

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

2nd November, 2015

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).
