GOVERNMENT OF INDIA MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA UNSTARRED QUESTION NO. 557 TO BE ANSWERED ON 06.02.2025

PUBLIC PROCUREMENT POLICY

557. SHRI RAJA A:

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

(a) the details of total procurement from MSME Units by various Ministries, Departments, Central Public Sector Enterprises (CPSEs) and autonomous bodies of Union Government as per the public procurement policy, 2012 with modifications to enhance in supporting MSME in marketing their products and services, during the last three years;

(b) whether the Government is doing any follow up action on public procurement policy to ensure that wide support is available from various Ministries, if so, the details thereof; and

(c) whether any pro-active action is initiated by the Government and including steps taken to remind periodically all Departments for supporting MSME in marketing and if so, the details thereof?

ANSWER

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

(a): According to the data available on the MSME Sambandh Portal, the details of total procurement made in accordance with the Public Procurement Policy for Micro and Small Enterprises Order, 2012 during the last 3 years are given below:

| F.Y | Total Procurement (Rs. in Crore) | Procurement from MSEs (Rs. in Crore) | Procurement from MSEs owned by SC/ST | Procurement from MSEs owned by Women |
|----------------|--|---|---|---|
| | | | (Rs. in Crore) | (Rs. in Crore) |
| 2022-23 | 1,74,316.30 | 64,721.65 | 1,546.91 | 2,318.99 |
| 2023-24 | 1,70,930.01 | 74,717.24 | 1,757.26 | 3,152.80 |
| 2024-25 (as on | 1,47,896.65 | 60,752.34 | 1,893.31 | 3,230.86 |
| 03-02-2025) | | | | |

(b) and (c): A number of measures and steps have been taken by the Ministry of MSME to enhance the procurement from Micro and Small Enterprises (MSEs), as outlined below:

- i. The Ministry of MSME launched "MSME-SAMBANDH Portal" on 8th December, 2017. The Portal helps in monitoring the procurement by Central Government Ministries, Departments and Central Public Sector Enterprises (CPSEs) and enables them to share the list of required products/services from MSEs.
- ii. The Ministry of MSME is actively engaged with Department of Public Enterprises for better coordination with CPSEs for achieving the targets under the Policy. The Ministry of MSME also issues communications and clarifications on the Public Procurement Policy for MSEs, whenever required or asked for.

- iii. Government e-marketplace (GeM), an online portal, is being used for procurement by Ministries/ Departments/ CPSEs. Follow up with GeM for supporting SC, ST and Women entrepreneurs on various issues is done on a regular basis.
- iv. Vendor Development Programmes under the Procurement & Marketing Support Scheme serve as platforms, where MSEs can network with not only CPSEs but with also other stakeholders.
- v. The Ministry of MSME has introduced a Special Credit Linked Capital Subsidy Scheme (SCLCSS) under National SC-ST Hub Scheme to promote setting up of new enterprises by aspiring entrepreneurs and capacity building of existing MSEs for enhanced participation of SC/ST entrepreneurs in the public procurement. All the SC-ST owned MSEs engaged in manufacturing as well as services sector are eligible for 25% subsidy under SCLCSS component of National SC/ST Hub for procurement of Plant and Machinery and equipment through institutional credit.
- vi. Special Vendor Development Programmes/ Buyer-Seller Meets are being conducted by Departments/ CPSUs for SC/STs and women owned MSEs.
