

NSIC-CONSORTIA AND TENDER MARKETING SCHEME

Promotion of the product of Micro and Small Entrepreneurs is one of the major objective of the Corporation. In the present competitive scenario a need has been felt to facilitate Micro and Small Enterprises to market their goods / services individually or collectively through 'Consortium'. Accordingly, the scheme for promoting the products of the MSEs has been reviewed in 2011 & named as "**Consortia and Tender Marketing Scheme**".

1. The special features of the scheme:-

- (i) The scheme will cover Micro & Small Enterprises registered with NSIC under its Single Point Registration Scheme (SPRS). It would also cover Micro & Small Enterprises who apply to get themselves registered with NSIC under the SPRS along with all required documents in terms of the scheme and their factory is inspected before filing of tender in terms of the Tender Marketing Scheme.

The scheme shall not cover unit(s) engaging in '**trading activities**' without value addition/packing/ branding.

- (ii) The scheme also covers the method of selection of the units for participation in the open tenders and single tenders on nomination basis.
- (iii) The scheme takes care of providing EMD and security deposit on back to back basis.
- (iv) The scheme inter alia includes the procedures for formation of Consortium, Capacity Building of MSEs by formation of consortia of the units manufacturing similar products, participation in tenders on behalf of units in a 'consortia' to secure orders in 'bulk' quantities, distribution of orders amongst units in a 'consortia' as per their capacities, facilitate the 'consortia' members in meeting their raw materials requirements & facilitating 'Credit' for the supplies made.
- (v) To accommodate provisions of this scheme, the legal document such as individual agreement by the units, agreement to be executed by the consortium, board resolution, power of attorney and other related document have been revised and simplified.
- (vi) For facilitating promotion and development of Micro & Small Enterprises, the Government of India, Ministry of MSME vide Gazette Notification No. S.O. 581(E) dated 23rd March, 2012 has circulated the Public Procurement Order 2012 for MSME. In the above Public Procurement Order, the Govt. of India has mentioned that that "Annual goal of procurement also include sub-contracts to Micro and Small Enterprises by large enterprises and consortia of

Micro and Small Enterprises formed by National Small Industries Corporation”.

- (vii) NSIC formed Consortia of Micro & Small Enterprises under its Consortia & Tender Marketing Scheme and is supplying the required stores / items and rendering the services as required by the Govt. Depts. / PSUs. NSIC offices continuously monitor the consortia and form new ones depending upon the requirements.

2. APPLICATION FORM:

The application form, in the prescribed format (**Annexures – A and A-1**) for enlistment under the Tender Marketing Scheme is to be submitted by the applicant Micro & Small Enterprise (MSE), duly signed by the authorized signatory i.e. Proprietor / Partner(s) / Director(s) of the firm / company / society along with the documents mentioned in the application form. These documents would also suffice wherever the enlisted unit wants to participate in the tender and /or form/join a consortium.

3. FIXATION OF LIMIT FOR TENDER PARTICIPATION:

3.(a) In respect of enlisted units willing to participate in tender through NSIC, the branch office shall fix an overall limit up to which the tender(s) can be participated on behalf of such unit at any point of time. The limit shall be the higher of:

- 3(a).i 300% of the monetary limit fixed for the unit under the Single Point Registration Scheme, or
- 3(a).ii Last year's turnover, (The 'Last year's turnover' should be turnover for a financial year and the same may either be as per the last audited accounts or as per the provisional results for a financial year, duly certified by the Chartered Accountants).
- 3(a).iii Where during the financial year in progress the unit has recorded an appreciable hike in its turnover (duly certified by the Chartered Accountant) with which it exceeds its last year's turnover or the overall limit as mentioned at (i) above, benefit shall be extended to such units and their overall limit may be fixed at the highest value amongst i, ii, or the value of turnover during the financial year in progress.

3(b) While fixing the overall limit the operating and installed capacity of the unit may also be considered.

3(c) The fixation of the limit shall be done by the committee consisting of the Branch Head, Accounts Head and Business Head.

- 3(d)** The limit so fixed shall remain valid for a year and is subject to review/ renewal annually.
- 3(e)** While deciding the overall limit to be fixed for units operating as a consortium, the limits fixed in respect of individual unit as per procedure mentioned above, shall be clubbed. The limit so fixed for a consortium shall remain valid for a year and is subject to review/ renewal annually.
- 3(f)** In case a consortium gets expanded (by the additions of a unit / units) and / or shrunk (by the withdrawal of a unit / units) then:
- 3(g)** On expansion of the consortium, the overall limit shall be enhanced after working out the limit in respect of the unit / units added by fixing their limits as per the procedure mentioned above.
- 3(h)** On withdrawal of unit / units from a consortium, the overall limit shall stand reduced equivalent to the limit fixed in respect of such units.
- 3(i)** However, the limit of the unit shall get vacated to the extent of the order already executed. (For example a unit having a limit of Rs. 15 crore and an order in execution for Rs. 10 crore out of which it has already executed order worth of Rs. 3 crore, the balance limit available for tender participation at this point shall be Rs. 8 crore).

After completion of the above, in respect of units found fit for enlistment under the scheme, an Enlistment Letter shall be issued by the branch.

I. Annual Fee Structure of Enlistment & Renewal under Consortia & Tender Marketing Scheme

S.No.	Category	Annual / Renewal Fee
1.	If Monetary Limit under SPRS is up to Rs. 100 lacs	Rs. 1000+Service Tax
2.	If Monetary Limit under SPRS is more Rs. 100 lacs and up to Rs. 500 lacs	Rs. 2500+Service Tax
3.	If Monetary Limit under SPRS is above Rs. 500 lacs	Rs. 5000+Service Tax
4.	Units owned by SC/ST entrepreneurs are exempted from the enlistment fee	
5.	There will be no fee for the formation of new / renewal of Consortia. However, while at the time of participation in tender by consortia members, enlistment fee mentioned above will be applicable.	

II. SERVICE CHARGES UNDER CONSORTIA & TENDER MARKETING SCHEME

S.No.	PARTICULARS	Rate (%)
1.	When EMD and/ or security deposit are arranged by the unit or when EMD/SD are exempted by the buyer department.	1.5%of the Bill value in case of individual units, excluding duties, taxes and other charges and 1% of the Bill value in case of consortium, excluding duties, taxes and other charges
2.	When EMD and/ or security deposit are arranged by NSIC.	2%of the Bill value in case of individual units, excluding duties, taxes and other charges and 1.5% of the Bill value in case of consortium, excluding duties, taxes and other charges.

Note:

Where the NSIC is required to participate in pre-dispatch inspection team along with the buyer department or other agency, a higher rate of service charge can be levied on case to case basis.

Validity of Consortia Agreement

Consortium agreement entered into between the Corporation and Consortium shall be valid till officially liquidated by all members and the intimation being served on the respective branch that they (Consortium) do not want to continue as a Consortia members. However, in case of inclusion of new member/s or member/s leaving the consortia of change in Constitution of any member , fresh agreement may be obtained. In order to ascertain the change in the Constitution or addition/deletion of the members, a declaration to the effects to be taken from consortia members that their consortium is alive and there is no change.

Annexure-A

Dated.....

The Senior Branch Manager
The National Small Industries Corporation Limited
Branch Office

Sub.: Application for Enlistment under Consortia and Tender Marketing Scheme.

Dear Sir,

I/We are engaged in manufacturing/providing service of..... I/We request you to kindly enlist our unit under the Consortia and Tender Marketing Scheme of the Corporation for participating in Govt. /private tenders on my/our behalf. I/We gone through the contents of the scheme and shall abide by the existing terms and conditions of the Scheme or as applicable from time to time.

I/We am/are enclosing the following documents along with application for enlistment under Tender Marketing Scheme for your examination and consideration.

1. A passport size photograph of each of the Proprietor/Partner/Director/Society office bearers along with residential proof.
2. Self-attested copy of G.P. Registration Certificate.
3. Power of Attorney (**Annexure – B**) /Board Resolution (**Annexure – C**)/ Society Resolution (**Annexure – H**) authorizing the Partner / Director / Executive to deal with NSIC for enlistment / tender participation and consortium formation;
4. Bank attested specimen signature of authorized persons.
5. Copies of recent supply orders.
6. Enlistment Fee

Kindly process our case and enlist us as an Associate unit for participation in the tenders on our behalf and execution thereof by us.

Thanking you,

Yours faithfully,

(Authorized Signatory)
(Full Name & Designation)

1. Particulars for the applicant unit:

Name	Constitution	Year Estd.	Address & Tel. No. & E-mail	
			Factory	Regd. Office
			Ph:	Ph:

2. **SSI Registration No.**.....date..... Valid upto.....or
Entrepreneurs Memorandum No...... date.....

3. **No. & date of Sales Tax/ VAT Registration.**

CST No.Dated
LST No..... Dated
VAT No..... Dated
TIN No.....Dated.....

4. **Details of Banker:**

Name of Bank	Address	Telephone No.	Account No.

5. Whether unit is located in a Backward area/ Hilly region/Others
.....

6. Whether unit belongs to SC / ST / Women entrepreneur / Physically Handicapped / Ex-servicemen/Technocrat (**Tick Mark**):.

7. Particulars of Proprietor/Partners/Directors/Executives:

Name	Father's/ Husband Name	Address	Qualification	Business Exp. (yrs.)	Tel & Mobile	E-mail addresses	Net worth (Rs. In lacs)

8. Name & address of Sister Concerns:

Name and address of the concern	Name of the common Proprietor/Partners/ Directors

9. Line of activity:

Nature of project	Name of products being manufactured

10. i) Have you applied earlier to NSIC : Yes / No

ii) Details of assistance sanctioned earlier :

Name of the Scheme	Amount of assistance (Rs.)	Reference No. and date of sanction letter	Repayment position	Amount of default/ over dues, if any

11. Manufacturing Capacity:

Name of Machine	Installed capacity	Operational capacity	Present work load

12. Any other Information:

Signature of Authorized Person
(With official stamp)

Annexure A-2

(The Following Details may be furnished if financial assistance is required from NSIC)

1. Particulars of financial assistance already received or likely to be received from Banks/FI's :

Name of Financial Institution/ Bank (with Address and Tel.)	Amount of assistance (Rs.)	Reference No. and date of sanction letter	Bank Account No.	Re-payment position	Amount of default/over dues, if any

2. Details of Security proposed:

a) In case of Bank Guarantee :

S.No.	Nature of security	Value (Rs.)	Name ,address & telephone No. of Issuing Bank

b. Details of Personal Guarantees :

Name & Address of Guarantors	Net worth/ Means (Rs.)

3. Any other Information

Signature of Authorized Person
(With official stamp)

(On stamp paper as per the local Act)

(Power of attorney to be given by the partners for enlistment for participation in the tender on behalf of the firm.)

We,

1. S/o.Shri..... R/o.....
2. S/o.Shri..... R/o.....
3.S/o.Shri.....R/o.....Partners of _____do hereby appoint Sh S/o Shri..... R/o....., a partner of the firm as our sole and lawful attorney to apply to the National Small Industries Corporation Limited, Branch Office for enlistment for participation in the tender(s) on behalf and in the name of the firm individually or as Member of Consortium under its Consortia and Tender Marketing Scheme and for that purpose the firm do hereby authorize Sh..... S/o Sh....., partner of the firm to execute agreement/s, furnish documents/instruments/ security/guarantee and to do whatsoever in furtherance of the said objectives as may be required by the National Small Industries Corporation Limited/purchaser on behalf of the firm. Sh..... is further authorized to be the leader of the Consortium or to nominate any other authorized person of any member of the Consortium as leader to represent the firm for all purposes in relation to the participation and execution of tender(s)/order(s) through Consortium.

We hereby agree to ratify all such acts application, documents, deeds, and correspondence signed by the said attorney on behalf of the firm and all such documents, agreements and correspondence etc shall be binding on us as partner/s of the said firm.

First Partner
(Signature)

Second Partner
(Signature)

Third Partner
(Signature)

Accepted

Power of Attorney
(Signature)

Witnesses: 1.

2.

Date:
Place:

Annexure-C

Ref.:

Dated:-

(On Letter Head of the unit with common seal of the company)

(Specimen of Board Resolution to be passed by the Board of Directors in case of application by the Company)

Extracts of the Minutes of the Board Resolution dated _____ held at _____

Resolved that the Company shall apply to National Small Industries Corporation Limited..... (Address) for enlistment for participation in the tender(s) on behalf and in the name of the company individually or as Member of Consortium under its Consortia and Tender Marketing Scheme and for that purpose the company do hereby authorize Sh..... S/o Sh....., a director of the company to execute agreement/s, furnish documents/instruments/ security/guarantee and to do other things whatsoever on behalf of the company as may be required by the National Small Industries Corporation Limited/purchaser for said purposes. Sh..... is further authorized to be the leader of the Consortium or to nominate any other authorized person of any member of the Consortium as leader to represent the company for all purposes in relation to the participation and execution of tender(s)/order(s) through consortium.

(Authorised Signatory)

(With common seal of the company)

(On Letter Head of the unit)

(Specimen of Resolution to be passed by the Executive Members of Society)

Extract of Resolution of the Executive Members of Society dated _____ passed in its meeting held at _____

Resolved that the Society shall apply to National Small Industries Corporation Limited..... (address) for enlistment for participation in the tender(s) on behalf and in the name of the Society individually or as Member of Consortium under its Consortia and Tender Marketing Scheme and for that purpose the Society do hereby authorize Sh..... S/o Sh....., a Executive of the Society to execute agreement/s, furnish documents/instruments/security/ guarantee and to do other things whatsoever on behalf of the Society as may be required by the National Small Industries Corporation Limited/purchaser for said purposes. Sh..... is further authorized to be the leader of the Consortium or to nominate any other authorized person of any member of the Consortium as leader to represent the Society for all purposes in relation to the participation and execution of tender(s)/order(s) through consortium.

(Signature of all Executive Members)