

GOVERNMENT OF INDIA
MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
DEPARTMENT OF PUBLIC ENTERPRISES

LOK SABHA

UNSTARRED QUESTION No. 265

TO BE ANSWERED ON 05.02.2019

Public Procurement Policy in CPSEs

265. SHRI B.V. NAIK:

Will the Minister of HEAVY INDUSTRIES & PUBLIC ENTERPRISES be pleased to state:

- (a) whether it is a fact that 131 Central Public Sector Enterprises (CPSEs) have not complied with the mandatory 20 percent procurement of inputs from local vendors during the last three years;
- (b) if so, the reasons therefor;
- (c) the measures undertaken by the Government to deter CPSEs from deviating from this provision in Public Procurement Policy;
- (d) whether there has been an improvement in compliance by CPSEs with regard to the Public Procurement Policy during the current year; and
- (e) if so, the details thereof and if not, the reasons therefor?

ANSWER

THE MINISTER OF STATE FOR HEAVY INDUSTRIES & PUBLIC ENTERPRISES

(SHRI BABUL SUPRIYO)

(a) & (b): Central Public Sector Enterprises (CPSEs) function under the administrative control of their respective Ministries/ Departments. The implementation of the guidelines including the guidelines relating to procurement from Micro and Small Enterprises (MSEs) issued by M/o of Micro, Small and Medium Enterprises (M/o MSME) by CPSEs are administered by the concerned administrative Ministry/ Department.

As per the Public Enterprises Survey for the years 2015-16, 2016-17 & 2017-18 laid on the Table of both the Houses of Parliament by Department of Public Enterprises(DPE), the details of number of CPSEs which have reported their annual procurement and those which have complied with the mandatory 20% procurement from MSEs are given below:

Year	No. of CPSEs reported annual procurement	No. of CPSEs complied with the mandatory 20% procurement from MSEs
2015-16	131	45
2016-17	141	81
2017-18	168	102

However, Department of Public Enterprises (DPE) does not maintain the data on procurement of inputs from local vendors.

(c) to (e): As per DPE MoU Guidelines, negative mark is given to MoU evaluated CPSEs for non-compliance of Public Procurement Policy for Micro and Small Enterprises issued by M/o MSME. The number of MoU evaluated CPSEs which have not complied with the Public Procurement Policy has reduced from 53 in 2016-17 to 25 in the year 2017-18.

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