

**Government of Jammu & Kashmir,
Finance Department(Codes Division),
Civil Secretariat, Jammu/Srinagar.**

**Circular No:- 11 -FD of 2024
Dated: 27.02.2024.**

Subject:-Procurement of Goods and Services by Government Departments/PSU's produced and provided by Micro and Small Enterprises.

Finance Department vide No. A/106(03)-II-244 dated 11.01.2020 read with FD-code/140/2022-02-1899 dated 24-02-2023, had issued following circular instructions regarding procurement of Goods and Services by Government Departments /PSU's produced and provided by Micro and Small Enterprises ;

1. In a tender participating MSMEs quoting price within price band of L1 + 15% shall also be allowed to supply a portion of requirement by bringing their price to L1 price. In a situation where L1 price is from someone other than MSMEs, such MSME shall be allowed to supply upto 25% of total tendered value.
2. Every Department or PSU shall procure a minimum of 25% of total overall annual procurement of goods and services from the MSMEs.
3. Out of the total annual procurement from Micro and Small Enterprises, 3 per cent from within the 25 per cent target shall be earmarked for procurement from Micro and Small Enterprises owned by women.

In order to avail price preference, functionalities have been deployed in GeM. A clause has been provided in ATC Library for effective implementation of all the provisions of MSMEs order.

All the sellers claiming to be MSMEs are required to validate their MSMEs status through Udyog Aadhar.

Regarding 358 items which have been reserved exclusively for purchases from MSMEs, the tender/bids are required to be invited from MSMEs only on the GEM portal.

procedure to be followed on GeM for allowing Price /Purchase Preference to MSMEs is enclosed as annexure to the circular.

Accordingly, all Administrative Departments are requested to circulate these instructions to all HODs, DDOs, Corporations, Boards, Local Bodies, PRIs and Agencies under them and ensure strict compliance.

The Industries & Commerce Department should advise and facilitate the MSMEs from Jammu and Kashmir to register themselves on GEM portal.

**Sd/
Director General (Codes),
Finance Department.**

NO:FD-Code/152/2021-02-1432


Dated:-27.02.2024

Copy to the:

1. Advocate General J&K High Court Srinagar/Jammu.
2. All Financial Commissioners.
3. Principal Accountant General, J&K Srinagar/Jammu.
4. Joint Secretary (J&K) Ministry of Home Affairs, Govt. of India.
5. All Principal Secretaries to Government.
6. Principal Resident Commissioner, Prithvi Raj Road, New Delhi.
7. Principal Secretary to Lieutenant Governor.
8. Chief Electoral Officer, J&K.
9. All Commissioner/Secretaries to Government.
10. Divisional Commissioner Kashmir/Jammu.
11. Commissioner of Vigilance, J&K Srinagar/Jammu.
12. Principal Secretary to Chief Justice J&K High Court Srinagar/Jammu.
13. Registrar General, J&K High Court Srinagar/Jammu.
14. Director General Budget
15. Director General Accounts & Treasuries.
16. Director General Local Audit & Pensions.
17. Director General Funds Organization.
18. Director General Audit & Inspections.
19. Director Anti Corruption Bureau.
20. All Head of Departments /Managing Directors/Chief Executive of State PSU's/Autonomous Bodies.
21. Secretary J&K Public Service Commission.
22. All District Development Commissioners.



25. Director Accounts & Treasuries Srinagar/Jammu.
26. All Director Finance/Financial Advisors & CAO's.
27. Joint Director Funds Organization Srinagar/Jammu.
28. All Treasury Officers/Sub-Treasury Officers.
29. General Manager, Government Press for publication in Government Gazette.
30. Pvt. Secretary to Advisor (B) to Lieutenant Governor.
31. Pvt. Secretary to Chief Secretary.
32. Pvt. Secretary to Principal Secretary to Government, Finance Department.
33. I/c Website, FD. (www.jakfinance.nic.in).
34. I/c Website, GAD (www.jkgad.nic.in).
35. Government order file (W2scs)


**Deputy Director (Codes),
Finance Department.**

Annexure

MSE Purchase Preference in Direct, L1 and Bidding on GeM.

Once logged in on GeM Portal.

Once you have searched your product and added your consignee location and quantity.

Select and apply the required filters from here.



In direct and L1 purchase if you selected any of above option your whole order will go to MSE vendor, and as per your specifications if MSE is accepting the order, MSE will deliver that order to you accordingly.

In Bid while creating Bid/RA.

Choose "Yes" or "No" to reserve procurement or to give purchase preference to MII or MSE sellers. Buyer may specify values as per applicable policy (MII - price within L1 + 20%; Maximum percentage- 50%; MSE - price within L1 + 15%; Maximum percentage- 25%) and may specify 100% for non-splitable quantities. Read through the notes for further information.

A handwritten signature or mark in blue ink, consisting of a stylized 'A' shape with a horizontal line through it.

MSE purchase preference.

Splitting Required Yes No

Do you want to reserve this procurement for MSE suppliers? Yes No

Do you want to provide Purchase Preference to MSE? Yes No

Purchase preference to MSE sellers available upto price within 1% Yes No

Maximum Percentage of Bid quantity for MSE Purchase preference

Do you want to allow participation only from class 1 class 2 class 3 suppliers as per the Public Procurement (Preference to Micro, Small and Medium Enterprises) Act, 2017 dated 24.06.2017? Yes No

Yes No (Not compliant with the M-19/2017)
 No Yes (Exemption From Competent Authority As Defined in Text of Exemption O.M.Dated 28.8.2022 - 10/8/2022)

Do you want to reserve this procurement for MSE class 1? Yes No

Do you want to provide Purchase Preference to MSE? Yes No

Purchase preference to MSE sellers available upto price within 1% Yes No

Maximum Percentage of Bid quantity for MSE Purchase preference

Note:
 The State Government has issued the maximum percentage of MSE class 1 and class 2 suppliers for purchase preference. The maximum percentage for purchase preference to MSE class 1 and class 2 suppliers is 0% and 0% respectively. The maximum percentage for purchase preference to MSE class 3 suppliers is 0%. The maximum percentage for purchase preference to MSE class 1 and class 2 suppliers is 0% and 0% respectively. The maximum percentage for purchase preference to MSE class 3 suppliers is 0%. The maximum percentage for purchase preference to MSE class 1 and class 2 suppliers is 0% and 0% respectively. The maximum percentage for purchase preference to MSE class 3 suppliers is 0%.

For Exemption, Update the Competent Authority Approval and details.

Enter Details of the Competent Authority for MSE

Name of Competent Authority

Designation of Competent Authority

Office / Department / Division of Competent Authority

CA Approval Number

Competent Authority Approval Date

Brief Description of the Approval Granted by Competent Authority