

Vendor Enlistment Process in Indian Oil

In IOCL, **open tendering is the preferred route** for procurement of goods and services. Procurement is also done from OEMs for proprietary items. Limited tendering is rarely done in procurement of operational requirement. For Projects, limited tendering may be done where an approved Master Supplier List is available. In rare cases of procurement for operational requirements (usually for specialized requirement), limited tendering may be done where approved Vendor Masters are available. Indian Oil also purchases using the Government e Marketplace (GeM). **Hence Vendor Registration is normally not done in Indian Oil except for rare cases** as defined below.

Open Tendering

Tenders are floated with well-defined Pre-Qualification Criteria (PQC). PQC is made to gauge the financial, commercial, and technical (optional) capabilities of the prospective bidders. It is ensured that PQC is neither restrictive nor very relaxed to ensure competitive bidding while ensuring participation by technically and financially sound parties. Any bidder meeting the PQC can participate in Open Tenders without the need to pre-register with IOCL.

Limited Tendering for Project Procurement (goods)

In case of Projects, the Project Management Consultant (PMC) recommends a list of competent Vendors, which is reviewed by IOCL and approved for the Project as Master Supplier List. IOCL may add / delete from the proposed list of vendors based on previous experience. Prospective bidders are informed to get themselves registered with major PMCs like EIL, TKIS, Jacobs, Toyo, PDIL, Technip etc. The PMCs usually have an online portal for vendor registration.

Limited Tendering for specialized operational requirement and Vendor Registration

In other than Project cases, vendor empanelment is done through Expression of Interest (EOI) or similar exercise to identify and enlist prospective suppliers.

In case of petrochemicals, the process of enlistment of vendors is usually long drawn and the following steps needs to be followed to ensure production of marketable products:

- ✓ Trial at R&D
- ✓ Trial at Plant level with free sample supplied by the vendor
- ✓ Successful market feedback
- ✓ Extended trial at Plant level
- ✓ Successful market feedback

When is limited tendering done

- ✓ For jobs involving specialized know-how and patented processes where the sources are known and the possibility of developing fresh reliable sources by open tendering / press advertisements is not anticipated.
- ✓ Where there are sufficient reasons to indicate that it is not in the public interest to call for open tenders.

- ✓ When the Indenting/ Engineering Department certifies that the work is to be taken on an urgent basis and there is no sufficient time for getting tenders through open tender.
- ✓ Bidders selected through press pre-qualification EOI
- ✓ Limited Tenders are, therefore, done only in defined cases or with approval from Competent Authority.

Holiday Listing

Indian Oil also follows a well-defined process of Holiday Listing. Holiday Listed vendors are barred from participating in all tenders.