

## GOVERNMENT OF KERALA Abstract

Stores Purchase Department – Practice of registration of MSME Units in Government of Kerala ceased– Orders Issued.

STORES PURCHASE (A) DEPARTMENT

## <u>ORDER</u>

For establishing reliable sources of procurement of stores commonly requires for Government use, the Stores Purchase Manual provides in para 5.3 that the Stores Purchase Department will prepare and maintain item wise register of eligible and qualifies suppliers. Such approved suppliers will be known as "Registered Suppliers". It provides that all Departments may utilise the services of the registered suppliers as and when necessary. Such registered suppliers are prima -facie eligible for consideration for procurement of stores through limited tender enquiry. They are also ordinarily exempted from furnishing Earnest Money Deposit (EMD)/Bid security with their tenders. Such suppliers are registered for a fixed period of two years and could apply a fresh for renewal of registration after such period.

As per the Government Order cited 2<sup>nd</sup> above, MSMEs have been given , exemption from payment of tender fee and EMD.

A number of changes have taken place subsequently. Government of India has introduced Udyog Aadhaár Registration as an online MSME registration, on self declaration basis, which provided Udyog Aadhaar Number of such registered MSME units. Government of India have also started Government e-Marketplace (GEM) portal wherein units could offer their products online along with price and various Central and State Government Departments and organisations could purchase goods on GeM platform online. Directorate General of Supplies and Disposals (DGS&D) used to provide rate contract for various products. Government Departments could purchase items on those rate contracts. Government of India, Department of Supply has stopped rate contract through DGS&D and shifted to GeM portal. In the light of these developments, Government have examined the matter in detail and decided to stop the practice of registering MSME suppliers as registered suppliers. Henceforth, Government Departments and organisations while undertaking purchase of goods and services should provide exemption from tender fee and EMD to MSME to having Udyog Aadhaar Registration. For providing 20% reservation to MSMEs as provided in para 8.9 of Stores Purchase Manual, Government Departments and organisations should carryout necessary due diligence to ensure that the MSME unit has technical and financial capability to supply the goods and services and is indeed an MSME. Such due diligence could be carried out as deemed necessary by the purchasing organisation including thorough examination of annual accounts of the unit, field inspection, etc.

By Order of the Governor,

## MANOJ JOSHI Principal Secretary to Government

То

All Heads of Departments/Public Sector Undertakings/Local Self

Government Institutions/Autonomous Bodies etc. The Accountant General (A&E), Kerala, Thiruvananthapuram. All Departments in the Secretariat (including Law and Finance) The Web and New Media (I & PRD), Thiruvananthapuram (for hosting the Government Order in the Government website www. Kerala.gov.in) The Director, C-DIT, Chittazham, Lavanya Building, Behind SMSM

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The Director of Printing, Thiruvananthapuram (with C/L) Stores Purchase (A1, A2, A3, B, Inspection Wing -I & II) Department

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