

## **Clarification to Queries on Eol for Surveillance under the Compulsory Registration Order**

### **Eol No. W-47/3/2014-ESDM-Sep 2014**

<b>S. No</b>	<b>Clause of Eol</b>	<b>Description</b>	<b>Query</b>	<b>Received from</b>	<b>Clarification</b>
1	4 (a)	<b>Incorporation:</b> The bidder agency should be a company registered under Indian Companies Act 1956. The company / agency should have been in existence for a period of at least 5 years on the date of application as evidenced by the Certificate of Incorporation issued by the Registrar of Companies, India	Vincular is a two year old company and we are dedicated into the product compliance services with a team of professional and relevant industry experience of many decades. We meet most of the other selection criteria well, given this fact should we be considered for this Eol submission.	Vincular Testing Labs India Pvt. Ltd.	Clause is self explanatory. No further change is envisaged.
2	4 (d)	<b>Turnover</b> – The agency should have a turnover of not less than Rs. 2 Crore in the preceding year. Turnover is defined as sales proceed as per audited P&L account of the firm, submitted for last financial year. A copy of income tax return should also be submitted along with.	As mentioned in the above point Vincular is just a couple of year old company and did 1.5 Crore revenue in FY 13-14 but our current year revenues are good. We can provide advance tax receipts for FY 2014-15 and audited balance sheet for FY 2013-14 to confirm it.	Vincular Testing Labs India Pvt. Ltd.	Clause is self explanatory. No further change is envisaged.
3	6 (i) (c)	A cost @ 25% of the test charges on account of storage charges for storing the counter samples in an independent storing facility, if the manufacturer has no wish to retain the counter sample for 2 years from the date of pickup of sample	Who will pay this cost? DeitY or the manufacturer	Vincular Testing Labs India Pvt. Ltd.	If the manufacturer has no wish to retain the counter sample for 2 years from the date of pickup of sample, this cost will be borne by the manufacturer only.

4	7 (iii)	Turnover / 2 Crores (minimum) for 2012-2013	Is the preceding year 2012-13 or 2013-14	Vincular Testing Labs India Pvt. Ltd.	Point No. (iii) of the table under clause 7 may be read as "2 crores (minimum) for 2013-14".
5	4 (d)	<b>Turnover</b> – The agency should have a turnover of not less than Rs. 2 Crore in the preceding year. Turnover is defined as sales proceed as per audited P&L account of the firm, submitted for last financial year. A copy of income tax return should also be submitted along with	At point 4 (e), you have mentioned that you would prefer agencies with experience as outsourced agency for BIS product certification inspections and on the other hand you are asking that agency should have turnover of Rs 2 crore in the preceding year. It may kindly be noted that outsourced agencies, which were doing BIS product certification work may not be able to meet the requirement of a turnover of Rs 2 crore, though they are highly competent with full expertise and manpower available and are most suited to handle this kind of work. This is because most of these outsourced agencies do inspection work only and are paid their inspection fee as their service charges. They may have carried out a very high number of inspections during the year but still may not be having a turnover of Rs 2 crore as they are not a manufacturing or trading company but a service company, which is not expected to have a turnover of Rs 2 crore. A better benchmark to establish the credentials and assess the competence of an inspection body as desired by DEITY in its tender, may be number of inspections carried out by them which may be say 600 -700 minimum during the year and not turnover in terms of Rupees, which cannot indicate the	Aaditech Inspections & Services Pvt. Ltd.	Clause is self explanatory. No further change is envisaged.
6	4 (e)	<b>Expertise</b> – Agencies with experience as Outsourced Agency for BIS product certification schemes or of any other inspection / sample pick up scheme would be preferred		Aaditech Inspections & Services Pvt. Ltd.	Clause is self explanatory. No further change is envisaged.

			<p>competency, expertise, suitability or relevance of the inspection body for the scope of work in this tender. DEITY may even further stipulate these inspection bodies to have QCI accreditation as per ISO 17020 in a definite time period of 3-6 months, which is a pertinent barometer to judge the competency of the prospective empanelled agency. The existing conditions in the tender may result into a situation where a big multinational company with a turnover of more than Rs 2 crores but having zero experience of handling inspections or picking up samples, may qualify and the one with specific experience of several years in the field of inspections and samples, particularly as BIS outsourced agency and even having QCI Accreditation as per ISO 17020 may be left out, if its turnover is less than 2 crores. This appears to be an anomaly and if allowed to remain, may result in to an erroneous, unfair, fallacious and discriminate empanelment of agencies. DEITY is, therefore, requested to accord due diligence to our submissions and take appropriate view and consider modifying the conditions accordingly.</p>		
7	6 (ii)	DeitY shall not be liable for bad debts incurred on account of non-reimbursement of legitimate dues towards the Agency on account of cost of samples, test charges, pickup and	Who will compensate for the samples and testing charges, if not received from manufacturing unit. Since even asking BIS to initiate appropriate action against registration holding unit may not result into any monitory recovery as	Aaditech Inspections & Services Pvt. Ltd.	Overheads @ 25% of test charges fixed for surveillance testing has been provisioned to take care of such bad debts only. Therefore, no further change in the clause is envisaged

		other such overheads by the registered manufacturing units or such entities except that it may ask BIS to initiate appropriate action against the registration granted to the unit under the provisions of the BIS Act	BIS does not stipulate such conditions. At most BIS can cancel the registration but recovery of charges incurred by agency may not be possible. How to compensate the agency in that case. It is suggested that the lab may be asked for testing only after cost of sample and the testing charges are retrieved from manufacturing unit. So that even if manufacturing unit refuses to pay for the incurred cost of samples and testing, samples if remain untested by that time, will be in a condition to fetch some recoverable cost by the agency.		
8	7	Table	It may kindly be clarified whether the four parameters at S.No. <b>i to iv</b> for which “essential” weightage has been mentioned are preconditions for applying even if applicant agency deserves and qualifies to get 100 marks in parameters from S.No. <b>v to ix</b> .	Aaditech Inspections & Services Pvt. Ltd.	Parameters at S. No. (i) to (iv) are mandatory to qualify for applying / submitting the EoI, else submissions will not be considered.