The General Manager, All Indian Railways/PUUs, NF(C), CORE
The DG/RDSO/Lucknow & NAIR/Vadodara
CAOs, DMW/Patiala, WPO/Patna, COFMOW/NDLS, RCF/RBL/NDLS
MD/All Railway PSUs, KRCL, MRVC

Sub: Public Procurement Policy for MSEs Order-2012-reg.

Ref: (i) No. 21(8)/2011-MA dt: 9.11.2016 and
(ii) No.1(2)(1)/2016-MA dt. 9.2.2017

Please find enclosed herewith copies of above referred clarifications issued by MA Division of Ministry of MSME’s under Public Procurement Policy for MSEs Order-2012.

It is also advised to take note of such clarifications on Public Procurement policy issued by Ministry of MSME and available on website of Ministry of MSME.

DA: As above

(Santosh Mittal)
Dy. Dir. Rly. Stores(G)-I
Railway Board

No. 2010/RS(G)/363/1
New Delhi, dated : 22.10.2017

1. PFAs, All Indian Railways & Production Units
2. The ADA(Railways), New Delhi
3. The Directors of Audit, All Indian Railways

(Santosh Mittal)
Dy. Dir. Rly. Stores(G)-I
Railway Board

No. 2010/RS(G)/363/1
New Delhi, dated : 22.10.2017

1. PCMMs, PCEs, CMEs, CEEs, CSTEs, All Indian Railways & PUUs, RCF/RBL/NDLS,
COFMOW, CORE, WPO and RWP/Bela
2. The Directors–
a) Indian Railway Institute of Sig. Engg. & Telecom, Secunderabad
b) Indian Railway Institute of Mech. & Elec. Engg., Jamalpur
c) Indian Railway Institute of Elect. Engg., Nasik
d) Sr. Prof. (Material Management), NAIR, Vadodara
e) Indian Railway Institute of Civil Engg., Pune
f) Indian Railway Institute of Traffic Management, Lucknow
3. MD, CRIS, Chanakya Puri, New Delhi
4. MD, RITES, RITES Bhavan, Sector-29, Gurugram
5. Director, Iron & Steel, 3, KoliGhat Street, Kolkata
6. Executive Director (Stores), RDSO, Lucknow
7. Chief Commissioner, Railway Safety, Lucknow
8. Zonal Railway Training Institute, Sukadia Circle, Udaipur

(Santosh Mittal)
Dy. Dir. Rly. Stores(G)-I
Railway Board

No. 2010/RS(G)/363/1

Copy to:

1. The Genl. Secy., AIRF, Room No. 248, & NFIR Room No. 256-C, Rail Bhavan
2. The Secy. Genl., IRPOF, Room No. 268, FROA, Room No. 256-D & AIRPFA, Room No. 256-D Rail Bhavan

(Santosh Mittal)
Dy. Dir. Rly. Stores(G)-I
Railway Board

Copy to:- Sr. PPSs / PPS / PS to:

1. MR, MoS(S), MoS(G)
2. CRB, FC, ME, MTR, MRS, MS, MT, SECY., DG(RS), DG(S&T), DG(Personnel), DG(RHS), DG (RPF)
3. All AMs, PEDs & Executive Directors of Railway Board

New Delhi, dated: 10.10.2017
OFFICE MEMORANDUM

Subject: Clarification regarding definition of Goods & Services under the Public Procurement Policy for MSEs Order-2012-reg.

This office is in receipt of number of clarifications being sought by procuring agencies relating to providing of benefits under the definition of “Goods” & “Services”. The matter was placed before the Review Committee Meeting which was held on 12th July, 2016 and Chaired by Secretary, MSME. It was decided by the Committee that the definition of Goods and Services as provided in the Public Procurement Bill, 2012 prepared by Ministry of Finance, Department of Expenditure may be accepted for PP Policy which is enumerated below:-

"Goods" includes all articles, material, commodity, livestock, furniture, fixtures, raw material, spare parts, instruments, machinery, equipment, industrial plant, vehicles, aircrafts, ships, railway rolling stock assemblies, sub-assemblies, accessories, a group of machines comprising an integrated production process or such other categories of goods or intangible, products like technology transfer, licenses, patents or other intellectual properties (but excludes books, publications, periodicals, etc., for a library), procured or otherwise acquired by a procuring entity. Procurement of goods may include certain small work or some services, which are incidental or consequential to the supply of such goods, such as transportation, insurance, installation, commissioning, training and maintenance;

"Service" means any subject matter of procurement other than goods or works, except those incidental or consequential to the service, and includes physical, maintenance, professional, intellectual, training, consultancy and advisory services or any other service classified or declared as such by a procuring entity but does not include appointment of an individual made under any law, rules, regulations or order issued in this behalf. "Subject matter of procurement" means any item of procurement whether in the form of goods, services or works or a combination thereof;

This issues with the approval of Competent Authority.

(H.S.Bisht)
Director (MA)
Tele: 23061932

Secretaries of all Ministries/Departments
Chairman/MD of all CPSUs
Directors of all MSME-DIs

Copy for kind information:

1. PS to Hon’ble Minister, MSME
2. PS to Hon’ble MoS(GS), MSME
3. PS to Hon’ble MoS(HC), MSME
4. PPS to Secretary, MSME
5. PS to AS & DC, MSME
Office Memorandum

Subject: Review Committee- decisions taken under the Public Procurement Policy for Micro and Small Enterprises (MSEs) Order, 2012 –reg.

The Review Committee constituted as per the para 12 of the Public Procurement Policy for Micro and Small Enterprises (MSEs) Order, 2012 met under the Chairmanship of Secretary, MSME on 26th January, 2017 at New Delhi wherein the following decisions were taken:

i) **Grant of benefits available under the PP Policy to Startups**

   Government has already decided that there is no condition of prior turn over and prior experience. Traders and agents should not be allowed to avail the benefits extended under the PP Policy.

ii) **Consideration of request to procure specifically reserved 358 items from manufacturing enterprises only**

   It was decided to make it clear that 358 items are to be procured only from manufacturing enterprises. In any case, trading enterprises are not even covered under the definition of micro and small enterprises.

iii) **Consideration of request/ suggestion for including works along with Stores/ Services in the column of SPRS certificate issued by NSIC.**

   It was decided that the definition of Goods & Services will be the same as in the Public Procurement Policy circulated by Department of Expenditure.

You are requested to take necessary steps for implementing the above decisions of the Review Committee while making procurement from MSEs.

(H.S. Bisht)
Director (MA)
Tele: 23062215

Chairman & MD of CPSUs
(as per list attached)