No. DPE/7(4)/2007-Fin.  
Government of India  
Ministry of Heavy Industries & Public Enterprises  
Department of Public Enterprises

Public Enterprises Bhawan  
Block No. 14, CGO Complex,  
Lodhi Road, New Delhi-110003

Dated 28th January, 2014

OFFICE MEMORANDUM

Subject:- Effective Implementation of Public Procurement Policy for Micro & Small Enterprises(MSEs) Order, 2012

The undersigned is directed to refer to DPE O.M of even no dated 6th December 2012, and O.M no dated 16th August 2013 on the above subject and to state as under:

i) CPSEs are advised to provide details on the implementation of Public Procurement Policy for Micro, Small and Medium Enterprises (MSEs) Order, 2012 as required by Ministry of MSMEs under intimation to this Department by 15/02/2014

ii) Reference is invited to MoU guidelines for year 2014-15 which provide that in case of non-compliance with MSEs order, issued vide D.O No. 21(1) /2011-M.A dated April, 2012, CPSEs will be penalized up to 1 mark at the time of annual evaluation of MoU.

iii) In case any CPSE is not in position to achieve the target of 20% procurement from MSEs, it can approach the Committee constituted for monitoring and review of the public procurement policy for MSEs for seeking exemption (copy of Order constituting the Committee is enclosed)

2. This issues with approval of Secretary, PE

[V. K. Jindal]

(V. K. Jindal)  
Director  
Ph. 24362770

Encl. : As above

1. Chief Executives of All CPSEs

Copy to:
1) Ministry of Micro, Small & Medium Enterprises
2) NIC, DPE for uploading this OM on the DPE website.
3) Director (Survey ), DPE
4) Director (MoU), DPE
ORDER

Subject: Constitution of a Committee for monitoring and review of the Public Procurement Policy for Micro and Small Enterprises

Pending approval of the new Public Procurement Policy for Micro and Small Enterprises (MSEs), a Committee is hereby constituted for looking into the applicability of some of the provisions of the proposed policy in respect of select Central Ministries/Departments. The Committee will be chaired by the Secretary, Ministry of Micro, Small and Medium Enterprises.

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

   (i) Secretary, Ministry of MSME : Chairman
   (ii) Secretary, Planning Commission : Member
   (iv) Secretary, Department of Public Enterprises : Member
   (v) Director General (Supplies & Disposals), Department of Commerce, Ministry of Commerce and Industry : Member
   (vi) Additional Secretary & Development Commissioner (MSME) : Member Secretary

3. The Committee will undertake the following functions:

   (i) Consider the requests of the Central Ministries/Departments/PSUs for exemption, on a case to case basis, from the 20% target;
   (ii) Review the list of 358 items reserved for exclusive purchase from the MSEs based on the feedback received from the Central Ministries/Departments/PSUs;
   (iii) Review the grievances received from MSEs regarding Government procurement, including imposition of unreasonable conditions in the tenders floated by the Government Departments/PSUs; and
No. 21(1)/2007-MA  
Ministry of Micro, Small & Medium Enterprises  
(iv) Suggest special measures to be taken by the Central Ministries/Departments for enhancing their procurements from MSEs.

4. The Committee may co-opt any other Ministries/Departments of the Central Government as well as State Governments or invite any other expert/person associated/concerned with the MSMEs in its meetings, as and when required.

5. The Office of the Development Commissioner (MSME) will provide secretariat support to this Committee.

6. This issues with the approval of the Competent Authority.

Sd/-
(Praveen Mahto)  
Additional Economic Adviser  
Ph: 23062230, Fax: 23061611

To,  
All Members of the Committee

Copy to:  
1. Cabinet Secretariat (Shri V.P. Arora, Under Secretary), w.r.t. their O.M.No. 601/2/1/2009-Cab.III dated 24.02.2010  
2. PS to Minister (MSME)  
3. Sr. PPS to Secretary (MSME)