

GOVERNMENT OF INDIA
MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
DEPARTMENT OF PUBLIC ENTERPRISES

LOK SABHA

UNSTARRED QUESTION No. 3421

TO BE ANSWERED ON 07.08.2018

Procurement Policy in CPSEs

3421. DR. MAMTAZ SANGHAMITA:

Will the Minister of HEAVY INDUSTRIES & PUBLIC ENTERPRISES be pleased to state:

- a) whether in case of procurement in Central Public Sector Enterprises (CPSEs), four percent procurement from SC/ST owners is mandatory as stipulated by Public Procurement Policy, 2012;
- (b) if so, the details thereof along with the norms followed by CPSEs; and
- (c) the details of defaulting CPSEs which are not following the norms along with the reasons therefor and the action taken thereon?

ANSWER

THE MINISTER OF STATE FOR HEAVY INDUSTRIES & PUBLIC ENTERPRISES

(SHRI BABUL SUPRIYO)

(a) & (b): The Public Procurement Policy Order 2012 was issued by M/o of Micro, Small and Medium Enterprises. (M/o MSME). The policy stipulates mandatory procurement by Central Ministries/ Departments/ Central Public Sector Enterprises (CPSEs) of minimum of 20% of their total annual purchases of the products produced or services rendered by Micro and Small Enterprises (MSEs) with effect from 1st April 2015. Out of this 20% target, a sub-target of 4% has been earmarked for procurement from MSEs owned by Scheduled Caste (SC)/Scheduled Tribe (ST) entrepreneurs.

As per the information available in Public Enterprises Survey 2016-17 of Department of Public Enterprises (DPE), 144 CPSEs have provided information on procurement from MSEs. Details are given below:

Year	No. of CPSEs	Total Procurement (Rs. In crore)	Procurement from MSEs (Rs. In crore)	Procurement from MSEs owned by SC/ST Entrepreneur (Rs. In crore)
2016-17	144	134358.19	25326.97	399.99

(c): MoU Guidelines issued by DPE provide for negative marking for non-compliance of M/o MSME's guidelines on Public Procurement Policy for Micro and Small Enterprises (MSEs) in

respect of CPSEs which sign MoUs. Out of CPSEs evaluated for their MoU 2016-17, negative marking has been given in MoU evaluation to 48 CPSEs for non-compliance of Public Procurement Policy for MSEs issued by M/o MSME.

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