

Government of Odisha

MSME Department

\*\*\*

No. MSME-PSF-MISC-0013-2023/ 3387 /MSME, BBSR, dated 21-04-25

From

Sri Kamaljit Das, OAS (S)

Joint Secretary Secretary to Government

To

The Collectors, All Districts of Odisha.

Sub: Procurement of furnitures in AWCs by different District Authorities.

Ref: 1.Representation dated 14.03.2025 of Secretary, North Orissa Chamber of Commerce & Industry

Madam/Sir,

I am directed to invite a reference to the subject cited above and to inform you that Government have recently added the following items under exclusive list vide MSME Department Notification No. 6766 dated 22.10.2024 (Copy enclosed).

"General furniture and commonly used articles (made up of wood, iron, steel, plastic or of any other material) used in schools (including hostels), colleges (including hostels), universities (including hostels), Anganwadi Centres, Residential facilities for students (like Anwasha hostel of ST & SC Department), stand-alone residential facilities or hostels, coaching centres/facilities, etc. such as table, computer table, chair, bench, desk/dual desk, stool, bed/cot (including double/triple-decker bed/cot), coir or rubberized coir mattresses, cup-board/ almirah /book shelf /shelf, cloth rack, trunk, bucket, utensils, drums/bins/containers for grain storage, etc. (This list is illustrative not exhaustive.)"

As per the policy provisions of Odisha Procurement Preferences Policy-2023, procurement of such items enlisted under Exclusive list shall be made on the basis of competitive bidding through intra-state tender amongst Odisha Small Manufacturing Enterprises (OSMEs) only. The enlisted

exclusive list items cannot be procured through open tender by any State Government Organisation.

It is learnt that Some Districts are inviting tenders for procurement of furniture for AWCs through open tender and also through GeM Portal. In this regard, this Department, vide letter No. 398 dated 16.01.2025 (copy enclosed), has requested to comply with the policy provisions of Odisha Procurement Preferences Policy-2023 while procuring items for any government organization like schools, colleges, Universities, Anganwadis etc. Irrespective of such direction from this Department, it is seen that Some District authorities have continued the procurement process and awarded contract for procurement of Exclusive list items. This is a clear violation of Government policy provisions.

You are therefore once again requested to comply with the policy provisions of Odisha Procurement Preferences Policy-2023 while procuring exclusive list items and other items for any government organization like schools, colleges, Universities, Anganwadis etc.

Yours faithfully

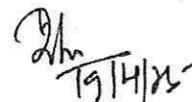


Joint Secretary to Government

Memo No. 3388 /Date: 21-04-25

Copy forwarded to Additional Secretary to Government, Department of women and Child Development for information and necessary action.

He is requested to look into the matter and direct all procuring District authorities to procure exclusive list items through intra-State tender only from Odisha Small Manufacturing Enterprises and to comply with the other policy provisions of Odisha Procurement Preferences Policy-2023, while procuring items for any government organization like schools, colleges, Universities, Anganwadis etc.



Joint Secretary to Government

GOVERNMENT OF ODISHA  
FINANCE DEPARTMENT

No. 11534 /F., Date 10.04.2025  
FIN-COD-MISC-0007-2018

**OFFICE MEMORANDUM**

Sub: Procurement of Goods from Micro and Small Manufacturing Enterprises of Odisha through Government e-Marketplace (GeM) – Adherence to “Odisha Procurement Preference Policy for MSMEs 2023” - Regarding

In this regard, following advisory/guideline is hereby issued for State Government procurement entities to adhere to “Odisha Procurement Preference Policy for MSMEs 2023” while making procurement of goods through GeM.

(A) Procurement from OSMEs having rate contract

Procurement of goods from OSMEs having rate contract shall be made outside GeM as per “Odisha Procurement Preference Policy for Micro and Small Manufacturing Enterprises, 2023”, and as amended from time to time.

(B) Procurement from exclusive list

Goods enlisted under Exclusive List of the said Policy, can be procured through GeM by reserving the entire contract for OSME. During creation of bid, procuring entity shall clearly define the eligibility of OSMEs and Odisha Start-ups under “Buyer added Bid Specific Additional Terms and Conditions (ATC)” so that there is adequate scope for OSMEs and Odisha Start-ups to participate in such bids. At the technical evaluation stage, bids received from non-OSMEs shall be rejected by the procuring entity.

(C) Price and Purchase Preference to OSMEs in Open tender

**(i) Price Preference:** If an OSME supplier’s offer remains within the defined limit, i.e., (L1 + 10%) range, then he/she will get order to supply 25% of the procurement quantity at his/her bid rate (not at L1 rate) and the L1 bidder will get order to supply 75% of the procurement quantity at L1 rate. Since executing the supply order simultaneously at two rates is not feasible on GeM, the buyer shall place supply order for 25% of the quantity to the OSME bidder at his/her rate, outside GeM and supply order

for remaining 75% of the quantity to L1 bidder at L1 rate on GeM as per Bid Specific Additional Terms and Conditions (ATC).

**(ii) Purchase Preference:** If an OSME supplier's offer exceeds the defined limit, i.e., (L1 + 10%) range, then he/she will get order to supply 15% of the procurement quantity at L1 rate and L1 bidder will get order to supply 85% of the procurement quantity at L1 rate. Accordingly, the buyer shall place supply order for 15% of the quantity at L1 rate to the eligible OSME outside GeM and shall place supply order for remaining 85% of the quantity to L1 bidder at L1 rate on GeM as per Bid Specific Additional Terms and Conditions (ATC).

(D) Further, all exemptions / relaxations relating to tender paper cost, EMD, Performance Security, years of experience and annual turnover, as provided to OSMEs under the said Policy, will be incorporated into "Buyer added Bid Specific Additional Terms and Conditions (ATC)" by procuring entities while floating the bid on GeM platform to ensure OSMEs get these Policy benefits.

2. A detailed SOP in this regard is enclosed herewith in Annexure-A.

3. This will be effective from the date of notification.

By order of the Governor

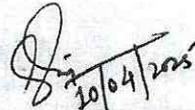


Principal Secretary to Government 10.04.2018

Memo No. 11535 /F.,

Date 10.04.2025

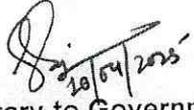
Copy forwarded to P.S. to Hon'ble Chief Minister for kind information of Hon'ble Chief Minister.

  
Under Secretary to Government

Memo No. 11536 /F.,

Date 10.04.2025

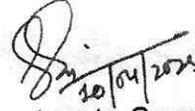
Copy forwarded to OSD to Chief Secretary / OSD to DC-cum-ACS to Government / P.S. to Principal Secretary, Finance Department for kind information of Chief Secretary / DC-cum-ACS / Principal Secretary, Finance Department.

  
Under Secretary to Government

Memo No. 11537 /F.,

Date 10.04.2025

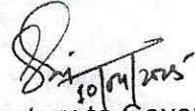
Copy forwarded to P.S. to Additional Chief Secretary to Government/ P.S. to Principal Secretary to Government/ P.S. to Commissioner-cum-Secretary to Government/ P.S. to Secretary to Government (All Departments) for kind information of Additional Chief Secretary to Government/ Principal Secretary to Government/ Commissioner-cum-Secretary to Government/ Secretary to Government (All Departments).

  
Under Secretary to Government

Memo No. 11538 /F.,

Date 10.04.2025

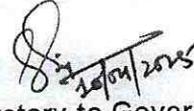
Copy forwarded to Secretary, OLA / Accountant General (A & E), Odisha, Bhubaneswar / Accountant General (G & SSA), Odisha, Bhubaneswar / Accountant, General (E & RSA), Odisha, Bhubaneswar / Deputy Accountant General (Works), Odisha, Puri / Advocate General, Odisha, Cuttack / All Financial Advisors / All Assistant Financial Advisors / Director, Gopabandhu Academy of Administration, Bhubaneswar / Principal, Short Hand and Type Writing Institute, Bhubaneswar for information and necessary action.

  
Under Secretary to Government

Memo No. 11539 /F.,

Date 10.04.2025

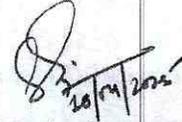
Copy forwarded to All Heads of Departments / All Revenue Divisional Commissioners / All Collectors / All SPs / All Financial Advisors / All Assistant Financial Advisors / All Treasury Officers / All Special Treasury Officers / All Sub-Treasury Officers for information and necessary action.

  
Under Secretary to Government

Memo No. 11540 /F.,

Date 10.04.2025

Copy forwarded to Commissionerate of CT & GST, Odisha / Directorate of Treasuries & Inspection, Odisha / Odisha Sales Tax Tribunal / Directorate of Local Fund Audit, Odisha / Controller of Accounts, Odisha / Madhusudan Das Regional Academy of Financial Management, Odisha for information and necessary action.

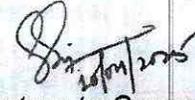


Under Secretary to Government

Memo No. 11541 /F.,

Date 10.04.2025

Copy forwarded to all Officers / all Branches of Finance Department for information and necessary action.



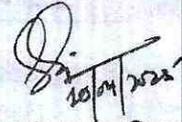
Under Secretary to Government

Memo No. 11542 /F.,

Date 10.04.2025

Copy forwarded to Shri Tapan Kumar Pattanaik, Sub-Nodal Officer (E-Gazette), FID, Finance Department for information and necessary action.

It is requested to hoist this Office Memorandum in the website of Finance Department (<https://finance.odisha.gov.in/>).



Under Secretary to Government

**Standard Operating Procedure (SOP) to facilitate provisions of OPPP for MSMEs/ OSMEs, 2023 in the GeM Portal**

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**(1) EXEMPTIONS OF YEARS OF EXPERIENCE AND TURNOVER TO MSMEs / OSMEs**

During Bid Creation Stage, in Bid Details section of Bid (3<sup>rd</sup> Stage of the Bid), please click "Yes" against

(i) Do You Want To Give Exemptions To Verified MSMEs

&

(ii) Do You Want To Give Exemptions To Verified Startups

and from the drop down select Years of Experience and Turnover

The screenshot of GeM Portal will appear as given below.

The screenshot shows a form with three rows of options:

Do You Want To Give Exemption To Verified MSE? ⓘ	<input checked="" type="radio"/> Yes	<input type="radio"/> No	Years of Experience, Turno <sup>r</sup> ▼
Do You Want To Give Exemption To Verified Startups? ⓘ	<input checked="" type="radio"/> Yes	<input type="radio"/> No	Years of Experience, Turno <sup>r</sup> ▼
Do You Want To Restrict Participation To CPSE Seller Only? * ⓘ	<input type="radio"/> Yes	<input checked="" type="radio"/> No	Years of Experience ✓ Turnover ✓

**(2) EXEMPTIONS OF EMD TO VERIFIED MSMEs / OSMEs**

In GeM portal, EMD requirement is linked to Bid documents as a whole and not to specific category of bidders. Hence, the option of EMD in GeM can be either made applicable to all categories of participants or exempted for all.

During Bid Creation Stage, in **EMD and Performance Security Section** (4<sup>th</sup> Stage of the Bid) of the Bid, please Click **No** against EMD Required as given below if **the bid is reserved only for OSMEs**. Otherwise click **Yes**, if the bid is open to participation from both non-MSMEs and MSMEs. Exemption of EMD for MSMEs shall be scrutinized at the stage of offline technical evaluation with reference to provisions of "Odisha Procurement Preference Policy (OPP) for Micro and Small Manufacturing Enterprises, 2023" and OGFR, 2023.

The screenshot of GeM Portal will appear as given below.

**EMD/Performance Security (ePBG) Details**

Quantity: 10000      Reference Price (In INR): 1,700,000.00/-

**EMD**

EMD Required       Yes       No

1. EMD is allowed only for Bid Value greater than 5 Lakh (s).  
2. The role of Advisory Bank is to verify the SFMS of the EMD and ePBG during bid verification of the seller. So, you are advised to select any bank and seller may chose any bank account for ePBG and EMD.  
3. Department of Expenditure has issued instructions not to insist on EMD. GeM Has enabled taking Bid Securing Declaration as per DoE OM. Please ensure compliance of DoE OM 12.11.2020 (View Order)

**(3) RESERVING A BID FOR MSMEs/OSMEs**

(a) During Bid Creation Stage, in **EMD and Performance Security Section** (4<sup>th</sup> Stage of the Bid) of the Bid, please Click **"No"** against EMD Required since the bid is reserved only for MSMEs/OSMEs.

The screen of GeM Portal will appear as given below.

**EMD/Performance Security (ePBG) Details**

Quantity: 10000      Reference Price (In INR): 1,700,000.00/-

**EMD**

EMD Required       Yes       No

1. EMD is allowed only for Bid Value greater than 5 Lakh (s).  
2. The role of Advisory Bank is to verify the SFMS of the EMD and ePBG during bid verification of the seller. So, you are advised to select any bank and seller may chose any bank account for ePBG and EMD.  
3. Department of Expenditure has issued instructions not to insist on EMD. GeM Has enabled taking Bid Securing Declaration as per DoE OM. Please ensure compliance of DoE OM 12.11.2020 (View Order)

(b) During Bid Creation Stage in "Splitting/MSE/MII" (5<sup>th</sup> Stage of the bid), please click **"Yes"** against the following option.

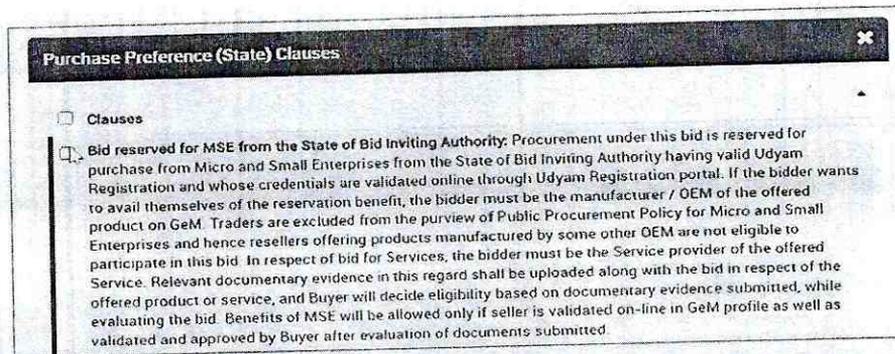
Do you want to Reserve this procurement for MSE OEMs?      **Yes**

The screen of GeM Portal will appear as given below.

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

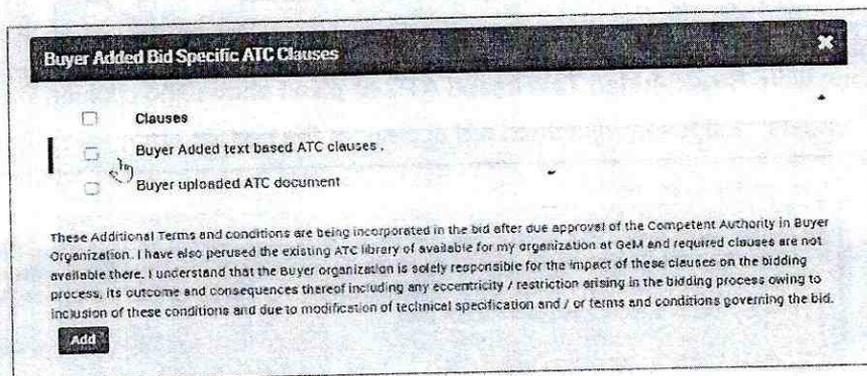
Do you want to provide Purchase Preference to MSE OEMs?       Yes       No

(c) Select (Tick) the ATC Clause "Bid is reserved for MSEs from the State of Bid Inviting Authority" in "Terms and Conditions" Section of the Bid.

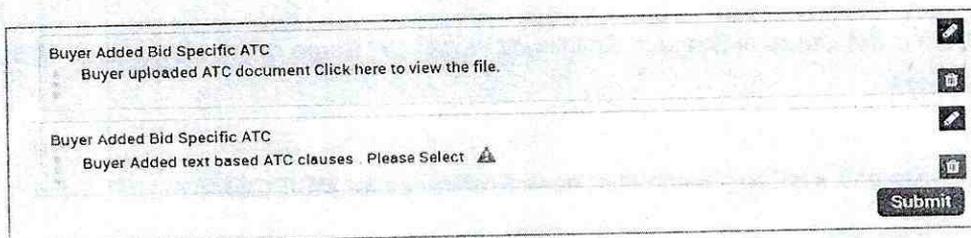


(d) Define MSMEs/Start ups as per the provisions of OGFR in "Buyer Added Bid Specific ATC Clauses" either through Buyer Added Text based ATC clauses or Buyer uploaded ATC Document in PDF format.

The screen of GeM Portal will appear as given below.



The Buyer can add either Text based ATC or upload ATC document or both in "Buyer Added Bid Specific ATC Clauses".



The Buyer can now edit the clause(s) as per requirement. An illustration of defining MSMEs and Start Ups for the Bid through Buyer Added Text based ATC clause is given below.

Update Parameter

Buyer Added text based ATC clauses\*

Arial Narrow 16 A B I U

DEFINITION OF MSES AND STARTUPS FOR THIS BID: For the Procurement of Cleaning and Sanitation Service; Micro & Small Enterprise (MSE) means an Industrial Unit or Enterprise as defined in Odisha MSME Development Policy, 2022 and as amended from time to time. Similarly, A Start-up means an Enterprise as defined under the Odisha Start-up Policy, 2016, and as amended from time to time.

COMPULSORY REGISTRATION UNDER OGST: Bidders participating in the tender must be registered under the Odisha GST (OGST) Act.

Please write Buyer Added Text based ATC as given above and click on Update. After clicking on "update", the following screen will appear on the portal.

Buyer Added Bid Specific ATC

Buyer Added text based ATC clauses

1. DEFINITION OF MSES AND START UPS FOR THIS BID: For the Procurement of Cleaning and Sanitation Service; Micro & Small Enterprise (MSE) means an Industrial Unit or Enterprise as defined in Odisha MSME Development Policy, 2022 and as amended from time to time. Similarly A Start-ups means an Enterprise as defined under Odisha Start-up Policy, 2016 and as amended from time to time?
2. COMPULSORY REGISTRATION UNDER OGST: Bidders participating in the tender must be registered under Odisha GST (OGST) Act.

**(4) PURCHASE PREFERENCE TO MSMEs/OSMEs:**

(A) During Bid Creation Stage in Splitting/MSE/MII (5<sup>th</sup> Stage of the bid), please click as shown below.

- (a) Do you want to Reserve this procurement for MSE OEMS? : **No**
- (b) Do you want to provide Purchase Preference for MSE OEMS? : **No**

The screen of GeM Portal will appear as given below.

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

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

If Yes is clicked against "Do you want to provide Purchase Preference for MSE OEMs" GeM Contract Order cannot be placed after discovery of L1 until and unless Price Match Request with L1 supplier is sent to MSMEs/OSMEs sellers whose financial offer is within a range of L1+10%. In this scenario, following difficulties may arise.

(i) The GeM portal will not allow to move ahead until and unless the seller (s) whose financial offer happens to be within a range of L1+10% is/are sent a Price Match Request in the GeM portal.

(ii) Even if the Price Match Request is sent to the sellers whose financial offer is within a range of L1+10%, and seller (s) matches his/her/their price with L1, the contract order will be generated at L1 price and not at L2 Price, defeating the very purpose of "OPPP for MSME, 2023".

(iii) Further, the OSME supplier who receives the Price Match Request, may challenge the buyer's request on GeM Portal to match his/her price with that of L1, citing provisions of Price Preference under OPPP for MSME, 2023.

Hence, in order to avoid the above difficulties, the buyer needs to click "No" against above given clauses (a) and (b), so that order for 75% of contract value can be created for L1 supplier if he / she is a non-OSME supplier and 100% of the contract value if he/she is an OSME supplier by exercising the Option Clause as the case may be.

In the event of the L1 happens to be a Non-OSME supplier, 75% of the contract order to be generated in the GeM portal for L1 supplier and supply order for 25% of the contract value is to be issued to appropriate OSMEs suppliers in an offline mode.

**Note:** As there is no Price preference option available on GeM, price preference shall be executed offline after discovery of price in the GeM bidding process and supply order is to be issued offline to the lowest offering OSME bidder(s) at his/her offered rate as per the OPPP for MSME, 2023.

(B) Define MSMEs / Start-ups as per provisions under OGFR, 2023 in "Buyer Added Bid Specific ATC Clauses" either through Buyer Added Text based ATC clauses/Buyer uploaded ATC Document.

**Buyer Added Bid Specific ATC Clauses** ✕

Clauses

Buyer Added text based ATC clauses .

Buyer uploaded ATC document .

These Additional Terms and conditions are being incorporated in the bid after due approval of the Competent Authority in Buyer Organization. I have also perused the existing ATC library of available for my organization at GeM and required clauses are not available there. I understand that the Buyer organization is solely responsible for the impact of these clauses on the bidding process, its outcome and consequences thereof including any eccentricity / restriction arising in the bidding process owing to inclusion of these conditions and due to modification of technical specification and / or terms and conditions governing the bid.

(C) An illustration of defining MSMEs and Start Ups for this Bid through Buyer Added Text based ATC clauses is given below.

**Update Parameter**

Buyer Added text based ATC clauses'

Small Narrow 16 A B I U

DEFINITION OF MSES AND STARTUPS FOR THIS BID: For the Procurement of Cleaning and Sanitation Service; Micro & Small Enterprise (MSE) means an Industrial Unit or Enterprise as defined in Odisha MSME Development Policy, 2022 and as amended from time to time. Similarly, A Start-up means an Enterprise as defined under the Odisha Start-up Policy, 2016, and as amended from time to time.

COMPULSORY REGISTRATION UNDER OGST: Bidders participating in the tender must be registered under the Odisha GST (OGST) Act

Please write Buyer Added Text based ATC as given above and click on **Update**, after which the following screen will appear on the portal.

Buyer Added Bid Specific ATC

Buyer Added text based ATC clauses

1. DEFINITION OF MSES AND START UPS FOR THIS BID: For the Procurement of Cleaning and Sanitation Service; Micro & Small Enterprise (MSE) means an Industrial Unit or Enterprise as defined in Odisha MSME Development Policy, 2022 and as amended from time to time. Similarly A Start-ups means an Enterprise as defined under Odisha Start-up Policy, 2016 and as amended from time to time?
2. COMPULSORY REGISTRATION UNDER OGST: Bidders participating in the tender must be registered under Odisha GST (OGST) Act.

(D) Please exercise the **OPTION CLAUSE** by selecting from the ATC library in Terms and Conditions of the bid.

*"OPTION CLAUSE: The Purchaser reserves the right to increase or decrease the quantity to be ordered up to 25 percent of bid quantity at the time of placement of contract. The purchaser also reserves the right to increase the ordered quantity by up to 25% of the contracted quantity during the currency of the contract at the contracted rates. Bidders are bound to accept the orders accordingly."*

The following screen will appear on GEM portal.

Generic

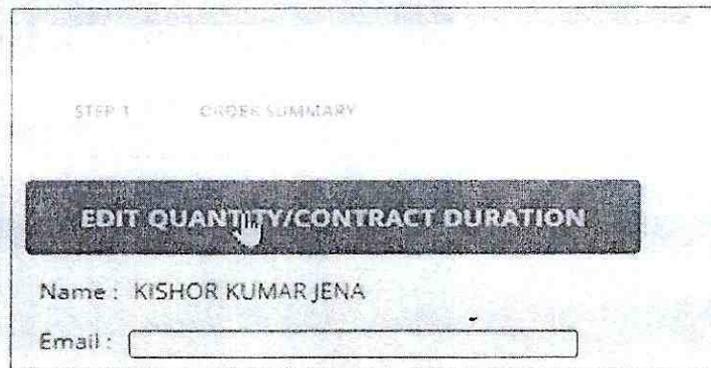
OPTION CLAUSE: The Purchaser reserves the right to increase or decrease the quantity to be ordered up to 25 percent of bid quantity at the time of placement of contract. The purchaser also reserves the right to increase the ordered quantity up to 25% of the contracted quantity during the currency of the contract at the contracted rates. The delivery period of quantity shall commence from the last date of original delivery order and in cases where option clause is exercised during the extended delivery period the additional time shall commence from the last date of extended delivery period. The additional delivery time shall be (Increased quantity + Original quantity) x Original delivery period (in days), subject to minimum of 30 days. If the original delivery period is less than 30 days, the additional time equals the original delivery period. The Purchaser may extend this calculated delivery duration up to the original delivery period while exercising the option clause. Bidders must comply with these terms.

(E) Before awarding the contract, please amend/edit the quantity to 75% on the GeM Portal and generate the contract by clicking on the "EDIT QUANTITY".

This edit Quantity/Amend Quantity link will appear on the portal before creation of the order if only the option clause has been exercised during the bid preparation stage. Otherwise, this facility will not be available if not exercised. Hence, it is of paramount importance to exercise the option clause during preparation of an online GeM bid on GeM Portal.

**Note:** *The order can be increased or decreased up to 25% of the contract value before creation of the order in GeM but it can only be increased after the placement of the supply order during the validity of a contract order. Contract Value cannot be decreased once the contract order is generated in the Portal.*

The following screen will appear on GEM portal.



STEP 1 ORDER SUMMARY

**EDIT QUANTITY/CONTRACT DURATION**

Name : KISHOR KUMAR JENA

Email :

Order will be created for 75% of the contract value in the GeM Portal. Order for the remaining 25% of the contract value is to be issued in an offline mode as per the provisions of OPPP for OSMEs.

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GOVERNMENT OF ODISHA  
FINANCE DEPARTMENT

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No. 35362 /F.,  
FIN-COD-MISC-0007-2018

Date 20.12.2024

From

Saswata Mishra, IAS  
Principal Secretary to Government

To

Additional Chief Secretary to Government/  
Principal Secretary to Government/  
Commissioner-cum-Secretary to Government/  
Secretary to Government  
(All Departments)



Sub: Odisha Procurement Preference Policy for Micro and Small Manufacturing Enterprises, 2023 - Procurement of Goods from Micro and Small Manufacturing Enterprises of Odisha through Government e-Marketplace (GeM) - Regarding

Madam/Sir,

To provide preference to Micro and Small Manufacturing Enterprises of Odisha in public procurement, "Odisha Procurement Preference Policy for Micro and Small Manufacturing Enterprises, 2023" has been notified by MSME Department vide Notification No. 566 /MSME dated 24.01.2024. In the said policy, various preferences such as price preference, purchase preference, purchase of Exclusive List items mandatorily from Micro and Small Manufacturing Enterprises of Odisha, etc. have been extended to local MSEs. However, doubt has been raised from some quarters as to whether or not the aforesaid Policy provisions are applicable while procuring goods through GeM since GeM portal currently may not be having facilities to implement the policy provisions.

Hence it is hereby clarified that "Odisha Procurement Preference Policy for Micro and Small Manufacturing Enterprises, 2023" is a State Cabinet approved Policy. Hence it is binding on every state government authority and organisation. Provisions of the Policy shall be mandatorily applicable irrespective of the mode of procurement. If the Policy provisions can be implemented while procuring goods through GeM, procurement shall be done through GeM. **But if the Policy provisions cannot be implemented while procuring goods through GeM, then procurement shall be made outside GeM.**

It is, therefore, requested to kindly disseminate this to all subordinate offices.

Yours faithfully,

A handwritten signature in black ink, appearing to be "S. Mishra".

Principal Secretary to Government

27.12.24

AM

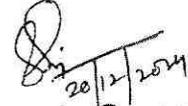
PST

27-12-24  
AS W

**Memo No** 35363 /F

**Dated** 20.12.2024

Copy forwarded to all Collector / SPs for kind information and necessary action.

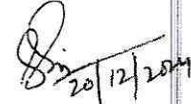
  
20/12/2024

Under Secretary to Government

**Memo No** 35364 /F

**Dated** 20.12.2024

Copy forwarded to all officers / Branches of Finance Department for kind information and necessary action.

  
20/12/2024

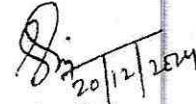
Under Secretary to Government

**Memo No** 35365 /F

**Dated** 20.12.2024

Copy forwarded to Shri Tapan Kumar Pattanaik, Sub-Nodal Officer (E-Gazette), FID, Finance Department for information and necessary action.

It is requested to hoist this in the website of Finance Department ([www.odisha.gov.in](http://www.odisha.gov.in) / finance).

  
20/12/2024

Under Secretary to Government

**Government of Odisha**  
**MSME Department**

02-04-2024

No. MSME-IPE-MISC-0060-2019/ <sup>\*\*\*</sup> 2098 /MSME, Bhubaneswar, dated

From  
Saswat Mishra, IAS  
Principal Secretary to Government

To

- (1) Additional Chief Secretary/Principal Secretary/  
Commissioner-cum-Secretary/Secretary  
(All Departments)
- (2) Collectors  
(All Districts)

Sub: Odisha Procurement Preference Policy for Micro and Small Manufacturing Enterprises, 2023 (OPPMSME Policy'2023) – Clarifications

Ref: (1) MSME Department Notification No.566/MSME dated 24.01.2024  
(2) MSME Department letter No. 652/MSME dated 30.01.2024

Madam/Sir,

The following clarifications are hereby issued pertaining to doubts arising in some quarters regarding the OPPMSME Policy'2023.

(1) Not Applicable to Works Contracts

The OPPMSME Policy'2023 is not applicable to procurement of services including works contracts (including EPC contracts and Turn-key contracts). This is clearly mentioned in Paragraph-4 of the OPPMSME Policy'2023. However, it is learnt that after issue of notification of OPPMSME Policy'2023 vide MSME Department Notification No.566/MSME dated 24.01.2024, some engineering Departments have stopped giving prevailing preferences and benefits to MSMEs of

Odisha in works contracts. It is hereby clarified that since the OPPMSME Policy'2023 is not applicable to procurement of services including works contracts, MSMEs of Odisha will continue to get all preferences/benefits in works contracts which were prevailing just before the OPPMSME Policy'2023 came into force.

(2) Not Applicable to Externally Aided Projects

The OPPMSME Policy'2023 shall not be applicable to procurement of goods under Externally Aided Projects if goods are procured with EAP funds (external fund and matching Union Government and/or State Government fund, if any).

(3) Splitting up total Procurement quantity amongst more than one bidders

In order to ensure continuous supply of procured goods or to avoid the risk of depending on only one supplier, it is a general practice in some Government organisations to split procurement quantity amongst 2 to 3 bidders. It is hereby clarified that this is possible and permissible under the OPPMSME Policy'2023 as given below.

(a) In Price Preference Scenario: Order for supply of 25% of procurement quantity will be given to the selected Odisha Small Manufacturing Enterprise (OSME) bidder under price preference provision and order for supply of the remaining 75% procurement quantity can be split between more than one non-OSME bidders.

(b) In Purchase Preference scenario: Order for supply of 15% of procurement quantity will be given to the selected OSME bidder under purchase preference provision and order for supplying the remaining 85% procurement quantity can be split between more than one non-OSME bidders.

This is for your kind information and necessary action. This clarification may please be circulated amongst all sub-ordinate offices for wider dissemination.

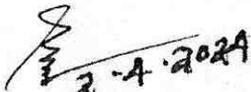
Thanking you,

Yours faithfully

  
Principal Secretary 02.04.2024

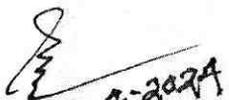
Memo No. 2099 /MSME, dated 02-04-2024

Copy forwarded to Principal Secretary to Hon'ble Governor, Odisha for kind information and necessary action.

  
2-4-2024  
Special Secretary

Memo No. 2100 /MSME, dated 02-04-2024

Copy forwarded to Registrar of all State Public Universities of Odisha for information and necessary action.

  
2-4-2024  
Special Secretary

**Government of Odisha**  
**MSME Department**

No. MSME-IPE-MISC-0060-2019 <sup>660\*\*</sup>/MSME, Bhubaneswar, dated 30-01-2024

From

Sri Mahesh Kumar Choudhury, OAS ( SAG)  
Additional Secretary to Government

To

**Registrar (All State Public Universities of Odisha)**

Sub: Odisha Procurement Preference Policy for Micro and Small Manufacturing Enterprises Policy 2023 – Simple step by step guideline to implement the Policy

Madam/Sir,

Governments of Odisha in MSME Department have notified Odisha Procurement Preference Policy for Micro and Small Manufacturing Enterprises'2023 vide Notification No. 566/MSME dated 24.01.2024 which may be seen in MSME Department website. This Policy is applicable to every State Government establishment whenever it goes for procurement of goods, except when quantity of goods to be procured is not divisible. Since this Policy is in addition to, not in abrogation of, the extant Rate Contract system (as per Odisha Rate Contract Rules'2014), procurement decision should be taken in the following manner.

Step-1: First, it is to be seen whether the item (i.e. goods) to be procured is a rate contract item or not. List of rate contract items is maintained in Directorate of Export Promotion and Marketing (under MSME Department) which can be seen in DEPM website <https://depmodisha.nic.in> . If the item to be procured is a rate contract item, then it has to be mandatorily procured from any valid rate contract holder, directly as per the contracted rate, without inviting any tender or quotation. *(Procurement of rate contract items by tender/quotation process, from Rate Contract holders or from those not having any rate contract, is a violation of the said Rate Contract Rules-2014).*

Step-2: If the item to be procured is not a rate contract item, then it is to be seen whether it is enlisted under the 'Exclusive List' of this Policy or not. If it

is enlisted under the 'Exclusive List', its procurement shall be done through Intra-State tender as prescribed in this Policy. Odisha Small Manufacturing Enterprises (OSMEs) shall get some relaxations in Intra-State tender as prescribed in this Policy.

*(As on the date of notification of this Policy, no item has been enlisted under the 'Exclusive List'. However, items will soon be enlisted under the 'Exclusive List' which can be seen in MSME Department website.)*

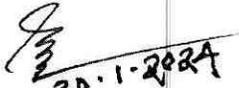
Step-3: If the item to be procured is not enlisted under the 'Exclusive List', then its procurement has to be done through Open Tender. Odisha Small Manufacturing Enterprises (OSMEs) shall get some relaxations and price or purchase preference as prescribed in this Policy.

Only OSMEs are entitled to get relaxations and preferences in Intra-State tender and Open tender as prescribed in this Policy. For this, they have to submit an affidavit (in format prescribed in Annexure – A of the Policy) at the time of bidding. *Large/Medium enterprises (irrespective of their location and nature of business), Micro/Small enterprises located outside Odisha (Irrespective of their nature of business) and non-manufacturing Micro/Small enterprises located in Odisha are not entitled to get any benefit under this Policy.*

This Policy is to be read in conjunction with Odisha General Financial Rules (OGFR), i.e. whatever is not specifically provided for in this Policy shall be governed by the general provisions of OGFR. Secondly, **since this Policy has been notified after obtaining due approval of the State Cabinet, any violation of this Policy will be viewed seriously.**

This is for your kind information and necessary action.

Yours faithfully

  
30.1.2024  
Additional Secretary to Government

**Government of Odisha**  
**MSME Department**

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No. MSME-IPE-MISC-0060-2019 **652** /MSME, Bhubaneswar, dated **30-01-2024**

From

Saswat Mishra, IAS  
Principal Secretary to Government

To

- (1) **Additional Chief Secretary/Principal Secretary/  
Commissioner-cum-Secretary/Secretary  
(All Departments)**
- (2) **Collectors  
(All Districts)**

Sub: Odisha Procurement Preference Policy for Micro and Small Manufacturing Enterprises Policy 2023 – Simple step by step guideline to implement the Policy

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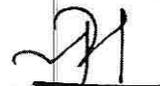
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This Policy is to be read in conjunction with Odisha General Financial Rules (OGFR), i.e. whatever is not specifically provided for in this Policy shall be governed by the general provisions of OGFR. Secondly, **since this Policy has been notified after obtaining due approval of the State Cabinet, any violation of this Policy will be viewed seriously.**

This is for your kind information and necessary action. This may please be circulated among all subordinate Government establishments of your Department/District.

Yours faithfully



Principal Secretary

Memo No. 653 /MSME, date, Date: 30-01-2024

Copy forwarded to Director (EPM), Indradhanu Market, Block N/4, IRC Village, Nayapalli, Bhubaneswar/DI(O), Killa Maidan, Buxi Bazaar, Cuttack, Odisha 753008/Secretary (OKVIB), Unit-III, Kharvel Nagar, Bhubaneswar/Chief Administrative Officer (Startup Odisha), 2nd Floor, Tower A, Odisha Startup Incubation Centre, Sez Rd, near Infocity, Chandaka Industrial Estate, Bhubaneswar, Odisha 751024/Chief Executive Officer (IED), 8V23+RV4, Block B, Sector A, Mancheswar Industrial Estate, Bhubaneswar, Odisha 751007/Managing Director (ORTSS), Talgur Bhavan, Udyogpuri, Khandagiri, Bhubaneswar, Odisha, India-751030 for information and necessary action.



Additional Secretary

Memo No. 654 /MSME, Date: 30-01-2024

Copy forwarded to all GM (DICs) for information and necessary action. They are requested to conduct a meeting of District level Officials ( Such as DWO, DSWO, DSSO, DEO, DDA/DAO, DDH/DHO, EE( R & B), EE( RD), EE( Irrigation/MIP etc.) to make them aware of policy provisions.



Additional Secretary