

**GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE**

LOK SABHA

**UNSTARRED QUESTION NO. 1157.
TO BE ANSWERED ON MONDAY, THE 11TH FEBRUARY, 2019.**

GUIDELINES ON PUBLIC PROCUREMENT

1157. SHRI M. CHANDRAKASI:

Will the Minister of **COMMERCE AND INDUSTRY** be pleased to state:

वाणिज्य एवं उद्योग मंत्री

- (a) whether necessary guidelines/ notifications requiring declaration of items with sufficient local capacity and domestic content in public procurement have been issued by all Departments and CPSUs in accordance with 'Make in India' programme and if so, the details thereof;
- (b) the mechanism put in place for strict monitoring of implementation of public procurement by the Government agencies in the country; and
- (c) the details regarding salient features of the proposed new industry policy, if any, to promote competitiveness of domestic industry?

ANSWER

वाणिज्य एवं उद्योग मंत्रालय में राज्यमंत्री (श्री सी.आर. चौधरी)

**THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY
(SHRI C.R. CHAUDHARY)**

- (a): The Public Procurement (Preference to Make in India), Order 2017 (as amended on 28.05.2018) (PPP-MII Order) was issued pursuant to Rule 153(iii) of the General Financial Rules 2017 as an enabling provision to promote domestic value addition in public procurement. The policy aims at incentivizing production linked through local content requirements, thereby encouraging domestic manufacturers' participation in public procurement activities over entities merely importing to trade or assemble items. This Order is applicable on procurement of goods, services and works (including turnkey works) by a Central Ministry/ Department, their attached/subordinate offices, autonomous bodies controlled by the Government of India, Government companies, their Joint Ventures and Special Purpose Vehicles. As per PPP -MII Order, purchase preference is given to local suppliers who meet the minimum local content requirement. Further, various Ministries/Departments have been designated as nodal for notifying minimum local content for the relevant product categories. Following Nodal Ministries/Departments have issued

notifications for Minimum Local Contents:

1. Ministry of Housing and Urban Affairs
2. Ministry of Petroleum & Natural Gas
3. Ministry of Electronics & Information technology
4. Department of Heavy Industry
5. Department of Pharmaceuticals
6. Ministry of Steel
7. Ministry of Railways
8. Department for Promotion of Industry and Internal Trade
9. Department of Fertilizers
10. Department of Defence Production
11. Department of Telecommunications
12. Ministry of Shipping
13. Ministry of Mines
14. Department of Chemicals & Petrochemicals
15. Ministry of New & Renewable Energy
16. Ministry of Textiles

The notifications issued by various Nodal Ministries / Departments are available on the departmental website dipp.gov.in. Ministry of Civil Aviation, Department of Defence and Ministry of Power are yet to issue the notification for Minimum Local Contents for their respective product segments.

(b): Following mechanism has been put in place for strict monitoring of implementation of PPP-MII Order by Central Government agencies:

1. All procuring entities have to certify compliance with the provisions of the Order while publishing any tender on Central Public Procurement Portal.
2. Stakeholders can lodge online complaint on Central Public Procurement Portal for alleged violation of the Order.
3. A Cell has been created in DPIIT (earlier known as Department of Industrial Policy & Promotion) to take up grievances for alleged violation of the Order with procuring entities.
4. Grievance redressal / sector specific meetings are held to resolve the grievances.
5. Standing Committee has been constituted under PPP - MII Order to oversee the implementation.

(c): The proposed new Industrial Policy is to be a roadmap for all business enterprises in the country. In this regard, consultations have been held with stakeholders to get their ideas and feedback.
