

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

RAJYA SABHA
UNSTARRED QUESTION NO. 1549
TO BE ANSWERED ON 05.08.2024

PUBLIC PROCUREMENT POLICY FOR MSEs

1549. SHRI MUKUL BALKRISHNA WASNIK:

Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be please to state:

- (a) the objective and salient features of Public Procurement Policy for Micro and Small Enterprises (MSEs) Order, 2018;
- (b) the list of items reserved for exclusive procurement from MSEs;
- (c) the volume of procurement made in accordance with the Public Procurement Policy for MSEs Order, 2018 since 2019-20, year-wise;
- (d) whether Government has any plans to enhance the proportion of procurement of goods and services from MSEs and similarly from the MSMEs owned by SC/ST entrepreneurs; and
- (e) if so, the details thereof and if not, the reasons therefor?

ANSWER

MINISTER OF STATE FOR MICRO, SMALL AND MEDIUM ENTERPRISES
(SUSHRI SHOBHA KARANDLAJE)

- (a): With an objective to provide marketing support to Micro and Small enterprises (MSEs), the Ministry of MSME notified the Public Procurement Policy for Micro and Small Enterprises (MSEs) Order, 2012 under the MSMED Act, 2006 which became effective from 1st April, 2012 and mandatory w.e.f. 1st April, 2015. The Policy was amended in 2018 and the amended Policy mandates 25% annual procurement from MSEs by Central Ministries/ Departments/ Central Public Sector Enterprises (CPSEs), including 4% from MSEs owned by SC/ST and 3% from MSEs owned by Women entrepreneurs.
- (b): The list of 358 items reserved for exclusive procurement from MSEs is appended as Annexure-I.
- (c): The volume of procurement made in accordance with the Public Procurement Policy for MSEs Order, 2018 since 2019-20, year-wise is given below:

: 2 :

F.Y	Total Procurement (Rs. in Crore)	Procurement from MSEs (Rs. in Crore)	Procurement from MSEs owned by SC/ST (Rs. in Crore)	Procurement from MSEs owned by Women (Rs. in Crore)
2019-20	131,460.68	39,037.13	691.43	393.51
2020-21	139,419.81	40,717.67	768.53	749.20
2021-22	165,383.04	53,778.58	1,302.50	1,713.27
2022-23	174,315.85	64,721.33	1,546.86	2,318.99
2023-24	204,902.67	80,298.86	1,644.85	2,982.73

(Source MSME SAMBANDH Portal)

(d) and (e): To enhance the proportion of procurement of goods and services from MSEs and MSMEs owned by SC/ST, the Ministry of MSME organises various Vendor Development Programmes in association with CPSEs/ Government Departments. The Ministry also implements other schemes for promotion and development of MSMEs, namely, Prime Minister's Employment Generation Programme (PMEGP), National SC/ST Hub Scheme, Micro and Small Enterprises Cluster Development Programme (MSE-CDP), Tool Rooms & Technology Centres, Procurement and Marketing Support Scheme, Entrepreneurship and Skill Development Programme, etc.

Ministry of MSME introduced a Special Credit Linked Capital Subsidy Scheme (SCLCSS) under National SC-ST Hub to promote setting up of new enterprises by aspiring entrepreneurs and capacity building of existing MSEs for enhanced participation of SC/ST entrepreneurs in the public procurement. All the SC-ST MSEs of manufacturing as well as service sector are eligible for 25% subsidy under SCLCSS component of National SC/ST Hub (NSSH) for procurement of Plant & Machinery and equipment through institutional credit.

Annexure referred to in reply to part (b) of the Rajya Sabha unstarred question No. 1549 to be answered on 05.08.2024.

List of 358 items Reserved for Purchase from Micro and Small Enterprises	
Sl. No.	Item Description
1	AAC/& ACSR Conductor upto 19 strands
2	Agricultural Implements
	(a) Hand Operated tools and implements
	(b) Animal driven implements
3	Air/Room Coolers
4	Aluminum builder's hardware
5	Ambulance stretcher
6	Ammeters/ohm meter/Volt meter (Electro magnetic upto Class I accuracy)
7	Anklets Web Khaki
8	Augur (Carpenters)
9	Automobile Head lights Assembly
10	Badges cloth embroidered and metals
11	Bags of all types i.e. made of leather, cotton, canvas and jute etc. including kit bags, mail bags, sleeping bags & water-proof bag
12	Bandage cloth
13	Barbed Wire
14	Basket cane (Procurement can also be made from State Forest Corpn. and State Handicrafts Corporation)
15	Bath tubs
16	Battery Charger
17	Battery Eliminator
18	Beam Scales (upto 1.5 tons)
19	Belt leather and straps
20	Bench Vices
21	Bituminous Paints
22	Blotting Paper
23	Bolts and Nuts
4	Bolts Sliding
25	Bone Meal
26	Boot Polish
27	Boots and Shoes of all types including canvas shoes
28	Bowls
29	Boxes Leather
30	Boxes made of metal
31	Braces
32	Brackets other than those used in Railways
33	Brass Wire
34	Brief Cases (other than moulded luggage)
35	Brooms

36	Brushes of all types
37	Buckets of all types
38	Button of all types
39	Candle Wax Carriage
40	Cane Valves/stock valves (for water fittings only)
41	Cans metallic (for milk and measuring)
42	Canvas Products :
	(a) Water Proof Deliver, Bags to spec. No. IS - 1422/70
	(b) Bonnet Covers & Radiators Muff. to spec. Drg. Lv 7/NSN/IA/130295
43	Capes Cotton and Woollen
44	Capes Waterproof
45	Castor Oil
46	Ceiling roses upto 15 amps
47	Centrifugal steel plate blowers
48	Centrifugal Pumps suction and delivery 150 mm. x 150 mm
49	Chaff Cutter Blade
50	Chains lashing
51	Chappals and sandals
52	Chamois Leather
53	Chokes for light fitting
54	Chrome Tanned leather (Semi-finished Buffalo and Cow)
55	Circlips
56	Claw Bars and Wires
57	Cleaning Powder
58	Clinical Thermometers
59	Cloth Covers
60	Cloth Jaconet
61	Cloth Sponge
62	Coir fibre and Coir yarn
63	Coir mattress cushions and matting
64	Coir Rope hawserlaid
65	Community Radio Receivers
66	Conduit pipes
67	Copper nail
68	Copper Napthenate
69	Copper sulphate
70	Cord Twine Maker
71	Cordage Others
72	Corrugated Paper Board and Boxes
73	Cotton Absorbent
74	Cotton Belts
75	Cotton Carriers
76	Cotton Cases

77	Cotton Cord Twine
78	Cotton Hosiery
79	Cotton Packs
80	Cotton Pouches
81	Cotton Ropes
82	Cotton Singlets
83	Cotton Sling
84	Cotton Straps
85	Cotton tapes and laces
86	Cotton Wool (Non absorbent)
87	Crates Wooden & plastic
88	(a) Crucibles upto No. 200
	(b) Crucibles Graphite upto No. 500
	(c) Other Crucibles upto 30 kgs.
89	Cumblies and blankets
90	Curtains mosquito
91	Cutters
92	Dibutyl phthalate
93	Diesel engines upto 15 H.P
94	Dimethyl Phthalate
95	Disinfectant Fluids
96	Distribution Board upto 15 amps
97	Domestic Electric appliances as per BIS Specifications :-
	- Toaster Electric, Elect. Iron, Hot Plates, Elect. Mixer, Grinders, Room heaters & convectors and ovens
98	Domestic (House Wiring) P.V.C. Cables and Wires (Aluminum) Conforming to the prescribed BIS Specifications and upto 10.00 mm sq. nominal cross section
99	Drawing and Mathematical Instruments
100	Drums and Barrels
101	Dust Bins
102	Dust Shield leather
103	Dusters Cotton all types except the items required in Khadi
104	Dyes :
	(a) Azo Dyes (Direct and Acid)
	(b) Basic Dyes
105	Electric Call bells/buzzers/door bells
106	Electric Soldering Iron
107	Electric Transmission Line Hardware items like steel cross bars, cross arms clamps arching horn, brackets, etc
108	Electronic door bell
109	Emergency Light (Rechargeable type)
110	Enamel Wares and Enamel Utensils
111	Equipment camouflage Bamboo support

112	Exhaust Muffler
113	Expanded Metal
114	Eyelets
115	Film Polythene - including wide width film
116	Film spools and cans
117	Fire Extinguishers (wall type)
118	Foot Powder
119	French polish
120	Funnels
121	Fuse Cut outs
122	Fuse Unit
123	Garments (excluding supply from Indian Ordnance Factories)
124	Gas mantels
125	Gauze cloth
126	Gauze surgical all types
127	Ghamellas (Tasllas)
128	Glass Ampules
129	Glass and Pressed Wares
130	Glue
131	Grease Nipples and Grease guns
132	Gun cases
133	Gun Metal Bushes
134	Gumtape
135	Hand drawn carts of all types
136	Hand gloves of all types
137	Hand Lamps Railways
138	Hand numbering machine
139	Hand pounded Rice (polished and unpolished)
140	Hand presses
141	Hand Pump
142	Hand Tools of all types
143	Handles wooden and bamboo (Procurement can also be made from State Forest Corpn. and State Handicrafts Corporation)
144	Harness Leather
145	Hasps and Staples
146	Haver Sacks
147	Helmet Non-Metallic
148	Hide and country leather of all types
149	Hinges
150	Hob nails
151	Holdall
152	Honey

153	Horse and Mule Shoes
154	Hydraulic Jacks below 30 ton capacity
155	Insecticides Dust and Sprayers (Manual only)
156	Invalid wheeled chairs.
157	Invertor domestic type upto 5 KVA
158	Iron (dhobi)
159	Key board wooden
160	Kit Boxes
161	Kodali
162	Lace leather
163	Lamp holders
164	Lamp signal
165	Lanterns Posts and bodies
166	Lanyard
167	Latex foam sponge
168	Lathies
169	Letter Boxes
170	Lighting Arresters - upto 22 kv
171	Link Clip
172	Linseed Oil
173	Lint Plain
174	Lockers
175	Lubricators
176	L.T. Porcelain KITKAT & Fuse Grips
177	Machine Screws
178	Magnesium Sulphate
179	Mallet Wooden
180	Manhole covers
181	Measuring Tapes and Sticks
182	Metal clad switches (upto 30 Amps)
183	Metal Polish
184	Metallic containers and drums other than N.E.C. (Not elsewhere classified)
185	Metric weights
186	Microscope for normal medical use
187	Miniature bulbs (for torches only)
188	M.S. Tie Bars
189	Nail Cutters
190	Naphthalene Balls
191	Newar
192	Nickel Sulphate
193	Nylon Stocking
194	Nylon Tapes and Laces

195	Oil Bound Distemper
196	Oil Stoves (Wick stoves only)
197	Pad locks of all types
198	Paint remover
199	Palma Rosa Oil
200	Palmgur
201	Pans Lavatory Flush
202	Paper conversion products, paper bags, envelops, Ice-cream cup, paper cup and saucers and paper Plates
203	Paper Tapes (Gummed)
204	Pappads
205	Pickles and Chutney
206	Piles fabric
207	Pillows
208	Plaster of Paris
209	Plastic Blow Moulded Containers upto 20 litre excluding Poly Ethylene Terphthalate (PET) Containers
210	Plastic cane
211	Playing Cards
212	Plugs and Sockets electric upto 15 Amp
213	Polythene bags
214	Polythene Pipes
215	Post Picket (Wooden)
216	Postal Lead seals
217	Potassium Nitrate
218	Pouches
219	Pressure Die Casting upto 0.75 kg
220	Privy Pans
221	Pulley Wire
222	PVC footwears
223	PVC pipes upto 110 mm
224	PVC Insulated Aluminium Cables (upto 120 sq. mm) (ISS:694)
225	Quilts, Razais
226	Rags
227	Railway Carriage light fittings
228	Rakes Ballast
229	Razors
230	RCC Pipes upto 1200 mm. dia
231	RCC Poles Prestressed
232	Rivets of all types
233	Rolling Shutters
234	Roof light Fittings
235	Rubber Balloons

236	Rubber Cord
237	Rubber Hoses (Unbranded)
238	Rubber Tubing (Excluding braided tubing)
239	Rubberised Garments Cap and Caps etc
240	Rust/Scale Removing composition
241	Safe meat and milk
242	Safety matches
243	Safety Pins (and other similar products like paper pins, staples pins etc.)
244	Sanitary Plumbing fittings
245	Sanitary Towels
246	Scientific Laboratory glasswares (Barring sophisticated items)
247	Scissors cutting (ordinary)
248	Screws of all types including High Tensile
249	Sheep skin all types
250	Shellac
251	Shoe laces
252	Shovels
253	Sign Boards painted
254	Silk ribbon
255	Silk Webbing
256	Skiboats and shoes
257	Sluice Valves
258	Snapfastner (Excluding 4 pcs. ones)
259	Soap Carbolic
260	Soap Curd
261	Soap Liquid
262	Soap Soft
263	Soap washing or laundry soap
264	Soap Yellow
265	Socket/pipes
266	Sodium Nitrate
267	Sodium Silicate
268	Sole leather
269	Spectacle frames
270	Spiked boot
271	Sports shoes made out of leather (for all Sports games)
272	Squirrel Cage Induction Motors upto and including 100 KW440 volts 3 phase
273	Stapling machine
274	Steel Almirah
275	Steel beds stead
276	Steel Chair
277	Steel desks
278	Steel racks/shelf

279	Steel stools
280	Steel trunks
281	Steel wool
282	Steel and aluminium windows and ventilators
283	Stockinet
284	Stone and stone quarry rollers
285	Stoneware jars
286	Stranded Wire
287	Street light fittings
288	Student Microscope
289	Studs (excluding high tensile)
290	Surgical Gloves (Except Plastic)
291	Table knives (Excluding Cutlery)
292	Tack Metallic
293	Taps
294	Tarpaulins
295	Teak fabricated round blocks
296	Tent Poles
297	Tentage Civil/Military and Salitah Jute for Tentage
298	Textiles manufactures other than N.E.C. (not elsewhere classified)
299	Tiles
300	Tin Boxes for postage stamp
301	Tin can unprinted upto 4 gallons capacity (other than can O.T.S.)
302	Tin Mess
303	Tip Boots
304	Toggle Switches
305	Toilet Rolls
306	Transformer type welding sets conforming to IS:1291/75 (upto 600 amps)
307	Transistor Radio upto 3 band
308	Transistorised Insulation - Testers
309	Trays
310	Trays for postal use
311	Trolley
312	Trollies - drinking water
313	Tubular Poles
314	Tyres and Tubes (Cycles)
315	Umbrellas
316	Utensils all types
317	Valves Metallic
318	Varnish Black Japan
319	Voltage Stablisers including C.V.T's
320	Washers all types
321	Water Proof Covers
322	Water Proof paper

323	Water tanks upto 15,000 litres capacity
324	Wax sealing
325	Waxed paper
326	Weighing Scale
327	Welded Wiremesh
328	Wheel barrows
329	Whistle
330	Wicks cotton
331	Wing Shield Wipers (Arms and Blades only)
332	Wire brushes and Fibre Brushes
333	Wire Fencing and Fittings
334	Wire nails and Horse shoe nails
335	Wire nettings of gauze thicker than 100 mesh size
336	Wood Wool
337	Wooden ammunition boxes
338	Wooden Boards
339	Wooden Box for Stamps
340	Wooden Boxes and Cases N.E.C. (Not elsewhere classified)
341	Wooden Chairs
342	Wooden Flush Door Shutters
343	Wooden packing cases all sizes
344	Wooden pins
345	Wooden plugs
346	Wooden shelves
347	Wooden veneers
348	Woollen hosiery
349	Zinc Sulphate
350	Zip Fasteners

	<u>HANDICRAFT ITEMS</u>
Sl. No.	<u>Item Description</u>
351	Cane furniture
352	Bamboo file tray, Basket, Pencil stand, side racks etc.
353	Artistic Wooden Furniture
354	Wooden paper weight, racks etc.
355	Glass covers made of wood and grass jute.
356	Jute furniture
357	Jute bags, file cover
358	Woolen & silk carpets