

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

**UNSTARRED QUESTION NO. 1455.
TO BE ANSWERED ON WEDNESDAY, THE 10TH FEBRUARY, 2021.**

VOCAL FOR LOCAL

1455. SHRI MANOJ KOTAK:

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

वाणिज्य एवं उद्योग मंत्री

- (a) whether the Ministry is promoting the Prime Minister's call of 'Vocal for Local';
- (b) if so, the action taken by various departments to implement the same by increasing use of India-made goods; and
- (c) the details of the action taken by the various Departments to manufacture various items indigenously in the country?

ANSWER

वाणिज्य एवं उद्योग मंत्रालय में राज्यमंत्री (श्री सोम प्रकाश)

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

(a): Yes Sir.

(b) & (c): 1. Government of India has issued the Public Procurement (Preference to Make in India) Order, 2017 as amended on 16/09/2020 to encourage "Make in India" and promote manufacturing and production of goods and services in India with a view to enhancing income and employment. This Order is applicable to all Ministries, Departments, attached or subordinate offices and autonomous bodies controlled by the Government of India and includes Government companies as defined in the Companies Act.

2. Department of expenditure has amended Rule 161(iv) of General Financial Rules, 2017 regarding Global Tender Enquiry (GTE). As per the amended Rule 161(iv), GTE upto Rs.200 crores are to be issued only with the approval of competent authority.

Unless global tenders are invited, only Class-I local suppliers (suppliers offering items with more than 50% local content) and Class-II local suppliers (suppliers offering items with 20- 50% local content) are eligible to bid.

3. Only Class-I local suppliers have been made eligible to bid for procurement of items, where there is sufficient local capacity and local competition, irrespective of purchase value.

4. Pursuant to the Notification of Public Procurement (Preference to Make in India) Order, 2017, Department of Telecommunications has also notified its PMI Order dated 29.08.2018 to promote the local manufacture of the telecom items by mandating preference to the local manufactures in the procurement of telecom items. This notification is also applicable to all Central Schemes (CS)/Central Sector Schemes(CSS) , for which procurement is made by States and Local Bodies , if that project or scheme is fully or partially funded by the Government of Including Universal Service Obligation Fund(USOF) projects.

5. In order to enhance India's manufacturing capabilities and exports-Atmanirbhar Bharat, the Government has approved the introduction of Production Linked Incentive (PLI) Scheme in ten sectors i.e. Advance Chemistry Cell(ACC) Battery, Electronic /Technology Products, Automobiles & Auto Components, Pharmaceuticals drugs, Telecom & Networking Products, Textile Products: MMF segment and technical textiles, Food Products, High Efficiency Solar PV Modules, White Goods(ACs and LED) and Specialty Steel.

6. Ministry of Railways has recently issued revised notifications for wagon items, track items and LHB coaches where , except for a few products , procurement of all components is restricted to local suppliers having more than 50% local content .For procurement of Electrics for the prestigious Vande Bharat trains, minimum local content is kept at 75%. Similarly, minimum local content requirements for Electrics for EMU and MEMU trains has been kept as 60%. Railways have reduced import of goods, as percentage of total procurement of goods, from 6.05% in 2012-1.6% in 2019-20. Rolling stock, signaling equipment and Track machines are being indigenized in collaboration of local manufacturers.
