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Sub: Participation of MSEs in ONGC tenders on the experience / financial strength of companies other than MSE

EPC, in its meeting (20/2018) held on 17.09.2018 deliberated the issue of participation of MSEs in ONGC tenders on the experience / financial strength of the companies other than MSE. EPC agreed that the benefits available to MSEs under the scheme should be available to genuine MSEs only and should not be passed on to the companies other than MSEs through indirect route.

Hence, to ensure that the benefits of the policy reach to the intended beneficiaries, it has been decided to incorporate certain conditions in the provisions pertaining to "Purchase Preference to MSEs" of the BECs for procurement of goods and services (including charter hire of rigs):

Accordingly, relevant provisions of the BECs for procurement of Goods and Services stand modified as per enclosed Appendix-1. Similar modifications should also be carried in the BEC conditions for Charter Hire of Rigs.

Above guidelines should be meticulously followed by all concerned.

Ashwini Nagia
4/10/18

(Ashwini Nagia)
ED-Chief MM Services

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Statement showing existing vis-à-vis modified provisions of the BECs for procurement of Goods and Services against ICB/NCB tenders

Clause No	Existing Provisions	Modified Provisions
C-2 of BEC for goods (ICB/NCB) and C-3 / 4.1 of BEC for Services (ICB / NCB)	PURCHASE PREFERENCE POLICY(IES) :	PURCHASE PREFERENCE POLICY(IES) :
C 2.1.(d) of BEC for goods (ICB/NCB)	No provisions exist	Provisions for submission of bid based on the financial strength of a supporting company available to large companies in the tender document shall also be available to MSEs. However in order to avail the benefits reserved for MSEs i.e. exemption from payment of EMD and purchase preference, the MSE bidder shall have to rely on their own strength or on the strength of another MSE only to meet the tender requirement of financial evaluation criteria. In cases of support from MSE, the supporting MSE shall have to fulfill all the obligations prescribed for a supporting company as per BEC conditions.
C-3.1.(a) / 4.1.1(a) for Services (ICB / NCB)	No provisions exist	Provisions such as seeking support from another company, submission of JV/consortium bid, etc., wherever allowed and available to large companies in the tender document shall also be available to MSEs. However in order to avail the benefits reserved for MSEs i.e. exemption from payment of EMD and purchase preference, the MSE bidder shall have to rely on their own strength or on the strength of another

		<p>MSE only to meet the various tender requirement including technical and financial evaluation criteria. In cases of support from MSE, the supporting MSE(s) shall have to fulfill all the obligations prescribed for a supporting company as per BEC conditions. Further, in case of bid from incorporated JV/consortium, in order to avail the benefits, all the members of the bidder i.e. Incorporated JV / consortium shall have to be MSEs.</p>
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