

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF PUBLIC ENTERPRISES**

**LOK SABHA
UNSTARRED QUESTION NO. 4084
TO BE ANSWERED ON THE 28th MARCH, 2022**

Government Procurement from CPSUs

4084. SHRI NAMA NAGESWARA RAO:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government procurement from Central Public Sector Undertakings (CPSUs) has been declining and if so, the reasons therefor;
- (b) if not, the details of Government orders placed with CPSUs during the last three years, quantity-wise and monetary value-wise; and;
- (c) the steps taken by the Government to improve the productivity of CPSUs and upgrading the technology in their production systems so that they produce high quality products?

ANSWER

**THE MINISTER OF STATE FOR FINANCE
(DR. BHAGWAT KISHANRAO KARAD)**

(a) and (b) : Government procurement is mainly governed by the General Financial Rules, 2017 as amended from time to time to enable an improved, efficient and effective framework for fiscal management while providing the necessary flexibility to facilitate timely delivery of Goods and Services. These rules do not envisage preference to Central Public Sector Enterprises (CPSEs) in procurement process.

(c) : Under the Memorandum of Understanding system of performance evaluation of CPSEs, targets on parameters such as profitability, production, expenditure on research & development, capital expenditure, etc. are given to CPSEs to facilitate improvement in their overall performance.
