

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO. 786
TO BE ANSWERED ON 24.07.2025

PUBLIC PROCUREMENT POLICY

786. SHRI BRIJMOHAN AGRAWAL:

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

- (a) the policy guidelines for sourcing of goods by Central Ministries, Departments and Central Public Sector Enterprises from MSMEs;
- (b) the details of such procurement made from Micro, Small and Medium Enterprises (MSMEs) during the last five financial years, year-wise;
- (c) the number of MSMEs currently registered in the country and the list of enterprises, State/UT-wise including the State of Chhattisgarh;
- (d) whether any guidelines or instructions have been issued by the Union Government to States/UTs to promote procurement under this policy, if so, the details thereof; and
- (e) the programmes being implemented to create awareness among enterprises registered under MSMEs regarding this policy?

ANSWER

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

- (a): The Ministry of MSME, Government of India vide Gazette Notification No. S.O. 581(E), dated 23rd March, 2012 notified the Public Procurement Policy for Micro and Small Enterprises (MSEs), Order, 2012. The Policy (amended in 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. As per the Policy, MSEs must be provided tender sets free of cost and they are exempted from payment of Earnest Money Deposit. A total of 358 items are reserved for procurement and have to be sourced from only MSEs, as per the Policy.
- (b): The details of procurement made from MSEs during the last five financial years, year-wise by CPSEs as per MSME Sambandh Portal are attached as *Annexure-I*.
- (c): The number of MSMEs currently registered in the country on Udyam Registration Portal(URP) are 6,58,33,368 (as on 15.07.2025). The details of MSMEs, State/UT-wise, including the State of Chhattisgarh are enclosed at *Annexure- II*.

(d): The Public Procurement Policy for MSEs Order, 2012 is applicable to Central Government Ministries/ Departments and CPSUs. This Policy is not applicable to State Government Ministries/ Departments/ PSUs. To promote the interest of MSEs across the country, communication has been sent by the Ministry of MSME to all States/UTs with a request seeking cooperation for implementation of the Policy in their respective States/UTs. 26 States/UTs have aligned their Policies with the Ministries' Policy.

(e): The Government has taken several measures to create awareness among enterprises. Through URP, any MSMEs can link with GeM Platform and participate in Government procurement.

National Scheduled Caste Scheduled Tribe Hub (NSSH) Scheme of the Ministry of MSME aims at capacity enhancement of SC/ST entrepreneurs. The Scheme is meant to empower SC/ST entrepreneurs to participate in Public Procurement process and facilitate fulfillment of 4% mandatory target of procurement from SC/ST owned enterprises under Public Procurement Policy. The various components includes Capacity Building, Training and awareness.

Under the Procurement and Marketing Support Scheme of the Ministry of MSME, Vendor Development Programmes are organised for creating awareness among enterprises. In addition, regular Vendor Development Programmes are also organized by CPSEs.

Annexure-I

Annexure-I referred to in reply to part (b) of the Lok Sabha Unstarred Question No. 786 for answer on 24.07.2025

Year wise Annual procurement from MSEs by CPSEs in the Last 5 Years

F. Years	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)
2020-21 (161 CPSEs)	1,39,419.81	40,717.67 (29.21%) (No. of MSEs Benefited-1,77,594)	768.53 (0.55%) (No. of MSEs Benefited-6,870)	749.20 (0.54%) (No. of MSEs Benefited-5,140)
2021-22 (162 CPSEs)	1,65,383.04	53,778.58 (32.52%) (No. of MSEs Benefited-2,27,049)	1,302.50 (0.79%) (No. of MSEs Benefited-10,437)	1,713.27 (1.04%) (No. of MSEs Benefited-11,383)
2022-23 (166 CPSEs 2 Department)	1,74,316.32	64,721.65 (37.13%) (No. of MSEs Benefited-2,36,433)	1,546.91 (0.89%) (No. of MSEs Benefited-10,354)	2,318.99 (1.33%) (No. of MSEs Benefited-16,725)
2023-24 (153 CPSEs and 1 Department)	1,70,985.96	74,727.12 (43.70%) (No. of MSEs Benefited-2,58,449)	1,761.78 (1.03%) (No. of MSEs Benefited-11,571)	3,154.97 (1.85%) (No. of MSEs Benefited-21,339)
2024-25 (149 CPSEs (As on 22.07.2025))	2,68,653.93	93,911.23 (34.96%) (No. of MSEs Benefited-2,92,733)	3,576.08 (1.33 %) (No. of MSEs Benefited-21,404)	5,949.08 (2.21%) (No. of MSEs Benefited-33,703)

Source: MSME SAMBANDH Portal

Annexure-II

Annexure-II referred to in reply to part (c) of the Lok Sabha Unstarred Question No. 786 for answer on 24.07.2025

State Wise Total Enterprises Registered on UDYAM & UAP from 01/07/2020 to 15/07/2025					
Sl. No.	State	Micro	Small	Medium	Total
1	ANDAMAN AND NICOBAR ISLANDS	19261	157	3	19421
2	ANDHRA PRADESH	3360676	16491	942	3378109
3	ARUNACHAL PRADESH	39037	344	19	39400
4	ASSAM	1183889	6523	519	1190931
5	BIHAR	3573259	11635	560	3585454
6	CHANDIGARH	68200	1247	124	69571
7	CHHATTISGARH	1135360	8198	701	1144259
8	DADRA AND NAGAR HAVELI AND DAMAN AND DIU	29903	901	132	30936
9	DELHI	1191761	27734	2689	1222184
10	GOA	112106	1094	79	113279
11	GUJARAT	3699208	53058	4124	3756390
12	HARYANA	1669870	22580	1729	1694179
13	HIMACHAL PRADESH	291899	2507	208	294614
14	JAMMU AND KASHMIR	736820	3162	203	740185
15	JHARKHAND	1317404	5758	349	1323511
16	KARNATAKA	4332188	30775	2238	4365201
17	KERALA	1576019	12627	744	1589390
18	LADAKH	18480	112	2	18594
19	LAKSHADWEEP	2208	0	0	2208
20	MADHYA PRADESH	4133259	19307	1150	4153716
21	MAHARASHTRA	8551716	72793	6694	8631203
22	MANIPUR	147987	412	17	148416
23	MEGHALAYA	53908	393	34	54335
24	MIZORAM	44951	207	6	45164
25	NAGALAND	60701	170	16	60887
26	ODISHA	2044179	9787	581	2054547
27	PUDUCHERRY	94030	654	62	94746
28	PUNJAB	1822767	16546	1205	1840518
29	RAJASTHAN	3735958	26543	1598	3764099
30	SIKKIM	28908	158	13	29079
31	TAMIL NADU	5270701	38540	2735	5311976
32	TELANGANA	2547334	19604	1749	2568687
33	TRIPURA	271441	679	45	272165
34	UTTAR PRADESH	7062336	39018	2475	7103829
35	UTTARAKHAND	539209	3945	270	543424
36	WEST BENGAL	4553732	23323	1706	4578761
	Total:-	65320665	476982	35721	65833368