

GOVERNMENT OF INDIA  
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 268**  
**TO BE ANSWERED ON 05.02.2024**

**SIGNIFICANCE OF PUBLIC PROCUREMENT POLICY FOR  
MICRO AND SMALL ENTERPRISES**

268. DR. SUMER SINGH SOLANKI:  
MS. KAVITA PATIDAR:

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

- (a) the significance of public procurement policy for Micro and Small Enterprises;
- (b) the manner in which it affects the procurement by Central Ministries/Departments/CPSEs from MSEs; and
- (c) the details regarding total procurement by Central Ministries/Departments/CPSEs from MSEs?

**ANSWER**

MINISTER OF STATE FOR MICRO, SMALL AND MEDIUM ENTERPRISES  
(SHRI BHANU PRATAP SINGH VERMA)

(a) & (b): With the objective of promoting the growth and development of MSMEs by improving their market access and linkages and providing an assured market, the Ministry of MSME notified the implementation of the Public Procurement Policy for Micro and Small Enterprises (MSEs) Order from 1<sup>st</sup> April, 2012. The Policy is notified under the MSMED Act 2006. The Policy was made mandatory from 1st April 2015. 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.

(c): The total procurement by Central Ministries/ Departments/CPSEs from MSEs during the financial year 2023-24 (upto 30.01.2024) is Rs. 44,591.93 crores.

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