

Inter Office Memo

Admn Wing

<p>From: Executive Director (Admn) Head Office</p>	<p>To: All Regional Chiefs Executive Director, HSMI ED (IT) ED (Fin) ED (D&amp;D), ED (W&amp;D) GM (PR)</p>
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F.No.HUDCO/MSME-Admn-2018-19

9<sup>th</sup> Jan., 2019

Sub: Strictly implementation of revised Public Procurement Policy for Micro & Small Enterprises (MSEs) Order 2012

Your kind attention is invited to the Ministry of Heavy Industries & Public Enterprises, Department of Public Enterprises's Office Memorandum dated 14.11.2018 (copy already sent) vide which DPE has intimated that Ministry of Micro, Small and Medium Enterprises vide Order dated 9.11.2018 has amended the Public Procurement Policy for the Micro and Small Enterprises (MSEs) Order 2012 as per the following:-

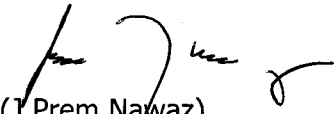
- (a) Increase in percentage of procurement of goods and services by Government Department/CPSEs from MSEs from the present at least 20% to 25% of their total procurement; and
- (b) Provide a minimum 3% reservation for women owned MSEs within the above mentioned 25% reservation.

**Now, as per the direction of the Ministry, 25% of the total procurement has to be made from MSME Vendors and out of this 4% from SC/ST Vendors, and 3% has to be procured from MSEs vendors owned by women entrepreneurs.**

In view of the above, all ROs/HSMI and All procurement department at Head Office are requested to strictly adhere to the assigned target while procuring goods and services.

Achievement of MoU target is linked to fulfillment of MSME parameters comprehensively. Hence, it must be ensured all targets are achieved before 31.3.2019. The position of as of 31.12.2018, may also be conveyed.

The status achieved so far by each procurement has to be informed to CMD by 31.01.2019.

  
(J Prem Nawaz)  
Executive Director (Admn)

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

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

Date: 14.11.2018

OFFICE MEMORANDUM

**Sub:- Amendment to the Public Procurement Policy for Micro & Small Enterprises(MSEs) Order, 2012 - regarding**

The undersigned is directed to forward herewith the D.O. letter No.21(8)/2018-MA dated 13.11.2018 of M/o Micro, Small and Medium Enterprises (M/o MSME) regarding the amendment to the Public Procurement Policy for Micro & Small Enterprises(MSEs) Order, 2012 vide Gov Gazette Notification S.O. 5670( E) dated 9<sup>th</sup> November, 2018(copy enclosed).

2. This is in continuation of this Office OM of even number dated 8.12.2012 forwarding therewith copy of D.O. letter No.21(1)/2011-M.A. dated 25.4.2012 of M/o MSME advising all the Administrative Ministries/ Departments to direct all the CPSEs under their control to take necessary steps for the implementation of the Public Procurement Policy for MSEs referred therein.

3. All Administrative Ministries/ Departments are therefore requested to take note of the amendments made to the Public Procurement Policy and advise their CPSEs for compliance of the amended Public Procurement Policy for MSEs and implementation of the activities mentioned at Para 5 of the enclosed M/o MSME D.O. letter dated 13.11.2018.

4. This issues with the approval of Secretary, DPE.

*Kalyani Mishra*  
(Kalyani Mishra)  
Director  
Tel: 24362061

Encl: As above

To

The Secretaries to the administrative Ministries/ Departments of CPSEs.

Copy also to

CMDs of CPSEs

Copy for information to: Shri Arun Kumar Panda, Secretary, M/o MSME, Udyog Bhawan, New Delhi w.r.t. the aforesaid D.O. letter dated 13.11.2018.

अरुण कुमार पण्डा  
सचिव  
Arun Kumar Panda  
Secretary



सत्यमेव जयते

**MSME**

भारत सरकार

सूक्ष्म, लघु और मध्यम उद्यम मंत्रालय  
उद्योग भवन, राफी मार्ग, नई दिल्ली-110 011

GOVERNMENT OF INDIA

MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

UDYOG BHAWAN, RAFI MARG, NEW DELHI-110 011

13<sup>th</sup> November, 2018

D.O. No. 21(8)/2018-MA

Dear Secretary,

As you must be aware, Hon'ble PM has launched a far reaching Support and Outreach initiative for the benefit of Micro, Small and Medium Enterprises (MSME). One of the key announcements made in this regard is the amendment to the Public Procurement Policy (PPP). The changes effected therein are expected to improve the market accessibility and enhance competitiveness of the MSEs. They will also help in women empowerment.

2. The amendments so effected have been duly notified vide Government of India Gazette Notification S.O. 5670(E) dated 9<sup>th</sup> November, 2018. A copy is enclosed herewith for ready reference.

3. The amendments made in the PPP are as follows:-

- Increase in percentage of procurement of goods and services by Government Departments/CPSEs from MSEs from the present at least 20% to at least 25% of their total procurement; and
- Provide a minimum 3% reservation for women owned MSEs within the above mentioned 25% reservation.

4. It may please be noted that the amended policy has come into force with immediate effect i.e. from 9<sup>th</sup> November, 2018 (date of the publication of the notification).

5. I shall be grateful if all the CPSEs under your control are advised to implement the above changes made to the Public Procurement Policy and to provide information on procurements made from MSEs owned by women. MSME SAMBANDH Portal has been updated accordingly for the benefit of the CPSEs.

6. Top Priority may kindly be accorded to this matter.

Regards,

Yours sincerely,

*Arun Kumar Panda*  
(Arun Kumar Panda)

To Secretaries (All Ministries & Departments)

Copy to: Chief Secretaries, All States / UTs