

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

RAJYA SABHA
UNSTARRED QUESTION NO. 106
TO BE ANSWERED ON 20.07.2026

IMPLEMENTATION OF PUBLIC PROCUREMENT POLICY

106. SHRI MUKUL WASNIK:

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

- (a) the steps taken by Government to implement the Public Procurement Policy for Micro and Small Enterprises Order, with particular focus on mandatory procurement targets from entrepreneurs belonging to Scheduled Castes, Scheduled Tribes, Other Backward Classes and women;
- (b) the total value and percentage of annual procurement made by Ministries, Departments and Public Sector Undertakings from SC, ST, OBC and women-owned enterprises during each of the last three year, year-wise and category-wise; and
- (c) the tangible benefits, economic impact and number of beneficiaries recorded among these marginalized entrepreneur communities as a direct result of this policy?

ANSWER

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

- (a): The Ministry of Micro, Small and Medium Enterprises (MSMEs) has taken various steps to provide support to Micro and Small Enterprises (MSEs) including those owned by entrepreneurs belonging to Scheduled Castes (SC), Scheduled Tribes (ST) and Women. Some of such measures are as follows: -
- i. With the objective of promoting the growth and development of Micro, Small and Medium Enterprises (MSMEs), Ministry of MSMEs implemented the Public Procurement Policy for Micro and Small Enterprises from 1st April 2012.
 - ii. The policy, amended on 9th November 2018, 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.
 - iii. To reduce transaction cost of doing business, MSEs are facilitated by providing them with tender sets free of cost, exempting MSEs from payment of earnest money deposit (EMD), etc.

- iv. As per the Gazette Notification No. S.O. 3237(E) dated 11th August 2021 issued by the Ministry of MSME, the Central Ministries/ Departments/ CPSEs are required to take necessary steps to develop appropriate vendors by organizing Vendor Development Programmes (VDPs) and Buyer-Seller Meets focused on developing Micro and Small Enterprises (MSEs) including those owned by women entrepreneurs.
- v. National Scheduled Caste Scheduled Tribe Hub (NSSH) scheme, a central sector scheme of the Ministry of MSME, Government of India was launched in 2016, The scheme aims at capacity enhancement of SC/ST entrepreneurs and promoting "entrepreneurship culture" amongst the SC/ST population. NSSH scheme is empowering SC/ST population to participate in the Public Procurement process and fulfil the mandated target of 4% procurement from SC/ST enterprises under Public Procurement Policy by the Ministries, Departments and CPSEs.

(b): As per the information uploaded on MSME SAMBANDH Portal, the details of the annual procurement from MSEs including SC/ST and Women by the CPSEs during last three years are provided as ***Annexure-I***.

(c): As a result of implementation of the public procurement policy for MSEs, the share of MSEs in Government procurement including by CPSEs has registered a consistent growth. It has surpassed the target of 25% procurement from MSEs as well as sub-target of 3% for Micro and Small Enterprise owned by women. The procurement from SC/ST owned enterprises has increased from Rs. 544.72 crore in FY 2017-18 benefiting 2210 enterprises to Rs. 3,942.71 crore in FY 2025-26 benefiting 12,457 enterprises. Similarly, procurement from MSEs owned by women entrepreneurs, which was Nil in FY 2017-18, reached Rs. 9,057.21 crore in FY 2025-26, benefiting 31,201 enterprises.

Annexure refers to part (b) of the Rajya Sabha Unstarred Question No. 106 on “Implementation of Public Procurement Policy “.

Annual procurement of goods and services from MSEs by the CPSEs.

Financial Year	Total Procurement (Rs. in Crores)	Procurement from MSEs (Rs. in Crores)	Procurement from MSEs owned by SC/ST (Rs. in Crores)	Procurement from MSEs owned by Women (Rs. in Crores)
2023-24 (154 CPSEs & 01 Department)	171,001.61	74,800.26 (43.74%) (No. of MSEs Benefited-2,59,345)	1,761.78 (1.03%) (No. of MSEs Benefited-11,577)	3,155.14 (1.85%) (No. of MSEs Benefited-21,316)
2024-25 (186 CPSEs & 0 Department)	217,171.12	93,983.94 (43.28%) (No. of MSEs Benefited-3,10,568)	3,766.88 (1.73%) (No. of MSEs Benefited-22,049)	6,513.37 (3.00%) (No. of MSEs Benefited-35,786)
2025-26 (186 CPSEs & 0 Department)	238,937.03	117,672.90 (49.25%) (No. of MSEs Benefited-2,76,501)	3,942.71 (1.65%) (No. of MSEs Benefited-12,457)	9,057.21 (3.79%) (No. of MSEs Benefited-31,201)

Source: MSME SAMBANDH Portal