



GOVERNMENT OF KERALA

Abstract

STORES PURCHASE DEPARTMENT—AMENDMENT OF STORES PURCHASE MANUAL (SPM)—EXTENDING BENEFITS TO MICRO SMALL MEDIUM ENTERPRISES (MSMEs) AND PUBLIC SECTOR UNDERTAKINGS (PSUs) IN THE STATE —ORDERS ISSUED.

STORES PURCHASE (A) DEPARTMENT

G. O. (P) No. 4/2021/SPD.

Dated, Thiruvananthapuram, 31st March 2021.

- Read :— 1. G. O. (P) No. 3/2013/SPD., dated 21-6-2013.
2. G. O. (Rt.) No. 5382/2020/Fin., dated 18-9-2020.

ORDER

The Stores Purchase Manual had been revised as per the Government Order read 1st above and the same has been published in the official website www.spd.kerala.gov.in.

2. As per the Government Order read as 2nd paper above, Government adopted the benefit of Public Procurement Policy for self reliance to the MSMEs and PSUs in the State. This policy for the State will consist of the following Price and Purchase preferences to products procured from local MSMEs/State PSUs and shall come into force superseding all previous orders issued on procurement from MSMEs within the State.

3. On the basis of this Policy, Government are pleased to amend Para 8.9 of the Stores Purchase Manual as follows:

Para No.	Existing Provisions in the Revised Stores Purchase Manual	Amendment
8.9	<p>Micro, Small & Medium Enterprises registered with the National Small Industries Corporation Limited, New Delhi and in respect of which competency certificates are issued by the Corporation will be exempted from payment of earnest money deposits. Micro, Small & Medium Enterprises having DGS & D Registration will also be exempted from payment of EMD. This will not, however, apply in the matter of purchase of stores on Rate or Running Contract basis.</p> <p>Note :— All Government Orders/amendments issued by the Finance and other Administrative Departments in respect to the Public Procurement Policy for the Micro, Small & Medium Enterprises shall be applicable to all registered Micro, Small & Medium Enterprises approved by the State Government.</p> <p>Note :— (a) All State Government Departments/Public Sector Undertakings/Local Self Governments/Development Authorities/Kerala Khadi and Village Industries Board/</p>	<p>Micro, Small & Medium Enterprises registered with the National Small Industries Corporation Limited, New Delhi and in respect of which competency certificates are issued by the Corporation will be exempted from payment of earnest money deposits. Micro, Small & Medium Enterprises having Udyog Aadhaar Registration will also be exempted from payment of EMD. This will not, however, apply in the matter of purchase of stores on Running Contract basis.</p> <p>Note :— All Government Orders/amendments issued by the Finance and other Administrative Departments in respect to the Public Procurement Policy for the Micro, Small & Medium Enterprises shall be applicable to all registered Micro, Small & Medium Enterprises approved by the State Government.</p> <p><u>PRICE PREFERENCE TO PSUs AND MSMEs:</u></p> <p>All state PSUs & local MSMEs in the State shall get a Price Preference up to 15% in all procurement of State Government Departments, Organizations, Local Self Government Institutions and</p>

<p>KINFRA/Kerala State Electricity Board/Kerala State Road Transport Corporation/Kerala Water Authority shall set an annual goal of procuring a minimum of 20% of their annual value of goods or services from Micro and Small Enterprises working within the State, in a period of two years with effect from 2013-14.</p> <p>(b) From 1-4-2015, overall procurement goal of minimum 20% shall be made mandatory.</p> <p>(c) Out of the 20% target of annual procurement, a sub-target of 20% shall be earmarked for procurement from Micro and Small Enterprises owned by Scheduled Castes/Scheduled Tribes.</p> <p>(d) In tender, participating Micro and Small Enterprises quoting price within price band of L1+15% shall also be allowed to supply a portion of requirement by bringing down their price to L1 price if the L1 price is from some one other than the Micro and Small Enterprises and such Micro and Small Enterprises be allowed to supply 20% of the total tendered value.</p> <p>(e) To reduce transaction cost of doing business, the Micro and Small Enterprises will be given tender sets free of cost, payment of EMD will be</p>	<p>Public Undertakings. This means that wherever State PSUs/local MSMEs quote a rate which is within a 15% price range of the L1 bidder, the state PSU/local MSME, either singly or jointly, as the case may be, would be entitled to get up to 50% of the order quantity at the lowest rate quoted among them. If there are multiple State PSU/local MSME vendors in this category, they will be given equal proportions of this 50% order.</p> <p>Note :—</p> <p>(a) Deleted</p> <p>(b) Deleted</p> <p>(c) Deleted</p> <p>(d) Deleted</p> <p>(e) To reduce transaction cost of doing business, the Micro and Small Enterprises will be given tender sets free of cost, payment of EMD will be exempted and e-procurement will be adopted to ensure transparency in the tendering process.</p> <p>(f) The price procurement policy shall be made applicable to State PSUs/Micro and Small Enterprises working within the State and registered with the District Industries Centres/Khadi and Village Industries Commission/Khadi and Village Industries Board/Coir Board/National Small Industries Corporation/</p>
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	<p>exempted and e-procurement will be adopted to ensure transparency in the tendering process.</p> <p>(f) The price procurement policy shall be made applicable to Micro and Small Enterprises working within the State and registered with the Stores Purchase Department/District Industries Centres/Khadi and Village Industries Commission/ Khadi and Village Industries Board/Coir Board/National Small Industries Corporation/ Directorate of Handicrafts and Handloom or any other body specified by the Ministry of Micro, Small and Medium Enterprises.</p>	<p>Directorate of Handicrafts and Handloom/Udyog Aadhaar or any other body specified by the Ministry of Micro, Small and Medium Enterprises.</p> <p><u>PURCHASE PREFERENCE FOR MSMEs AND PSUs :—</u></p> <p>In any tender, If no local participating State PSUs & local MSMEs quotes within the price band of L1+15%, they shall still be entitled to an opportunity to supply up to 50% of the total order by bringing down their price to L1 price. In such a scenario, the State PSU and local MSME, accepting such an invite, either singly or jointly, as the case may be, shall be allowed to supply up to 50% of the order quantity, if there is only one such bidder; or in equal proportions out of the 50%, if there are multiple bidders in this category.</p>
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4. The Stores Purchase Manual 2013 is amended to that extent.

By order of the Governor,

RAJESH KUMAR SINGH IAS,
Additional Chief Secretary.

To

All Heads of Departments/Offices/Public Sector Undertakings/
Autonomous Bodies/Local Self Government Institutions/
Universities etc.

The Secretary, Kerala Legislature, Thiruvananthapuram (with C/L).

The Registrar General, High Court, Ernakulam (with C/L).

The Advocate General, Ernakulam (with C/L).

The Registrar, Kerala Administrative Tribunal (with C/L).

The Director of Printing, Thiruvananthapuram (with C/L).

The Principal Accountant General (Audit) Kerala,
Thiruvananthapuram.

The Accountant General (A & E) Kerala, Thiruvananthapuram.

Information & Public Relations Department (for publishing
in the Government Website)

All Departments in the Secretariat including Law and Finance.

The Stores Purchase (A1, A3, A4, B, IW-I & IW-II) Departments.

Secretariat Library.

The Director, C-DIT, Chittazham, Lavanya Building, Behind SMSM
Institute, Statue, Thiruvananthapuram (for hosting the Government
Order in the website of Stores Purchase Department.)

Stock File / Office Copy.
