

Food Corporation of India
Engineering Division, Headquarters

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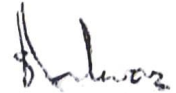
Sub: Deletion of Relaxation / exemptions to MSMEs in MTF for Engineering Works contract.

In past several queries have been received by this office from various Regional/Zonal offices with regard to special provision for relaxation and applicability of exemption being extended to MSMEs for tenders / contracts related to Engineering works of FCI.

The matter has been examined at Headquarters level in detail, particularly in light of judgement pronounced by Hon'ble High Court of Delhi vide WP(C)7201/2015 dated 02.11.2015 and consequent OMs No. DG/MAN/Misc./10 dated 27.06.2017 and DG/MAN/Misc./12 dated 25.07.2017 issued by DG, CPWD specifically pertaining to treatment to MSMEs for works contracts. Accordingly, it is observed that the Public Procurement Policy, 2012 is meant for procurement of goods and service rendered by MSMEs and is not applicable and thus need not be given any relaxation/exemption on works contract.

It has, therefore, been decided that henceforth no exemption, whatsoever, shall be extended to any MSME for Engineering works of FCI, since these works are awarded / executed under works contracts. The requisite amendment where ever required in existing Clause of MTF pertaining to MSMEs may also be suitably made by field engineers in all NITs of Engineering works presently under process and in future.

This is being issued with the approval of C&MD.



Col. S.R. Talwar
Genl. Manager (Engg.), HQ

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