

IMPORTANT NOTICE

*In compliance of Office Memorandum No. F.1/1/2023-PPD (Vivad Se Vishwas I – Relief for MSMEs) dated 22.12.2023 issued by Procurement Policy Division of Department of Expenditure, Ministry of Finance, eligible MSME claimants are requested to submit their Claim giving the Name of the Contractor, Contract No., Contracting Authority, Deducted / Forfeited amount along with the copies of their valid MSME Certificate, Bank Details through GeM portal only on or before **31st March, 2024.***

Any claims received after 31st March 2024 will not be entertained.

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No.F.1/1/2023-PPD
Government of India
Ministry of Finance
Department of Expenditure
Procurement Policy Division

502, Lok Nayak Bhawan, Khan Market, New Delhi
22.12.2023

Office Memorandum

Subject: Vivad se Vishwas I (VsV I): Relief for MSMEs.

Attention is invited to this Department's OMs of even number dated 11.04.2023, 02.06.2023 and 15.06.2023 (copies enclosed) wherein detailed guidelines regarding the subject scheme were issued. Eligible claimants were permitted to submit claims, under the scheme, on Government e-Marketplace (GeM)/ Indian Railways eProcurement System (IRePS) portals between 17.04.2023 and 31.07.2023. It has been brought to the notice of this Department that eligible MSMEs could not lodge their claims on the portals because of lack of information about the scheme.

2. In view of above, it has been decided that eligible claims under the subject scheme can now also be submitted from 01.01.2024 to 31.03.2024, as per the scheme. All procuring entities, covered by the scheme, are requested to disseminate information about the scheme.



(Anil Kumar)
Deputy Secretary (Procurement Policy)
Tel.24621304
email: anil.kumar14@nic.in

To

1. Secretaries of all Ministries/ Departments of Government of India for information and necessary action. They are also requested to inform above decision to all procuring entities under their administrative control.
2. Secretary, Department of Public Enterprise with a request to reiterate these orders in respect of public enterprises.
3. Secretary, Department of Financial Services with a request to reiterate these orders in respect of Public Sector Financial Institutions.
4. CEO/ GeM
5. Managing Director/ Center for Railways Information System.

No.F.1/1/2023-PPD
Government of India
Ministry of Finance
Department of Expenditure
Procurement Policy Division

264-C, North Block, New Delhi.
11th April, 2023.

Office Memorandum

Subject: Vivad Se Vishwas I - Relief for MSMEs: Revised order.

Government has been getting many references from Micro, Small and Medium Enterprises (MSMEs) regarding difficulties being faced by them in the last two years due to COVID 19 pandemic. The Government had provided certain benefits to the industry (including MSMEs) in Government contracts in the past. In continuation to the efforts of the Government in this regard, this Department had issued an OM of even number dated 06.02.2023. Many references have been received by this Department seeking clarifications on implementation of the scheme circulated on 06.02.2023. In this context, it has been decided to issue following instructions in supersession of this Department's OM of even number dated 06.02.2023 and 10.04.2023.

2. The following parameters will determine eligibility for benefits under this scheme:

SN	Parameter	Eligibility condition
i	Nature of procurement eligible for the relief	Procurement of Goods and Services.
ii	Central government procurement entities to whom this scheme applies	Ministry/ Department/ attached or subordinate office/ autonomous body/ Central Public Sector Enterprise (CPSE)/ Central Public Sector Banks/ Financial Institution etc.
iii	Nature of the supplier/ contractor eligible for the scheme	Registered as a Medium, Small or Micro Enterprise (MSME) as per prevalent scheme of Ministry of MSME on the date of claim by supplier/ contractor. MSME may be registered for any category of Goods and Services.
iv	Eligible contracts in case of forfeiture of performance security or imposition of Liquidated Damages (LD) or the damages levied under "Risk Purchase" (RP) or debarment action	Where original delivery period/ completion period stipulated in contract was between 19.02.2020 and 31.03.2022 (both dates are inclusive). In case of risk purchase, the original delivery period of the main contract (and not the risk purchase contract) should be between 19.02.2020 and 31.03.2022.

v	Eligible tenders in case of forfeiture of Bid security (Earnest Money Deposit) or debarment action	Tenders, where date of closing of the tender was between 19.02.2020 and 31.03.2022 (both dates are inclusive).
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3. The following amount shall be refunded by the procuring entities as a relief under this scheme after determining eligibility as per para 2 as above:

SN	Cause of action	Amount/ extent of relief
i	Performance security forfeited by the procuring entities for failure to execute contracts by the contractors.	95% of the performance security forfeited by the procuring entity.
ii	Imposition of Liquidated damages (damages deducted for late deliveries) or the damages levied under the risk purchase.	95% of the Liquidated Damages (LD) deducted or 95% of the risk purchase amount realized by the procuring entities from the MSME.
iii	Bid security (Earnest Money Deposit) forfeited	95% of the Bid security (Earnest Money Deposit) forfeited.
iv	Debarment of the contractor due to default in execution of eligible contracts/ eligible tenders under the scheme	Revocation of debarment by issue of an appropriate order by the procuring entity. The date of revocation shall be the date of such order. However, in case a firm has been ignored for placement of any contract due to debarment in the interim period (i.e. date of debarment and the date of revocation under this order), no claim shall be entertained.

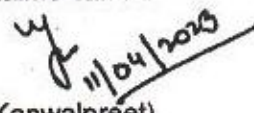
Notes:

- No interest shall be paid on such refund/ relief amount in any case.
- ~~Deleted.~~
- In case liquidated damages and/ or performance security and/ or damages under risk purchase have been deducted in the same contract, total relief will be 95% of LD forfeited plus 95% of the performance security forfeited plus 95% of the damages under risk purchase realized.
- For cases where recoveries/ forfeiture for liquidated damages and/ or performance security and/ or damages under risk purchase have not materialized/ completed, the cases shall be dealt on the principles of this circular under para 3 as above.

4. Government e-Marketplace (GeM) has provided a dedicated link on their portal for implementation of this scheme. The link/ portal has the functionality for MSME Vendors to register their claims through its authorized personnel. For non- GeM

contracts of Ministry of Railways, MSME vendors will be required to register on IRePS (www.ireps.gov.in). The information regarding contracts for which claim is to be lodged on IRePS will be provided on GeM as well as IRePS. The broad features of this portal are as under:

- i. The registered contractor shall list out the eligible contracts on the portal. The list of the procuring entities is available through drop down menu on the portal. The details, such as contract number, contracting authority, Deducted/ forfeited amount, etc. will be submitted by the contractor on the portal.
 - ii. GeM portal shall intimate through dashboard such details to the procuring entities to verify and refund the claim in terms of the eligibility etc. mentioned above and shall update the portal with the amount, date and transaction details of the payment. Procuring entities must approve/ reject the claim within 30 days of claim submitted by the contractor on the portal. Further, once claim is accepted, payment must be made and details are entered on the portal by the procuring entities within 30 days of the acceptance of the claim.
 - iii. Pendency Reports to each procuring entity shall be provided by GeM.
5. The date of commencement of the scheme will be 17.04.2023 and claims can be submitted by 30.06.2023.


(Kanwalpreet)
Director(PPD)

Tel.No. 2309 3811; email: kanwal.irss@gov.in

To

1. Secretaries of all Ministries/ Departments of Government of India for information and necessary action. They are also requested to inform these provisions to all procuring entities under their administrative control.
2. Secretary, Department of Public Enterprises with a request to reiterate these orders in respect to public enterprises.
3. Secretary, Department of Financial Services with a request to reiterate these orders in respect to public sector financial institutions.
4. Secretary, Ministry of MSME with a request to monitor the procuring entities for implementation of the scheme.
5. Chief Secretaries/ Administrators of Union Territories/ National Capital Territory of Delhi.
6. CEO/ GeM.

Copy to: Chief Secretaries of all State Governments, for kind information, and with a request to consider formulation of similar schemes in their States.

No.F.1/1/2023-PPD
Government of India
Ministry of Finance
Department of Expenditure
Procurement Policy Division

264-C, North Block, New Delhi.
02.06.2023.

Office Memorandum

Subject: Vivad Se Vishwas I - Relief for MSMEs.

Attention is invited to this Department OM of even number dated 11.04.2023 wherein instructions were issued for providing certain benefits to the Micro, Small and Medium Enterprises (MSMEs) under the above mentioned scheme. Many references have been received from MSMEs requesting extension of the benefits to include procurement of works in the scheme.

2. The matter has examined and it has been decided to make following amendments to this Department OM No. F.1/1/2023-PPD dated 11.04.2023:

Existing provision			Amended provision		
Para 2 (i)			Para 2 (i)		
SN	Parameter	Eligibility condition	SN	Parameter	Eligibility condition
i	Nature of procurement eligible for the relief	Procurement of Goods and Services	i	Nature of procurement eligible for the relief	All procurements.
Para 2 (iii)			Para 2 (iii)		
SN	Parameter	Eligibility condition	SN	Parameter	Eligibility condition
iii	Nature of the supplier/ contractor eligible for the scheme	Registered as a Medium, Small or Micro Enterprise (MSME) as per prevalent scheme of Ministry of MSME on the date of claim by supplier/ contractor. MSME may be registered for any category of Goods and Services.	iii	Nature of the supplier/ contractor eligible for the scheme	Registered as a Medium, Small or Micro Enterprise (MSME) as per prevalent scheme of Ministry of MSME on the date of claim by supplier/ contractor. MSME may be registered for any category.

3. The date for submission of claims has also been extended to 31.07.2023.

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02/06/2023
(Kanwalpreet)
Director(PPD)

Tel.No. 2309 3811; email: kanwal.irss@gov.in

To

1. Secretaries of all Ministries/ Departments of Government of India for information and necessary action. They are also requested to inform these provisions to all procuring entities under their administrative control.
2. Secretary, Department of Public Enterprises with a request to reiterate these orders in respect to public enterprises.
3. Secretary, Department of Financial Services with a request to reiterate these orders in respect to public sector financial institutions.
4. Secretary, Ministry of MSME with a request to monitor the procuring entities for implementation of the scheme.
5. Chief Secretaries/ Administrators of Union Territories
6. CEO/ GeM.

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No.F.1/1/2023-PPD
Government of India
Ministry of Finance
Department of Expenditure
Procurement Policy Division

264-C, North Block, New Delhi.
15.06.2023.

Office Memorandum

Subject: Vivad Se Vishwas I - Relief for MSMEs.

Attention is invited to this Department OM of even number dated 11.04.2023& 02.06.2023 wherein instructions were issued for providing certain benefits to the Micro, Small and Medium Enterprises (MSMEs) in the procurement contracts. This Department has received representation from MSMEs requesting extension of the benefits to earning contracts as well in the scheme.

2. The matter has examined and it has been decided that alongwith the contracts/tenders for procurement of Goods, Services and Works, the scheme will also applicable to earning contracts as well.

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15/06/2023.
(Kanwalpreet)
Director(PPD)

Tel.No. 2309 3811;
email: kanwal.irss@gov.in

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2. Secretary, Department of Public Enterprises with a request to reiterate these orders in respect to public enterprises.
3. Secretary, Department of Financial Services with a request to reiterate these orders in respect to public sector financial institutions.
4. Secretary, Ministry of MSME with a request to monitor the procuring entities for implementation of the scheme.
5. Chief Executive Officer, Government e-Marketplace (GeM), 2nd Floor JeevanBharati Building, Janpath, New Delhi, e-mail: ceo-gem@gov.in.