F. No. 24/02/2013-Fin.1 Government of India Ministry of Micro, Small and Medium Enterprises { I.F. Wing }

Room No.732, 'A' Wing Nirman Bhavan, New Delhi, 2nd August, 2016

NOTE

Subject:

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

The undersigned is directed to circulate herewith a copy of Ministry of Finance, Department of Expenditure OM No.20/2/2014-PPD(Pt.) dated 25th July, 2016 on the above cited subject for information and necessary action.

Encls: As above.

(R. K. Sinha) Under Secretary (Fin.I)

Tele: 2306 1461

AS&DC (MSME) / JS(ARI) / JS(SME).

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Sh. N.N. Es Helkar, DD (PPP)

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Office of the Development Commissioner (MSME) This letter has been entered in 50 e-office vide No. ... Dated

Officer / Official(CRU)

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.

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