

**GOVERNMENT OF INDIA
MICRO, SMALL AND MEDIUM ENTERPRISES
LOK SABHA**

UNSTARRED QUESTION NO:2392
ANSWERED ON:08.12.2014
MANDATORY PROCUREMENT FROM MSMES
Shinde Dr. Shrikant Eknath

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

- (a) whether the Government has issued directions under the National Procurement Policy, 2012 to all the Public Sector Undertakings (PSUs), Central Government Ministries and Departments to procure at least 20 per cent of products and services from Micro, Small and Medium Enterprises (MSMEs) units and make further it mandatory from April, 2015;
- (b) whether all the PSUs have complied with the 20 per cent mandatory procurement;
- (c) if so, the details thereof and if not, the reasons therefor; and
- (d) the efforts made by the Government to get the mandatory procurement from MSME units after 2015 done by the PSUs, Ministries and Departments?

Answer

MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI KALRAJ MISHRA)

- (a): Yes Madam, Government has issued directions under the Public Procurement Policy for Micro and Small Enterprise (MSEs) Order 2012, to all the Central Public Sector Undertakings (CPSUs), Central Government Ministries and Departments for an overall procurement of minimum of 20 per cent of products and services from Micro and Small Enterprises (MSEs) units. This 20 per cent procurement from MSEs will be mandatory with effect from 1st April, 2015.
- (b)&(c): Does not arise.
- (d): The brief details of some of the efforts made by the Government to enhance procurement from MSEs are as follows:-
 - (i) The communications are being issued from Ministry of MSME to all Central Ministries /Departments/CPSUs to comply with all the provisions of the Public Procurement Policy for MSE, Order 2012.
 - (ii) One to One interaction meetings with CPSUs for enhancing procurement from MSEs by CPSUs are organized.
 - (iii) Stakeholder consultation workshops has been conducted for the awareness and better understanding of the policy.
 - (iv) Vendor Development programme are organized by Field Institutes of this Ministry spread all over India, as well as by CPSUs for developing of MSE Vendors.
 - (v) For facilitating Match making of buyers and suppliers, a software based upon ITC HS Code has been developed which is a copyright of this Ministry.
 - (vi) Grievance Cell has been opened in this Ministry for sorting out grievances/problems related to procurement.
 - (vii) Review Committee has been constituted to review and monitor the achievements made under the policy .