

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS**

**LOK SABHA
UNSTARRED QUESTION No. 2359**

TO BE ANSWERED ON MONDAY, DECEMBER 18, 2023 / *AGRAHAYANA 27, 1945*
(*SAKA*)

FINANCIAL SECTOR REFORMS

2359. SHRI SUDHEER GUPTA:

Will the Minister of FINANCE be pleased to state:

- (a) the details of major financial sector reforms by the Government during each of the last nine years, till date;
- (b) the details of budgetary reforms undertaken by the Government during the said period;
- (c) whether any steps have been taken by the Government during the said period to increase procurement by Central Public Sector Enterprises (CPSEs) from Micro, Small and Medium Enterprises (MSMEs); and
- (d) if so, the details of procurement by the CPSEs through GeM Portal?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

- (a): The major financial sector reforms introduced by the Government during the last nine years, inter alia, include, -
- (i) integration of securities and the commodity derivatives markets;
 - (ii) launch of Pradhan Mantri Jan Dhan Yojana and Jan Suraksha Schemes (Pradhan Mantri Jeevan Jyoti Bima Yojana, and Pradhan Mantri Suraksha Bima Yojana and Atal Pension Yojana) to improve the financial inclusion of the financially excluded people and increase the insurance and pension coverage in India;
 - (iii) establishing a statutory and an institutionalised framework for Monetary Policy for maintaining price stability while keeping in mind the objective of economic growth;
 - (iv) enactment of the Fugitive Economic Offender Act 2018 to provide for measures to deter fugitive economic offenders from evading the process of law in India by staying outside the jurisdiction of Indian courts and to preserve the sanctity of the rule of law in India;
 - (v) initiation of governance and management reforms and consolidation of public sector banks to improve their financial soundness;

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- (vi) promotion of digital payment infrastructure to extend the coverage and improvement in efficiency of payments, especially the targeted payments of Government subsidies; and
- (vii) enactment of the Bilateral Netting of Qualified Financial Contracts Act, 2020 to provide a firm legal basis for bilateral netting of qualified financial contracts to reduce the systemic risk and strengthen the resilience of the financial sector.

(b): The major budgetary reforms undertaken by the Government during the last nine years inter alia, include, -

- (i) the advancement of budget cycle in 2017-18 to the first day of February of each year to facilitate early completion of budgetary process, to ensure availability of full budget to the Ministries/Departments from the commencement of financial year to help accelerate the implementation of schemes/projects through the year and to provide business and industry clarity on the tax measures initiated in the Budget to help improve better tax and business planning in advance;
- (ii) presentation of a unified budget from 2017 onwards to bring about the affairs of the Railways to centre stage and help present a holistic picture of the financial position of the Government;
- (iii) amendment of the Fiscal Responsibility and Budget Management Act, 2003 in 2015 and 2018 to make the existing fiscal legislative framework more effective; and
- (iv) introduction of the Budget to a paperless format from the Union Budget 2021-22 onwards.

(c): The Government has taken specific steps and has been engaging with all stakeholders to facilitate increase in procurement by CPSEs from MSMEs. Such Government measures include increasing the mandatory annual procurement from Micro and Small Enterprises (MSEs) by the Central Ministries/Departments/CPSEs from 20% to 25%, launching of SAMBANDH Portal by the Ministry of MSME for monitoring the implementation of the public procurement from MSEs, and organising Vendor Development Programmes.

(d): The details of procurement by CPSEs through GeM Portal since its inception are given below:

Fiscal Year	Total procurement by CPSEs since inception of GeM (in Rs. crore)	Procurement by CPSEs since inception of GeM from MSMEs (in Rs. crore)
FY 2023-24 (upto 6 th December 2023)	1,36,607	46,013
FY 2022-23	1,06,902	36,417
FY 2021-22	46,717	19,959
FY 2020-21	7,211	3,519
FY 2019-20	1,375	1,027
FY 2018-19	593	438
FY 2017-18	221	117
FY 2016-17	21	8
