

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

**UNSTARRED QUESTION NO. 2778.  
TO BE ANSWERED ON WEDNESDAY, THE 3<sup>RD</sup> AUGUST, 2022.**

**PPP-MII**

**2778. DR. SHASHI THAROOR:**

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

**वाणिज्य एवं उद्योग मंत्री**

- (a) whether the Government has issued an order on Public Procurement (Preference to Make in India) in October 2017;
- (b) if so, details thereof;
- (c) the details of the total procurement of goods and services complying with the PPP-MII order and the total procurement of goods and services conducted by all the Ministries since October, 2017, ministry and year-wise;
- (d) whether the Ministry has issued an amendment to the PPP-MII order which allows foreign companies with minimum domestic value addition of only 20% to participate in public procurement;
- (e) if so, the details thereof along with the reasons for the amendment; and
- (f) the number of complaints filed and disposed of since the launch of the online complaints redressal platform for non-compliance with PPP-MII requirements, Ministry-wise?

**ANSWER**

**वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्री सोम प्रकाश)**

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

- (a) & (b):** Yes Sir, the Government of India issued Public Procurement (Preference to Make in India), Order 2017 (PPP-MII Order) on 15.06.2017. The Order has been amended subsequently four times since. A copy of the last amended Order dated 16.09.2020 is attached.
- (c):** All procurement by Central Ministries / Departments, their Attached/Subordinate offices, Autonomous bodies controlled by Government of India and Public sector companies are mandatorily

required to follow the provisions of the Order in their procurement, except in case of the following exceptions to the Order:

- i. Procurement of goods, services or works with tender value less than Rs. 5 lakhs.
- ii. In cases where a Ministry / Department has its own policy for purchase preference, approved by the Cabinet after 01.01.2015 but before the issuance of PPP-MII Order, 2017; their policies will prevail over the provisions of this Order.

However, details of total procurement of goods and services by all the Ministries since October, 2017, Ministry and year-wise is not maintained centrally.

**(d) & (e):** 1. The PPP-MII Order was amended on 04.06.2020 to introduce the following changes in the Order:

- a. Suppliers or bidders are categorized into following categories depending upon the local content in the quoted item:
  - i. Class I local suppliers – Suppliers which offer item with more than 50% local content.
  - ii. Class II local suppliers – Suppliers which offer item with more than 20% but less than 50% local content.
  - iii. Non-local supplier – Suppliers which offer items with less than 20% local content.

The Order was further amended on 16.09.2020 to authorize the Nodal Ministry, for the particular item, to increase (not decrease) minimum local content requirement for Class-I and Class-II local suppliers.

- b. Only 'Class-I local supplier' and 'Class-II local supplier' are eligible to bid in government procurements. Non-local suppliers can participate only when a Global Tender Enquiry has been issued (i.e. for tender worth Rupees 200 crore and above or allowed as an exception, after taking prior approval from the authorized competent authority). Bidders offering imported items, even as dealers/resellers, are not allowed to participate unless Global Tender Enquiry is issued.

2. The aforesaid amendments in the Order were introduced to further boost domestic manufacturing and encourage procurement of only locally produced items and to debar participation of imported items in central government procurement unless global tender enquiry is issued or permitted as an exception.

**(f):** DPIIT launched an the Online Portal (<https://pmiig.dpiit.gov.in>) on 05.05.2021 for redressal of grievances lodged for alleged violations of PPP-MII Order, 2017 by the procuring entities. So far, total number of 110 grievances has been received on this portal against the tenders floated

by various procuring entities of Central and State Governments. DPIIT has addressed all the grievances and forwarded them to the concerned Ministries / Departments and Procuring Entities for taking necessary corrective action. Ministry-wise breakup of the grievances is provided as under:

<b>Sr. No.</b>	<b>Name of Ministry / Department</b>	<b>No. of Complaints Received</b>	<b>No. of complaints addressed / disposed Off</b>
1	Department of Higher Education	12	12
2	Defence	8	8
3	Power	7	7
4	Home	6	6
5	DFS	6	6
6	Mines	5	5
7	MoHUA	5	5
8	Railway	4	4
9	DoT	3	3
10	MeitY	3	3
11	MoRTH	3	3
12	Atomic Energy	2	2
13	Civil Aviation	3	3
14	MoH&FW	2	2
15	Coal	2	2
16	Consumer Affairs	2	2
17	Agriculture	2	2
18	Science & Tech	2	2
19	Information and Broadcasting	1	1
20	Heavy Industries	1	1
21	Earth sciences	1	1
22	Fertiliser	1	1
23	Textile	1	1
24	Tribal Affairs	1	1
25	DST	1	1
26	MoPNG	1	1
27	Space	1	1
28	State Governments and others	24	24

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