T_{OTAL}

Implementation problems of public procurement policy

290640.11

303085.45

275417.13

2343. DR. PRADEEP KUMAR BALMUCHU: Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

(a) whether it is a fact that the public procurement under MSMEs is not up to the optimum level, if so, the details thereof;

- (b) whether Government has identified any hindrances in procurement from MSMEs, if so, the details thereof; and
- (c) the measures being taken by Government for proper implementation of public procurement policy under MSME sector?

THE MINISTER OF STATE IN THE MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI HARIBHAI PARTHIBHAI CHAUDHARY): (a) and (b) Yes, Sir. The Government of India has notified Public Procurement Policy for Micro and Small Enterprises (MSEs) Order, 2012 under which a minimum of 20% of the total annual procurement is made mandatory from Micro and Small Enterprises by Central Ministries/Departments/PSUs. w.e.f. 1st April 2015. Out of this 20% target of annual procurement from MSEs, a sub-target of 4% has been earmarked for procurement from MSEs owned by SC/ST entrepreneurs. During the year 2015-16, 61 CPSUs have been able to achieve 20% target of procurement from Micro and Small Enterprises. However PSUs are finding difficult to achieve 4% procurement target from MSEs owned by SC/ST entrepreneurs due to less participation of MSEs owned by SC/ST entrepreneurs in procurement process for supply of goods and services.

- (c) Following measures have been taken by the Government to ensure compliance of Public Procurement Policy by PSU's:-
 - (i) Hon'ble Minister, MSME has taken a meeting with PSUs for compliance of mandatory provisions of the Policy including procurement from MSEs.
 - (ii) Review Committee headed by Secretary, MSME regularly monitor the progress made in implementation of the Policy. Seven such meetings has been held during the current financial year.
 - (iii) An online portal www.msmedatabank.in has been launched for developing a comprehensive data of MSMEs across the country.
 - (iv) Hon'ble Prime Minister has launched National SC/ST Hub for MSMEs on the 18th October, 2016 in order to prepare details of SC/ST MSEs which will in turn assist the procuring agencies in identifying the SC/ST Entrepreneurs for making procurement from these entrepreneurs.
 - (v) For doing ease of Business Ministry of MSME has launched on line self certification Udyog Aadhaar Memorandum registration from 18th September, 2015 which provides ample opportunities for MSMEs to participate in various schemes implemented by the Government agencies including procurement made by PSUs.
 - (vi) As per the directions of the Niti Aavog, the CPSUs who are making

- procurement of goods and service of more than 100 crores in a financial year, have been requested to conduct Vendor Development Programme including one exclusively for SC/ST entrepreneurs.
- (vii) Various State level and National level Vendor Development Programmes have been organised by MSME-DIs/NSIC/PSU's to identify the vendors for supply of goods and services to CPSUs/Government Departments.
- (viii) Department of Public Enterprises has also taken initiative for effective implementation of the Policy and introduced a penalty clause of deducting one mark for non compliance of Policy at the time of annual MoU evaluation for the year 2015-16 from the CPSUs .
- (ix) DPE has added more stringent provision by downgrading the status of CPSUs from "Excellent" to "Very Good" and for other than excellent CPSUs, the penalty clause has been increased from one mark to five mark during the year 2016-17 for non compliance of the provisions of the Policy.

Rise in sales in Khadi and Village Industries

2344. SHRI RANJIB BISWAL: Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

- (a) whether the khadi and village industries have shown a rise in sales in recent years; and
 - (b) if so, the details of sales during the years 2014-15, 2015-16 and 2016-17?

THE MINISTER OF STATE IN THE MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI GIRIRAJ SINGH): (a) and (b) Yes, Sir. The sales turnover of Khadi and Village Industries has increased during the last three years which can be seen in the following table.

The sale of Khadi and Village Industries during the last two years and the current year is as follows:

(₹ in crore)

Sl. No.	Year	Khadi Sales	Village Industries Sales	Total Sales
1.	2014-15	1170.38	31965.52	33135.90
2.	2015-16	1510.00	40384.56	41894.56
3.	2016-17*	1448.70	46099.48	47548.18

^{*}provisional (up to February 2017)