KAMARAJAR PORT LIMITED

KPL/MSME/2016 15th November 2016

Office Circular

Sub: **Relaxation of Norms for Startups Medium Enterprises in Public Procurement regarding Prior Experience – Prior Turnover criteria.**

Kamarajar Port Limited has taken note of the clarification issued by Ministry of Finance, Department of Expenditure vide their Office Memorandum No.F.20/2/2014-PPD(Pt.) dated 25th July 2016 with respect to Policy Circular No.1(2)(1)/2016-MA dated 10th March 2016 issued by Ministry of Micro, Small & Medium Enterprises. The aforesaid Office Memorandum and Policy Circular are enclosed for ready reference. The Policy Circular No. 1(2)(1)/2016-MA dated 10th March 2016 regarding Relaxation of Norms for Startups Medium Enterprises in Public Procurement regarding Prior Experience – Prior Turnover criteria is adopted by KPL.

This issues with the approval of Competent Authority.

S. Lakshmi

Company Secretary

To

1. All General Managers
2. Dy. General Manager (C)
3. Manager (IT) – to upload in office website.

No.F.20/2/2014-PPD(Pt.)
Ministry of Finance
Department of Expenditure
Procurement Policy Division

516, Lok Nayak Bhawan, New Delhi
Dated the 25th July, 2016

OFFICE MEMORANDUM

Subject:- Relaxation of Norms for Startups Medium Enterprises in Public Procurement regarding Prior Experience - Prior Turnover criteria.

The Government of India has announced 'Startup India' initiative for creating a conducive ecosystem for the growth of Startups in India. The Startups are defined in **Annexure-A** of the "Action Plan for Startups India". The same is available on the website of Department of Industrial Policy and Promotion (DIPP), Ministry of Commerce & Industry.

2. Ministry of Micro, Small & Medium Enterprises (MSMEs) vide Policy Circular No. 1(2)(1)/2016-MA dated 10th March, 2016 has clarified that all Central Ministries / Departments / Central Public Sector Undertakings (CPSUs) may relax condition of prior turnover and prior experience with respect of Micro & Small Enterprises (MSEs) in all public procurements subject to meeting of quality and technical specifications.

3. As per Rule 160(i)(a) of GFR, 2005, there is already a provision that the bidding document should contain criteria for eligibility and qualification to be met by the bidders such as minimum level of experience, past performance, technical capability, manufacturing facilities and financial position etc. In view of above, it is further clarified that all Central Ministries / Departments **may** relax condition of prior turnover and prior experience in public procurement to all Startups (whether MSEs or otherwise) subject to meeting of quality and technical specifications in accordance with the relevant provisions of GFR, 2005.

(Vinayak T. Likhar)
Under Secretary to the Govt. of India
Tel/Fax – 24621305
E-mail – vinayak.likhar@nic.in

To

The Secretaries of all Central Government Ministries/ Departments.

Copy to: -

Financial Advisors of all Central Government Ministries/ Departments

विकास आयुक्त का कार्यालय
(सूक्ष्म, लघु और मध्यम उद्यम)
सूक्ष्म लघु और मध्यम उद्यम मंत्रालय
(भारत सरकार)
निर्माण भवन, सातवीं मंजिल, मौलाना आजाद रोड,
नई दिल्ली-110 108

सत्यमेव जयते

MICRO, SMALL & MEDIUM ENTERPRISES
सूक्ष्म लघु और मध्यम उद्यम

OFFICE OF THE DEVELOPMENT COMMISSIONER
(MICRO, SMALL & MEDIUM ENTERPRISES)
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GOVERNMENT OF INDIA
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F. No. 1(2)(1)/2014-MA Part

Dated the 10th March, 2016

OFFICE MEMORENDUM

Please find enclosed a Policy Circular of even no dated 10th March, 2016 relating to Relaxation of Norms for Startups and Micro & Small Enterprises in Public Procurement on Prior Experience – Prior Turnover criteria.

Publication Division is requested to take up the matter with Public Information Bureau to place this Policy Circular on the public domain.

Yours faithfully,

Encl : As above.

(U. C. Shukla)
Director(MA)
Tele: 23063363

1. Shri Harish Anand, Director (Pub), O/o DC(MSME)
2. Shri S V Sharma, Director (SENET) with a request to up load in – office website.
3. Information Officer, PIB, Room No 704A Shastri Bhawan, New Delhi.

Government of India
Ministry of Micro, Small & Medium Enterprises
O/o the Development Commissioner (MSME)
Nirman Bhavan, A-Wing, 7th Floor
Maulana Azad Road,
New Delhi-110108
Tel. 011-23061091
Fax No.011-23060536

Policy Circular No. 1(2)(1)/2016-MA Dt. 10th March 2016

To

All Central Ministries/Departments/CPSUs/All Concerned

Subject: **Relaxation of Norms for Startups and Micro & Small Enterprises in Public Procurement on Prior Experience – Prior Turnover criteria.**

(1) The Government of India has notified Public Procurement Policy for Micro and Small Enterprises (MSEs) Order 2012 with effect from 1st April, 2012 and 20% procurement from Micro & Small Enterprises of the total procurement by Central Ministries/Departments/CPSUs has become mandatory with effect from 1st April, 2015.

(2) The Government of India has announced 'Startup India' initiative for creating a conducive environment for Startups in India.

(3) The Startups are normally Micro and Small Enterprises which may not have a track record. These will have technical capability to deliver the goods and services as per prescribed technical & quality specifications, and may not be able to meet the qualification criterion relating to prior experience-prior turnover.

(4) In exercise of Para 16 of Public Procurement Policy for Micro and Small Enterprises Order 2012, it is clarified that all Central Ministries/Departments/ Central Public Sector Undertakings may relax condition of prior turnover and prior experience with respect to Micro and Small Enterprises in all public procurements subject to meeting of quality and technical specifications.

(5) This issues with the approval of Union Minister of Micro, Small and Medium Enterprises.

10/3/16

(Surendra Nath Tripathi)
Additional Secretary & Development Commissioner-MSME
Ministry of Micro, Small & Medium Enterprises.