

PUBLIC PROCUREMENT POLICY

Frequently Asked Questions:

This FAQ and answers is prepared by this Institute for better understanding of Public Procurement Policy. It is hoped that it provides effective clarifications on doubts that may arise by the MSEs fraternity. It is also needless to say that this policy could create a great impact on development of MSE's wherein both parties may be mutually benefited.

1. What is the provision of public procurement policy?

Under Public Procurement Policy for MSEs, a minimum of 20% out of the total procurement made by Central Government Ministries of Departments and Central Public Sector Undertakings are to be made from MSEs.

2. Who is eligible for availing benefits under the Public Procurement Policy?

Those MSEs which are registered with District Industries Centres (DICs) / Khadi & Village Industries Commission (KVIC) / Khadi & Village Industries Board (KVIB)/ Coir Board/ NSIC/ Directorate of Handicrafts and Handloom or any other body specified by Ministry of Micro, Small & Medium Enterprises(M/o SME) are eligible for availing benefits under the Public Procurement Policy.

3. Whether there is any reservation for MSEs owned by SC/ST entrepreneurs?

Out of 20% target of annual procurement from MSEs, a sub-target of 4% is earmarked for procurement from MSEs owned by Scheduled Caste(SC) / Scheduled Tribe (ST) entrepreneurs. Here MSEs need to submit a certificate issued by the competent authority.

However, in event of failure of such MSEs to participate in tender process or meet tender requirements and L1 price, 4% sub-target for procurement earmarked for MSEs owned by SC/ST entrepreneurs will be met from other MSEs.

4. Will the Policy be implemented in part or fully from its inception?

Every Central Ministry/Department /PSU has to set an annual goal for procurement from MSEs at the beginning of every financial year, with the objective of achieving a overall procurement of minimum 20 per cent of total annual purchases of products produced / services rendered by MSEs in a period of three years. After 3 years, i.e. from 1.4.2015, overall procurement goal of minimum 20% will become mandatory.

5. Is there a price match-making facility for procurement from MSEs as compared to large scale Industry?

If L1 price by anon-MSE is the lowest, participating MSEs quoting price within band of L1+15% will be allowed to bring down their price to such L1 price. Such MSEs are allowed to supply up to 20% of total tendered value. In case there is more than one such MSE, the supply will be shared proportionately (to tendered quantity).

6. Whether MSE quoting price within price band L1+15% could be given complete supply to tender item is non-split-able or non-divisible?

In case tender item is non-split-able or non-divisible, MSE quoting price within price band L1+15% may be awarded for full or complete supply of total tendered value.

7. What steps are to be taken by the Government Ministries/Departments/CPSUs to develop MSE Vendors so as to achieve their targets for MSE procurement?

Central Ministries/Departments/PSUs have to take necessary steps to develop appropriate vendors by organizing Vendor Development Programmes/Buyer-Seller Meets and can also look at entering into Rate Contract with MSEs for a specified period in respect of periodic requirements.

Special Vendor Development Programmes/ Buyer Seller Meets would be conducted by Departments/PSUs for SCs/STs.

Outreach programmes will be conducted by NSIC to cover more and more MSEs from SCs/STs under its schemes of consortia formation.

NSIC would open a special window for SCs/STs under its Single Point Registration Scheme (SPRS).

8. What is the policy for purchase of goods that are not considered suitable for supply of MSEs?

Requests for exemption from CPSEs/Central ministries/department may be submitted to the Review Committee who may consider such requests for exemption from 20% target on a case basis and monitor achievements under the Polich.

9. What is the grievance redressal mechanism in case of non-compliance of the policy by any Government Department?

A "Grievance Cell" is being set up in Ministry of MSME for redressing grievances of MSEs in Government procurement. This cell would take up issues related to Government procurement raised by MSEs with Departments/agencies concerned, including imposition of unreasonable conditions in tenders floated by Government Departments/agencies that put MSEs at a disadvantage.

10. Is this policy applicable for works/trading activities also?

This Policy is meant for procurement of only goods produced and services rendered by MSEs. It does not include trading activities.

11. Are there any benefits available to MSEs in requirement of security deposit after contract is awarded?

Procurement policy provides only the following benefits to MSEs

1. Supply of tenders free of cost without payment of tender fees
2. Exemption from payment of earnest money at the time of tender deposit.

However, there is no exemption of security deposit. MSEs may be asked to put up a security deposit by the procuring agency.

12. When is an MSE considered to be an SC/ST-owned enterprise?

- (a) In case of proprietorship firm, proprietor must SC/ST
- (b) In case of partnership firm, the SC/ST partners must be holding at least 51% shares in the unit.
- (c) In case of Private Limited Companies, at least 51% share must be held by SC/ST promoters.

13. Is there any Link to be accessed for getting information on Public Procurement Policy?

Yes. The following Website links may be accessed for getting information.

- a. Central Public Procurement Portal <http://eprocure.gov.in/cppp/tendersearch>
- b. DC (MSME) <http://www.dcmsme.in>

- c. DGFT <http://www.dgft.delhi.nic.in/>
- d. DGS&D www.dgsnd.gov.in
- e. eBiz portal <https://www.ebiz.gov.in/home/>
- f. KVIC <http://www.kvic.org.in>
- g. Government Tenders <http://tenders.gov.in/>
- h. Ministry of MSME <http://msme.gov.in/>
- i. NIC <http://www.nic.in>
- j. NSIC <http://www.nsic.co.in/>

13. List of Public Sector Units in Tamil Nadu (District-wise):

S. No	Name of the Central Government's PSUs in Tamil Nadu	Contact Phone No	Nodal Officer for Public procurement
1	Neyveli Lignite Corporation Ltd. , Cuddalore, Tamil Nadu Dr. Rajendra Prasad Road, Block-27 , Neyveli - 607 807 Cuddalore District, Registered office: No.135, Periyar E.V.R. High Road, Kilpauk, Chennai - 600 010. Tamil Nadu,	Ph No.91-4142-268268, Fax. 91-4142-269458/269197 cmdnlc@nlcindia.com	V. Shanmuganathan The CGM (Material Management] Ph No.91-4142-268268

S. No	Name of the Central Government's PSUs in Tamil Nadu	Contact Phone No	Nodal Officer for Public procurement
1	National Research Centre for Banana Thogamalai Road, Thayanur Post, Tiruchirapalli - 620 102. Tamil Nadu,	Phone: 91-431-2618104, 2618106 Fax: 91-431-2618115 Email: nrcbanana@gmail.com nrcbdirector@gmail.com directornrcb@gmail.com Website: www.nrcb.res.in	
2	National Institute of Technology Tanjore Main Road, National Highway 67, Tiruchirappalli - 620015, Tamil Nadu,	(0431) 2503000 / 2504000 (Each 4-digit extension can be reached directly by adding the prefix number (0431) 250 Fax : 91-431-2500133 Website : http://www.nitt.edu	
3	Bharat Heavy Electricals Limited General Manger (Material Management) Tiruchirappalli - 620 014 Power Sector Southern Region, No 690 (old 474), Annasalai, Nandanam, Chennai 600 035,	Tel: (91) (044) 24330015 (12 lines), Fax: (91) (044) 24341254.	

4	Welding Research Institute Bharath Heavy Electricals Limited Tiruchirappalli - 620 014	Phone : 0091 - 431 - 2520266 Fax : 0091 - 431 - 2520770 E-mail : vtr@bheltry.co.in	
5	ORDNANCE FACTORY, TIRUCHIRAPALLI Tiruchirappalli PIN - 620016 Tamil Nadu,	Phone : 0431-2581291-96 Fax : 0431-2581136 Email : oft.ofb@nic.in Website address : http://ofb.gov.in/units/index.php?unit=oft	General Manager

S. No	Name of the Central Government's PSUs in Tamil Nadu	Contact Phone No	Nodal Officer for Public procurement
1	Sugarcane Breeding Institute (ICAR Institutions, National Research Centres) Coimbatore - 641 007.	E-mail: director@sugarcane.res.in Off: 0422 - 2472621 (Ext: 201) Main PABX: 0422 – 2472621 Fax: 0422-2472923 E-mail: info@sugarcane.res.in 0422 - 2472621 (Ext: 202)	W. Sreenivasabhat Admin. Officer 9951427598
2	Institute of Forest Genetics and Tree Breeding (IFGTB) (Indian Council of Forestry Research & Education) Forest College Campus, P.B. No. 1031, R.S. Puram H.P.O. Coimbatore - 641 002	E-Mail : ifgtb@envfor.delhi.nic.in	

S. No	Name of the Central Government's PSUs in Tamil Nadu	Contact Phone No	Nodal Officer for Public procurement
1	Nuclear Power Corporation of India Ltd., Head (C&Mm) Contracts & Materials Management Group, Madras Atomic Power Station, Kancheepuram, Kalpakkam -603 102	Tel No. : 04114280331, Fax No.: 04114280316	
2	Bharatiya Nabhikiya Vidyut Nigam Ltd. BHAVINI Admin Building, Kalpakkam 603 102. Kancheepuram Dist. Tamil Nadu. Registered Office: No.51,(1st Floor), Montieth Road, Egmore, Chennai-600 008.	Phone: 044 - 27480900. Important Extents : CMM- 38886,HR-38812,Finance- 38856, IT-38875 Phone : 044 -28543374	

S. No	Name of the Central Government's PSUs in Tamil Nadu	Contact Phone No	Nodal Officer for Public procurement
1	Hindustan Photo Films Manufacturing Co. Ltd. Head Office / Registered office Indunagar, Ootacamund - 643 005. Tamilnadu	Tamil nadu- India, Grams : Photo film E-mail : indu@hpf-india.com Fax : 0423 - 2442556 Telephone : 0423 - 2444020 to 26	

S. No	Name of the Central Government's PSUs in Tamil Nadu	Contact Phone No	Nodal Officer for Public procurement
1	Indian Institute of Crop Processing Technology Ministry of Food Processing Industries, Government of India Pudukkottai Road, Thanjavur - 613 005 Tamil Nadu.	Phone: 91 4362 228155 Fax : 91 4362 227971 Email : director@iicpt.edu.in	

S. No	Name of the Central Government's PSUs in Tamil Nadu	Contact Phone No	Nodal Officer for Public procurement
1	CSIR-Central Electro Chemical Research Institute, Karaikudi – 630006 TamilNadu,	Email : ttbd@cecri.res.in, cecrialagesan@yahoo.com Phone : +91-04565-241506, Fax : +91-04565-227713 Email : meecorro@gmail.com Phone : +91-04565-227651, Tele Fax : +91-04565-227651	

S. No	Name of the Central Government's PSUs in Tamil Nadu	Contact Phone No	Nodal Officer for Public procurement
1	Salem Steel Plant Salem - 636 013 Tamil Nadu	Phone: 0427-2383021 Fax: 0427-2382800 Email : ssprpd@hotmail.com / ssprpd@gmail.com Ph : 0427- 2382487	

S. No	Name of the Central Government's PSUs in Tamil Nadu	Contact Phone No	Nodal Officer for Public procurement
1	Pondicherry Ashok Hotel Corpn. Ltd. <i>The Ashok Group' Public Sector Undertakings</i> (PSUs) of the <u>India Tourism Development Corporation</u> (ITDC) in <u>India</u>		

S. No	Name of the Central Government's PSUs in Tamil Nadu	Contact Phone No	Nodal Officer for Public procurement
1	Kudankulam Atomic Power Project Station Director, 10/11 Jawahar Street, R.V. Puram, Nagercoil, Tamilnadu PIN : 629001	Tel No. : 04637259893 Fax No.: 04637259715	