

GOVERNMENT OF ODISHA

WORKS DEPARTMENT

No. WORKS-FA-MISCSB-0013-2022-7636/W., Bhubaneswar, dated the 7th June, 2022

From:

Sri Sibashis Dhal, OFS (SAG),
F.A.-cum-Addl. Secretary to Govt.

To

The Additional Secretary to Govt.,
MSME Department.

Sub: - Stakeholders consultation and finalization of Draft Public Procurement Order (Odisha Specific) 2022

Sir,

Inviting a reference to the MSME Department letter No.3614/MSME, dt.25.05.2022 on the subject cited above, I am directed to enclose the considered views of Works Department for finalizing the Draft Public Procurement Order (Odisha Specific) 2022.

Encl: As above.

Yours faithfully,


F.A.-cum-Addl. Secretary to Govt. 7/6/2022

Stakeholders Consultation and finalization of Draft Public Procurement Order (Preference to make in Odisha) Order, 2022

Clause in the Draft Order of MSME Deptt.	Description of the clause in the Draft Order of MSME Department	Considered views of Works Department
2 (a) & (b)	<p>In procurement of all goods, services or works in respect of which the Nodal Department has communicated that there is sufficient local capacity and local competition, MSEs/ Start-ups who are MSEs of Odisha, shall be eligible to bid irrespective of tender value.</p> <p>In case of non-execution of contract/ non-performance contract by selected L1 bidders, eligible MSEs/ Start-ups who are MSEs of Odisha participating in the tender may also be given opportunities provided their quoted price falls within the margin of purchase preference L1+15% for MSEs / Start-ups who are MSEs across Odisha and L1 +20% for the industrial units in industrially backward districts of MSEs /</p>	<p>MSME/Start-ups unless registered under different Nodal Agencies under appropriate Class of Contractors (D, C, B, A, Special and Super) should not be allowed to participate in the Bid for Works contracts. Works undertaken by different Engineering Departments require general experience of civil works of different categories involving construction machineries and EPC contracts involves highly specialised experiences with use of sophisticated machineries. For example, a Bridge /Viaduct/Spillway/Multi-storeyed building /high rising Overhead Tank or expressway requires highly skilled workmanship along</p>



Clause in the Draft Order of MSME Deptt.	Description of the clause in the Draft Order of MSME Department	Considered views of Works Department
	<p>Start-ups who are MSEs owned by Scheduled Castes or Scheduled Tribes or Physically challenged or Women or Technical (Degree / Diploma holding) entrepreneurs.</p> <p>For the purpose of this Order, works Include Engineering, Procurement and Construction (EPC) contracts and services include System Integrator (SI) contracts.</p>	<p>with sophisticated machineries and sound financial capabilities. So, unless the Nodal departments are satisfied with all parameters required for the particular tender for Works contract, it may not be possible for them to declare an MSME as eligible. A registered MSME may not be suitable for works Contract.</p>
3 (a) & (b)	<p>Subject to the provision of this Order and to any specific instructions issued by the Nodal Department or in pursuance of this Order, purchase preference shall be given to MSEs/ Start Ups Who are MSEs Of Odisha in procurements undertaken by procuring entities in the manner specified hereunder.....</p>	<p>At present only, registered SC & ST contractors up to B Class are eligible to get price preference of 10%. Further Price preference may be discouraged as this will lead to conflicts in finalization of tender.</p>



Clause in the Draft Order of MSME Deptt.	Description of the clause in the Draft Order of MSME Department	Considered views of Works Department
3 (c)	<p>In the procurement of goods or works, which are covered by Para 3(b) above and which are not divisible in nature, where the bid is evaluated on price alone, the local MSE/Start-up who are MSEs shall get purchase preference as per the following procedure;</p> <p>i. Among all qualified bids, the lowest bid will be termed as L1. If L1 is a "Micro Small Enterprises / Start-up who are MSEs in Odisha, the contract will be awarded to L1.</p> <p>ii. If L1 is not a "Micro Small Enterprise / Start-up who are MSEs. The lowest bidder among the micro small enterprise /start-up who are MSEs will be invited to supply the goods, services etc. at L1 price subject to Micro Small Enterprises / Start-ups who are</p>	<p>The splitting up of the work is banned in OPWD Code except in case of certain emergency. Also, the work which are divisible in nature are to be defined.</p>



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	<p>MSEs quoted price falling within the margin of purchase preference L1 +15% for MSEs / Start-ups who are MSEs across Odisha and L1 + 20% for the industrial units in industrially backward district or MSEs/ Start-ups who are MSEs owned by Scheduled Castes or Scheduled Tribes or Physically challenged or Women or Technical (Degree / Diploma holding) entrepreneurs and the contract shall be awarded to such "Micro Small Enterprises subject to acceptance.</p> <p>In case of such lowest eligible Micro Small enterprises / Start-up who are MSEs fails to accept, the "Micro Small Enterprises / Start-up who are MSEs with the next higher bid within the margin of purchase preference shall be invited to accept and so on, and contract shall be awarded</p>	



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	<p>accordingly. In case none of the Micro Small Enterprises/ Start-up who are MSEs within the margin of purchase preference accepts, the contract may be awarded to the L1 bidder.</p>	
3 (d)	<p>In case of EPC Contracts / works contracts, the nodal department inviting the tender shall ensure procurement of goods included in the Exclusive List from local MSE manufacturers / Start-ups who are MSEs. The Bill of Quantity (BOQ) may be so devised to ensure minimum 50% Procurement from State local MSEs / Start-ups who are MSEs is ensured by the successful</p>	<p>EPC Contracts are sophisticated works involving high monetary value. The BOQs are prepared as a package wholistically containing all the scopes of the project by the Contractor based on its own design and need of the work. Hence the stipulation proposed for procurement of goods included in the</p>



Clause in the Draft Order of MSME Deptt.	Description of the clause in the Draft Order of MSME Department	Considered views of Works Department
	bidder.	Exclusive List from local MSE manufacturers / Start-ups who are MSEs may not be acceptable to the EPC Contractor.

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