERRORS

31.1 OWNER / CONSULTANT shall correct arithmetical errors on the following basis:


The prices quoted by bidders shall be checked for arithmetic correction, if any, based on rate and amount filled by the bidder in the price schedule formats. If some discrepancies are found between the Unit rate and Total amount, the total amount shall be corrected as per the following procedure, which shall be binding upon the bidder:

Where there is a discrepancy between the unit rate of line Item and total amount of the line item resulting from multiplying the unit rate by the quantity, the unit rate as quoted shall prevail and the total amount shall be corrected.

31.2 Bidders shall be requested to accept correction of arithmetical errors. Failure to accept the correction in accordance with Clause 31.1 of ITB, shall result in the rejection of the Bid.

32.0 CONVERSION TO SINGLE CURRENCY

32.1 To facilitate evaluation and comparison, the Owner/ CONSULTANT will convert all bid prices quoted in various currencies (in which the bid price is payable) to single currency and that will be Indian Rupees only, at the Bills selling foreign exchange rate published by the State Bank of India, New Delhi on the day of price bid opening. In case the rate is not available as on the day of price bid opening, the latest available rate prior to the day of price bid opening, shall be considered

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33.0 EVALUATION AND COMPARISON OF PRICE BIDS

- 33.1 OWNER / CONSULTANT shall compare the price bids based on the evaluation methodology and loading criteria, if any, provided in SPC to determine the lowest evaluated bid.
- 33.2 Conditional discount, if offered, shall not be considered for evaluation. However the same shall be considered for ordering.
- 33.3 SUO-MOTO CHANGES IN PRICES

Suo moto price change: In case of any suo moto change in price, following shall apply:

Stage	Price Increase	Price Decrease
After opening of un-priced bid	Not Acceptable. Bid shall be rejected without offering any opportunity to the bidder to withdraw the same. Action regarding Holiday Listing may be taken. EMD shall be forfeited.	In case of suo moto price decrease: 1. Tender evaluation shall be done without considering suo moto decrease. 2. Ordering shall be done considering suo moto decrease.

33.4 SHIFTING OF ORDER

i) In order to avoid splitting of order on number of bidders, particularly when order value is small, shifting shall be resorted to so that time and effort on ordering, expediting, inspection etc. is saved in dealing with extra suppliers. For the purpose of shifting, cost of order management per order is considered as Rs. 50,000/-

ii) Based on lowest evaluated item wise prices the shifting shall be carried out provided the following conditions are met :

(a) Shifting shall be done only if shifting cost of each order is upto Rs. Rs 50,000.

(b) Shifting shall not be resorted to if the value of the order is more than 25% of the total order value of the recommendation. However, this cCONSULTANTing will not be applicable where total order value of recommendation is upto Rs. 5.0 Lakh.

(c) In case the order value on L1 bidder is more than Rs 2,00,000/- then shifting shall not be resorted.

With above shifting the selected bidder for award will be deemed to be L1 bidder.

The above shifting shall be at the discretion of purchaser.

- 33.5 Preference to MSEs, if applicable as per BDS, shall be carried out to distribute the item / quantity as per Clause No. 34.0of ITB.

33.6 REVERSE AUCTION: (For Applicability, refer BDS)

Bidders are informed that Reverse Auction (RA) will be conducted for finalizing this Tender. The methodology for evaluation of the bids shall be as under:


i. Bid of only those bidders who have submitted their Technical/ Commercial bid online and submitted required EMD (if applicable) before due date and time shall be opened.

ii. The price bid of only those bidders shall be opened who are techno-commercially qualified as per tender terms & conditions.

iii. Criteria of Qualifying for Reverse Auction (Elimination Clause):

a. In case of tenders without preferential bidding: If there are more than 3 (three) technocommercially acceptable bids, bidder having highest quote will be rejected.

b. In case of tenders with preferential bidding and if there are more than three (3) technocommercially

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acceptable bidder:

- i. H1 bidder will be eliminated if he is a non-preferential bidder.
- ii. In case if H1 bidder is a preferential bidder, H1 bidder will be rejected if his quote is beyond the defined tolerance limit of L1 price as per his preferential category.
- c. In case of more than one H1 bidders (H1 tie), latest bid received (bidder whose bid is received at the last) out of all H1 bidders will be rejected as per above provisions.

H1 bid (Highest price bid) received in Price Bid (BoQ) against a Tender shall not be eligible to participate in the Reverse Auction process and his bid will be auto rejected by the system wherever techno-commercially accepted bidders are more than three (3). Similarly, in case of multi-lot Auction, Item wise H1 bidder will be disqualified for respective line item. Intimation by mail/SMS shall be provided to the eligible bidders for Reverse Auction along with its scheduled start time and other details.

iv. The lowest price shall be available on the Reverse Auction screen at any point of time during the Auction process. This displayed price is the evaluated price based on which the lowest bid is determined as per evaluation criteria/Tender Terms & conditions. Accordingly, the bidder will put his quote in the Auction window if he wants to offer the reduced price considering the evaluation criteria as per Price Bid (BoQ) / Tender Terms & Conditions.

v. Wherever required, the Evaluation factor/criteria shall be informed to the bidders before start of Reverse Auction. In other cases the bidder shall calculate his final evaluated price as per BoQ or evaluation criteria mentioned in the tender document and quote accordingly.

vi. The lowest quote after end of Reverse Auction shall be considered for further processing.

vii. For the purpose of extending MSME or any other preference /benefit as per guidelines, the latest quote of respective MSME bidder(s) during the tender-cum-auction process shall be considered.

viii. IOCL Reserve the right to conduct price negotiation with overall L-1 bidder adjudged based on post Reverse Auction.

ix. GST tax rate is to be quoted by bidders. In case of any mismatch in GST tax rate confirmed by bidder in techno-commercial bid & quoted by bidder in financial bid(BoQ) following will be considered:

a. GST Tax rate quoted in BOQ is less than GST confirmed/quoted in techno-commercial bid:


GST tax rate quoted by bidder in BoQ shall be considered final & binding. Owner shall not be liable to pay or reimburse rate of GST actually invoiced which is in excess of GST rate quoted by the bidder in Financial bid (BoQ). Any higher rate of tax actually invoiced shall be adjusted in price. Price adjustment shall be done through credit note raised by bidder.

b. GST Tax rate quoted in BoQ is higher than GST confirmed/quoted in techno-commercial bid:

Owner will pay or reimburse rate of GST actually invoiced subject to maximum limit of GST tax rate quoted in BoQ.

x. Decrements offered by bidders during Reverse Auction/ Live Auction will be on L-1 quoted value (Including GST) i.e. During Reverse Auction, the revised offered prices shall also be total landed cost i.e. inclusive of GST as quoted in BoQ. However, tax rate will remain fixed as per clause no. ix above.

xi. After completion of Reverse Auction, the overall discount provided by L1 Bidder in terms of percentage shall be applied to arrive at the price for Basic Supply. No discount shall be applied on other charges (eg. Inland Transportation, Mandatory Spares, Supervision of Erection, Testing & Commissioning, Training, Hazop, 3D Modelling, etc.)

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xii. Wherever required, the Evaluation factor/criteria shall be informed to the bidders before start of RA. In other cases the bidder shall calculate his final evaluated price as per BoQ or evaluation criteria mentioned in the tender document and quote accordingly.

xiii. The lowest quote after end of Reverse Auction shall be considered for further processing. Guidelines for bidders to participate in online Reverse Auction is enclosed as **Annexure-VII to ITB**.

34.0 PREFERENCE TO MICRO OR SMALL ENTERPRISES (MSEs) –

- 34.1 Applicability of Preference to MSEs, shall be as per BDS.
- 34.2 The Detailed Policy shall be as per enclosed Annexure –VI.

34A OPPORTUNITY TO STARTUP'S AND MICRO & SMALL ENTERPRISES (MSE'S)

- i Applicability of this clause, shall be as per BDS.
- ii The Detailed Policy shall be as per enclosed Annexure –VIA.

35.0 PURCHASE PREFERENCE (LINKED WITH LOCAL CONTENT) 2017(PP-LC)

- 35.1 Applicability of Purchase Preference Linked with local contents, shall be as per BDS.
- 35.2 The Detailed Policy shall be as per enclosed Annexure –III.

36.0 PREFERENCE TO DOMESTICALLY MANUFACTURED IRON & STEEL PRODUCTS,2019 (DMISP)

- 36.1 Applicability of Preference to domestically manufactured iron and steel products, shall be as per BDS.
- 36.2 Bidder shall submit an affidavit of self-certification on Rs. 100/- stamp paper (duly notarized), regarding domestic value addition in iron & steel products/ capital goods, as per format enclosed with the policy for providing Preference to Domestically Manufactured Iron & Steel Products (DMI&SP) in Government Procurement, enclosed with the Bidding Document. Failure to do the above shall render the bid liable for rejection. However, in case of stockiest / package, bidders expressing their inability to furnish this affidavit from Indian manufacturers at bidding stage, bidders may submit this affidavit after placement of order. However, an undertaking to submit affidavit shall be submitted by bidder along with the bid.
- 36.3 The Detailed Policy shall be as per enclosed Annexure –IV.

36A Domestically Manufactured Electronic Products (DMEP) :

- i Applicability of this policy, shall be as per BDS.
- ii The Detailed Policy shall be as per enclosed Annexure –VIII.

37.0 NEGOTIATION

- 37.1 Negotiations will not be conducted with the bidders as a matter of routine. However, IOCL/ CONSULTANT reserves the right to conduct negotiations.


38.0 Negotiation when Preferential Bidder (MSE, PPP-MII etc.) is within margin of preference of L1 non-preferential bidder:

38.1 In case negotiation is required to be conducted with L1 non-preferential bidder, and preferential bidder is within margin of preference, negotiation will be done with the L1 bidder and then the rates offered for matching.

39.0 OWNERS / CONSULTANT'S RIGHT TO ACCEPT ANY BID, AND TO REJECT ANY OR ALL BIDS


- 39.1 IOCL reserves the right to accept or reject any bid, and to annul the bidding process and reject all bids at any time prior to award of the order without thereby incurring any liability to the affected bidder or bidders or any obligations to inform the affected bidder or bidders of the ground for IOCL's action. IOCL reserves the right to award to any bidder (other than the lowest bidder) without assigning any reason.

40.0 RESTRICTIONS FOR BIDDERS FROM COUNTRIES WHICH SHARE LAND BORDER WITH

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INDIA

- 40.1 Any Bidder from a country which shares a land border with India will be eligible to bid in this tender only if bidder is registered with Competent Authority. The Competent authority for the purpose of registration shall be the Registration Committee constituted by the Department of Promotion of Internal Trade (DPIIT) of Govt of India. The registration should be valid at the time of submission of bids and at the time of acceptance of bids.
- 40.2 "Bidder" (Including the term 'Tenderer', 'Consultant' or 'Service Provider' in certain contexts) means any person or firm or company, including any member of a consortium or joint venture (that is an association of several persons, or firms or companies), every artificial juridical person not falling in any of the descriptions of bidders stated herein before, including any agency branch or office controlled by such person, participating in a procurement process.
- 40.3 "Bidder from a country which shares a land border with India" for the purpose means:
- An entity incorporated, established or registered in such country; or
 - A subsidiary of an entity incorporated, established or registered in such country; or
 - An entity substantially controlled through entities incorporated, established or registered in such country; or
 - An entity whose beneficial owner is situated in such a country; or
 - An Indian (or other) agent of such an entity; or
 - A natural person who is a citizen of such a country; or
 - A consortium or joint venture where any member of the consortium or joint venture falls under any of the above.
- 40.4 The beneficial owner for the purpose of 40.3 above will be as under
- In case of a company or Limited Liability Partnership, the beneficial owner is the nature person(s), who, whether acting alone or together, or through one or more juridical person, has a controlling ownership interest or who exercises control through other means.
Explanation -
 - "Controlling ownership interest "means ownership of a entitlement to more than twenty five percent of shares or capital or profits of the company;
 - Control shall include the right to appoint majority of the directors or to control the management or policy decisions including by virtue of their shareholding or management rights or shareholders agreements or voting agreements;
 - In case of a partnership firm, the beneficial owner is the natural person(s) who, whether acting alone or together, or through one or more juridical person, has ownership of entitlement to more than fifteen percent of capital or profits of the partnership;
 - In case of an unincorporated association or body of individuals, the beneficial owner is the natural person(s), who, whether acting alone or together, or through one or through one or more juridical person, has ownership of or entitlement to more than fifteen percent of the property or capital or profits of such association or body of individuals;
 - Where no natural person is identified under (i) or (ii) or (iii) above, the beneficial owner is the relevant natural person who holds the position of senior managing official;
 - In case of a Trust, the identification of beneficial owner(s) shall include identification of the author of the Trust, the Trustee, the beneficiaries with fifteen percent or more interest in the Trust and any other natural person exercising ultimate effective control over the Trust through a chain of control or ownership.
- 40.5 An Agent is a person employed to do any act for another, or to represent another in dealings with third person.

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- 40.6 The successful bidder shall not be allowed to sub-contract works to any Contractor from a country which shares a land border with India unless such a contractor is registered with the Competent Authority as mentioned above.
- 40.7 In connection with the above provisions/requirements, the Bidder shall furnish an Undertaking/Certificate in the standard Format attached as Annexure-V to ITB. If such Undertaking/Certificate given by a Bidder whose bid is accepted is found to be false, that would be a ground for immediate termination of the Contract and further legal actions in accordance with Law.
- 40.8 Notwithstanding anything contained therein, it is clarified that said restrictions will not apply to bidders from those Countries (even if sharing a land border with India) to which the Govt. of India has extended lines of credit or in which the Govt. of India is engaged in development projects. Updated list of Countries to which lines of credit extended or in which development projects are undertaken are given in the website of the Ministry of External Affairs, Govt. of India.


41.0 41.0 BIDDERS UNDER INSOLVENCY OR LIQUIDATION OR BANKRUPTCY PROCEEDINGS UNDER INSOLVENCY AND BANKRUPTCY CODE. 2016

Offers from the following type of bidders shall not be considered:

- (a) Bidder(s) who are undergoing insolvency resolution process or liquidation or bankruptcy proceeding under Insolvency and Bankruptcy, Code 2016
- (b) Bidder(s) whose insolvency resolution process or liquidation or bankruptcy proceeding is initiated under the Code at any stage of evaluation of the bid.
- It will be responsibility of the bidder to inform IOCL within 15 days from the date of order of insolvency resolution process or liquidation or bankruptcy proceeding passed by the Adjudicating Authority namely, National Company Law Tribunal (NCLT) or Debt Recovery Tribunal (DRT) under the code.
 - If bidder refuses or fails to share the information regarding their status of insolvency resolution process or liquidation or bankruptcy proceeding in their bid or at any later stage, their offer is liable to be rejected by IOCL.
 - IOCL reserves the right to cancel/terminate the contract without any liability on the part of IOCL immediately on the commencement of insolvency resolution process or liquidation or bankruptcy proceeding of any party under the contract.
 - IOCL reserves its right to evaluate and finalize the bid without considering the bid of any party undergoing insolvency resolution process or liquidation or bankruptcy proceeding under the Code regardless of the stage of tendering.
 - A Declaration / Undertaking shall be submitted by the bidder in the attached format along with the techno-commercial bid.

42.0 INFORMATION REQUIRED FROM FOREIGN SUPPLIERS / CONTRACTORS / CONSULTANTS

- 42.1 It is mandatory for the foreign supplier/contractor/consultant to furnish the following information in case their receipts are subject to tax deduction at source in India:
- (a) PAN Number as per the Indian Income Tax requirements failing which the Supplier/Contractor/Consultant shall be responsible for any additional tax deduction at source as per the provisions of the Indian Income Tax Act/Rules and the same shall be deducted from the payment made to supplier/contractor/consultant.
- (b) Tax Residency Certificate (TRC) containing prescribed particulars as per the format enclosed elsewhere in the Enquiry Document from the Government of foreign country in order to claim the benefits of Double Taxation. Avoidance Agreement (DTAA) as per the Indian Income Tax requirements failing which the relief under DTAA will not be available and consequently the higher rate of withholding tax @25% will be applicable and deducted from the payment made to supplier/contractor/consultant (i.e., non-resident taxpayer). The TRC shall be duly verified by the Government of the country of which the assessee claims to be a resident for the purposes of tax.

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(c) In addition to TRC, bidder in order to claim the benefits of DTAA shall also submit additional information in form number 10F (enclosed in "Bid_Document.xls"). Form 10F has to be signed & verified by the assessee himself.

- 42.2 If some information is already contained in TRC, the bidder shall not be required to provide that information in Form no. 10F but even then Form no. 10F is required to be provided by the bidder.
- 42.3 However, the bidder may write Not Applicable in the relevant column in case that information is already contained In TRC.
- 42.4 The above shall be furnished before release of any payment or within one month of the release of Order, whichever is earlier.

F. F. AWARD OF CONTRACT

43.0 AWARD CRITERIA

- 43.1 Pursuant to clause no. 33.0 and Clause 38.1 of ITB, the CONSULTANT/ IOCL shall place Order to the bidder(s) who has (have) been determined to be the lowest successful bidder(s) for item(s) / Group(s) of MR as per the item wise / Group-wise ordering philosophy defined in MR / BOQ. However, if in the opinion of CONSULTANT/ IOCL, the total price or certain item rates quoted by the lowest evaluated bidder are considered high, CONSULTANT/ IOCL may invite such bidder for price negotiation. Lowest quoted bidder shall attend such negotiation meetings and if requested by CONSULTANT/ IOCL shall provide the analysis of rates/break-up of amount quoted by him for any or all items of BOQ to demonstrate the reasonability. As a result of negotiation, bidder may offer rebate on his earlier quoted Price(s).

44.0 NOTIFICATION OF AWARD


- 44.1 Prior to the expiration of the period of bid validity, the OWNER / CONSULTANT shall notify the successful bidder, in writing, that its bid has been accepted. The notification letter [hereinafter "Fax of Acceptance (FOA)/ Purchase Order (PO)"] shall specify the sum that the owner will pay the Supplier in consideration of the execution and completion of the Supply/Works. The notification letter will constitute the formation of the contract. The Delivery Schedule shall commence from the date of notification of award / Letter of Acceptance (LOA). LOA will contain price, delivery and other salient terms of bid and Tender Document. Bidder will be required to confirm receipt of the same by returning "Copy of the LOA" duly signed and stamped as a token of acknowledgement/Acceptance within a maximum of 7 days, failing which the same shall be deemed as accepted. On receipt of acknowledgement without any deviation / condition, detail Purchase Order will be issued. The same shall be returned duly signed and stamped by the bidder as a token of acknowledgement/Acceptance

45.0 ONLINE MONITORING OF PROCUREMENT, ENGINEERING AND MANUFACTURING STATUS

- 45.1 "Supplier / Vendor shall have facility (website / FTP server) for online monitoring of procurement, engineering and manufacturing status (schedule vs. actual) of the ordered equipment on daily basis at their works / office. Supplier / Vendor shall provide access to Owner to such facility for monitoring the said progress status online through internet browser on their website / FTP server from Owner's office. Format for procurement, engineering and manufacturing status monitoring shall be submitted by the Supplier during kick off meeting or within one week of receiving FOA/LOA, whichever is earlier. However, Supplier / Vendor shall start updating procurement, engineering and manufacturing status (schedule vs. actual) as stated above, beginning within 2 weeks from FOA/LOA."

46.0 SAFETY PROCEDURES AND PRACTICES:

- 46.1 **PENALTIES FOR VIOLATION / NON-ADHERENCE OF SAFETY PROCEDURES AND PRACTICES**

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For execution of Purchase Orders involving site work based on the job requirements, all security/safety rules/ regulation/ statutes as prevailing at work site at the time of execution of the job will have to be strictly complied with. All safety equipment like fire hoses, fire extinguishers, safety belts, safety shoes, safety helmets etc. are to be provided by the successful bidder to its site personnel. In the event of any damage or loss or sufferance caused due to non-observance of any such rules/ regulations, the bidder shall be solely responsible for the same and shall keep IOCL indemnified against all such claims or losses arising out of the same. Penalties shall be imposed for violation of safety norms as under, in addition to Holiday Listing if deemed fit by IOCL.

I. For violation of applicable Safety, Health and Environment related norm, a penalty of Rs.5000/per occasion.

II. Violation as above resulting in any physical injury, a penalty of 0.5% of the contract value (maximum of Rs.2,00,000) per injury in addition to Rs.5000 / per occasion as in item-I.

III. Fatal accident, a penalty of 1% of the contract value (maximum of Rs.10,00,000) per fatality in addition to Rs.5000/per occasion as in item-I.

All labour law/ statutes/ rules/ regulations including minimum wages act, employees state insurance, payment of bonus act, employees provident fund, contract labour law etc. are to be strictly complied with. Bidder will be solely responsible for any claim/ liability arising due to/ on account / consequent to the workmen engaged by him. Bidder shall keep IOCL indemnified against all such claims of whatsoever nature.

Bidder at its own expenses shall take out workers' compensation insurance to cover any claim that may be made by bidder's employees and/ or their heirs and dependents alleging bodily injuries sustained or death suffered by employees as a result of or in connection with the performance of any bidder's obligations under this agreement and will hold IOCL and its employees and representatives harmless from any and all such claims. Bidder's insurance policy shall include a waiver clause as to any insurer's actions against IOCL, its employees and representatives.

The vendor should be advised to take appropriate insurance policy for the effective implementation of the above penalty provision.

In case of accidents depending on the seriousness of injury etc. in addition to the hospitalization / treatment charges and group insurance amount, compensation shall be paid by the vendor to the affected person / his family members in presence of Engineer-in-charge as per Workmen Compensation Act.

The bidder shall keep IOCL both during and after the term of agreement, fully & effectively indemnified against all losses, damages, injuries, deaths, expenses, actions, proceedings, demands and costs & claims, including but not limited to, legal fees & expenses, suffered by IOCL or any third party for such losses, damages, injuries or death as the result of a wrongful action, negligence or violation of the job site regulations by the bidder or its subcontractors or the personnel or agents or either of them.

46.2 SAFETY PROCEDURES AND PRACTICE FOR CHEMICALS ETC


For hazardous chemical/item, all precautionary measure as per regulation from the point of transportation/ handling/ storage/ safety/ health/ environment to be undertaken/ specified before dispatch. During dispatch, proper symbol for the hazard/ MSDS/ Batch No./ date of manufacturing/ Gross Weight/ Net Weight/ shelf Life etc are to be written/ printed/ pasted on the body of the packing

46.3 SAFETY PRACTICES IN MATERIAL DISPATCH

Refinery being sensitive establishment from fire and safety point of view therefore vehicle shall be allowed in battery area only equipped with fire extinguisher and spark arrestor. The personal entering Refinery area shall be equipped with PPEs. Site work safety to be ensured by complying with safety norms.

Truck / Tanker should report at IOCL gate by 8.30 am (excluding Sundays or holidays as per Refinery norms) in order to facilitate unloading at the earliest and release of trucks.

Motor vehicle act: Vehicles shall follow motor vehicle act 1988 & its latest updated revision and all other applicable laws of land during transportation of the material from bidder's works to IOCL site. Successful Vendor to also ensure availability of required original and valid documents like RC Book, Insurance Papers, Fitness certificate of Vehicle (Tanker/Truck/Container), Driving License and

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Cleaner's photo pass etc. at the time of dispatch of Materials & delivery at IOCL site. This shall enable CISF at IOCL site to allow them inside Refinery/ Naphtha Cracker due to security reasons and avoiding any hassles at IOCL Gate. In case of non-availability of original RC Book in the vehicle, Notarised (True Copy) of RC Book will also be accepted. Vehicle propelled by CNG/LPG or vehicles having less than 4 wheels viz. 3 wheelers etc. may not be allowed in Refinery.

With reference to ITB clause no. 12.6, bidders to note following changes in Nodal Officer Details.

Nodal Officer:

Mr. Sanjay Kumar

ED (Corporate Affairs & Law), Corporate Office

E-mail: skumar2@indianoil.in

APPENDIX-I TO ITB

Covering Letter required to be signed and submitted by the tenderer

Ref:

Dated:

To,

Indian Oil Corporation Limited

Sub: Submission of Offer for Tender No. _____ for _____

Dear Sir,

The Bidder acknowledges that Indian Oil Corporation Limited (IOCL) has signed the MOU with Transparency International India for the adoption of the Integrity Pact Program and stands committed to following the principles thereof as enumerated in the Integrity Agreement enclosed with the tender document.

The Bidder agrees that the Notice Inviting Tender (NIT) is an invitation to offer made on the condition that the Bidder will sign the enclosed Integrity Agreement which is an integral part of tender documents, failing which the tenderer will stand disqualified from the tendering process. The Bidder acknowledges that the Bid would be kept open in its original form without variation or modification for a period of _____ days (state the number of days from the last date for the receipt of tenders stated in the NIT) AND THE MAKING OF THE BID SHALL BE REGARDED AS AN UNCONDITIONAL AND ABSOLUTE ACCEPTANCE of this condition of the NIT.

Bidder confirms acceptance and compliance with the Integrity Agreement in letter and spirit and further agrees that execution of the said Integrity Agreement shall be separate and distinct from the main contract, which will come into existence when bid is finally accepted by IOCL. The Bidder acknowledges and accepts the duration of the Integrity Agreement, which shall be in line with Article 8 of the enclosed Integrity Agreement.

Bidder acknowledges that in the event of Bidder's failure to sign and accept the Integrity Agreement, while submitting the Bid, IOCL shall have unqualified, absolute and unfettered right to disqualify the tenderer and reject the Bid in accordance with the terms and conditions of the tender.

Yours faithfully,

(Duly authorized Signatory of the Bidder)

(Note- One copy of this letter along with the Integrity Agreement duly signed must be returned along with offer).

The Integrity Pact Agreement (IPA and other IP documents) are hoisted on www.iocl.com. All the prospective bidders willing to participate in the tenders where Integrity Pact Agreement is applicable shall have to necessarily sign the IPA (as per the latest version as hosted on www.iocl.com) in order to be eligible to participate in the tender. The present version of the Integrity Pact Agreement is as below.

INTEGRITY AGREEMENT

(To be executed on plain paper and submitted along with Technical Bid for tenders having a value of Rs.10 Crore or more. For IOCL, to be signed by the same signatory who is competent/authorized to sign the relevant Contract)

(_____ Division)

Tender no. : _____

INTEGRITY AGREEMENT

This Integrity Agreement is made at _____ on this _____ day of _____ 20

BETWEEN

Indian Oil Corporation Limited, a company duly incorporated and validly existing under the provisions of Companies Act, 1956 and having its registered office at Indian Oil Bhavan, 9, Ali Yavar Jung Marg, Bandra (East), Mumbai 400051 (hereinafter referred as the 'Principal/Owner', which expression shall unless repugnant to the meaning or context hereof include its successors and permitted assigns)

And

_____ (name and address of the Individual/Firm/Company/Consortium members through _____ (mention details of duly authorized signatory).hereinafter referred as the "Bidder/Contractor" and which expression shall unless repugnant to the meaning or context hereof include its successors and permitted assigns)

Preamble

WHEREAS the Principal/Owner has floated a tender (Tender No.:) (hereinafter referred to as "Tender") and intends to award, under laid down organizational procedures, contract/s purchase order/work order for (name of contract/order) or items covered under the tender hereinafter referred to as the "Contract".

AND WHEREAS the Principal/Owner values full compliance with all relevant laws of the land, rules, regulations, economic use of resources and of fairness/transparency in its relation with its Bidder(s) and Contractor(s).

AND WHEREAS, in order to achieve these goals, the Principal/Owner has appointed Independent External Monitors (IEMs), to monitor the Tender process and the execution of the Contract for compliance with the principles as laid down in this Agreement.

AND WHEREAS to meet the purpose aforesaid both the parties have agreed to enter into this Integrity Agreement (hereinafter referred to as "Integrity Pact" or "Pact"), the terms and conditions of which shall also be read as integral part and parcel of the Tender documents and Contract between the parties.

NOW, THEREFORE, in consideration of mutual covenants contained in this Pact, the parties hereby agree as follows and this Pact witnesseth as under:

Article 1: Commitment of the Principal/Owner

1. The Principal/Owner commits itself to take all measures necessary to prevent corruption and to observe the following principles:
 - (a) No employee of the Principal/Owner, personally or through any of his/her family members, will in connection with the Tender, or the execution of Contract, demand, take a promise for or accept, for self or third person, any material or immaterial benefit which the person is not legally entitled to.
 - (b) The Principal/Owner will, during the Tender process treat all Bidder(s) with equity and reason. The Principal/Owner will, in particular, before and during the Tender process, provide to all Bidder(s) the same information and will not provide to any Bidder(s) confidential / additional information through which the Bidder(s) could obtain an advantage in relation to the Tender process or the Contract execution.
 - (c) The Principal/Owner shall endeavour to exclude from the Tender process any person, whose conduct in the past has been of biased nature.

2. If the Principal/Owner obtains information on the conduct of any of its employees which is a criminal offence under the Indian Penal Code (IPC) /Prevention of Corruption Act, 1988 (PC Act) or is in violation of the principles herein mentioned or if there be a substantive suspicion in this regard, the Principal/Owner will inform the Chief Vigilance Officer and in addition can also initiate disciplinary actions as per its internal laid down policies and procedures.

Article 2: Commitments of the Bidder(s)/Contractor(s)

1. The Bidder(s)/Contractor(s) commit himself to take all measures necessary to prevent corruption. He commits himself to observe the following principles during his participation in the Tender process and during the Contract execution:
 - (a) The Bidder(s)/Contractor(s) will not, directly or through any other person or firm, offer, promise or give to any of the Principal/Owner's employees involved in the Tender process or execution of the Contract or to any third person any material or other benefit which he/she is not legally entitled to, in order to obtain in exchange any advantage of any kind whatsoever during the Tender process or during the execution of the Contract.
 - (b) The Bidder(s)/Contractor(s) will not enter with other Bidder(s) into any undisclosed agreement or understanding, whether formal or informal. This applies in particular to prices, specifications, certifications, subsidiary contracts, submission or non-submission of bids or any other actions to restrict competitiveness or to cartelize in the bidding process.
 - (c) The Bidder(s)/Contractor(s) will not commit any offence under the relevant IPC/PC Act. Further the Bidder(s)/Contractor(s) will not use improperly, (for the purpose of competition or personal gain), or pass on to others, any information or document provided by the Principal/Owner as part of the business relationship, regarding plans, technical proposals and business details, including information contained or transmitted electronically.
 - (d) The Bidder(s)/Contractor(s) of foreign origin shall disclose the names and addresses of agents/representatives in India, if any. Similarly, Bidder(s)/Contractor(s) of Indian Nationality shall disclose names and

addresses of foreign principals/associates/agents/representatives, if any. In a tender, either the Indian agent on behalf of the Principal/OEM or Principal/OEM itself can bid but both cannot bid simultaneously for the same item/product in the same tender. Further, if an agent submits bid on behalf of the Principal/OEM, the same agent shall not submit a bid on behalf of another Principal/OEM in the same tender for the same item/product. Copy of CVC guidelines dated 13/01/2012 is annexed hereto as **Annexure A.**

- (e) The Bidder(s)/Contractor(s) will, when presenting his bid, disclose (with each tender as per Proforma enclosed) any and all payments he has made, is committed to or intends to make to agents, brokers or any other intermediaries in connection with the award of the Contract.
2. The Bidder(s)/Contractor(s) will not instigate third persons to commit offences outlined above or be an accessory to such offences.

Article 3: Disqualification from Tender Process and Exclusion from Future Contracts

1. If the Bidder(s)/Contractor(s), either before award or during execution of Contract has committed a transgression through a violation of Article 2 above or in any other form, such as to put his reliability or credibility in question, the Principal/Owner is entitled to disqualify the Bidder(s)/Contractor(s) from the Tender process or terminate the Contract, if already executed or exclude the Bidder/ Contractor from future contract award processes. The imposition and duration of the exclusion will be determined by the severity of transgression and determined by the Principal/Owner.

Such exclusion may be for a period of 1 year to 3 years as per the procedure prescribed in the guidelines for holiday listing of the Principal/Owner.

2. The Bidder/ Contractor accepts and undertakes to respect and uphold the Principal/Owner's absolute right to resort to and impose such exclusion.
3. Apart from the above, the Principal/Owner may take action for banning of business dealings/holiday listing of the Bidder/Contractor as deemed fit by the Principal/Owner.

Article 4: Consequences of Breach

Without prejudice to any rights that may be available to the Principal/Owner under law or the Contract or its established policies and laid down procedures, the Principal/Owner shall have the following rights in case of breach of this Integrity Pact by the Bidder(/Contractor(s):

1. **Forfeiture of EMD/Security Deposit:** If the Principal/Owner has disqualified the Bidder(s) from the Tender process prior to the award of the Contract or terminated the Contract or has accrued the right to terminate the Contract according to Article 3, the Principal/Owner apart from exercising any legal rights that may have accrued to the Principal/Owner, may in its considered opinion forfeit the Earnest Money Deposit/ Bid-Security amount of the Bidder/Contractor.
2. **Criminal Liability:** If the Principal/Owner obtains knowledge of conduct of a Bidder or Contractor, or of an employee or a representative or an associate of a Bidder or Contractor which constitutes corruption within the meaning of PC Act, or if the Principal/Owner has substantive suspicion in this regard, the Principal/Owner will inform the same to the Chief Vigilance Officer.

Article 5: Previous Transgression

1. The Bidder declares that no previous transgressions occurred in the last 3 years from the date of bid submission, with any other public/government organization/Public Sector Enterprise impinging upon the anti-corruption approach in India that could justify his exclusion from the Tender process.

The date of transgression, for the purpose of disclosure by the Bidders, would be the date on which cognizance of the said transgression was taken by the competent authority of such public/government organisation/Public Sector Enterprise.

The period of transgression(s) is/are to be disclosed by the Bidders, is to be reckoned from the actual date of Bid submission.

2. Further the Bidder also declares that no transgression(s), are pending conclusion, even before the aforesaid period of three years. In case there is, the same shall also be disclosed by the Bidder.

3. If the Bidder makes incorrect statement on this subject, he can be disqualified from the Tender process or action can be taken for banning of business dealings/holiday listing of the Bidder/Contractor as deemed fit by the Principal/Owner.
4. If the Bidder/Contractor can prove that he has resorted \recouped the damage caused by him and has installed a suitable corruption prevention system, the Principal/Owner may, at its own discretion, as per laid down organizational procedures, revoke the exclusion prematurely.

Article 6: Equal Treatment of all Bidders/Contractors/Subcontractors

1. The Bidder(s)/Contractor(s) has to undertake from all Subcontractors a commitment in conformity with this Integrity Pact. It shall be the responsibility of the Principal Contractor to ensure adoption of/conformity to IP by the Sub- Contractor. The Bidder/Contractor shall be responsible for any violation(s) of the principles laid down in this Agreement/Pact by any of its Sub-contractors/ Sub- vendors.
2. The Principal/Owner will enter into Pacts on identical terms as this one with all Bidders and Contractors.
3. The Principal/Owner will disqualify Bidders, who do not submit, the duly signed Pact, between the Principal/Owner and the Bidder, along with the Tender or violate its provisions at any stage of the Tender process, from the Tender process.

Article 7: Independent External Monitors (IEMs)

1. The Principal/Owner has appointed competent and credible Independent External Monitor(s) (IEMs) for this Pact. The task of the Monitors is to review independently and objectively, whether and to what extent the parties comply with the obligations under this Pact.
2. The IEMs are not subject to instructions by the representatives of the parties and perform their functions neutrally and independently. They report to the Chairman, Indian Oil Corporation Limited.
3. The Bidder(s)/Contractor(s) accepts that the IEMs have the right to access, without restriction, to all Project documentation of the Principal/Owner including that

provided by the Contractor, pertaining to the Tender for which a complaint or issue is raised before them, as and when required. The Contractor will also grant the IEMs, upon their request and demonstration of valid interest, unrestricted and unconditional access to his or any of his sub-Contractor's project documentation. The IEMs are under contractual obligation to treat the information and documents of the Bidder(s)/Contractor(s)/Subcontractor(s) with confidentiality. For this purpose, IEMs are required to sign Non-Disclosure Agreement along with Declaration of No Conflict of Interest at the time of appointment as IEMs.

4. As soon as the IEMs notice, or believe to notice, a violation of this Pact, they will so inform the Management of the Principal/Owner and request the Management to discontinue or take corrective action, or to take other relevant action. The IEMs can in this regard submit non-binding recommendations. Beyond this, the IEMs have no right to demand from the parties that they act in a specific manner, refrain from action or tolerate action.
5. The IEMs will submit a written report to the Chairman, Indian Oil Corporation Limited within thirty days from the date of reference or intimation to them by the Principal/Owner and, should the occasion arise, submit proposals for correcting problematic situations.
6. If the IEMs have reported to the Chairman, Indian Oil Corporation Limited a substantiated suspicion of an offence under the relevant IPC/PC Act, and the Chairman, IOCL has not, within reasonable time, taken visible action to proceed against such offence or reported it to the Chief Vigilance Officer, the IEMs may also transmit the information directly to the Central Vigilance Commissioner

Article 8- Duration of the Pact

This Pact begins when both the parties have legally signed it. It expires for the Contractor 12 months after the completion of work under the Contract, or till the continuation of defect liability period, whichever is more and for all other Bidders, till the Contract has been awarded.

If any claim is made/lodged during the time, the same shall be binding and continue to be valid despite the lapse of this Pact as specified above, unless it is discharged/determined by the Chairman, IOCL.

Article 9-Other Provisions

1. This Pact is subject to Indian law, place of performance and jurisdiction is the Head Office/Head Quarters of the Division of the Principal/Owner, who has floated the Tender.
2. Changes and supplements need to be made in writing. Side agreements have not been made.
3. If the Bidder is a Partnership Firm, IP is required to be signed by all the Partners. If the Bidder is a Consortium/ Unincorporated Joint Venture/Association of Persons, formed solely for the purpose of executing the tendered project, this Pact must be signed by all the Partners/ members of such Consortium/Unincorporated Joint Ventures/Association of Persons. In case Bidder is a Company, including Joint Venture Company, the Pact must be signed by a representative of the Company duly authorized by board resolution.
4. Should one or several provisions of this Pact turn out to be invalid, the remainder of this Pact remains valid. In this case, the parties will strive to come to an agreement to their original intentions.
5. Any dispute or difference arising between the parties with regard to the terms of this Agreement/Pact, any action taken by the Owner/Principal in accordance with this Agreement/ Pact or interpretation thereof shall not be subject to arbitration.

Article 10- LEGAL AND PRIOR RIGHTS

All rights and remedies of the parties hereto shall be in addition to all the other legal rights and remedies belonging to such parties under the Contract and/or law and the same shall be deemed to be cumulative and not alternative to such legal rights and remedies aforesaid. For the sake of brevity, both the Parties agree that this Pact will have precedence over the Tender/Contract documents with regard to any of the provisions covered under this Pact.

IN WITNESS WHEREOF the parties have signed and executed this Pact at the place and date first above mentioned in the presence of following witnesses:

(For and on behalf of Principal/Owner)

(For and on behalf of Bidder/Contractor) WITNESSES:


1.

(signature, name and address)

2.

(signature, name and address)

Note: In case of Purchase Orders wherein formal agreements are not signed references to witnesses may be deleted from the last part of the Agreement.

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Ref :

Dated:

To,

Sub: Tender no. _____ for _____ EPCM 3 (P-25) Project of M/s IOCL

Dear Sir,

Declaration by Indian Oil Corporation Limited


We, the consultant, on behalf of Indian Oil Corporation Limited (IOCL) hereby declares that IOCL has signed an MOU dated 18th January 2008 with Transparency International India for the adoption of the Integrity Pact Program and stands committed to following the principles of transparency, equity and competitiveness in public procurement. The said MOU can be accessed at the IOCL website i.e. <http://www.iocl.com/Aboutus/DraftMOU.pdf>

The subject Notice Inviting Tender (NIT) is an invitation to offer made on the condition that the Bidder will sign the Integrity Agreement, which is an integral part of tender documents, failing which the tenderer/bidder will stand disqualified from the tendering process and the bid of the bidder would be summarily rejected.

This Declaration shall form part and parcel of the Integrity Agreement and signing of the same shall be deemed as acceptance and signing of the Integrity Agreement on behalf of the Corporation.

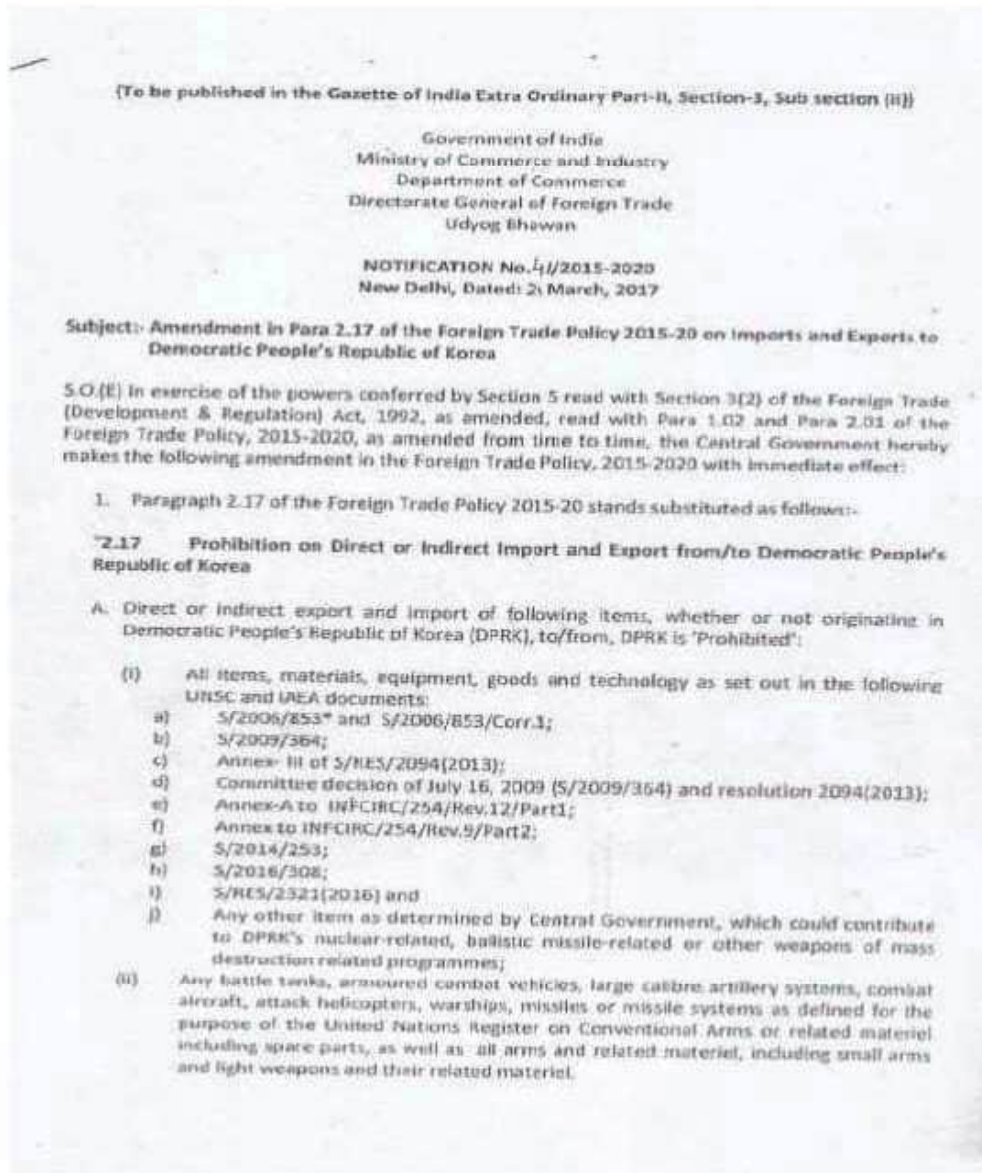
Yours faithfully,
For and behalf of thyssnekrupp Uhde India Pvt. Ltd.


Mr. Abhijeet Mithari
General Manager (Procurement)

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B. Direct or indirect export of following items to DPRK is 'Prohibited':

- (i) Luxury goods including, but not limited to, the items specified in Annex-IV of S/RES/2094(2013), Annex-IV of S/RES/2270(2016); and Annex-IV of S/RES/2321(2016);
- (ii) Aviation fuel, including aviation gasoline, naphtha-type jet fuel, kerosene-type jet fuel, and kerosene-type rocket fuel subject to the provisions of Paragraph 31 of UNSC Resolution 2270 (2016) and paragraph 20 of UNSC Resolution 2321 (2016); and
- (iii) New helicopters and vessels, except as approved in advance by the Committee on a case-by-case basis.

C. Direct or indirect import of following items, whether or not originating in Democratic People's Republic of Korea (DPRK), from DPRK is 'Prohibited':


- (i) Coal, iron, and iron ore, subject to the provisions of Paragraph 26 of UNSC Resolution 2321(2016);
- (ii) Gold, titanium ore, vanadium ore, and rare earth minerals;
- (iii) Statues, except as approved in advance by the Committee on a case-by-case basis; and
- (iv) Copper, nickel, silver and zinc.

Explanation:


- a) IAEA refers to the International Atomic Energy Agency;
- b) UNSC refers to the United Nations Security Council;
- c) Committee refers to "Committee" of the United Nations Security Council set up in terms of Paragraph 12 of the United Nations Security Council Resolution 1718 (2006) and Paragraph 39 of 2321(2016).

2. Effect of this notification:

This notification seeks to update the Foreign Trade Policy, 2015-2020 to account for current UN Security Council Resolutions concerning Democratic People's Republic of Korea (DPRK) up to Resolution 2321(2016) of 30th November 2016.


Ajay Kumar Bhalta
 Director General of Foreign Trade
 E-mail: dgft@nic.in

[Issued from File No. 01/91/180/991/AM07/PC-III/EC]

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Annexure – III to ITB


PURCHASE PREFERENCE (LINKED WITH LOCAL CONTENT) 2020 (PP-LC) – Amended

1 Preamble

- 1.1 *In tune with Make in India (MII) campaign in oil and gas sector, the Government has decided to incentivise the growth in local content in goods and services while implementing oil and gas projects in India, and*
- 1.2 *Whereas the Public procurement policy rests upon the core principles of competitiveness adhering to sound procurement practices and execution of orders for supply of goods or services in accordance with a system which is fair, equitable, transparent, competitive and cost effective, and*
- 1.3 *Whereas, the local content can be increased through partnerships, cooperation with local companies, establishing production units in India or Joint Ventures (JV) with Indian suppliers, increasing the participation of local employees in services and training them etc.*
- 1.4 *Whereas incentivising enhanced local content in the procurement of goods and/or services in oil and gas business activities would lead to increased local industry content;*
- 1.5 *Therefore, the Ministry of Petroleum and Natural Gas (MoPNG) has decided to stipulate the following policy for providing Purchase Preference to the manufacturers/ service providers having the capability of meeting/ exceeding the local content targets in oil and gas business activities;*
- 1.6 *This policy considers the Local Content (LC) as the added value brought to India through the activities of the oil and gas industry. This may be measured (by project, affiliate, and/or country aggregate) and undertaken through Workforce development and investments in supplier development through developing and procuring supplies and services locally.*

2 Definitions

- 2.1 *Oil and Gas Business Activity shall comprise of Upstream, Midstream and Downstream business activities.*
- 2.2 *Domestic products shall be goods and/or service (including design and engineering), produced by companies, investing and producing in India.*
- 2.3 *Local Content hereinafter abbreviated to LC means the amount of value added in India which shall, unless otherwise prescribed by the Nodal Ministry, be the total value of the item procured (excluding net domestic indirect taxes) minus the value of imported content in the item (including all customs duties) as a proportion of the total value, in percent.*
- 2.4 *Domestic Manufacturer shall be business entity or individual having business activity established under Indian law and producing products domestically.*
- 2.5 *Supplier of goods and / or provider of service shall be a business entity having capability of providing goods and / or service in accordance with the business line and qualification thereof and classified as under:*

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'Class-I local supplier' means a supplier or service provider, whose goods, services or works offered for procurement, has local content equal to or more than 50% as defined under this Policy.


'Class-II local supplier' means a supplier or service provider, whose goods, services or works offered for procurement, has local content more than 20% but less than 50%, as defined under this Policy.

'Non-local supplier' means a supplier or service provider, whose goods, services or works offered for procurement, has local content less than or equal to 20%, as defined under this Policy.

- 2.6 *Steering Committee means the committee to be constituted by MoPNG to provide effective guidance and to oversee the implementation of the Policy on a regular and continuing basis.*
- 2.7 *Verification shall be an activity to verify the accomplishment of LC by domestic manufacturers and/or suppliers of goods and/or providers of service with the data obtained or collected from respective business activities.*
- 2.8 *Purchase preference: Where the quoted price is within the margin of purchase preference of the lowest price, other things being equal, purchase preference may be granted to the bidder concerned, at the lowest valid price bid.*
- 2.9 *Local Content (LC) in Goods shall be the use of raw materials, design and engineering towards manufacturing, fabrication and finishing of work carried out within the country.*
- 2.10 *Local Content (LC) in Services shall be the use of services up to the final delivery by utilizing manpower (including specialist), working appliance (including software) and supporting facilities carried out within in the country.*
- 2.11 *Local Content (LC) in EPC contracts shall be the use of materials, design and engineering comprising of manufacturing, fabrication, assembly and finishing as well as the use of services by utilizing manpower (including specialist), working appliance (including software) and supporting facility up to the final delivery, carried out within the country.*
- 2.12 *Factory overhead cost shall be indirect costs of manpower, machine/working appliance/facility and the whole other fabrication costs needed to produce a unit of product with the cost not chargeable directly to specified product.*
- 2.13 *Company overhead cost shall be costs related to the marketing, administration and general affairs cost of the company.*
- 2.14 *Indian Company means a company formed and registered under the Companies Act, 2013.*
- 2.15 *Foreign company means any company or body corporate incorporated outside India which— (a) has a place of business in India whether by itself or through an agent, physically or through electronic mode; and (b) conducts any business activity in India in any other manner.*

3. Scope

- 3.1 *The regulation shall be intended to:*

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3.1.1 Support and boost the growth of domestic manufacturing sector so as to be able to support oil and natural gas business activities and contribute added value to economy, absorb manpower as well as have national, regional and international competitiveness.

3.1.2 Support and boost the growth of innovation/technology of domestic manufacturing sector.

3.2 This policy shall apply to all the Public Sector Undertakings and their wholly owned subsidiaries under the Ministry of Petroleum and Natural Gas; Joint Ventures that have 51% or more equity by one or more Public Sector Undertakings under the Ministry of Petroleum and Natural Gas; attached and subordinate offices of MoPNG.

3.3 This policy shall not include goods/ services falling under Micro Small and Medium Enterprises (MSME) or Domestically Manufactured Electronic Products (DMEP), as those products services are already covered under specific policy. However, an option would be given in the tender for the bidder to declare preference for seeking benefit under PP-LC/MSME or DMEP.

3.4 The policy is not applicable for HP-HT operations for the time being. The Charter Hiring of offshore vessels shall continue to be governed by DG, Shipping Guidelines. Indian Flag Vessels shall be considered as having 100% LC.

3.5 The prescribed local content in the Policy shall be applicable on the date of Notice inviting Tender.

4. Procurement

4.1 The procuring companies shall follow their own procurement procedures. Aggregation of annual requirements and such other procurement practices, which facilitate the implementation of this policy, may be adopted by procuring companies.


4.2 In respect of Global Tender Enquiry (GTE) the guidelines as issued by Government of India from time to time shall be applicable on the procuring entities.

4.3 Margin of Purchase preference: The margin of purchase preference shall be 20%.

4.4 (a) In respect of all goods, services or works in respect of which the Nodal Ministry/ Department under DPIIT's Public Procurement (Preference to Make in India) Order, 2020 (Amended) has communicated that there is sufficient local capacity and local competition, only Class-I local supplier shall be eligible to bid irrespective of purchase value.

4.4 (b) For all other local tenders, Class-I local supplier and Class-II local supplier shall be eligible to bid irrespective of purchase value, but preference to be given as per PP-LC to the Class-I local supplier.

4.4 (c) Only Class-I local supplier and Class-II local supplier, as defined under the Order, shall be eligible to bid in procurements undertaken by procuring entities, except when Global tender enquiry has been issued. In global tender enquiries, Non-local suppliers shall also be eligible to bid along with Class-I local suppliers and Class-II local suppliers.

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4.4 (d) *Class-II local Supplier will not get purchase preference in any procurement, undertaken by procuring entities.*

4.5 *In National Competitive Bid procurements of all items not covered by para 4.4 (a) and where the estimated value to be procured i.e. total value of enquiry/ tender, is less than Rs. 1 Crore shall be exempt from this Policy. In case of International Competitive Bids, the policy shall be applicable irrespective/e of the tender estimate. However, it shall be ensured by procuring entities that procurement is not split for the purpose of avoiding the provisions of this Policy.*

4.6 *The producers of goods and/or providers of services shall be obliged to fulfil the requirements of quality and delivery time in accordance with the provisions of the respective contracts of goods and services.*

4.7 *If the Ministry is satisfied that Indian suppliers of an item are not allowed to participate and/or compete in procurement by any foreign government, it may, if it deems appropriate, restrict or exclude bidders from that country from eligibility for procurement of that item and/or other items relating to the Ministry.*

4.8 *For the purpose of para 4.7 above, a supplier or bidder shall be considered to be from a country if (i) the entity is incorporated in that country, or (ii) a majority of its shareholding or effective control of the entity is exercised from that country, or (iii) more than 50% of the value of the item being supplied has been added in that country. Indian suppliers shall mean those entities which meets any of these tests with respect to India.*

5. Purchase Preference- Linked with Local Content (LC)

5.1 *In procurement of all items not covered by para 4.4 (a), the following provisions may be considered for LC linked Purchase Preference:*


5.1.1 *The manufacturers/ service providers having the capability of meeting/ exceeding the local content targets shall be eligible for purchase preference under the policy, i.e. LC manufacturers/ LC service providers respectively as described below.*

5.1.2 *Wherever the goods/ services are procured under this policy, eligible (techno- commercially qualified) Class I Local supplier may be granted a purchase preference where the quoted price is within the margin of purchase preference of the lowest price, other things being equal, purchase preference may be granted to the eligible (techno-commercially qualified) Class I Local supplier concerned, at the lowest valid price bid*

5.1.3 *Goods: The tender for procuring goods would specify that the contract for 50% of the procured quantity would be awarded to the lowest techno-commercially qualified Class I Local supplier, subject to matching with L1, if such bidders are available. The remaining will be awarded to L1.*

5.1.3.1 *However, if L1 bidder happens to be a Class I Local supplier, the entire procurement value shall be awarded to such bidder;*

5.1.3.2 *If in the opinion of the procuring company, the tenders (procured quantity) cannot be divided in the prescribed ratio of 50:50, then they shall have the right to award contract to the eligible Class I Local supplier for quantity not less than 50%, as may be divisible.*

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5.1.3.3 *In continuation to 5.1.3.2 above, if the tendered item is non divisible, (to be included in the tender document by procuring company) the contract can be awarded to the eligible Class I Local supplier for the entire quantity.*

5.1.4 *Services/ EPC Contracts: The tender for oil and gas services/ EPC contracts shall not normally be split. For such procurement the tender would specify that the entire contract would be awarded to the lowest techno-commercially qualified Class I Local supplier, subject to matching with L1, if such bidders are available. However, tender for certain oil & gas services can normally be split, in such cases, splitting shall be allowed and specified in tender document. Such services shall follow the procedure outlined for goods as described in para 5.1.3. The procuring company should clearly specify in the tender document whether the tender shall be split or not.*

5.1.5 *For para 5.1.3 and 5.1.4 above, only those LC manufacturers/ service providers whose bids are within the margin of purchase preference would be allowed an opportunity to match L1 bid.*

5.1.6 *The tender conditions would ensure that local content in oil & gas products is encouraged. However, the procuring company may incorporate such stipulations as may be considered necessary to satisfy themselves of the production capability and product quality of the manufacturer.*

5.1.7 *The procedure for award under the policy is at Enclosure-I.*

6. Determination of LC

6.1 LC of goods

6.1.1 *LC of goods shall be computed on the basis of the cost of domestic components in goods, compared to the whole cost of product.*

6.1.2 *The criteria for determination of the local content cost in the goods shall be as follows:*

- a) *in the case of direct component (material), based on country of origin;*
- b) *in the case of manpower, based On INR component.*

6.1.3 *The calculation of LC of the combination of several kinds of goods shall be based on the ratio of the sum of the multiplication of LC of each of the goods with the acquisition price of each goods to the price of the combination of goods.*

6.2 LC of service


6.2.1 *LC of Service shall be calculated on the basis of the ratio of service cost of domestic component in service to the total cost of service.*

6.2.2 *The total cost of service shall be constituted of the cost spent for rendering of service, covering:*

- a) *Cost of component (material) which is used;*
- b) *Manpower and consultant cost; cost of working equipment/ facility; and*
- c) *General Service Cost.*

6.2.3 *The criteria for determination of cost of local content in the service shall be as follows'*

- a) *in the case of material being used to help the provision of service, based on country of origin;*

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- b) *in the case of manpower and consultant based on INR component of the services contract;*
- c) *in the case of working equipment/facility, based on country of origin; and*
- d) *in the case of general service cost, based on the criteria as mentioned in clauses a, b, and c above.*
- e) *Indian flag vessels in operation as on date.*

6.3 LC of the EPC Contracts:

- 6.3.1 *LC of EPC contracts shall be the ratio of the whole cost of domestic components in the combination of goods and services to the whole combined cost of goods and services.*
- 6.3.2 *The whole combined cost of goods and services shall be the cost spent to produce the combination of goods and services, which is incurred on work site. LC of the combination of goods and services shall be counted in every activity of the combination work of goods and services.*
- 6.3.3 *The spent cost as mentioned in paragraph 6.3.2 shall include production cost in the calculation of LC of goods as mentioned in clause 6.1.1 and service cost in the calculation of LC of services as mentioned in clause 6.2.2.*

6.4 Calculation of LC and Reporting

LC shall be calculated on the basis of verifiable data. In the case of data used in the calculation of LC being not verifiable, the value of LC of the said component shall be treated as nil.


7 Certification and Verification

- 7.1 *Class I / Class II Local suppliers are eligible to bid only if they meet the local content norms, therefore whether or not they want to avail PP-LC benefit, it will still be mandatory for them to give adequate documentation as follows to establish their status as class-I or class-II local supplier:*

7.1.2 At bidding stage:

Price Break-up:

- *The bidder shall provide the percentage of local content in the bid.*
- *The bidder shall submit an undertaking from the authorised signatory of bidder having the power of Attorney along with the bid stating the bidder meets the mandatory minimum LC requirement and such undertaking shall become a part of the contract.*
- *In cases of procurement for a value in excess of Rs 10 crores, the undertaking submitted by the bidder shall be supported by a certificate from the statutory auditor or cost auditor of the company (in case of companies) or from a practicing cost accountant or practising chartered accountant (in respect of other than companies) giving the percentage of local content.*

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- *However, in case of foreign bidder, certificate from the statutory auditor or cost auditor of their own office or subsidiary in India giving the percentage of local content is also acceptable. In case office or subsidiary in India does not exist or Indian office/ subsidiary is not required to appoint statutory auditor or cost auditor, certificate from practising cost accountant or practising chartered accountant giving the percentage of local content is also acceptable.*

7.1.3 After Contract Award:

- *The bidder shall submit an undertaking from the authorised signatory of bidder having the power of Attorney along with the bid stating the bidder meets the mandatory minimum LC requirement and such undertaking shall become a part of the contract.*
- *In cases of procurement for a value in excess of Rs 10 crores, the undertaking submitted by the bidder shall be supported by a certificate from the statutory auditor or cost auditor of the company (in case of companies) or from a practicing cost accountant or practising chartered accountant (in respect of other than companies) giving the percentage of local content.*
- *However, in case of foreign bidder, certificate from the statutory auditor or cost auditor of their own office or subsidiary in India giving the percentage of local content is also acceptable. In case office or subsidiary in India does not exist or Indian office/ subsidiary is not required to appoint statutory auditor or cost auditor, certificate from practising cost accountant or practising chartered accountant giving the percentage of local content is also acceptable.*

7.2 *Each supplier shall provide the necessary local-content documentation to the statutory auditor, which 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 good or service measured. The Auditor shall keep all necessary information obtained from suppliers for measurement of Local Content confidential.*


7.3 *The Local Content certificate shall be submitted along with each invoice raised. However, the % of local content may vary with each invoice while maintaining the overall % of local content for the total work/purchase of the pro-rata local content requirement. In case, it is not satisfied cumulatively in the invoices raised up to that stage, the supplier shall indicate how the local content requirement would be met in the subsequent stages.*

As regards cases where currency quoted by the bidder is other than Indian Rupee, exchange rate prevailing on the date of notice inviting tender (NIT) shall be considered for the calculation of Local Content.

7.5 *The Procuring Company shall also have the authority to audit as well as witness production processes to certify the achievement of the requisite local content.*

8 Governance and Supervision

8.1 *A Steering Committee will be constituted by MoPNG to provide effective guidance and to oversee the effective implementation of the Policy including review and amendments required therein.*

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The Steering Committee may consider representations on target Local Content in goods, services and EPC and modify the policy accordingly.

- 8.2 *The Steering Committee shall annually conduct a review of the policy implementation which shall specifically cover the issue of whether there has been adequate competition, and whether the policy has resulted in any reduction in competition/ exclusion of non-local bidders or any cost increase to the purchasing PSU, particularly in respect of services & works contracts.*

9 Sanctions

- 9.1 *The Procuring companies shall impose sanction on manufacturers/ service providers not fulfilling LC of goods/ services in accordance with the value mentioned in certificate of LC.*

- 9.2 *The sanctions may be in the form of written warning, financial penalty and blacklisting.*

- 9.3 *In the event that a manufacturer or supplier of goods and/or provider of services does not fulfil his obligation after the expiration of the period specified in such warning, the procuring company can initiate action for blacklisting such manufacturer/supplier/service provider.*

- 9.4 *A manufacturer and/or supplier of goods and/or provider of services who has been awarded the contract after availing Purchase Preference is found to have violated the LC provision, in the execution of the procurement contract of goods and/or services shall be subject to financial penalty specified in clause 9.4.1.*

- 9.4.1 *The financial penalty shall be over and above the PBG value prescribed in the contract and shall not be more than an amount equal to 10% of the Contract Price*

10. *Clarification on Goods/ Services: Any issue regarding the coverage of a particular good/ service under the proposed policy would be referred to the Steering Committee for clarification*

11. *Powers to grant exemption and to reduce minimum local content: Wherever proper justification exists, Ministry of Petroleum and Natural Gas may by written order, for reasons to be recorded in writing,*


a) *Reduce the minimum local content below the prescribed level; or*

b) *Reduce the margin of purchase preference below 20%; or*

c) *Exempt any particular item or supplying entities from the operation of this Order or any part of the Order.*

12. *Time Period: The Policy shall be applicable for 5 years. Except for 2017-18, the Policy shall not be continued unless, the Steering Committee by September 30th of each year, concludes a review as per para 8.2 of the Policy and recommends continuation of the Purchase Preference.*

13. *The bidder shall submit an undertaking from the authorized signatory of bidder having the power of attorney along with bid stating the bidder meets the mandatory minimum LC requirement and such undertaking shall become a part of the contract.*


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Enclosure-I

PROCEDURE FOR AWARD OF CONTRACTS

Procedure for award of contracts under this policy shall be as follows:

- 1.1. *In procurement of all items which are divisible in nature, the 'Class I local supplier' shall get purchase preference over 'Class II local supplier' as well as 'Non Local Supplier' as per following procedure:*
 - i. *Among all qualified bids, the lowest bid will be termed as L1. If L1 is 'Class I local supplier', the contract for full quantity will be awarded to L1.*
 - ii. *If L1 bid is not a 'Class I local supplier', 50% of the order quantity shall be awarded to L1. Thereafter, lowest bidder among the 'Class I Local supplier' will be invited to match the L1 price for the remaining 50% quantity subject to the Class I local supplier's quoted price falling within the margin of purchase preference, and contract for that quantity shall be awarded to such Class I local supplier' subject to matching the L1 price. In case such lowest eligible Class I local supplier' fails to match the L1 price or accepts less than the offered quantity, the next higher 'Class I local supplier within the margin of purchase preference shall be invited to match the L1 price for remaining quantity and so on, and contract shall be awarded accordingly. In case some quantity is still left uncovered on Class I local suppliers, then such balance quantity may also be ordered on the L1 bidder.*
- 1.2. *In the procurement of all items which are not divisible in nature and in procurement of services where the bid is evaluated on price alone, the 'Class-I local supplier' shall get purchase preference over 'Class-II local supplier' as well as 'Non-local supplier', as per following procedure:*
 - i. *Among all qualified bids the lowest bid will be termed as L1. If L1 is 'Class-I local supplier', the contract will be awarded to L1*
 - ii. *If L1 is not 'Class-I local supplier' the lowest bidder among the Class-I local supplier', will be invited to match the L1 price subject to Class-I local supplier's quoted price falling within the margin of purchase preference, and the contract shall be awarded to such 'Class-I local supplier' subject to matching the L1 price.*
 - iii. *In case such lowest eligible 'Class-I local supplier' fails to match the L1 price, the Class-I local supplier' with the next higher bid within the margin of purchase preference shall be invited to match the L1 price and so on and contract shall be awarded accordingly. In case none of the Class-I local supplier' within the margin of purchase preference matches the L1 price, the contract may be awarded to the L1 bidder.*

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PP-LC Policy 2021

Resolution of conflict between bidders opting for PP-LC and PPP-2012 preference
In case a bidder opts for purchase preference based on PP-LC, the bidder shall not be entitled to claim purchase preference benefit available to MSE Bidders as applicable for MSE bidders under PPP-2012.

While evaluating a particular bid, bidder's option (to avail any one out of two applicable purchase preference policies, i.e., PP-LC-2017 or PPP-2012) will be considered, for price matching opportunities and distribution of quantities among bidders, the precedence shall be in the following order:-

- i. PPP-2012
- ii. PP-LC

Scenarios

A) **Scenarios -1 to 3 are applicable for all Global tenders, Domestic tenders (Rs. 1 Crore and above) and excluding tenders for items covered in Cl 4.4 a of the policy.**

Scenario - 1

L1 bidder is non MSE, non PP-LC bidder

L2 bidder is PP-LC (within 20%)

L3 bidder is MSE (within 15%) whether Class I or Class II (qualification in case of bidding against cl 4.4 a items shall apply as usual)

(1) Non divisible item

MSE bidder shall be given preference to match the L1 price. If 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).

(2) Divisible item

If MSE and PP-LC bidders match the L1 price, 25% and 50% of the tendered quantity shall be ordered respectively on the MSE and PP-LC bidders and balance 25% of the tendered quantity shall be awarded to original L1 bidder.

Scenario - 2

L1 bidder is PP-LC

L2 bidder is MSE (within 15%) whether a Class I or Class II Bidder (qualification in case of bidding against cl 4.4 a items shall apply as usual)

(1) Non divisible item

MSE bidder shall be given preference to match the L1 price. If bidder matches the L1 price, order shall be placed on him, otherwise the order shall be placed on PP-LC bidder.

(2) Divisible item

If MSE matches the L1 price, 25% and 75% of the tendered quantity shall be ordered respectively on the MSE and PP-LC bidders.

Scenario - 3

If L1 bidder is MSE, the entire order shall be awarded to him.

B) For tenders floated for items covered under clause 4.4 a of the policy

Benefit shall be given to MSE bidder (who qualifies to bid as per Cl 4.4 a of the PP-LC policy) in accordance with the PPP-2012

No. P-45021/2/2017-PP (BE-II)-Part(4)Vol.II
Government of India
Ministry of Commerce and Industry
Department for Promotion of Industry and Internal Trade
(Public Procurement Section)

Vaniya Bhawan, New Delhi
Dated: 19 July, 2024

To

All Central Ministries/Departments/CPSUs/All concerned

ORDER

**Subject: Public Procurement (Preference to Make in India), Order 2017-
Revision; regarding.**

Department for Promotion of Industry and Internal Trade, in partial modification [Paras 2, 3, 5, 10 & 13] of Order No.P-45021/2/2017-B.E.-II dated 15.6.2017 as amended by Order No.P-45021/2/2017-B.E.-II dated 28.05.2018, Order No.P-45021/2/2017-B.E.-II dated 29.05.2019, Order No.P-45021/2/2017-B.E.-II dated 04.06.2020 and Order No.P-45021/2/2017-B.E.-II dated 16.09.2020 hereby issues the revised 'Public Procurement (Preference to Make in India), Order 2017' dated 19.07.2024 effective with immediate effect.

Whereas it is the policy of the Government of India to encourage 'Make in India' and promote manufacturing and production of goods and services in India with a view to enhancing income and employment, and

Whereas procurement by the Government is substantial in amount and can contribute towards this policy objective, and

Whereas local content can be increased through partnerships, cooperation with local companies, establishing production units in India or Joint Ventures (JV) with Indian suppliers, increasing the participation of local employees in services and training them,

Now therefore the following Order is issued:

1. This Order is issued pursuant to Rule 153 (iii) of the General Financial Rules 2017.
2. **Definitions:** For the purposes of this Order:
'Local content' means the amount of value added in India which shall, unless otherwise prescribed by the Nodal Ministry, be the total value of the item procured (excluding net domestic indirect taxes) minus the value of imported content in the item (including all customs duties) as a proportion of the total value, in percent.

Explanatory notes for calculation of local content given above

- a. Imported items sourced locally from resellers/distributors shall be excluded from calculation of local content.
- b. The license fees/royalties paid/ technical charges paid out of India shall be excluded from local content calculation.

- c. Procurement/Supply of repackaged/refurbished/rebranded imported products as understood commonly shall be treated as reselling of imported products and shall be excluded from calculation of local content. The definition of repackaged/refurbished/rebranded imported products is as follows;

'Refurbishing' means repair or reconditioning of an imported product does not amount to manufacture because no new goods come into existence.

'Repackaging' means repacking of imported goods from bulk pack to smaller packs would not ordinarily amount to manufacture of a new item.

'Rebranding' means relabeling or renaming or change in symbol or logo/makes or corporate image of a company/organization/ firm for an imported product would amount to rebranding.

- d. To ensure that imported items sourced locally from resellers/distributors are excluded from calculation of local content, procuring entities to obtain from bidders, the cost of such locally-sourced imported items (Inclusive of taxes) along with break-up on license/royalties paid/technical expertise cost etc. sourced from outside India. For items sold by bidder as reseller, OEM certificate for country of origin to be submitted.
- e. For contracts involving supply of multiple items, weighted average of all items to be taken while calculating the local content.

'Class-I local supplier' means a supplier or service provider, whose goods, services or works offered for procurement, meets the minimum local content as prescribed for 'Class-I local supplier' under this Order.

'Class-II local supplier' means a supplier or service provider, whose goods, services or works offered for procurement, meets the minimum local content as prescribed for 'Class-II local supplier' but less than that prescribed for 'Class-I local supplier' under this Order.

'Non - Local supplier' means a supplier or service provider, whose goods, services or works offered for procurement, has local content less than that prescribed for 'Class-II local supplier' under this Order.

'L1' means the lowest tender or lowest bid or the lowest quotation received in a tender, bidding process or other procurement solicitation as adjudged in the evaluation process as per the tender or other procurement solicitation.

'Margin of purchase preference' means the maximum extent to which the price quoted by a "Class-I local supplier" may be above the L1 for the purpose of purchase preference.

'Nodal Ministry' means the Ministry or Department identified pursuant to this order in respect of a particular item of goods or services or works.

'Procuring entity' means a Ministry or department or attached or subordinate office of, or autonomous body controlled by, the Government of India and includes Government companies as defined in the Companies Act.

'Works' means all works as per Rule 130 of GFR- 2017, and will also include 'turnkey works'.

2A. Special treatment for items covered under PLI Scheme

The manufacturers manufacturing an item under PLI scheme shall be treated as deemed Class II local supplier for that item unless they have minimum local content equal to or higher than that notified for Class-I local supplier for that item, provided the manufacturer has received incentive from the concerned PLI Ministry for the item. The above shall be applicable for the specific time period only, as notified by concerned PLI Ministry.

3. Eligibility of 'Class-I local supplier'/ 'Class-II local supplier'/ 'Non-local suppliers' for different types of procurement

(a) In procurement of all goods, services or works in respect of which the Nodal Ministry / Department has communicated that there is sufficient local capacity and local competition, only 'Class-I local supplier', as defined under the Order, shall be eligible to bid irrespective of purchase value.

(b) Only 'Class-I local supplier' and 'Class-II local supplier', as defined under the Order, shall be eligible to bid in procurement undertaken by procuring entities, except when Global tender enquiry has been issued. In global tender enquiries, 'Non-local suppliers' shall also be eligible to bid along with 'Class-I local suppliers' and 'Class-II local suppliers'. In procurement of all goods, services or works, not covered by sub-para 3(a) above, and with estimated value of purchases less than Rs. 200 Crore, in accordance with Rule 161(iv) of GFR, 2017, Global tender enquiry shall not be issued except with the approval of competent authority as designated by Department of Expenditure.

(c) For the purpose of this Order, works includes Engineering, Procurement and Construction (EPC) contracts and services include System Integrator (SI) contracts.

3.1 Mandatory sourcing of items, with sufficient local capacity and competition, from Class-I local suppliers in SI/EPC/Turnkey Contracts/Service Tenders

a. The items, notified as having sufficient local capacity and competition, shall mandatory be sourced from Class-I local suppliers in SI/EPC/Turnkey Contracts/ Services tenders. This provision will be applicable only for those items which have been notified by the Nodal Ministry as Class I i.e. having sufficient local capacity and competition, with specific HSN codes."

b. Notwithstanding above, if in any project, it is considered that it is not practically feasible to source such items from Class I local suppliers, it may take relaxation from such stipulation with the approval of Secretary of the administrative Ministry/ Department concerned or with the approval of the Competent Authority specified by the Administrative Ministry/Department, on case-specific basis.

3A. Purchase Preference

(a) Subject to the provisions of this Order and to any specific instructions issued by the Nodal Ministry or in pursuance of this Order, purchase preference shall be given to 'Class-I local supplier' in procurement undertaken by procuring entities in the manner specified here under.

(b) In the procurement of goods or works, which are covered by para 3(b)



above and which are divisible in nature, the 'Class-I local supplier' shall get purchase preference over 'Class-II local supplier' as well as 'Non-local supplier', as per following procedure:

- i. Among all qualified bids, the lowest bid will be termed as L1. If L1 is 'Class-I local supplier', the contract for full quantity will be awarded to L1.
 - ii. If L1 bid is not a 'Class-I local supplier', 50% of the order quantity shall be awarded to L1. Thereafter, the lowest bidder among the 'Class-I local supplier' will be invited to match the L1 price for the remaining 50% quantity subject to the Class-I local supplier's quoted price falling within the margin of purchase preference, and contract for that quantity shall be awarded to such 'Class-I local supplier' subject to matching the L1 price. In case such lowest eligible 'Class-I local supplier' fails to match the L1 price or accepts less than the offered quantity, the next higher 'Class-I local supplier' within the margin of purchase preference shall be invited to match the L1 price for remaining quantity and so on, and contract shall be awarded accordingly. In case some quantity is still left uncovered on Class-I local suppliers, then such balance quantity may also be ordered on the L1 bidder.
- (c) In the procurement of goods or works, which are covered by para 3(b) above and which are not divisible in nature, and in procurement of services where the bid is evaluated on price alone, the 'Class-I local supplier' shall get purchase preference over 'Class-II local supplier' as well as 'Non-local supplier', as per following procedure:
- i. Among all qualified bids, the lowest bid will be termed as L1. If L1 is Class -I local supplier', the contract will be awarded to L1.
 - ii. If L1 is not 'Class-I local supplier', the lowest bidder among the 'Class-I local supplier', will be invited to match the L1 price subject to Class-I local supplier's quoted price falling within the margin of purchase preference, and the contract shall be awarded to such 'Class-I local supplier' subject to matching the L1 price.
 - iii. In case such lowest eligible 'Class-I local supplier' fails to match the L1 price, the 'Class-I local supplier' with the next higher bid within the margin of purchase preference shall be invited to match the L1 price and so on and contract shall be awarded accordingly. In case none of the 'Class-I local supplier' within the margin of purchase preference matches the L1 price, the contract may be awarded to the L1 bidder.
- (d) "Class-II local supplier" will not get purchase preference in any procurement, undertaken by procuring entities.

3B. Applicability in tenders where contract is to be awarded to multiple bidders- In tenders where contract is awarded to multiple bidders subject to matching of L1 rates or otherwise, the 'Class-I local supplier' shall get purchase preference over 'Class-II local supplier' as well as 'Non-local supplier', as per following procedure:

- a. In case there is sufficient local capacity and competition for the item to be procured, as notified by the nodal Ministry, only Class I local suppliers shall be eligible to bid. As such, the multiple suppliers, who would be awarded the contract, should be all and only 'Class I Local suppliers'.
- b. In other cases, 'Class II local suppliers' and 'Non local suppliers' may also participate in the bidding process along with 'Class I Local suppliers' as per provisions of this Order.
- c. If 'Class I Local suppliers' qualify for award of contract for at least

50% of the tendered quantity in any tender, the contract may be awarded to all the qualified bidders as per award criteria stipulated in the bid documents. However, in case 'Class I Local suppliers' do not qualify for award of contract for at least 50% of the tendered quantity, purchase preference should be given to the 'Class I local supplier' over 'Class II local suppliers'/ 'Non local suppliers' provided that their quoted rate falls within 20% margin of purchase preference of the highest quoted bidder considered for award of contract so as to ensure that the 'Class I Local suppliers' taken in totality are considered for award of contract for at least 50% of the tendered quantity.

- d. First purchase preference has to be given to the lowest quoting 'Class-I local supplier', whose quoted rates fall within 20% margin of purchase preference, subject to its meeting the prescribed criteria for award of contract as also the constraint of maximum quantity that can be sourced from any single supplier. If the lowest quoting 'Class-I local supplier', does not qualify for purchase preference because of aforesaid constraints or does not accept the offered quantity, an opportunity may be given to next higher 'Class-I local supplier', falling within 20% margin of purchase preference, and so on.
 - e. To avoid any ambiguity during bid evaluation process, the procuring entities may stipulate its own tender specific criteria for award of contract amongst different bidders including the procedure for purchase preference to 'Class-I local supplier' within the broad policy guidelines stipulated in sub- paras above.
4. **Exemption of small purchases:** Notwithstanding anything contained in paragraph 3, procurement where the estimated value to be procured is less than Rs. 5 lakhs shall be exempt from this Order. However, it shall be ensured by procuring entities that procurement is not split for the purpose of avoiding the provisions of this Order.
- 4A. Exemption in sourcing of spares and consumables of closed systems:**
- Procurement of spare parts, consumables for closed systems and Maintenance/ Service contracts with Original Equipment Manufacturer/Original Equipment Supplier/Original Part Manufacturer shall be exempted from this Order.
5. **Minimum local content:** The 'local content' requirement to categorize a supplier as 'Class-I local supplier' is minimum 50%. For 'Class-II local supplier', the 'local content' requirement is minimum 20%. Nodal Ministry/ Department may prescribe only a higher percentage of minimum local content requirement to categorize a supplier as 'Class-I local supplier'/ 'Class- II local supplier'. For the items, for which Nodal Ministry/ Department has not prescribed higher minimum local content notification under the Order, it shall be 50% and 20% for 'Class-I local supplier'/ 'Class-II local supplier' respectively.
 6. **Margin of Purchase Preference:** The margin of purchase preference shall be 20%.
 7. **Requirement for specification in advance:** The minimum local content, the margin of purchase preference and the procedure for preference to Make in India shall be specified in the notice inviting tenders or other form of procurement solicitation and shall not be varied during a particular procurement transaction.
 8. **Government E-marketplace:** In respect of procurement through the Government E-marketplace (GeM) shall, as far as possible, specifically mark the items which meet the minimum local content while registering the item for

display, and shall, wherever feasible, make provision for automated comparison with purchase preference and without purchase preference and for obtaining consent of the local supplier in those cases where purchase preference is to be exercised.

9. Verification of local content:

- a. The 'Class-I local supplier'/ 'Class-II local supplier' at the time of tender, bidding or solicitation shall be required to indicate percentage of local content and provide self-certification that the item offered meets the local content requirement for 'Class-I local supplier'/ 'Class-II local supplier', as the case may be. They shall also give details of the location(s) at which the local value addition is made.
- b. In cases of procurement for a value in excess of Rs. 10 crores, the 'Class-I local supplier'/ 'Class-II local supplier' shall be required to provide a certificate from the statutory auditor or cost auditor of the company (in the case of companies) or from a practicing cost accountant or practicing chartered accountant (in respect of suppliers other than companies) giving the percentage of local content.
- c. The bidder shall give self-certification for local content in the quoted item (goods/works/services) at the time of tendering. However, at the time of execution of the project, for all contracts above INR 10 Crore, the contractor/ supplier shall be required to give local content certification duly certified by cost/ chartered accountant in practice. For cases where it is not possible to provide certification by Cost/Chartered Accountant at the time of execution of project, the supplier shall be permitted to provide the certificate for local content from Cost/ Chartered Accountant after completion of the contract, within time limit acceptable to the procuring entity. In case the contractor/ supplier does not meet the stipulated local content requirement and the category of the supplier changes from Class-I to Class-II/ Non-local or from Class-II to Non-local, a penalty upto 10% of the contract value may be imposed. However, contract once awarded shall not be terminated on this account.
- d. Decisions on complaints relating to implementation of this Order shall be taken by the competent authority which is empowered to look into procurement-related complaints relating to the procuring entity.
- e. Nodal Ministries may constitute committees with internal and external experts for independent verification of self-declarations and auditor's/ accountant's certificates on random basis and in the case of complaints.
- f. Nodal Ministries and procuring entities may prescribe fees for such complaints.
- g. False declarations will be in breach of the Code of Integrity under Rule 175(1)(i)(h) of the General Financial Rules for which a bidder or its successors can be debarred for up to two years as per Rule 151 (iii) of the General Financial Rules along with such other actions as may be permissible under law.
- h. A supplier who has been debarred by any procuring entity for violation of this Order shall not be eligible for preference under this Order for procurement by any other procuring entity for the duration of the debarment. The debarment for such other procuring entities shall take effect prospectively from the date on which it comes to the notice of other procurement entities, in the manner prescribed under paragraph 9

- i below.
- I. The Department of Expenditure shall issue suitable instructions for the effective and smooth operation of this process, so that:
 - i. The fact and duration of debarment for violation of this Order by any procuring entity are promptly brought to the notice of the Member-Convenor of the Standing Committee and the Department of Expenditure through the concerned Ministry /Department or in some other manner;
 - ii. On a periodical basis such cases are consolidated and a centralized list or decentralized lists of such suppliers with the period of debarment is maintained and displayed on website(s);
 - iii. In respect of procuring entities other than the one which has carried out the debarment, the debarment takes effect prospectively from the date of uploading on the website(s) in the such a manner that ongoing procurement are not disrupted.

10. Specifications in Tenders and other procurement solicitations:

- a. Every procuring entity shall ensure that the eligibility conditions in respect of previous experience fixed in any tender or solicitation do not require proof of supply in other countries or proof of exports.
- b. Procuring entities shall endeavour to see that eligibility conditions, including on matters like turnover, production capability and financial strength do not result in unreasonable exclusion of 'Class-I local supplier'/ 'Class-II local supplier' who would otherwise be eligible, beyond what is essential for ensuring quality or creditworthiness of the supplier.
- c. Procuring entities shall, within 2 months of the issue of this Order review all existing eligibility norms and conditions with reference to sub-paragraphs 'a' and 'b' above.
- d. Reciprocity Clause**
 - i. When a Nodal Ministry/Department identifies that Indian suppliers of an item are not allowed to participate and/ or compete in procurement by any foreign government, due to restrictive tender conditions which have direct or indirect effect of barring Indian companies such as registration in the procuring country, execution of projects of specific value in the procuring country etc., it shall provide such details to all its procuring entities including CMDs/CEOs of PSEs/PSUs, State Governments and other procurement agencies under their administrative control and GeM for appropriate reciprocal action.
 - ii. Entities of countries which have been identified by the nodal Ministry/Department as not allowing Indian companies to participate in their Government procurement for any item related to that nodal Ministry shall not be allowed to participate in Government procurement in India for all items related to that nodal Ministry/ Department, except for the list of items published by the Ministry/ Department permitting their participation.
 - iii. The stipulation in (ii) above shall be part of all tenders invited by the Central Government procuring entities stated in (i) above. All purchases on GeM shall also necessarily have the above provisions for items identified by nodal Ministry/ Department.
 - iv. State Governments should be encouraged to incorporate similar provisions in their respective tenders.
 - v. The term 'entity' of a country shall have the same meaning as under the FDI Policy of DPIIT as amended from time to time.
- e. Specifying foreign certifications/ unreasonable technical specifications/



brands/ models in the bid document is restrictive and discriminatory practice against local suppliers. If foreign certification is required to be stipulated because of non-availability of Indian Standards and/or for any other reason, the same shall be done only after written approval of Secretary of the Department concerned or any other Authority having been designated such power by the Secretary of the Department concerned.

- f. "All administrative Ministries/Departments whose procurement exceeds Rs. 1000 Crore per annum shall notify/update their procurement projections every year, including those of the PSEs/PSUs, for the next 5 years on their respective website."

10A. Action for non-compliance of the Provisions of the Order: In case restrictive or discriminatory conditions against domestic suppliers are included in bid documents, an inquiry shall be conducted by the Administrative Department undertaking the procurement (including procurement by any entity under its administrative control) to fix responsibility for the same. Thereafter, appropriate action, administrative or otherwise, shall be taken against erring officials of procurement entities under relevant provisions. Intimation on all such actions shall be sent to the Standing Committee.

11. **Assessment of supply base by Nodal Ministries:** The Nodal Ministry shall keep in view the domestic manufacturing / supply base and assess the available capacity and the extent of local competition while identifying items and prescribing the higher minimum local content or the manner of its calculation, with a view to avoiding cost increase from the operation of this Order.
12. **Increase in minimum local content:** The Nodal Ministry may annually review the local content requirements with a view to increasing them, subject to availability of sufficient local competition with adequate quality.
13. **Manufacture under license/ technology collaboration agreements with phased indigenization:** While notifying the minimum local content, Nodal Ministries may make special provisions for exempting suppliers from meeting the stipulated local content if the product is being manufactured in India under a license from a foreign manufacturer who holds intellectual property rights and where there is a technology collaboration agreement / transfer of technology agreement for indigenous manufacture of a product developed abroad with clear phasing of increase in local content.

13A. In procurement of all goods, services or works in respect of which there is substantial quantity of public procurement and for which the nodal ministry has not notified that there is sufficient local capacity and local competition, the concerned nodal ministry shall notify an upper threshold value of procurement beyond which foreign companies shall enter into a joint venture with an Indian company to participate in the tender. Procuring entities, while procuring such items beyond the notified threshold value, shall prescribe in their respective tenders that foreign companies may enter into a joint venture with an Indian company to participate in the tender. The procuring Ministries/Departments shall also make special provisions for exempting such joint ventures from meeting the stipulated minimum local content requirement, which shall be increased in a phased manner.

14. **Powers to grant exemption and to reduce minimum local content:** The administrative Department undertaking the procurement (including

procurement by any entity under its administrative control), with the approval of their Minister-in-charge, may by written order, for reasons to be recorded in writing,

- a. reduce the minimum local content below the prescribed level; or
- b. reduce the margin of purchase preference below 20%; or
- c. exempt any particular item or supplying entities from the operation of this Order or any part of the Order.

The Administrative Department, while seeking exemption under this para, shall certify that such an item(s) has not been notified by Nodal Ministry/ Department concerned under para 3 (a) of the Order.

A copy of every such order shall be provided to the Standing Committee and concerned Nodal Ministry / Department. The Nodal Ministry / Department concerned will continue to have the power to vary its notification on Minimum Local Content.

15. **Directions to Government companies:** In respect of Government companies and other procuring entities not governed by the General Financial Rules, the administrative Ministry or Department shall issue policy directions requiring compliance with this Order.
16. **Standing Committee:** A standing committee is hereby constituted with the following membership:
Secretary, Department for Promotion of Industry and Internal Trade - Chairman
Secretary, Commerce—Member
Secretary, Ministry of Electronics and Information Technology—Member
Joint Secretary (Public Procurement), Department of Expenditure—Member
Joint Secretary (DPIIT)—Member-Convenor

The Secretary of the Department concerned with a particular item shall be a member in respect of issues relating to such item. The Chairman of the Committee may co-opt technical experts as relevant to any issue or class of issues under its consideration.

17. **Functions of the Standing Committee:** The Standing Committee shall meet as often as necessary, but not less than once in six months. The Committee
 - a. shall oversee the implementation of this order and issues arising therefrom, and make recommendations to Nodal Ministries and procuring entities.
 - b. shall annually assess and periodically monitor compliance with this Order
 - c. shall identify Nodal Ministries and the allocation of items among them for issue of notifications on minimum local content
 - d. may require furnishing of details or returns regarding compliance with this Order and related matters
 - e. may, during the annual review or otherwise, assess issues, if any, where it is felt that the manner of implementation of the order results in any restrictive practices, cartelization or increase in public expenditure and suggest remedial measures
 - f. may examine cases covered by paragraph 13 above relating to manufacture under license/ technology transfer agreements with a view to satisfying itself that adequate mechanisms exist for enforcement of such agreements and for attaining the underlying objective of progressive indigenization

- g. may consider any other issue relating to this Order which may arise.
18. **Removal of difficulties:** Ministries /Departments and the Boards of Directors of Government companies may issue such clarifications and instructions as may be necessary for the removal of any difficulties arising in the implementation of this Order.
19. **Ministries having existing policies:** Where any Ministry or Department has its own policy for preference to local content approved by the Cabinet after 1st January 2015, such policies will prevail over the provisions of this Order. All other existing orders on preference to local content shall be reviewed by the Nodal Ministries and revised as needed to conform to this Order, within two months of the issue of this Order.
20. **Transitional provision:** This Order shall not apply to any tender or procurement for which notice inviting tender or other form of procurement solicitation has been issued before the issue of this Order.



19/12/24

(Himani Pande)

Additional Secretary to the Government of India

Tel: 011-23038888

E-mail: ashp.dpiit@gov.in

No.F.1/4/2021-PPD
Government of India
Ministry of Finance
Department of Expenditure
Public Procurement Division

264-C, North Block, New Delhi.
18.05.2023.

OFFICE MEMORANDUM

Subject: Concurrent application of Public Procurement Policy for Micro and Small Enterprises Order, 2012 and Public Procurement (Preference to Make in India) Order, 2017.

The undersigned is directed to refer two Preferential Procurement Orders mandated for the Public Procurement in India, namely:

- i. Public Procurement Policy for Micro and Small Enterprises (MSEs) Order dated 23.03.2012 (PPP-MSE Order) issued by Ministry of Micro, Small and Medium Enterprises (MoMSME) in exercise of the powers conferred in Section 11 of the MSME Development Act, 2006. (Last revised on 09.11.2018)
- ii. Public Procurement (Preference to Make in India) Order, 2017 (PPP-MII order), under Rule 153(iii) of the General Financial Rules (GFRs) 2017, approved by the Cabinet. Implementation of this PPP-MII order is monitored by Department for Promotion of Industry and Internal Trade (DPIIT). (Last revised on 16.09.2020.)

2. It has been brought to the notice of this Department that concurrent application of these two orders are creating confusion to the procuring entities and different procuring entities interpret them differently. In order to bring predictability both to the procuring entities as well as bidders, following guidelines are being issued.

Guidelines

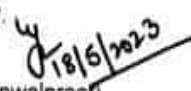
3. The Class-I local suppliers, under PPP-MII Order, participating in any government tender, may or may not be MSEs, as defined under the MSME Act. Similarly, MSEs participating in any government tender, may or may not be Class-I local suppliers. Suppliers may be categorised in following four broad categories for consideration or applicability of purchase preference:

Category	Terminology
Supplier is both MSE & Class-I local supplier.	"MSE Class-I local supplier"
Supplier is MSE but not Class-I local supplier.	"MSE but non-Class-I local supplier"
Supplier is not MSE but is Class-I local supplier.	"Non-MSE but Class-I local supplier"
Supplier is neither MSE nor Class-I local.	"Non-MSE non-Class-I local supplier"

4. The applicability of PPP-MSE Order and PPP-MII Order in various scenarios, involving simultaneous purchase preference to MSEs and Class-I local suppliers under PPP-MSE Order and PPP-MII Order respectively, shall be as under:
- a) *Items covered under Para 3(a) of PPP- MII Order, 2017 for which Nodal Ministry has notified sufficient local capacity and competition:* For these items, only Class-I local suppliers are eligible to bid irrespective of purchase value. Hence, Class-II local suppliers or Non-local suppliers, including MSEs which are Class-II local suppliers/ Non-local suppliers, are not eligible to bid. Possible scenarios can be as under:
- (i) L-1 is "MSE Class-I local supplier" - 100% of the tendered quantity is to be awarded to L-1.
 - (ii) L-1 is "Non-MSE but Class-I local supplier" - Purchase preference is given to MSEs as per PPP-MSE Order. Balance quantity is to be awarded to the L-1 bidder.
- b) *Items reserved exclusively for procurement from MSEs as per PPP-MSE Order:* These items are reserved exclusively for purchase from MSEs. Hence, non-MSEs are not eligible to bid for these items. Possible scenarios can be as under:
- (i) L-1 is "MSE Class-I local supplier" - 100% of the tendered quantity is to be awarded to L-1.
 - (ii) L-1 is "MSE non-Class-I local supplier" - Purchase preference is to be given to Class-I local supplier as per PPP-MII Order. Balance quantity, is to be awarded to L-1 bidder.
- c) *If items are neither notified for sufficient local capacity nor reserved for MSEs, then the process will be as follows:*
- c (a) Items covered under Para 3A(b) of PPP-MII Order are divisible items and both MSEs as well as Class-I local suppliers are eligible for purchase preference. Possible scenarios can be as under:
- (i) L-1 is "MSE Class-I local supplier" - 100% of the tendered quantity is to be awarded to L-1.
 - (ii) L-1 is "Non-MSE but Class-I local supplier" - Purchase preference is to be given to MSEs, if eligible, as per PPP-MSE Order. Balance quantity is to be awarded to L-1 bidder.
 - (iii) L-1 is "MSE but non-Class-I local supplier" - Purchase preference is to be given to Class-I local suppliers, if eligible, as per PPP-MII Order. Balance quantity is to be awarded to L-1 bidder.
 - (iv) L-1 is "Non-MSE non-Class-I local supplier" - Purchase preference is to be given to MSEs as per PPP-MSE Order. Thereafter, purchase preference is to be given to Class-I local suppliers for "50% of the tendered quantity minus quantity allotted to MSEs

above" as per PPP- MII Order. For the balance quantity, contract is to be awarded to L-1 bidder. (Kindly refer to the illustrative example in the annexure).

- c (b) Items covered under Para 3A(c) of PPP-MII Order, 2017 are non-divisible items and both MSEs as well as Class-I local suppliers are eligible for purchase preference. Possible scenarios can be as under:
- (i) L-1 is "MSE Class-I local supplier" - Contract is awarded to L-1.
 - (ii) L-1 is not "MSE Class-I local supplier" but the "MSE Class-I local supplier" falls within 15% margin of purchase preference - Purchase preference is to be given to lowest quoting "MSE Class-I local supplier". If lowest quoting "MSE Class-I local supplier" does not accept the L-1 rates, the next higher "MSE Class-I local supplier" falling within 15% margin of purchase preference is to be given purchase preference and so on.
 - (iii) If conditions mentioned in sub paras (i) and (ii) above are not met i.e. L-1 is neither "MSE Class-I local supplier" nor "MSE Class-I local supplier" is eligible to take benefit of purchase preference, the contract is to be awarded/ purchase preference to be given in different possible scenarios as under:
 - A. L1 is "MSE but non-Class-I local supplier" or "Non-MSE but Class-I local supplier" – Contract is be awarded to L1.
 - B. L1 is "Non-MSE non-Class-I local supplier" - First purchase preference to be given to MSE as per PPP-MSE Order. If MSE not eligible/ does not accept - purchase preference to be given to Class- I Local supplier as per PPP-MII Order. If Class-I Local supplier also not eligible/ does not accept – contract to be awarded to L-1.
- d) *Items reserved for both MSEs and Class-I local suppliers:* These items are reserved exclusively for purchase from MSEs as well as Class-I local suppliers. Hence, only "MSE Class-I local supplier" are eligible to bid for these items. Non-MSEs/Class-II local suppliers/ Non-local suppliers cannot bid for these items. Hence the question of purchase preference does not arise.
- e) Non-local suppliers, including MSEs falling in the category of Non-local suppliers, shall be eligible to bid only against Global Tender Enquiry.


(Kanwalpreet)

Director

Tel.:-223093811; email: - kanwal.irss@gov.in

To

1. Secretaries of all Central Government Ministries/ Departments.
2. Secretary Department of Public Enterprises with a request for issuing suitable instructions to all Central Public Sector Enterprises in this regard.

Annexure

Example explaining applicability in scenario explained in para 4 c (a)(iv)

(Scenario: Divisible items, both MSEs as well as Class-I local suppliers eligible for purchase preference and L-1 is "Non-MSE non-Class-I local supplier")

Item – Desktop computer

Qty – 50 Nos.

Details of bids received

Sr. No.	Name of bidder	Rates quoted	Price Ranking	Status of bidder
1.	A	100	L1	"Non-MSE non- Class-I local supplier"
2.	B	110	L2	"Non-MSE but Class-I local supplier"
3.	C	112	L3	"MSE but non- Class-I local supplier"
4.	D	115	L4	"Non-MSE but Class-I local supplier"
5.	E	118	L5	"MSE but non- Class-I local supplier"
6.	F	120	L6	"MSE Class-I local supplier"

1. In this case, first purchase preference is to be given to MSEs as per PPP-MSE Order for 25% of tendered quantity of 50 Nos. i.e. 12.5 Nos. (rounded off to the next whole number say 13 Nos). Accordingly, invite L3 (bidder C), whose quoted rates falls within 15% margin of purchase preference to match L1 price i.e. Rs. 100/- for quantity of 13 Nos. Bidder "E" and "F", although MSEs, will not get purchase preference since their quoted rates don't fall within 15% margin of purchase preference. Bidder C will be considered for order of 13 Nos. on confirmation of reduction of price.
2. For 50% of balance quantity of 37 number (tendered quantity of 50 – 13 awarded to bidder C; assuming bidder C has confirmed to accept L1 rates), purchase preference will be given to lowest Class-I local supplier as per PPP-MII Order. Accordingly, bidder B will be invited to match L-1 price for 50% of 37 Nos i.e. 18.5 (say 19 Nos of computers). If bidder "B" does not accept the L1 price i.e. price of Rs. 100/- per unit, next higher Class-I local supplier falling within 20% margin of purchase preference, i.e. bidder "D", may be invited to match L-1 price for 19 Nos. of computers and so on.
3. For remaining quantity i.e. 18 Nos (50-13-19), the contract will be awarded to lowest quoting bidder i.e. Bidder "A", who is L-1 in the example.

Annexure-IV to ITB

DOMESTICALLY MANUFACTURED IRON & STEEL PRODUCTS

POLICY FOR PROVIDING PREFERENCE TO DOMESTICALLY MANUFACTURED IRON & STEEL PRODUCTS IN GOVERNMENT PROCUREMENT- REVISED, 2019

(<https://steel.gov.in/policies/policy-providing-preference-domestically-manufactured-iron-and-steel-product-govt>)

1 Background

- 1.1 This policy provides preference to Domestically Manufactured Iron and Steel Products (DMI&SP) in Government procurement.
- 1.2 The policy is applicable to iron & steel products as provided in Appendix A and capital goods for manufacturing iron & steel products in Appendix B, produced in compliance to prescribed quality standards, as applicable.
- 1.3 The policy is applicable to every Ministry or Department of Government and all agencies/entities under their administrative control and to projects funded by these agencies for purchase of iron & steel products for government projects. However, this policy shall not apply for purchase of iron & steel products with a view to commercial resale or with a view to use in the production of goods for commercial sale.

2 Definitions

- 2.1 **Bidder** may be a domestic/ foreign manufacturer of iron & steel or their selling agents/ authorized distributors/ authorized dealers/ authorized supply houses or any other company engaged in the bidding of projects funded by Government agencies.
- 2.2 **Domestically Manufactured Iron & Steel Products (DMI&SP)** are those iron and steel products which are manufactured by entities that are registered and established in India, including in Special Economic Zones (SEZs). In addition, such products shall meet the criteria of domestic minimum value-addition as mentioned in Appendix A.
- 2.3 **Domestic Manufacturer** is a manufacturer of iron & steel products conforming to guidelines in section 7 and confirming to the definition of 'manufacturer' as per Central Excise Act.
- 2.4 **Government** for the purpose of the Policy means Government of India.
- 2.5 **Government agencies** include Government PSUs, Societies, Trusts and Statutory bodies set up by the Government.
- 2.6 **MoS** shall mean Ministry of Steel, Government of India.
- 2.7 **Net Selling Price** shall be the invoiced price excluding net domestic taxes and duties
- 2.8 **Semi-Finished Steel** shall mean Ingots, billet, blooms and slabs, which can be subsequently processed to finished steel.
- 2.9 **Finished Steel** shall mean Flat and Long products, which can be subsequently processed into manufactured items.
- 2.10 **L1** means the lowest tender or the lowest bid or the lowest quotation received in a tender, bidding process or other procurement solicitation as adjudged in the evaluation process as per the tender or other procurement solicitation.
- 2.11 **Margin of purchase preference** means the maximum extent to which the price quoted by a domestic supplier may be above L1 for the purpose of purchase preference. In case of DMI&SP policy, the margin of purchase preference shall be 20% for items in Appendix B.
- 2.12 **Iron & Steel Product(s)** shall mean such iron and steel product(s) which are mentioned in Appendix A.
- 2.13 **Domestic value addition** shall be the net selling price (invoiced price excluding net

domestic taxes and duties) minus the landed cost of imported input materials at the manufacturing plant in India (including all customs duties) as a proportion of the net selling price, in percent. The 'domestic value addition' definition shall be in line with the DPIIT(formerly DIPP) guidelines, and shall be suitably amended in case of any changes by DPIIT in the future. For the purpose of this policy document, domestic value addition and local content have been used interchangeably.

3 Exclusions

- 3.1 Waivers shall be granted by the Ministry of Steel to all such Government procurements subject to the below conditions.
 - 3.1.1 Where specific grades of steel are not manufactured in the country, or
 - 3.1.2 Where the quantities as per the demand of the project cannot be met through domestic sources

The exclusion requests shall be submitted to the Standing Committee along with sufficient proof of unavailability of domestically manufactured iron & steel products

4 Standing Committee

A Standing Committee under the Ministry of Steel (MoS) to be chaired by the Secretary (Steel), shall be constituted to oversee the implementation of the policy. The Committee shall comprise of experts drawn from Industry / Industry Association / Government Institution or Body / Ministry of Steel (MoS). The said Committee in MoS shall have the mandate for the following:

- 4.1 Monitoring the implementation of the policy
- 4.2 Review and notify the list of Iron & Steel products and the domestic value addition requirement criteria as mentioned at Appendix A and Appendix B.
- 4.3 Issue necessary clarifications for implementation of the policy including grant of exclusions to procuring agencies as per section 3
- 4.4 Constitute a separate committee to carry out grievance redressal
- 4.5 The Standing Committee shall submit its recommendations for approval to Ministry of Steel.

5 Notifying Iron & Steel Products Procured by Government

- 5.1 The following guidelines may be used for identifying and notifying the aforementioned products under the policy:
 - 5.1.1 The policy is applicable to iron & steel products as provided in Appendix A and to capital goods for manufacturing iron & steel products in Appendix B.
 - 5.1.2 Appendix A contains list of iron & steel products which are to be exclusively domestically manufactured and cannot be imported without the approval of the Ministry of Steel
 - 5.1.3 Appendix B contains a list (non-exhaustive) of capital goods for which purchase preference shall be provided to domestically manufactured capital goods, if their quoted price falls within 20% of the price quoted for corresponding imported capital good.
 - 5.1.4 The objective of the policy is to notify all iron & steel products which are procured by Government Agencies for government projects and not with a view to commercial resale or with a view to use in the production of products for commercial sale.
 - 5.1.5 The policy is applicable to all projects funded by Ministry or Department of Government and all agencies/ entities under their administrative control for purchase of iron & steel products.
 - 5.1.6 The policy shall be applicable to projects where the procurement value of iron and steel

products is greater than Rs. 25 crores. The policy shall also be applicable for other procurement (non-project), where annual procurement value of iron and steel products for that Government organization is greater than Rs. 25 crores.

- 5.1.7 The policy is applicable to purchase of iron & steel products by private agencies for fulfilling an EPC contract and/or any other requirement of Ministry or Department of Government or their PSUs.
- 5.1.8 Analysis of the availability of various grades of domestic iron and steel products needs to precede for notification under the policy. Only those iron & steel products, in respect of which at least one domestic manufacturer exists, shall be notified. Consultation may be carried out by the Standing Committee.
- 5.1.9 The policy is applicable to capital goods for manufacturing iron & steel products in Appendix B produced in compliance to prescribed quality standards, as applicable.
- 5.1.10 Policy for domestic procurement of capital goods for manufacturing iron and steel products is applicable to all public sector steel manufacturers and all agencies/ entities under their administrative control for purchase of capital goods for manufacturing iron & steel products, not with a view to commercial resale.
- 5.1.11 The policy is applicable to purchase of capital goods for manufacturing iron & steel products by private agencies for fulfilling an EPC contract and/or any other requirement of public sector steel manufacturers and all agencies/ entities under their administrative control
- 5.1.12 Government agencies which are involved in procurement of iron and steel products, and capital goods for manufacturing of iron and steel products, in cases where the iron and steel products are not mentioned in Appendix A and Appendix B, shall provide description and technical specifications of the product along with prescribed standards to the Standing Committee. The Standing Committee will act as per mandate in section 3 and section 4.
- 5.2 The Ministry of Steel (MoS) would notify iron & steel products along with the minimum prescribed domestic value addition, furnished at Appendix A.
- 5.3 The policy guidelines on capital goods for manufacturing iron & steel products shall be applicable to public sector steel manufacturers for all purchases of capital goods for manufacturing iron & steel products in Appendix B, irrespective of the project size.
- 5.4 Minimum domestic value addition requirement suggested for iron and steel products in Appendix A, and for capital goods for manufacturing iron and steel products in Appendix B have been decided on the basis of factors such as domestic supplier base, number of suppliers and import to consumption ratio.
- 5.5 The domestic value addition requirement norm shall be so calibrated that it reflects the average/above average manufacturing capability of the domestic industry for the iron & steel products at a point of time. This shall be suitably reviewed by the Standing Committee from time to time and amended, if required with the approval of Ministry of Steel.
- 6 Tender procedure for procurement by government and government agencies
 - 6.1 The procuring/ Government agencies shall follow standard procurement procedures, in accordance with instructions of Ministry of Finance and CVC while adhering to DMI&SP. The policy shall come into effect from the date of its notification in all tenders where price bid have not been opened.
 - 6.2 The tender document, for procurement of both Goods as well as for EPC contracts, should explicitly outline the qualification criteria for adherence to minimum prescribed domestic value addition by the bidder for iron and steel products and capital goods for manufacturing iron & steel products(as indicated in Appendix A and Appendix B)

- 6.3 In supporting the growth of domestic products, the target of domestic value addition in iron and steel business activities has been set as contained in **Appendix A and Appendix B**.
- 6.4 For iron and steel products in Appendix A, the procurement process shall be open only to the manufacturers / suppliers having the capability of meeting / exceeding the domestic value addition targets. Manufacturers / suppliers not meeting the domestic value addition targets are not eligible to participate in the bidding.
- 6.5 In case of Appendix B items, if in the opinion of the procuring company, the tenders (procured quantity) cannot be divided in the prescribed ratio of 50:50, then they shall have the right to award contract to the eligible domestic manufacturer for quantity not less than 50%, as may be divisible.
- 6.6 In continuation to the above clause, for Appendix B items, if the tendered item is non divisible, (to be included in the tender document by procuring company) the contract can be awarded to the eligible domestic manufacturer for the entire quantity.
- 6.7 In case of Appendix B items, if none of the eligible manufacturers meeting domestic value addition requirements match the L1 bid, the original bidder holding L1 bid shall secure the order for full value of procurement.
- 6.8 The bidders who are selling agents/ authorized distributors/ authorized dealers/ authorized supply houses of the domestic manufacturers of iron & steel products are eligible to bid on behalf of the domestic manufacturers under the policy. However, this shall be subject to the following conditions:
- 6.8.1 The bidder shall furnish the authorization certificate issued by the domestic manufacturer for selling domestically manufactured iron & steel products.
- 6.8.2 In case the procurement is covered under Appendix A of the DMI&SP policy, the bidder shall furnish the Affidavit of self-certification issued by the domestic manufacturer to the procuring agency declaring that the iron & steel products is domestically manufactured in terms of the domestic value addition prescribed.
- 6.8.3 In case the procurement is covered under Appendix B of the DMI&SP policy, the bidder shall furnish the certification issued by the statutory auditor to domestic manufacturer declaring that the capital goods to be used in Iron & Steel industry are domestically manufactured in terms of the domestic value addition prescribed.
- 6.8.4 It shall be the responsibility of the bidder to furnish other requisite documents required to be issued by the domestic manufacturer to the procuring agency as per the policy.

7 Domestic value addition requirement

- 7.1 Minimum domestic value addition requirement to qualify the product as a domestically manufactured iron & steel product or a Capital good are mentioned in Appendix A and B.
- 7.2 Domestic value addition shall be the net selling price (invoiced price excluding net domestic taxes and duties) minus the landed cost of imported input materials at the manufacturing plant in India (including all customs duties) as a proportion of the net selling price, in per cent.
- 7.2.1 In case the iron & steel products are made using domestic input steel (semi-finished/ finished steel), invoices of purchases from the actual domestic producers along with quantities purchased and the other related documents must be furnished to the procuring Government agency.
- 7.2.2 In case the iron & steel products have imported input steel, the invoices of purchases from the actual producers along with quantities purchased and the other related documents must be furnished separately. To derive the extent of domestic value addition, the weighted average of both (imported & domestic) input steel shall be considered to ensure that the minimum stipulated domestic value addition requirement

of the policy is complied with.

- 7.3 It is recommended that each bidder participating in the tender process should calculate the domestic value addition using the below formula below so as to ensure the domestic value addition claimed is consistent with the minimum stipulated domestic value addition requirement of the policy.

For Iron and Steel products

% Domestic value addition

$$= \frac{\text{Net selling price of final product} - \text{Landed cost of imported iron or steel at plant}}{\text{Net selling price of final product}} \times 100\%$$

For Capital Goods

% Domestic value addition

$$= \frac{\text{Net selling price of final product} - \text{Landed cost of imported input materials at plant}}{\text{Net selling price of final product}} \times 100\%$$

8 Certification and audit

- 8.1 For products in Appendix A, each domestic manufacturer shall furnish the Affidavit of self-certification to the procuring Government agency declaring that the iron & steel products are domestically manufactured in terms of the domestic value addition prescribed. For capital goods in Appendix B, the bidder shall furnish the certification issued by the statutory auditor to the domestic manufacturer declaring that the capital goods are domestically manufactured in terms of the domestic value addition prescribed. The bidders who are sole selling agents / authorized distributors / authorized dealers / authorized supply houses of the domestic manufacturers of iron & steel products are eligible to bid on behalf of domestic manufacturers under the policy. The bidder shall furnish the Affidavits of self-certification issued by the domestic manufacturers and the certifications issued by the statutory auditors, to the procuring agency declaring that the iron & steel products are domestically manufactured in terms of the domestic value addition prescribed. The Affidavit of self-certification shall be furnished in **Form 1** attached to these guidelines.
- 8.2 It shall be the responsibility of the domestic manufacturer to ensure that the products so claimed are domestically manufactured in terms of the domestic value addition prescribed for the product. The bidder shall also be required to provide a domestic value addition certificate on half-yearly basis (Sep 30 and Mar 31), duly certified by the Statutory Auditors of the domestic manufacturer, that the claims of domestic value addition made for the product during the preceding 6 months are in accordance with the Policy. Such certificate shall be filed within 60 days of commencement of each half year, to the concerned Government agencies and shall continue to be filed till the completion of supply of the said products.
- 8.3 The procuring agency shall accept the Affidavit of self-certification regarding domestic value addition in a steel product submitted by a bidder. It shall not normally be the responsibility of procuring agency to verify the correctness of the claim. The onus of demonstrating the correctness of the same shall be on the bidder when asked to do so.
- 8.4 In case a complaint is received by the procuring agency or the concerned Government Agency against the claim of a bidder regarding domestic value addition in iron & steel products, the procuring agency shall have full rights to inspect and examine all the related documents and take a decision. In case any clarification is needed, matter may be

referred to MoS with a request for technical assistance.

- 8.5 Any complaint referred to the Government Agency shall be disposed off within 4 weeks of the reference along with submission of all necessary documents. The bidder shall be required to furnish the necessary documentation in support of the domestic value addition claimed in iron & steel products to the Government Agency within 2 weeks of filing the complaint.
- 8.6 In case, the matter is referred to the Ministry of Steel, the grievance redressal committee setup under the MoS shall dispose of the complaint within 4 weeks of its reference and receipt of all documents from the bidder after taking in consideration, the view of the Government Agency. The bidder shall be required to furnish the necessary documentation in support of domestic value addition claimed in iron & steel products to the grievance redressal committee under MoS within 2 weeks of the reference of the matter. If no information is furnished by the bidder, the grievance redressal committee may take further necessary action, in consultation with Government Agency to establish bonafides of claim.
- 8.7 The cost of assessing the prescribed extent of domestic value addition shall be borne by the procuring agency if the domestic value addition is found to be correct as per the certificate. However, if it is found that the domestic value addition as claimed is incorrect, the cost of assessment will be payable by the bidder who has furnished an incorrect certificate. The manner of enforcing the same shall be defined in the tender document.

9 Sanctions

- 9.1 Each Government Agency shall clearly define the penalties, in case of wrong declaration by the bidder of the prescribed domestic value addition, in the tender document. The penalties may include forfeiting of the EMD, other financial penalties and blacklisting of such manufacturer/ service provider.
- 9.2 In case of reference of any complaint to MoS by the concerned bidder, there would be a complaint fee of Rs. 10 Lakh or 0.2 % of the value of the DMI&SP being procured (subject to a maximum of Rs. 20 Lakh), whichever is higher, to be paid by Demand Draft deposited with the grievance redressal committee under MoS along with the complaint by the complainant. In case, the complaint is found to be incorrect, the Government Agency reserves the right to forfeit the said amount. In case, the complaint is found to be substantially correct, deposited fee of the complainant would be refunded without any interest.

10 Implementation monitoring by Ministry of Steel

- 10.1 The policy provisions shall be applicable for a period of 5 years from the date of publication. The policy period may further be extended at the discretion of Ministry of Steel.
- 10.2 MoS shall be the nodal ministry to monitor the implementation of the policy.
- 10.3 All applicable agencies under DMI&SP policy shall ensure implementation of the policy and shall annually, in the month of June, send a declaration indicating the extent of compliance to the policy and reasons for noncompliance thereof, during the preceding financial year.

Reference to Ministry of Steel

In case of a question whether an item being procured is a DMI&SP to be covered under the policy, the matter would be referred to the Ministry of Steel for clarification.

Appendix A - Exclusive for domestically manufactured products

Sl. No.	Indicative list of Iron & Steel Products	Applicable HS code	Minimum domestic value addition requirement
1	Flat-rolled products of iron or non alloy steel, of a width of 600 mm or more, hot rolled, not clad, plated or coated	7208	50%
2	Flat-rolled products of iron or non alloy steel, of a width of 600 mm or more, cold rolled (cold-reduced), not clad, plated or coated	7209	50%
3	Flat-rolled products of iron or non alloy steel, of a width of 600 mm or more, clad, plated or coated	7210	50%

4	Flat-rolled products of iron or non alloy steel, of a width of less than 600 mm, not clad, plated or coated	7211	35%
5	Flat-rolled products of iron or non alloy steel, of a width of less than 600 mm, clad, plated or coated	7212	35%
6	Bars and rods, hot-rolled, in irregularly wound coils, of iron or non-alloy steel	7213	35%
7	Other bars and rods of iron or non alloy steel, not further worked than forged, hot rolled, hot-drawn or hot-extruded, but including those twisted after rolling	7214	35%
8	Other bars and rods of iron or non alloy steel	7215	35%
9	Angles, shapes and sections of iron or non-alloy steel	7216	35%
10	Wire of iron or non-alloy steel	7217	50%
11	Flat-rolled products of stainless steel, of a width of 600 mm or more	7219	50%
12	Flat-rolled products of stainless steel, of a width of less than 600 mm	7220	50%
13	Other bars and rods of stainless steel; angles, shapes and sections of stainless steel	7222	50%
14	Wire of other alloy steel	7229	35%
15	Rails, railway or tramway track construction material of iron or steel	7302	50%
16	Tubes, pipes and hollow profiles, of cast iron	7303	35%
17	Tubes, pipes and hollow profiles, seamless, of iron (other than cast iron) or steel	7304	35%
18	Other tubes and pipes (for example, welded, riveted or similarly closed), having circular cross-sections, the external diameter of which exceeds 406.4 mm, of iron or steel	7305	35%
19	Other tubes, pipes and hollow profiles (for example, open seam or welded, riveted or similarly closed), of iron or steel	7306	35%
20	Tube or pipe fittings (for example, connectors/couplings, elbow sleeves), of iron or steel	7307	35%
21	Bars and rods, hot-rolled, in irregularly wound coils, of stainless steel	7221	35%
22	Wire of stainless steel	7223	35%
23	Flat-rolled products of other alloy steel, of a width of 600 mm or more, including electrical steel	7225	35%

24	Flat-rolled products of other alloy steel, of a width of less than 600 mm, including electrical steel	7226	35%
25	Bars and rods, hot-rolled, in irregularly wound coils, of other alloy steel	7227	15%
26	Other bars and rods of other alloy steel; angles, shapes and sections, of other alloy steel; hollow drill bars and rods, of alloy or nonalloy steel	7228	35%
27	Sheet piling of iron or steel, whether or not drilled, punched or made from assembled elements; welded angles, shapes and sections, of iron or steel	7301	15%
28	Structures (excluding prefabricated buildings of heading 9406) and parts of structures	7308	15%
29	Reservoirs, tanks, vats and similar containers for any material (other than compressed or liquefied gas), of iron or steel, of a capacity exceeding 300 whether or not lined or heatinsulated, but not fitted with mechanical or Thermal equipment	7309	15%
30	Tanks, casks, drums, cans, boxes and similar containers, for any material (other than compressed or liquefied gas), of iron or steel, of a capacity not exceeding 300 L, whether or not lined or heat-insulated, but not fitted with mechanical or thermal equipment	7310	15%
31	Containers for compressed or liquefied gas, of iron or steel	7311	15%
32	Stranded wire, ropes, cables, plaited bands, slings and the like, of iron or steel, not electrically insulated	7312	15%
33	Barbed wire of iron or steel; twisted hoop or single flat wire, barbed or not, and loosely twisted double wire, of a kind used for fencing, of iron or steel	7313	15%
34	Grill, netting and fencing, of iron or steel wire; expanded metal of iron or steel	7314	15%
35	Chain and parts thereof, of iron or steel	7315	15%
36	Anchors, grapnels and parts thereof, of iron or steel	7316	15%
37	Articles of iron and steel	7317	15%
38	Articles of iron and steel	7318	15%
39	Articles of iron and steel	7319	15%
40	Springs and leaves for springs, of iron or steel	7320	15%
41	Stoves, ranges, grates, cookers (including those with subsidiary boilers for central heating), barbecues, braziers, gas-rings, plate warmers and similar non-electric domestic appliances, and parts thereof, of iron or steel	7321	15%
42	Radiators for central heating, not electrically heated, and parts thereof, of iron or steel; air heaters and hot air distributors, not electrically heated, incorporating a motor-driven fan or blower, and parts thereof, of iron or steel	7322	15%
43	Tables and similar household articles and parts thereof, of iron or steel	7323	15%
44	Sanitary ware and parts thereof, of iron or steel	7324	15%
45	Other cast articles of iron or steel	7325	15%
46	Electrical steel and other articles of iron or steel	7326	15%

47	Railway or tramway passenger coaches, not self-propelled	8605	50%
48	Railway or tramway goods vans and wagons, not self-propelled	8606	50%
49	Parts of railway or tramway locomotives or rolling-stock; such as bogies, bissel-bogies, axles and forged wheels, and parts thereof	8607	50%

Products included in descriptions are indicative; all products under the specified HS codes are included as part of the appendix

Appendix B

Indicative list of capital goods(non-exhaustive) for manufacturing iron & steel products

Sl. No.	Plant shop	Capital goods	Minimum domestic value addition requirement
1	Raw material handling system	Apron feeder, barrel couplings, heavy duty bearings, hydraulic disc brakes, tanker & container for powdered materials, conveyor belt for pipe conveyors, high angle conveyor system, crushers, crane rail lubrication system, four girder EOT Crane, crane weighing system, crane air conditioning, fluid couplings, fork lift trucks, hydraulic motors, hydraulic system, locking assembly (friction grip), load cells, level sensors, pipe	50%
		conveyor system, plough/ paddle feeder, pneumatic transportation - dense & lean phase, reclaimers, radio remote control, rail fixing arrangements (special), rapid/ flood loading system, stackers, special screen, slew ring bearings, tipplers, transfer cars, tongs (special), vibration, isolation system (spring damper), wagon tipplers, wagon loaders	
2	Mineral beneficiation (iron ore and coal) equipment	Industrial crushers, grinding mills, conventional screens, slurry pumps, hirate thickeners, filters, hydroclones	50%
3	Coke oven	Coke Oven Silica Refractory, Anchorage System, Waste gas valve with branch pipe, Flash Plate, Door Frame, door body, Minor Casting: Gooseneck, Valve box, AP Lid, Charging & inspection hole lid and frame Reversing mechanism, Centralised lubrication system, Hydrojet Door Cleaning Mechanism, Spillage code conveyor system, skip hoist, Door Lowering Rack, Isolation/ Reversing Cocks, Level II automation, Oven machines	50%
4	By-product plant	Primary Gas Cooler, Electrostatic Tar Precipitator, H ₂ S, NH ₃ & Naphthalene Scrubber, Combi Stripper, Flushing Liquor Pump, Claus Kiln, Claus reactors, Waste Heat Boilers, Decanters	50%
5	Sinter plant equipment	Pallet car, Drive/discharge end Sprocket assembly, Curved rail, Slide rails, Hot sinter breaker and Grizzly, Dip rail & running rail, Impeller assembly for Process fan, Drive assembly of Sinter machine, Hi-intensity Mixer & Noduliser	50%

6	Pellet plant equipment	Pallet car, Drive/discharge end Sprocket assembly, Curved rail, Slide rails, running rail, Vertical roller mill, Impeller assembly for Process fan, Drive assembly of Indurating machine, Hi-intensity Mixer, Balling disc, Single deck roller screen and Double deck roller screen	50%
7	Blast furnace equipment	Bell less top system with Bleeder valve, SG Iron stove coolers, Copper stove coolers, Stock level indicator (Radar Type), Mud gun, Drilling machine and Manipulator, Gas Cleaning Plant system, Top Recovery Turbine system including its by-pass valve, De-bricking Machine, Re-railing equipment, PCI system, Grinding mill for PCI, Stock level indicator, Tuyere Stock assembly, Waste Heat Recovery system, BF & Hot Blast Stoves Technological Valves, Above Burden probes, Slag granulation unit, Tuyere&Tuyere cooler, Torpedo Ladle Car, BF hearth refractory	50%
8	Direct reduction plant equipment	Charge distributor, Upper & lower seal leg, Reformer & Recuperator system, Burden feeders, Turbo-expander, Process Gas Compressor, Seal gas compressors & bottom seal gas compressors, Seal gas generators & driers, Process Gas Heater, CO2 removal plant	50%
9	Basic oxygen furnace equipment	Main and Maintenance equipment comprising of converter, gunning machine, Refractory/ slag monitoring device, converter vessel, trunnion ring and suspension system, trunnion bearings and housing, Converter bull gear unit and tilt drive system, Rotary joint for converter, bottom stirring system, Lance body with clamping, Lance copper tips, Valve stations for oxygen blowing/ bottom stirring, Sub-lance system, Off gas analyzer with process module i.e. Process software/ hardware, container lab Measurement probes, Switch over station, ID fan for primary gas, Hot metal and steel ladle, Ladle Transfer car, Ladle maintenance equipment, Slag pot, Slag pot transfer car, Scrap boxes, Scrap Transfer car, Lance carriage, Lance guide, Crane & hoist, Lance hoist & trolley, Lance tilting device, Traverse for lifting lances, Bunker of various sizes, Bin Vibrator, Weighing Hopper, Maintenance stands, De dusting suction hood, Teeming/HM, ladle relining stands, Stand Cooling stack inspection device, Hood traverse carriage, Refractories, Bypass & isolation valves, Flare stack & ignition system, Scrubbing tower shell - Wet gas cleaning system, Dog house, Ladle drier, ladle pre-heater, ladle cooler, Fume collection hoods, Clean gas stack, Dust silo, Weigh Bridge, Slag retaining device	50%

10	Electric arc furnace	Furnace proper (includes furnace lower shell, upper shell and roof, Tilting platform, Furnace Gantry) and transformer, Electrode regulation system, Hydraulic system, Refractories, Parts of Level I & Level II Automation system. LF - water cooled ladle roof, electrode mast and arms, electrode regulating system, wire feeding system, Bottom inert gas stirring Valve stand for porous plug and top lance, Emergency lance mechanism, Lance carriage system with drive unit, Automatic temperature, sampling & bath level / O2 measurement, Temp. & oxygen immersion lance, lance carriage system with drive unit, Hydraulic system, Refractories, Ladle roof Delta portion, RH proper (includes Ladle transfer car, vacuum vessel, Vessel lifting & lowering system. Hydraulic system, Multi Function lance, Valve racks/station, Electrode clamp unit, conductor of electrode arms, water cooled cable, A R stirring valve rack, lance transport car, Refractory lance, Hydraulic cylinder, Ladle roof lifting cylinder, Lubrication system, Suction hood, damper, Vibro feeder, weighing hopper, wire feeding system, Electrode nipping stand, Cranes, hoist, Temperature & sampling tips, ladle stands, ESP, Deducting hoods, Refractories, bag filter, Cranes etc.	50%
11	Continuous casting equipment	Ladle turret, ladle cover manipulator, Ladle Shroud manipulator, tundish car, Continuous tundish temperature measurement system, Tundish stopper rod mechanism, emergency cut-off gate, mould assembly, Nozzle quick change device, mould oscillator and EMS system, Electro-Magnetic braking system, Strand guide segment, Withdrawal & Straightening unit (WSU), Roll gap checker, Emergency torch cutter, Torch cutting machine, Deburrer, Marking machine, Technological control system & process models, Black Refractories, strand guide segment, tundish, ladle cover, roller tables & auxiliaries, mould & segment maintenance equipments, tundish maintenance equipments, EMBR system	50%
12	Flat product mills	Large castings and forgings like mill housing, bed plates, work rolls, backup rolls, end spindles; roller tables, backup roll and work roll chucks, coilers / tension reels / uncoilers, AGC cylinders, shears, levelers, laser welders, packaging machines, non-contact gauges / profile gauges, anti-friction roll neck bearings, oil film bearings, gear boxes, mill motors	50%
13	Long product mills	Mill housing, bed plates, work rolls, backup rolls, spindles; roller tables, coilers / tension reels / uncoilers, shears, billet welder, packaging machines, non-contact gauges / profile gauges, anti-friction roll neck bearings, oil film bearings, finishing blocks, gear boxes, mill motors	50%

**Items in appendix B are an indicative list of capital goods for manufacturing steel, the list is not exhaustive. All capital goods for steel manufacturing shall be considered for purchase preference under the policy with a minimum domestic value addition requirement of 50%*

Form-1

Format for Affidavit of Self Certification regarding Domestic Value Addition in Iron & Steel Products/capital goods to be provided on Rs.100/- Stamp Paper Date:

I _____ S/o, D/o, W/o, _____ Resident of

_____ hereby solemnly affirm and declare as under:

That I will agree to abide by the terms and conditions of the policy of Government of India issued vide Notification No:_____.

That the information furnished hereinafter is correct to the best of my knowledge and belief and I undertake to produce relevant records before the procuring agency (ies) for the purpose of assessing the domestic value addition.

That the domestic value addition for all inputs which constitute the said iron & steel products has been verified by me and I am responsible for the correctness of the claims made therein.

That in the event of the domestic value addition of the product mentioned herein is found to be incorrect and not meeting the prescribed value-addition criteria, based on the assessment of procuring agency (ies) for the purpose of assessing the domestic value-addition, I will be disqualified from any Government tender for a period of 36 months. In addition, I will bear all costs of such an assessment.

That I have complied with all conditions referred to in the Notification No._____ wherein preference to domestically manufactured iron & steel products in Government procurement is provided and that the procuring agency (ies) is hereby authorized to forfeit and my EMD. I also undertake to pay the assessment cost and pay all penalties as specified in the tender document.


I agree to maintain the following information in the Company's record for a period of 8 years and shall make this available for verification to any statutory authority.

- i. Name and details of the Bidder (Registered Office, Manufacturing unit location, nature of legal entity)
- ii. Date on which this certificate is issued
- iii. Iron & Steel Products for which the certificate is produced
- iv. Procuring agency to whom the certificate is furnished
- v. Percentage of domestic value addition claimed and whether it meets the threshold value of domestic value addition prescribed
- vi. Name and contact details of the unit of the manufacturer (s)
- vii. Net Selling Price of the iron & steel products
- viii. Freight, insurance and handling till plant
- ix. List and total cost value of input steel (imported) used to manufacture the iron & steel products
- x. List and total cost of input steel which are domestically sourced.
- xi. Please attach domestic value addition certificates from suppliers, if the input is not in house.
- xii. For imported input steel, landed cost at Indian port with break-up of CIF value, duties & taxes, port handling charges and inland freight cost.

For and on behalf of(Name of firm / entity)

Authorized signatory (To be duly authorized by the Board of Directors)

<Insert Name, Designation and Contact No.>

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Annexure-V to ITB

TO BE PRINTED ON BIDDER'S COMPANY LETTER HEAD

REF No:

Date:

**CERTIFICATE FOR COMPLIANCE OF RESTRICTION FOR BIDDERS FROM COUNTRIES
WHICH SHARE LAND BORDER WITH INDIA**

TO WHOMSOEVER IT MAY CONCERN

Bidder Name:

Tender ID :
Tender Ref No :
Tender Title :

Dear Sir,

"I have read the clause regarding restrictions on procurement from a bidder of a country which shares a land border with India (enclosed with Enquiry Document); I certify that this bidder is not from such a country or, if from such a country, has been registered with the Competent Authority. I hereby certify that this bidder fulfils all requirements in this regard and is eligible to be considered. [Where applicable, evidence of valid registration by Competent Authority shall be attached.]"

Bidder's Sign & Stamp

Annexure-VI to ITB

Public Procurement Policy for Micro and Small Enterprises (MSEs)

Mention regarding admissibility of Purchase Preference to MSE's registered under MSME Act/ Central/ State PSU and JVs of OWNER, as per Govt. guidelines shall be made in the tender.

- Provisions for purchase preference as admissible under the prevailing public procurement policy, 2012 for Micro & Small enterprises as well as MSEs Owned by SC/ST entrepreneurs, shall be followed and incorporated in the enquiries / tenders as per OWNER Circular in this regard. As per Public Procurement Policy for Micro & Small Enterprises (MSEs) Order, 2012 issued vide Gazette Notification dated 23.03.2012 by Ministry of Micro, Small and Medium Enterprises of Govt. of India & subsequent Gazette notification S.O. 2119 (E) dt 26th June ,2020 , MSEs must be having Udyam Registration Certificate
- MSEs participating in the tender must submit the UDYAM registration certificate.
- The registration certificate must be valid as on close date of the tender. The successful bidder should ensure that the same is valid till the end of the contract period. In case the bidder submits a certificate, which is not valid with the bid, Bidder shall be given one opportunity to submit the valid certificate with a cut-off date, failing which bidder shall not be considered for the purchase preference.
- The MSEs who have applied for registration or renewal of registration but have not obtained the valid certificate as on close date of the tender, are not eligible for exemption/preference.
- The MSEs registered with above mentioned agencies/ bodies are exempted from payment of Earnest Money Deposit (EMD).
- Purchase Preference under this policy will be applicable for Purchase MR and Service Contracts.
- Policy is meant for procurements of only goods produced and services rendered by MSEs. Stockist/Traders are excluded from the purview of public procurement policy.
- PMC to check and submit a declaration with respect to the documents submitted by MSE bidder including SC&ST/ Women entrepreneur bidder, if any.
- To qualify for entitlement as SC/ST owned MSE, the SC/ST certificate issued by District Authority must be submitted by the bidder in addition to certificate of registration with any one of the agencies mentioned in paragraph (I) above. The bidder shall be responsible to furnish necessary documentary evidence for enabling OWNER to ascertain that the MSE is owned by SC/ST. MSE owned by SC/ST is defined as:
 - (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% shares in the enterprise.
- (c) In case of Private Limited Companies, at least 51% share shall be held by SC/ST promoters

Tender Conditions for benefits / preference for Micro & Small Enterprises (MSEs):

1. As per Public Procurement Policy for Micro & Small Enterprises (MSEs) Order, 2012 issued vide Gazette Notification dated 23.03.2012 by Ministry of Micro, Small and Medium Enterprises of Govt. of India and Gazette Notification no. 2119(E) dated 26.06.2020 in supersession of Gazette Notification no. 1702(E) dated 01.06.2020 , Micro and Small Enterprises (MSE's) must have Udyam Registration Certificate (<https://udyamregistration.gov.in>) permitted by GOI w.e.f., 01.04.2021, to avail the benefits / preference available vide Public Procurement Policy MSEs Order, 2012
2. MSEs participating in the tender must submit the Udyam Registration Certificate. Policy is meant for procurements of only goods produced and services rendered by MSEs. Stockist/Traders are excluded from the purview of public procurement policy
3. The Udyam Registration Certificate must be valid as on close date of the tender.
4. The MSEs who do not have the Udyam Registration Certificate as on close date of the tender, are not eligible for exemption / preference.
5. The MSEs registered with Udyam are exempted from payment of Earnest Money Deposit (EMD).
6. Purchase Preference – Subject to meeting terms and conditions stated in the tender document including but not limiting to prequalification criteria, 25% (twenty five percent) of the total quantity of the tender is earmarked for MSEs registered in Udyam Registration Portal for the tendered item. Where the tendered quantity can be split, MSEs quoting a price within a price band of L1 + 15 percent shall be allowed to supply up to 25 percent of total tendered quantity provided they match L1 price. In case the tendered quantity cannot be split, MSE shall be allowed to supply total tendered quantity provided their quoted price is within a price band of L1 + 15 percent and they match the L1 price. In case of more than one such MSEs are in the price band of L1 + 15% and matches the L1 price, the supply may be shared proportionately.
7. Out of the 25% (twenty five percent) target of annual procurement from micro and small enterprises, 4% (four percent) shall be earmarked for procurement from micro and small enterprises owned by Scheduled Caste & Scheduled Tribe entrepreneurs and 3% (three percent) for MSEs owned by women entrepreneurs. In the event of failure of such MSEs to participate in the tender process or meet the tender requirements and L1 price, 4% (four percent) and 3% (three percent) sub-targets so earmarked shall be met from other MSEs.
8. Following vendors shall not get MSE related benefits:
 - a. MSEs registered as a Service Enterprise participating in a tender for supply of goods for which they are not registered.
 - b. MSEs registered as Manufacturing Enterprise but participating in a tender for rendering services for which they are not registered.
 - c. The preference to MSEs is not applicable for works contracts where supply of goods not

produced by the MSEs is also involved

9. The value of Performance Bank Guarantee (PBG) shall be relaxed by 50% of the requirement as per tender terms in case of MSEs owned by SC/ST & Women entrepreneurs.

NOTE: -

- 1.** In case where tender quantity can be split and MSE vendor is already getting order for more than 25% of the tender value, no additional purchase preference will be given in that tender.
- 2.** In case MSE vendor is already getting order for less than 25% of the tender quantity, purchase preference to this and other MSE vendors (together) shall be given only up to the differential quantity to make total as 25% to MSE vendor.

Annexure-VIA to ITB

OPPORTUNITY TO STARTUP'S AND MICRO & SMALL ENTERPRISES (MSE'S)

In case a Startup (defined as per Ministry of Commerce and Industry (Department of Industrial Policy and Promotion, DIPP) latest notification) / MSE is interested in supplying the tendered item but does not meet the Pre Qualification Criteria (PQC) / Proven Track Record (PTR) indicated in the tender document, the Startup / MSE is requested to write a detailed proposal separately, and not against the present tender requirement, to the tender issuing authority about its product. Such proposals shall be accompanied by relevant documents in support of MSE (where applicable) or in case of Startup, following documents shall be given:


- 1. Certificate of Recognition issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India.*
- 2. Certificate of incorporation*
- 3. Audited P&L statement of all the Financial Years since incorporation. In case where balance sheet has not been prepared, bidder shall submit a certificate in original from its CEO / CFO stating the turnover of the bidding entity separately for each Financial Year since incorporation along with a declaration stating the reason for not furnishing the audited P&L statement. This certificate shall be endorsed by a Chartered Accountant / Statutory Auditor.*

The proposal shall be examined by IOCL and IOCL may consider inviting a detailed offer from the Startup / MSE with the intent to place a trial or test order provided the Startup / MSE meets the quality and Technical Specification.

In case the Startup / MSE is successful in the trial order, he shall be considered for PQC exemption / relaxation (as the case may be) for the next tender for such item till the time he remains a Startup / MSE.

Criteria of prior experience & Turnover will be relaxed by 15% for MSEs & waived for Start Ups subject to meeting the quality and technical specification of the tendered items and where tendered items / services are not critical in nature. The Startup bidder shall be required to submit an undertaking along with the bid stating that they will comply with all quality requirements and technical specifications of the tender during execution.

In order to avail Startup benefits, bidder shall be recognized as a Startup as on the Original Bid Opening Date stated in the e-tender portal.

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Annexure – VII to ITB

Reverse Auction Guidelines for Bidders

Introduction to Reverse Auction (RA)

1. "Electronic reverse auction" means an online real-time purchasing technique utilized by the procuring entity to select the successful submission, which involves presentation by suppliers or contractors of successively lowered bids during a scheduled period of time and the automatic evaluation of bids."
2. Reverse Auction (RA) module is integrated with tendering process in the existing IOCL e Tendering portal (<https://iocletenders.nic.in>).
3. Existing Reverse Auction Module supports reverse auction for single line item (Single-lot RA) as well as for multiple line items (Multi-lot TA).
4. The lowest quote available after RA shall be considered as L1.

Definitions

Various terms used in e-Tendering Portal relevant to RA are defined below:

1. Current Price:

Current Price available against any line item (lot) under "Live Auction" tab shows the latest L1 value received against that lot.

2. Decremental Value/ Decremental Price / Decrement Price:

It is the minimum value (in Rs.) which shall be decremented by any competing bidder from "Current Price" while entering his quote. The bidder can decrement only in multiples of this value.

3. My Auction Price:

Bidder enters and submits his quote in the space provided against "My Auction Price".
E.g. If Current Price at a moment is X and Decremental value = Y. Then Bidder shall be able to enter My Auction Price = Z where $Z = X - n \times Y$ and 'n' is an integer greater than zero (0).


4. Elapse Time in Minutes and Auto Extension Time in Minutes:

These values (in minutes) will be specified by Tender creator while maintaining basic details.
Elapse Time is the quantum of period before Auction End Time.
Auto Extension Time is the quantum of period by which the auction End Time will get extended in case of any quote received during Elapse Time.
E.g. Let Auction period is from 11:00 Hrs. to 13:00 Hrs., Elapse Time is 5 Minutes and Auto Extension Time is 10 Minutes.

If any quote is received between 12:55:01 and 12:59:59, Auction End Time will be extended up to 13:10 Hrs. otherwise the auction will end at prescheduled time i.e. 13:00 Hrs.

5. Maximum Seal Percentage:

Maximum Seal percentage restricts the bidder from quoting abnormally low price by mistake.
If Maximum Seal Percentage defined in an auction = p, Decremental Value = Y and Current Price = X. Then bidder cannot quote a price less than $\{[(100-p) \% \text{ of } X] - Y\}$. If a bidder quotes a price less than this, system will not accept it.

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E.g. Maximum Seal Percentage = 25%
 Decremental Value = 500
 Current Price = 10,000
 The Bidder can't Quote below 7,000 i.e. $[(100-25) \% \text{ of } 10000] - 500$.

6. Auction Start Date:

Auction gets available under "Live Auction" tab and open for bidders to quote from this time onwards. This time shall be at least 48 hours after publishing of Auction details.
 In case of multi lot auction, this will be the earliest auction start time of each of the line items (lots).

7. Auction End Date:

Auction window available to the bidder expires and auction shall not be available under "Live Auction" tab from this time onwards subject to auto extension of the auction.
 In case of multi lot auction, this time will be auction end time of the line item (lot) whose auction is going to end at the last.

Following may please be noted for reverse action Reverse Auction:

a. Bidders are informed that Reverse Auction will be conducted for finalizing this Tender.

b. Criteria of Qualifying for Reverse Auction (Elimination Clause):

H1 bid received in Price Bid (BoQ) against a Tender shall not be eligible to participate in the Reverse Auction process and his bid will be auto rejected by the system wherever techno-commercially accepted bidders are more than three (3). Similarly, in case of multi-lot Auction, Itemwise H1 bidder will be disqualified for respective line item. An intimation by mail/SMS shall be provided to the eligible bidders for Reverse Auction along with its scheduled start time and other details.

c. The lowest price shall be available on the Reverse Auction screen at any point of time during the Auction process. This displayed price is the evaluated price based on which the lowest bid is determined as per evaluation criteria / Tender Terms & conditions. Accordingly the bidder will put his quote in the Auction window if he wants to offer the reduced price considering the evaluation criteria as per Price Bid (BoQ) / Tender Terms & Conditions.

d. Wherever required, the Evaluation factor/criteria shall be informed to the bidders before start of RA. In other cases the bidder shall calculate his final evaluated price as per BoQ or evaluation criteria mentioned in the tender document and quote accordingly.


e. The lowest quote after end of Reverse Auction shall be considered for further processing.

f. For the purpose of extending MSME or any other preference /benefit as per guidelines, the latest quote of respective MSME bidder(s) during the tender-cum-auction process shall be considered.

g. IOCL reserves the right to conduct price negotiation with overall L1 bidder based on price quoted in BoQ and RA.

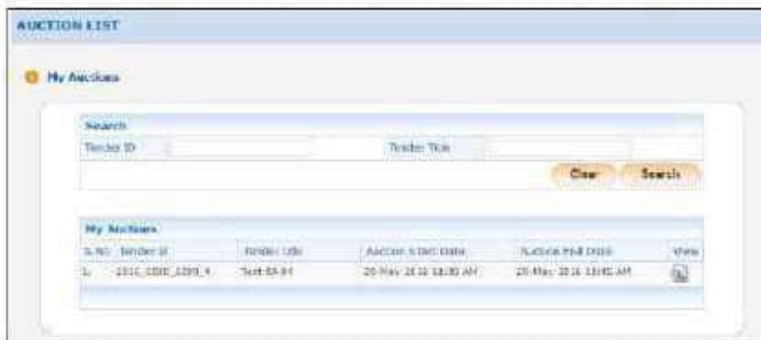
Live Auctioning

After auction has been published on e-Tendering Portal, system will make the tender available to the bidder from scheduled auction start date & time (as defined in auction basic details) onwards for live auction. Live auction process has been described below for bidder's view along with various screens.

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Bidder's view of Live Auction: After tender has been published, it will be available to all the qualified bidders under "*My Auctions*" tab where bidders shall be able to check all the details of auction as defined by the tender creator as shown below.

- a. Bidder shall click on the "*My Auction*" tab, he will get the list of tenders for which auction has been opted and published but auction has not ended till now as shown below.



- b. Bidder shall click on *View* option which will open a separate page having all the basic details of auction as defined by the tender creator as shown below. Accordingly bidders shall prepare themselves to participate in the auction. From scheduled Auction Start Date & time onwards, tender will be available to all the qualified bidders under "*Live Auctions List*" tab from where bidders shall be able to participate in the auction and quote the price.

Basic Details	
Organisation Chain	COIS Gujarat|Materials
Tender Reference Number	Reverse Auction
Tender ID	2015_COIS_1209_4
Tender Title	Test RA 04
Auction Details	
Auction Type	Reverse
Display Bidder Details	true
Auction Start Price (INR)	1,000
Auction Reserve Price (INR)	500
Decremental Price (INR)	10
Auction Start Date	29-May-2016 11:30 AM
Auction End Date	29-May-2016 11:45 AM
Auction Properties	
Elope Time in Minutes	5
Auto Extension Time in Minutes	5
Maximum Seal Percentage	25
Eligible Bidder Details	
S.No	Bidder Name

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- c. After Auction Start Date as indicated in the above screenshot, Bidder shall click on *“Live Auctions List”* tab where list of tenders whose auction start date & time has started will be available as shown below:




- d. Bidder shall click on the *hammer* (as indicated in above screen shot) against the respective tender; it will take bidder to the new page. In case of single lot auction, new page will be like as shown below:



- e. Here bidder will quote his price in *“My Auction Price: Rs”* field. *My Auction Price* field will accept any value arrived by deducting *Current Price* by Multiples of *Decrement Price*. E.g. in above screen Bidder shall be able to quote X where $X=49700000-n*100000$ where n is any integer. After quoting the price in My Auction Price field, bidder shall sign his bid digitally by clicking on symbol and then submit the bid.

Provided bidder shall not be able to quote any value below maximum seal value (ref. clause 3.8 for detail on maxim Seal value). Bidder shall quote the prices keeping *Price Evaluation criteria* in mind as these prices shall be deemed to be the evaluated price.

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- f. If any bidder quotes within *Elapse Time* before auction end time or extended auction end time, Auction End time will be auto extended by the system for *Auto Increment Time* (refer details on Elapse Time and Auto Increment Time). Screen with extended auction end time is as given below:



The screenshot shows the 'AUCTION BIDDING' screen with the following details:


- Tender ID: 2016_CD10_1444_1
- Tender Reference Number: Tnd RA 2016/02/04
- Bidder ID: Tnd RA 2016/02/04
- Auction Type: Reverse
- Start Price: Rs. 5000000
- Current Price: Rs. 5000000
- Auction Date: 07-Apr-2016 02:00 PM To 07-Apr-2016 03:05 PM
- Current Price: **5000000** (circled in red)
- Auction Subscribed Date / Time: 07-Apr-2016 03:02:57 PM
- Auction Extended Date / Time: 07-Apr-2016 03:15:00 PM

- g. After Auction End Date/Time or Extended Auction End Date/Time whatsoever is later is over, tender will no more be visible under "*Live Auction List*".
- h. *In case of Multi-lot auction*, when a bidder shall click on the hammer as referred in clause 6.1.3, system will take the bidder to new page where all the lots of auction will be visible as shown below:

S.No	Item Code	Description	Auction End Date	My Latest Value	L1 Rate	View
1	Item1	RA Item- 01	09-Feb-2016 03:35 PM	27000	27000	
2	Item2	RA Item- 02	09-Feb-2016 03:30 PM	30000	28000	
3	Item3	RA Item- 03	09-Feb-2016 03:35 PM	--	--	

In above screen, following combination will tell whether auction has started for a particular lot or not.

My Latest Value & L1 Rate	View	Status of Lot
Nil	Nil	Auction NOT YET started
Some Value	Hammer	Auction started
Some Value	Nil	Auction Ended / Expired

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Bidder shall get the option of **hammer** and to quote only against those line items for which he is qualified after price bid opening.

- i. Bidder shall click on the hammer available against individual lot which will take the bidder to new screen as shown in clause c above and quote for each lot separately as described in clause d & e.
- j. In case of multi lot auction, after Auction End Date & Time or Lot wise Auction End Date & Time / Extended date & Time for all items (which so ever is later) is over, tender will no more be visible under "*Live Auction List*".

Annexure-VIII to ITB

DOMESTICALLY MANUFACTURED ELECTRONIC PRODUCTS (DMEP)

DOMESTICALLY MANUFACTURED ELECTRONIC PRODUCTS (DMEP) NOTIFIED BY GOVT. OF INDIA ARE ELIGIBLE FOR PREFERENCE IN PROCUREMENT AS PER PREVAILING DIRECTIVES OF GOVERNMENT OF INDIA

Public Procurement policy (Local content) Electronic Products:

Domestically manufactured electronic products (DMEP) notified by Govt. of India Ministry of Electronics and Information Technology, are eligible for preference in procurement as per Notification No. 33(1)/2017-IPHW dated 14.09.2017

Following Electronic Products are notified under the Public Procurement (Preference to Make in India) Order 2017:

- i. Desktop Personal Computers (PCs)
 - ii. Laptop Personal Computers (PCs)
 - iii. Tablet Personal Computers (PCs)
 - iv. Dot Matrix Printers
 - v. Smart Cards
 - vi. LED Products
 - vii. Biometric Access Control/Authentication Devices
 - viii. Biometric Finger Print Sensors
 - ix. Biometric Iris Sensors
 - x. Servers
1. **The Percentage of domestic value addition in terms of Bill of Material (BOM) required for the (*tendered DMEP item*) to qualify as domestically manufactured electronic products (DMEP) is (*as mentioned in notification for the tendered DMEP item*) %.**
 2. **The local supplier at the time of bidding shall provide self-certification that the item offered meets the minimum local content and shall give details of the location(s) at which the local value addition is made.**
 3. **In cases of procurement for a value in excess of Rs. 10 crores, the local supplier shall provide a certificate from the statutory auditor or cost auditor of the company (in the case of companies) or from a practising cost accountant or practising chartered accountant (in respect of suppliers other than companies) giving the percentage of the local content.**
 4. **All other terms & conditions including preference for procurement for DMEP item, criteria for BOM of the DMEP item to be classified as Domestic, procedure for calculating local content/domestic value addition, verification of local content/domestic value addition etc. shall be as per Notification No. 33(1)/2017-IPHW dated 14.09.2017 of Ministry of Electronics and Information Technology.**
 5. **Order Splitting Methodology**

For Purchase preference, Public Procurement Policy 2012 (PPP-2012 for MSEs) benefits shall receive precedence over DMEP-2017 benefits as is being followed in case of application of PPP-MII policy.

The bidder shall declare their preference for seeking Purchase Preference benefit as MSE under PPP-2012 or as Local Supplier under DMEP-2017.

Abbreviation:

- 1) MSE- Micro and Small Enterprises
- 2) DM- Local Supplier
- 3) GN- Bidder(s) not falling in either category 1 or 2 above.

Here DM, MSE are those who are eligible for Purchase Preference as per the above mentioned policies.

a) Where quantity can be split

Sr. No.	Condition	Ordering Recommended	Remarks
1	When MSE is L1	100% to MSE	Nil
2	When DM is L1 and MSE is within 15% of L1	25% to MSE 75% to DM	<ul style="list-style-type: none"> • If multiple MSE meet the condition, the preferential quantity shall be distributed proportionately amongst them. • If all eligible MSEs fails to match L1 rate, 100% quantity shall be awarded to L-1 DM.
3(a)	When GN is L1 and DM is within 20% of L1, and no MSE participated or MSE quoted more than 15% of L1	50% to DM 50% to GN	<ul style="list-style-type: none"> • If the lowest priced DM fails to match L1 rate or accepts less than the offered qty., next DM shall be offered to match L1 rate for the remaining qty. and so on. In case qty. is still left uncovered on local suppliers, then such balance qty. shall be awarded to L-1 GN.
3(b)	When GN is L1 and MSE is within 15% and DM is within 20% of L1	25% to MSE 37.5% to DM (i.e. 50% of remaining 75%) 37.5% to GN	<ul style="list-style-type: none"> • If multiple MSE meet the condition, the preferential quantity shall be proportionately distributed amongst them. • If all MSE fails to match L-1 rate, the quantity shall be awarded in the ratio of 50:50 to L1 GN and DM. • If the lowest priced DM fails to match L-1 rate or accepts less than the offered qty., next DM shall be offered to match L1 rate for the remaining qty. and so on. In case qty. is still left uncovered on local suppliers, then such balance qty. shall be awarded to L-1 GN.

Notes:

- All splits & purchase preference will be subject to matching L1 rates.
- In case more than one DM (within 20% of L1) quote the same rate, the preferential quantity shall be shared proportionately (to tendered quantity).

- Qty. during splitting shall be rounded to next higher whole number in order of preference.

b) Where quantity cannot be split

Sr. No.	Condition	Ordering Recommended
1	When MSE is L1	100% to MSE
2	When DM is L1 and MSE is within 15% of L1	<ul style="list-style-type: none"> • 100% to MSE. • If all such MSEs fail to match the L1 rate then 100% shall be awarded to L1 DM.
3	When GN is L1 and DM is within 20% of L1 and no MSE participated or MSE quoted more than 15% of L1.	<ul style="list-style-type: none"> • 100% to D M . • If the lowest priced DM, fails to match L-1 rate, next DM shall be offered to match L1 rate and so on. In case all DM fail to match L-1 rate then 100% qty. shall be awarded to L-1 GN.
3	When GN is L1 and MSE is within 15% and DM is within 20% of L1	<ul style="list-style-type: none"> • 100% to MSE • If all such MSEs fail to match the L1 rate then 100% shall be offered to DM. If all such DM fail to match L-1 rate then 100% qty. shall be awarded to L-1 GN.

- All Purchase Preference shall be subject to matching L1 rates.

Annexure-IX to ITB - Carriage by road rules

CARRIAGE BY ROAD ACT 2007 AND CARRIAGE BY ROAD RULES 2011 CONSIGNERS TO DEAL ONLY WITH REGISTERED TRANSPORT CONTRACTORS/RESTRUCTURE TENDER DOCUMENTS/TRANSPORT CONTRACTS

With the implementation of the Carriage by Road Act 2007 and Carriage by Road Rules 2011, the responsibility of consignors / corporate businesses / PSUs requires restructuring of tender document / bid document / transport contract with the transport contractors / common carriers.

The utmost caution has to be taken that transport contract must ensure that the transportation agreement / bid document should have mandatory criteria that transport contractor has to be registered under Carriage By Road Act 2007 and the bid document / transport agreement clearly includes the section -11 and 12 of the carriage by road act which specifies the total liability of common carrier in case of damage or loss of cargo / consignment handed over for transportation to other destination. The Section-11 of the Act states –

Quote-

"Every common carrier may require payment for the higher risk undertaken by him in carrying a particular consignment at such rate of charge as he may fix and correspondingly, his liability would be in accordance with the terms as may be agreed upon with the consignor."


Unquote;

Whereas Section-12 of the Act states

Quote

"Every common carrier shall be liable for the loss, damage to any consignment in accordance with the goods forwarding note; where such loss or damage has arisen on account of any criminal act of the common carrier, or any of his servants or agents. In any suit brought against the common carrier for the loss, damage or non-delivery of consignment, it shall not be necessary for the plaintiff to prove that such loss, damage or non-delivery was owing to the negligence or criminal act of the common carrier, or any of his servants or agents."

Unquote.

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BIDDING FORM

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Annexure- 4	DEVIATIONS STATEMENT-COMMERCIAL
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Annexure- 6	PRICE SCCHEDULE / BOQ FORMAT- ENCLOSED SEPARATELY IN THE BIDDING DOCUMENT
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Annexure -1	
Instruction to fill the format below-	
Bidders to fill the format below(white cells) and submit with their offer . Please note that submission of this declaration is mandatory,otherwise offer shall be liable for rejection.	
COMPLIANCE TO REQUIREMENT OF TENDER DOCUMENTS	
[To be submitted by the bidder as a sheet of "Bid_Documents" in the Un-Priced Bid (Technical Bid) , otherwise the Offer shall be liable for rejection]	
It is hereby declared that we have read and understood the entire tender documents available on IOCL e-tender portal https://iocletenders.nic.in under-	
Tender Reference Number	SG/B269-414-KA-MR-5210/4
We hereby agree to fully comply with, abide by and accept without variation, deviation or reservation all technical, commercial and other condition whatsoever of the Bidding Documents including all Addenda / Corrigenda / Clarifications issued.	
Any and all deviations, variations, objections or reservations whatsoever hereto set out, given or indicated in our offer, clarifications, correspondence, communications, or otherwise stands null and void.	
We further, confirm that we have quoted the rates in the tender considering Inter-alia the 1. Tender Document(s) 2. Additional Document(s) (if any) 3. BOQ Document (Price Bid Format) 4. Corrigendum (if any) 5. Pre Bid Meeting Minutes (if any) We hereby certify that we have fully read and thoroughly understood the tender requirements and accept all terms and conditions of the tender including all corrigendum/addendum issued, if any. Our offer is in confirmation to all the terms and conditions of the tender including all corrigendum/addendum, if any and minutes of the pre-bid meeting. In the event our offer is found acceptable and Order is placed /Contract is awarded to us, the complete tender document shall be considered for constitution of Order / Contract Agreement.	
Offer Reference No. with date.	..... Dtd
Vendor's Name	.....
Authorised Person's Name (s):	.....
Designation	.....
Email ID (s)	.....
Mobile No. (s)	.....
Tel. No. (s)	.....
Fax No.	.....
Address	.....
Move to next Work Sheet ----->	

Annexure -2(a) - ATC (INDIGENOUS)		
THIS DOCUMENT IS APPLICABLE FOR INDIAN BIDDERS ONLY & QUOTATIONS IN INDIAN CURRENCY		
Instructions to Fill ATC (Below) and Annexures (Deviations, Declaration on acceptance , etc.) at different work sheets of this XLS file.		
<p>1. This workbook is protected, except for cells where comments/confirmation is to be given by bidder.</p> <p>2. Bidder is advised not to unprotect/tamper the sheet/ alter the terms mentioned in the sheet.</p> <p>3. Any alteration to terms mentioned by IOCL will be considered as tampering and bidder's offer shall be liable for rejection.</p> <p>4. Bidders are advised to only fill the unprotected cells (white cells) by dropdown or writing the comments as applicable as their confirmation . Failure on the part of bidder in not returning this duly filled-up questionnaire with all the sets of unpriced quotation and/or submitting incomplete replies may lead to rejection of bidder's quotation.</p> <p>5. All the commercial terms and conditions shall be indicated by vendor in this format only and nowhere else in his quotation. However, in case the space for vendor's reply is not sufficient against a particular question, the vendor shall furnish same by way of separate annexure/sheet attached to this questionnaire, indicating cross-reference of respective clauses.</p>		
AGREED TERMS & CONDITIONS(ATC)-INDIGENOUS		
EACH POINT MUST BE CONFIRMED / COMMENTED UPON AND MUST BE SUBMITTED ALONG WITH THE BID		
	Tender No.	SG/B269-414-KA-MR-5210/4
	Vendor's Name	.....
	Offer Reference No.	..... Dtd
Sl. No.		Vendor's confirmation/ acceptance/comments
<u>DEVIATIONS' IF ANY</u>		
<p>Please note:- Any technical / commercial deviations to be mentioned in the Annexure captioned "Deviation Statement (Technical/Commercial)". Any deviations/notes/ comments/etc. given elsewhere in the Offer other than the Annexure "Deviation Statement (Technical/Commercial)" shall be null & void.</p>		
1 (a)	Confirm that no technical deviation has been taken in your Offer from IOCL tender requirements.	No Deviation
1(b)	Confirm that sample as required is submitted & submission proof of Tender Sample as per requirement in Technical section is attached.	SELECT FROM DROP DOWN
1 c)	Confirm that no commercial deviation has been taken in your Offer from IOCL tender requirements.	No Deviation
<u>INCOTERM</u>		
2 (a)	Quoted Prices are on FOT Dispatch Point basis	CONFIRMED
2 b)	Indicate Dispatch point. (Place from where the material shall be despatched)	STATED IN BIDDER INPUTS BELOW
2(c)	Confirm that the Quoted Prices shall remain FIRM and FIXED till complete execution of the order and shall not be subject to variation on any account.	SELECT FROM DROP DOWN
2(d)	In case of Variable Prices, please specify price variation formula with an upper ceiling and base indices. Unless otherwise specified in the tender, ceiling shall be loaded for evaluation purpose & offer received without any ceiling shall be liable for rejection unless all the bidders have asked for the same Price Variation formula without ceiling.	Sl. No. 2(d) is not applicable, since bidder to quote FIRM & FIXED price, inline with provisions of Enquiry Document
<u>COMMERCIAL TERMS:-</u>		
<p>Please Note if bidder does not mention anything against the below commercial terms, the same shall be considered as "nil" and no further confirmation from vendor shall be sought. Evaluation and ordering shall be done considering commercial terms (charges) as Nil.</p>		
3(a)	<u>PACKING & FORWARDING CHARGES:-</u> The Offer is inclusive of Packing and Forwarding (P&F) charges.	CONFIRMED