

विकास आयुक्त का कार्यालय  
(सूक्ष्म, लघु और मध्यम उद्यम)  
सूक्ष्म लघु और मध्यम उद्यम मंत्रालय  
(भारत सरकार)

निर्माण भवन, सातवीं मंजिल, मौलाना आजाद रोड,  
नई दिल्ली-110 108



OFFICE OF THE DEVELOPMENT COMMISSIONER  
(MICRO, SMALL & MEDIUM ENTERPRISES)  
MINISTRY OF MICRO, SMALL & MEDIUM ENTERPRISES  
GOVERNMENT OF INDIA  
Nirman Bhawan, 7<sup>th</sup> Floor, Maulana Azad Road,  
New Delhi - 110 108

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F. No. 21(2)/2016-MA

Dated 18<sup>th</sup> February, 2016

OFFICE MEMORENDUM

Please find enclosed a Note for Press Release regarding clarifications on providing benefits of the Public Procurement Policy for Micro and Small Enterprises (MSEs) Order, 2012 to the Micro & Small Enterprises (MSEs) who are having Udyog Aadhaar Memorandum. Publication Division is requested to take up the matter with Public Information Bureau to place this Press Release on the public domain.

Encl: As above

(U.C.Shukla)  
Director (MA)

1. Shri Harish Anand, Director (Pub), O/o DC(MSME)
2. Shri S. V. Sharma, Director (SENET) with a request to up load the press release in office website.
3. Information Officer, PIB, Room No,704A Shastri Bhawan, New Delhi

Government of India  
Ministry of Micro, Small & Medium Enterprises  
Office of Development Commissioner (MSME)  
( Marketing Assistance Division)

Dated the 18<sup>th</sup> February, 2016

Press Release

Government of India has introduced a Public Procurement Policy for Micro and Small Enterprises (MSEs) Order, 2012 which was notified under MSMED Act 2006, and effective from 1st April, 2012.

Under the Policy, every Central Government Ministries, Departments and Public Sector Undertakings shall procure minimum of 20 per cent of their total annual value of goods or services from Micro and Small Enterprises which became mandatory from 1st April 2015.

As per the Public Procurement Policy for MSE Order, 2012, MSEs having registration with District Industries Centre(DIC) or Khadi and Village Industries Commission(KVIC) or Khadi Village and Industries Board (KVIB) or Coir Board or National Small Industries Commission (NSIC) or Directorate of Handicrafts and Handlooms or any other body specified by Ministry of MSME are provided certain benefits under the said Policy.

For ease of registration of Micro, Small and Medium Enterprises (MSMEs), Ministry of MSME has started Udyog Aadhar Memorandum which is an online registration system (free of cost) w.e.f. 18<sup>th</sup> September, 2015 and all Micro & Small Enterprises (MSEs) who are having Udyog Aadhaar Memorandum should also be provided all the benefits available for MSEs under the Public Procurement Policy for Micro and Small Enterprises(MSEs), Order 2012.

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*[Handwritten Signature]*

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सत्यमेव जयते



MICRO, SMALL & MEDIUM ENTERPRISES  
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OFFICE OF THE DEVELOPMENT COMMISSIONER  
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F. No. 21(1)/2014-MA

Dated 02.11.2015

OFFICE MEMORENDUM

Please find enclosed a Note for Press Release regarding changes made under the provision 6 of the Public Procurement Policy for Micro and Small Enterprises (MSEs) Order, 2012. Publication Division is requested to take up the matter with Public Information Bureau to place this Press Release on the public domain.

Press Release has approval of Secretary, MSME.

Encl: As above

( U.C.Shukla )  
Director (MA)

1. Shri Harish Anand, Director (Pub), O/o DC(MSME)
2. Shri S V Sharma, Director (SENET) with a request to up load the press release in - office website.
3. Ms. Ruby Sharma, Information Officer, PIB, Room No,704A Shastri Bhawan, New Delhi

No.21 (1)/2014-MA  
Government of India  
Ministry of Micro, Small & Medium Enterprises  
Office of the Development Commissioner (MSME)  
(Marketing Assistance Division)

Nirman Bhawan, New Delhi  
2<sup>nd</sup> November, 2015

OFFICE MEMORENDUM

Subject: Clarifications on the provision 6 of the Public Procurement Policy for Micro and Small Enterprises (MSEs) Order, 2012-reg.

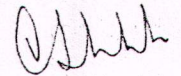
Government of India has introduced a Public Procurement Policy for Micro and Small Enterprises (MSEs) Order, 2012 which is notified under MSME Act 2006. Under the Policy every Central Government Ministries, Departments and Public Sector Undertakings shall procure minimum of 20 per cent of their total annual value of goods or services from Micro and Small Enterprises.

Under the provision 6 of the Policy it is mentioned that: (1) In tender, participating Micro and Small Enterprises quoting price within price band of L1+15 percent shall also be allowed to supply a portion of requirement by bringing down their price to L1 price in a situation where L1 price from someone other than a Micro and Small Enterprise and such Micro and Small Enterprise shall be allowed to supply up to 20 per cent of total tendered value. (2) In case of more than one such Micro and Small Enterprises the supply shall be shared proportionately (to tendered quantity).

The phrase up to is substituted with at least.

The revised provision 6 of the Policy should be read as: (1) In tender, participating Micro and Small Enterprises quoting price within price band of L1+15 percent shall also be allowed to supply a portion of requirement by bringing down their price to L1 price in a situation where L1 price from someone other than a Micro and Small Enterprise and such Micro and Small Enterprise shall be allowed to supply at least 20 per cent of total tendered value. (2) In case of more than one such Micro and Small Enterprises the supply shall be shared proportionately (to tendered quantity).

This issues with the approval of Secretary, MSME.



(U.C. Shukla )  
Director (MA)

1. All concerned
2. Director (SENET) with a request to up load the O.M. on the official website for wider publicity.

Government of India  
Ministry of Micro, Small & Medium Enterprises  
Office of Development Commissioner (MSME)  
( Marketing Assistance Division)

Press Release

Government of India has introduced a Public Procurement Policy for Micro and Small Enterprises (MSEs) Order, 2012 which is notified under MSMED Act 2006. Under the Policy every Central Government Ministries, Departments and Public Sector Undertakings shall procure minimum of 20 per cent of their total annual value of goods or services from Micro and Small Enterprises.

Under the provision 6 of the Policy it is mentioned that: (1) In tender, participating Micro and Small Enterprises quoting price within price band of L1+15 percent shall also be allowed to supply a portion of requirement by bringing down their price to L1 price in a situation where L1 price from someone other than a Micro and Small Enterprise and such Micro and Small Enterprise shall be allowed to supply up to 20 per cent of total tender value. (2) In case of more than one such Micro and Small Enterprises, the supply shall be shared proportionately (to tendered quantity).

The phrase up to is substituted with at least.

The revised Provision 6 of the Policy should be read as: - (1) In tender, participating Micro and Small Enterprises quoting price within price band of L1+15 percent shall also be allowed to supply a portion of requirement by bringing down their price to L1 price in a situation where L1 price from someone other than a Micro and Small Enterprise and such Micro and Small Enterprise shall be allowed to supply at least 20 per cent of total tendered value.

(2) In case of more than one such Micro and Small Enterprises, the supply shall be shared proportionately (to tendered quantity).

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F. No. 21(1)/2014-MA


Dated 12.2.2015

### OFFICE MEMORENDUM

Please find enclosed a Note for Press Release regarding clarifications on under the provision 6 of the Public Procurement Policy for Micro and Small Enterprises (MSEs) Order, 2012. Publication Division is requested to take up the matter with Public Information Bureau to place this Press Release on the public domain.

Press Release has approval of Secretary, (MSME).

Encl: As above

  
(Narendra Estolkar)  
Dy. Director (MA)

1. Shri Harish Anand, Director (Pub), O/o DC(MSME)
2. Shri S. V. Sharma, Director (SENET) with a request to up load the press release in office website.
3. Ms. Ruby Sharma, Information Officer, PIB, Room No,704 A Shastri Bhawan, New Delhi

Government of India  
Ministry of Micro, Small & Medium Enterprises  
Office of Development Commissioner (MSME)  
( Marketing Assistance Division)

12/2/2015

**Press Release**

It has been represented to Ministry of Micro, Small and Medium Enterprises that in some cases due to the peculiar nature of the procurement such as Import Substitution, Product Development to CPSUs, non-feasibility to break-up size of the order etc., some of CPSUs prior to the implementation of the Public Procurement Policy for MSEs Order 2012 from 1<sup>st</sup> April 2012, were awarding more than 20% or upto 100% of supplies to the micro and small enterprises who could match L-1 price where L-1 is quoted by other than micro and small enterprises.

2. As per the provision 6 of the Public Procurement Policy for micro and small enterprises quoting in the price band of L-1+15% are allowed to supply upto 20% of the total tender value provided such micro and small enterprises bring down their price to L-1. However, it has been brought to notice by micro and small enterprises that this provision 6 is coming into the way of earlier higher procurement from micro and small enterprises in above referred situation at Para-1. It is to mention that intention of provisions of provision 6 of the policy is not to restrict earlier high supply opportunity for micro and small enterprises.

3. In light of above, it is clarified that in the situation of L-1+15% as mentioned at Para -1 above, CPSUs may take more than 20% supplies from micro and small enterprises as per their previous procurement pattern on case to case basis for which this Ministry has no objection.

4. The above clarification is issued as per the provision available under Para-16 of the Policy.

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F. No. 21(1)/2014-MA

Dated 22.05.2014

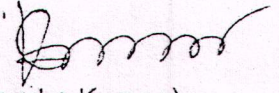
### OFFICE MEMORENDUM

Please find enclosed a Note for Press Release regarding clarifications on some points/phrases mentioned in the Public Procurement Policy for Micro and Small Enterprises (MSEs) Order, 2012.

Publication Division is requested to take up the matter with Public Information Bureau to place this Press Release on the public domain. This letter has also been e-mailed to the officers.

Press Release has approval of Additional Secretary & Development Commissioner (MSME).

Encl.: As above

  
(Narendra Kumar )  
Dy Director (MA)

1. Shri Harish Anand , Director (Pub) O/o DC(MSME)
2. Shri S V Sharma , Director (SENET) with a request to up load the press release in office website.
3. Ms. Ruby Sharma , Information Officer , PIB, Rcom No.704A Shastri Bhawan, New Delhi for information and necessary action .  
( hipessi@gmail.com)



Government of India  
Ministry of Micro, Small & Medium Enterprises  
Office of Development Commissioner (MSME)  
(Marketing Assistance Division)

22/5/2012

Press Release

Government of India has introduced a Public Procurement Policy for Micro and Small Enterprises (MSEs) Order, 2012 which is notified under MSMED Act 2006. In this connection, under the provision of para 16 of the aforesaid policy, it is clarified:

- (i) That only in the English Version of the printed policy, the entry at Sl. No. 202 in the list of 358 reserved items may be read as "Paper conversion products, paper bags, envelops, Ice-cream cup, paper cup and saucers & paper Plates" in place of existing entry, "Paper conversion products- paper bags, envelops, Ice-cream cup, paper cup and saucers & paper Plates".
- (ii) That in both Hindi & English version of the printed policy, the entry at Sl. No. 298 may be read as "Manufacture of other textiles/textile products N.E.C (not elsewhere classified)" in place of existing entry "Textile manufactures other than N.E.C. (not elsewhere classified)" as shown in the English version and as mentioned "Textile manufacturers other than N.E.C. (not elsewhere classified) in Hindi version.
- (iii) That only in the English version of the printed policy, the para 2 at page No. 19 of the policy may be read as

2. The composition of the Committee will be as follows:-

- |       |  |   |                   |
|-------|--|---|-------------------|
| (i)   | Secretary,<br>Ministry of MSME   | : | Chairman          |
| (ii)  | Secretary,<br>Planning Commission  | : | Member            |
| (iii) | Secretary,<br>Department of Public Enterprises   | : | Member            |
| (iv)  | Director General (Supplies and Disposals),<br>Department of Commerce, Ministry of<br>Commerce and Industry | : | Member            |
| (v)   | Additional Secretary and<br>Development Commissioner (MSME)  | : | Member- Secretary |

Instead of

2. The composition of the Committee will be as follows:-

- |        |  |   |                  |
|--------|--|---|------------------|
| (i)    | Secretary,<br>Ministry of MSME   | : | Chairman         |
| (ii)   | Secretary,<br>Planning Commission  | : | Member           |
| (iv)   | Secretary,<br><br>Department of Public<br>Enterprises                        | : | Member           |
| (v)    | Director General<br>(Supplies and Disposals),<br><br>Department of Commerce, | : | Member           |
| (vii)  | Ministry of Commerce<br>and Industry   |   |                  |
| (viii) | Additional Secretary and<br>Development<br>Commissioner (MSME)               | : | Member Secretary |

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Government of India  
Ministry of Micro, Small & Medium Enterprises  
Office of the Development Commissioner (MSME)  
Marketing Assistance Division

Press Release

Government of India has introduced a Public Procurement Policy for Micro and Small Enterprises (MSEs) Order, 2012 which is notified under MSMED Act 2006. The policy, mandates that every Central Ministries / Departments / CPSUs shall set an annual goal for procurement from the MSE sector from the 1<sup>st</sup> April 2012 with objective of achieving an overall procurement of minimum 20% of their total annual purchases value from products produced / services rendered by MSEs within a period of three years. Policy has also earmarked 4% share out of this 20% Procurement from MSEs owned by SC/ST entrepreneurs.

In connection with implementation of the Policy, many CPSUs have been requesting this Ministry for interpretation/ definition of MSE owned by SC / ST entrepreneurs.

Under the provision of para 16 of aforesaid policy, definition of MSEs owned by SC / ST is clarified by the Ministry of MSME as under:

- a. In case of proprietary MSE, proprietor(s) shall be SC / ST.
- b. In case of partnership MSE, the SC/ST partners shall be holding at least 51% shares in the unit.
- c. In case of Private limited companies, at least 51% share shall be held by SC/ST promoters.

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Date of release : 19<sup>th</sup> June 2013