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No.4-Ind/SP/Misc/F/6-10/4/80-Vol-V /58
Government of Himachal Pradesh,
Directorate of Industries
"Store Purchase Organisation"

Dated Shimla-171001, the 16-05-2020

ADDENDUM

16 MAY 2020

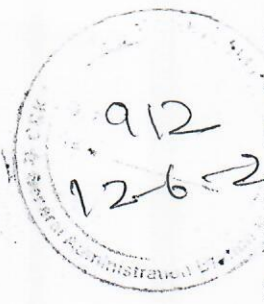
In continuation to this office Notification No. 4-Ind/SP/Misc/F 6-10/4/80-III dated 24.10.2013, the following amendments are hereby carried out in Rule No. 19(k), 19(l) of Detailed Instructions and Guidelines for procurement of Goods & Services by all the Department & Offices of the Government of H.P. on the analogy of Rule-94 & 94-A of HPFR-2009 keeping in view of the amendments carried out by Finance Department, Government of H.P. vide Notification No. Fin(C)A(3)5/2004 dated 19.07.2017 & 12.02.2020 and also approval conveyed by the Additional Chief Secretary(Industries) to the Government of H.P. vide letter No. Ind-II(D) 6-18/2017-I dated 11.03.2020:-

Rule-19(k): Rate Contract:-

The Controller of Stores shall conclude rate contracts with the registered suppliers for such goods which are not adequately available on GeM and are identified as common use items and are needed on recurring basis by various State Government Procurement Entities. The Controller of Stores shall furnish and update all the relevant details of the rate contracts on its website and the Procurement Entity shall follow those rate contracts to the maximum extent possible.

Note:-

The items for which Rate Contract has been finalized by the Controller of Stores (list of which will be given on the departmental website) shall be purchased through Rate Contract. However, the Procurement Entity i.e. Government offices of H.P. State Departments, Boards/Corporation etc. may also check the availability of items on the GeM Portal and if the rates on GeM Portal are found/compared lower side from the rates as notified in the rate contract, the Procurement Entity may purchase the items from GeM Portal. The rate contract will be for the guidance of Indenting Officer and it will be open to them to purchase the items either from GeM Portal or rate contract keeping in view the rates, quality and specifications of items and further, if such items are also not available on GeM/Rate contract, then



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such items may be purchased after observing conditions mentioned under Rule-19 of above Detailed Instructions & Guidelines issued on 24.10.2013 and as amended from time to time.

Rule-19(I): Purchase of goods through Government e-Market place (GeM)

The Procurement Entity will procure items from Government-e-Market Place(GeM) for which there is no rate contract from the Controller of Stores. For procurement of goods/items from the GeM, the General Terms & Conditions issued by the Government of India for purchase of Goods and Services in Government e-Market Place (GeM) from time to time shall be followed. The procuring authorities will certify the reasonability of rates through the purchase committee constituted by them. The GeM portal shall be utilized by the Government buyers for direct on-line purchases as under:-

- i) **Up to Rs.25,000/- through any of the available suppliers on the GeM, meeting the requisite quality, specification and delivery period.**
- ii) ***Above Rs. 25,000/- and up to Rs. 5,00,000/- through the GeM Seller having lowest price amongst the available sellers (excluding Automobiles where current limit of 30 lakh will continue), of at least three different manufactures, on GeM, meeting the requisite quality specification and delivery period. The tools for online bidding and online reverse auction available on GeM can be used by the Buyers even for procurements less than Rs. 5,00,000/-***
- iii) ***Above Rs. 5,00,000/- through the supplier having lowest price meeting the requisite quality, specification and delivery period after mandatorily obtaining bids, using online bidding or reverse auction tool provided on GeM (excluding Automobiles where current limit of 30 lakh will continue).***

Note:

There is no change in rules (iv) to (viii) as per notification issued by the Additional Chief Secretary(Finance) to the Government of H.P. vide Notification No. Fin(C)A(3)5/2004 dated 19.07.2017.

Rule-22(i)(1) Purchase Preference:-

22(i)(1) **Purchase Preference:** Purchase preference means the preference which is given to the Local Micro and Small Scale units/Startup Enterprises of the State of H.P. and also Local Suppliers/Enterprises entitled under Make in India, Policy, while placing orders, the purchase preference shall be given to them as per ratio percentage mentioned below from the total orders shall be placed with

them on lowest approved rates, wherever applicable provided such products meet the required quality standards.

(i) Purchase Preference for Local Micro and Small Scale units/Startup Enterprises of the State:-

The following purchase preference ratio shall be applicable to the Local Micro and Small Scale Units of State and Local Micro and Small Scale categories under H.P. State Startup Scheme:-

- 1. Local Micro and Small Scale Units of State of H.P. =15%
- 2. Local Micro and Small Scale categories under H.P. State Startup Scheme=15%

(Total Purchase Preference =30%)

Provided that if Startup Enterprises will not be available, then 30% purchase preference shall automatically be given to Local Micro & Small Scale Unit and vice-versa as the case may be.

"The Startup Enterprises/units in micro and small scale categories in the manufacturing sector may also be exempted from the prior experience/turnover requirements provided they meet the requisite quality standards as laid down in the tender.

"The facility of 30% purchase preference as per ratio percentage mentioned above, shall also be given to the local Micro and Small Scale units/local startup of the State while procuring the items through GeM Portal.

However, the minimum purchases from local manufacturers as provided in the rule shall not be applicable in respect of items which in the opinion of the Head of Department is an item of sophisticated nature and high technology and precision standards.

Provided further that where it is not possible to procure at least 30% from the local manufacturers, the Head of Department for reasons to be recorded in writing may purchase from other firms on rate contract/GeM as the case may be.

(ii) Purchase Preference for Local Suppliers under Make in India Policy:-

"Provided further that the Local Suppliers/Enterprises under "Make in India Policy" will also be entitled for at least purchase preference provided that they meet the requisite quality standards as laid down in the tender". This purchase preference shall be given in accordance with Public Procurement (Preference to Make in India) Order,2017-revision, issued by the Government of India, Ministry of Commerce and Industry,

Department for Promotion of Industry and Internal Trade (Public Procurement Section)
Udyog Bhawan,
New Delhi vide letter No. P-45021/2/2017-PP(B.E.-II) dated 29.05.2019.

The Public Procurement(Preference to Make in India), Order, 2017 provides as under:-

1. This Order is issued pursuant to Rule 153 (iii) of the General Financial Rules 2017.

2. **Definitions:** For the purposes of this Order:

'Local content'-means the amount of value added in India which shall, unless otherwise prescribed by the Nodal Ministry, be the total value of the item procured (excluding net domestic indirect taxes) minus the value of imported content in the item (including all customs duties) as a proportion of the total value, in percent.

'Local supplier' means a supplier or service provider whose product or service offered for procurement meets the minimum local content as prescribed under this Order or by the competent Ministries / Departments in pursuance of this order.

'L 1' means the lowest tender or lowest bid or the lowest quotation received in a tender, bidding process or other procurement solicitation as adjudged in the evaluation process as per the tender or other procurement solicitation.

'Margin of purchase preference' means the maximum extent to which the price quoted by a local supplier may be above the L 1 for the purpose of purchase preference.

'Nodal Ministry' means the Ministry or Department identified pursuant to this order in respect of a particular item of goods or services or works.

'Procuring entity' means a Ministry or department or attached or subordinate office of or autonomous body controlled by the Government of India and includes Government companies as defined in the Companies Act.

'Works' means all works as per Rule-130 of GFR-2017, and will also include 'turnkey works'.

3.Requirement of Purchase Preference: Subject to the provisions of this Order and to any specific instructions issued by the Nodal Ministry or in pursuance of this Order, purchase preference shall be given to Local suppliers in all procurements undertaken by procuring entities in the manner specified hereunder:

- a. In procurement of all goods, services or works in respect of which the estimated value of procurement is less than INR 50 lakhs, only local suppliers shall

be eligible to bid. However, in procurement of all goods, services or works, in respect of which the Nodal Ministry/Department has communicated that there is sufficient local capacity and local competition, only local supplier shall be eligible to bid irrespective of purchase value.

Provided that for any particular item, the Nodal Ministry/Department may also prescribe an upper threshold limit, below which procurement shall be made only from local supplier.

Further, provided that in any particular case of procurement, if the procuring authority is of the view that the good, services or works of required quality/specification etc. may not be available in the country, or sufficient capacity or competition does not exist domestically, and it is necessary to undertake global competitive bidding, the procuring authority may allow the same after recording reasons. In such cases, the provisions of sub-paragraph b or c, as the case may be shall apply;

b. In the procurements of goods or works which are not covered by paragraph 3a and which are divisible in nature, the following procedure shall be followed:

- i. Among all qualified bids, the lowest bid will be termed as L 1. If L-1 is from a local supplier, the contract for full quantity will be awarded to L 1.
- ii. If L-1 bid is not from a local supplier, 50% of the order quantity shall be awarded to L-1.

Thereafter, the lowest bidder among the local suppliers, will be invited to **match the L-1 price** for the remaining 50% quantity subject to the local supplier's quoted price falling within the margin of purchase preference, and contract for that quantity shall be awarded to such local supplier **subject to matching the L-1 price**. In case such lowest eligible local supplier **fails to match the L-1 price** or accepts less than the offered quantity, the next higher local supplier within the margin of purchase, preference shall **be invited to match the L-1 price** for remaining quantity and so on, and contract shall be awarded accordingly.

In case some quantity is still left uncovered on local suppliers, then such balance quantity may also be ordered on the L 1 bidder.

c. In procurements of goods or works not covered by sub-paragraph 3a and, which are not divisible, and in procurement of services where the bid is evaluated on price alone, the following procedure shall be followed:

- i. Among all qualified bids, the lowest bid will be termed as L1. If L1 is from a local supplier, the contract will be awarded to L 1.
- ii. If L-1 is not from a local supplier the lowest bidder among the local suppliers, will be,

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invited to match the L 1 price subject to local supplier's quoted price falling within the margin of purchase preference, and the contract shall be awarded to such local supplier subject to matching the L1 price.

iii. In case such lowest eligible local supplier fails to match the L 1 price, the local supplier with the next higher bid within the margin of purchase preference shall be invited to match the L 1 price and So on and contract shall be awarded accordingly. In case none of the local suppliers within the margin of purchase preference matches the L1 price, then the contract may be awarded to the L1 bidder.

4. **Exemption of small purchases:-** Notwithstanding anything contained in paragraph 3. Procurements where the estimated value to be procured is less than Rs. 5 lakhs shall be exempt from this Order, However, it shall be ensured by procuring entities that procurement is not split for the purpose of avoiding the provisions of this Order.

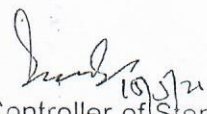
5. **Minimum local content:** The minimum local content shall ordinarily be 50%. The Nodal Ministry may prescribe a higher or lower percentage in respect of any particular item and may also prescribe the manner of calculation of local content.

6. **Margin of Purchase Preference:** The margin of purchase preference shall be 20%.

7. **Requirement for specification in advance:** The minimum local content, the margin of purchase preference and the procedure for preference to Make in India shall be specified in the notice inviting tenders or other form of procurement solicitation and shall not be varied during a particular procurement transaction.

Note:-

The remaining contents in respect of Public Procurement (Preference to Make in India) Order, 2017-revision, issued by the Government of India, Ministry of Commerce and Industry, Department for Promotion of Industry and Internal Trade (Public Procurement Section) Udyog Bhawan, New Delhi vide letter No. P-45021/2/2017-PP(B.E.-II) dated 29.05.2019 shall remain same subject to changes made by Government of India from time to time.


19/5/20
Controller of Stores,
Himachal Pradesh

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Endst. No.4-Ind/SP/Misc/F/6-10/4/80-Vol-V

Dated

16-05-2020

Copy of the above is sent for information and necessary action to:-

16 MAY 2020

1. The Additional Chief Secretary (Industries) to the Government of H.P., Shimla-171002 w.r.t. his letter No. Ind-II(D)26-18/2017-I dated 11.03.2020.
2. All the Administrative Secretaries to the Govt. of H.P. Shimla-2.
3. All the Heads of the Departments/Managing Directors of the Corporations/Heads of Boards and Autonomous Bodies/All Deputy Commissioners along with two spare copies.
4. All the Direct Demanding Officers in H.P.
5. The Controller of Printing & Stationery department, Shimla-171005 for publishing the same in the Electronic Gazette.
6. The Joint Director of Industries/All the General Managers, District Industries Centres/ Member Secretaries, SWCA in H.P.
7. The Joint Director of Industries (S.P.), H.P., Shimla-171001
8. The Programmer, Directorate of Industries, H.P. is directed to upload the addendum on the Departmental Website.
9. The Superintendent Gr.-I, Store Purchase Organisation, Shimla-171001.
10. The Section Officer (F&A), Store Purchase Organisation, Shimla-171001
11. All the Dealing Assistants of Store Purchase organization.
12. P.A. to Additional Controller of Stores, H.P.

Controller of Stores, Himachal Pradesh

CSK HPKV 10 Misc. C
 S. No. 1580
 Date 24/6/2020
 COMPTROLLER

WASE 1
 DY No. 2628
 Date 26/6/2020
 DISPOSAL UNIT

CSK HIMACHAL PRADESH KRISHI VISHVAIDYALAYA, PALAMPUR
 'GENERAL ADMINISTRATION BRANCH'

Endst. No. QSD.4-7/2018/CSK HPKV (GA)/-22962

Dated, Palampur, the 22 JUN 2020

Forwarded in original to the Comptroller, CSK HPKV, Palampur for taking further necessary action in the matter.

AR/SOCCPDU
23/6/20

SO(CPDU)
26/6/20

SO(CPDU)
26/6/20

Assistant Registrar (Admin.)
 CSK HPKV, Palampur

All the D.A.s in CPDU to note for strict compliance of order issued by Controller of Stores Govt. H.P. dt. 16.06.20

1. [Signature]
 2. [Signature]
 3. [Signature]
 4. [Signature]

Email

comptroller@hillagric.ac.in

Notification on Payment mechanism on GeM

From : noreply@gem.gov.in

Tue, Jun 23, 2020 07:05 AM

Subject : Notification on Payment mechanism on GeM

To : comptroller hpau <comptroller.hpau@nic.in>



www.gem.gov.in

Hi Sir/Madam,

As per the OM issued by the Department of Expenditure, Ministry of Finance (No.F.6/18/2019.PPD), it is notified that from 01/07/2020, no other payment mode except for GPA and PFMS would be available on GeM for placing new orders. Payments for all orders must be processed through either GPA or PFMS only.

Payments for orders created before 01/07/2020 could still be processed by the payment method selected at the time of order placement.

Organizations with any other payment method must enable GPA or PFMS, to be able to create orders after 01/07/2020. As per DoE OM, any payment method apart from GPA or PFMS would be allowed to exist only if an on-line provision for fund blocking at the time of order placement has been implemented by the organization as per the PFMS functionality as provided in the DoE OM.



Regards,

Team GeM

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23-6-2020

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20/6/2020

