
The Procurement of Goods and Services has to be made from Government E - Marketing (GeM) Portal. The New Version of GeM 4.0 has been launched recently and it has various details including You Tube instruction, training facilitators etc., for the benefit of purchasers (gem.gov.in).

As per the OM dated 21st May 2020, issued by Department of Public Enterprises, (copy enclosed as Annexure-I) the Ministry has introduced compulsory parameter with weightage of 5 Marks in the MoU target for the Year 2020-21 for PSUs. Hence, all are requested to get familiarize with GeM procurement process and ensure most of the procurement's are made through GeM portal to achieve MoU target:

- All Procurement are to be made from GeM Portal as a Mandatory requirements. The modalities of procurement are the processes as indicated in the GeM portal have to be strictly followed. This will include all modes like Misc, direct purchase, minimum bidding, tendering and proprietary purchases for single brands etc.

- Only, If the Product/Service is not available in GeM portal, then the same need to be recorded on the file with a printout from GeM portal and then proceed through other mode of purchase as per HUDCOs Purchase Manual.

- While procurements are made it may be ensured that 25% of Total procurement has to be from MSME, out of this 4% from SC/ST and 3% from Women Entrepreneurs.

- All are requested to get their individual hudco.org, E Mail address and use the same for all day to day official communications. The GeM website prefers official E Mail address in place of Gmail, Yahoo mail...etc.
• ROs can also take initiatives to advice the present Sellers /Service Providers to Enroll themselves in GeM /MSME.

• As a part of statutory requirements HUDCO has registered in GeM portal and enrolled in TReDs portal.

All Procurement Departments at HQ/ROs/HSMI are requested to furnish the information of total purchase & purchases made through GeM portal during the year 2019-20 on Admn Wing, Head Office E-mail ID – admnhudco@gmail.com

As per the letter dated 22nd May, 2020 of Govt. of India, Ministry of MSME, New Delhi along with letters dated 14th May, 2020 & 21st May, 2020 of the Finance Department of Expenditure (copy enclosed as Annexure-II) has also instructed to take care of the following:

• Indian MSME and other Companies have often faced unfair competition from Foreign Companies, therefore it has been decided that Global Tender will be disallowed in Govt. procurement Tenders upto 200 Crores. This will be a step towards Self Reliant India (आत्म निर्भर भारत) and support Make in India. This will also help MSME to increase their Business.

• Settlement of dues of MSME Vendors/Contractors should be settled within 45 days by Govt./PSUs.

A Webinar Training Schedule is also proposed by HSMI next month to sort out any doubts related to GeM procurement and compliance related to MSME.

This is for Strict Compliance by All HoDs, HSMI & Regional Offices.

Copy to:

JGM (P), CMDO
SMS to DCP
SM to DF
OFFICE MEMORANDUM

Subject: Procurement of Goods/ Services through Government e-Marketplace (GeM) portal as MoU parameter for the year 2020-21.

The undersigned is directed to inform that in the MoU for the year 2020-21 in respect of CPSEs under administrative control of your Ministry, following would be compulsory parameter with weightage of 5 marks:

<table>
<thead>
<tr>
<th>Parameter</th>
<th>Marks</th>
<th>Target for the year 2020-21</th>
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<tbody>
<tr>
<td>Percentage of procurement of goods and services through GeM portal to total procurement of goods and services during the previous year i.e 2019-20 (%)</td>
<td>5</td>
<td>Excellent VG Good Fair Poor</td>
</tr>
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2. The targets for the above parameter would be decided by the Inter-Ministerial Committee on the recommendation of administrative Ministry/ Pre-Negotiation Committee (PNC).

3. In view of above, Ministry is requested to recommend aspirational target for the above parameter before PNC meeting.

(S.K. Goyal)
Advisor (MoU)
Tel: 011-24365841
Email: mou-dpe@nic.in

To
Secretaries of administrative Ministries having CPSEs
D.O. No.16/08/2018-P&G/Policy(Pt.II)

22nd May, 2020

Subject: Settlement of dues of MSMEs

Dear Sir/Madam

Kindly find enclosed herewith communications from Secretary, Department of Economic Affairs dated 15.5.2020 and Secretary (Expenditure) dated 21st May, 2020. Vide two letters, Ministry of Finance has expressed strong and keen desire to see that the dues of MSMEs be settled immediately.

It may also be recalled that while announcing the economic package recently, Hon’ble Finance Minister had included this item as an important announcement and had directed that such dues be settled within 45 days.

Pursuant to the announcement by Hon’ble Finance Minister, I have requested all the Secretaries of Government of India to kindly monitor this issue so as to pay receivables as per the said announcement. I take this opportunity to reiterate that point.

So far, Department of Expenditure has been reviewing the pendency of bills from top CPSEs. However, now as desired by Secretary (Expenditure) vide the above letter, this task will be led and conducted by us in the Ministry of MSME. The Department of Expenditure and Department of Public Enterprises would also be involved in the exercise. As desired by Secretary (Expenditure), Department of Public Enterprises is also requested to make this a priority in the “Performance Related Pay” of the senior management of the CPSEs.

Details of the outstanding dues of MSMEs are available at our portal samadhaan.msme.gov.in.

I also take this opportunity to reiterate my another request which is to see that the Government Agencies and CPSEs join the TReDS platform and take effective part on the same.

In the above background, we will be shortly convening meetings to review the situation. I request you to kindly issue necessary instructions in this regard and see that the dues are settled.

With kind regards,

Yours sincerely,

(A.K. Sharma)

Encl: As above,
Dear Dr. Somnath,

As you are already aware, Hon'ble Prime Minister while addressing the nation on 12.05.2020 had announced an economic stimulus package of INR 20 lakh crore to combat the impact of COVID 19 and to move towards the goal of a self-reliant India. In a first step towards this direction, Hon'ble Finance Minister has announced the first tranche of measures to boost the economy on 13.05.2020.

2. The following measures have been announced in respect of your Ministry in the first tranche of economic package:

A. Global tenders will be disallowed in Government procurement tenders upto Rs 200 crores
   a. Indian MSMEs and other companies have often faced unfair competition from foreign companies. Therefore, global tenders will be disallowed in Government procurement tenders up to Rs 200 crores.
   b. Necessary amendments of General Financial Rules will be effected.
   c. This will be a step towards Self-Reliant India (आत्मनिर्भर भारत) and support Make in India.
   d. This will also help MSMEs to increase their business.

B. Relief to Contractors
   a. Extension of up to 6 months (without costs to contractor) to be provided by all Central Agencies (like Railways, Ministry of Road Transport & Highways, Central Public Works Dept, etc)
   b. Covers construction/works and goods and services contracts
   c. Covers obligations like completion of work, intermediate milestones etc and extension of Concession period in PPP contracts
   d. Government agencies to partially release bank guarantees, to the extent contracts are partially completed, to ease cash flows.

Contd...
C. Settlement of dues to MSME vendors from Government and Central Public Sector Undertakings.

MSME receivables from Government and CPSEs to be released in 45 days

3. I shall be grateful if you could take urgent action for implementation of the announcements concerning your Department and keep us posted on the developments.

With regards

Yours sincerely,

(Tarun Bajaj)

Shri T.V. Somanathan
Secretary (Expenditure)
North Block
New Delhi
D.O. No. 7/7/2018-PPD

21st May, 2020

Dear A.K.,

It may be recalled that Hon’ble Prime Minister while addressing the nation on 12.05.2020 had announced an economic stimulus package of INR 20 lakh crore to combat the impact of COVID-19 and to move towards the goal of a self-reliant India. In a first step towards these directions, Hon’ble Finance Minister has announced the first tranche of measures to boost the economy on 13.05.2020.

2. I am in receipt of D.O. letter No.20/20/2020-DI dated 14.05.2020 from Secretary, Department of Economic Affairs (copy enclosed) listing out the measures pertaining to Department of Expenditure. It is noted from the letter that one of the announcement regarding settlement of dues to MSME vendors from Government and Central Public Sector Enterprises (CPSEs) within 45 days, pertains to your Ministry.

3. It is requested to take urgent action for implementation of the announcement and the action taken report may kindly be sent directly to Department of Economic Affairs.

4. In this regard, Department of Expenditure has been reviewing the pendency of bills from top CPSEs in recent months. However, it is not a direct focus of this Department nor is it a subject of this Department under the Allocation of Business Rules. I feel this may work better and more effectively if led/conducted by your Department. We will also support this effort. The Department of Public Enterprises could also be involved, and they may be asked to make this a priority in the “Performance Related Pay” of the senior management of PSEs.

With kind regards,

Yours sincerely,

[Signature]

(T. V Somanathan)

Encl : a/a

Shri A.K. Sharma,
Secretary,
Ministry of Micro, Small & Medium Enterprises,
Udyog Bhwan, New Delhi.