UNSTARRED QUESTION NO. 1833.

APPLICABILITY OF CLAUSE 5 OF PUBLIC PROCUREMENT ORDER 2017 TO ALL GLOBAL PROCUREMENTS

1833. SHRI VIVEK K. TANKHA:

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

(a) whether it is a fact that the provisions of clause 5 of the Public Procurement (Preference to Make in India), Order 2017 would only be attracted in case the concerned procurement agency/nodal Ministry specifically stipulates so in global tenders irrespective of value/size, since individual Ministries have to stipulate minimum indigenous contents; and

(b) whether Government (being a major procurer) proposes to further the Make in India initiative by making clause 5 applicable as a rule to all global procurement irrespective of value, rather than as a choice to the procurer?

ANSWER

THE MINISTER OF COMMERCE & INDUSTRY
(SHRI PIYUSH GOYAL)

(a) & (b):

Sir, Para ‘5’ of Public Procurement (Preference to Make in India) (PPP-MII) Order, 2017 amended on 29.05.2019 reads as under:

“Minimum Local Content: The minimum local content shall ordinarily be 50%. The Nodal Ministry may prescribe a higher or lower percentage in respect of any particular item and may also prescribe the manner of calculation of local content”.

2. Para 5 of the PPP-MII Order 2017 is applicable to all procurement undertaken by Central Government Procuring entities irrespective of method (i.e. irrespective of the fact that it is global tender, advertised tender or limited tender) and value of procurement.

3. For any supplier to avail benefit as local supplier under PPP-MII Order, it should comply with Minimum Local Content requirement as stipulated in Para ‘5’ of the Order i.e. Minimum Local Content (MLC) should be 50% unless prescribed otherwise by Nodal Ministry/Department.

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