

Public Procurement Policy for MSMEs

Ministry: Ministry of Micro, Small and Medium Enterprises (MSME)

1. Eligibility Criteria

- Must be a **Micro or Small Enterprise (MSE)**

a) Registration Requirement (any one):

- District Industries Centre (DIC)
- KVIC / KVIB
- Coir Board
- National Small Industries Corporation
- Directorate of Handicrafts and Handlooms
- Any authority recognized by MSME Ministry
- **OR Udyam/Udyog Aadhaar Registration**

b) Scope:

- Applicable for:
 - Goods produced by MSEs
 - Services provided by MSEs

2. Benefits

a) Tender Advantages:

- Tender documents **free of cost**
- Exemption from **Earnest Money Deposit (EMD)**

b) Price Preference:

- MSEs quoting within **L1 + 15%** can match L1 price
- Eligible to supply up to **25% of total tender value**

c) Reserved Procurement:

- **358 items reserved** for exclusive procurement from MSEs

d) Relaxations:



- Prior experience requirements
- Turnover criteria

e) Mandatory Procurement Policy:

- **25% of total procurement** by Central Government / CPSEs from MSEs
 - Includes:
 - **4% from SC/ST-owned MSEs**
 - **3% from women-owned MSEs**

3. How to Apply

- Register on:
 - Government e-Marketplace

Process:

- Complete vendor registration
- List products/services
- Participate in government tenders
- Supply goods/services to buyers
- Avail policy benefits automatically upon eligibility

4. Documents Required

- **Udyam Registration Certificate**
- PAN details
- GST registration (if applicable)
- Business registration documents

Official Website

<https://gem.gov.in>