

Public Procurement Order, 2017 amended

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In a bid to promote Make in India and curtail investments from adversarial neighbouring countries, the Government of India has amended the Public Procurement Order, 2017 enabling nodal Ministries/Departments to notify higher minimum local content requirement for Class-I and Class-II local suppliers which was earlier fixed at 50 per cent and 20 per cent respectively, according to a release by the Ministry of Commerce and Industry.

Key Highlights

- As per the Order, entities of countries which do not allow Indian companies to participate in their government procurement for any item, shall not be allowed to participate in government procurement in India for all items related to that nodal Ministry/ Department, except for the list of items published by the Ministry/ Department permitting their participation, the Commerce ministry said.
- “Specifying foreign certifications/ unreasonable technical specifications/ brands/ models in the bid document is restrictive and discriminatory practice against local suppliers. Foreign certification, if required, shall be stipulated only with the approval of the Secretary of the Department concerned,” the ministry said.
- All administrative Ministries/Departments whose procurement exceeds ₹1,000 crore per annum shall notify their procurement projections for the next 5 years on their

respective website.

- An upper threshold value of procurement beyond which foreign companies shall enter into a joint venture with an Indian company to participate in government tenders shall be notified, read the release.

SOURCE: *The Indian Express, PIB*