

CORPORATE MATERIALS MANAGEMENT
BHEL NEW DELHI

AA: MM: Doc-MSME
Dated: 25.04.14

Circular No 04 of 2014-15
(Supersedes Circular 17 of 2013-14 dated 24.08.13)

Guidelines to provide the intended benefits for MSE suppliers
as per MSMED Act 2006 and Public procurement Policy 2012
to Genuine MSE Suppliers.

In order to have effective & efficient working capital management in the company and to ensure that the intended benefits for MSE supplier as per the 'MSMED Act 2006', & 'Public Procurement Policy for MSE, 2012' and Gazette notification ref. S.O. No. 3322(E) dated 04.11.2013 by the Ministry of MSME, goes to the genuine MSE suppliers, following guidelines are to be followed by Units/ Regions while dealing with MSE suppliers:

- i. In cases where the MSE status is based on Acknowledgement of Entrepreneur Memorandum Part II (hereinafter referred as EM II Certificate), the validity of such EM II certificate will be **deemed as 5 years** (2 years earlier deemed validity + 3 years present extension as per the gazette notification) from the date of acknowledgement of the EM II certificate, unless it is accompanied by a CA certificate (format as per Annexure-1), which will be required for each bid.
- ii. Following clause is to be **mandatorily inserted** in all NITs (Open/ Limited/ Single).

“MSE suppliers can avail the intended benefits only if they submit along with the offer, attested copies of either EM II certificate having deemed validity (five years from the date of issue of acknowledgement in EM II) or valid NSIC certificate or EM II certificate along with attested copy of a CA certificate (Format enclosed at Annexure -1 where deemed validity of EM II certificate of five years has expired) applicable for the relevant financial year (latest audited). Date to be reckoned for determining the deemed validity will be the date of bid opening (Part 1 in case of two part bid). Non submission of such documents will lead to consideration of their bid at par with other bidders. No benefit shall be applicable for this enquiry if any deficiency in the above required documents are not submitted before price bid opening. If the tender is to be submitted through e-procurement portal, then the above required documents are to be uploaded on the portal. Documents should be notarized or attested by a Gazetted officer. ”
- iii. All MSE suppliers shall continue to be in PMD with MSE status based on the EM II certificate or valid NSIC certificate.



iv. Any new supplier will be eligible for registration with BHEL as MSE supplier provided at least any one of the following documents are submitted along with application for registration.

- a. Valid NSIC Certificate or
- b. Entrepreneurs Memorandum part II (EM II) certificate (valid based on deemed validity of 5 years) or
- c. EM II certificate along with attested copy of CA certificate (as per prescribed format at annexure 1) applicable for the relevant financial year (latest audited), where the deemed validity of EM II is over.

However credentials of all MSE suppliers will be verified before considering the intended benefits for MSE suppliers as per clause (ii) at the time of tender evaluation.

v. All the units/ regions shall make a provision (if not existing earlier) in their system to capture and record PO/ WOs details for MSE status as per the above NIT condition and report the procurements from MSEs to Corporate MM as per the MIRs in vogue

Based on above guidelines, Units/ Regions may issue necessary work instructions to all the concerned departments to implement the same.

These guidelines are issued with the approval of competent authority and are to be implemented within one month from the date of issue of this circular. This supersedes earlier circular (no. 17 of 2013-14 dated 24.08.13 issued by corporate MM) accordingly.

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25/4/14
(A.K. Jain)

GM / Corporate MM

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