

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO. 1694
TO BE ANSWERED ON 01.08.2024

PUBLIC PROCUREMENT POLICY FOR MICRO AND SMALL ENTERPRISES

1694. SHRI HASMUKHBHAI SOMABHAI PATEL:
SHRI MITESH PATEL BAKABHAI:

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 (MSEs);
- (b) the manner in which it impacts procurement from MSEs by Central Ministries/ Departments/ Central Public Sector Enterprises (CPSEs); and
- (c) the details of total procurement from MSEs by Central Ministries/Departments/CPSEs?

ANSWER

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

(a) and (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 1st 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 is Rs. 82,630.38 crores (36.06%).
