

## **PREFERENCES/BENEFITS FOR MSEs:**

Following preferences/benefits shall be given to MSEs in line with Public procurement policy for Micro and Small Enterprises (MSEs), 2012:

1. The tender documents shall be issued free of cost to MSEs.
2. MSEs are exempted from payment of Earnest Money Deposit (EMD).
3. In tender, Micro and Small Enterprises quoting within the price band of L1+15% shall be allowed to supply the requirement up to 20% of the tender quantity subject to condition that such Enterprises bring down their price to L1 price where L1 price is from other than a Micro and Small Enterprise. If L1 offer is from a Micro / Small Enterprise, this provision will not be applicable. In case more than one Micro and Small Enterprise is there within this span, the supply shall be shared proportionate to the tender quantity. (70:30 or 50:30:20 of the eligible quantity).

Note: Special provision for Micro and small enterprises owned by SC or ST: -

Sub target of 20% (i.e. 4% out of 20%) would be earmarked for procurement from Micro and Small Enterprises owned by the Scheduled Caste or Scheduled Tribe Entrepreneurs provided that in event of failure of such Micro and Small Enterprises to participate in the tender process or meet the tender requirements and the L1 price, the 4% sub-target for procurement earmarked MSE owned by Scheduled Caste or Scheduled Tribe Entrepreneurs shall be met from other MSE Enterprises/s.

MSE suppliers can avail the intended benefits only if they submit along with offer, attested copies of either EM-II certificate having deemed validity (two years from date of issue of acknowledgement in EM-II) or valid NSIC certificate or EM-II certificate along with CA certificate (format enclosed as per annexure-I) applicable for the year, certifying quantum of investment in plant & machinery within permissible limit as per the act of relevant status (micro & small) where deemed validity of EM-II is over. Date of reckoned for determining the deemed validity will be the last date of technical bid submission. Non submission of such documents will lead to consideration of their bids at par with other bidder & MSE status of such suppliers shall be shifted to non MSE supplier till the supplier submits the documents. This provision for MSE will apply subject to the condition that the participating MSE meets the tender requirements.

In case of any change in the MSE status of the Bidder, it shall be the responsibility of the Bidder to notify the change as a part of the Bid document. If at a later date it comes to the knowledge of BHEL, that the change in the status has not been intimated by the Bidder and the order is obtained under the premise of an MSE then BHEL would cancel the pending order against this tender and take necessary steps for suspension of the business dealing with the Bidder as per the procurement policy of BHEL.

In case after the bid opening it is seen that no MSE has become L1, then depending on the nature of the item, if it is not possible to split the tendered items / quantities on account of reasons like customer contract requirements of supplying one make for a given project or technical reasons like the tendered item being a system etc. then BHEL would not counter offer the L1 prices even though there may be MSE bidders within the +15% band of L1.

**Certificate by Chartered Accountant on letter head**

This is to Certify that M/S. ....

(Hereinafter referred to as 'company') having its registered office at

.....is registered under MSMED Act 2006, (Entrepreneur

Memorandum No (Part-11 .....dated: .....

Category: ..... (Micro/Small) (Copy enclosed).

Further verified from the Books of Accounts that the investment of the company as on date ..... as per MSMED Act 2006 is as follows:

**I. For Manufacturing Enterprises:** Investment in plant and machinery (i.e. original cost excluding land and building and the items specified by the Ministry of Small Scale Industries vide its notification No.S.O.1722(E) dated October 5, 2006 :

Rs. ....Lacs

**2. For Service Enterprises:** Investment in equipment (original cost excluding land and building and furniture, fittings and other items not directly related to the service rendered or as may be notified under the MSMED Act, 2006:

Rs .....Lacs

The above investment of Rs .....Lacs is within permissible limit of RS.

.....Lacs for .....Micro/Small (Strike off which is not applicable) Category under MSMED Act 2006.

**Date:**

(Signature)

Name -

Membership number -

Seal of Chartered Accountant