

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

**UNSTARRED QUESTION NO. 2766.  
TO BE ANSWERED ON FRIDAY, THE 24<sup>TH</sup> MARCH, 2023.**

**PROCUREMENT NORMS FOR FOREIGN FIRMS**

**2766 SHRI RAJMANI PATEL:**

Will the Minister of **Commerce and Industry** be pleased to state:

- (a) whether it is a fact that Department for Promotion of Industry and Internal Trade (DPIIT) have issued warning to Ministries/Department for favouring foreign firms in procurement norms;
- (b) if so, the details thereof;
- (c) whether various Ministries/Departments are not priotising “Make in India” mandate and there are violations of public procurement Order of 2017; and
- (d) if so, the details thereof and steps being taken by DPIIT to streamline the process of procurement norms for foreign firms?

**ANSWER**

**THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY  
(SHRI SOM PARKASH)**

**(a) to (d):** Sir,

1. The “Public Procurement (Preference to Make in India) Order 2017” (PPP-MII Order), was issued pursuant to Rule 153 (iii) of General Financial Rules 2017, to promote domestic industry by providing them preference in public procurement of Goods, Works and Services. The Order is applicable to all Ministries or Departments or attached or subordinate Offices or autonomous body controlled by the Government of India and includes Government companies as defined in the Companies Act. The Order mandates that eligibility conditions, including on matters like turnover, production capability and financial strength do not result in unreasonable exclusion of ‘Class-I local supplier’/ ‘Class-II local supplier’ from bidding process. Also, specifying foreign certifications/ unreasonable technical specifications/ brands/ models in the bid document is considered restrictive and

discriminatory practice against local suppliers. A copy of the Order, last amended on 16.09.2020, may be accessed at <https://dpiit.gov.in/sites/default/files/PPP%20MII%20Order%20dated%2016%2009%202020.pdf>.

2. As per the order, a Standing Committee has been formed to ensure the applicability of the Order. Meetings are held at regular intervals associating representatives from all nodal Ministries/Departments, Department of Expenditure and GeM.
3. DPIIT also regularly interacts with all stakeholders including Finance Ministry, GeM, nodal Ministries and Industry bodies, manufacturers and manufacturer associations to assess difficulties being faced by local industry in participation in Government tenders.
4. DPIIT takes up issues with procuring entities for compliance of PPP-MII Order based on feedback received from manufacturers / Industry bodies.
5. The details of various Standing Committee meetings including advisories issued by DPIIT on implementation of PPP-MII Order are available at DPIIT website at url: <https://dpiit.gov.in/public-procurements>.

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