

**Action Taken Report
On
Procurement Policy for Micro and Small Enterprises (MSEs)**

1. The policy has been circulated on 25.4.2012 by Secretary (MSME) to all the Central Ministries / Departments / CPSUs for effective and successful implementation.
2. Hon'ble Minister, MSME has also requested Chief Ministers of all the State Governments on 23.5.2012 for formulating similar policy in their State as per provision under section 11 of MSMED, Act 2006.
3. Follow up letter issued on 24.5.2012, reminders on 13.6.2012, 18.7.2012, 3.10.2012, 3.1.2013, 17.1.2013, 28.03.2013 26.4.2013 25.10.2013 2.12.2013, and 18.12.2013 to Secretaries of Ministries / Departments and CPSUs.
4. Public Procurement Policy for MSEs, Order 2012 has been laid down on the table of Lok Sabha & Rajya Sabha.
5. As a part of follow up action on the policy, a Concept Paper on Public Procurement Policy for MSEs has been prepared.
6. As and when Ministries/Departments/CPSUs have asked clarifications / doubts /inquiries / interpretation on the provisions prescribed in the policy, reply was sent to them in time.
7. Meetings with representative of CPSUs on different occasions have been taken place from time to time for clarification on the provisions prescribed in the Public Procurement Policy for MSEs.
8. A Frequently Asked Questions (FAQ) on Public Procurement Policy for MSEs has been prepared and uploaded in official web site of DC-MSME.

9. O/o DC (MSME) has participated and delivered talks on promotion of MSE and presentation on Public Procurement Policy for MSEs in Vendor Development Programmes organised by Engineers India Limited New Delhi, CII Gurgaon and others.

10. A constant study on Effective Implementation of Public Procurement Policy has been initiated with GIZ (Deutsche Gesellschaft fur, Internationale Zusammenarbeit) and M/s Centennial Development Advisory Services (CDAS) India Ltd has been engaged for evaluating the current procurement details and to study current procurement norms and mechanism with 25 identified CPSUs. CDAS has submitted a report on the assigned task.

11. Public Procurement Policy and all related correspondence letter's from Secretary (MSME) to Ministries / Departments / CPSUs, follow up letters and letter from Hon'ble Central Minister to all Chief Ministers for formulating the similar policy in their State , etc. have been up-loaded on the website of this office.

12. Definition of MSEs owned by SC / ST has been clarified and published through the PIB press release on 25.6.2013.

13. A meeting was held on 11/7/2013 with the nodal officers of 10 identified CPSUs and Head of the Team, Centennial Development Advisory Services (CDAS) India (P) Ltd. to review the progress made by them for implementation of the policy.

14. As a part of our regular follow-up, Department of Public Enterprises has also sent the directions to all the administrative ministries for issuing further instructions to all the CPSUs working under their control for effective implementation of the policy and set up an appropriate monitoring mechanism to

review its implementation. In pursuance of their instructions, all CPSUs have been requested by this office to confirm the action taken by them in this regard.

15. In the year 2012-13, 48 National Vendor Development Programmes(VDP) and 297 State Vendor Development Programmes focussed on implementation of Public Procurement Policy have been conducted by the field offices, MSME-DIs and 7 VDPs for MSEs owned by SC/ST conducted by NSIC and 317 VDP by CPSUs.

16. 18 vendor development programmes for the MSEs owned by SC / ST during the year 2013-14 have been planned to be conducted by NSIC at the different allocations throughout the country.

17. The action at large has been taken for enhancing Government procurement from MSE owned by SC/ST Entrepreneurs in accordance with provisions prescribed in the policy such as conducting outreach programmes by NSIC to cover more and more MSE owned by SC/ST under its scheme of consortia formation and opening a special window for SC/ST by NSIC with providing 20% special concession on the registration fee by NSIC, apart from vendor development programmes organized by various Ministries /Department/CPSUs for promoting MSE owned by SC/ST so as to increase their participation in the Government Procurement.

18. A Grievances cell has been constituted for the Redressal of the grievances for MSEs and uploaded on the office Website.

19. A D.O. letter from Secretary, MSME has been issued to the concerned Secretaries of the Ministry to ensure that the Procurement data from MSEs is placed in the Annual report (s) and followed by reminder.

20. letter has been issued to KVIC and Coir Board to issue similar registration certificate as issued by DICs indicating category of MSEs owned by SC/ST.

21. Initiation has been taken in mentioning all categories of MSEs on the registration certificate.

22. Six Consultation Workshops on policy organized by the Ministry of MSME with GIZ Consultant at New Delhi (12.11.2013), Kolkata(27.11.2013), Mumbai(3.12.2013), Hyderabad(9.12.2013), Chennai(10.12.2013) and Bangalore(11.12.2013) to enhance awareness through consultation on policy provisions, obligations and challenges faced/likely to be faced by CPSUs, improve the collaboration, create the ownership amongst the CPSUs and ensure effective implementation.

23.To review the progress and for inviting the suggestions for effective implementation of the policy, a meeting for National Board for MSEs was conducted on 11.12.2013 under the Chairmanship of Hon'ble Minister of MSME

24. Hon'ble Minister of MSME has reviewed the Implementation progress of the Policy made by CPSUs of AndhraPradesh during a meeting at Hyderabad on 21.12.2013.
