COMPENDIUM OF ORDERS, MINUTES OF STANDING COMMITTEE MEETINGS AND SUBSEQUENT AMENDMENTS IN PUBLIC PROCUREMENT DIVISION

(From 1 June, 2017 to 31 January, 2021)

Government of India

Department for Promotion of Industry & Internal Trade

Ministry of Commerce & Industry

Public Procurement Division

Udyog Bhawan, New Delhi - 110011
Preface

The Government of India has been taking various initiatives to promote manufacturing in the country through initiatives such as Make in India, Ease of Doing Business, Investor facilitation, Foreign Direct Investment reforms, new infrastructure creation and various outreach programmes. The objective is to increase the share of manufacturing to 25% of Gross Domestic Product (GDP) and to create 100 million additional jobs.

Public procurement is an important Government activity which is widely used as a tool to achieve various development objectives such as supporting domestic industries, supporting innovation, preserving competition in the domestic market, etc. It is an important instrument to support domestic manufacturing activity and to build a strong ecosystem of entire value chain of production including that of components, subcomponents and ancillary services base in the country.

The importance of public procurement as a policy tool arises primarily due to the large size of expenditures incurred by Governments worldwide. As per details on World Bank’s website, the size of public procurement spending in India is estimated to be around 20% of the GDP. According to the Central Public Procurement Platform (CPPP) Report, e-tenders worth Rupees twenty lacs crores (approx.) were invited on NIC e-tendering platform in 2018-19, which represent only a part of the total procurement.

The Group of Secretaries on Commerce and Industry in their recommendations to Hon'ble PM in January 2017 suggested a public procurement policy to give preference for domestic goods and services. The objective behind the above recommendations was to encourage “Make in India” Policy and to see that domestic manufacturing is not put to any disadvantageous position on account of restrictive/prohibitive qualifications. The aforesaid recommendations were accepted. Meanwhile, Department of Expenditure had introduced an enabling provision under Rule 153 (iii) of General Financial Rules, 2017 to promote domestic value addition in public procurement and has made it binding to adhere to the notifications issued under this Rule.

The Public Procurement (Preference to Make in India) Order 2017, last amended on 16.09.2019, was issued pursuant to Rule 153 (iii) of the General Financial Rules 2017, as an enabling provision to promote local industry by providing them preference in public procurement of Goods, Works and Services.

This compendium is a compilation of rules and regulations regarding Public Procurement (Preference to Make In India) order, 2017 latest amended on 16.09.2020 to issue notifications by nodal ministries for the items with sufficient local capacity & competition and Minutes of standing committee will be helpful for procuring entities with all relevant details about this order.
<table>
<thead>
<tr>
<th>S.No.</th>
<th>Description</th>
<th>Notification Dated</th>
<th>Page no.</th>
</tr>
</thead>
<tbody>
<tr>
<td>01.</td>
<td>Public Procurement (Preference to Make in India) Revised Order</td>
<td>16-09-2020</td>
<td>1-9</td>
</tr>
<tr>
<td>02.</td>
<td>Nomination of Nodal Ministries/ Departments vide. OM No. P-45021/229/2020-PP (BE-II)</td>
<td>22-01-2021</td>
<td>10-13</td>
</tr>
<tr>
<td>03.</td>
<td>DO letter by PS to PM referring D.O. letter No. P-45021/12/2017-B.E.-II dated 8th December, 2017 conveying the Department’s concerns regarding implementation of Public Procurement (Preference to Make in India) Order, 2017</td>
<td>10-12-2017</td>
<td>14</td>
</tr>
<tr>
<td>04.</td>
<td>D.O. letter by PS to PM regarding complaints being received alleging Government entities</td>
<td>03-01-2019</td>
<td>15</td>
</tr>
<tr>
<td></td>
<td><strong>Notification regarding Declaration of Sufficient Local Capacity and Competition under clause 3(a) of PPP-MII Order 2017</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Nodal Ministry</strong></td>
<td><strong>Notification dated</strong></td>
<td></td>
</tr>
<tr>
<td>05.</td>
<td>Ministry of Housing and Urban Affairs</td>
<td>16-29</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Notification 1</td>
<td>01-01-2021</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Notification 2</td>
<td>14-10-2020</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Notification 3</td>
<td>05-05-2020</td>
<td></td>
</tr>
<tr>
<td>06.</td>
<td>Department of Heavy Industries</td>
<td>30-35</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Notification 1</td>
<td>22-10-2020</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Notification 2</td>
<td>29-09-2020</td>
<td></td>
</tr>
<tr>
<td>07.</td>
<td>Ministry of New &amp; Renewable Energy</td>
<td>36-47</td>
<td></td>
</tr>
<tr>
<td>08.</td>
<td>Ministry of Railways</td>
<td>48-53</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Notification 1</td>
<td>18-09-2020</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Notification 2</td>
<td>12-07-2020</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Notification 3</td>
<td>22-06-2020</td>
<td></td>
</tr>
<tr>
<td>09.</td>
<td>Ministry of Power</td>
<td>54-78</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Notification 1</td>
<td>17-09-2020</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Notification 2</td>
<td>28-07-2020</td>
<td></td>
</tr>
<tr>
<td>10.</td>
<td>Ministry of Electronics and Information Technology gazette Notification</td>
<td>07-09-2020</td>
<td>79-112</td>
</tr>
<tr>
<td></td>
<td>Department of Defence Production</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>Notification 1</td>
<td>05-10-2020</td>
<td></td>
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<tr>
<td></td>
<td>Notification 2</td>
<td>25-08-2020</td>
<td></td>
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<tr>
<td></td>
<td>Department of Chemicals and Petrochemicals</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Notification 1</td>
<td>20-08-2020</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Notification 2</td>
<td>01-06-2020</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Notification 3</td>
<td>01-01-2019</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Department for Promotion of Industry &amp; Internal Trade</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Cement Section Notification</td>
<td>13-05-2020</td>
<td></td>
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<tr>
<td></td>
<td>Paper Section Notification</td>
<td>13-05-2020</td>
<td></td>
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<tr>
<td></td>
<td>Ministry of Ports, Shipping and Waterways</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Gazetted Notification 1</td>
<td>05-05-2020</td>
<td></td>
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<tr>
<td></td>
<td>Gazetted Notification 2</td>
<td>05-05-2020</td>
<td></td>
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<tr>
<td></td>
<td>Department of Communications</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Notification 1</td>
<td>29-08-2018</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Minutes of Standing Committee Meetings implementing PPP-MII Order, 2017</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Minutes of 1st SCM</td>
<td>24-08-2017</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Minutes of 2nd SCM</td>
<td>06-12-2017</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Minutes of 3rd SCM</td>
<td>23-04-2018</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Minutes of 4th SCM</td>
<td>27-08-2018</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Minutes of 5th SCM</td>
<td>06-03-2019</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Minutes of 6th SCM</td>
<td>19-03-2019</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Minutes of 7th SCM</td>
<td>26-06-2019</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Minutes of 8th SCM</td>
<td>10-10-2019</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Minutes of 9th SCM</td>
<td>04-12-2019</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Minutes of 10th SCM</td>
<td>21-08-2020</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Minutes of 11th SCM</td>
<td>05-01-2020</td>
<td></td>
</tr>
</tbody>
</table>
To

All Central Ministries/Departments/CPSUs/All concerned

ORDER

Subject: Public Procurement (Preference to Make in India), Order 2017– Revision; regarding.

Department for Promotion of Industry and Internal Trade, in partial modification [Paras 2, 3, 5, 10 & 13] of Order No.P-45021/2/2017-B.E.-II dated 15.6.2017 as amended by Order No.P-45021/2/2017-B.E.-II dated 28.05.2018, Order No.P-45021/2/2017-B.E.-II dated 29.05.2019 and Order No.P-45021/2/2017-B.E.-II dated 04.06.2020, hereby issues the revised ‘Public Procurement (Preference to Make in India), Order 2017’ dated 16.09.2020 effective with immediate effect.

Whereas it is the policy of the Government of India to encourage ‘Make in India’ and promote manufacturing and production of goods and services in India with a view to enhancing income and employment, and

Whereas procurement by the Government is substantial in amount and can contribute towards this policy objective, and

Whereas local content can be increased through partnerships, cooperation with local companies, establishing production units in India or Joint Ventures (JV) with Indian suppliers, increasing the participation of local employees in services and training them,

Now therefore the following Order is issued:

1. This Order is issued pursuant to Rule 153 (iii) of the General Financial Rules 2017.

2. Definitions: For the purposes of this Order:

‘Local content’ means the amount of value added in India which shall, unless otherwise prescribed by the Nodal Ministry, be the total value of the item procured (excluding net domestic indirect taxes) minus the value of imported content in the item (including all customs duties) as a proportion of the total value, in percent.

‘Class-I local supplier’ means a supplier or service provider, whose goods, services or works offered for procurement, meets the minimum local content as prescribed for ‘Class-I local supplier’ under this Order

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"Class-II local supplier" means a supplier or service provider, whose goods, services or works offered for procurement, meets the minimum local content as prescribed for 'Class-II local supplier' but less than that prescribed for 'Class-I local supplier' under this Order.

"Non-local supplier" means a supplier or service provider, whose goods, services or works offered for procurement, has local content less than that prescribed for 'Class-II local supplier' under this Order.

'L1' means the lowest tender or lowest bid or the lowest quotation received in a tender, bidding process or other procurement solicitation as adjudged in the evaluation process as per the tender or other procurement solicitation.

'Margin of purchase preference' means the maximum extent to which the price quoted by a "Class-I local supplier" may be above the L1 for the purpose of purchase preference.

'Nodal Ministry' means the Ministry or Department identified pursuant to this order in respect of a particular item of goods or services or works.

'Procuring entity' means a Ministry or department or attached or subordinate office of, or autonomous body controlled by, the Government of India and includes Government companies as defined in the Companies Act.

'Works' means all works as per Rule 130 of GFR-2017, and will also include 'turnkey works'.

3. Eligibility of 'Class-I local supplier'/ 'Class-II local supplier'/ 'Non-local suppliers' for different types of procurement

(a) In procurement of all goods, services or works in respect of which the Nodal Ministry / Department has communicated that there is sufficient local capacity and local competition, only 'Class-I local supplier', as defined under the Order, shall be eligible to bid irrespective of purchase value.

(b) Only 'Class-I local supplier' and 'Class-II local supplier', as defined under the Order, shall be eligible to bid in procurements undertaken by procuring entities, except when Global tender enquiry has been issued. In global tender enquiries, 'Non-local suppliers' shall also be eligible to bid along with 'Class-I local suppliers' and 'Class-II local suppliers'. In procurement of all goods, services or works, not covered by sub-para 3(a) above, and with estimated value of purchases less than Rs. 200 Crore, in accordance with Rule 161(iv) of GFR, 2017, Global tender enquiry shall not be issued except with the approval of competent authority as designated by Department of Expenditure.

(c) For the purpose of this Order, works includes Engineering, Procurement and Construction (EPC) contracts and services include System Integrator (SI) contracts.

.....Contd. p/3
3A. Purchase Preference

(a) Subject to the provisions of this Order and to any specific instructions issued by the Nodal Ministry or in pursuance of this Order, purchase preference shall be given to 'Class-I local supplier' in procurements undertaken by procuring entities in the manner specified here under.

(b) In the procurements of goods or works, which are covered by para 3(b) above and which are divisible in nature, the 'Class-I local supplier' shall get purchase preference over 'Class-II local supplier' as well as 'Non-local supplier', as per following procedure:

i. Among all qualified bids, the lowest bid will be termed as L1. If L1 is 'Class-I local supplier', the contract for full quantity will be awarded to L1.

ii. If L1 bid is not a 'Class-I local supplier', 50% of the order quantity shall be awarded to L1. Thereafter, the lowest bidder among the 'Class-I local supplier' will be invited to match the L1 price for the remaining 50% quantity subject to the Class-I local supplier's quoted price falling within the margin of purchase preference, and contract for that quantity shall be awarded to such 'Class-I local supplier' subject to matching the L1 price. In case such lowest eligible 'Class-I local supplier' fails to match the L1 price or accepts less than the offered quantity, the next higher 'Class-I local supplier' within the margin of purchase preference shall be invited to match the L1 price for remaining quantity and so on, and contract shall be awarded accordingly. In case some quantity is still left uncovered on Class-I local suppliers, then such balance quantity may also be ordered on the L1 bidder.

(c) In the procurements of goods or works, which are covered by para 3(b) above and which are not divisible in nature, and in procurement of services where the bid is evaluated on price alone, the 'Class-I local supplier' shall get purchase preference over 'Class-II local supplier' as well as 'Non-local supplier', as per following procedure:

i. Among all qualified bids, the lowest bid will be termed as L1. If L1 is 'Class-I local supplier', the contract will be awarded to L1.

ii. If L1 is not 'Class-I local supplier', the lowest bidder among the 'Class-I local supplier', will be invited to match the L1 price subject to Class-I local supplier's quoted price falling within the margin of purchase preference, and the contract shall be awarded to such 'Class-I local supplier' subject to matching the L1 price.

iii. In case such lowest eligible 'Class-I local supplier' fails to match the L1 price, the 'Class-I local supplier' with the next higher bid within the margin of purchase preference shall be invited to match the L1 price and so on and contract shall be awarded accordingly. In case none of the 'Class-I local supplier' within the margin of purchase preference matches the L1 price, the contract may be awarded to the L1 bidder.

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(d) "Class-II local supplier" will not get purchase preference in any procurement, undertaken by procuring entities.

3B. Applicability in tenders where contract is to be awarded to multiple bidders - In tenders where contract is awarded to multiple bidders subject to matching of L1 rates or otherwise, the 'Class-I local supplier' shall get purchase preference over 'Class-II local supplier' as well as 'Non-local supplier', as per following procedure:

a) In case there is sufficient local capacity and competition for the item to be procured, as notified by the nodal Ministry, only Class I local suppliers shall be eligible to bid. As such, the multiple suppliers, who would be awarded the contract, should be all and only 'Class I Local suppliers'.

b) In other cases, 'Class II local suppliers' and 'Non local suppliers' may also participate in the bidding process along with 'Class I Local suppliers' as per provisions of this Order.

c) If 'Class I Local suppliers' qualify for award of contract for at least 50% of the tendered quantity in any tender, the contract may be awarded to all the qualified bidders as per award criteria stipulated in the bid documents. However, in case 'Class I Local suppliers' do not qualify for award of contract for at least 50% of the tendered quantity, purchase preference should be given to the 'Class I local supplier' over 'Class II local suppliers' 'Non local suppliers' provided that their quoted rate falls within 20% margin of purchase preference of the highest quoted bidder considered for award of contract so as to ensure that the 'Class I Local suppliers' taken in totality are considered for award of contract for at least 50% of the tendered quantity.

d) First purchase preference has to be given to the lowest quoting 'Class-I local supplier', whose quoted rates fall within 20% margin of purchase preference, subject to its meeting the prescribed criteria for award of contract as also the constraint of maximum quantity that can be sourced from any single supplier. If the lowest quoting 'Class-I local supplier', does not qualify for purchase preference because of aforesaid constraints or does not accept the offered quantity, an opportunity may be given to next higher 'Class-I local supplier', falling within 20% margin of purchase preference, and so on.

e) To avoid any ambiguity during bid evaluation process, the procuring entities may stipulate its own tender specific criteria for award of contract amongst different bidders including the procedure for purchase preference to 'Class-I local supplier' within the broad policy guidelines stipulated in sub-paras above.

4. Exemption of small purchases: Notwithstanding anything contained in paragraph 3, procurements where the estimated value to be procured is less than Rs. 5 lakhs shall be exempt from this Order. However, it shall be ensured by procuring entities that procurement is not split for the purpose of avoiding the provisions of this Order.

5. Minimum local content: The 'local content' requirement to categorize a supplier as 'Class-I local supplier' is minimum 50%. For 'Class-II local supplier', the 'local content' requirement is minimum 20%. Nodal Ministry/ Department may prescribe only a higher

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percentage of minimum local content requirement to categorize a supplier as 'Class-I local supplier' / 'Class-II local supplier'. For the items, for which Nodal Ministry/Department has not prescribed higher minimum local content notification under the Order, it shall be 50% and 20% for 'Class-I local supplier' / 'Class-II local supplier' respectively.

6. **Margin of Purchase Preference**: The margin of purchase preference shall be 20%.

7. **Requirement for specification in advance**: The minimum local content, the margin of purchase preference and the procedure for preference to Make in India shall be specified in the notice inviting tenders or other form of procurement solicitation and shall not be varied during a particular procurement transaction.

8. **Government E-marketplace**: In respect of procurement through the Government E-marketplace (GeM) shall, as far as possible, specifically mark the items which meet the minimum local content while registering the item for display, and shall, wherever feasible, make provision for automated comparison with purchase preference and without purchase preference and for obtaining consent of the local supplier in those cases where purchase preference is to be exercised.

9. **Verification of local content**:

   a. The 'Class-I local supplier' / 'Class-II local supplier' at the time of tender, bidding or solicitation shall be required to indicate percentage of local content and provide self-certification that the item offered meets the local content requirement for 'Class-I local supplier' / 'Class-II local supplier', as the case may be. They shall also give details of the location(s) at which the local value addition is made.

   b. In cases of procurement for a value in excess of Rs. 10 crores, the 'Class-I local supplier' / 'Class-II local supplier' shall be required to provide a certificate from the statutory auditor or cost auditor of the company (in the case of companies) or from a practicing cost accountant or practicing chartered accountant (in respect of suppliers other than companies) giving the percentage of local content.

   c. Decisions on complaints relating to implementation of this Order shall be taken by the competent authority which is empowered to look into procurement-related complaints relating to the procuring entity.

   d. Nodal Ministries may constitute committees with internal and external experts for independent verification of self-declarations and auditor's/ accountant's certificates on random basis and in the case of complaints.

   e. Nodal Ministries and procuring entities may prescribe fees for such complaints.

   f. False declarations will be in breach of the Code of Integrity under Rule 175(1)(i)(n) of the General Financial Rules for which a bidder or its successors can be debarred for up to two years as per Rule 151 (iii) of the General Financial Rules along with such other actions as may be permissible under law.

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g. A supplier who has been debarred by any procuring entity for violation of this Order shall not be eligible for preference under this Order for procurement by any other procuring entity for the duration of the debarment. The debarment for such other procuring entities shall take effect prospectively from the date on which it comes to the notice of other procurement entities, in the manner prescribed under paragraph 9h below.

h. The Department of Expenditure shall issue suitable instructions for the effective and smooth operation of this process, so that:

i. The fact and duration of debarment for violation of this Order by any procuring entity are promptly brought to the notice of the Member-Convenor of the Standing Committee and the Department of Expenditure through the concerned Ministry/Department or in some other manner;

ii. on a periodical basis such cases are consolidated and a centralized list or decentralized lists of such suppliers with the period of debarment is maintained and displayed on website(s);

iii. in respect of procuring entities other than the one which has carried out the debarment, the debarment takes effect prospectively from the date of uploading on the website(s) in the such a manner that ongoing procurements are not disrupted.

10. Specifications in Tenders and other procurement solicitations:

a. Every procuring entity shall ensure that the eligibility conditions in respect of previous experience fixed in any tender or solicitation do not require proof of supply in other countries or proof of exports.

b. Procuring entities shall endeavour to see 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' who would otherwise be eligible, beyond what is essential for ensuring quality or creditworthiness of the supplier.

c. Procuring entities shall, within 2 months of the issue of this Order review all existing eligibility norms and conditions with reference to sub-paragraphs 'a' and 'b' above.

d. Reciprocity Clause

i. When a Nodal Ministry/Department identifies that Indian suppliers of an item are not allowed to participate and/or compete in procurement by any foreign government, due to restrictive tender conditions which have direct or indirect effect of barring Indian companies such as registration in the procuring country, execution of projects of specific value in the procuring country etc., it shall provide such details to all its procuring entities including CMDs/CEOs of PSEs/PSUs, State Governments and other procurement agencies under their administrative control and GeM for appropriate reciprocal action.

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ii. Entities of countries which have been identified by the nodal Ministry/Department as not allowing Indian companies to participate in their Government procurement for any item related to that nodal Ministry 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.

iii. The stipulation in (ii) above shall be part of all tenders invited by the Central Government procuring entities stated in (i) above. All purchases on GeM shall also necessarily have the above provisions for items identified by nodal Ministry/Department.

iv. State Governments should be encouraged to incorporate similar provisions in their respective tenders.

v. The term ‘entity’ of a country shall have the same meaning as under the FDI Policy of DPIIT as amended from time to time.

e. Specifying foreign certifications/ unreasonable technical specifications/ brands/models in the bid document is restrictive and discriminatory practice against local suppliers. If foreign certification is required to be stipulated because of non-availability of Indian Standards and/or for any other reason, the same shall be done only after written approval of Secretary of the Department concerned or any other Authority having been designated such power by the Secretary of the Department concerned.

f. “All administrative Ministries/Departments whose procurement exceeds Rs. 1000 Crore per annum shall notify/ update their procurement projections every year, including those of the PSEs/PSUs, for the next 5 years on their respective website.”

10A. Action for non-compliance of the Provisions of the Order: In case restrictive or discriminatory conditions against domestic suppliers are included in bid documents, an inquiry shall be conducted by the Administrative Department undertaking the procurement (including procurement by any entity under its administrative control) to fix responsibility for the same. Thereafter, appropriate action, administrative or otherwise, shall be taken against erring officials of procurement entities under relevant provisions. Intimation on all such actions shall be sent to the Standing Committee.

11. Assessment of supply base by Nodal Ministries: The Nodal Ministry shall keep in view the domestic manufacturing / supply base and assess the available capacity and the extent of local competition while identifying items and prescribing the higher minimum local content or the manner of its calculation, with a view to avoiding cost increase from the operation of this Order.

12. Increase in minimum local content: The Nodal Ministry may annually review the local content requirements with a view to increasing them, subject to availability of sufficient local competition with adequate quality.

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13. **Manufacture under license/ technology collaboration agreements with phased indigenization**: While notifying the minimum local content, Nodal Ministries may make special provisions for exempting suppliers from meeting the stipulated local content if the product is being manufactured in India under a license from a foreign manufacturer who holds intellectual property rights and where there is a technology collaboration agreement / transfer of technology agreement for indigenous manufacture of a product developed abroad with clear phasing of increase in local content.

13A. **In procurement of all goods, services or works in respect of which there is substantial quantity of public procurement and for which the nodal ministry has not notified that there is sufficient local capacity and local competition, the concerned nodal ministry shall notify an upper threshold value of procurement beyond which foreign companies shall enter into a joint venture with an Indian company to participate in the tender. Procuring entities, while procuring such items beyond the notified threshold value, shall prescribe in their respective tenders that foreign companies may enter into a joint venture with an Indian company to participate in the tender. The procuring Ministries/Departments shall also make special provisions for exempting such joint ventures from meeting the stipulated minimum local content requirement, which shall be increased in a phased manner.**

14. **Powers to grant exemption and to reduce minimum local content**: The administrative Department undertaking the procurement (including procurement by any entity under its administrative control), with the approval of their Minister-in-charge, may by written order, for reasons to be recorded in writing,

a. reduce the minimum local content below the prescribed level; or
b. reduce the margin of purchase preference below 20%; or
c. exempt any particular item or supplying entities from the operation of this Order or any part of the Order.

A copy of every such order shall be provided to the Standing Committee and concerned Nodal Ministry / Department. The Nodal Ministry / Department concerned will continue to have the power to vary its notification on Minimum Local Content.

15. **Directions to Government companies**: In respect of Government companies and other procuring entities not governed by the General Financial Rules, the administrative Ministry or Department shall issue policy directions requiring compliance with this Order.

16. **Standing Committee**: A standing committee is hereby constituted with the following membership:

- Secretary, Department for Promotion of Industry and Internal Trade—Chairman
- Secretary, Commerce—Member
- Secretary, Ministry of Electronics and Information Technology—Member
- Joint Secretary (Public Procurement), Department of Expenditure—Member
- Joint Secretary (DPIIT)—Member-Convenor

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The Secretary of the Department concerned with a particular item shall be a member in respect of issues relating to such item. The Chairman of the Committee may co-opt technical experts as relevant to any issue or class of issues under its consideration.

17. Functions of the Standing Committee: The Standing Committee shall meet as often as necessary, but not less than once in six months. The Committee

a. shall oversee the implementation of this order and issues arising therefrom, and make recommendations to Nodal Ministries and procuring entities.
b. shall annually assess and periodically monitor compliance with this Order
c. shall identify Nodal Ministries and the allocation of items among them for issue of notifications on minimum local content
d. may require furnishing of details or returns regarding compliance with this Order and related matters
e. may, during the annual review or otherwise, assess issues, if any, where it is felt that the manner of implementation of the order results in any restrictive practices, cartelization or increase in public expenditure and suggest remedial measures
f. may examine cases covered by paragraph 13 above relating to manufacture under license/technology transfer agreements with a view to satisfying itself that adequate mechanisms exist for enforcement of such agreements and for attaining the underlying objective of progressive indigenization
g. may consider any other issue relating to this Order which may arise.

18. Removal of difficulties: Ministries/Departments and the Boards of Directors of Government companies may issue such clarifications and instructions as may be necessary for the removal of any difficulties arising in the implementation of this Order.

19. Ministries having existing policies: Where any Ministry or Department has its own policy for preference to local content approved by the Cabinet after 1st January 2015, such policies will prevail over the provisions of this Order. All other existing orders on preference to local content shall be reviewed by the Nodal Ministries and revised as needed to conform to this Order, within two months of the issue of this Order.

20. Transitional provision: This Order shall not apply to any tender or procurement for which notice inviting tender or other form of procurement solicitation has been issued before the issue of this Order.

(Rajesh Gupta)
Director
Tel: 23063211
rajesh.gupta66@gov.in
OFFICE MEMORANDUM

Subject: Nomination of Nodal Ministries/Departments as per decision taken in 11th Meeting of Standing Committee of Public Procurement (Preference to Make in India) Order 2017 -reg.

The undersigned is directed to refer para No. 4.1 to 4.3 of Minutes of 11th meeting (copy enclosed) of Standing Committee held on 05.01.2021 at 11.30 A.M. under the chairmanship of Secretary, Department for Promotion of Industry and Internal Trade and to say that nodal Ministries/Departments are nominated for following additional product categories:

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Category of Item</th>
<th>Nodal Ministry</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Scientific lab &amp; test equipment</td>
<td>Department of Science and Technology</td>
</tr>
<tr>
<td>2</td>
<td>Light Engineering Items, Lifts and Escalators, Air-conditioners</td>
<td>Department for Promotion of Industry and Internal Trade</td>
</tr>
<tr>
<td>3</td>
<td>Currency Counting Machine</td>
<td>Ministry of electronics and Information Technology</td>
</tr>
<tr>
<td>4</td>
<td>X-Ray Baggage Scanner</td>
<td>Ministry of Civil Aviation</td>
</tr>
<tr>
<td>5</td>
<td>CCTV Camera, Security system, Video Surveillance System and all related appliances</td>
<td>Department of Telecommunications</td>
</tr>
</tbody>
</table>

2. Accordingly, the consolidated list of nodal Ministries for various product categories is enclosed as Appendix “A”.

3. Department of Science and Technology may appoint a nodal Officer and send details (name, email id and telephone number) to this Department.

4. This issues with the approval of Competent Authority.

(Rajesh Gupta)
Director

Email: rajesh.gupta66@gov.in
Ph.- 011-2360 3211

To

1. Secretary, Department of Science & Technology, Technology Bhawan, New Delhi. Email: dstsec@nic.in
2. Secretary, Ministry of Electronics & Information Technology, Electronics Nikatan, 6 CGO Complex, Lodhi Road, New Delhi. Email: secretary@meity.gov.in
3. Secretary, Ministry of Civil Aviation, Rajiv Gandhi Bhawan, Safdarjang Airportn New Delhi. Email: secy.moca@nic.in
4. Secretary, Department of Telecommunications, Room No. 210, Sanchar Bhawan, Rafi Marg, New Delhi. Email: secy-dot@nic.in
5. Sh. Anil Agrawal, Joint Secretary, Department for Promotion of Industry and Internal Trade, Udyog Bhawan, New Delhi. Email: agrawal.anil@gov.in
6. Sh. Saurabh Gaur, Joint Secretary, Ministry of Electronics & Information Technology, Electronics Nikatan, 6 CGO Complex, Lodhi Road, New Delhi. Email: saurabh.gaur@meity.gov.in
7. Ms. Rubina Ali, Joint Secretary, Ministry of Civil Aviation, Rajiv Gandhi Bhawan, Safdarjang Airportn New Delhi. Email: rubina.ali@nic.in
8. Sh. Hari Ranjan Rao, Joint Secretary, Department of Telecommunications, Sanchar Bhawan, Rafi Marg, New Delhi. Email: jst-dot@nic.in

Copy for Information to

1. All Ministries/Departments/CPSUs/Attached Offices etc. (As per list attached)
2. All Industry Associations (As per list attached)
# APPENDIX -A

## PUBLIC PROCUREMENT (PREFERENCE TO MAKE IN INDIA) ORDER 2017

## APPROVED PRODUCT CATEGORIES AND ASSOCIATED MINISTRY/ DEPARTMENT

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Product categories</th>
<th>Associated Ministries/Departments</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Pharmaceuticals, Medical Devices</td>
<td>Department of Pharmaceuticals</td>
</tr>
<tr>
<td>2.</td>
<td>IT and Electronics (including softwares), Currency Counting Machine</td>
<td>Ministry of Electronics &amp; IT</td>
</tr>
<tr>
<td>3.</td>
<td>Telecommunications, CCTV Camera, Security system, Video Surveillance System and all related appliances</td>
<td>Department of Telecommunications</td>
</tr>
<tr>
<td>4.</td>
<td>Automobile and Automotive Components, Capital Goods (Heavy Machinery, Machine Tools etc.)</td>
<td>Department of Heavy Industries</td>
</tr>
<tr>
<td>5.</td>
<td>Petroleum and Natural Gas</td>
<td>Ministry of Petroleum and Natural Gas</td>
</tr>
<tr>
<td>6.</td>
<td>Chemicals</td>
<td>Department of Chemicals &amp; Petrochemicals</td>
</tr>
<tr>
<td>7.</td>
<td>Paper Products, Cement, Leather Products, Light Engineering Items, Lifts and Escalators, Air-Conditioners</td>
<td>Department for Promotion of Industry and Internal Trade</td>
</tr>
<tr>
<td>8.</td>
<td>Construction, Metro Rail Systems, All other works</td>
<td>Ministry of Housing &amp; Urban Affairs</td>
</tr>
<tr>
<td>9.</td>
<td>Textiles &amp; Apparel</td>
<td>Ministry of Textiles</td>
</tr>
<tr>
<td>10.</td>
<td>Shipping</td>
<td>Ministry of Shipping</td>
</tr>
<tr>
<td>11.</td>
<td>Railways, All Railway Works</td>
<td>Ministry of Railways</td>
</tr>
<tr>
<td>12.</td>
<td>All Defence Works</td>
<td>Department of Defence, Ministry of Defence</td>
</tr>
<tr>
<td>13.</td>
<td>Defence</td>
<td>Department of Defence Production</td>
</tr>
<tr>
<td>14.</td>
<td>Power (generation, transmission and distribution)</td>
<td>Ministry of Power</td>
</tr>
<tr>
<td>15.</td>
<td>Non-conventional energy</td>
<td>Ministry of New and Renewable Energy</td>
</tr>
<tr>
<td>16.</td>
<td>Aviation, X-Ray Baggage Scanner</td>
<td>Ministry of Civil Aviation</td>
</tr>
<tr>
<td>17.</td>
<td>Iron and Steel</td>
<td>Ministry of Steel</td>
</tr>
<tr>
<td>18.</td>
<td>Mining</td>
<td>Ministry of Mines</td>
</tr>
<tr>
<td>19.</td>
<td>Fertilizers</td>
<td>Department of Fertilizers</td>
</tr>
<tr>
<td>20.</td>
<td>Scientific lab &amp; test equipment</td>
<td>Department of Science and Technology</td>
</tr>
</tbody>
</table>
Minutes of 11th Meeting of Standing Committee to review the Implementation of Public Procurement (Preference to Make in India) Order, 2017 held on 05.01.2021 at 11.30 AM through Video Conferencing

List of participants is annexed.

2. Initiating the discussion, the Chairman welcomed the participants. Various points discussed in the meeting are detailed below in the succeeding paragraphs.

**Agenda Point No. 2**

4.1 The role of nodal Ministry and notification of 19 nodal Ministries/Departments for different product categories under PPP-MII Order, 2017 were perused. It was noted that request letters have been received from various stakeholders to notify nodal Ministry for the following items:

   a. “Scientific lab & test equipment” (SL&TE) – The items are being procured by various educational institutions (School, Colleges & Tech institutions), R&D Institutions (DGQA, RDSO, TEC and S&T Labs etc).

   b. Light Engineering Items (LEI) – The items are used in construction work like drinking water pipes of different types, its fittings, Hardware items, Electrical cables of different types, Electrical fittings like fans, tube lights etc, Electrical motors, Pumps and other similar electrical and mechanical appliances. The items are procured by all Ministries primarily MoHUA, Railways, Defence, etc.

   c. Lifts and Escalators – The items are procured by all Ministries primarily MoHUA, Railways, Defence, MoCA, etc.

   d. Air-conditioner – The items are procured by all Ministries primarily MoHUA, Railways, Defence, MoCA, MHA, etc.

   e. Currency Counting Machine – The items are primarily procured by Public Sector Banks under DFS.

   f. X-Ray Baggage Scanner – The items are primarily procured by Ministry of Railways, MoCA, MHA.

4.2 Standing Committee directed that following nodal Ministries/Departments may be notified for aforesaid items:

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Category of Item</th>
<th>Nodal Ministry</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Scientific lab &amp; test equipment</td>
<td>DST</td>
</tr>
<tr>
<td>2.</td>
<td>Light Engineering Items</td>
<td>DPIIT</td>
</tr>
<tr>
<td>3.</td>
<td>Lifts and Escalators</td>
<td>DPIIT</td>
</tr>
<tr>
<td>4.</td>
<td>Air-conditioners</td>
<td>DPIIT</td>
</tr>
<tr>
<td>5.</td>
<td>Currency Counting Machine</td>
<td>MeitY</td>
</tr>
<tr>
<td>6.</td>
<td>X-Ray Baggage Scanner</td>
<td>MoCA</td>
</tr>
</tbody>
</table>

4.3 Standing Committee also directed that for “CCTV Camera, Security system, Video Surveillance System and all related appliances”, DoT is the nodal Ministry. Standing Committee also advised that before the issue of notification by any other Ministry/Department for compliance of these products with cyber security/other guidelines, nodal Ministry should be consulted.

*(Action: DPIIT)*
December 10, 2017
No. 4745327

Dear Shri Ramesh,

Please refer to your D.O. letter No. P-45021/12/2017-B.E.-II dated 8th December, 2017 conveying the Department’s concerns regarding implementation of Public Procurement (Preference to Make in India) Order, 2017. It is very disturbing that the broad message has not been appreciated by various Departments. It should be the responsibility at the highest level in each Department to ensure that the tender conditions are strictly in sync with the public procurement order and each tender must be examined from the point of view of the interest of Indian manufacturers. Needless to mention that both the quality and price considerations would not be compromised and adhere to the standing orders on the subject. The requirement of significant global experience in terms of trade performance may eliminate many domestic manufacturers. Any tender which is not sensitive to ‘Make in India’ message deserves scrutiny. There has to be strong justifiable reason for incorporating any restrictive provision.

Please circulate this letter to Secretaries of all Departments. There should be standing arrangement in DIPP to entertain any such grievances of the domestic manufacturers and intervention where necessary may be made effective.

With regards,

Yours sincerely,

(Nripendra Misra)

Shri Ramesh Abhishek
Secretary
Department of Industrial Policy and Promotion
New Delhi.
Dear Secretary,

Complaints are being received, alleging that Government entities are indicating foreign make/brands and/or restrictive conditions in their tenders, thereby excluding local manufacturers from bidding process.

2. It may be noted that such stipulation of foreign make/brands and/or restrictive conditions (like mandatory requirement of certification by foreign bodies) in the tenders is not only violative of Public Procurement (Preference to Make in India) Order, 2017 (PPPI Order 2017) issued by DIPP, but also in violation of the General Financial Rules. In this regard, it is necessary to follow the following general guidelines:

   a. Indicating foreign make/brands in the tender, and thereby excluding local manufacturers and service providers from participation, is in violation of Public Procurement (Preference to Make in India) Order, 2017. Also, as per Rule 144(i) (b) of GFR 2017, procuring agency shall not indicate a requirement for a particular trade mark, trade name or a brand.

   b. As per Rule 144(iii) of GFR 2017, the technical specifications shall, to the extent practicable, be based on the national technical regulations or recognized national standards.

   c. Ministries/Departments should also ensure that their procurement entities do not incorporate any such restrictive and discriminatory eligibility criteria regarding turnover, specifications/testing/other standards in tender documents that exclude local manufacturers/service providers.

3. Please ensure compliance of the above guidelines strictly at the level of the Ministry/Department, as also by all attached/subordinate offices and PSUs/ Autonomous bodies under the administrative control of your Ministry/Department. Any violation in this regard shall be viewed seriously.

With regards,

Yours sincerely,

(Nripendra Misra)

Shri A.B.P. Pandey,
Secretary,
Department of Revenue,
New Delhi.
To,

MD's of all the Metro Rail Corporations (as per the list attached).

Subject: Public Procurement (Preference to Make in India) (PPP-MII) Order, 2017 dated 16.09.2020 - List of items which are to be procured from Class-I local suppliers.

Sir/Madam,

I am directed to say that pursuant to the review taken in terms of clause 3(a) of PPP-MII, Order 2017 dated 16.09.2020, a list of items is attached where there is sufficient local capacity and competition available for supplies in respect of Traction & Substations, E&M Works, Signalling and Rolling Stock. The list will be reviewed from time to time by the Ministry. All the Metro Rail/ RRTS Corporations are requested to ensure compliance in the relevant procurement of Metro components made by them.

Encl : As above.

Yours Sincerely,

(Jasbir Singh)
Under Secretary to the Govt. of India
Tel: 011-23062285

Copy to (for information):

i. Secretary, Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce And Industry, Udyog Bhawan, New Delhi <secy-ipp@nic.in>

ii. Shri Rajesh Gupta, Director, Public Procurement Section, DPIIT, Udhyog Bhawan New Delhi. <rajesh.gupta66@gov.in>
<table>
<thead>
<tr>
<th>No.</th>
<th>The Managing Director,</th>
<th>Address</th>
<th>Email Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Delhi Metro Rail Corporation Ltd.,</td>
<td>Metro Bhawan, Fire Brigade Lane, Barakhamba Road, New Delhi-110 001.</td>
<td><a href="mailto:mdmetro@dmrc.org">mdmetro@dmrc.org</a></td>
</tr>
<tr>
<td>2.</td>
<td>Chennai Metro Rail Ltd.,</td>
<td>Admn. Building, CMRL Depot, Poonamallee High Road, Koyambuddu, Chennai-600107.</td>
<td><a href="mailto:md.cmrl@tn.gov.in">md.cmrl@tn.gov.in</a></td>
</tr>
<tr>
<td>3.</td>
<td>National Capital Region Transport Corporation Ltd., (NCRTC)</td>
<td>7/6, AMDA Building, Siri Fort Institutional Area, August Kranti Marg, New Delhi - 110 049</td>
<td><a href="mailto:md.office@ncrtc.in">md.office@ncrtc.in</a></td>
</tr>
<tr>
<td>4.</td>
<td>Bangalore Metro Rail Corpn. Ltd.,</td>
<td>3rd Floor, BMTC Complex, K.H. Road, Shankinagar, Bangalore-560 027.</td>
<td><a href="mailto:md@bmrc.co.in">md@bmrc.co.in</a></td>
</tr>
<tr>
<td>5.</td>
<td>Hyderabad Metro Rail Ltd.,</td>
<td>Rasoolpura, Begumpet, Hyderabad- 500 016.</td>
<td><a href="mailto:nysreddyvirus@gmail.com">nysreddyvirus@gmail.com</a></td>
</tr>
<tr>
<td>6.</td>
<td>Uttar Pradesh Metro Rail Corpn. Ltd.,</td>
<td>Administrative Building, Near Dr. Bhimrao Ambedkar Samajik Parivartan Shal, Vipin Khand, Gomti Nagar, Lucknow-226 010.</td>
<td>md@<a href="mailto:lucknowmetro@gmail.com">lucknowmetro@gmail.com</a></td>
</tr>
<tr>
<td>7.</td>
<td>Jaipur Metro Rail Corporation Ltd.,</td>
<td>Premises, Tilak Marg C. Scheme, Jaipur-302 005.</td>
<td><a href="mailto:cmd@jaipurmetrorail.in">cmd@jaipurmetrorail.in</a></td>
</tr>
<tr>
<td>8.</td>
<td>Kochi Metro Rail Ltd.,</td>
<td>JLN Metro Station, 4th Floor, Kaloor, Ernakulam-682 017. Ph: 0484 2846700</td>
<td><a href="mailto:md@kmrl.co.in">md@kmrl.co.in</a></td>
</tr>
<tr>
<td>9.</td>
<td>Gujarat Metro Rail Corporation Limited, (for Ahmedabad, Gandhinagar and Surat Metros)</td>
<td>Block No.1, 1st Floor, Karma Yogi Bhavan, Sector-10A, Gandhinagar-382 010.</td>
<td><a href="mailto:md@gujaratemetrorail.com">md@gujaratemetrorail.com</a></td>
</tr>
<tr>
<td>10.</td>
<td>Maha Metro Rail Corporation (for Nagpur and Pune Metros)</td>
<td>“Metro House”, 28/2, C.K. Naidu Road, Anand Nagar, Civil Lines, Nagpur-440 001.</td>
<td><a href="mailto:md@mametro.org">md@mametro.org</a></td>
</tr>
<tr>
<td>11.</td>
<td>Mumbai Metro Rail Corp. Ltd.,</td>
<td>Bandra Kurla Complex, Bandra (East), Mumbai-400 051.</td>
<td><a href="mailto:mmrccom@mmrcl.com">mmrccom@mmrcl.com</a></td>
</tr>
<tr>
<td>12.</td>
<td>Mumbai Metropolitan Regional Development Authority (MMRDA),</td>
<td>Bandra-Kurla Complex, Bandra East, Mumbai-400 051.</td>
<td><a href="mailto:mcmrda@gmail.com">mcmrda@gmail.com</a></td>
</tr>
<tr>
<td>13.</td>
<td>Kolkata Metro Rail Corporation Ltd.,</td>
<td>HRHC Complex, KMRCL Bhavan, 2nd &amp; 3rd Floor, Muns Premchand Sarani, Kolkata – 700 001</td>
<td><a href="mailto:md@kmrcl.in">md@kmrcl.in</a></td>
</tr>
<tr>
<td>14.</td>
<td>Amravati Metro Rail Corporation Ltd.,</td>
<td>Kaushalya Apartment, 1st Floor, H.No.40-3-8, Gummadi Gopal Rao Street, Laffipet, Vijayawada – 520 010.</td>
<td><a href="mailto:npkrreddy@yahoo.co.in">npkrreddy@yahoo.co.in</a></td>
</tr>
<tr>
<td>15.</td>
<td>Noida Metro Rail Corporation Limited,</td>
<td>Block-Ill, 3rd Floor, Ganga Shopping Complex Sector – 29, Noida – 201 301</td>
<td><a href="mailto:nmrnreida@gmail.com">nmrnreida@gmail.com</a></td>
</tr>
<tr>
<td>16.</td>
<td>Madhya Pradesh Metro Rail Company Ltd., (for Bhopal and Indore Metros)</td>
<td>Palika Bhavan., Near 6 number Bus Stop Shivaji Nagar, Bhopal – 462016</td>
<td><a href="mailto:metrorail@mpurban.gov.in">metrorail@mpurban.gov.in</a></td>
</tr>
<tr>
<td>17.</td>
<td>Patna Metro Rail Corporation Limited,</td>
<td>Patna, Bihar</td>
<td><a href="mailto:ud.bihar@gmail.com">ud.bihar@gmail.com</a></td>
</tr>
<tr>
<td>18.</td>
<td>L&amp;T Metro Rail (Hyderabad) Limited</td>
<td>Uppal Main Road, Nagole</td>
<td><a href="mailto:kbb.reddy@ltmetro.com">kbb.reddy@ltmetro.com</a></td>
</tr>
<tr>
<td>19.</td>
<td>Pune Metropolitan Region Development Authority, 4th Floor, Maharaja Sayajirao, Gaikwad Udyog Bhavan, Survey No. 152-153, Aundh, Pune- 411067</td>
<td>E Mail <a href="mailto:comm@pmrda.gov.in">comm@pmrda.gov.in</a></td>
<td></td>
</tr>
</tbody>
</table>
| 21. | The Managing Director, MMOCL, Mumbai  
Email: md@mmoocl.co.in |
<table>
<thead>
<tr>
<th>S.No.</th>
<th>Items Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A.1</strong> RSS, AC Traction and DC Traction substations</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>EHV, HV, LV and Control Cables</td>
</tr>
<tr>
<td>2</td>
<td>EHV, HV, LV Switchgears</td>
</tr>
<tr>
<td>3</td>
<td>Vaccum Insulated Switchgear</td>
</tr>
<tr>
<td>4</td>
<td>Air Insulated Switchgear</td>
</tr>
<tr>
<td>5</td>
<td>Battery Chargers</td>
</tr>
<tr>
<td>6</td>
<td>Batteries</td>
</tr>
<tr>
<td>7</td>
<td>Transformers</td>
</tr>
<tr>
<td>8</td>
<td>Fire protection System</td>
</tr>
<tr>
<td>9</td>
<td>Control Relay Panel</td>
</tr>
<tr>
<td>10</td>
<td>Conductor wires</td>
</tr>
<tr>
<td><strong>A.2</strong> Flexible Overhead Catenary Systems (Viaduct)</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Catenary, Return conductor, Buried conductor, Overhead Power Conductor</td>
</tr>
<tr>
<td>12</td>
<td>Bracket assembly/ OHE Mast/ Insulators for 25 kV Overhead Catenary System (viaduct)</td>
</tr>
</tbody>
</table>
### E & M Works

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Items Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Low voltage switchboard panels</td>
</tr>
<tr>
<td>2</td>
<td>Distribution Boards</td>
</tr>
<tr>
<td>3</td>
<td>MV cabling</td>
</tr>
<tr>
<td>4</td>
<td>Busducts</td>
</tr>
<tr>
<td>5</td>
<td>Wiring</td>
</tr>
<tr>
<td>6</td>
<td>Conduits, Cable Tray and Race ways</td>
</tr>
<tr>
<td>7</td>
<td>Lighting</td>
</tr>
<tr>
<td>8</td>
<td>Protective Earthing</td>
</tr>
<tr>
<td>9</td>
<td>Lightning protection</td>
</tr>
<tr>
<td>10</td>
<td>Fans</td>
</tr>
<tr>
<td>11</td>
<td>UPS</td>
</tr>
<tr>
<td>12</td>
<td>DG set</td>
</tr>
<tr>
<td>13</td>
<td>Fire Alarm</td>
</tr>
<tr>
<td>14</td>
<td>Fire hydrant system</td>
</tr>
<tr>
<td>15</td>
<td>Piping for fire fighting system</td>
</tr>
<tr>
<td></td>
<td>Air Handling Units</td>
</tr>
<tr>
<td></td>
<td>Water Piping system</td>
</tr>
<tr>
<td></td>
<td>Grills/diffusers/nozzles</td>
</tr>
<tr>
<td></td>
<td>Cooling tower</td>
</tr>
<tr>
<td>16</td>
<td>Lifts</td>
</tr>
<tr>
<td>Item No.</td>
<td>Description</td>
</tr>
<tr>
<td>---------</td>
<td>-------------</td>
</tr>
<tr>
<td>1.</td>
<td>Depot Point Machine with other accessories: High thrust, trailable Point machine</td>
</tr>
<tr>
<td>2.</td>
<td>3 aspect, Shunt, Buffer light and route indicator signals with accessories</td>
</tr>
<tr>
<td>3.</td>
<td>Power Distribution Cubicle with accessories for Interlocking stations, Secondary stations(station with object controller) Secondary stations (Non Interlocking Station)</td>
</tr>
<tr>
<td>4.</td>
<td>Control terminal with VDU display and associated accessories: Interlocking VDU</td>
</tr>
<tr>
<td>5.</td>
<td>Junction boxes for Signals and Point Machines</td>
</tr>
<tr>
<td>6.</td>
<td>Earthing material per station/depot</td>
</tr>
<tr>
<td>7.</td>
<td>Maintenance workstation at OCC, station</td>
</tr>
</tbody>
</table>

**Power Supply Arrangement for Main Line & Depot equipment**

<table>
<thead>
<tr>
<th>Item No.</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>All type of UPS</td>
</tr>
<tr>
<td>2.</td>
<td>VRLA maintenance free batteries</td>
</tr>
<tr>
<td>3.</td>
<td>Spare cell charger</td>
</tr>
<tr>
<td>4.</td>
<td>Indoor &amp; Outdoor DATA and power Signalling Cables</td>
</tr>
<tr>
<td>S. No.</td>
<td>Mandatory Items</td>
</tr>
<tr>
<td>-------</td>
<td>---------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>1</td>
<td>Pantograph with base insulators and its control panel</td>
</tr>
<tr>
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<td>Vacuum Circuit Breaker</td>
</tr>
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<td>FRP Panels</td>
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<td>25</td>
<td>All types of Glasses (Set of glasses of Door, Window &amp; Windshield glass for 1 trainset)</td>
</tr>
</tbody>
</table>
No. K-14011/08/2017/MRTS-Coord  
Government of India  
Ministry of Housing and Urban Affairs  
(MRTS-Coord Desk)

311-B, Nirman Bhawan, New Delhi,  
Dated the 14th October, 2020.

To

Managing Directors of All Metro Rail Corporations  
(As per standard list)

Subject: Revision of Minimum Local Content (MLC) of various metro rail components under MII-PPP Order, 2017 of DPIIT

I am directed to refer to the above cited subject and to say that the existing Minimum Local Content (MLC) of various metro rail components issued vide this Ministry’s letter of even number dated 13.07.2018 was reviewed in the last meeting of Managing Directors of various Metro Rail Corporations held on 08.10.2020. The revised minimum local content to be adopted by Metro Rail Companies in the procurement of various components shall be as under:

<table>
<thead>
<tr>
<th>S. No</th>
<th>Metro Rail Components</th>
<th>Existing % of MLC</th>
<th>Revised % of MLC</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Rolling Stock</td>
<td>40% which could be increased to 50% from FY-2019</td>
<td>60%</td>
</tr>
<tr>
<td>2</td>
<td>Telecom</td>
<td>40% which could be increased to 50% from FY-2020</td>
<td>50%</td>
</tr>
<tr>
<td>3</td>
<td>Signaling</td>
<td>30% which could be increased to 40% from FY-2020 and 50% from FY-2023</td>
<td>50%</td>
</tr>
<tr>
<td>4</td>
<td>Civil Works (Elevated &amp; Underground)</td>
<td>80%</td>
<td>90% (for Elevated) 80% (for Underground) 60%</td>
</tr>
<tr>
<td>5</td>
<td>Electrical and Mechanical</td>
<td>50%</td>
<td>60%</td>
</tr>
</tbody>
</table>

2. The above Minimum Local Content would be for Class-I local supplier under MII-PPP Order of DPIIT. For Class-II local supplier, the Minimum Local Content should be kept at 20% for all components as mentioned in extant MII-PPP Order of DPIIT.

3. This is for information and necessary action.

Yours faithfully,

(Rachna Kumar)  
Under Secretary to the Govt. of India  
Telefax: 2306 2935

Copy for information to: The Secretary, DPIIT, Udyog Bhawan, New Delhi-11.
<table>
<thead>
<tr>
<th>S. No.</th>
<th>Name of MD</th>
<th>Contact Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>The Managing Director, Delhi Metro Rail Corporation Ltd., Metro Bhawan, Fire Brigade Lane, Barakhamba Road, New Delhi-110 001. Email: <a href="mailto:mdmetro@dmrc.org">mdmetro@dmrc.org</a></td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>The Managing Director, Chennai Metro Rail Ltd., Admn. Building, CMRL Depot, Poonamallee High Road, Koyambedu, Chennai-600107. Email: <a href="mailto:md.cmrl@tn.gov.in">md.cmrl@tn.gov.in</a></td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>The Managing Director, National Capital Region Transport Corporation Ltd., (NCRRTC) 7/6, AMDA Building, Siri Fort Institutional Area, August Kranti Marg, New Delhi - 110 049 Email: <a href="mailto:md.office@ncrrtc.in">md.office@ncrrtc.in</a></td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td>The Managing Director, Bangalore Metro Rail Corp. Ltd., 3rd Floor, BMTC Complex, K.H. Road, Shanthinagar, Bangalore-560 027. Email: <a href="mailto:md@bmrcl.com.in">md@bmrcl.com.in</a></td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>The Managing Director, Hyderabad Metro Rail Ltd., Rasoolpura, Begumpet, Hyderabad – 500 016 Email: <a href="mailto:nvsreedyviras@gmail.com">nvsreedyviras@gmail.com</a></td>
<td></td>
</tr>
<tr>
<td>6.</td>
<td>The Managing Director, Uttar Pradesh Metro Rail Corp. Ltd., Administrative Building, Near Dr. Bhimrao Ambedkar Samajik Parishad Stabil, VIPin Khand, Gomti Nagar, Lucknow-226 010. Email: <a href="mailto:md@upmetro.com">md@upmetro.com</a></td>
<td></td>
</tr>
<tr>
<td>7.</td>
<td>The Managing Director, Jaipur Metro Rail Corporation Ltd., Khandi Bhawan, Udyog Bhawan Premises, Tilak Marg C. Scheme, Jaipur-302 005. Email: <a href="mailto:cmd@jaipurmetrorail.in">cmd@jaipurmetrorail.in</a> <a href="mailto:cmd_jmrc@gmail.com">cmd_jmrc@gmail.com</a></td>
<td></td>
</tr>
<tr>
<td>8.</td>
<td>The Managing Director, Kochi Metro Rail Ltd., JLN Metro Station, 4th Floor, Kaloor, Ernakulam-682 017 Ph. 0484 2846700 Email: <a href="mailto:md@kmrl.co.in">md@kmrl.co.in</a></td>
<td></td>
</tr>
<tr>
<td>9.</td>
<td>The Managing Director, Gujarat Metro Rail Corporation Limited, (for Ahmedabad, Gandhinagar and Surat Metros) Block No.1, 1st Floor, Karma Yogi Bhavan, Sector-10A, Gandhinagar-382 010. Email: <a href="mailto:md@gujaratmetrorail.com">md@gujaratmetrorail.com</a></td>
<td></td>
</tr>
<tr>
<td>10.</td>
<td>The Managing Director, Maha- Metro Rail Corporation (for Nagpur and Pune Metros) “Metro House”, 28/2, C.K. Naidu Road, Anand Nagar, Civil Lines, Nagpur-440 001. Email: <a href="mailto:md@mametro.org">md@mametro.org</a></td>
<td></td>
</tr>
<tr>
<td>11.</td>
<td>The Managing Director, Mumbai Metro Rail Corp. Ltd., Bandra Kurla Complex, Bandra (East), Mumbai-400 051. Email: <a href="mailto:md.office@mmrcl.com">md.office@mmrcl.com</a></td>
<td></td>
</tr>
<tr>
<td>12.</td>
<td>The Managing Director, Mumbai Metropolitan Regional Development Authority (MMRDA), Bandra-Kurla Complex, Bandra East, Mumbai-400 051. Email: <a href="mailto:mcmrrda@gmail.com">mcmrrda@gmail.com</a></td>
<td></td>
</tr>
<tr>
<td>13.</td>
<td>The Managing Director, Kolkata Metro Rail Corporation Ltd., HRBC Complex, KMRCL Bhavan, 2nd &amp; 3rd Floor, Munsí Premchand Sarani, Kolkata – 700 001. Email: <a href="mailto:md@kmrc.in">md@kmrc.in</a></td>
<td></td>
</tr>
<tr>
<td>14.</td>
<td>The Managing Director, Amravati Metro Rail Corporation Ltd., Kaushalya Apartment, 1st Floor, H.No.40-3-8, Gummadi Gopal Rao Street, Lajipet, Vijayawada – 520 010 Email: <a href="mailto:nprkreddy@yahoo.co.in">nprkreddy@yahoo.co.in</a></td>
<td></td>
</tr>
<tr>
<td>15.</td>
<td>The Managing Director, Noida Metro Rail Corporation Limited, Block-III, 3rd Floor, Ganga Shopping Complex Sector – 29, Noida – 201 301 Email: <a href="mailto:nmrcnoida@gmail.com">nmrcnoida@gmail.com</a></td>
<td></td>
</tr>
<tr>
<td>16.</td>
<td>The Managing Director, Madhya Pradesh Metro Rail Company Ltd., (for Bhopal and Indore Metros) Palika Bhawan, Near 6 number Bus Stop Shivaji Nagar, Bhopal – 462016 Email: <a href="mailto:metrorail@mplpun.gov.in">metrorail@mplpun.gov.in</a></td>
<td></td>
</tr>
<tr>
<td>17.</td>
<td>The Managing Director, Patna Metro Rail Corporation Limited, Patna, Bihar Email: <a href="mailto:ud.bihar@gmail.com">ud.bihar@gmail.com</a></td>
<td></td>
</tr>
<tr>
<td>18.</td>
<td>The Managing Director, Mumbai Metro One Pvt. Ltd., Metro Corporate Centre, Four Bungalows, Andheri(W), Mumbai - 400 053 Email: abhay.mishra@relianceadacom</td>
<td></td>
</tr>
<tr>
<td>19.</td>
<td>The Managing Director, L&amp;T Metro Rail (Hyderabad) Limited Uppal Main Road, Nagole Hyderabad-500 039 E.Mail: <a href="mailto:kvb.reddy@ltmetro.com">kvb.reddy@ltmetro.com</a></td>
<td></td>
</tr>
<tr>
<td>20.</td>
<td>The Metropolitan Commissioner, Pune Metropolitan Region Development Authority, 4th floor, Maharaja Sayajirao, Gaikwad Udyog Bhawan, Survey No. 152-153, Aundh, Pune-411067. Email: <a href="mailto:gomm@pmrda.gov.in">gomm@pmrda.gov.in</a></td>
<td></td>
</tr>
</tbody>
</table>
To,

MD's of all the Metro Rail Corporations (as per the list attached).

Subject: Public Procurement (Preference to Make in India) (PPP-MII) Order, 2017 - List of items which are to be procured from indigenous suppliers.

Sir/Madam,

I am directed to enclose herewith a list of items where there is sufficient local capacity and competition and where public procurement shall be done only from local suppliers in terms of clause 3(a) of PPP-MII, Order 2017 dated 29.05.2019 for Traction & Substations, E&M Works, Signalling and Rolling Stock. The list will be reviewed from time to time by the Ministry. All the Metro Rail/ RRTS Corporations are requested to ensure compliance in the relevant procurements of Metro components made by them.

Encl : As above.

Yours Sincerely,

(Jasbir Singh)
Under Secretary to the Govt. of India
Tel: 011-23062285

Copy to (for information):

i. Secretary, Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce And Industry, Udyog Bhawan, New Delhi <secy-ipp@nic.in>

ii. US (Public Procurement Section), DPIIT <dvsp.varma@nic.in>
<table>
<thead>
<tr>
<th>S.No.</th>
<th>Items Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>A.1</td>
<td><strong>RSS, AC Traction and DC Traction substations</strong></td>
</tr>
<tr>
<td>1</td>
<td>EHV, HV, LV and Control Cables</td>
</tr>
<tr>
<td>2</td>
<td>EHV, HV, LV Switchgears</td>
</tr>
<tr>
<td>3</td>
<td>Vaccum Insulated Switchgear</td>
</tr>
<tr>
<td>4</td>
<td>Air Insulated Switchgear</td>
</tr>
<tr>
<td>5</td>
<td>Battery Chargers</td>
</tr>
<tr>
<td>6</td>
<td>Batteries</td>
</tr>
<tr>
<td>7</td>
<td>Transformers</td>
</tr>
<tr>
<td>8</td>
<td>Fire protection System</td>
</tr>
<tr>
<td>9</td>
<td>Control Relay Panel</td>
</tr>
<tr>
<td>10</td>
<td>Conductor wires</td>
</tr>
<tr>
<td>A.2</td>
<td><strong>Flexible Overhead Catenary Systems (Viaduct)</strong></td>
</tr>
<tr>
<td>11</td>
<td>Catenary, Return conductor, Buried conductor, Overhead Power Conductor</td>
</tr>
<tr>
<td>12</td>
<td>Bracket assembly/ OHE Mast/ Insulators for 25 kV Overhead Catenary System (viaduct)</td>
</tr>
</tbody>
</table>
# Annexure-II

### B. E & M Works

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Items Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Low voltage switchboard panels</td>
</tr>
<tr>
<td>2</td>
<td>Distribution Boards</td>
</tr>
<tr>
<td>3</td>
<td>MV cabling</td>
</tr>
<tr>
<td>4</td>
<td>Busducts</td>
</tr>
<tr>
<td>5</td>
<td>Wiring</td>
</tr>
<tr>
<td>6</td>
<td>Conduits, Cable Tray and Race ways</td>
</tr>
<tr>
<td>7</td>
<td>Lighting</td>
</tr>
<tr>
<td>8</td>
<td>Protective Earthing</td>
</tr>
<tr>
<td>9</td>
<td>Lightning protection</td>
</tr>
<tr>
<td>10</td>
<td>Fans</td>
</tr>
<tr>
<td>11</td>
<td>UPS</td>
</tr>
<tr>
<td>12</td>
<td>DG set</td>
</tr>
<tr>
<td>13</td>
<td>Fire Alarm</td>
</tr>
<tr>
<td>14</td>
<td>Fire hydrant system</td>
</tr>
<tr>
<td>15</td>
<td>Piping for fire fighting system</td>
</tr>
<tr>
<td></td>
<td>Air Handling Units</td>
</tr>
<tr>
<td></td>
<td>Water Piping system</td>
</tr>
<tr>
<td></td>
<td>Grills/diffusers/nozzles</td>
</tr>
<tr>
<td></td>
<td>Cooling tower</td>
</tr>
<tr>
<td>16</td>
<td>Lifts</td>
</tr>
</tbody>
</table>
## Annexure-III

### B1. Signalling

<table>
<thead>
<tr>
<th>Item No.</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Depot Point Machine with other accessories: High thrust, trailable Point machine</td>
</tr>
<tr>
<td>2.</td>
<td>3 aspect, Shunt, Buffer light and route indicator signals with accessories</td>
</tr>
<tr>
<td>3.</td>
<td>Power Distribution Cubicle with accessories for Interlocking stations, Secondary stations (station with object controller) Secondary stations (Non Interlocking Station)</td>
</tr>
<tr>
<td>4.</td>
<td>Control terminal with VDU display and associated accessories: Interlocking VDU</td>
</tr>
<tr>
<td>5.</td>
<td>Junction boxes for Signals and Point Machines</td>
</tr>
<tr>
<td>6.</td>
<td>Earthing material per station/depot</td>
</tr>
<tr>
<td>7.</td>
<td>Maintenance workstation at OCC, station</td>
</tr>
</tbody>
</table>

### Power Supply Arrangement for Main Line & Depot equipment

<table>
<thead>
<tr>
<th>Item No.</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>All type of UPS</td>
</tr>
<tr>
<td>2.</td>
<td>VRLA maintenance free batteries</td>
</tr>
<tr>
<td>3.</td>
<td>Spare cell charger</td>
</tr>
<tr>
<td>4.</td>
<td>Indoor &amp; Outdoor DATA and power Signalling Cables</td>
</tr>
</tbody>
</table>
## Annexure-IV

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Mandatory Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Pantograph with base insulators and its control panel</td>
</tr>
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<td>Vacuum Circuit Breaker</td>
</tr>
<tr>
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<td>HV cable and Surge arrestor</td>
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<td>4</td>
<td>Transformer</td>
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<td>5</td>
<td>Auxiliary Converter (SIV)</td>
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<td>Electrical Coupler</td>
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<td>Heating, Ventilation and Air-Conditioner (HVAC)</td>
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<tr>
<td>8</td>
<td>Driver Desk Panel</td>
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<td>9</td>
<td>Ni-Cd Battery</td>
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<td>Axle Brake System</td>
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<td>16</td>
<td>Axle Bearing</td>
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<td>17</td>
<td>Axle Box with earth return brush</td>
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<td>18</td>
<td>Gear Drive</td>
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<td>FRP Panels</td>
</tr>
<tr>
<td>24</td>
<td>FRP Passenger Seats and Air Duct</td>
</tr>
<tr>
<td>25</td>
<td>All types of Glasses (Set of glasses of Door, Window &amp; Windshield glass for 1 trainset)</td>
</tr>
</tbody>
</table>
ORDER

Subject: Public Procurement (Preference to Make in India) Order 2017(Revision) - to provide purchase preference in respect of Automobile and Automotive Components – reg

In pursuance of the Public Procurement (Preference to Make in India)(PPP-MII) Order 2017 notified vide the Department For Promotion Of Industry And Internal Trade(DPIIT) Notification No. 45021/2/2017-PP(B.E.II) dated 15.06.2017 and subsequent amendments dated 28.05.2018, 29.05.2019, 04.06.2020 and 16.09.2020, to promote manufacturing and production of goods and services in India with a view to enhancing income and employment, the following Automobile and Automotive Components where there is sufficient local capacity and competition are hereby notified by the Department of Heavy Industry in supersession of earlier order on the same subject dt. 04/05/2020.

2. In terms of para 5 of the DPIIT’s PPP-MII Order Notification No. 45021/2/2017-PP (BE-II) dated 16th September 2020, minimum local content requirement for Class I local supplier is defined as follows:

2.1. Automobiles based on IC Engines

Definition:

For the purpose of this Notification, Automobiles would mean two & three wheelers, passenger vehicles, commercial vehicles etc.

<table>
<thead>
<tr>
<th>Percentage Local Content required for Class I local supplier</th>
<th>65%</th>
</tr>
</thead>
</table>

2.2. Automotive Components for IC Engine Vehicles

Definition:

For the purpose of this Notification, Automotive Components would mean components/spares required for manufacture/maintenance of two & three wheelers, passenger vehicles, commercial vehicles etc.

<table>
<thead>
<tr>
<th>Percentage Local Content required for Class I local supplier</th>
<th>60%</th>
</tr>
</thead>
</table>

3. Hence, in the procurement of all automobile and automotive components, as listed below, only Class-I local supplier shall be eligible to bid irrespective of the purchase value, as per Para 3(a) of the DPIIT’s PPP-MII Order Notification No. 45021/2/2017-PP (BE-II) dated 16th September 2020.
### Automobiles based on IC Engines

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Passenger Vehicles (passenger cars, utility vehicles, vans)</td>
</tr>
<tr>
<td>2</td>
<td>Commercial vehicles (LCVs, M&amp;HCVs)</td>
</tr>
<tr>
<td>3</td>
<td>Two-wheelers (Mopeds, Scooters, Motorcycles)</td>
</tr>
<tr>
<td>4</td>
<td>Three-wheelers (Goods &amp; Passengers)</td>
</tr>
</tbody>
</table>

### Automotive Components for IC Engine Vehicles

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Rubber Parts</td>
</tr>
<tr>
<td>2</td>
<td>Asbestos packing joints and gaskets</td>
</tr>
<tr>
<td>3</td>
<td>Brake Linings And Pads (Containing Asbestos)</td>
</tr>
<tr>
<td>4</td>
<td>Asbestos friction materials</td>
</tr>
<tr>
<td>5</td>
<td>Brake linings and pads (Not containing Asbestos)</td>
</tr>
<tr>
<td>6</td>
<td>Automotive Glass</td>
</tr>
<tr>
<td>7</td>
<td>Leaf-springs : For motor vehicles</td>
</tr>
<tr>
<td>8</td>
<td>Leaf-springs : Leaves for springs</td>
</tr>
<tr>
<td>9</td>
<td>Helical springs</td>
</tr>
<tr>
<td>10</td>
<td>Spring pins</td>
</tr>
<tr>
<td>11</td>
<td>Automotive Wheels</td>
</tr>
<tr>
<td>12</td>
<td>Locks of a kind used for motor vehicles</td>
</tr>
<tr>
<td>13</td>
<td>All types of diesel, petrol, Hybrid engine and engine parts</td>
</tr>
<tr>
<td>14</td>
<td>Gas compressors, Turbo charger</td>
</tr>
<tr>
<td>15</td>
<td>Parts - air conditioning</td>
</tr>
<tr>
<td>16</td>
<td>Oil or petrol-filters for internal combustion engines</td>
</tr>
<tr>
<td>17</td>
<td>Intake air filters for internal combustion engines</td>
</tr>
<tr>
<td>18</td>
<td>Air Purifiers or Cleaners</td>
</tr>
<tr>
<td>19</td>
<td>Parts of Machinery and apparatus for filtering</td>
</tr>
<tr>
<td>20</td>
<td>All kind of bearings</td>
</tr>
<tr>
<td>21</td>
<td>Bearing housings, incorporating ball or roller bearings</td>
</tr>
<tr>
<td>22</td>
<td>Bearing housings, not incorporating ball or roller bearings plain shaft bearings</td>
</tr>
<tr>
<td>23</td>
<td>Gears and gearing, other than toothed wheels, chain sprockets and other transmission elements presented separately; ball or roller screws; gear boxes and other speed changers, including torque converters</td>
</tr>
<tr>
<td>24</td>
<td>Pulleys, power transmission</td>
</tr>
<tr>
<td>25</td>
<td>Flexible coupling</td>
</tr>
<tr>
<td>26</td>
<td>Fluid coupling</td>
</tr>
<tr>
<td>27</td>
<td>Other: Clutches and Shaft couplings, including Universal joints</td>
</tr>
<tr>
<td>28</td>
<td>Toothed wheels, chain sprockets and other transmission elements presented separately; parts</td>
</tr>
<tr>
<td>29</td>
<td>Asbestos metallic packings and gaskets (excluding gaskets of asbestos board reinforced with metal gauze or wire)</td>
</tr>
<tr>
<td></td>
<td>Description</td>
</tr>
<tr>
<td>---</td>
<td>-------------</td>
</tr>
<tr>
<td>30</td>
<td>Mechanical seals</td>
</tr>
<tr>
<td>31</td>
<td>Spark plugs</td>
</tr>
<tr>
<td>32</td>
<td>Head lamps, tail lamps, stop lamps, side lamps and blinkers</td>
</tr>
<tr>
<td>33</td>
<td>Other automobile lighting equipment &amp; Automotive Lighting</td>
</tr>
<tr>
<td>34</td>
<td>Horns</td>
</tr>
<tr>
<td>35</td>
<td>Windscreen wipers, defrosters and demisters</td>
</tr>
<tr>
<td>36</td>
<td>Sealed beam lamp units</td>
</tr>
<tr>
<td>37</td>
<td>Ignition wiring sets and other wiring sets of a kind used in vehicles</td>
</tr>
<tr>
<td>38</td>
<td>Safety seat belts</td>
</tr>
<tr>
<td>39</td>
<td>Gear boxes and parts thereof</td>
</tr>
<tr>
<td>40</td>
<td>Drive-axles with differential, whether or not provided with other transmission components, non-driving axles; parts thereof</td>
</tr>
<tr>
<td>41</td>
<td>Road wheels and parts and accessories thereof</td>
</tr>
<tr>
<td>42</td>
<td>Suspension systems and parts thereof (including shock absorbers) for motor vehicles</td>
</tr>
<tr>
<td>43</td>
<td>Radiators and parts thereof</td>
</tr>
<tr>
<td>44</td>
<td>Silencers (mufflers) and exhaust pipes; parts thereof</td>
</tr>
<tr>
<td>45</td>
<td>Clutches and parts thereof (Sintered Friction materials-SFM products)</td>
</tr>
<tr>
<td>46</td>
<td>Steering wheels, steering columns and steering boxes; parts thereof</td>
</tr>
<tr>
<td>47</td>
<td>Tachometers, non-electrical</td>
</tr>
<tr>
<td>48</td>
<td>Other optical instruments and appliances :Parts and accessories (Measuring &amp; Checking Instruments -Sensors)</td>
</tr>
<tr>
<td>49</td>
<td>Instrument Panel Clocks and Clocks of a similar type for vehicles</td>
</tr>
<tr>
<td>50</td>
<td>Seats of a kind used for motor vehicles</td>
</tr>
<tr>
<td>51</td>
<td>Electrical Parts such motors, wiring harness, etc.</td>
</tr>
<tr>
<td>52</td>
<td>Suspension &amp; Braking parts</td>
</tr>
<tr>
<td>53</td>
<td>Interiors (non-electronic)</td>
</tr>
<tr>
<td>54</td>
<td>Body and chassis parts</td>
</tr>
<tr>
<td>55</td>
<td>Drive Transmission &amp; Steering</td>
</tr>
<tr>
<td>56</td>
<td>Automotive Switches, Instrument panels</td>
</tr>
</tbody>
</table>

4. This order shall be applicable in respect of the procurements made by all attached or subordinate offices or autonomous body under the Government of India including Government Companies as defined in the Companies Act, and/or the States and Local Bodies making procurement under all Central Schemes/ Central Sector Schemes where the Scheme is fully or partially funded by Government of India.

5. Department of Heavy Industry, Ministry of Heavy Industries & Public Enterprises shall be the Nodal agency to monitor implementation of this notification.

6. Decision on complaints relating to implementation of this order shall be taken by a committee constituted by Ministry of Heavy Industries and Public Enterprises. The Composition of Grievance Committee will be as under:
<table>
<thead>
<tr>
<th></th>
<th>Name</th>
<th>Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Joint Secretary I/c of Auto Engineering Industries Division, DHI</td>
<td>Chairman</td>
</tr>
<tr>
<td>2</td>
<td>DG, Society of Automobile Manufacturers' Association</td>
<td>Member</td>
</tr>
<tr>
<td>3</td>
<td>DG, Automotive Components Manufacturers' Associations</td>
<td>Member</td>
</tr>
<tr>
<td>4</td>
<td>Director, Automotive Research Association of India</td>
<td>Member</td>
</tr>
<tr>
<td>5</td>
<td>Director, iCAT</td>
<td>Member</td>
</tr>
<tr>
<td>6</td>
<td>Director, DHI</td>
<td>Member Secretary</td>
</tr>
</tbody>
</table>

7. All definitions, terms and conditions shall be as per DPIIT's PPP-MII Order Notification No. 45021/2/2017-PP (BE-II) dated 15.06.2017 and subsequent amendments or revision dated 28.05.2018, 29.05.2019, 04.06.2020 and 16.09.2020 and in its furtherance, order(s), amendments and revisions issued by the Government from time to time.

8. This issues with the approval of Competent Authority.

New Delhi, Dated: 10-2020

Copy to:

1. All Ministries/Departments of Government of India
2. Cabinet Secretariat
3. PMO
4. NITI Aayog
5. Comptroller and Auditor General of India
6. AS&FA, DHI
7. Joint Secretary (DIPP), Member-Convener of Standing Committee of Public Procurement Order 2017
8. Internal Distribution

Joint Secretary to Government of India
Tel.: 23061785

Joint Secretary to Government of India
Tel.: 23061785
F. No. 7(06)/2019-NAB-II(Auto) (20307)
Government of India
Ministry of Heavy Industry and Public Enterprises
Department of Heavy Industry

Udyog Bhawan, New Delhi
Dated 29th September 2020

To,

All Testing Agencies Notified under Phase – II of Fame India Scheme.

Subject: Phase Manufacturing Program(PMP) for xEV Parts for eligibility under FAME India Scheme Phase II - regarding.

Sir/Madam

In supersession of this Department earlier communication No. 7(06/2019-NAB II(Auto) dated 29th March 2019, dated 29th April, 2019 and 13th May, 2020 on the subject cited above, the undersigned is directed to forward herewith the Revised Phase Manufacturing Program(PMP) for xEV parts for eligibility under FAME India Scheme Phase II for information and necessary compliance by all testing agencies.

2. This issues with the approval of Competent Authority.

Yours faithfully

(Thangliianlal)
Under Secretary to the Government of India

Encl. as above.
<table>
<thead>
<tr>
<th>No.</th>
<th>Category</th>
<th>e-2W</th>
<th>e-3W</th>
<th>e-3W</th>
<th>e-4W</th>
<th>e-4W</th>
<th>e-Buses</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>L1 &amp;</td>
<td>L1 &amp;</td>
<td>L2 &amp;</td>
<td>L5</td>
<td>M1</td>
<td>N1</td>
</tr>
<tr>
<td>1</td>
<td>HVAC</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>B</td>
<td>B</td>
<td>E</td>
</tr>
<tr>
<td>2</td>
<td>Electric compressor</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>E</td>
<td>E</td>
<td>E</td>
</tr>
<tr>
<td>3</td>
<td>Power and control Wiring harness along with connectors</td>
<td>A</td>
<td>A</td>
<td>A</td>
<td>A</td>
<td>B</td>
<td>B</td>
</tr>
<tr>
<td>4</td>
<td>MCB / circuit breakers / electric safety device</td>
<td>A</td>
<td>A</td>
<td>A</td>
<td>A</td>
<td>E</td>
<td>E</td>
</tr>
<tr>
<td>5</td>
<td>AC Charging inlet Type 2</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>E</td>
<td>E</td>
<td>E</td>
</tr>
<tr>
<td>6</td>
<td>DC Charging inlet CCS2 / CHAdeMO</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>E</td>
<td>E</td>
<td>E</td>
</tr>
<tr>
<td>7</td>
<td>DC charging inlet BEVC DC 001</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>E</td>
<td>E</td>
<td>NA</td>
</tr>
<tr>
<td>9</td>
<td>Wheel rim integrated with Hub motor</td>
<td>E</td>
<td>B</td>
<td>B</td>
<td>E</td>
<td>E</td>
<td>E</td>
</tr>
<tr>
<td>10</td>
<td>DC – DC converter</td>
<td>E</td>
<td>E</td>
<td>E</td>
<td>E</td>
<td>E</td>
<td>E</td>
</tr>
<tr>
<td>11</td>
<td>Electronic Throttle</td>
<td>E</td>
<td>E</td>
<td>E</td>
<td>E</td>
<td>E</td>
<td>E</td>
</tr>
<tr>
<td>12</td>
<td>Vehicle control unit</td>
<td>E</td>
<td>B</td>
<td>E</td>
<td>E</td>
<td>E</td>
<td>E</td>
</tr>
<tr>
<td>13</td>
<td>On Board Charger</td>
<td>E</td>
<td>B</td>
<td>E</td>
<td>E</td>
<td>E</td>
<td>E</td>
</tr>
<tr>
<td>14</td>
<td>Traction Motor</td>
<td>E</td>
<td>E</td>
<td>E</td>
<td>E</td>
<td>E</td>
<td>E</td>
</tr>
<tr>
<td>15</td>
<td>Traction Motor controller / inverter</td>
<td>E</td>
<td>E</td>
<td>E</td>
<td>E</td>
<td>E</td>
<td>E</td>
</tr>
<tr>
<td>16</td>
<td>Instrument Panel</td>
<td>E</td>
<td>E</td>
<td>E</td>
<td>E</td>
<td>E</td>
<td>E</td>
</tr>
<tr>
<td>17</td>
<td>Lighting : Headlamp, Tail lamp, Indicators, Interior Lamp, Flasher etc.</td>
<td>E</td>
<td>A</td>
<td>A</td>
<td>E</td>
<td>A</td>
<td>A</td>
</tr>
<tr>
<td>18</td>
<td>Body panel</td>
<td>E</td>
<td>A</td>
<td>A</td>
<td>E</td>
<td>A</td>
<td>A</td>
</tr>
</tbody>
</table>

**Note:** Traction battery pack to be assembled domestically, for which battery cells and associated thermal and battery management system may be imported.

- All other Parts, Components, Assemblies or sub-assemblies, other than mentioned above should be domestically manufactured and assembled. CMVR notified safety components should be tested by the testing agencies notified under rule 126 of CMVR, 1989.

**Definitions:**
- **NA** – Not Applicable
- **Effective date of indigenisation of xEV parts**
  - A: w.e.f 1st April 2019
  - A*: w.e.f 1st July 2019
  - B: w.e.f 1st October 2019
  - C: w.e.f 1st April 2020
  - D: w.e.f 1st October 2020
  - E: w.e.f 1st April 2021

**Imported source** includes direct as well as indirect import.

**Indigenous source** implies domestically manufactured / assembled and tested.
ORDER

Sub: Public Procurement (Preference to Make in India) to provide for Purchase Preference (linked with local content) in respect of Renewable Energy (RE) Sector.

Ref: Department for Promotion of Industry and Internal Trade (DPIIT) Notification No.P-45021/2/2017-PP (BE-II) dated 4th June, 2020.

The Government of India, Department for Promotion of Industry and Internal Trade (DPIIT) issued Public Procurement (Preference to Make in India), Order 2017 for encouraging 'Make in India' and promoting manufacturing and production of goods and services in India with a view to enhancing income and employment. Further, DPIIT vide order No.P-45021/2/2017-PP (BE-II) dated 4th June, 2020, have issued the revised Public Procurement (Preference to Make in India) Order 2017.

2. In the light of the Public Procurement (Preference to Make in India) Order 2017, this Ministry had issued O.M. No. 14615712018-P&C dated 11th December, 2018 covering certain products related to renewable energy sector under the Public Procurement (Preference to Make in India) Order 2017.

3. In furtherance of Para 19 of the DPIIT Notification No.P-45021/2/2017-PP(BEII) dated 04.06.2020 and in supersession of all the aforementioned orders issued by this Ministry, the following has been decided:

   i. For the purpose of this order, the definitions of various terms used in the order, and provisions relating to (i) Eligibility of 'Class-I local supplier' / 'Class-II local supplier' / 'Non-local suppliers' for different types of procurement, (ii) purchase preference, (iii) exemption to small purchases, and (iv) margin of purchase preference, shall be the same as in DPIIT order dated 04.06.2020, referred to above and extracts of the same given at Appendix.

   ii. In procurement of all goods and services or works in respect of which there is sufficient local capacity and local competition as in Annexure-I, only "Class—I local supplier", shall be eligible to bid irrespective of purchase value.

   iii. In procurement of all goods, services or works not covered by sub-para 3 (ii) above, and with estimated value of purchases less than Rs.200 Crore, in accordance with Rule 161(iv) of GFR, 2017, Global Tender Enquiry (GTE) shall not be issued except with the approval of the competent authority as designated by Department of Expenditure. Only 'Class-I local supplier' and 'Class-II local supplier' shall be eligible to bid in procurement undertaken by procuring entities, except when Global Tender...
Enquiry has been issued. In Global tender enquiries, ‘Non-local suppliers’ shall also be eligible to bid along with ‘Class-I local suppliers’ and ‘Class-II local suppliers’.

iv. For the purpose of this order, ‘Works’ means all works as per Rule 130 of GFR2017, and will also include ‘turnkey works’, Engineering, Procurement and Construction (EPC) contracts and service contracts including System Integrator (SI) contracts.

4. The list of items, in respect of which, local capacity with sufficient competition exists as per Annexure-I, will be reviewed at regular intervals with a view to increase number of items in this list.

5. Purchase preference shall be given to local suppliers in accordance with para 3A of DPIIT Order dated 04.06.2020, and extracts of the same given at Appendix.

6. Further, it has been decided to constitute a committee for independent verification of self-declarations and auditor’s / accountant’s certificates on random basis and in the case of complaints. The composition of the committee is given below:

<table>
<thead>
<tr>
<th>Chairperson</th>
<th>DG, NISE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Member</td>
<td>Dir(JKJ)</td>
</tr>
<tr>
<td>Member</td>
<td>Dir(Wind)</td>
</tr>
<tr>
<td>External Expert</td>
<td>Dir(Technical), IREDA</td>
</tr>
<tr>
<td>Convener</td>
<td>Dir(RG)</td>
</tr>
</tbody>
</table>

7. Further, it has also been decided to constitute a committee to examine the grievances in consultation with stakeholders and recommend appropriate actions to the Competent Authority in MNRE. The composition of the Committee is given below:

<table>
<thead>
<tr>
<th>Chairperson</th>
<th>EA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Member</td>
<td>Dir(Wind)</td>
</tr>
<tr>
<td>Member</td>
<td>Dir(JKJ)</td>
</tr>
<tr>
<td>Convener</td>
<td>Dir(RG)</td>
</tr>
</tbody>
</table>

8. The complaint fee of Rs.2 Lakh or 1% of the value of the local item being procured (subject to maximum of Rs.5 Lakh), whichever is higher, shall be paid in the form of online transaction or Demand Draft, drawn in favour of IREDA. In case the complaint is found to be incorrect, the complaint fee shall be forfeited. In case, the complaint is upheld and found to be substantially correct, deposited fee of the complainant would be refunded without any interest.

9. All other conditions, not stipulated in this order, shall be as laid down in the DPIIT’s order No.P-45021/2/2017-PP (BE-II) dated 04.06.2020.

10. This order shall be applicable in respect of the procurements made by all attached or subordinate offices or autonomous body under the Ministry of New & Renewable Energy, Government of India including Government Companies as defined in the Companies Act, and/or the States and Local Bodies making procurement under all Central Schemes/ Central Sector Schemes where the Scheme is fully or partially funded by Government of India. The aforesaid order shall also be applicable in respect of funding of capital equipment by IREDA, PFC and REC, for all RE projects, for which the bids are issued on or after 1st April, 2021.
11. Procuring entities as defined in the DPIIT’s Order dated 04.06.2020 are advised to revise their tender documents fully complying with the said DPIIT’s Order and the subsequent Orders that would be issued in this regard by DPIIT/this Ministry from time to time.

12. All tenders for procurement by Central Government Agencies have to be certified for compliance of the PPP-MII Order by the concerned procurement officer of the Government Organization before uploading in the portal.

13. In pursuance of the provision of para 13 of the DPIIT Order, 2020, equipment used in the renewable energy sector which are manufactured under license from foreign manufacturers holding intellectual property rights and where there is a transfer of technology agreement, if any, are listed as under Annexure-II. However, Annexure-II will undergo regular review to check for those items in the list for which sufficient local manufacturing capacity and competition have got developed and which meet minimum local content of 50% now, so that these items become eligible for inclusion in Annexure-I of this order and the provisions as contained in para 3 above of this order start becoming applicable in respect of these items too.

14. In order to further encourage Make in India initiative and promote manufacturing and production of goods and services in India, general guidelines as enclosed at Annexure-III may be adopted in an appropriate manner according to the circumstances by the procuring entities in their tendering process.

15. This issues with the approval of Hon’ble MoS (IC) for NRE and Power.

(Mohd Azmal Mansoori)
Scientist-B
Email: azmal.mnre@gov.in

To:

1. All Ministries/ Departments of Government of India (As per list)
2. Secretary (Coordination), Cabinet Secretariat
3. PS to PM, Prime Minister’s Office
4. Vice Chairman, NITI Aayog
5. Chief Secretaries of all States/UTs
6. Director General, Comptroller and Auditor General of India
7. Secretary, DPIIT, Chairman of Standing Committee for implementation of Public Procurement Order, 2017
8. Joint Secretary, DPIIT, Member-Convener of Standing Committee for implementation of Public Procurement Order, 2017
9. Chairperson, CEA
10. CMDs of CPSEs under MNRE & MoP
11. All Group Heads in MNRE
Appendix

Extracts of important provisions contained in DPIIT Order No.P-45021/2/2017-PP (BE-II) dated 4th June, 2020

1. Definitions:

'Local content' means the amount of value added in India which shall, unless otherwise prescribed by the Nodal Ministry, be the total value of the item procured (excluding net domestic indirect taxes) minus the value of imported content in the item (including all customs duties) as a proportion of the total value, in percent.

'Class-I local supplier' means a supplier or service provider, whose goods, services or works offered for procurement, has local content equal to or more than 50%, as defined under said Order.

'Class-II local supplier' means a supplier or service provider, whose goods, services or works offered for procurement, has local content more than 20% but less than 50%, as defined under this Order.

'Non-Local supplier' means a supplier or service provider, whose goods, services or works offered for procurement, has local content less than or equal to 20%, as defined under this Order.

'L1' means the lowest tender or lowest bid or the lowest quotation received in a tender bidding process or other procurement solicitation as adjudged in the evaluation process as per the tender or other procurement solicitation.

'Margin of purchase preference' means the maximum extent to which the price quoted by a "Class-I local supplier" may be above the L1 for the purpose of purchase preference.

'Procuring entity' means a Ministry or department or attached or subordinate office of, or autonomous body controlled by, the Government of India and includes Government companies as defined in the Companies Act.

'Works' means all works as per Rule 130 of GFR-2017, and will also include 'turnkey works'.

2. Eligibility of 'Class-I local supplier'/ 'Class-II local supplier'/ 'Non-local suppliers' for different types of procurement

a) In procurement of all goods, services or works in respect of which the Nodal Ministry / Department has communicated that there is sufficient local capacity and local competition, only 'Class-I local supplier', as defined under the Order, shall be eligible to bid irrespective of purchase value.

b) In procurement of all goods, services or works, not covered by 2(a) above, and with estimated value of purchases less than Rs.200 Crore, in accordance with Rule 161(iv) of GFR, 2017, Global Tender Enquiry shall not be issued except with the approval of competent authority as designated by Department of Expenditure. Only 'Class-I local supplier' and 'Class-II local supplier', as defined under the Order, shall be eligible to
bid in procurements undertaken by procuring entities, except when Global Tender Enquiry has been issued. In Global Tender Enquiries, 'Non-local suppliers' shall also be eligible to bid along with 'Class-I local suppliers' and 'Class-II local suppliers'.

c) For the purpose of this Order, works includes Engineering, Procurement and Construction (EPC) contracts and services include System Integrator (SI) contracts.

3. Purchase Preference

a) Subject to the provisions of this Order and to any specific instructions issued by the Nodal Ministry or in pursuance of this Order, purchase preference shall be given to 'Class-I local supplier' in procurements undertaken by procuring entities in the manner specified here under.

b) In the procurements of goods or works, which are covered by para 2(b) above and which are divisible in nature, the 'Class-I local supplier' shall get purchase preference over 'Class-II local supplier' as well as 'Non-local supplier', as per following procedure:

i. Among all qualified bids, the lowest bid will be termed as L1. If L1 is 'Class-I local supplier', the contract for full quantity will be awarded to L1.

ii. If L1 bid is not a 'Class-I local supplier', 50% of the order quantity shall be awarded to L1. Thereafter, the lowest bidder among the 'Class-I local supplier' will be invited to match the L1 price for the remaining 50% quantity subject to the Class-I local supplier's quoted price falling within the margin of purchase preference, and contract for that quantity shall be awarded to such 'Class-I local supplier' subject to matching the L1 price. In case such lowest eligible 'Class-I local supplier' fails to match the L1 price or accepts less than the offered quantity, the next higher 'Class-I local supplier' within the margin of purchase preference shall be invited to match the L1 price for remaining quantity and so on, and contract shall be awarded accordingly. In case some quantity is still left uncovered on Class-I local suppliers, then such balance quantity may also be ordered on the L1 bidder.

c) In the procurements of goods or works, which are covered by para 2(b) above and which are not divisible in nature, and in procurement of services where the bid is evaluated on price alone, the 'Class-I local supplier' shall get purchase preference over 'Class-II local supplier' as well as 'Non-local supplier', as per following procedure:

i. Among all qualified bids, the lowest bid will be termed as L1. If L1 is 'Class-I local supplier', the contract will be awarded to L1.

ii. If L1 is not 'Class-I local supplier', the lowest bidder among the 'Class-I local supplier', will be invited to match the L1 price subject to Class-I local supplier's quoted price falling within the margin of purchase preference, and the contract shall be awarded to such 'Class-I local supplier' subject to matching the L1 price.

iii. In case such lowest eligible 'Class-I local supplier' fails to match the L1 price, the 'Class-I local supplier' with the next higher bid within the margin of purchase preference shall be invited to match the L1 price and so on and contract shall be awarded to such 'Class-I local supplier' matching the L1 price.
awarded accordingly, in case none of the 'Class-I local supplier' within the margin of purchase preference matches the L1 price, the contract may be awarded to the L1 bidder.

d) "Class-II local supplier" will not get purchase preference in any procurement undertaken by procuring entities.

4. Exemption of small purchases: Procurements where the estimated value to be procured is less than Rs.5 Lakh shall be exempt from this Order. However, it shall be ensured by procuring entities that procurement is not split for the purpose of avoiding the provisions of this Order.

5. Margin of Purchase Preference: The margin of purchase preference shall be 20%.
ANNEXURE-I

List of items of goods and services with sufficient local capacity and competition:

A. Small Hydro Power
1. Turbine
2. Generator
3. Penstock pipelines
4. Control panel
5. Governors
6. Cables
7. Valves
8. Transformers
9. Switchgears

B. Wind Power
1. Gear box,
2. Blades,
3. Rotor,
4. Generator,
5. Tower,
6. Hub,
7. Parts of controller,
8. Bearings,
9. Yaw mechanism components,
10. Nacelle

C. Off Grid/ Decentralised Solar Power
1. Solar street lights
2. Solar home lighting systems
3. Solar power packs
4. Micro grid
5. Solar water pumps
6. Inverters
7. Batteries
8. Other solar PV balance of system components for Off Grid/Decentralized solar power projects.

D. Grid connected Solar Power Projects
1. Solar modules
2. Solar inverters
E. Biomass Gasifier

1. Biomass gasifier reactor
2. Feed hopper
3. Ash removal system
4. Ash pump
5. Cyclone
6. Hot gas filter
7. Gas blower
8. Gas piping
9. Control panel
10. Platforms and ladders
11. Water seals
12. Gas burner for start up
13. Automatic gas burner

F. Biomass Cogeneration

1. Boiler and its auxiliaries including ESP
2. Turbines/ generator & its auxiliaries
3. Electrical evacuation and distribution system
4. Bagasse/biomass fuel storage and handling equipment
5. Ash handling systems
6. Cooling tower or air cooled condensers and its auxiliaries
7. Water treatment plant
8. Control system
9. Interface piping
10. EOT crane
11. ETP

G. Municipal Solid Waste (MSW) Projects

1. Boiler
2. Flue gas cleaning system
3. Grab crane system
4. Waste processing system
5. Leachate treatment plant
6. Chimney
7. Water/air condenser
8. Turbine-generator
9. Water treatment plant
10. Ash treatment plant
11. Control and instrumentation system
H. Waste to Energy (biogas/ bio-CNG)

1. Feed mixer
2. Tank
3. Mixing agitator
4. Feeding pump
5. Digester tank
6. Stirring agitator
7. Double membrane balloon
8. Liquid & gas piping systems
9. Biogas purification system
10. B-CNG booster compressor
11. B-CNG filling header
12. Cylinder casket
13. CNG dispenser
14. Power generator
ANNEXURE-II

The items manufactured under license from foreign manufacturers holding intellectual property rights and where there is a transfer of technology.

- Presently there is no entry for this Annexure.
General guidelines to be adopted selectively in an appropriate manner by the procuring entities in their tender documents.

1. The bidder shall have to be an entity registered in India in accordance with law.

2. The bids shall be in the language as prescribed by the tenderer/procurer.

3. The bids shall be in Indian National Rupees (INR) only in respect of local content only.

4. Indian subsidiaries of foreign bidders shall meet the qualifying criteria in terms of capability, competency, financial position, past performance etc.

5. The bidder shall follow Indian laws, regulations and standards.

6. To be eligible for participation in the bid, foreign bidders shall compulsorily set up their manufacturing units on a long term basis in India as may be specified by the tenderer/procurer.

7. Similar or better technology than the technology offered in respect of material, equipment and process involved shall be transferred to India. Along with the transfer of technology, adequate training in the respective field shall also be provided.

8. Country of origin of the equipment/material shall be provided in the bid.

9. For supply of equipment / material from the country of origin other than India, the bidder shall submit performance certificate in support of satisfactory operation in India or a country other than the country of origin having climatic and operational conditions including ambient temperature similar to that of India for more than --- years (to be specified by the procurer).

10. The technologies/ products offered shall be environmentally friendly, consuming less energy, and safe, energy efficient, durable and long lasting under the prescribed operational conditions.

11. The supplier shall ensure supply of spares, materials and technological support for the entire life of the project.

12. The manufacturers/ supplier shall list out the products and components producing Toxic E-waste and other waste as may be specified. It shall have an Extended Producers Responsibility (EPR) so that after the completion of the lifecycle, the materials are safely recycled / disposed of by the Manufacturer/ supplier and for this, the Manufacturer/supplier along with procurer has to establish recycling / disposal unit or as may be specified.

13. Domestic Content requirement (based on the cost of the product) shall be in accordance with the conditions laid down in respective Order(s) of the sectors on
Public Procurement (Preference to Make in India) to provide for purchase preference (linked with local content).

14. The equipment/material sourced from foreign companies may be tested in accredited labs in India before acceptance wherever such facilities are available.

15. The Tender fee and the Bank Guarantee (BG) shall be in Indian Rupees only.

16. The bidder shall have to furnish a certificate regarding cyber security/safety of the equipment/process to be supplied/services to be rendered as safe to connect.

17. Applicable safety requirements shall be met. Regular safety audit shall be carried out by the manufacturer/supplier.

18. Statutory laws/regulations including the labour and environmental laws shall be strictly complied with during supply, storage, erection, commissioning and operation process. A regular compliance report shall be submitted to the procurer/appropriate Authorities.

19. Formation of new joint venture in India shall be permitted only with the Indian companies.

20. Tendering by the agent shall not be accepted.

21. The original test report in the language prescribed by the procurer shall generally be accepted. Preferably the translated test report shall not be accepted. However, the notarized translation of test reports shall be accepted.

22. Certification/compliance as per the Indian Standards/ International Standards/ Indian Regulations/ specified Standards shall be mandatory, where ever applicable.

23. Quality assurance of the product shall be carried out by the procurer or an independent third party agency appointed by the procurer. Manufacturing Quality Plan as approved by the procurer shall be followed by the manufacturer/supplier.

24. Wherever required, the foreign supplier shall establish fully functional service centers in India and shall keep spares/material locally for future needs of utilities.

25. Arbitration proceedings shall be instituted in India only and all disputes shall be settled as per applicable Indian Laws.

Ref.: DPIIT, Ministry of Commerce and Industry Order No.P-45021/2/2017-PP(BE-II) dated 16/09/2020.

1.0 Para-3(a) of the Public Procurement (Preference to Make in India) Order, 2017 issued vide reference above, stipulates as under-

“In procurement of all goods, services or works in respect of which the nodal ministry/department has communicated that there is sufficient local capacity and local competition, only “Class-I local supplier, as defined under the order, shall be eligible to bid irrespective of purchase value.”

2.0 Government has desired that Ministries/Departments shall expeditiously issue notification for the items where there is sufficient local capacity and competition and where public procurement shall be done only from ‘Class-I local suppliers’ under clause 3(a) of PPP-MII, Order, 16/09/2020. Additionally, nodal ministry has been permitted (vide Para 5 of the same order) to increase minimum local content requirement for categorization of vendor into Class-I and Class-II local supplier.

3.0 Railway Board has reviewed and considered that sufficient local capacity and local competition exists for the following item:

“Design, development, manufacture, supply, integration, testing and commissioning of IGBT based 3-phase propulsion, control and other equipments including transformers, lightning arrestors, converters, motors, train control and management system (TCMS), Speed indicating cum recording system, brake interface unit, load weighing system with associated equipments, bogie assembly, event recorder, voice communication system, passenger information system, onboard infotainment system, passenger announcement and passenger information system (including CCTVs, speakers), fire detection system, driver cabin with all equipments, passenger car surveillance system, batteries with accessories, cables, cable harnesses, cable jumpers, cable accessories, inter-vehicular couplers (power and control) with coach jumper assembly, pantograph with concomitant accessories, APC receivers, electrically operated wiper system, interface equipments with laptops, special tools for assembly/dismantling of various assemblies, supervision of installation, training, brake controller, circuit breakers, lighting system, Air-conditioning systems, auxiliary power system and comprehensive annual maintenance for some or all of the systems/subsystems for train sets suitable for
operation on 25 kV AC OHE system conforming to applicable RDSO and other specifications.”

It has, therefore, been decided that in respect of above item only Class I local suppliers shall be eligible to bid and supply, irrespective of the purchase value. It has been further decided that the minimum local content for the local supplier, of the above item, to be categorized as ‘Class-I local supplier’ shall be 75%.

4.0 Requirement of a vendor to be a Class I local supplier (self-certification by bidder as per PPP-MI order 2017, as amended), to be considered for ordering of item detailed in para 3.0 above, shall be a mandatory condition in addition to other qualifying criteria which may be applicable for purchase of the item. Suitable eligibility criteria shall be added in the tenders by procuring agencies. Suitable condition should also be inserted in tenders calling attention of vendors, clearly indicating that in keeping with the Public Procurement (Preference to Make in India) Order, 2017, as amended, it has been found that there is sufficient local capacity and competition in supply of the tendered item of required quality and therefore public procurement of the item is restricted to Class I local suppliers only and the vendors who do not qualify to be Class I local suppliers should not quote in the tender as their offers shall not be considered for any ordering. In case any vendor who does not qualify to be a Class I local supplier for the tendered item participates in the tender it does so at its own risk and cost and Railways shall not be liable for any loss or damage caused to the vendor.

This is issued with the approval of Railway Board (M(TRS)).

(Kanwalpreet)
Director Railway Stores/IC
Railway Board

LIST FOR DISTRIBUTION

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CMDs /MDs of all Railway PSUs/ autonomous bodies/ societies,
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Sr. Prof. (Material Management), NAIR, Vadodara, Executive Director (Stores), RDSO, Lucknow
Chief Commissioner, Railway Safety, Lucknow
Zonal Railway Training Institute, Sukadia Circle, Udaipur

Copy to:
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The Secy. Genl., IRPOF, Room No. 268, FROA, Room No. 256-D &AIRPOA, Room No. 256-D Rail Bhavan.

Copy to: - PSOs/Sr. PPSs / PPSs / PSs to :
MR, MoS(R)
CRB & CEO, M(TRS), M(Infra.), M(OBD), M(F), SECY., DG (RHS), DG (RPF)
All AMs, PEDs & Executive Directors of Railway Board.
The General Managers, All Indian Railways/PUs, NF(C), CORE
DG/RDSO/Lucknow, NAIR/Vadodara,
PCA0, DMW/Patiala,
CAO, WPO/Patna, COFMOW/NDLS, RWP/ Bela.


Ref.: i. Railway Board letter no. 2015/RS(G)/779/5 dated 03/08/2017.
ii. Railway Board letter no. 2020/RS(G)/779/2 dated 12/06/2020.
iii. Railway Board letter No. 2015/RS(G)/779/5(Vol.III) dated 22/06/2020.

1.0 Vide letter at reference iii above, a list of items having sufficient local capacity and capability, in
terms of Public Procurement (Preference to Make in India) Order, 2017 (PPP-MII), as amended, was
issued. Procurement of so listed items had been restricted to only Class I Local Suppliers, as defined
in PPP-MII order, as amended and circulated vide Railway Board letter at reference ii above.

2.0 Further to above, a similar review of wagons and items required for manufacture and maintenance of
wagons has been conducted. Accordingly, it has been decided that, in view of sufficient local
capacity and local competition, all types of wagons and all spares and components required for
manufacture and maintenance of wagons, including hardware and consumables, shall be procured,
irrespective of the purchase value, from Class I Local Suppliers only, except for the following items,
in procurement of which this restriction shall not apply.

<table>
<thead>
<tr>
<th>SN</th>
<th>Item</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.</td>
<td>Grease for CTRB Class E &amp; Class K to RDSO specification No. WD-24-MISC-2003</td>
</tr>
<tr>
<td>3.</td>
<td>Steel: For procurement of Steel the notification of Ministry of Steel on Policy for providing preference to domestically manufactured Iron &amp; Steel Products in Government procurement (Ministry of Steel Gazette notification dated 29/05/2019, latest amended) shall apply.</td>
</tr>
</tbody>
</table>
3.0 Requirement of a vendor to be a Class I local supplier (self-certification by bidder as per PPP-MII order 2017, as amended), to be considered for ordering of items detailed in para 2.0 above, shall be a mandatory condition in addition to other qualifying criteria, including status of RDSO approval, which may be applicable for purchase of the item. Suitable eligibility criteria shall be added in the tenders by procuring agencies. Suitable condition should also be inserted in tenders calling attention of vendors, clearly indicating that in keeping with the Public Procurement (Preference to Make in India) Order, 2017, as amended, it has been found that there is sufficient local capacity and competition in supply of the tendered item of required quality and therefore public procurement of the item is restricted to Class I local suppliers only and the vendors who do not qualify to be Class I local suppliers should not quote in the tender as their offers shall not be considered for any ordering. In case any vendor who does not qualify to be a Class I local supplier for the tendered item participates in the tender it does so at its own risk and cost and Railways shall not be liable for any loss or damage caused to the vendor.

4.0 This instruction shall be applicable for tenders to be issued/uploaded on website, after the date of issue of this letter.

This is issued with the approval of Railway Board (MRS and MMM).

KANWALPREET
Director Railway Stores/IC
Railway Board

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All AMs, PEDs & Executive Directors of Railway Board
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DG/RDSO/Lucknow, NAIR/Vadodara,
PCAO, DMW/Patiala,
CAO, WPO/Pathna, COFMOW/NDLS, RWP/ Bela.


Ref: i. Railway Board letter no. 2015/RS(G)/779/5 dated 03/08/2017.
   ii. DPIIT, Ministry of Commerce and Industry Order No.P-45021/2/2017-PP(BE-II) dated 04/06/2020.

***

1.0 Para-3(a) of the Public Procurement (Preference to Make in India) Order, 2017 as amended issued vide reference ii above, stipulates as under:

   “In procurement of all goods, services or works in respect of which the nodal ministry/department has communicated that there is sufficient local capacity and local competition, only “Class-I local supplier”, as defined under the order, shall be eligible to bid irrespective of purchase value.”

2.0 Govt. has desired that Ministries/Departments shall expeditiously issue notification for the items where there is sufficient local capacity and competition and where public procurement shall be done only from ‘Class-I local suppliers’ under clause 3(a) of PPP-MII, Order, 04-06-2020.

3.0 Accordingly, the matter has been reviewed and it has been decided that in respect of following items (List A and List B), for which sufficient local capacity and local competition exists, only Class I local suppliers shall be eligible to bid for supply of these items irrespective of the purchase value:

**List A**

<table>
<thead>
<tr>
<th>SN</th>
<th>Item</th>
<th>Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Point Machine</td>
<td>D.5</td>
</tr>
<tr>
<td>2</td>
<td>Signal Unit</td>
<td>C.1</td>
</tr>
<tr>
<td>3</td>
<td>Shunt Signal – Position Light type</td>
<td>C.2</td>
</tr>
<tr>
<td>4</td>
<td>Electric Point &amp; Lock Detector</td>
<td>D.2</td>
</tr>
<tr>
<td>5</td>
<td>Electric Key Transmitter</td>
<td>D.3</td>
</tr>
<tr>
<td>6</td>
<td>Double Line Block Instrument</td>
<td>A.4</td>
</tr>
<tr>
<td>7</td>
<td>Single Line Token Block Instrument (Handle Type)</td>
<td>A.5</td>
</tr>
<tr>
<td>8</td>
<td>Single Line Neale’s Ball Token Block Instrument</td>
<td>A.6</td>
</tr>
<tr>
<td>9</td>
<td>Nylon Insulated Joints</td>
<td>H.8</td>
</tr>
<tr>
<td>10</td>
<td>Electric Lifting Barrier</td>
<td>J.1</td>
</tr>
</tbody>
</table>

Above References/S.Nos. are from DOC No.QS-M-8.2.1-1 Version 1.0 issued by RDSO i.e. VENDOR DIRECTORY (SIGNAL & TELECOM) (Validity 01-01-2019 to 30-06-2019).

**List B**

<table>
<thead>
<tr>
<th>SN</th>
<th>Item</th>
<th>Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Cable (All Types)</td>
<td>B</td>
</tr>
<tr>
<td>2</td>
<td>LED Signal-Lighting Units for Railway Signalling</td>
<td>C-7</td>
</tr>
<tr>
<td>3</td>
<td>LED Signal Lamps for Main Color Light Signal for Railway Signalling</td>
<td>C-8</td>
</tr>
<tr>
<td>4</td>
<td>Electric Point Machine (Non-Trailable Type)</td>
<td>D-5</td>
</tr>
</tbody>
</table>
5. Motors for Electric Signal Machine

6. ARA Terminal Blocks and Fuse Blocks - Made PBT/Polycarbonate

7. Battery Charger for Railway S&T Installations

8. Track Feed Battery Charger

9. ‘SITEL’ Primary Cells (Dry, Lachlanche Type) for Railway S&T Installations

10. Low Maintenance Lead Acid Stationary Secondary Cells for S&T installations

11. Solar Photo - Voltaic Module

12. RELAYS – Universal Plug-in type AC Lamp Proving Relay (M to C Contact) for LED Signal Lamp

13. Relays – ‘Q’ Series Neutral Line (ACI & Non-ACI)

14. RELAYS – Plug-in type, Track Relay 9 & 4 Ohm (ACI and Non-ACI)

15. Relays – Special Type (Metal to Carbon)

16. Choke Coil for Single Rail Track Circuits on 25 KV 50Hz AC electrified sections

17. Thermoplastic Poly Urethane Insulators for Railway Signalling

18. Fail Safe Electronic Time Delay Device for Railway Signalling

Above References/S.Nos. are from DOC No.QS-M-8.2.1-2 issued by RDSO i.e. VENDOR DIRECTORY (SIGNAL & TELECOM) (Validity 01.01.2020 to 31.06.2020)

4.0 Requirement of a vendor to be a Class I local supplier (self-certification by bidder as per PPP-MII order 2017 as amended), for the above listed items, shall be a mandatory condition in addition to other qualifying criteria, including status of RDSO approval, which may be applicable for purchase of the item. Suitable eligibility criteria shall be added in the tenders by procuring agencies. Suitable condition should also be inserted in tenders calling attention of vendors, clearly indicating that in keeping with the Public Procurement (Preference to Make in India) Order, 2017 as amended, it has been found that there is sufficient local capacity and competition in supply of the tendered item of required quality and therefore public procurement of the item is restricted to Class I local suppliers only and the vendors who do not qualify to be Class I local suppliers should not quote in the tender as their offers shall not be considered for any ordering. In case any vendor who does not qualify to be a Class I local supplier for the tendered item participates in the tender it does so at its own risk and cost and Railways shall not be liable for any loss or damage caused to the vendor.

5.0 This instruction shall be applicable for tenders to be issued/uploaded on website, after the date of issue of this letter.

This is issued with the approval of Railway Board (MST).

KANWALPREET
Director Railway Stores/IC
Railway Board

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Sr. Prof. (Material Management), NAI, Vadodara, Executive Director (Stores), RDSO, Lucknow
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CRB, FC, ME, MTR, MRS, MS, MT, SECY., DG (RHS), DG (RPF)
All AMs, PEDs & Executive Directors of Railway Board
No.11/05/2018-Coord.
Government of India
Ministry of Power

Shram Shakti Bhawan, New Delhi
Dated the 17th September, 2020

ORDER

Sub: Public Procurement (Preference to Make in India) to provide for Purchase Preference (linked with local content) in respect of Power Sector – Revision; regarding.

In partial modification of Ministry of Power’s Order No.11/05/2018-Coord dated the 28-07-2020, it has been decided to order the following amendment in the said Order, with immediate effect, namely:-

“Annexure – I referred to in sub-para (ii) of para 3, of the said Order is substituted by a new Annexure-I, as enclosed herewith.”

2. All other provisions of the said Order remain unchanged.

(B. Neeraja)
Under Secretary to the Government of India
Tel. No.011-23719637

To:

1. All Ministries/ Departments of Government of India (As per list)
2. Secretary (Coordination), Cabinet Secretariat
3. PS to PM, Prime Minister's Office
4. Vice Chairman, NITI Aayog
5. Chief Secretaries of all States/UTs
6. Director General, Comptroller and Auditor General of India
7. Secretary, DPIIT, Chairman of Standing Committee for implementation of Public Procurement Order, 2017
8. Joint Secretary, DPIIT, Member-Convener of Standing Committee for implementation of Public Procurement Order, 2017
9. Chairperson, CEA
10. CMDs of CPSEs/ Chairmen of DVC & BBMB/ MD of EESL
11. All JSs/ EA, MoP
Annexure-I

List of items of goods and services with sufficient local capacity and competition, in procurements of which, only “Class–I local suppliers”, shall be eligible to bid, irrespective of purchase value.

A. Transmission Sector- List of equipment pertaining to transmission system of 66 kV and above voltage level.

1. Transformers and Reactors (66 kV to 765 kV AC)
2. Air Insulated Switchgear (Circuit Breakers, Disconnectors), Surge Arrester, Wave trap (66 kV to 765 kV AC)
3. Gas Insulated Switchgear (66 kV to 400 kV AC)
4. Instrument Transformers (66 kV to 765 kV AC)
5. Bus Post Insulators
6. Substation structure material
7. Transmission line tower material
8. Conventional conductors and accessories
9. Porcelain Insulators and hardware fittings
10. Control & power cables
11. High Voltage Cables (upto 220 kV AC)
12. Control and Protection System including Substation Automation System
13. DG set
14. DC system (DC Battery & Battery Charger) in a substation
15. AC & DC Distribution Board for substation
16. Material for Grounding system
17. Items for illumination system

B. Hydro Sector- List of equipment pertaining to Hydro Generating Station.

1. Hydro Turbine & Associated equipment (Francis, Kaplan & Pelton Turbine)
2. Generator & Associated Equipment
3. Generator Transformer & Reactors
4. Main Inlet Valve & Associated Equipment
5. Penstock protection Valve and Associated Equipment
6. Governing system & Accessories
7. Gas Insulated Switchgear/ Gas Insulated Bus Ducts (Up to 400 kV)
8. Switchyard/Pothead Yard Equipment (excluding Transformer and Reactors)
9. Automation and Controls
10. Protection System
11. XLPE Cable (up to 400 kV)
12. Static Excitation System
13. SST, UAT & SAT
14. LV, MV & HV Switchgear
15. LV, MV & HV Bus Ducts
16. DC System
17. Power and Control Cable
18. Illumination system
19. D.G. Set
20. PLCC
21. Grounding System
22. Workshop Equipment
23. EOT Crane
24. Cooling Water System
25. Compressed Air System
26. Drainage/Dewatering System
27. Fire Protection System
29. Elevator
30. Oil Handling System
31. Mechanical BOP Items
C. Thermal Sector- List of equipment pertaining to Thermal Generating Station.

Coal/ lignite based thermal power projects/ plants:

1 Boiler Auxiliaries
   i) Air pre-heater
   ii) SCAPH
   iii) Steam soot blowers (wall blowers & LRSB)
   iv) Auxiliary Steam PRDS
   v) Mill reject system
   vi) Fuel oil system
   vii) Seal air Fan
   viii) Ducts and dampers
   ix) Duct expansion joints
   x) Blowdown tanks

2 Electro- static precipitators (ESPs)
   i) Casing
   ii) Electrodes
   iii) Rapping system
   iv) Hopper heaters
   v) Transformer rectifiers
   vi) Insulators

3 Turbine Auxiliaries
   i) Condensate extraction pumps
   ii) Condenser On line Tube Cleaning System (COLTC)
   iii) Debris filters
   iv) Deaerator
   v) Drain cooler and flash tanks
   vi) ECW pumps
   vii) Plate heat exchangers
   viii) Self- cleaning filters
   ix) Condensate polishing units (CPUs)
   x) Chemical dosing system
4 Generator Auxiliaries
i) Seal oil system
ii) Hydrogen cooling system
iii) Stator water cooling system

5 Electrical Works
i) Transformers
ii) Bus ducts
iii) Motors
iv) Switchgears
v) Power & control cables
vi) Control and metering equipment
vii) Protective relays
viii) Switch yard equipment - Insulators, Circuit Breakers, Isolators, Conductors, CTs, PTs, Bushings, surge arresters etc.
ix) Earthing & Lightning protection system
x) DC batteries & battery charger system
xi) Electrical laboratory & testing equipment
xii) Emergency DG sets
xiii) Plant illumination system

6 Control & Instrumentation System (C&I System)
i) Thermocouples
ii) Measuring instruments
iii) Burner management system
iv) Flame scanners
v) Actuators
vi) Automation and Control Cards
vii) PLC System
viii) SWAS system
ix) Vibration monitoring system
x) Interplant communication/ public address system

7 Coal Handling Plant
i) Conveyors
ii) Hydraulic drives, hydraulic motor
iii)  Wagon Tippler  
iv)  Side Arm Charger  
v)  Paddle feeder  
vi)  Crushers & Screens  
vii)  Dust suppression (dry fog & plain water) system  
viii)  Air Compressors  
ix)  Magnetic separators & metal detectors  
x)  Coal sampling system  
xi)  Stacker cum reclamer  
xii)  Belt weighing & monitoring system. 

**8 Ash Handling System**  
i)  Clinker grinder  
ii)  Water jet ejectors  
iii)  Scrapper chain conveyor  
iv)  Dry fly ash vacuum extraction system  
v)  Pressure pneumatic conveying system  
vi)  Ash water & ash slurry pumps  
vii)  Compressors, air dryers & air receivers  
viii)  Ash water recovery system 

**9 Raw water intake & supply system**  
i)  Travelling water screens  
ii)  Raw water supply pumps  
iii)  Valves, RE joints etc. 

**10 Water Treatment System and Effluent Treatment System**  
i)  Clarification plant  
ii)  Filtration plant  
iii)  Ultra filtration plant  
iv)  Reverse osmosis plant  
v)  DM plant  
vi)  Chlorination plant  
vii)  Chemical dosing system  
viii)  Effluent Treatment Plant
11 CW & ACW System
   i) CW & ACW Pumps
   ii) BF valves, NRVs etc.
   iii) RE joints
   iv) Air release valves

12 Cooling towers (NDCT/IDCT)
   i) Water distribution system,
   ii) spray nozzles,
   iii) packing,
   iv) drift eliminators
   v) CT Fans (for IDCT)
   vi) Gear boxes, shafts & motors (for IDCT)

13 Air Conditioning & ventilation system
   i) Split & window air conditioners
   ii) Chilling/condensing unit
   iii) AHU and Fresh air unit
   iv) Cooling towers
   v) AWUs, axial fans, roof extractors
   vi) Ducts, louvers & dampers

14 Cranes, EOT cranes, gantry crane & chain pulley blocks etc.

15 Fire Protection and Detection System
   i) Motor driven fire water pumps
   ii) Diesel engine driven fire water pumps
   iii) Hydrant system for the power plant.
   iv) High velocity water spray system
   v) Medium velocity water spray system
   vi) Foam protection system
   vii) Inert gas flooding system
   viii) Fire tenders
   ix) Portable fire-extinguishers
   x) Automatic fire detection, alarm & control system
   xi) Fire alarm panels
16 Flue Gas Desulphurization (FGD)

i) Spray header

ii) Mist eliminators

D. Power Distribution Sector - List of equipment pertaining to Power Distribution Sector.

1. 33/11 kV Power Transformers
2. Oil filled Distribution Transformers (CRGO / Amorphous Core)
3. Dry type Distribution Transformers (Aluminum / Copper type)
4. Insulators (Polymer / Porcelain)
5. Instrument Transformers (LV {1.1 kV and below} / MV {Upto 33 kV})
6. Conventional Conductors and accessories
7. Electrical Motors (0.37 kW to 1 MW)
8. MV AIS Panels (including Circuit Breakers) up to 36 KV, indoor
9. MV Breakers up to 40.5 KV, Outdoor
10. Isolators
11. Packaged Substation (6.6kV to 33kV)
12. RMUs (11 kV)
13. Poles (PCC, PSCC, Rolled steel joist, Rail pole or Spun or Steel tubular pole)
14. Cables(PVC, Rubber, etc) (11 to 33 kV)
15. XLPE Cables
16. Cable accessories
17. Control cables
18. Energy Meters
19. Substation structure material
20. Items for illumination system
21. All works pertaining to distribution of electricity, excluding works which involve supply of one or more goods not mentioned above valued at more than 50% of the value of the work
22. All services other than IT software, which shall be governed by orders of the Ministry of Electronics and Information Technology.

******
No.11/05/2018-Coord.
Government of India
Ministry of Power

Shram Shakti Bhawan, New Delhi
Dated the 28th July, 2020

ORDER

Sub: Public Procurement (Preference to Make in India) to provide for Purchase Preference (linked with local content) in respect of Power Sector.

Ref: Department for Promotion of Industry and Internal Trade (DPIIT) Notification No.P-45021/2/2017-PP (BE-II) dated 4th June, 2020.

The Government of India, Department for Promotion of Industry and Internal Trade (DPIIT) issued Public Procurement (Preference to Make in India) Order 2017 for encouraging 'Make in India' and promoting manufacturing and production of goods and services in India with a view to enhancing income and employment. Further, DPIIT vide order No.P-45021/2/2017-PP (BE-II) dated 4th June, 2020, have issued the revised Public Procurement (Preference to Make in India) Order 2017.

2. In the light of the Public Procurement (Preference to Make in India) Order 2017, this Ministry had notified purchase preference (linked with local content) for Hydro and Transmission sector vide Order No.11/05/2018-Coord. dated 20.12.2018, for Thermal sector vide Order dated 28.12.2018 and for Distribution sector vide Order dated 17.03.2020. Further, a combined order dated 04.04.2020 was also issued.

3. In furtherance of Para 19 of the DPIIT Notification No.P-45021/2/2017-PP(BE-II) dated 04.06.2020 and in supersession of all the aforementioned orders issued by this Ministry, the following has been decided:

i. For the purpose of this order, the definitions of various terms used in the order, and provisions relating to (i) Eligibility of 'Class-I local supplier'/'Class-II local supplier'/Non-local suppliers' for different types of procurement, (ii) purchase preference, (iii) exemption to small purchases, and (iv) margin of purchase preference, shall be the same as in DPIIT order dated 04.06.2020, referred to above and extracts of the same given at Appendix.

ii. In procurement of all goods and services or works in respect of which there is sufficient local capacity and local competition as in Annexure-I, only 'Class-I local supplier', shall be eligible to bid irrespective of purchase value.

iii. In procurement of all goods, services or works not covered by sub-para 3(ii) above, and with estimated value of purchases less than Rs.200 Crore, in accordance with Rule 161(iv) of GFR, 2017, Global Tender Enquiry (GTE) shall not be issued except with the approval of the competent authority as designated by Department of Expenditure. Only 'Class-I local supplier' and 'Class-II local supplier' shall be eligible to bid in procurement undertaken by procuring entities, except when Global Tender Enquiry has been issued. In Global tender enquiries, 'Non-local suppliers' shall also be eligible to bid along with 'Class-I local suppliers' and 'Class-II local suppliers'.

iv. For the purpose of this order, 'Works' means all works as per Rule 130 of GFR-2017, and will also include 'turnkey works', Engineering, Procurement and Construction (EPC) contracts and service contracts including System Integrator (SI) contracts. This order shall be applicable to Tariff Based Competitive Bidding (TBCB) projects also.
4. The list of items, in respect of which, local capacity with sufficient competition exists as per Annexure-I, will be reviewed at regular intervals with a view to increase number of items in this list.

5. Purchase preference shall be given to local suppliers in accordance with para 3A of DPIIT Order dated 04.06.2020, and extracts of the same given at Appendix.

6. Further, it has been decided to constitute a committee for independent verification of self-declarations and auditor’s / accountant’s certificates on random basis and in the case of complaints. The composition of the committee is given below:

<table>
<thead>
<tr>
<th>Chairperson</th>
<th>Member (Planning), CEA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Member</td>
<td>Chief Engineer (PSETD), CEA</td>
</tr>
<tr>
<td>Member</td>
<td>Chief Engineer (HETD), CEA</td>
</tr>
<tr>
<td>Member</td>
<td>Chief Engineer (TETD), CEA</td>
</tr>
<tr>
<td>Member</td>
<td>Chief Engineer (DP&amp;R), CEA</td>
</tr>
<tr>
<td>External Expert</td>
<td>As may be co-opted by CEA</td>
</tr>
<tr>
<td>Convener</td>
<td>Chief Engineer (R&amp;D), CEA</td>
</tr>
</tbody>
</table>

7. Further, it has also been decided to constitute a committee to examine the grievances in consultation with stakeholders and recommend appropriate actions to the Competent Authority in MOP. The composition of the Committee is given below:

<table>
<thead>
<tr>
<th>Chairperson</th>
<th>Chairperson, CEA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Member</td>
<td>Member (Hydro), CEA</td>
</tr>
<tr>
<td>Member</td>
<td>Member (Power System), CEA</td>
</tr>
<tr>
<td>Convener</td>
<td>Member (Thermal), CEA</td>
</tr>
</tbody>
</table>

8. The complaint fee of Rs.2 Lakh or 1% of the value of the local item being procured (subject to maximum of Rs.5 Lakh), whichever is higher, shall be paid in the form of online transaction or Demand Draft, drawn in favour of DDO, CEA. In case the complaint is found to be incorrect, the complaint fee shall be forfeited. In case, the complaint is upheld and found to be substantially correct, deposited fee of the complainant would be refunded without any interest.

9. All other conditions, not stipulated in this order, shall be as laid down in the DPIIT’s order No.P-45021/2/2017-PP (BE-II) dated 04.06.2020.

10. This order shall be applicable in respect of the procurements made by all attached or subordinate offices or autonomous body under the Ministry of Power, Government of India including Government Companies as defined in the Companies Act, and for the States and Local Bodies making procurement under all Central Schemes/ Central Sector Schemes where the Scheme is fully or partially funded by Government of India. The aforesaid orders shall also be applicable in respect of funding of capital equipment by PFC/ REC.

11. Procuring entities as defined in the DPIIT’s Order dated 04.06.2020 are advised to revise their tender documents fully complying with the said DPIIT’s Order and the subsequent Orders that would be issued in this regard by DPIIT/this Ministry from time to time.

12. All tenders for procurement by Central Government Agencies have to be certified for compliance of the PPP-MII Order by the concerned procurement officer of the Government Organization before uploading in the portal.
13. In pursuance of the provision of para 13 of the DPIIT Order, 2020, equipment used in the power sector which are manufactured under license from foreign manufacturers holding intellectual property rights and where there is a transfer of technology agreement are listed as under Annexure-II. However, Annexure-II will undergo regular review to check for those items in the list for which sufficient local manufacturing capacity and competition have got developed and which meet minimum local content of 50% now, so that these items become eligible for inclusion in Annexure-I of this order and the provisions as contained in para 3 above of this order start becoming applicable in respect of these items too.

14. In order to further encourage Make in India initiative and promote manufacturing and production of goods and services in India, general guidelines as enclosed at Annexure-III may be adopted in an appropriate manner according to the circumstances by the procuring entities in their tendering process.

15. This issues with the approval of Hon'ble MoS (IC) for Power and NRE.

(R.K. Das)
Under Secretary to the Government of India
Tel. No.011-23752495

To:

1. All Ministries/ Departments of Government of India (As per list)
2. Secretary (Coordination), Cabinet Secretariat
3. PS to PM, Prime Minister’s Office
4. Vice Chairman, NITI Aayog
5. Chief Secretaries of all States/UTs
6. Director General, Comptroller and Auditor General of India
7. Secretary, DPIIT, Chairman of Standing Committee for implementation of Public Procurement Order, 2017
8. Joint Secretary, DPIIT, Member-Convener of Standing Committee for implementation of Public Procurement Order, 2017
9. Chairperson, CEA
10. CMDs of CPSEs/ Chairmen of DVC & BBMB/ MD of EESL
11. All JSs/ EA, MoP
Appendix

Extracts of important provisions contained in DPIIT Order No.P-45021/2/2017-PP (BE-II) dated 4th June, 2020

1. Definitions:

'Local content' means the amount of value added in India which shall, unless otherwise prescribed by the Nodal Ministry, be the total value of the item procured (excluding net domestic indirect taxes) minus the value of imported content in the item (including all customs duties) as a proportion of the total value, in percent.

'Class-I local supplier' means a supplier or service provider, whose goods, services or works offered for procurement, has local content equal to or more than 50%, as defined under said Order.

'Class-II local supplier' means a supplier or service provider, whose goods, services or works offered for procurement, has local content more than 20% but less than 50%, as defined under this Order.

'Non-Local supplier' means a supplier or service provider, whose goods, services or works offered for procurement, has local content less than or equal to 20%, as defined under this Order.

'L 1 ' means the lowest tender or lowest bid or the lowest quotation received in a tender, bidding process or other procurement solicitation as adjudged in the evaluation process as per the tender or other procurement solicitation.

'Margin of purchase preference' means the maximum extent to which the price quoted by a "Class-I local supplier" may be above the L 1 for the purpose of purchase preference.

'Procuring entity' means a Ministry or department or attached or subordinate office of, or autonomous body controlled by, the Government of India and includes Government companies as defined in the Companies Act.

'Works' means all works as per Rule 130 of GFR-2017, and will also include turnkey works. 

2. Eligibility of 'Class-I local supplier'/ 'Class-II local supplier'/ 'Non-local suppliers' for different types of procurement

(a) In procurement of all goods, services or works in respect of which the Nodal Ministry / Department has communicated that there is sufficient local capacity and local competition, only 'Class-I local supplier', as defined under the Order, shall be eligible to bid irrespective of purchase value.

(b) In procurement of all goods, services or works, not covered by 2(a) above, and with estimated value of purchases less than Rs.200 Crore, in accordance with Rule 161(iv) of GFR, 2017. Global Tender Enquiry shall not be issued except with the approval of competent authority as designated by Department of Expenditure. Only 'Class-I local supplier' and 'Class-II local supplier', as defined under the Order, shall be eligible to bid in procurements undertaken by procuring entities, except when Global Tender Enquiry has been issued. In Global Tender Enquiries, 'Non-local suppliers' shall also be eligible to bid along with 'Class-I local suppliers' and 'Class-II local suppliers'.

(c) For the purpose of this Order, works includes Engineering, Procurement and Construction (EPC) contracts and services include System Integrator (SI) contracts.
3. **Purchase Preference**

(a) Subject to the provisions of this Order and to any specific instructions issued by the Nodal Ministry or in pursuance of this Order, purchase preference shall be given to ‘Class-I local supplier’ in procurements undertaken by procuring entities in the manner specified hereunder.

(b) In the procurements of goods or works, which are covered by para 2(b) above and which are divisible in nature, the ‘Class-I local supplier’ shall get purchase preference over ‘Class-II local supplier’ as well as ‘Non-local supplier’, as per following procedure:

   i. Among all qualified bids, the lowest bid will be termed as L 1. If L 1 is ‘Class-I local supplier’, the contract for full quantity will be awarded to L 1.

   ii. If L 1 bid is not a ‘Class-I local supplier’, 50% of the order quantity shall be awarded to L 1. Thereafter, the lowest bidder among the ‘Class-I local supplier’ will be invited to match the L 1 price for the remaining 50% quantity subject to the Class-I local supplier’s quoted price falling within the margin of purchase preference, and contract for that quantity shall be awarded to such ‘Class-I local supplier’ subject to matching the L 1 price. In case such lowest eligible ‘Class-I local supplier’ fails to match the L 1 price or accepts less than the offered quantity, the next higher ‘Class-I local supplier’ within the margin of purchase preference shall be invited to match the L 1 price for remaining quantity and so on, and contract shall be awarded accordingly. In case some quantity is still left uncovered on Class-I local suppliers, then such balance quantity may also be ordered on the L 1 bidder.

(c) In the procurements of goods or works, which are covered by para 2(b) above and which are not divisible in nature, and in procurement of services where the bid is evaluated on price alone, the ‘Class-I local supplier’ shall get purchase preference over ‘Class-II local supplier’ as well as ‘Non-local supplier’, as per following procedure:

   i. Among all qualified bids, the lowest bid will be termed as L 1. If L 1 is ‘Class-I local supplier’, the contract will be awarded to L 1.

   ii. If L 1 is not ‘Class-I local supplier’, the lowest bidder among the ‘Class-I local supplier’, will be invited to match the L 1 price subject to Class-I local supplier’s quoted price falling within the margin of purchase preference, and the contract shall be awarded to such ‘Class-I local supplier’ subject to matching the L 1 price.

   iii. In case such lowest eligible ‘Class-I local supplier’ fails to match the L 1 price, the ‘Class-I local supplier’ with the next higher bid within the margin of purchase preference shall be invited to match the L 1 price and so on and contract shall be awarded accordingly. In case none of the ‘Class-I local supplier’ within the margin of purchase preference matches the L 1 price, the contract may be awarded to the L 1 bidder.

(d) “Class-II local supplier” will not get purchase preference in any procurement, undertaken by procuring entities.

4. **Exemption of small purchases**: Procurements where the estimated value to be procured is less than Rs. 5 Lakh shall be exempt from this Order. However, it shall be ensured by procuring entities that procurement is not split for the purpose of avoiding the provisions of this Order.

5. **Margin of Purchase Preference**: The margin of purchase preference shall be 20%.
List of items of goods and services with sufficient local capacity and competition:

A. Transmission Sector- List of equipment pertaining to transmission system of 66 kV and above voltage level.

1. Transformers and Reactors (66 kV to 765 kV AC)
2. Air Insulated Switchgear (Circuit Breakers, Disconnectors), Surge Arrester, Wave trap (66 kV to 765 kV AC)
3. Gas Insulated Switchgear (66 kV to 400 kV AC)
4. Instrument Transformers (66 kV to 765 kV AC)
5. Bus Post Insulators
6. Substation structure material
7. Transmission line tower material
8. Conventional conductors and accessories
9. Porcelain Insulators and hardware fittings
10. Control & power cables
11. High Voltage Cables (upto 220 kV AC)
12. Control and Protection System including Substation Automation System
13. DG set
14. DC system (DC Battery & Battery Charger) in a substation
15. AC & DC Distribution Board for substation
16. Material for Grounding system
17. Items for illumination system

B. Hydro Sector- List of equipment pertaining to Hydro Generating Station.

1. Hydro Turbine & Associated equipment (Francis, Kaplan & Pelton Turbine)
2. Generator & Associated Equipment
3. Generator Transformer & Reactors
4. Main Inlet Valve & Associated Equipment
5. Penstock protection Valve and Associated Equipment
6. Governing system & Accessories
7. Gas Insulated Switchgear/ Gas Insulated Bus Ducts (Up to 400 kV)
8. Switchyard/Pothead Yard Equipment (excluding Transformer and Reactors)
9. Automation and Controls
10. Protection System
11. XLPE Cable (up to 400 kV)
12. Static Excitation System
13. SST, UAT & SAT
14. LV, MV & HV Switchgear
15. LV, MV & HV Bus Ducts
16. DC System
17. Power and Control Cable
18. Illumination system
19. D.G. Set
20. PLCC
21. Grounding System
22. Workshop Equipment
23. EOT Crane
24. Cooling Water System
25. Compressed Air System
26. Drainage/Dewatering System
27. Fire Protection System
29. Elevator
30. Oil Handling System
31. Mechanical BOP Items

C. Thermal Sector- List of equipment pertaining to Thermal Generating Station.

Coal/ lignite based thermal power projects/ plants:

1. Boiler Auxiliaries
   i) Air pre-heater
   ii) SCAPH
   iii) Steam soot blowers (wall blowers & LRSB)
   iv) Auxiliary Steam PRDS
   v) Mill reject system
   vi) Fuel oil system
   vii) Seal air Fan
   viii) Ducts and dampers
ix) Duct expansion joints
x) Blowdown tanks

2 Electro- static precipitators (ESPs)
i) Casing
ii) Electrodes
iii) Rapping system
iv) Hopper heaters
v) Transformer rectifiers
vi) Insulators

3 Turbine Auxiliaries
i) Condensate extraction pumps
ii) Condenser On line Tube Cleaning System (COLTC)
iii) Debris filters
iv) Deaerator
v) Drain cooler and flash tanks
vi) ECW pumps
vii) Plate heat exchangers
viii) Self- cleaning filters
ix) Condensate polishing units (CPUs)
x) Chemical dosing system

4 Generator Auxiliaries
i) Seal oil system
ii) Hydrogen cooling system
iii) Stator water cooling system

5 Electrical Works
i) Transformers

ii) Bus ducts
iii) Motors
iv) Switchgears
v) Power & control cables
vi) Control and metering equipment
vii) Protective relays
viii) Switch yard equipment - Insulators, Circuit Breakers, Isolators, Conductors, CTs, PTs, Bushings, surge arresters etc.
ix) Earthing & Lightning protection system
x) DC batteries & battery charger system
xi) Electrical laboratory & testing equipment
xii) Emergency DG sets
xiii) Plant illumination system
  6 Control & Instrumentation System (C&I System)
    i) Thermocouples
    ii) Measuring instruments
    iii) Burner management system
    iv) Flame scanners
    v) Actuators
    vi) Automation and Control Cards
    vii) PLC System
    viii) SWAS system
    ix) Vibration monitoring system
    x) Interplant communication/ public address system
  7 Coal Handling Plant
    i) Conveyors
    ii) Hydraulic drives, hydraulic motor
    iii) Wagon Tippler
    iv) Side Arm Charger
    v) Paddle feeder
    vi) Crushers & Screens
    vii) Dust suppression (dry fog & plain water) system
    viii) Air Compressors
    ix) Magnetic separators & metal detectors
    x) Coal sampling system
    xi) Stacker cum reclaimers
xii) Belt weighing & monitoring system.
  8 Ash Handling System
    i) Clinker grinder
    ii) Water jet ejectors
    iii) Scraper chain conveyor
    iv) Dry fly ash vacuum extraction system
    v) Pressure pneumatic conveying system
    vi) Ash water & ash slurry pumps
    vii) Compressors, air dryers & air receivers
    viii) Ash water recovery system
9 Raw water intake & supply system
   i) Travelling water screens
   ii) Raw water supply pumps
   iii) Valves, RE joints etc.

10 Water Treatment System and Effluent Treatment System
   i) Clarification plant
   ii) Filtration plant
   iii) Ultra filtration plant
   iv) Reverse osmosis plant
   v) DM plant
   vi) Chlorination plant
   vii) Chemical dosing system
   viii) Effluent Treatment Plant

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   i) CW & ACW Pumps
   ii) BF valves, NRVs etc.
   iii) RE joints
   iv) Air release valves

12 Cooling towers (NDCT/ IDCT)
   i) Water distribution system,
   ii) spray nozzles,
   iii) packing,
   iv) drift eliminators
   v) CT Fans (for IDCT)
   vi) Gear boxes, shafts & motors (for IDCT)

13 Air Conditioning & ventilation system
   i) Split & window air conditioners
   ii) Chilling/ condensing unit
   iii) AHU and Fresh air unit
   iv) Cooling towers
   v) AWUs, axial fans, roof extractors
   vi) Ducts, louvers & dampers

14 Cranes, EOT cranes, gantry crane & chain pulley blocks etc.

15 Fire Protection and Detection System
   i) Motor driven fire water pumps
   ii) Diesel engine driven fire water pumps
   iii) Hydrant system for the power plant.
iv) High velocity water spray system
v) Medium velocity water spray system
vi) Foam protection system
vii) Inert gas flooding system
vii) Fire tenders
viii) Portable fire-extinguishers
ix) Automatic fire detection, alarm & control system
x) Fire alarm panels

16 Flue Gas Desulphurization (FGD)
  i) Spray header
  ii) Mist eliminators
The items manufactured under license from foreign manufacturers holding intellectual property rights and where there is a transfer of technology.

A. Transmission Power sector-
   1. Gas insulated switchgear (400 KV and above)
   2. 400 KV XLPE cable
   4. SCADA
   5. Power Transformers, 765KV
   6. HVDC Transformers
   7. Reactors 400 KV and above
   8. Composite Core Conductor
   9. GAP Conductors
   10. ACSS Conductor
   11. INVAR Conductors
   12. EHV Cables (up to 220 KV)
   13. EHV Cables 400 KV
   14. Composite Long Rod Insulators
   15. HV Gas Insulated Switchgear (72.5 kV to 420 kV)
   16. MV AIS Panels(incl. Circuit Breakers) up to 36 KV, indoor
   17. MV Breakers up to 40.5 kV, Outdoor
   18. MV GIS Panels (Up to 33kV)
   19. RMUs (11kV)
   20. RMUs (33kV)
   21. Control & Relay Panels, SCADA, Sub-Station Automation etc

B. Hydro Power sector
   1. Gas Insulated Switchgear/ Gas Insulated Bus Ducts (400 KV and above)
   2. Automation and Controls
   3. Protection System
   4. 400 kV XLPE Cable
C. **Thermal Power sector**

D. **Coal/ lignite based thermal power projects/ plants:**

1. **Boiler pressure parts**
   - i) Tubes
   - ii) Steam pipes / headers
   - iii) Steam headers
   - iv) Steam drum
   - v) Separator

2. **Boiler Auxiliaries**
   - i) Coal burners and oil burners
   - ii) Coal mills
   - iii) Coal feeders
   - iv) PA /FD/ ID fans
   - v) SCR

3. **Steam turbine**
   - i) HP / IP / LP turbine
   - ii) Bearings
   - iii) Steam inlet valves
   - iv) Generator

4. **Steam turbine auxiliaries**
   - i) Gland steam condenser
   - ii) Lub oil pumps
   - iii) Oil filters
   - iv) Oil purifiers
   - v) Condensate extraction pumps
   - vi) Condenser
   - vii) HP & LP heaters
   - viii) Boiler Feed Pumps (BFPs)
   - ix) BFP hydraulic coupling
   - x) BFP Drive turbines

5. **Control & Instrumentation System (C&I System)**
   - i) Distributed digital control, Monitoring and Information System (DDCMIS)
6 Flue Gas Desulphurization (FGD)
   i) Spray nozzles
   ii) Oxidation Blowers
   iii) Limestone slurry handling pumps
   iv) Booster fans
   v) Vacuum belt filters

B. Gas based thermal power projects/plants:

1. Gas turbine generating set and auxiliaries:
   i) Gas turbine unit Upto 44 MW
   ii) Combustion unit (Standard)
   iii) Compressor unit upto 145 MW
   iv) Lubrication and control oil system
   v) Oil purification and cooling system
   vi) Compressor cleaning system
   vii) Inlet air system

2. Exhaust gas system
   i) Ducting
   ii) Silencers
   iii) Bypass stack
   iv) Guillotine gates & Diverter damper
   v) Expansion joints

3. Heat Recovery Steam Generator (HRSG)
   i) Drums
   ii) Evaporators & superheaters
   iii) Condensate preheater
   iv) Feed regulating station
   v) Blow down tank
   vi) Chemical dosing system
   vii) HRSG Stack
Annexure-III

General guidelines to be adopted selectively in an appropriate manner by the procuring entities in their tender documents.

1. The bidder shall have to be an entity registered in India in accordance with law.
2. The bids shall be in the language as prescribed by the tenderer/procurer.
3. The bids shall be in Indian National Rupees (INR) only in respect of local content only.
4. Indian subsidiaries of foreign bidders shall meet the qualifying criteria in terms of capability, competency, financial position, past performance etc.
5. The bidder shall follow Indian laws, regulations and standards.
6. To be eligible for participation in the bid, foreign bidders shall compulsorily set up their manufacturing units on a long term basis in India as may be specified by the tenderer/procurer.
7. Similar or better technology than the technology offered in respect of material, equipment and process involved shall be transferred to India. Along with the transfer of technology, adequate training in the respective field shall also be provided.
8. Country of origin of the equipment/material shall be provided in the bid.
9. For supply of equipment / material from the country of origin other than India, the bidder shall submit performance certificate in support of satisfactory operation in India or a country other than the country of origin having climatic and operational conditions including ambient temperature similar to that of India for more than --- years (to be specified by the procurer).
10. The technologies/products offered shall be environmentally friendly, consuming less energy, and safe, energy efficient, durable and long lasting under the prescribed operational conditions.
11. The supplier shall ensure supply of spares, materials and technological support for the entire life of the project.
12. The manufacturers/supplier shall list out the products and components producing Toxic E-waste and other waste as may be specified. It shall have an Extended Producers Responsibility (EPR) so that after the completion of the lifecycle, the materials are safely recycled / disposed of by the Manufacturer/supplier and for this, the Manufacturer/supplier along with procurer has to establish recycling / disposal unit or as may be specified.
13. Domestic Content requirement (based on the cost of the product) shall be in accordance with the conditions laid down in respective Order(s) of the sectors on Public
Procurement (Preference to Make in India) to provide for purchase preference (linked with local content).

14. The equipment/material sourced from foreign companies may be tested in accredited labs in India before acceptance wherever such facilities are available.

15. The Tender fee and the Bank Guarantee (BG) shall be in Indian Rupees only.

16. The bidder shall have to furnish a certificate regarding cyber security/safety of the equipment/process to be supplied/services to be rendered as safe to connect.

17. Applicable safety requirements shall be met. Regular safety audit shall be carried out by the manufacturer/supplier.

18. Statutory laws/regulations including the labour and environmental laws shall be strictly complied with during supply, storage, erection, commissioning and operation process. A regular compliance report shall be submitted to the procurer/appropriate Authorities.

19. Formation of new joint venture in India shall be permitted only with the Indian companies.

20. Tendering by the agent shall not be accepted.

21. The original test report in the language prescribed by the procurer shall generally be accepted. Preferably the translated test report shall not be accepted. However, the notarized translation of test reports shall be accepted.

22. Certification/compliance as per the Indian Standards/ International Standards/ Indian Regulations/ specified Standards shall be mandatory, where ever applicable.

23. Quality assurance of the product shall be carried out by the procurer or an independent third party agency appointed by the procurer. Manufacturing Quality Plan as approved by the procurer shall be followed by the manufacturer/supplier.

24. Wherever required, the foreign supplier shall establish fully functional service centers in India and shall keep spares/material locally for future needs of utilities.

25. Arbitration proceedings shall be instituted in India only and all disputes shall be settled as per applicable Indian Laws.
भारत का राजपत्र

The Gazette of India

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EXTRAORDINARY

भाग I—खण्ड 1
PART I—Section 1

प्राविधार से प्रकाशित
PUBLISHED BY AUTHORITY

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No. 232] नई दिल्ली, सोमवार, सितम्बर 7, 2020/भाद्र 16, 1942

इलेक्ट्रॉनिकी और सूचना प्रौद्योगिकी मंत्रालय
(आई.पी.एच.डब्ल्यू.)

अधिष्ठायन
नई दिल्ली, 7 नोव्हेंबर, 2020

विषय: सार्वजनिक क्रय (मेक इन इंडिया को वरीयता) आदेश 2017 के अनुरूप में इलेक्ट्रॉनिक उत्पादों को अधिसूचित करना

संदर्भ: उद्योग और अंतर्राष्ट्रीय व्यापार संबंधित विभाग (डीपीएचडब्ल्यू) के दिनांक 28.05.2018, 29.05.2019 और 04.06.2020 के आदेशों के जरिए यथासंस्थों में आदेश संख्या एमईअईटी-45021/2/2017-बीई-2 दिनांक 15.06.2017 पा. सं. डब्ल्यू-43/4/2019-आईईएचडब्ल्यू-एमईआईटी व नरकार ने 'मेक इन इंडिया' को प्रोत्साहित करने और आवाग्रहित अंतरराष्ट्रीय व्यापार संबंधित विभाग (डीपीएचडब्ल्यू) के दिनांक 28.05.2018, 29.05.2019 और 04.06.2020 के आदेशों के जरिए यथासंस्थों में आदेश संख्या एमईअईटी-45021/2/2019-बीई-2, दिनांक 15.06.2017 के तहत सार्वजनिक क्रय (मेक इन इंडिया को वरीयता) आदेश, 2017 जारी किया है।

2. उपरोक्त संदर्भ के जरिए अधिसूचित सार्वजनिक क्रय (मेक इन इंडिया को वरीयता) आदेश, 2017 [पीपीएच.एमएआईआई आदेश 2017] के अनुरूप में और इसके तहत जारी की गई दिनांक 14.09.2017 के इलेक्ट्रॉनिक उत्पाद अधिसूचना संख्या 33(1)/2017-आईईएचडब्ल्यू और दिनांक 01.08.2018 की अधिसूचना संख्या 33(5)/2017-आईईएचडब्ल्यू के अधिक्रम में इलेक्ट्रॉनिकी और सूचना प्रौद्योगिकी मंत्रालय (एमईआईटी) एतदद्वारा अधिसूचित करता है कि समय-समय पर संबंधित पूर्वस्तोत्र आदेश के अनुसार स्थानीय रूप से विनियमित इलेक्ट्रॉनिक उत्पादों को सभी क्रय संस्थाओं द्वारा वरीयता प्रदान की जाएगी।

4127 GI/2020 (1)
3. इस अधिसूचना के उद्देश्य से:
   क. वे मंदिर-II स्थानीय आपूर्तिकर्ता, वे मंदिर-III स्थानीय आपूर्तिकर्ता और चार-स्थानीय आपूर्तिकर्ता की परिवार तथा समय-समय पर यातायात अर्थव्यवस्था में आढ़ती अमूलको-एमआईआइई अधेश, 2017 संख्या पी-45021/2/2017-पीपी (बीई-III), विनियंत 04.06.2020 के पैरा 2 के अनुसार होगी। समय-समय पर यातायात अमूलको-एमआईआइई अधेश, 2017 संख्या पी-45021/2/2017-पीपी (बीई-III), विनियंत 04.06.2020 के पैरा 5 के अनुसार इस अधिसूचना में अधिपूर्वत प्रत्यक्ष इलेक्ट्रॉनिक उत्पाद के लिए स्थानीय सामग्री की गणना के लिए तंत्र निंवल्कित किया गया है।

   ख. समय-समय पर यातायात अमूलको-एमआईआइई अधेश, 2017 संख्या पी-45021/2/2017-पीपी (बीई-III), विनियंत 04.06.2020 के पैरा 3 के अनुसार प्रति तन्त्र के लिए संदर्भित किया गया। जिसके लिए अधिमानत: थरुलू स्तर पर विनिमित इलेक्ट्रॉनिक उत्पाद (थूलू के संदभव में) की गणना दी जाती है।

4. सालजनह क्राय (मेक इन इंडिया को भी) अधेश 2017 के तहत निम्नलिखित इलेक्ट्रॉनिक उत्पाद अधिसूचित किए गए हैं:

4.1 डेस्कटॉप परिवहन कंप्यूटर (पीसी)

(क) परिवहन:
इस अधिसूचना के प्रयोजन से एक डेस्कटॉप पीसी में आपूर्ति रूप से एक पीसी, मेमोरी, हार्ड डिस्क इन्स्टेस्ट, फी-बोर्ड, माउस और एक अलग-एक एकल डिस्प्ले यूजर तानिक होगी और इस स्वतंत्र रूप से कार्य करने में सक्षम होगा।

(ख) स्थानीय सामग्री की गणना के लिए तंत्र:
डेस्कटॉप पीसी की सामग्री का चर्लू सामग्री विन (बीईबी) निम्नलिखित ताकिलिक के कॉलम 1 में विनिमित मूल्य इनपुट की लगत के बोध के बराबर होगा, वशतः कि इनपुट अलग-अलग रूप से ताकिलिक के कॉलम 2 में विनिमित मूल्यवर्धन आवश्यकता को पूरा करें:

<table>
<thead>
<tr>
<th>बी.ओ.एम के प्रमुख इनपुट/डेस्कटॉप पीसी के विनिमार्ष के लिए चरण</th>
<th>चर्लू बी.ओ.एम के रूप में भरीपूर्व किए जाने बाल पेंट के लिए आवश्यक मूल्यवर्धन/स्थानीय सामग्री</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>मूल्य बोर्ड/मदरबोर्ड और सीपीयू/सीपीयू</td>
<td>आवाभित/चर्लू स्तर पर विनिमित कलक्षुओं और संचालकों से चर्लू पीसीभी अंगभारी और परीक्षण, जिसमें सेमीकंडक्टर्स” और सीपीयू/सीपीयू” का खुलासा है और चर्लू पीसीभी का मूल्य इसमें शामिल नहीं है। हालांकि, सीपीयू के कुल मूल्य का भार डेस्कटॉप पीसी के कुल बीओएम के 30% से अधिक नहीं होगा।</td>
</tr>
<tr>
<td>बीमोरी माउड्रूल</td>
<td>चर्लू पीसीभी के मूल्य को धोकाडार, आवाभित/चर्लू स्तर पर विनिमित चर्लू पीसीभी पर आवाभित/चर्लू स्तर पर विनिमित बीमोरी माउड्रुल” और कलक्षुओं से चर्लू पीसीभी अंगभारी” एवं परीक्षण।</td>
</tr>
<tr>
<td>हार्ड डिस्क इन्स्टेस्ट/सॉलिड स्टेट इन्स्टेस्ट (एसएसडी)</td>
<td>चर्लू पीसीभी के मूल्य को धोकाडार आवाभित/चर्लू स्तर पर विनिमित कलक्षुओं और संचालकों से चर्लू पीसीभी अंगभारी” एवं फाइलवर उत्पाद अंगभारी और परीक्षण।</td>
</tr>
<tr>
<td>एलसी/एलसी मॅनिटर</td>
<td>आवाभित/चर्लू स्तर पर अंगभारी गए एलसी/एलसी मॅनिटर, बीमोरी और एलसी/एलसी मॅनिटर की चर्लू स्तर पर अंगभारी और परीक्षण। चर्लू पीसीभी अंगभारी” और बीमोरी चर्लू पीसीभी अंगभारी” और बीमोरी वालिका में बालिका की धोकाडार धातुपुंज की स्टेपिमिग।</td>
</tr>
</tbody>
</table>
भारत का राजपत्र : असाधारण

| बीवीडी ड्राइव | आयातित/परेलू स्टर पर विनिमित कलपुजों और संघटकों से परेलू असंबंधी और परीक्षण। |
| कैबिनेट + एसएसपीएम | परेलू रूप से विनिमित कैबिनेट और परेलू पीसीबी असंबंधी और आयातित/परेलू स्टर पर विनिमित कलपुजों और संघटकों से एसएसपीएम की फाइनल असंबंधी और परीक्षण, इस शर्त के अधिकरण कि "एसएसपीएम" की असंबंधी में उपयोग किया जाने वाले परेलू विनिमित कलपुजों और संघटक न्यूतम 20% होगी ("एसएसपीएम" के विनिमय में उपयोग किया जाने वाले कलपुजों और संघटकों के कुल मूल्य के)। |
| की-बोर्ड और माउस | परेलू पीसीबी असंबंधी और आयातित/परेलू स्टर पर विनिमित कलपुजों और संघटकों से फाइनल असंबंधी और परीक्षण। |
| बेयर पीसीबी | आयातित/परेलू स्टर पर विनिमित इनपुट से परेलू रूप से विनिमित। |
| फाइनल असंबंधी/परीक्षण और (i) फाइनल असंबंधी/परीक्षण और (ii) डिजाइन/विकास | (i) परेलू स्टर पर असंबंधी/परीक्षण और (ii) उपरोक्त आइटमों में से किसी आइटम के लिए बाइडिक सम्पदा (आईपी) अधिकार रखने वाला व्यक्ति भारत का निवासी हो। उपरोक्त आइटमों में से किसी आइटम के लिए भारत में (आईपी) निवासी के मूल्य को परेलू बीओएम में उसके मूल्य से घटाया जाएगा। |

*यह आवश्यक है कि एसएमटी प्रक्रिया का उपयोग करते हुए बेयर पीसीबी पर सीपीयू (एस)/जीपीयू/प्रोसेसर (एस) कलपुजों/संघटकों के ब्रिटेड सर्किट बोर्ड की असंबंधी (पीसीबीए) अन्वितार रूप से भारत में की जानी चाहिए।

**भारत में सेमीकंडक्टर फैब चालू होने पर इसकी समीक्षा की जाएगी।

4.2 थिन क्लाइंट

(क) परिभाषा:।
इस अधिमूल्यका के प्रयोजन से किसी थिन क्लाइंट (सीपीयू) में अनिवार्य रूप से सीपीयू, इमेटरी, होम, की-बोर्ड, माउस और एक अलग एक्जेक्ट डिस्प्ले यूनिट शामिल होते हैं और यह स्वतंत्र रूप से कार्य करने में सक्षम होना चाहिए।

(ख) स्थानीय सामग्री की गणना के लिए तंत्र:
रिजन क्लाइंट की सामग्री का परेलू सामग्री थिन (बीओएम) निरनिर्दिष्ट तालिका के अंक 1 में विनिरिद्ध मूलब इनपुट की लागत के योग के बराबर होगा, वाली है कि इनपुट अलग-अलग रूप से तालिका के अंक 2 में विनिरिद्ध मूलब वल्वदन आवश्यकता को पुरा करें:

<table>
<thead>
<tr>
<th>बीओएम के प्रमुख इनपुट/थिन क्लाइंट के विनिमय के लिए चरण</th>
<th>परेलू बीओएम के रूप में विनिरिद्ध किए जाने वाले इनपुट के लिए आवश्यक मूलबवल्वदन/स्थानीय सामग्री</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>मूलब बोर्ड/मदरबोर्ड और सीपीयू आयातित/परेलू स्टर पर विनिमित कलपुजों और संघटकों से परेलू पीसीबी असंबंधी है और आयातित/परेलू स्टर पर विनिमित कलपुजों और संघटकों से परेलू पीसीबी असंबंधी है और सीपीयू अन्वितार का मूलब शामिल है और बेयर पीसीबी का मूलब इसमें शामिल नहीं है। हालाँकि, सीपीयू के कुल मूलब का भार थिन क्लाइंट के कुल बीओएम के 30% से अधिक नहीं होगा।</td>
</tr>
<tr>
<td>मेमोरी मॉड्यूल/डोम</td>
<td>बेयर पीसीबी के मूल्य को छोटकर आवाहित/चरलू स्तर पर विनिमित बेयर पीसीबी पर आवाहित/चरलू स्तर पर विनिमित मेमोरी जिस” और कलपुजों में चरलू पीसीबी अंतर्वाती और परीक्षण।</td>
</tr>
<tr>
<td>---</td>
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</tr>
<tr>
<td>एसएमपीएस/पाइर अड्डपर</td>
<td>चरलू रूप से पीसीबी अंतर्वाती* और आवाहित/चरलू स्तर पर विनिमित कलपुजों और संचालकों से एसएमपीएस / पाइर अड्डपर की फाइनल अंतर्वाती और टेस्टिंग, इस तरह के अधीन है कि “एसएमपीएस” की अंतर्वाती में प्रस्तुत चरलू विनिमित घरेलू और कलपुजों न्यूनतम 20% होंगे (“एसएमपीएस”) के विनिमाण में उपयोग किए जाने वाले कलपुजों और संचालकों के कुल मूल्य के।</td>
</tr>
<tr>
<td>एलसीडी/एलइडी मॉनिटर</td>
<td>आवाहित/चरलू रूप से अंतर्वाती किए गए एलसीडी/एलइडी पैनल बाले कलपुजों से एलसीडी/एलइडी मॉनिटर की चरलू स्तर पर अंतर्वाती और परीक्षण और चरलू पीसीबी अंतर्वाती”, चरलू प्लायर्टिक मोनिंग और बेयर पीसीबी के मूल्य को छोटकर धातुइ कलपूजों की स्टेमिग।</td>
</tr>
<tr>
<td>**</td>
<td>कैबिनेट</td>
</tr>
<tr>
<td></td>
<td>की-बोर्ड और माउस</td>
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<td>बेयर पीसीबी</td>
</tr>
<tr>
<td>(i) फाइनल अंतर्वाती / परीक्षण और</td>
<td>(i) चरलू स्तर पर अंतर्वाती/परीक्षण और</td>
</tr>
<tr>
<td>(ii) डिजाइन / विकास</td>
<td>(ii) उपरोक्त आदमों में से किसी आदम के लिए बीडिक समाचार (आईपी) अधिकार करने वाला व्यक्ति भारत का निवासी हो। उपरोक्त आदमों में से किसी आदम के लिए भारत में (आईपी) निवासी के मूल्य की घरलू बीओएम में उसके मूल्य से घटाया जाएगा।</td>
</tr>
</tbody>
</table>

*यह आवश्यक है कि एसएमपी एक्सिया का उपयोग करते हुए बेयर पीसीबी पर सीपीयू (एस)/जीपीयू/प्रोसेसर (एस) कलपुजों/संचालकों के प्रिंट्र सरक्टर्ड बोर्ड की अंतर्वाती (पीसीबीए) अनिवार्य रूप से भारत में की जानी चाहिए।

**भारत में से किसी कंप्यूटर फैक्ट्री से पूरे होने पर इसकी समीक्षा की जाएगी।

4.3 लैपटॉप परसनल कंप्यूटर (पीसी)

(क) परिभाषा:
इस अधिन्यास के प्रयोजन से किसी लैपटॉप पीसी (जिसे आमतौर पर लैपटॉप/नोटबुक/नेटबुक/आईपी आदि के रूप में बाजार में जाना जाता है) में आवश्यक रूप से सीपीयू, मेमोरी, हार्ड डिस्क ड्राइव, की-बोर्ड, टप्पे और या ड्राइवर में एकक सूत्र अपने स्थल पर व्यवस्थित होने में सक्षम होना चाहिए।

(ब) व्यवस्थापक सामग्री की गणना के लिए रूपांतरण:
लैपटॉप पीसी का चरलू सामग्री विभ (बीओएम) निष्पादित तालिका के कॉलम 1 में विनिमित मूल्य इनपुट की लागत के योग के बराबर होगा, वश्यतः कि इनपुट व्यवस्थित रूप से तालिका के कॉलम 2 में विनिमित मूल्यवर्धन आवश्यकता को पूरा करें:
<table>
<thead>
<tr>
<th>बीओएम प्रमुख इनपुट लैपटॉप के विनिमय के लिए चरण</th>
<th>चरणु ही हीओएम के रूप में वर्गीकृत किए जाने वाले इनपुट के लिए आवश्यक मूल्यवर्धन/ स्थानीय सामग्री</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>मुख्य बोर्ड/मररबोर्ड और सीपीयू/जीपीयू</td>
<td>आयातित/परेलू स्तर पर विनिमय कलपुजों और संगठनों से परेलू पीसीबी असेम्बली और परीक्षण, जिसमें संयोजकों और सीपीयू/जीपीयू&quot; का मूल्य शामिल है और बेयर पीसीबी का मूल्य उसमें शामिल नहीं है। हालाँकि, सीपीयू के कुल मूल्य का भार लैपटॉप के कुल बीओएम के 35% से अधिक नहीं है।</td>
</tr>
<tr>
<td>पावर मॉड्यूल</td>
<td>आयातित/परेलू स्तर पर विनिमय कलपुजों और संगठनों से परेलू पीसीबी असेम्बली और परीक्षण।</td>
</tr>
<tr>
<td>मेमोरी मॉड्यूल</td>
<td>बेयर पीसीबी के मूल्य का छोटीकर, आयातित/परेलू स्तर पर विनिमय बेयर “पीसीबी” पर आयातित/परेलू स्तर पर विनिमय मेमोरी बिउष&quot; और कलपुजों से परेलू पीसीबी असेम्बली और परीक्षण।</td>
</tr>
<tr>
<td>हार्ड डिस्क ड्राइव्वर/सॉलिड स्टेट ड्राइव्वर (एसएसडी)</td>
<td>बेयर पीसीबी के मूल्य का छोटीकर, आयातित/परेलू स्तर पर विनिमय कलपुजों और संगठनों से परेलू पीसीबी असेम्बली और फाइनल उत्पाद असेम्बली और परीक्षण।</td>
</tr>
<tr>
<td>हिस्टल पैनल (एलसीडी, एलईडी, आदि)</td>
<td>बैक कवर और बेजेल में परेलू असेम्बली और परेलू कवर और बेजेल के मूल्य को छोटीकर, आयातित/परेलू स्तर पर हिस्टल पैनल, एलईडी बैक लाईट, एंटेना से फाइनल परीक्षण।</td>
</tr>
<tr>
<td>डीडीडी ड्राइव्वर</td>
<td>आयातित/परेलू स्तर पर विनिमय कलपुजों और संगठनों से परेलू असेम्बली और परीक्षण।</td>
</tr>
<tr>
<td>पावर बॉटमर</td>
<td>परेलू पीसीबी असेम्बली के साथ आयातित/परेलू स्तर पर विनिमय पूजों और संगठनों से फाइनल परेलू असेम्बली* और परीक्षण, इस शर्त के अंतर्गत है कि &quot;पावर बॉटमर&quot; की असेम्बली में इस्तेमाल नहीं की जाती है और परेलू स्तर पर विनिमय पूजों और संगठनों का मूल्य न्यूनतम 40% होगा।</td>
</tr>
<tr>
<td>बैटरी</td>
<td>आयातित/परेलू स्तर पर विनिमय कलपुजों और संगठनों से परेलू असेम्बली और परीक्षण।</td>
</tr>
<tr>
<td>बॉटम किर, बैक किर, कीबोर्ड फेस बेजेल और हिस्टल पैनल के बैकीनेट/बेकिनस</td>
<td>आयातित/परेलू इनपुट का उत्पादन करने वाला इंडस्ट्रियल मॉडलिंग / स्टाइलिस्ट के माध्यम से परेलू स्तर पर विनिमय।</td>
</tr>
<tr>
<td>(i) फाइनल असेम्बली/परीक्षण और (ii) डिजाइन/बिकास</td>
<td>(i) परेलू स्तर पर असेम्बली/परीक्षण और (ii) उपरोक्त आइटमों में से किसी आइटम के लिए वाढ़क आपूर्ति (आईपी) अधिकार रखने वाला व्यक्ति भारत का निवासी हो। उपरोक्त आइटमों में से किसी आइटम के लिए भारत में (आईपी) निवासी के मूल्य को परेलू बीओएम में उसके मूल्य से घटाया जाएगा।</td>
</tr>
</tbody>
</table>
यह अिश्यक है दक एसएमटी प्रदक्रया का ईपयोग करते हुए बेयर पीसीबी पर सीपीयू (एस)/जीपीयू/प्रोसेसर (एस) कलपुजों/संघटकों के सिर्टिफिकेट बोर्ड की असेंबली (पीसीबीए) अविवार रूप से भारत में की जानी चाहिए।

**भारत में सेमीकंडक्टर फैब्रिकेट होने पर इसकी समाधा की जाएगी।**

### 4.4 कंप्यूटर मॉनिटर

(क) परिभाषा:

इस अधिमूलन के प्रयोजन से, एक कंप्यूटर मॉनिटर (जिसे आमतौर पर बाजार में मॉनिटर के रूप में जाना जाता है) में एक एलसीडी/एलइडी पैनल असेंबली, लॉजजक काडव, पॉर्ट समाप्ति अडैप्टर और िैनेट होता है जो इसे डेस्कटॉप पीसी या लैपटॉप पीसी या टैबलेट पीसी से ब्लेंड करने के लिए डिस्प्ले पोर्ट से युक्त होता है।

(ब) स्थानीय सामग्री की गणना के लिए तंत्र:

कंप्यूटर मॉनिटर का घरेलू सामग्री बिल (बीओएम) निःसंस्किर्त तालिका के कॉलम 1 में विनिर्दिष्ट मुख्य इनपुट की लागत के बराबर होगा, वरनं कि इनपुट अलग-अलग रूप से तालिका के कॉलम 2 में विनिर्दिष्ट मूल्यवर्धन आवश्यकता को पूरा करें:

<table>
<thead>
<tr>
<th>बीओएम के प्रमुख इनपुट/कंप्यूटर मॉनिटर के बिनिर्माण के लिए वरण</th>
<th>घरेलू बीओएम के रूप में वर्गीकृत किए जाने वाले इनपुट के लिए आवश्यक मूल्यवर्धन/स्थानीय सामग्री</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
</tr>
</tbody>
</table>
| लॉजजक काडव/माइक्रो कंट्रोलर | आयातित/घरेलू स्टार पर विनिर्दिष्ट कलपुजों और संघटकों से घरेलू पीसी/संघटकों और परीक्षण, जिसमें समीकंडक्टर का मूल्य शामिल है और बेयर पीसी/संघटकों का मूल्य शामिल नहीं है।
| एलसीडी/एलइडी पैनल | कैबिनेट/चेसिस के मूल्य को छोटाकर, मॉनिटर कैबिनेट/चेसिस में आयातित/घरेलू स्टार पर एकत्रित एलसीडी/एलइडी पैनल *** का घरेलू एकीकरण और परीक्षण। हालाँकि, एलसीडी/एलइडी पैनल के कुल मूल्य का भार कंप्यूटर मॉनिटर के कुल बीओएम के 35% से अधिक नहीं होगा।
| केबला | आयातित/घरेलू स्टार पर विनिर्दिष्ट इनपुट से घरेलू स्टार पर विनिर्दिष्ट और परीक्षण किया गया।
| पावर अड्डेटर | घरेलू पीसी/संघटकों के साथ आयातित/घरेलू स्टार पर विनिर्दिष्ट पूज्ञों और संघटकों से फाइनल घरेलू असेंबली* और परीक्षण, इस शर्त के अध्ययन है कि "पावर अड्डेटर" की असेंबली में इस्तेमाल होने वाले घरेलू स्टार पर विनिर्दिष्ट पूज्ञों और संघटकों का मूल्य स्पष्टतः 40% होगा ("पावर अड्डेटर" के बिनिर्माण में उपयोग किए जाने वाले कलपुजों और संघटकों के कुल मूल्य का)।
| बेयर पीसी/संघटकों | आयातित/घरेलू स्टार पर विनिर्दिष्ट इनपुट से घरेलू रूप से विनिर्दिष्ट।
| कैबिनेट/चेसिस | मॉनिटर बेजेल, बेक कवर, स्टेंड, बेस और चेसिस जिसमें प्लास्टिक मोल्डिंग और धातु के इस्तेमाल की स्टाम्पिंग की आयातित/घरेलू इनपुट का उपयोग करके घरेलू स्टार पर किया जाता है।
भारत का राजपत्र : आमालारण

(i) फाइनल असेंबली/परीक्षण और
d) डिजाइन/विकास

(i) घरेलू स्टार पर असंबंध/परीक्षित और
(ii) उपरोक्त आइटमों में से किसी आइटम के लिए बौद्धिक सम्पत्ति (आइपी) अधिकार रखने वाला व्यक्ति भारत का निवासी हो। उपरोक्त आइटमों में से किसी आइटम के लिए भारत में (आइपी) निवासी के मूल को घरेलू बीओएम में उसके मूल से घटाए जाएगा।

*यह आवश्यक है कि एमएमटी प्रदक्रया का उपयोग करते हुए बेयर पीसीबी पर सीपीयू (एस)/जीपीयू/प्रोसेसर (एस)
कलपुजों/संघटकों के ब्रिटेड सर्किट बोर्ड की असेंबली (पीसीए) अनिवार्य रूप से भारत में की जानी चाहिए।

**भारत में सेमीकंडक्टर फैब्रिकेशन और
d) असेंबली/परीक्षण
dका एलसीडी / एलइडी
पैनल विनिर्मय संचालन में हो।

4.5 टैबलेट परिस्थित कंप्यूटर (पीसी)
क. परिपार: 
इस अधिनियम के प्रयोग से, एक टैबलेट पीसी में आवश्यक रूप से एक एकीकृत मदरबोर्ड जिसमें सीपीयू/प्रोसेसर, साइमोरी
ऑर्ड पावर मॉड्यूल और बॉर्ड होंगे शामिल होगा; डिस्प्ले पैनल (टच पैनल + एलसीडी/एलइडी मॉड्यूल) और एकीकृत
बैटरी होंगे और यह स्वतंत्र रूप से संचालित करने में सक्षम होना चाहिए।

(ब) स्थानीय सामग्री की गणना के लिए तंत्र :
टैबलेट पीसी का घरेलू सामग्री बिन (बीओएम) निर्मलिखित तालिका के कॉलम 1 में विनिर्दित मूल इनपुट की लागत के
योग के समय होगा, बशर्ते कि इनपुट अलग-अलग रूप से तालिका के कॉलम 2 में विनिर्दित मूलबल्ला आवश्यकता को
पूरा करें:

<table>
<thead>
<tr>
<th>बीओएम के प्रमुख इनपुट/टैबलेट पीसी के विनिर्मय के लिए वरण</th>
<th>घरेलू बीओएम के रूप में वरिष्ठतत किए जाने वाले इनपुट के लिए आवश्यक मूलबल्लामें स्थानीय सामग्री</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1</strong> �dge</td>
<td><strong>2</strong> इनपुट/टैबलेट पीसी के साथ इनट्रेडेक्ट कंप्यूटर मदरबोर्ड</td>
</tr>
<tr>
<td>बेयर पैनल (टच पैनल + एलसीडी/एलइडी मॉड्यूल)</td>
<td>विनिर्दित भर्ती तरीके से विनिर्मित मल्पुजों और संघटकों से घरेलू पीसीयू/सीपीयू/प्रोसेसर/सीपीयू/प्रोसेसर का मूल कूल मुल्य 85% से अधिक होगा।</td>
</tr>
<tr>
<td>पाइर ऑडेटर</td>
<td>विनिर्दित/घरेलू स्टार पर विनिर्मित मल्पुजों और संघटकों से घरेलू पीसीयू/सीपीयू/प्रोसेसर/सीपीयू/प्रोसेसर का मूल कूल मुल्य 35% से अधिक होगा।</td>
</tr>
<tr>
<td>पाइर ऑडेटर</td>
<td>विनिर्दित/घरेलू स्टार पर विनिर्मित मल्पुजों और संघटकों से फाइनल घरेलू असेंबली और परीक्षण, इस शर्त के अध्याधीन है कि दिस्प्लेज पैनल का बैकलाइट असेंबली और परीक्षण घरेलू तरीके से किया जाएगा।</td>
</tr>
</tbody>
</table>
कलपूजों और संघटकों का मूल्य न्यूनतम 40% होगा ("पारेलू अडैप्टर" के विनिमय में उपयोग किए जाने वाले कलपूजों और संघटकों के कुल मूल्य का)।

बेयर पीसीबी आयातित/परेलू स्तर पर विनिमय इनपूट से परेलू रूप से विनिमित।

केसिंग परेलू स्तर पर विनिमित केसिंग।

बेटरी आयातित/परेलू स्तर पर विनिमय कलपूजों और संघटकों से परेलू असेंबली और परीक्षण।

एक्सेसरी (कैमरा, स्पीकर, वाइफाई एंटीना, आदि) आयातित/परेलू स्तर पर कलपूजों और संघटकों से परेलू असेंबली और परीक्षण।

(i) फाइनल असेंबली/परीक्षण और (ii) डिजाइन/विकास

(ि) परेलू स्तर पर असेंबली/परीक्षण और (िि) उपरोक्त आइटमों से सिर्फ आइटम के लिए बैन्डिक सम्पत्ति (आइटी) अधिकार रखने वाला व्यक्ति भारत का निवासी हो। उपरोक्त आइटमों से सिर्फ आइटम के लिए भारत में (आईटी) निवासी के मूल्य को घरेलू बीओएम में उसके मूल्य से घटाया जाएगा।

*यह आवश्यक है कि एसएमटी प्रक्रिया का उपयोग करके बेयर पीसीबी पर सीपीयू (एस)/जीपीयू/प्रोसेसर(एस) कलपुजों/संघटकों के ल्प्रटेड सर्दकट बोडव की असेंबली (पीसीबीए) अधिकारिक रूप से भारत में की जानी चाहिए।

**भारत में एसपीसीबी पैनल बालू होने पर इसकी समीक्षा की जाएगी।

4.6 डॉट मैररक्ट्स पिंटर

(क) परिभाषा:

डॉट मैररक्ट्स पिंटर एक प्रकार का प्रभावी पिंटर है, जो 0.2 मिमी से 0.3 मिमी के बीच के धातु लय द्वारा कागज पर डॉट बनाता है, जो सोलनाइड नियंत्रित के आधार पर इलेक्ट्रोमैप्ट द्वारा संचालित होता है और डोट मैररक्ट्स प्रिंटर ने केन क्षेत्रिज और कुञ्जकर्म रिजोल्यूशन द्वारा अपेक्षित कैरेक्टर का मैररक्ट्स उत्पाद होता है। डॉट मैररक्ट्स पिंटर पिंट के वांछित दबाव के आधार पर काबवन प्रजतयां और काबवन रजहत प्रजतयां बना सकता है।

(ख) स्थानीय सामग्री की गणना के लिए तंत्र:

डॉट मैररक्ट्स पिंटर का घरेलू सामग्री बिक (बीओएम) निम्नलिखित तात्कालिक के कॉलम 1 में विनिमय मूल्य इनपूट की लागत के बराबर होगी, जबकि इनपूट अलग-अलग रूप से तात्कालिक के कॉलम 2 में विनिमय मूल्यक्षेत्र आवश्यकता को पूरा करेगा:

<table>
<thead>
<tr>
<th>बीओएम के प्रमुख इनपूट/डॉट मैररक्ट्स पिंटर के विनिमय के लिए चरण</th>
<th>घरेलू बीओएम के रूप में वर्गीकृत किए जाने वाले इनपूट के लिए आवश्यक मूल्यक्षेत्र स्थानीय सामग्री</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
</tr>
</tbody>
</table>
| मुख्य पीसीबी | आयातित/घरेलू स्तर पर विनिमय कलपूजों और संघटकों से घरेलू पीसीबी असेंबली* और परीक्षण, इस शर्त के अंतर्गत हैं कि "मुख्य पीसीबी" की असेंबली में प्रयुक्त घरेलू स्तर पर विनिमय कलपूजों और संघटकों के मूल्य कुल मूल्य से 15% होना (मुख्य पीसीबी के विनिमय में प्रयुक्त कलपूजों और संघटकों के कुल मूल्य का), बेयर पीसीबी के मूल्य को छोड़कर।
| बेयर पीसीबी | आयातित/घरेलू स्तर पर विनिमय इनपूट से घरेलू रूप से विनिमित। |
भारत का राजपत्र: आरपीएस

एसएमपीएस अयाजतत/घरेलू स्तर पर विनिमय कलपूजों और संगठकों से घरेलू असेंबली और परीक्षण, इस तरह के अध्यायों हैं कि "एसएमपीएस" की असेंबली में इस्तेमाल होने वाले घरेलू स्तर पर विनिमय कल-पुजों और संगठकों का मूल्य न्यूनतम 20% होगा ("एसएमपीएस" के विनिमय में उपयोग किए जाने वाले कलपूजों और संगठकों के कुल मूल्य का)

कैरिज मोटर्स और पेपर फीड मोटर्स उप-असेंबली के रूप में आयात किया गया और मुख्य प्रिंटर तंत्र के साथ घरेलू रूप से परीक्षण किया गया।

प्रेग कंट्रोल पैनल आयातित/घरेलू स्तर पर विनिमय कलपूजों और संगठकों से घरेलू असेंबली और परीक्षण।

होम पोजीशन / पेपर एंड सेंसर आयातित/घरेलू स्तर पर विनिमय कलपूजों और संगठकों से घरेलू असेंबली और परीक्षण।

मुख्य प्रिंटर कॉन्फिगरेट और अन्य छोटे प्लाजस्टिक पटक प्रिंटर कॉन्फिगरेट और अन्य भागों के घरेलू मोडिक से।

प्रिंट मेकेनिज्म असंबंधित घरेलू स्तर पर विनिमय रबर प्लेट्स, छोटे रबर भागों, बीट धातु दंपकों, प्लाजस्टिक सियर और कर टेक्निक भागों और ऊपर बर्चरित संपक और मोटर्स का उपयोग करके घरेलू असंबंधित।

प्रिंट हेड्स और इंटरनेक्टिंग केबल्स उप-असंबंधित के रूप में आयात किया गया और मुख्य प्रिंटर तंत्र के साथ घरेलू रूप से परीक्षण किया गया।

(i) फाइलिंग असंबंधित/परीक्षण और (ii) डिजाइन/विकास (i) घरेलू स्तर पर असंबंधित/परीक्षण और (ii) उपरोक्त आइटमों में से किसी आइटम के लिए बैंडिइक संपत्ति (आईपी) अधिकार रखने वाला व्यक्ति भारत का निवासी हो। उपरोक्त आइटमों में से किसी आइटम के लिए भारत में (आईपी) निवासी के मूल्य को घरेलू बीओएम में उसके मूल्य से हटाया जाएगा।

* यह आवश्यक है कि एसएमटी प्रदक्रिया का उपयोग करते हुए बेयर पीसीबी पर कल पूजों/ संगठकों के प्रिंट डिजिटल बोर्ड असंबंधित (पीसीबीई) अनिवार्य रूप से भारत में किया जाना चाहिए।

4.7 स्मार्ट कार्ड

(क) परिमाण:

इस अधिगृहन के प्रयोजन में, स्मार्ट कार्ड आमतौर पर एक क्रिडिट कार्ड के आकार का प्लाजस्टिक कार्ड होता है, जिसमें एक एक्सक्यूट सर्टिफिक (आईएस) होता है। इस आईसी में एक माइक्रोसिस्पोर्स और मेमोरी होती है। स्मार्ट कार्ड संगठन, संगठन रहित या दोहरे इंटरफेस (संगठन और संगठन रहित दोनों) पर आधारित हो सकते हैं। स्मार्ट कार्ड के कुछ अनुप्रयोगों में प्लास्टिक पत, बैंडिज कार्ड, स्वास्थ्य कार्ड, बाहन परीक्षण कार्ड आदि हैं।

(ब) कांटेक्ट स्मार्ट कार्ड के लिए स्वास्थ्य सामग्री की गणना के लिए तंत्र

कांटेक्ट स्मार्ट कार्ड का घरेलू सामग्री विकलंथ (बीएम) निम्नलिखित तालिका के कॉलम 1 में विनिर्दित मुख्य इंपुट की लागत के योग के बराबर होगा, वर्तमान कि इंपुट अलग-अलग रूप से तालिका के कॉलम 2 में विनिर्दित मूल्यवर्धन आवश्यकता को पुरा करें।
<table>
<thead>
<tr>
<th>बीओएम के प्रमुख इनपुट/कॉन्टेंट स्टार्ट कार्य के निर्माण के लिए चरण</th>
<th>परेलू बीओएम के रूप में वर्गीकृत किये जाने वाले इनपुट के लिए आवश्यक मूल्यवर्धन/स्थानीय सामग्री</th>
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</tr>
</tbody>
</table>

| प्लास्टिक कार्ड बॉडी | आयातित/परेलू रूप से विनिर्मित, कलपुजों और संघटकों का उपयोग करके शीट कटिंग और पंसिंग, प्रिंटिंग, लेबलिनेशन और परीक्षण सहित परेलू विनिर्माण। |
| आईसी चिप माउडूल | आयातित/परेलू रूप से विनिर्मित कद्दू माल, कलपुजों और संघटकों का उपयोग करते हुए, आईसी चिप माउडूल की परेलू अन्तर्गत, पेंडिँग और परीक्षण। |
| प्लास्टिक कार्ड पर आईसी चिप माउडूल की मिलिंग और एंबेडिंग | प्लास्टिक कार्ड पर आईसी चिप माउडूल की मिलिंग और एंबेडिंग परेलू स्टर पर करना। |

(i) फाइनल असेंबली और टेस्टिंग  
(ii) डिजाइन / विकास  

| प्लास्टिक कार्ड बॉडी | आयातित/परेलू रूप से विनिर्मित कद्दू माल, कलपुजों और संघटकों का उपयोग करके शीट कटिंग और पंसिंग, प्रिंटिंग, लेबलिनेशन और परीक्षण सहित परेलू विनिर्माण। |
| शंघाइ कार्ड इनलेट (एंटीना) | परेलू स्टर पर विनिर्मित आयातित कद्दू माल, कलपुजों और संघटकों से संघटकों से घरेलू असेंबली और परीक्षण। |
| आईसी चिप माउडूल | आयातित/परेलू रूप से विनिर्मित कद्दू माल, कलपुजों और संघटकों का उपयोग करके आईसी चिप माउडूल की परेलू अन्तर्गत, पेंडिँग और परीक्षण। |
| प्लास्टिक कार्ड पर आईसी चिप माउडूल की मिलिंग और एंबेडिंग | प्लास्टिक कार्ड पर आईसी चिप माउडूल की मिलिंग और एंबेडिंग परेलू स्टर पर करना। |

(i) फाइनल असेंबली और टेस्टिंग  
(ii) डिजाइन / विकास  

* भारत में सेमीकंडक्टर फैक्टरी बांधे पर इसकी संगठन की जाएगी।

** (ख) कॉन्टेंटलेस स्टार्ट कार्य के लिए स्थानीय सामग्री की गणना के लिए क्रियाविधि**

कॉन्टेंटलेस स्टार्ट कार्य का परेलू सामग्री बिल (बीओएम) निर्मितिधित तालिका के कॉलम 1 में विनिर्दिष्ट मुख्य इनपुट की लागत के योग के बराबर होना, बसतीं कि इनपुट अलग-अलग रूप से तालिका के कॉलम 2 में विनिर्दिष्ट मूल्यवर्धन आवश्यकता को पूरा करें।

<table>
<thead>
<tr>
<th>बीओएम में प्रमुख इनपुट/कॉन्टेंटलेस स्टार्ट कार्य के निर्माण के लिए चरण</th>
<th>इनपुट को परेलू बीओएम के तौर पर वर्गीकृत किये जाने के लिए आवश्यक मूल्यवर्धन/स्थानीय सामग्री</th>
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| कार्ड इनलेट (एंटीना) | परेलू स्टर पर विनिर्मित आयातित कद्दू माल, कलपुजों और संघटकों से घरेलू असेंबली और परीक्षण। |
| आईसी चिप माउडूल | आयातित/परेलू रूप से विनिर्मित कद्दू माल, कलपुजों और संघटकों का उपयोग करके आईसी चिप माउडूल की परेलू अन्तर्गत, पेंडिंग और परीक्षण। |
| प्लास्टिक कार्ड पर आईसी चिप माउडूल की मिलिंग और एंबेडिंग | प्लास्टिक कार्ड पर आईसी चिप माउडूल की मिलिंग और एंबेडिंग परेलू स्टर पर करना। |

(i) फाइनल असेंबली और टेस्टिंग  
(ii) डिजाइन / विकास  

* भारत में सेमीकंडक्टर फैक्टरी बांधे पर इसकी संगठन की जाएगी।
4.8 एलईडी उत्पाद

(क) परिभाषा:
इस अधिसूचना के प्रयोजन से, एलईडी उत्पाद वे हैं जिनका कार्य एलईडी द्वारा उत्पादित प्रकाश का उपयोग करना और निम्नलिखित क्षेत्रों में इसका उपयोग बढाना है:- (i) रोलप्रिंट, (ii) एलईडी टीवी सहित अपिटिकल हिस्टल, (iii) बैंकलाईटिंग, (iv) सिस्टेम और इंटरकेशन और (v) परिवहन।

(ख) स्थानीय सामग्री की गणना के लिए क्रियाविधि:
एलईडी उत्पादों का पर्याल सामग्री विल (बीओएम) निम्नलिखित तालिका के कॉलम 1 में विनिर्देश मुख्य इनपुट की लागत के योग के बराबर होगा, वर्तमान इनपुट अलग-अलग रूप से तालिका के कॉलम 2 में विनिर्देश मूल्यवर्धन आवश्यकता को पूरा करें: हालांकि, (३) हीट सिंक या धर्मन मैनेजमेंट सॉल्यूशंस, (४) सेंडरी अपिटिक्स और (v) सिस्टम फिक्सेट और फिटिंग के कुल मूल्य का भार एलईडी उत्पाद के कुल बीओएम से 20% से अधिक नहीं होगा।

<table>
<thead>
<tr>
<th>बीओएम के प्रयोजन इनपुट/एलईडी उत्पाद के विनिर्देश के लिए चरण</th>
<th>इनपुट को पर्याल बीओएम के तौर पर वर्तमान किए जाने वाले के लिए आवश्यक मूल्यवर्धन</th>
</tr>
</thead>
<tbody>
<tr>
<td>एलईडी एमिटर</td>
<td>आयातित/पररूप रूप से विनिर्देश वेयर एलईडी डाय से फेकेजिंग, इस शर्त के अधीन है कि वेयर एलईडी डाय को आयातित/पररूप विनिर्देश आदानों का उपयोग करके पररूप रूप से विनिर्देश किया जाएगा।</td>
</tr>
<tr>
<td>इंटेल्लिजेंस इलेक्ट्रोनिक्स</td>
<td>धर्मन असेंबली* और आयातित/पररूप स्तर पर विनिर्देश कल्पन और संचालकों से परीक्षण, इस उपयोग के अधीन है कि &quot;इंटेल्लिजेंस इलेक्ट्रोनिक्स &quot; की असेंबली में इस्तेमाल होने वाले पररूप स्तर पर विनिर्देश कल्पन और संचालकों (वेयर पीसीबी का मूल्य छोड़कर) का मूल्य न्यूनतम 30% होगा (&quot;इंटेल्लिजेंस इलेक्ट्रोनिक्स&quot; के विनिर्देश में उपयोग किए जाने वाले कल्पन और संचालकों के कुल मूल्य का)।</td>
</tr>
<tr>
<td>एमसीपीसीबी सहित वेयर पीसीबी</td>
<td>पररूप रूप से आयातित/पररूप स्तर पर विनिर्देश इनपुट का उपयोग करके विनिर्देश।</td>
</tr>
<tr>
<td>हीट सिंक या धर्मन प्रबंधन समाधान</td>
<td>पररूप रूप से आयातित/पररूप स्तर पर विनिर्देश इनपुट का उपयोग करके विनिर्देश।</td>
</tr>
<tr>
<td>माध्यमिक प्रकाशिकी</td>
<td>पररूप रूप से आयातित/पररूप स्तर पर विनिर्देश इनपुट का उपयोग करके विनिर्देश।</td>
</tr>
<tr>
<td>सिस्टम फिक्सेट और फिटिंग</td>
<td>पररूप तौर पर विनिर्देश।</td>
</tr>
<tr>
<td>फाइनल असेंबली/परिक्षण</td>
<td>समय-समय पर अधिपूर्ण भारतीय मानकों के अनुसार पररूप रूप से असेंबली/परिबंध किए गए।</td>
</tr>
</tbody>
</table>

4.9 बायोमीट्रिक एससेस कंट्रोल/आंटीटिकेशन डिवाइस

(क) परिभाषा:
इस अधिसूचना के प्रयोजन से, बायोमीट्रिक एससेस कंट्रोल/आंटीटिकेशन डिवाइस में अन्य बातों के साथ-साथ एक सिंगर प्रिंट सेंसर/आइडेस सेंसर, नियंत्रेक मॉड्यूल और विज्ञापन की अपूर्ति शामिल होगा। इसमें हिस्टिल यूनिट धर्मन होगी या नहीं होगी। बायोमीट्रिक एससेस कंट्रोल/आंटीटिकेशन डिवाइस के कुछ एलेस्टिक फिजिकल एससेस कंट्रोल, टाइम और अटेंस्ट कंट्रोल आदि है।
(क) स्थानीय सामग्री की गणना के लिए तंत्रः
बायोमेट्रिक एसेस कंट्रोल/ऑप्टिकेशन डिवाइस का घरेलू सामग्री बिल (बीओएम) निम्नलिखित तालिका के कॉलम 1 में विनिर्दित मूल्य इनपुट की लागत के योग के बराबर होगा, बशर्ते कि इनपुट अलग-अलग रूप से तालिका के कॉलम 2 में विनिर्दित मूल्यवर्धन आवश्यकता को पूरा करेंः

<table>
<thead>
<tr>
<th>बीओएम के प्रमुख इनपुट बायोमेट्रिक एसेस कंट्रोल/ऑप्टिकेशन डिवाइस के विनिर्देश के लिए चरण</th>
<th>इनपुट को घरेलू बीओएम के तौर पर बर्फीलक किए जाने वाले के लिए आवश्यक मूल्यवर्धन</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>पिंग्र कॉंट्रोल/आयरिस सेसर</td>
<td>घरेलू स्तर पर विनिर्देश जैसा कि अधिगृहित है (पैराग्राफ 4.10 और 4.11 को देखें)।</td>
</tr>
<tr>
<td>मूल्य पीसीबी (निवेशक मॉड्यूल)</td>
<td>घरेलू अवस्था और आवश्यकता/घरेलू स्तर पर विनिर्देश कलपूजों और संगठनों से परीक्षण, वेबर पीसीबी के मूल्य को दोज्यकर।</td>
</tr>
<tr>
<td>वेबर पीसीबी</td>
<td>आवश्यकता/घरेलू स्तर पर विनिर्देश कलपूजों और संगठनों से घरेलू अवस्था और परीक्षण।</td>
</tr>
<tr>
<td>विज्ञापन की आपूर्ति/वैटरी (यदि अन्य हो)</td>
<td>आवश्यकता/घरेलू स्तर पर विनिर्देश कलपूजों और संगठनों से घरेलू अवस्था और परीक्षण।</td>
</tr>
<tr>
<td>हिस्ट्रे यूनिट</td>
<td>आवश्यकता/घरेलू स्तर पर विनिर्देश कलपूजों और संगठनों से घरेलू अवस्था और परीक्षण।</td>
</tr>
<tr>
<td>बैंकर्डिक ब्लेंडिंग एंड जैसे कि कैमरा, कैमरा, आरएफआईडी, स्मार्ट कार्ड रीडर, जीपीआरएस मॉड्यूल, ब्राउर-फाइ, व्यू टूव आदि।</td>
<td>आवश्यकता/घरेलू स्तर पर विनिर्देश कलपूजों और संगठनों से घरेलू अवस्था और परीक्षण।</td>
</tr>
<tr>
<td>लाइटस्टिक हाइडिंग</td>
<td>आवश्यकता/घरेलू स्तर पर विनिर्देश कलपूजों और संगठनों से घरेलू अवस्था और परीक्षण।</td>
</tr>
<tr>
<td>यूएसबी के कम्बल</td>
<td>आवश्यकता/घरेलू स्तर पर विनिर्देश इनपुट से घरेलू स्तर पर विनिर्देश।</td>
</tr>
<tr>
<td>(i) पाइनल अवस्था और परीक्षण</td>
<td>(i) घरेलू स्तर पर अवस्था/परीक्षण और परीक्षण</td>
</tr>
<tr>
<td>(ii) डिजाइन/विकास</td>
<td>(ii) उपरोक्त आइटमों में से किसी आइटम के लिए वौद्धिक समक्ष (आईपी) अधिकार रखने वाला व्यक्ति भारत के नियामक हो। उपरोक्त आइटमों में से किसी आइटम के लिए, भारत में (आईपी) नियामक के मूल्य को घरेलू बीओएम में उके मूल्य से घटाया जाएगा।</td>
</tr>
</tbody>
</table>

4.10 बायोमेट्रिक कॉंट्रोल पिंग्र सेसर

(क) परिभाषाः
इस अवधिमूल्यक के उद्देश्य से, बायोमेट्रिक कॉंट्रोल पिंग्र सेसर में एक निवेशक मॉड्यूल, सीएमओएस सेसर और ऑप्टिकस शामिल है। बायोमेट्रिक कॉंट्रोल पिंग्र सेसर के अनुसरण व्यक्तिगत पहचान और सत्यापन आदि है।

(ब) स्थानीय सामग्री की गणना के लिए तंत्रः
बायोमेट्रिक कॉंट्रोल पिंग्र सेसर की घरेलू सामग्री बिल (बीओएम) निम्नलिखित तालिका के कॉलम 1 में विनिर्दित मूल्य इनपुट की लागत के योग के बराबर होगा, बशर्ते कि इनपुट अलग-अलग रूप से तालिका के कॉलम 2 में विनिर्दित मूल्यवर्धन आवश्यकता को पूरा करेंः
भारत का राजपत्र: ऄसाधारण 11

<table>
<thead>
<tr>
<th>बीओएम के प्रमुख मुख्य इनपुट/बॉयोमीट्रिक फिंगर प्रिंट सेंसर के निर्माण के लिए चरण</th>
<th>इनपुट को घरेलू बीओएम के तौर पर वर्गीकृत किए जाने वाले के लिए आवश्यक मूल्यवर्धन</th>
</tr>
</thead>
<tbody>
<tr>
<td>(क) फाइलर अंबेडली और टेस्टिंग</td>
<td>(क) फाइलर लंबाई पर असेम्बली और परीक्षण</td>
</tr>
<tr>
<td>(क) डिजाइन/विकास</td>
<td>(क) फाइलर लंबाई पर असेम्बली और परीक्षण</td>
</tr>
<tr>
<td>(ख) स्थानीय सामग्री की गणना के लिए तंत्र:</td>
<td>(ख) स्थानीय सामग्री की गणना के लिए तंत्र:</td>
</tr>
<tr>
<td>बायोमीट्रिक आइडेन्स सेंसर का का घरेलू सामग्री बिल (बीओएम) निर्माणित तालिका के कॉलम 1 में विनिर्दिष्ट मुख्य इनपुट की लागत के योग के बराबर होगा, बशैं कि इनपुट अलग-अलग रूप से तालिका के कॉलम 2 में विनिर्दिष्ट मूल्यवर्धन आवश्यकता को पूरा करें:</td>
<td>बायोमीट्रिक आइडेन्स सेंसर का का घरेलू सामग्री बिल (बीओएम) निर्माणित तालिका के कॉलम 1 में विनिर्दिष्ट मुख्य इनपुट की लागत के योग के बराबर होगा, बशैं कि इनपुट अलग-अलग रूप से तालिका के कॉलम 2 में विनिर्दिष्ट मूल्यवर्धन आवश्यकता को पूरा करें:</td>
</tr>
</tbody>
</table>

* भारत में सेमीफाइडक फैल चालू होने पर इसकी समीक्षा की जाएगी।

4.11 बायोमीट्रिक आइडेन्स सेंसर

(क) परिचय:

इस अधिसूचना के उद्देश्य से, बायोमीट्रिक आइडेन्स सेंसर में एक निवेश मॉड्यूल, सीएमओएस सेंसर और ऑप्टिक्स शामिल हैं। बायोमीट्रिक आइडेन्स सेंसर के आवेदन अदद व्यक्तिगत पहचान और सत्यापन आदि हैं।

(ख) स्थानीय सामग्री की गणना के लिए तंत्र:

बायोमीट्रिक आइडेन्स सेंसर का का घरेलू सामग्री बिल (बीओएम) निर्माणित तालिका के कॉलम 1 में विनिर्दिष्ट मुख्य इनपुट की लागत के योग के बराबर होगा, बशैं कि इनपुट अलग-अलग रूप से तालिका के कॉलम 2 में विनिर्दिष्ट मूल्यवर्धन आवश्यकता को पूरा करें।
सीएमओएस सेंसर | आवातित/चरेलू स्तर पर विनिमित इनपुट से उपयोग करके सीएमओएस सेंसर की घरेलू असेंबली, पैकेजिंग और परीक्षण।
---|---
बेवर पीसीबी | आवातित/चरेलू स्तर पर विनिमित इनपुट से चरेलू स्तर पर विनिमाणा।
प्लाजस्ट्टक हाउसिंग | आवातित/चरेलू स्तर पर विनिमित इनपुट से चरेलू स्तर पर विनिमाणा।
पूर्वभागी केबल्स | आवातित/चरेलू स्तर पर विनिमित इनपुट से चरेलू स्तर पर विनिमाणा।
(i) फाइनल असेंबली और परीक्षण | (i) चरेलू स्तर पर असेम्बल/परीक्षण और 
(ii) डिजाइन/विकास | (ii) उपरोक्त आइटमों में से किसी आइटम के लिए ब्रैडिक समय (आईपी) अधिकार रखने वाला व्यक्ति भारत का निवासी हो। उपरोक्त आइटमों में से किसी आइटम के लिए भारत में (आईपी) निवासी के मूल्य को चरेलू बीओएम में उनके मूल्य से पाउए जाएगा।

* भारत में सेमीकंडक्टर फैक्ट्री होने पर इसकी समीक्षा की जाएगी।

4.12 सर्वर
(क) परिभाषा:
इन अधिनियम के प्रयोजन से, एक सर्वर में आवश्यक रूप से एक मदर बोर्ड, सीपीयू, मेमोरी (रैम), हार्ड डिस्क ड्राइव (एचडीडी)/सॉलिड स्टेट स्टोरेज ड्राइव (एसएसएसडी), पावर सप्लाइ यूजेंट (एसएसपीएस), केबल्स, कॉनेक्टिंग केबल्स और फलंदाजियों और ऑप्तिकल धाराओं होंगे।

(ख) स्थानीय सामग्री की गणना के लिए तंत्र:
सर्वर की घरेलू सामग्री बिल (बीओएम) निर्धारित ताजलका के कॉलम 1 में विनिर्दित मूल्य इनपुट की लागत के योग के बराबर होगा, जबकि इनपुट अन्य रूप से ताजलका के कॉलम 2 में विनिर्दित मूल्यबद्ध आवश्यकता को पूरा करेगा।

<table>
<thead>
<tr>
<th>बीओएम के प्रमुख इनपुट/सर्वर के विनिमोक्त के लिए चरण</th>
<th>इनपुट को घरेलू बीओएम के तौर पर वर्गीकृत किए जाने के लिए आवश्यक मूल्यबद्ध</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>सर्वर बोर्ड/मदर बोर्ड और सीपीयू/(एस)/सीपीयू/(एस)</td>
<td>सेमीकंडक्टर्स&quot; और सीपीयू (एस)/सीपीयू (एस) को शामिल करके&quot; और बेवर पीसीबी के मूल्य को छोटकर आवातित/चरेलू स्तर पर विनिमित भागों और संगठनों से घरेलू थीमी, घरेलू संगठनों के साथ परीक्षण।</td>
</tr>
<tr>
<td>मेमोरी मॉड्यूल</td>
<td>पीसीबी असेंबली और बेवर पीसीबी के मूल्य को छोटकर, आवातित/चरेलू स्तर पर विनिमित बेवर पीसीबी आवातित/चरेलू स्तर पर विनिमित मेमोरी लिप्स&quot; और बेवर पीसीबी मॉड्यूलों के साथ परीक्षण।</td>
</tr>
<tr>
<td>हार्ड डिस्क ड्राइव/सॉलिड स्टेट स्टोरेज ड्राइव (एसएसडी)</td>
<td>आवातित/चरेलू स्तर पर विनिमित भागों और संगठनों से घरेलू असेंबली और परीक्षण।</td>
</tr>
<tr>
<td>कैबिनेट + एसएसपीएस</td>
<td>आवातित/चरेलू स्तर पर विनिमित भागों और संगठनों से घरेलू रूप से घरेलू स्तर पर विनिमित कैबिनेट और एसएसपीएस का घरेलू असेंबली और परीक्षण, इस शर्त के</td>
</tr>
<tr>
<td>व्याख्यान</td>
<td></td>
</tr>
<tr>
<td>------------------</td>
<td></td>
</tr>
<tr>
<td>अनुसरण कि &quot;एसएमपीएस&quot; की अंशबंधी में उपयोग किए गए, घरेलू स्तर पर विनिमय, भागों और संगठनों को मूल्य न्यूनतम 25% होगा (&quot;एसएमपीएस &quot; के विनिमयां में उपयोग किए जाने वाले भागों और संगठनों का कुल मूल्य)</td>
<td></td>
</tr>
<tr>
<td>बेनर पीसीबी</td>
<td></td>
</tr>
<tr>
<td>सहायक उपकरण (पांच केबल, कॅटेगरी, आदि)</td>
<td></td>
</tr>
<tr>
<td>(i) फाईनल अंसैबली और टेस्टिंग</td>
<td></td>
</tr>
<tr>
<td>(ii) डिजाइन और विकास</td>
<td></td>
</tr>
</tbody>
</table>

* यह आवश्यक है कि सीपीयू (एस) /जीपीयू (एस) /प्रोसेसर (एस) के प्रोटेड सर्दकट बोडव अंसैबली (पीसीबीए), एसएमटी प्रदक्रया का उपयोग कर बेनर पीसीबी पर भागों/संघटकों को अनिवार्य रूप से भारत में किया जाना चाहिए।

** भारत में सेमीकंडक्टर फैब्रिकेशन बेर बनाने पर इसकी समीक्षा की जाएगी।

4.13 सेल्युलर मोबाइल फोन

(क) परिभाषा:
इस अभिवृद्धि के तौर पर, एक सेल्युलर मोबाइल फोन (सीएच फोन या स्मार्ट फोन) में मुख्य रूप से मुद्रित सर्किट बोर्ड (पीसीबीए), बैटरी पैक, डिस्प्ले यूनिट, कुंजी डेटा/वेब पेनल, चार्जर/एडाप्टर, माइक्रोफोन और रिसीवर वायरलेस मोटर/डिजाइन और मेकनिकल शामिल होगा।

(ब) स्थानीय सामग्री की गणना के लिए तंत्र:
सेल्युलर मोबाइल फोनों के घरेलू बीओएम में निम्न तालिका के कॉलम 2 में विनिमय मूल्य अतिरिक्त आवश्यकता को पूरा करते हैं:

<table>
<thead>
<tr>
<th>बीओएम के प्रमुख मूल्य/सेल्युलर मोबाइल फोन के निर्माण के लिए चरण</th>
<th>इनपुट को घरेलू बीओएम के तौर पर वर्गित किए जाने वाले के लिए आवश्यक मूल्यवर्धन/स्थानीय सामग्री</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 कॉलम</td>
<td>2 कॉलम</td>
</tr>
<tr>
<td>मुख्य पीसीबी</td>
<td>प्रोसेसर/सेमीकंडक्टर &quot;बीओएम( यानी मैंन पीसीबी पर सेमीकंडक्टर बीनियन और मॉड्यूलूस ), को शामिल करके और बेनर पीसीबी के मूल्य को छोटकर ,आयातित / घरेलू स्तर पर विनिमय, भागों और संगठनों से घरेलू अंसैबली और परीक्षण।</td>
</tr>
<tr>
<td>बेनर पीसीबी</td>
<td>घरेलू रूप से आयात सामग्री का विनिमय/घरेलू स्तर पर विनिमय इनपुट।</td>
</tr>
<tr>
<td>बैटरी डेटा</td>
<td>आयात सामग्री के मूल्य के अनुसार और परीक्षण/घरेलू रूप से आयात सामग्री का विनिमय/घरेलू स्तर पर विनिमय इनपुट।</td>
</tr>
<tr>
<td>चार्जर/एडाप्टर</td>
<td>आयात सामग्री के मूल्य के अनुसार और परीक्षण/घरेलू रूप से आयात सामग्री का विनिमय/घरेलू स्तर पर विनिमय इनपुट।</td>
</tr>
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<td>आयात सामग्री के मूल्य के अनुसार और परीक्षण/घरेलू रूप से आयात सामग्री का विनिमय/घरेलू स्तर पर विनिमय इनपुट।</td>
</tr>
<tr>
<td>यांत्रिकी**</td>
<td>आयात सामग्री के मूल्य के अनुसार और परीक्षण/घरेलू रूप से आयात सामग्री का विनिमय/घरेलू स्तर पर विनिमय इनपुट।</td>
</tr>
<tr>
<td>डाइ कार्ट कार्पुज़**</td>
<td>आयात सामग्री के मूल्य के अनुसार और परीक्षण/घरेलू रूप से आयात सामग्री का विनिमय/घरेलू स्तर पर विनिमय इनपुट।</td>
</tr>
<tr>
<td>मैक्रोफोन और रिसीवर</td>
<td>आयात सामग्री के मूल्य के अनुसार और परीक्षण/घरेलू रूप से आयात सामग्री का विनिमय/घरेलू स्तर पर विनिमय इनपुट।</td>
</tr>
<tr>
<td>की-पेड</td>
<td>आयात सामग्री के मूल्य के अनुसार और परीक्षण/घरेलू रूप से आयात सामग्री का विनिमय/घरेलू स्तर पर विनिमय इनपुट।</td>
</tr>
<tr>
<td>यूएसबी केबल</td>
<td>आयात सामग्री से परेलू अंगवली और परिणाम/परेलू स्तर पर विनिमय इनपुट।</td>
</tr>
<tr>
<td>केमरा माउंप्रू</td>
<td>आयात सामग्री से परेलू अंगवली और परिणाम/परेलू स्तर पर विनिमय इनपुट।</td>
</tr>
<tr>
<td>नक्सलवर्ग</td>
<td>आयात सामग्री से परेलू अंगवली और परिणाम/परेलू स्तर पर विनिमय इनपुट।</td>
</tr>
<tr>
<td>पिसाने वुडनिट</td>
<td>आयात सामग्री से परेलू अंगवली और परिणाम/परेलू स्तर पर विनिमय इनपुट।</td>
</tr>
<tr>
<td>टच पैनल/कवर स्लान अंगवली</td>
<td>आयात सामग्री से परेलू अंगवली और परिणाम/परेलू स्तर पर विनिमय इनपुट।</td>
</tr>
<tr>
<td>वाैड्रेटर मोटर/रिमार</td>
<td>आयात सामग्री से परेलू अंगवली और परिणाम/परेलू स्तर पर विनिमय इनपुट।</td>
</tr>
</tbody>
</table>

(i) अंतिम अंगवली और परिणाम
(ii) डिजाइन और विकास

*वह आवश्यक है कि एप्सेबी प्रज्ञा का उपयोग करते हुए वेब पीसीवी पर संसाधक/संस्थान की स्टिडिया सिन्टेक बोर्ड अंगवली (सीईबीए) अनिवार्य रूप से भारत में की जानी चाहिए।

** भारत में सेमीकेंड्टर फैब्रिकेशन प्रबन्धन होने पर इसकी समीक्षा की जाएगी।

*** अनुबंध का संदर्भ लें।

5. अधिमूल्यता तुरंत प्रभाव में लागू है। संशोधित अधिमूल्यता जारी होने तक यह अधिमूल्यता मान्य रहेगी।

6. सार्वजनिक क्रय (वेब इन इंडिया की वरीयता) आदेश 2017 के तहत कोई भी इलेक्ट्रॉनिक उत्पाद अधिमूल्यता का पूर्वाधिकार प्रभाव में नहीं होगा।

7. उपरोक्त इलेक्ट्रॉनिक परीक्षा क्रय के लिए दिनांक 04.06.2020 के सार्वजनिक क्रय (वेब इन इंडिया की वरीयता) आदेश 2017 में उल्लिखित प्रबन्धनों के अनुसार क्रय वरीयता प्रदान की जाएगी।

8. यदि भारत सरकार द्वारा परीक्षा या सामग्री यूजर तरह से या अधिक रूप से बिना पोषित होती है, तो राष्ट्रीय और राजनीतिक निर्णयों द्वारा बनाए गए इलेक्ट्रॉनिक उपयोग क्रय के लिए अधिमूल्यता सभी केंद्रीय यूजरों (सीईए) के लिए लाभ प्रदान होने होंगे।

9. स्थानीय सामग्री/परेलू गुमरवहन की गणना करने हेतु प्रक्रिया

9.1 परेलू विनिर्दिष्टांक (डीओएम-वीआईएम) से प्राप्त सामग्री के बिंद की गणना उत्पादन आकड़ों के आधार पर निर्दिष्ट भें। इसमें से प्रत्येक गणना के सूचनापत्र प्राप्त होने के बाद।

क. सभी इनपुटों के लागतों का योग जो उस उत्पाद को बनाने के लिए आवश्यक है (इनपुटों की क्रय पर लागू, या प्राप्त श्रुक्क और करों सहित, सिवाय उनके छोटकों जिनके लिए सिवाय सेट-एफ का नाम लिखा जा सकता है) और जिनका आयात प्रवृत्त रूप से या परेलू व्यापारी से माध्यम द्वारा से नहीं दिखाया गया है।

ख. उत्पाद के फैक्ट्री बाहर मूल्य से उत्पाद के उत्पादन में इनपुटों के रूप में उपयोग की गई सामग्री के आयातित विल (प्रवृत्त या अप्रवृत्त मूल रूप से) को घटाकर (इनपुटों की क्रय पर लागू, या प्राप्त श्रुक्क और करों सहित, सिवाय उनके छोटकों जिनके लिए सिवाय सेट-एफ का नाम लिखा जा सकता है) और उससे उस व्यापारी लागत को घटाकर।

ग. बाजार मूल्य से उत्पादन पश्चात ऐलान, बीमा और अन्य हथाल्यान कार्यालयों को घटाकर, उससे से उस उत्पाद के उत्पादन (इनपुटों की क्रय पर लागू, या प्राप्त श्रुक्क और करों सहित, सिवाय उनके छोटकों जिनके लिए सिवाय सेट-एफ का नाम लिखा जा सकता है) में इनपुटों के रूप में उपयोग की गई सामग्री के आयातित विल के योग को घटाने का जाना दिया गया है और इसकी और विशेष बचने को घटाने का जाना जाता है।

9.2 सामग्री के कुल विल (कुल-वीओएम) की गणना उत्पादन आकड़ों पर आधारित निर्दिष्ट भें। इसमें से प्रत्येक गणना के सूचनापत्र प्राप्त होने के बाद।

94
क. सभी इनपुटों की लागतों का योग जो उस उत्पाद को बनाने के लिए आवश्यक है (इनपुटों की क्रय पर लगाए गए शुल्क और करीं सहित, इमारत उनको छोड़कर जिनके लिए क्रेडिट/मोटर-अफ बनाने का लाभ लिया जा सकता है)।

ख. उत्पाद के फैक्टरी बाहर मूल्य से कर पश्चात लाभ और वारंटी लागतों को घटाया जाता है।

ग. बाजार मूल्य से उत्पादन पश्चात मालमाहिति, बीमा और अन्य हथालत लागतों को घटाकर उसमें से कर पश्चात लाभ, वारंटी लागत, विक्री और विनोदन बर्बर घटाया जाता है।

9.3 निम्नलिखित फॉर्मूला के अनुसार प्रस्तुत जानकारी के आधार पर घरेलू मूल्य-बुझद के प्रतिशत की गणना की जा सकती है:


g = \frac{\text{अधिक मूल्य क्रय} - \text{प्रमाणपत्र लाभ}}{\text{अधिक मूल्य क्रय} \times 100}

यह सीमानाओं की जाती है कि आकलन करने वाली प्रत्येक एजेंसी को उपरोक्त मूल्यों में से कम से कम दो का उपयोग करके त्योहारी मूल्य-बुझद की गणना करनी चाहिए ताकि इस संबंध में आकलन को मान्य किया जा सके और यह सुनिश्चित किया जा सके कि वातावरण घरेलू मूल्य सुमंगल है।

10. स्थानीय सामग्री/घरेलू मूल्य-बुझद का सवालपन

क. सीमांक, बोली प्रक्रिया के सम्बन्ध में स्थानीय आवृत्तिक्षात क्र-प्रमाणन प्रदान करेगा कि प्रस्तावित की गई बनने योग्य व्यवसाय स्थानीय सामग्री के आकलनकारों को पूरा करती है और उस स्थान (स्थानों) का विवरण देगा, जिस पर स्थानीय मूल्य बुझद की गई है।

ख. 10 करोड़ रुपए में अधिक मूल्य की क्रय के मामलों में, स्थानीय आवृत्तिक्षात स्थानीय सामग्री का प्रतिशत देते हुए एक बार की सार्वजनिक लेखा परिपक्व (कंपनियों के मामले में) या लाभ लेखा परिपक्व या किसी पेशेवर लाभ लेखा कार्य (एकांक अनलगत) के सभी अन्य आवृत्तिक्षातों के संबंध में से एक प्रमाणपत्र उपलब्ध कराएगा।

ग. यदि किसी इलेक्ट्रॉनिक उत्पाद के संबंध में स्थानीय सामग्री/घरेलू मूल्य बुझद के संबंध में बोलीकरणों के दावे के खिलाफ क्रय बांटीय या संबंधित मंदिर मिश्रित द्वारा शिकायत प्राप्त करना चाहिए है, तो उसे एचसीसी के पास भेजा जाएगा।

घ. एसटीक्षू ने अधिक संख्या के संबंध में स्थानीय सामग्री/घरेलू मूल्य बुझद के संबंध में बोलीकरणों के दावे के खिलाफ क्रय बांटीय या संबंधित मंदिर मिश्रित द्वारा शिकायत प्राप्त करना चाहिए है, तो ऐसी प्रयोगशालाएं दावे के वातावरण को मिट्टी करने के लिए अपनी आवृत्तिक्षात कार्यवाही कर सकती है।

ड. 2 लाख रुपए या खरीदकर जाए रहें घरेलू रुप में विनिमय इलेक्ट्रॉनिक उत्पादों की कीमत का 1% शुल्क (5 लाख रुपए के अधिकतम सीमा के अतिक्रमण), जो भी अधिक हो, का डिमांड डाटा द्वारा सुरक्षित किया जाएगा, जो एसटीक्षू में जमा जमा गया। यदि शिकायत गलत पाई जाती है, तो शिकायत शुल्क बतत कर लिया जाएगा। यदि, शिकायत को वक़्तावधि बढ़ा जाता है और काफी हद तक नहीं पाया जाता है तो शिकायतकर्ताओं को जमा शुल्क दिना किसी व्याज के बावजूद दिया जाएगा।

च. सामाजिक विविधता निम्नलिखित के विनिमय 175(1)(i) (h) के तहत अंबांड मनोक्त के उल्लेख में दृष्टि देखने लायकी जाएगी जो इसके लिए एक भी बोलीकरणों या उसके उत्तराधिकारियों पर सामाजिक विविधता के विनिमय 151(iii) के अनुसार दो साल तक के लिए रंगकर लगा दी जाएगी, इसके साथ-साथ कानून के तहत तृतीयक करोड़ लाभ के बावजूद दिया जाएगा।

11. इलेक्ट्रॉनिक उत्पाद भूमिका के कार्यन्वयन की निर्देशन के लिए नोडल मंडल एचहीआईटीवाई होगा।

12. यदि प्रश्न उठता है कि बोली प्रक्रिया जहां या जहां क्रय के बाद एक इलेक्ट्रॉनिक उत्पाद है, जिसे सार्वजनिक क्रय (में इस इंडिया को वरीयता) आदेश 2017 के तहत शुल्क किया जाना है, तो इस मामले को स्पष्टीकरण के लिए इलेक्ट्रॉनिक और सूचना प्रीविज्ञान के मंडल को संदेश किया जाएगा।

सौरभ गोइंड, संयुक्त सचिव
यान्त्रिकी और डाइ कट कलपुजें की सूची

क. यान्त्रिकी (मैकेनिक्स)
1. बैटरी कबर (एचएस 39209999)
2. फ्रंट कबर (एचएस 39209999)
3. फ्रंट कबर (जिंक कास्टिंग के साथ) (एचएस 39209999)
4. मिडल कबर (एचएस 39209999)
5. जीएसएम एंटीना/किसी भी प्रौद्योगिकी का एंटीना (एचएस 39209999)
6. साइड की (एचएस 85389000)
7. मेन लेंस (एचएस 39209999)
8. कैमरा लेंस (एचएस 39209999)
9. पेंच (एचएस 73181500)
10. माइक्रो रबर के स (एचएस 40169990)
11. जैं सॉकेट/सॉन मैकेजन कल (यान्त्रिकी) (एचएस 73269099)
12. जैं सॉकेट/सॉन मैकेजन कल (यान्त्रिकी) मदें (धातु) (एचएस 73269099)
13. जैं सॉकेट/सॉन मैकेजन कल (यान्त्रिकी) मदें (प्लास्टिक) (एचएस 39269099)
14. बैटरी कबर (एचएस 39209999)

ख. डाइ कट कलपुजें
1. सुचालक कपड़ा (एचएस 39269099)
2. ऊबा उस्ताजक स्टीकर बैटरी कबर (एचएस 39199090)
3. स्टीकर-बैटरी रसॉट (एचएस 39199090)
4. मैन लेंस के लिए प्रोटेक्टिव फिल्म (एचएस 39199090)
5. एलसीडी एफपीसी के लिए माइलर (एचएस 39199090)
6. एलसीडी सुचालक फोम (एचएस 39269099)
7. फिल्म-कंप्ट फ्लेश (एचएस 39199090)
8. एलसीडी फोम (एचएस 39269099)
9. बीटी फोम (एचएस 39269099)
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY
(IPHW DIVISION)

NOTIFICATION

New Delhi, the 7th September, 2020

Subject: Public Procurement (Preference to Make in India) Order 2017—Notifying Electronic Products in furtherance of the Order

Reference: Department for Promotion of Industry and Internal Trade (DPIIT) Order No. P-45021/2/2017-B.E.-II dated 15.06.2017, as amended by Orders dated 28.05.2018, 29.05.2019 and 04.06.2020

F. No. W-43/4/2019-IPHW-MeitY.—The Government has issued Public Procurement (Preference to Make in India) Order 2017 vide the Department for Promotion of Industry and Internal Trade (DPIIT) Order No. P-45021/2/2017-B.E.-II dated 15.06.2017, as amended by Orders dated 28.05.2018, 29.05.2019 and 04.06.2020, to encourage ‘Make in India’ and promote manufacturing and production of goods and services in India with a view to enhancing income and employment.

2. In furtherance of the Public Procurement (Preference to Make in India) Order 2017 [PPP-MII Order 2017] notified vide reference cited above, and in supersession of the Electronic Product Notification Nos.33(1)/2017-IPHW dated 14.09.2017 and 33(5)/2017-IPHW dated 01.08.2018 issued thereunder, the Ministry of Electronics and Information Technology (MeitY) hereby notifies that preference shall be provided by all procuring entities to locally manufactured Electronic Products as per the aforesaid Order, as amended from time to time.

3. For the purpose of this notification:
   a. The definition of Class-I local supplier, Class-II local supplier and Non-local supplier shall be as per paragraph 2 of the DPIIT PPP-MII Order 2017 No.P-45021/2/2017-PP(BE-II) dated 04.06.2020, as amended from time to time. The mechanism for calculation of local content has been prescribed for each notified Electronic Product in this notification, in accordance with paragraph 5 of the DPIIT PPP-MII Order 2017 No.P-45021/2/2017-PP(BE-II) dated 04.06.2020, as amended from time to time.
   b. Paragraph 3A of the DPIIT PPP-MII Order 2017 No.P-45021/2/2017-PP(BE-II) dated 04.06.2020, as amended from time to time, shall be referred for percentage of procurement for which preference to domestically manufactured Electronic Products is to be provided (in value terms).

4. Following Electronic Products are notified under the Public Procurement (Preference to Make in India) Order 2017:

4.1 Desktop Personal Computers (PCs)

(A) Definition:

For the purpose of this Notification, a Desktop PC shall necessarily consist of a CPU, Memory, Hard disk drive, Keyboard, Mouse and a separate or integrated display unit and should be able to operate independently.

(B) Mechanism for calculation of local content:

The domestic Bill of Material (BOM) of Desktop PC would be the sum of the cost of main inputs as specified in Column 1 of the following table, provided the inputs individually satisfy the value addition requirement specified in Column 2 of the table:

<table>
<thead>
<tr>
<th>Main inputs in BOM/stages for manufacture of Desktop PC</th>
<th>Value addition/local content required for the input to be classified as domestic BOM</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Main Board / Motherboard and CPU / GPU</td>
<td>Domestic PCB Assembly* and testing from imported/ domestically manufactured parts and components, including the value of Semiconductors** and CPU/ GPU** and excluding</td>
</tr>
</tbody>
</table>
the value of bare PCB. However, the weightage of total value of CPU shall not exceed 30% of the total BOM of the Desktop PC.

<table>
<thead>
<tr>
<th>Component</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Memory Module</td>
<td>Domestic PCB Assembly* and testing from imported / domestically manufactured memory chips** and parts / components on imported/ domestically manufactured bare PCB, excluding the value of bare PCB.</td>
</tr>
<tr>
<td>Hard Disk Drive / Solid State Drive (SSD)</td>
<td>Domestic PCB Assembly* and final product assembly and testing from imported / domestically manufactured parts and components, excluding the value of bare PCB.</td>
</tr>
<tr>
<td>LCD / LED Monitor</td>
<td>Domestic assembly and testing of LCD / LED Monitor from parts consisting of imported/domestically assembled LCD / LED Panel and Domestic PCB Assembly*, Domestic plastic moulding and Domestic stamping of metal parts, excluding the value of bare PCB.</td>
</tr>
<tr>
<td>DVD Drive</td>
<td>Domestic assembly and testing from imported / domestically manufactured parts and components.</td>
</tr>
<tr>
<td>Cabinet + SMPS</td>
<td>Domestically manufactured Cabinet and Domestic PCB Assembly* and the final assembly and testing of SMPS from imported/ domestically manufactured parts and components, subject to the condition that the domestically manufactured parts and components used in the assembly of “SMPS” will be minimum 20% (of the total value of parts and components used in the manufacture of “SMPS”).</td>
</tr>
<tr>
<td>Keyboard/Mouse</td>
<td>Domestic PCB Assembly* and the final assembly and testing from imported / domestically manufactured parts and components.</td>
</tr>
<tr>
<td>Bare PCB</td>
<td>Domestically manufactured from imported / domestically manufactured inputs.</td>
</tr>
<tr>
<td>(i) Final Assembly / Testing and (ii) Design / Development</td>
<td>(i) Domestically assembled/tested and (ii) Intellectual Property (IP) resident in India for any of the above items. The value of IP resident in India for any of the above items shall be reduced from its value in domestic BOM.</td>
</tr>
</tbody>
</table>

* It is essential that the Printed Circuit Board Assembly (PCBA) of the CPU(s)/ GPU/ processor(s) parts/ components on the bare PCB using the SMT process should mandatorily be done in India.

** This shall be reviewed when the Semiconductor FAB in India is operational.

4.2 Thin Clients

(A) Definition:
For the purpose of this Notification, a Thin Client (TC) shall necessarily consist of a CPU, Memory, DOM, Keyboard, Mouse and a separate or integrated display unit and should be able to operate independently.

(B) Mechanism for calculation of local content:
The domestic Bill of Material (BOM) of a Thin Client would be the sum of the cost of main inputs as specified in Column 1 of the following table, provided the inputs individually satisfy the value addition requirement specified in Column 2 of the table:
<table>
<thead>
<tr>
<th>Main inputs in BOM / stages for manufacture of Thin Client</th>
<th>Value addition / local content required for the input to be classified as domestic BOM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Main Board / Motherboard and CPU</td>
<td>Domestic PCB Assembly* and testing from imported/ domestically manufactured parts and components, including the value of Semiconductors** and CPU** and excluding the value of bare PCB. However, the weightage of total value of CPU shall not exceed 30% of the total BOM of the Thin Client.</td>
</tr>
<tr>
<td>Memory Module/ DOM</td>
<td>Domestic PCB Assembly* and testing from imported/ domestically manufactured memory chips** and parts/components on imported/ domestically manufactured bare PCB, excluding the value of bare PCB.</td>
</tr>
<tr>
<td>SMPS/ Power Adapter</td>
<td>Domestically PCB Assembly* and the final assembly and testing of SMPS/ Power Adapter from imported/ domestically manufactured parts and components, subject to the condition that the domestically manufactured parts and components used in the assembly of “SMPS” will be minimum 20% (of the total value of parts and components used in the manufacture of “SMPS”).</td>
</tr>
<tr>
<td>LCD/ LED Monitor</td>
<td>Domestic assembly and testing of LCD/ LED Monitor from parts consisting of imported/ domestically assembled LCD/ LED Panel and Domestic PCB Assembly*, Domestic plastic moulding and Domestic stamping of metal parts, excluding the value of bare PCB.</td>
</tr>
<tr>
<td>Cabinet</td>
<td>Domestically manufactured.</td>
</tr>
<tr>
<td>Keyboard/Mouse</td>
<td>Domestic PCB Assembly* and the final assembly and testing from imported / domestically manufactured parts and components.</td>
</tr>
<tr>
<td>Bare PCB</td>
<td>Domestically manufactured from imported/ domestically manufactured inputs.</td>
</tr>
<tr>
<td>(i) Final Assembly/ Testing and (ii) Design/ Development</td>
<td>(i) Domestically assembled/ tested and (ii) Intellectual Property (IP) resident in India for any of the above items. The value of IP resident in India for any of the above items shall be reduced from its value in domestic BOM.</td>
</tr>
</tbody>
</table>

* It is essential that the Printed Circuit Board Assembly (PCBA) of the CPU(s)/ processor(s)/ parts/components on the bare PCB using the SMT process should mandatorily be done in India.

** This shall be reviewed when the Semiconductor FAB in India is operational.

### 4.3 Laptop Personal Computers (PCs)

#### (A) Definition:

For the purpose of this Notification, a Laptop PC (commonly known in the market as Laptop/ Notebook/ Netbook/ Ultrabook, etc.) shall necessarily consist of a CPU, Memory, Hard disk drive, Keyboard, Touchpad and/or Trackpoint, an integrated display unit, integrated battery and should be able to operate independently.

#### (B) Mechanism for calculation of local content:

The domestic Bill of Material (BOM) of a Laptop PC would be the sum of the cost of main inputs as specified in Column 1 of the following table, provided the inputs individually satisfy the value addition requirement specified in Column 2 of the table:
<table>
<thead>
<tr>
<th>Main inputs in BOM/ stages for manufacture of Laptop PC</th>
<th>Value addition/ local content required for the input to be classified as domestic BOM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Main Board/ Motherboard and CPU/ GPU</td>
<td>Domestic PCB Assembly* and testing from imported/ domestically manufactured parts and components, including the value of Semiconductors** and CPU/ GPU** and excluding the value of bare PCB. However, the weightage of total value of CPU shall not exceed 35% of the total BOM of the Laptop PC.</td>
</tr>
<tr>
<td>Power Module</td>
<td>Domestic PCB Assembly* and testing from imported/ domestically manufactured parts and components.</td>
</tr>
<tr>
<td>Memory Module</td>
<td>Domestic PCB Assembly* and testing from imported/ domestically manufactured memory chips** and parts/ components on imported/ domestically manufactured bare PCB, excluding the value of bare PCB.</td>
</tr>
<tr>
<td>Hard Disk Drive/ Solid State Drive (SSD)</td>
<td>Domestic PCB Assembly* and final product assembly and testing from imported/ domestically manufactured parts and components, excluding the value of bare PCB.</td>
</tr>
<tr>
<td>Display Panel (LCD, LED, etc.)</td>
<td>Domestic assembly into the Back Cover and Bezel and final testing from imported/ domestically assembled Display Panel, LED Back light, Antennae, excluding the value of the Back Cover and Bezel.</td>
</tr>
<tr>
<td>DVD Drive</td>
<td>Domestic assembly and testing from imported / domestically manufactured parts and components.</td>
</tr>
<tr>
<td>Power Adapter</td>
<td>Domestic assembly with domestic PCB Assembly* and final testing from imported/ domestically manufactured parts and components, subject to the condition that the value of domestically manufactured parts and components used in the assembly of “Power Adapter” will be minimum 40% (of the total value of parts and components used in the manufacture of “Power Adapter”).</td>
</tr>
<tr>
<td>Bare PCB</td>
<td>Domestically manufactured from imported/ domestically manufactured inputs.</td>
</tr>
<tr>
<td>Keyboard/ Touchpad and/ or Trackpoint</td>
<td>Domestic assembly and testing from imported/ domestically manufactured parts and components.</td>
</tr>
<tr>
<td>Battery</td>
<td>Domestic assembly and testing from imported/ domestically manufactured parts and components.</td>
</tr>
<tr>
<td>Cabinet/ Chassis of Laptop including bottom cover, back cover, Keyboard face bezel and Display face bezel and Hinges</td>
<td>Domestically manufactured through injection moulding/ stamping using imported/ domestic inputs.</td>
</tr>
<tr>
<td>(i) Final Assembly/ Testing and (ii) Design/ Development</td>
<td>(i) Domestically assembled/ tested and (ii) Intellectual Property (IP) resident in India for any of the above items. The value of IP resident in India for any of the above items shall be reduced from its value in domestic BOM.</td>
</tr>
</tbody>
</table>

* It is essential that the Printed Circuit Board Assembly (PCBA) of the CPU(s)/ GPU/ processor(s)/ parts/ components on the bare PCB using the SMT process should mandatorily be done in India.

** This shall be reviewed when the Semiconductor FAB in India is operational.
4.4 Computer Monitors

(A) Definition:
For the purpose of this Notification, a Computer Monitor (commonly known in the market as Monitor) shall necessarily consist of a LCD/ LED Display assembly, Logic card, Power Supply Adaptor and Cabinet with Display Ports for connecting it to a Desktop PC or Laptop PC or Tablet PC.

(B) Mechanism for calculation of local content:
The domestic Bill of Material (BOM) of a Computer Monitor would be the sum of the cost of main inputs as specified in Column 1 of the following table, provided the inputs individually satisfy the value addition requirement specified in Column 2 of the table:

<table>
<thead>
<tr>
<th>Main inputs in BOM/ stages for manufacture of Computer Monitor</th>
<th>Value addition/ local content required for the input to be classified as domestic BOM</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Logic Cards/ Micro controller</td>
<td>Domestic PCB Assembly* and testing from imported/ domestically manufactured parts and components including value of Semiconductors** and excluding the value of bare PCB.</td>
</tr>
<tr>
<td>LCD/ LED Panel</td>
<td>Domestic integration and testing of imported/ domestically assembled LCD/ LED Panel*** into the Monitor Cabinet/ Chassis, excluding the value of the Cabinet/ Chassis. However, the weightage of total value of LCD/ LED Panel shall not exceed 35% of the total BOM of the Computer Monitor.</td>
</tr>
<tr>
<td>Cables</td>
<td>Domestically manufactured and tested from imported/ domestically manufactured inputs.</td>
</tr>
<tr>
<td>Power Adapter</td>
<td>Domestic assembly with domestic PCB Assembly* and final testing from imported/ domestically manufactured parts and components, subject to the condition that the value of domestically manufactured parts and components used in the assembly of “Power Adapter” will be minimum 40% (of the total value of parts and components used in the manufacture of “Power Adapter”).</td>
</tr>
<tr>
<td>Bare PCB</td>
<td>Domestically manufactured from imported/ domestically manufactured inputs.</td>
</tr>
<tr>
<td>Cabinet/ Chassis</td>
<td>The Monitor Bezel, Back cover, Stand, Base and Chassis wherein the plastic mouldings and the stamping of metal parts is done domestically using imported/ domestic inputs.</td>
</tr>
<tr>
<td>(i) Final Assembly/ Testing and (ii) Design/ Development</td>
<td>(i) Domestically assembled/ tested and (ii) Intellectual Property (IP) resident in India for any of the above items. The value of IP resident in India for any of the above items shall be reduced from its value in domestic BOM.</td>
</tr>
</tbody>
</table>

* It is essential that the Printed Circuit Board Assembly (PCBA) of the CPU(s)/ GPU processor(s)/ parts/ components on the bare PCB using the SMT process should mandatorily be done in India.

** This shall be reviewed when the Semiconductor FAB in India is operational.

*** This shall be reviewed when LCD/LED Panel manufacturing of Computer Monitors (of each size and type) in India is operational.
4.5 Tablet Personal Computers (PCs)

A. Definition:
For the purpose of this Notification, a Tablet PC shall necessarily consist of an Integrated Motherboard with on board CPU/Processor, Memory and Power Module; Display Panel (Touch Panel + LCD/LED Module) and integrated battery and should be able to operate independently.

(B) Mechanism for calculation of local content:
The domestic Bill of Material (BOM) of Tablet PC would be the sum of the cost of main inputs as specified in Column 1 of the following table, provided the inputs individually satisfy the value addition requirement specified in Column 2 of the table:

<table>
<thead>
<tr>
<th>Main inputs in BOM/ stages for manufacture of Tablet PC</th>
<th>Value addition/ local content required for the input to be classified as domestic BOM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Integrated Motherboard with on board CPU/ GPU/ Processor</td>
<td>Domestic PCB Assembly* and testing from imported/ domestically manufactured parts and components, including value of Semiconductors** and Processor/CPU/ GPU** and excluding the value of bare PCB. However, the weightage of total value of CPU shall not exceed 35% of the total BOM of the Tablet PC.</td>
</tr>
<tr>
<td>Memory and Power Module</td>
<td>Domestic PCB Assembly* and testing from imported/ domestically manufactured parts and components, excluding the value of bare PCB.</td>
</tr>
<tr>
<td>Display Panel (Touch Panel + LCD/ LED Module)</td>
<td>Domestic assembly and testing from imported/ domestically manufactured Touch Panel, LCD/ LED Module or combination, subject to the condition that backlight assembly and testing of Display Panel shall be done domestically.</td>
</tr>
<tr>
<td>Power Adapter</td>
<td>Domestic assembly and testing from imported/ domestically manufactured parts and components, subject to the condition that the value of domestically manufactured parts and components used in the assembly of “Power Adapter” will be minimum 40% (of the total value of parts and components used in the manufacture of “Power Adapter”).</td>
</tr>
<tr>
<td>Bare PCB</td>
<td>Domestically manufactured from imported/ domestically manufactured inputs.</td>
</tr>
<tr>
<td>Casing</td>
<td>Domestically manufactured Casing.</td>
</tr>
<tr>
<td>Battery</td>
<td>Domestic assembly and testing from imported/ domestically manufactured parts and components.</td>
</tr>
<tr>
<td>Accessories (Camera, Speaker, WiFi Antenna, etc.)</td>
<td>Domestic assembly and testing from imported/ domestically manufactured parts and components.</td>
</tr>
<tr>
<td>(i) Final Assembly/ Testing and (ii) Design/ Development</td>
<td>(i) Domestically assembled/ tested and (ii) Intellectual Property (IP) resident in India for any of the above items. The value of IP resident in India for any of the above items shall be reduced from its value in domestic BOM.</td>
</tr>
</tbody>
</table>

* It is essential that the Printed Circuit Board Assembly (PCBA) of the CPU/ GPU/ processor/ parts/ components on the bare PCB using the SMT process should mandatorily be done in India.

** This shall be reviewed when the Semiconductor FAB in India is operational.
4.6 Dot Matrix Printers

(A) Definition:
A Dot Matrix Printer is a type of impact printer that forms dot on paper by a metal pin of diameter 0.2 mm to 0.3 mm which is driven by electromagnet based on solenoid principle and required character matrix is produced by horizontal and vertical resolution of dot matrix printhead. Dot Matrix Printer can create carbon copies and carbonless copies based on mechanical pressure of pin.

(B) Mechanism for calculation of local content:
The domestic Bill of Material (BOM) of a Dot Matrix Printer would be the sum of the cost of main inputs specified in Column 1 of the following table, provided the inputs individually satisfy the value addition requirement specified in Column 2 of the table:

<table>
<thead>
<tr>
<th>Main inputs in BOM/ stages for manufacture of Dot Matrix Printer</th>
<th>Value addition/ local content required for the input to be classified as domestic BOM</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1</strong></td>
<td><strong>2</strong></td>
</tr>
<tr>
<td>Main PCB</td>
<td>Domestic PCB Assembly* and testing from imported/domestically manufactured parts and components, subject to the condition that value of domestically manufactured parts and components used in the assembly of “Main PCB” will be minimum 15% (of the total value of parts and components used in the manufacture of “Main PCB”), excluding the value of bare PCB.</td>
</tr>
<tr>
<td>Bare PCB</td>
<td>Domestically manufactured from imported/domestically manufactured inputs.</td>
</tr>
<tr>
<td>SMPS</td>
<td>Domestic assembly and testing from imported/domestically manufactured parts and components, subject to the condition that value of domestically manufactured parts and components used in the assembly of “SMPS” will be minimum 20% (of the total value of parts and components used in the manufacture of “SMPS”).</td>
</tr>
<tr>
<td>Carriage Motors and Paper Feed Motors</td>
<td>Imported as sub-assembly and tested domestically along with main Printer Mechanism.</td>
</tr>
<tr>
<td>Front Control Panel</td>
<td>Domestic assembly and testing from imported/domestically manufactured parts and components.</td>
</tr>
<tr>
<td>Home Position/Paper End Sensors</td>
<td>Domestic assembly and testing from imported/domestically manufactured parts and components.</td>
</tr>
<tr>
<td>Main Printer Cabinet and other small plastic components</td>
<td>Domestic moulding of Printer Cabinet and other parts.</td>
</tr>
<tr>
<td>Printer Mechanism Assembly</td>
<td>Domestic assembly using domestically manufactured Rubber Platens, small rubber parts, sheet metal components, plastic gears and other plastic parts with turned steel shafts and above mentioned sensors and Motors.</td>
</tr>
<tr>
<td>Print Heads and Interconnecting Cables</td>
<td>Imported as sub-assembly and tested domestically along with main Printer Mechanism.</td>
</tr>
<tr>
<td>(i) Final Assembly/ Testing and</td>
<td>(i) Domestically assembled/tested and</td>
</tr>
<tr>
<td>(ii) Design/ Development</td>
<td>(ii) Intellectual Property (IP) resident in India for any of the above items. The value of IP resident in India for any of the above items shall be reduced from its value in domestic BOM.</td>
</tr>
</tbody>
</table>

* It is essential that the Printed Circuit Board Assembly (PCBA) of the parts/components on the bare PCB using the SMT process should mandatorily be done in India.
4.7 **Smart Cards**

(A) **Definition:**

For the purpose of this Notification, Smart Card is usually a Credit Card sized plastic Card with an Integrated Circuit (IC) contained inside. The IC contains a microprocessor and memory. Smart Cards can be contact, contactless or dual interface (both contact and contactless). Some of the applications of Smart Card are Identity Card, Banking Card, Health Card, Vehicle Registration Card etc.

I(B) **Mechanism for calculation of local content for Contact Smart Cards**

The domestic Bill of Material (BOM) of a Contact Smart Card would be the sum of the cost of main inputs as specified in Column 1 of the following table, provided the inputs individually satisfy the value addition requirement specified in Column 2 of the table:

<table>
<thead>
<tr>
<th>Main inputs in BOM/stages for manufacture of Contact Smart Card</th>
<th>Value addition/ local content required for the input to be classified as domestic BOM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plastic Card Body</td>
<td>Domestic manufacturing including sheet cutting &amp; punching, printing, lamination and testing using imported/ domestically manufactured raw material, parts and components.</td>
</tr>
<tr>
<td>IC Chip Module</td>
<td>Domestic assembly, packaging and testing of IC Chip Module using imported/ domestically manufactured raw material, parts and components*.</td>
</tr>
<tr>
<td>(i) Final Assembly and Testing</td>
<td>(i) Domestically assembled/tested and (ii) Intellectual Property (IP) resident in India for any of the above items, including fusion of domestically developed Operating System. The value of IP resident in India for any of the above items shall be reduced from its value in domestic BOM.</td>
</tr>
<tr>
<td>(ii) Design/ Development</td>
<td></td>
</tr>
</tbody>
</table>

* This shall be reviewed when the Semiconductor FAB in India is operational.

II(B) **Mechanism for calculation of local content for Contactless Smart Cards**

The domestic Bill of Material (BOM) of Contactless Smart Card would be the sum of the cost of main inputs as specified in Column 1 of the following table, provided the inputs individually satisfy the value addition requirement specified in Column 2 of the table:

<table>
<thead>
<tr>
<th>Main inputs in BOM/stages for manufacture of Contactless Smart Card</th>
<th>Value addition/local content required for the input to be classified as domestic BOM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plastic Card Body</td>
<td>Domestic manufacturing including sheet cutting &amp; punching, printing, lamination and testing using imported/ domestically manufactured raw material, parts and components.</td>
</tr>
<tr>
<td>Card inlay (Antenna)</td>
<td>Domestic assembly and testing from imported/ domestically manufactured raw material, parts and components.</td>
</tr>
<tr>
<td>IC Chip Module</td>
<td>Domestic assembly, packaging and testing of IC Chip Module using imported/ domestically manufactured raw material, parts and components*.</td>
</tr>
</tbody>
</table>
(i) Final Assembly and Testing  
(ii) Design/ Development  
(i) Domestically assembled/ tested and  
(ii) Intellectual Property (IP) resident in India for any of the above items, including fusion of domestically developed Operating System. The value of IP resident in India for any of the above items shall be reduced from its value in domestic BOM.

* This shall be reviewed when the Semiconductor FAB in India is operational.

4.8 LED Products

(A) Definition:

For the purpose of this Notification, LED products are those whose function is to utilize light produced by LEDs and spanning applications in the areas of: (i) Illumination, (ii) Optical Displays including True LED TVs, (iii) Backlighting, (iv) Signalling & Indication and (v) Transportation.

(B) Mechanism for calculation of local content:

The domestic Bill of Material (BOM) of LED Products would be the sum of the cost of main inputs as specified in Column 1 of the following table, provided the inputs individually satisfy the value addition requirement specified in Column 2 of the table. However, the weightage of total value of (d) Heat Sink or Thermal Management Solutions, (e) Secondary Optics and (f) System Fixture and Fitting shall not exceed 20% of the total BOM of the LED Product:

<table>
<thead>
<tr>
<th>Main inputs in BOM/ stages for manufacture of LED Products</th>
<th>Value addition/ local content required for the input to be classified as domestic BOM</th>
</tr>
</thead>
<tbody>
<tr>
<td>LED Emitter</td>
<td>Packaging from imported/ domestically fabricated Bare LED Die, subject to the condition that the Bare LED Die shall be domestically fabricated using imported/ domestically manufactured inputs.</td>
</tr>
<tr>
<td>Driving Electronics</td>
<td>Domestic assembly from imported/ domestically manufactured parts and components, subject to the condition that the value of domestically manufactured parts and components (excluding the value of bare PCB) used in the assembly of “Driving Electronics” will be minimum 30% of the total value of parts and components used in the manufacture of “Driving Electronics”.</td>
</tr>
<tr>
<td>Bare PCB including MCPCB</td>
<td>Domestically manufactured using imported/ domestically manufactured inputs.</td>
</tr>
<tr>
<td>Heat Sink or Thermal Management Solutions</td>
<td>Domestically manufactured using imported/ domestically manufactured inputs.</td>
</tr>
<tr>
<td>Secondary Optics</td>
<td>Domestically manufactured using imported/ domestically manufactured inputs.</td>
</tr>
<tr>
<td>System Fixture and Fitting</td>
<td>Domestically manufactured.</td>
</tr>
<tr>
<td>Final Assembly/ Testing</td>
<td>Domestically assembled/ tested meeting Indian Standards as notified from time to time.</td>
</tr>
</tbody>
</table>

4.9 Biometric Access Control/Authentication Devices

(A) Definition:

For the purpose of this Notification, Biometric Access Control/ Authentication Device shall include inter-alia a Finger Print Sensor/ Iris Sensor, Controller Module and Power supply. It may or may not contain a display unit. Some of the applications of Biometric Access Control/ Authentication Device are Physical access control, Time and Attendance control etc.
**B) Mechanism for calculation of local content:**

The domestic Bill of Material (BOM) of Biometric Access Control/ Authentication Device would be the sum of the cost of main inputs as specified in Column 1 of the following table, provided the inputs individually satisfy the value addition requirement specified in Column 2 of the table:

<table>
<thead>
<tr>
<th>Main inputs in BOM/ stages for manufacture of Biometric Access Control/ Authentication Device</th>
<th>Value addition/local content required for the input to be classified as domestic BOM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finger Print Sensor/ Iris Sensor</td>
<td>Domestically manufactured as notified (refer Paragraphs 4.10 and 4.11).</td>
</tr>
<tr>
<td>Main PCB (Controller Module)</td>
<td>Domestic assembly and testing from imported / domestically manufactured parts and components, excluding the value of bare PCB.</td>
</tr>
<tr>
<td>Bare PCB</td>
<td>Domestically manufactured from imported / domestically manufactured inputs.</td>
</tr>
<tr>
<td>Power Supply/ Battery(if separate)</td>
<td>Domestic assembly and testing from imported/ domestically manufactured parts and components.</td>
</tr>
<tr>
<td>Display Unit</td>
<td>Domestic assembly and testing from imported/ domestically manufactured parts and components.</td>
</tr>
<tr>
<td>Optional features such as Camera, Keyboard, RFID, Smart Card Reader, GPRS Module, Wi-Fi, Blue Tooth etc.</td>
<td>Domestic assembly and testing from imported/ domestically manufactured parts and components.</td>
</tr>
<tr>
<td>Plastic Housing</td>
<td>Domestically manufactured from imported/ domestically manufactured inputs.</td>
</tr>
<tr>
<td>USB Cables</td>
<td>Domestically manufactured from imported/ domestically manufactured inputs.</td>
</tr>
</tbody>
</table>

**4.10 Biometric Finger Print Sensors**

**A) Definition:**

For the purpose of this Notification, Biometric Finger Print Sensor consists of a Controller Module, CMOS Sensor and Optics. The applications of the Biometric Finger Print Sensor are personal identification and verification, etc.

**B) Mechanism for calculation of local content:**

The domestic Bill of Material (BOM) of Biometric Finger Print Sensor would be the sum of the cost of main inputs as specified in Column 1 of the following table, provided the inputs individually satisfy the value addition requirement specified in Column 2 of the table:

<table>
<thead>
<tr>
<th>Main inputs in BOM/stages for manufacture of Biometric Finger Print Sensor</th>
<th>Value addition/local required for the input to be classified as domestic BOM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Main PCB (Controller Module)</td>
<td>Domestic assembly and testing using imported / domestically manufactured parts and components, excluding the value of bare PCB.</td>
</tr>
</tbody>
</table>
### Biometric Iris Sensors

**Definition:**
For the purpose of this Notification, Biometric Iris Sensor consists of a Controller Module, CMOS Sensor and Optics. The applications of the Biometric Iris Sensor are personal identification and verification, etc.

**Mechanism for calculation of local content:**
The domestic Bill of Material (BOM) of Biometric Iris Sensor would be the sum of the cost of main inputs as specified in Column 1 of the following table, provided the inputs individually satisfy the value addition requirement specified in Column 2 of the table:

<table>
<thead>
<tr>
<th>Main inputs in BOM/stages for manufacture of Biometric Iris Sensor</th>
<th>Value addition/local content required for the input to be classified as domestic BOM</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1</strong></td>
<td><strong>2</strong></td>
</tr>
<tr>
<td>Main PCB (Controller Module)</td>
<td>Domestic assembly and testing using imported / domestically manufactured parts and components except value of bare PCB.</td>
</tr>
<tr>
<td>Optics</td>
<td>Domestically manufactured from imported/ domestically manufactured inputs.</td>
</tr>
<tr>
<td>CMOS Sensor</td>
<td>Domestic assembly, packaging and testing of CMOS Sensor using imported/ domestically manufactured inputs*.</td>
</tr>
<tr>
<td>Bare PCB</td>
<td>Domestically manufactured from imported/ domestically manufactured inputs.</td>
</tr>
<tr>
<td>Plastic Housing</td>
<td>Domestically manufactured from imported/ domestically manufactured inputs.</td>
</tr>
<tr>
<td>USB Cables</td>
<td>Domestically manufactured from imported/ domestically manufactured inputs.</td>
</tr>
<tr>
<td>(i) Final Assembly and Testing</td>
<td>(i) Domestically assembled/ tested and (ii) Intellectual Property (IP) resident in India for any of the above items. The value of IP resident in India for any of the above items shall be reduced from its value in domestic BOM.</td>
</tr>
<tr>
<td>(ii) Design/ Development</td>
<td></td>
</tr>
</tbody>
</table>

*This shall be reviewed when the Semiconductor Fab in India is operational.*
4.12 Servers

(A) Definition:

For the purpose of this Notification, a Server shall necessarily consist of a Mother Board, CPU, Memory (RAM), Hard Disk Drive (HDD)/ Solid State Storage Drive (SSD), Power Supply Unit (SMPS), Chassis, Connecting Cables and Firmware & OS.

(B) Mechanism for calculation of local content:

The domestic Bill of Material (BOM) of a Server would be the sum of the cost of main inputs as specified in Column 1 of the following table, provided the inputs individually satisfy the value addition requirement specified in Column 2 of the table:

<table>
<thead>
<tr>
<th>Main inputs in BOM/ stages for manufacture of Server</th>
<th>Value addition /local content required for the input to be classified as domestic BOM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Server Board/ Mother Board and CPU(s)/ GPU(s)</td>
<td>Domestic PCB Assembly* and testing from imported/ domestically manufactured parts and components, including the value of Semiconductors** and CPU(s)/ GPU(s)** and excluding the value of bare PCB.</td>
</tr>
<tr>
<td>Memory Module</td>
<td>Domestic PCB Assembly* and testing from imported/ domestically manufactured memory chips** and parts/ components on imported/ domestically manufactured bare PCB, excluding the value of bare PCB.</td>
</tr>
<tr>
<td>Hard Disk Drive/ Solid State Storage Drive (SSD)</td>
<td>Domestic assembly and testing from imported/ domestically manufactured parts and components.</td>
</tr>
<tr>
<td>Cabinet + SMPS</td>
<td>Domestically manufactured Cabinet and domestic assembly and testing of SMPS from imported / domestically manufactured parts and components, subject to the condition that value of domestically manufactured parts and components used in the assembly of “SMPS” will be minimum 25% (of the total value of parts and components used in the manufacture of “SMPS”).</td>
</tr>
<tr>
<td>Bare PCB</td>
<td>Domestically manufactured from imported/ domestically manufactured inputs.</td>
</tr>
<tr>
<td>Accessories (Power Cables, Connectors, etc.)</td>
<td>Domestic assembly and testing from imported/ domestically manufactured parts and components.</td>
</tr>
<tr>
<td>(i) Final Assembly and Testing</td>
<td>(i) Domestically assembled/ tested and</td>
</tr>
<tr>
<td>(ii) Design and Development</td>
<td>(ii) Intellectual Property (IP) resident in India for any of the above items. The value of IP resident in India for any of the above items shall be reduced from its value in the domestic BOM.</td>
</tr>
</tbody>
</table>

* It is essential that the Printed Circuit Board Assembly (PCBA) of the CPU(s)/ GPU(s)/ processor(s), parts/ components on the bare PCB using the SMT process should mandatorily be done in India

** This shall be reviewed when the Semiconductor FAB in India is operational.

4.13 Cellular Mobile Phones

(A) Definition:

For the purpose of this Notification, a Cellular Mobile Phone (Feature Phone or Smart Phone) shall necessarily consist of a Main Printed Circuit Board (PCB), Battery Pack, Display Unit, Key Pad/ Touch Panel, Charger/ Adapter, Microphone & Receiver, Vibrator Motor/ Ringer and Mechanics.
(B) Mechanism for calculation of local content:

The domestic BOM of Cellular Mobile Phones would be the sum of the cost of main inputs as specified in Column 1 of the following table, provided the inputs individually satisfy the value addition requirement specified in Column 2 of the table:

<table>
<thead>
<tr>
<th>Main inputs in BOM/stages for manufacture of Cellular Mobile Phone</th>
<th>Value addition/ local content required for the input to be classified as domestic BOM</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Main PCB*</td>
<td>Domestic assembly and testing from imported/domestically manufactured parts and components including Processor and Semiconductor** BOM (i.e the Semiconductor Chips and Modules on Main PCB), and excluding value of bare PCB.</td>
</tr>
<tr>
<td>Bare PCB</td>
<td>Domestically manufactured from imported/domestically manufactured inputs.</td>
</tr>
<tr>
<td>Battery Pack</td>
<td>Domestic assembly and testing of imported/domestically manufactured inputs.</td>
</tr>
<tr>
<td>Charger/ Adapter</td>
<td>Domestic assembly and testing from imported/domestically manufactured inputs.</td>
</tr>
<tr>
<td>Wired Headset</td>
<td>Domestic assembly and testing from imported/domestically manufactured inputs.</td>
</tr>
<tr>
<td>Mechanics***</td>
<td>Domestic assembly and testing from imported/domestically manufactured inputs.</td>
</tr>
<tr>
<td>Die Cut Parts***</td>
<td>Domestic assembly and testing from imported/domestically manufactured inputs.</td>
</tr>
<tr>
<td>Microphone and Receiver</td>
<td>Domestic assembly and testing from imported/domestically manufactured inputs.</td>
</tr>
<tr>
<td>Key Pad</td>
<td>Domestic assembly and testing from imported/domestically manufactured inputs.</td>
</tr>
<tr>
<td>USB Cable</td>
<td>Domestic assembly and testing from imported/domestically manufactured inputs.</td>
</tr>
<tr>
<td>Camera Module</td>
<td>Domestic assembly and testing from imported/domestically manufactured inputs.</td>
</tr>
<tr>
<td>Connectors</td>
<td>Domestic assembly and testing from imported/domestically manufactured inputs.</td>
</tr>
<tr>
<td>Display Unit</td>
<td>Domestic assembly and testing from imported/domestically manufactured inputs.</td>
</tr>
<tr>
<td>Touch Panel/ Cover Glass Assembly</td>
<td>Domestic assembly and testing from imported/domestically manufactured inputs.</td>
</tr>
<tr>
<td>Vibrator Motor/ Ringer</td>
<td>Domestic assembly and testing from imported/domestically manufactured inputs.</td>
</tr>
<tr>
<td>(i) Final Assembly and Testing</td>
<td>(i) Domestically assembled/ tested and (ii) Intellectual Property (IP) resident in India for any of the above items. The value of IP resident in India for any of the above items shall be reduced from its value in the domestic BOM.</td>
</tr>
<tr>
<td>(ii) Design and Development</td>
<td></td>
</tr>
</tbody>
</table>

* It is essential that the Printed Circuit Board Assembly (PCBA) of the processor/ components on the bare PCB using the SMT process should mandatorily be done in India.

** This shall be reviewed when the Semiconductor FAB in India is operational

***Refer Annexure
5. The Notification comes into effect immediately. This Notification shall remain valid till the revised Notification is issued.

6. No Electronic Product Notification under the Public Procurement (Preference to Make in India) Order 2017 shall have retrospective effect.

7. Purchase Preference shall be provided as per the provisions cited in the Public Procurement (Preference to Make in India) Order 2017 dated 04.06.2020 for the procurement of aforesaid electronics products.

8. The notification would also be applicable to all Central Schemes (CS)/ Central Sector Schemes (CSS) for the procurement of electronic products made by States and local bodies, if project or scheme is fully or partially funded by Government of India.

9. Procedure for calculating local content/ domestic value addition

9.1 Bill of Material sourced from domestic manufacturers (Dom-BOM) may be calculated based on one of the following depending on data available. Each of these calculations should provide consistent result.

a. Sum of the costs of all inputs which go into the product (including duties and taxes levied on procurement of inputs except those for which credit/set-off can be taken) and which have not been imported directly or through a domestic trader or an intermediary.

b. Ex-Factory Price of product minus profit after tax minus sum of imported Bill of Material used (directly or indirectly) as inputs in producing the product (including duties and taxes levied on procurement of inputs except those for which credit/set-off can be taken) minus warranty costs.

c. Market price minus post-production freight, insurance and other handling costs minus profit after tax minus warranty costs minus sum of Imported Bill of Material used as inputs in producing the product (including duties and taxes levied on procurement of inputs except those for which credit/set-off can be taken) minus sales and marketing expenses.

9.2 Total Bill of Material (Total-BOM) may be calculated based on one of the following depending on data available. Each of these calculations should provide consistent result.

a. Sum of the costs of all inputs which go into the product (including duties and taxes levied on procurement of inputs except those for which credit/set-off can be taken).

b. Ex-Factory Price of product minus profit after tax, minus warranty costs.

c. Market price minus post-production freight, insurance and other handling costs minus profit after tax, minus warranty costs minus sales and marketing expenses.

9.3 The percentage of domestic value-addition may be calculated based on information furnished as per the following formula:

\[
\text{Percentage of local content/ domestic value-addition} = \frac{\text{Dom-BOM}}{\text{Total-BOM}} \times 100
\]

It is recommended that each agency assessing should calculate the domestic local content/value-addition using at least two of the above formulae so as to validate the assessments in this regard and ensure that the domestic value addition that is claimed is consistent.

10. Verification of local content/ Domestic Value Addition

a. The local supplier at the time of tender, bidding or solicitation shall provide self-certification that the item offered meets the minimum local content and shall give details of the location(s) at which the local value addition is made.

b. In cases of procurement for a value in excess of Rs. 10 crore, the local supplier shall provide a certificate from the statutory auditor or cost auditor of the company (in the case of companies) or from a practicing cost accountant or practicing chartered accountant (in respect of suppliers other than companies) giving the percentage of local content.

c. In case a complaint is received by the procuring agency or the concerned Ministry/Department against the claim of a bidder regarding local content/domestic value addition in an electronic product, the same shall be referred to STQC.
d. Any complaint referred to STQC shall be disposed of within 4 weeks. The bidder shall be required to furnish the necessary documentation in support of the domestic value addition claimed in an electronic product to STQC. If no information is furnished by the bidder, such laboratories may take further necessary action, to establish the bonafides of the claim.

e. A complaint fee of Rs.2 Lakh or 1% of the value of the domestically manufactured electronic products being procured (subject to a maximum of Rs. 5 Lakh), whichever is higher, to be paid by Demand Draft to be deposited with STQC. In case, the complaint is found to be incorrect, the complaint fee shall be forfeited. In case, the complaint is upheld and found to be substantially correct, deposited fee of the complainant would be refunded without any interest.

f. False declarations will be in breach of the Code of Integrity under Rule 175(1)(i)(h) of the General Financial Rules for which a bidder or its successors can be debarred for up to two years as per Rule 151 (iii) of the General Financial Rules along with such other actions as may be permissible under law.

11. MeitY shall be the Nodal Ministry to monitor the implementation of the Electronic Products Notification.

12. In case of a question whether an item being procured is an electronic product to be covered under the Public Procurement (Preference to Make in India) Order 2017, the matter would be referred to the Ministry of Electronics and Information Technology for clarification.

SAURABH GAUR, Jt. Secy.

**Annexure**

**Indicative List of Mechanics and Die Cut Parts**

**A. Mechanics**

1. Battery Cover (HS 39209999)
2. Front Cover (HS 39209999)
3. Front Cover (With Zinc Casting) (HS 39209999)
4. Middle Cover (HS 39209999)
5. GSM Antenna/ Antenna of any technology (HS 39209999)
6. Side Key (HS 85389000)
7. Main Lens (HS 39209999)
8. Camera Lens (HS 39209999)
9. Screw (HS 73181500)
10. Mic Rubber Case (HS 40169999)
11. Sensor Rubber Case/ Sealing Gasket including sealing gaskets/ cases from Rubbers like SBR, EPDM, CR, CS, Silicone and all other individual rubbers or combination/ combinations of rubbers (HS 40169999)
   11.1 PU Case/ Sealing Gasket (HS 39269091) - Other articles of Polyurethane foam like sealing gaskets/ cases.
   11.2 Sealing Gaskets/ Cases from PE, PP, EPS, PC and all other individual polymers or combination/ combinations of polymers (HS 39269099)
12. SIM Socket/ Other Mechanical items (Metal) (HS 73269099)
13. SIM Socket/ Other Mechanical items (Plastic) (HS 39269099)
14. Back Cover (HS 39209999)
B. **Die Cut Parts**

1. Conductive Cloth (HS 39269099)
2. Heat Dissipation Sticker Battery Cover (HS 39199090)
3. Sticker-Battery Slot (HS 39199090)
4. Protective Film for Main Lens (HS 39199090)
5. Mylar for LCD FPC (HS 39199090)
6. LCD Conductive Foam (HS 39269099)
7. Film-Front Flash (HS 39199090)
8. LCD Foam (HS 39269099)
9. BT Foam (HS 39269099)
NOTIFICATION

Subject: Public Procurement (Preference to Make in India) Order 2017 Notification of Defence Products under clause 3(a)

References:

1. DPIIT Notification No. P-45021/2/2017-PP(BE-II) dated 04.06.2020
2. DPIIT Notification No. P-45021/2/2017-PP(BE-II) dated 16.9.2020
3. DDP Notifications No. 18(2)/19/PPO-Notification/DP(Plg-MS) dated 25.8.2020

The Government of India, Department for Promotion of Industry and Internal Trade (DPIIT) issued Public Procurement (Preference to Make in India), Order 2017 for encouraging 'Make in India' and promoting manufacturing and production of goods and services in India with a view to enhancing income and employment. Further, DPIIT vide order No. P-45021/2/2017-PP (BE-II) dated 16th Sept, 2020, have issued the revised Public Procurement (Preference to Make in India) Order 2017 which stipulates that:

1.1 For the purpose of this order, the definitions of various terms used in the order, and provisions relating to (i) Eligibility of 'Class-I local supplier'/Class-II local supplier'/Non-local suppliers' for different types of procurement, (ii) purchase preference, (iii) exemption to small purchases, and (iv) margin of purchase preference, shall be the same as in DPIIT order dated 16.9.2020 referred above.

1.2 In procurement of all goods and services or works in respect of which there is sufficient local capacity and local competition, only 'Class-I local supplier', shall be eligible to bid irrespective of the purchase value.

2. In furtherance of DPIIT's PPP- MII order dated 04.06.2020, this Department had notified 24 defence items under para 3(a) vide notification at reference 3 above. Further, 22 more items as per Annexure are now notified under para 3(a) of latest PPP MII order dated 16.9.2020.

3. The list of items, in respect of which local capacity with sufficient competition exists, will be reviewed at regular intervals with a view to increase the number of items in this list.
4. The Notification shall come into effect immediately and shall remain valid till the revised Notification is issued. No Defence Product Notification under the Public Procurement (Preference to Make in India) Order 2017 shall have retrospective effect.

5. **Procedure for calculating local content/ domestic value addition**

The percentage of the local content shall be calculated as per the definition of Indigenous Content (IC) given in extant Defence Procurement Procedure (DPP) notified by Ministry of Defence.

6. **Verification of local content/ Domestic Value Addition**

   a. Department of Defence Production (DDP) may constitute a Technical Committee with internal and external experts for independent verification of self-declarations and auditor's/ accountant's certificates on random basis and in the case of complaints.

   b. Department of Defence Production (DDP) and procuring entities may prescribe fee for the administrative cost of handling such complaints.

   c. False declarations will be in breach of the Code of Integrity under Rule 175(1)(i)(h) of the General Financial Rules for which a bidder or its successors can be debarred for up to two years as per Rule 151 (iii) of the General Financial Rules along with such other actions as may be permissible under law.

   d. Department of Defence Production (DDP) may issue such clarifications and instructions as may be necessary for the removal of any difficulties arising from implementation of this Order.

   c. The other terms and conditions will be as per the Public Procurement (Preference to Make in India) Order 2017 dated 16.9.2020.

7. DDP shall be the Nodal Department to monitor the implementation of the Public Procurement (Preference to Make in India) Order 2017 as per the 'list of approved product categories & associated Ministry/Department' issued by DPIIT.

(C Chandandeep Singh)
Planning Officer (MS)
Tele: 2301 6619

Copy to:

1. All Ministries/Departments of Government of India
2. Cabinet Secretariat
3. PMO
4. Comptroller and Auditor General of India
5. Department of Expenditure
6. Joint Secretary (DPIIT), Member-Convener of Standing Committee of Public Procurement Order 2017
7. CGDA, Ministry of Defence
8. NITI Aayog
9. Secretary, DRDO
10. DGOF and Chairman, OFB
11. The CMDs of the All DPSUs
12. JS(Acro), JS(LS), JS(P&C), JS(NS), OSD(SK)
13. Guard File

(Chandandeep Singh)
Planning Officer (MS)
Tele: 2301 6619
<table>
<thead>
<tr>
<th>Sl No.</th>
<th>Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Electric Motor DC 27v 0.18 kW</td>
</tr>
<tr>
<td>2.</td>
<td>Stainless Steel Tube (316L) 88.9 X 5.49</td>
</tr>
<tr>
<td>3.</td>
<td>Automatic Galley Fire-Fighting Wet Chemical System</td>
</tr>
<tr>
<td>4.</td>
<td>Waterjets Propulsion System of above 3500 kw</td>
</tr>
<tr>
<td>5.</td>
<td>Forged Cu-Ni Fittings</td>
</tr>
<tr>
<td>6.</td>
<td>Supernii 718A (Nickel based Super alloy)</td>
</tr>
<tr>
<td>7.</td>
<td>Supernii 263A (Nickel based Super alloy)</td>
</tr>
<tr>
<td>8.</td>
<td>Supernii 75A (Nickel based Super alloy)</td>
</tr>
<tr>
<td>9.</td>
<td>Alloy 800/800H (Iron based Super alloy)</td>
</tr>
<tr>
<td>10.</td>
<td>Supernii C276 (Nickel based Super alloy)</td>
</tr>
<tr>
<td>11.</td>
<td>Supernii 750 (Nickel based Super alloy)</td>
</tr>
<tr>
<td>12.</td>
<td>Super cast 247A (Nickel based Super alloy)</td>
</tr>
<tr>
<td>13.</td>
<td>Supernii 690 (Nickel based Super alloy)</td>
</tr>
<tr>
<td>14.</td>
<td>Supernii 600 (Nickel based Super alloy)</td>
</tr>
<tr>
<td>15.</td>
<td>Precipitation hardening stainless steel 13-8MoPH</td>
</tr>
<tr>
<td>16.</td>
<td>Precipitation hardening stainless steel 15-5Ph</td>
</tr>
<tr>
<td>17.</td>
<td>Precipitation hardening stainless steel 17-4ph</td>
</tr>
<tr>
<td>18.</td>
<td>Stainless Steel 321</td>
</tr>
<tr>
<td>19.</td>
<td>Stainless Steel 347A</td>
</tr>
<tr>
<td>20.</td>
<td>Alloy 99A</td>
</tr>
<tr>
<td>21.</td>
<td>Steel Tube (Annealed) 30KhGSA Coss 8732-78/ Coss 4543-71 OD 133X16mm thick</td>
</tr>
<tr>
<td>22.</td>
<td>Aluminium Alloy Extruded Seamless Tube D16T as per Coss 18482-79/ 2024,T4 as per EN573-3, 755-1, -2, -3, EN515 and ASTM B 241 OD 110mm X 20mm thick</td>
</tr>
</tbody>
</table>
MINISTRY OF DEFENCE
DEPARTMENT OF DEFENCE PRODUCTION
DIRECTORATE OF PLANNING & COORDINATION
MS DIVISION

'B' BLOCK, ROOM NO. 175
NEW DELHI- 110 011
Dated: 25th Aug, 2020

*****

NOTIFICATION

Subject: Public Procurement (Preference to Make in India) Order 2017-Re-notification of Defence Products under clause 3(a)

References:

1. Department for Promotion of Industry and Internal Trade (DPIIT) Notification No.P-45021/2/2017-PP(BE-II) dated 29.05.2019
2. DPIIT Notification No.P-45021/2/2017-PP(BE-II) dated 04.06.2020
4. DDP Notifications No. 18(2)/19/PPO-Notification/DP(Plg-MS) dated 21.05.2020
5. DDP Notifications No. 18(2)/19/PPO-Notification/DP(Plg-MS) dated 31.7.2020

The Government of India, Department for Promotion of Industry and Internal Trade (DPIIT) issued Public Procurement (Preference to Make in India), Order 2017 for encouraging 'Make in India' and promoting manufacturing and production of goods and services in India with a view to enhancing income and employment. Further, DPIIT vide order No.P-45021/2/2017-PP (BE-II) dated 4th June, 2020, have issued the revised Public Procurement (Preference to Make in India) Order 2017.

2. In the light of the Public Procurement (Preference to Make in India) Order 2017, this Department had notified purchase preference (linked with local content) for defence items vide notifications at reference 3 above and notified items under para 3(a) of the Order dated 29.5.2020 vide reference 4 also & subsequent amendment vide reference 5 above.

3. In furtherance of DPIIT Notification No.P-45021/2/2017-PP(BE-II) dated 04.06.2020 and in supersession of all the aforementioned orders/notifications issued by this Department on the subject, the following has been decided:

3.1 For the purpose of this order, the definitions of various terms used in the order, and provisions relating to (i) Eligibility of 'Class-I local supplier'/'Class-II local supplier'/'Non-local suppliers' for different types of procurement, (ii) purchase preference, (iii) exemption to small
purchases, and (iv) margin of purchase preference, shall be the same as in DPIIT order dated 04.06.2020 referred to above.

3.2 In procurement of all goods and services or works in respect of which there is sufficient local capacity and local competition as in the Annexure, only “Class-I local supplier”, shall be eligible to bid irrespective of purchase value.

3.3 In procurement of all goods, services or works not covered by sub-para 3(ii) above, and with estimated value of purchases less than Rs.200 Crore, in accordance with Rule 161(iv) of GFR, 2017, Global Tender Enquiry (GTE) shall not be issued except with the approval of the competent authority as designated by Department of Expenditure. Only ‘Class-I local supplier’ and ‘Class-II local supplier’ shall be eligible to bid in procurements undertaken by procuring entities, except when Global Tender Enquiry has been issued. In Global tender enquiries, ‘Non-local suppliers’ shall also be eligible to bid along with ‘Class-I local suppliers’ and ‘Class-II local suppliers’.

3.4 For the purpose of this order, ‘Works’ means all works as per Rule 130 of GFR- 2017, and will also include ‘turnkey works’.

4. The list of items, in respect of which, local capacity with sufficient competition exists as per the Annexure, will be reviewed at regular intervals with a view to increase number of items in this list.

5. Purchase preference shall be given to local suppliers in accordance with para 3(a) of DPIIT Order dated 04.06.2020,

6. The Notification shall come into effect immediately and shall remain valid till the revised Notification is issued.

7. No Defence Product Notification under the Public Procurement (Preference to Make in India) Order 2017 shall have retrospective effect.

8. Procedure for calculating local content/ domestic value addition

The percentage of the local content shall be calculated as per the definition of Indigenous Content (IC) given in extant Defence Procurement Procedure (DPP) notified by Ministry of Defence.

9. Verification of local content/ Domestic Value Addition

a. Department of Defence Production (DDP) may constitute a Technical Committee with internal and external experts for independent verification of self-declarations and auditor’s accountants certificates on random basis in the case of complaints.

b. Department of Defence Production (DDP) and procuring entities may prescribe fee for the administrative cost of handling such complaints.

c. False declarations will be in breach of the Code of Integrity under Rule 175(1)(i)(h) of the General Financial Rules for which a bidder or its successors can be debarred for up to two years as per Rule 151 (iii) of the General Financial Rules along with such other actions as may be permissible under law.
d. Department of Defence Production (DDP) may issue such clarifications and instructions as may be necessary for the removal of any difficulties arising from implementation of this Order.

e. The other terms and conditions will be as per the Public Procurement (Preference to Make in India) Order 2017.

10. DDP shall be the Nodal Department to monitor the implementation of the Public Procurement (Preference to Make in India) Order 2017 as per the ‘list of approved product categories & associated Ministry/Department’ issued by DPIIT.

(Chandandeep Singh)
Planning Officer (MS)
Tele: 2301 6619

Copy to:

1. All Ministries/Departments of Government of India
2. Cabinet Secretariat
3. PMO
4. Comptroller and Auditor General of India
5. Department of Expenditure
6. Joint Secretary (DPIIT), Member-Convener of Standing Committee of Public Procurement Order 2017
7. CGDA, Ministry of Defence
8. NITI Aayog
9. Secretary, DRDO
10. DGOF and Chairman, OFB
11. The CMDs of the All DPSUs
12. JS(Aero), JS(LS), JS(P&C), JS(NS), OSD(SK)
13. Guard File

(Chandandeep Singh)
Planning Officer (MS)
Tele: 2301 6619
### Annexure

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Items</th>
<th>Items used in Shipbuilding Industry</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Helo Landing Grid</td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>Doors (Water tight &amp; Weather tight)</td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Inflatable Boat</td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td>Oil Pumps</td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>Battery Loading Trolley</td>
<td></td>
</tr>
<tr>
<td>6.</td>
<td>Sacrificial Zinc Anode Flanges</td>
<td></td>
</tr>
<tr>
<td>7.</td>
<td>Fibre Glass Cloth –E Grade</td>
<td></td>
</tr>
<tr>
<td>8.</td>
<td>High temperature Gasket</td>
<td></td>
</tr>
<tr>
<td>9.</td>
<td>Other items used in defence manufacturing Industry</td>
<td>Extra high strength structural steel plates UTS 790MPa (6 mm to 100 mm thickness)</td>
</tr>
<tr>
<td>10.</td>
<td>Abrasion resistant Extra high strength, hardened and tempered steel plates (6 mm to 100 mm thickness)</td>
<td></td>
</tr>
<tr>
<td>11.</td>
<td>Electric Motor (474175410130)</td>
<td></td>
</tr>
<tr>
<td>12.</td>
<td>Cable Assemblies (486872360154, 4868724000506, 487072020686, 487072021268, 487072130102)</td>
<td></td>
</tr>
<tr>
<td>13.</td>
<td>Modulator (212362440179)</td>
<td></td>
</tr>
<tr>
<td>15.</td>
<td>Sealing Ring 008-012-25 GCF TM-589C</td>
<td></td>
</tr>
<tr>
<td>17.</td>
<td>Sealing Ring 030-038-46 GCF TM-589C</td>
<td></td>
</tr>
<tr>
<td>18.</td>
<td>Sealing Ring 038-046-46 GCF TM-589C</td>
<td></td>
</tr>
<tr>
<td>19.</td>
<td>Sealing Ring 046-048-46 GCF TM-589C</td>
<td></td>
</tr>
<tr>
<td>20.</td>
<td>Sealing Ring 048-056-46 GCF TM-589C</td>
<td></td>
</tr>
<tr>
<td>21.</td>
<td>Sealing Ring 060-070-58 GCF TM-589C</td>
<td></td>
</tr>
<tr>
<td>22.</td>
<td>Sealing Ring 065-075-58 GCF TM-589C</td>
<td></td>
</tr>
<tr>
<td>23.</td>
<td>Sealing Ring 085-095-58 GCF TM-589C</td>
<td></td>
</tr>
<tr>
<td>24.</td>
<td>Sealing Ring 100-110-58 GCF TM-589C</td>
<td></td>
</tr>
</tbody>
</table>

****
F.No.14023/4/2018-FP (Vol 1)
Government of India
Ministry of Chemicals and Fertilizers
Department of Fertilizers

Shastri Bhawan, New Delhi
Dated: 20th August, 2020

Order

Subject: Public Procurement (Preference to Make in India) Order (PPO), 2017 (revised) - related to procurement of Goods, Services & Works in Fertilizer Sector-reg.

Ref. i. Department of Industry Policy & Promotion Notification No.P- 45021/2/2017-B.E.-II dated 15.06.2017 as amended by DIPP Order No. P- 45021/2/2017-PP (B.E.-II) dated 28.05.2018 & dated 29.05.2019 and Revised vide Order No. P-45021/2/2017-PP (BE-II) dated 04.06.2020.


In terms of Para 10 of the DoF Notification referred above at (ii), the said notification is reviewed and revised.

2. The Government has issued “Public Procurement (Preference to Make in India) Order 2017” vide the Department of Industrial Policy and Promotion (DIPP) Notification No. P-45021/2/2017-B.E.-II dated 15.06.2017 revised vide DIPP Order No. P-45021/2/2017-PP (B.E.-II) dated 28.05.2018 to encourage ‘Make in India’ and to promote manufacturing and production of goods, services and works in India with a view to enhancing income and employment.

3. Procuring entity means a Ministry or department or attached or subordinate office of, or autonomous body controlled by the Government of India and includes Government companies as defined in the Companies Act.

4. PP (PMI) Order, 2017 as revised from time to time shall also be applicable to all Central Schemes (CS) / Central Sector Schemes (CSS) for the procurement made by States and local bodies, if project or scheme is fully or partially funded by Government of India.

5. The DoF has assessed the domestic manufacturing/supply/services base and the available capacity and the extent of local competition while identifying goods, services &
works and prescribing minimum local content and the manner of its calculation, with a view to avoid cost increase from the operation of this Order.

6. Following fertilizer has sufficient local capacity and sufficient local competition. The fertilizer also has minimum local content more than 50% as defined in Para 2 of the revised notification of DPIIT dated 04.06.2020. Accordingly, DoF hereby notifies that only "Class-I local suppliers" as defined under the Order shall be eligible to bid irrespective of purchase value.

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>SSP (Single Super Phosphate)</td>
</tr>
</tbody>
</table>

7. In terms of clause 13 of DIPP Order 2017, in case the product is being manufactured in India under foreign collaboration/ a license from a foreign manufacturer who holds intellectual property rights, where there is a technology collaboration agreement/ transfer of technology agreement for indigenous manufacture of product developed abroad with clear phasing on increase in local content, the party may be treated as Indian Party provided they have met the targeted indigenous content as per collaboration agreement, on applicable date.

8. Keeping in view the fact that potash is not available in India for production of MoP and SoP, no base for indigenous production exists for these items. Therefore, as per provisions of clause 14 (c) of PPO 2017, the DoF exempts following items of fertilizer industry from provision of Public Procurement (Preference to Make in India) Order 2017 as revised from time to time.

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>MoP (Muriate of Potash)</td>
</tr>
<tr>
<td>2</td>
<td>SoP (Sulphate of Potash)</td>
</tr>
</tbody>
</table>

9. Procuring entity shall constitute a Committee with representatives not below the rank of Sr. Managers (E-5 scale) from technical, finance, materials/commercials for independent verification of self-declarations and auditor's/accountant's certificates on random basis. In case a complaint is received by the procuring entity, the Committee of procuring entity shall have full rights to inspect and examine all the related documents and take a decision. The Committee may ensure that all complaints are resolved within 30 days. In case of any clarification, the matter may be referred to the Committee constituted at DoF.
Committee proposed at DoF:

Chairperson- Joint Secretary / Additional Secretary (Fertilizers)
Member- Director (PSU)
Member- Director (Technical from concerned PSU)

10. As per clause 9 (e) of the DIPP Order 2017, a fee of Rs. 1000/- will be charged for each complaint filed under the DIPP Order 2017.

11. DoF may issue such clarifications and instructions as may be necessary for the removal of any difficulties arising from implementation of this order.

12. All other terms and conditions shall be as per the DIPP Order No. P-45021/2/2017-B.E.-II dated 15.06.2017 as amended vide DIPP Order No. P-45021/2/2017-PP(B.E.-II) dated 28.05.2018 and 29.05.2019 and Revised vide Order No. P-45021/2/2017-PP (BE-II) dated 04.06.2020.

13. The notification comes in to effect immediately and would be reviewed as and when required. This Notification shall remain valid till revised notification is issued.

(Dharam Pal)
Additional Secretary to Government of India

Copy to:

1. All Ministries/Departments of Government of India
2. Cabinet Secretariat
3. Prime Minister’s Office
4. NITI Aayog
5. Controller and Auditor General of India
6. Department for Promotion of Industry and Internal Trade
7. All Fertilizer CPSEs
8. Internal distribution
No. C.I-43012/52/2017-Chem-1(B)
Government of India
Ministry of Chemicals & Fertilizers
Department of Chemicals & Petrochemicals

Shastri Bhawan, New Delhi
Date: 01st June, 2020

Order

Subject: Public Procurement (Preference to Make in India) Order 2017 – Notifying Chemicals and Petrochemicals Products in furtherance of the Order

Reference: (1) Department for Promotion of Industry and Internal Trade (DPIIT) Order No. P-45021/2/2017-B.E.-II dated 15.06.2017 and its revisions dated 28.05.2018 and 29.05.2019

(2) Department of Chemicals and Petrochemicals Orders No. C.I.-43012/52/2017-Chem-I(B) dated 25.5.2018, 23.10.2018 and 13.03.2020 in this regard

The Government has issued Public Procurement (Preference to Make in India) Order, 2017 vide DPIIT Order No. P-45021/2/2017-B.E.-II dated 15.06.2017 and subsequent revisions vide Orders No. 45021/2/2017-PP(BE-II) dated 28.05.2018 and 29.05.2019 to encourage “Make in India” and to promote manufacturing and production of goods, services and works in India with a view to enhance income and employment. The Department of Chemicals and Petrochemicals has issued Orders No. C.I.-43012/52/2017-Chem-I(B) dated 25.5.2018, 23.10.2018 and 13.03.2020 for the chemicals and petrochemicals in accordance with the DPIIT Order No. P-45021/2/2017-B.E.-II dated 15.06.2017. In view of the revised order issued by DPIIT, the Department now rescinds the earlier orders and hereby notifies this order in furtherance of the DPIIT Orders referred above with immediate effect.

2. The Department of Chemicals and Petrochemicals has assessed the domestic manufacturing/supply base and the available capacity and the extent of local competition while identifying chemicals, prescribing minimum local content and the manner of calculation, with a view to achieve the stated objectives in the most efficient manner.
3. The minimum local content for the chemicals and petrochemicals for application of this Order shall be as follows:

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Chemicals/Petrochemicals</th>
<th>Minimum Local Content (in %)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>2020-21</td>
</tr>
<tr>
<td>1.</td>
<td>Titanium Dioxide</td>
<td>60</td>
</tr>
<tr>
<td>2.</td>
<td>Red Phosphorus</td>
<td>60</td>
</tr>
<tr>
<td>3.</td>
<td>Menthol</td>
<td>60</td>
</tr>
<tr>
<td>4.</td>
<td>Aluminum Fluoride</td>
<td>60</td>
</tr>
<tr>
<td>5.</td>
<td>Polyester Staple Fibre Fill</td>
<td>60</td>
</tr>
<tr>
<td>6.</td>
<td>Polypropylene Staple Fibre</td>
<td>60</td>
</tr>
<tr>
<td>7.</td>
<td>Polyester Industrial Yarn</td>
<td>60</td>
</tr>
<tr>
<td>8.</td>
<td>Polystyrene</td>
<td>60</td>
</tr>
<tr>
<td>9.</td>
<td>Styrene Acrylonitrile</td>
<td>60</td>
</tr>
<tr>
<td>10.</td>
<td>Mixed Xylene</td>
<td>60</td>
</tr>
<tr>
<td></td>
<td>Pesticides</td>
<td></td>
</tr>
<tr>
<td>11.</td>
<td>Malathion</td>
<td>60</td>
</tr>
<tr>
<td>12.</td>
<td>Quinalphos</td>
<td>60</td>
</tr>
<tr>
<td>13.</td>
<td>Phosphamidon</td>
<td>60</td>
</tr>
<tr>
<td>14.</td>
<td>Phorate</td>
<td>60</td>
</tr>
<tr>
<td>15.</td>
<td>Acephate</td>
<td>60</td>
</tr>
<tr>
<td>16.</td>
<td>Triazophos</td>
<td>60</td>
</tr>
<tr>
<td>17.</td>
<td>Deltamethrin</td>
<td>60</td>
</tr>
<tr>
<td>18.</td>
<td>Permethrin Tech</td>
<td>60</td>
</tr>
<tr>
<td>19.</td>
<td>Imidacloprid Tech</td>
<td>60</td>
</tr>
<tr>
<td>20.</td>
<td>Hexaconalid Tech</td>
<td>60</td>
</tr>
<tr>
<td>21.</td>
<td>2,4-D</td>
<td>60</td>
</tr>
<tr>
<td>22.</td>
<td>Thiamethoxam Technical</td>
<td>60</td>
</tr>
<tr>
<td>23.</td>
<td>Pendimethalin</td>
<td>60</td>
</tr>
<tr>
<td>24.</td>
<td>Metribuzin</td>
<td>60</td>
</tr>
<tr>
<td>25.</td>
<td>Isoproturon</td>
<td>60</td>
</tr>
<tr>
<td>26.</td>
<td>Zinc Phosphide</td>
<td>60</td>
</tr>
<tr>
<td></td>
<td>Dyestuff</td>
<td></td>
</tr>
<tr>
<td>27.</td>
<td>Oil Soluble (Solvent Dyes)</td>
<td>60</td>
</tr>
</tbody>
</table>

4. For procurement of 27 chemicals and petrochemicals mentioned above in paragraph 3, undertaken by procuring entities, in respect of which the estimated value of procurement is less than INR 50 Lakhs but more than INR 5 Lakhs, only local suppliers shall be eligible to bid. In other cases when the estimated value of procurement is more than or equal to INR 50 Lakhs, the procedure prescribed in paragraph 3(b) of the DPIIT order dated 29.05.2019, shall be followed by all procuring entities.
5. In respect of the 28 chemicals and petrochemicals indicated below, the Department has concluded, based on available data that there is sufficient local capacity and local competition. Therefore, the procuring entities shall make procurement only from local suppliers in respect of these 28 items indicated below irrespective of purchase value, after minimum local content requirement is met:-

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Chemicals/Petrochemicals</th>
<th>Minimum Local Content (in %)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>2020-21</td>
</tr>
<tr>
<td>1.</td>
<td>Soda Ash</td>
<td>60</td>
</tr>
<tr>
<td>2.</td>
<td>Caustic Soda</td>
<td>60</td>
</tr>
<tr>
<td>3.</td>
<td>Carbon Black</td>
<td>60</td>
</tr>
<tr>
<td>4.</td>
<td>Formaldehyde</td>
<td>60</td>
</tr>
<tr>
<td>5.</td>
<td>Liquid Chlorine</td>
<td>60</td>
</tr>
<tr>
<td>6.</td>
<td>Acetic Anhydride</td>
<td>60</td>
</tr>
<tr>
<td>7.</td>
<td>Nitrobenzene</td>
<td>60</td>
</tr>
<tr>
<td>8.</td>
<td>Acetaldehyde</td>
<td>60</td>
</tr>
<tr>
<td>9.</td>
<td>Ethyl Acetate</td>
<td>60</td>
</tr>
<tr>
<td></td>
<td><strong>Petrochemicals</strong></td>
<td></td>
</tr>
<tr>
<td>10.</td>
<td>Polyester Filament Yarn</td>
<td>60</td>
</tr>
<tr>
<td>11.</td>
<td>Polyester Staple Fibre</td>
<td>60</td>
</tr>
<tr>
<td>12.</td>
<td>Expandable Polyestrene</td>
<td>60</td>
</tr>
<tr>
<td>13.</td>
<td>Polyester Chips/PET Chips</td>
<td>60</td>
</tr>
<tr>
<td>14.</td>
<td>Butadiene</td>
<td>60</td>
</tr>
<tr>
<td>15.</td>
<td>Benzene</td>
<td>60</td>
</tr>
<tr>
<td></td>
<td><strong>Pesticides</strong></td>
<td></td>
</tr>
<tr>
<td>16.</td>
<td>D.D.V.P.</td>
<td>60</td>
</tr>
<tr>
<td>17.</td>
<td>Monocrotophos</td>
<td>60</td>
</tr>
<tr>
<td>18.</td>
<td>Fenvalerate</td>
<td>60</td>
</tr>
<tr>
<td>19.</td>
<td>Cypermethrin</td>
<td>60</td>
</tr>
<tr>
<td>20.</td>
<td>Chlopyrifos</td>
<td>60</td>
</tr>
<tr>
<td>21.</td>
<td>Lambda Cyhalothrin</td>
<td>60</td>
</tr>
<tr>
<td>22.</td>
<td>Glyphosate</td>
<td>60</td>
</tr>
<tr>
<td></td>
<td><strong>Dyestuff</strong></td>
<td></td>
</tr>
<tr>
<td>23.</td>
<td>Azo Dyes</td>
<td>60</td>
</tr>
<tr>
<td>24.</td>
<td>Acid Direct Dyes (other than Azo)</td>
<td>60</td>
</tr>
<tr>
<td>25.</td>
<td>Disperse Dyes</td>
<td>60</td>
</tr>
<tr>
<td>26.</td>
<td>Optical Whitening Agents</td>
<td>60</td>
</tr>
<tr>
<td>27.</td>
<td>Organic Pigment</td>
<td>60</td>
</tr>
<tr>
<td>28.</td>
<td>Reactive Dyes</td>
<td>60</td>
</tr>
</tbody>
</table>
6. Procedure for calculating local content/domestic value addition will be as under:

<table>
<thead>
<tr>
<th>Cost Component</th>
<th>CALCULATION BY MANUFACTURER</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Cost per unit of the product</td>
</tr>
<tr>
<td>I. Direct material cost</td>
<td></td>
</tr>
<tr>
<td>II. Direct labour cost</td>
<td></td>
</tr>
<tr>
<td>III. Factory overhead</td>
<td></td>
</tr>
<tr>
<td>IV. Total Production cost</td>
<td></td>
</tr>
</tbody>
</table>

\[
local\ content(\text{in}\ \% ) = \frac{\text{Total Cost}(IV.\ c) - \text{Total Imported component Cost}(IV.\ b)}{\text{Total Cost}(IV.\ c)} \times 100
\]

7. Every procuring entity shall constitute a Committee with internal and external experts for independent verification of self-declaration and auditor's/accountant's certificates on random basis and for the complaints that are received/referred. In case any clarification is needed by the Committee on any particular point, the matter may be referred to the following Committee in the Department of Chemicals and Petrochemicals:-

   (i) Joint Secretary (Chemicals) - Chairperson
   (ii) Representative of the PSU/Autonomous Body - Member
   (iii) Dr. Vishal Choudhary, Deputy Ind. Adviser - Member
   (iv) Mr. Varun Singh Poonia, Deputy Ind. Adviser - Member

8. There will be a complaint fee to be decided by procuring entity, which is to be deposited with the said procuring entity along with the complaint filed by the complainant. In case, the complaint is found to be incorrect, the complaint fee will be forfeited. In case, the complaint is found to be upheld in part or full, the deposited fee of the complaint will be refunded without any interest. False declaration will be in breach of the Code of Integrity under Rule 175(1)(i)(h) of the General Financial Rule(GFR), 2017 for which the bidder or it's successors can be debarred for up to two years as per Rule 151(iii) of GFR, 2017 along with such other actions as may be permissible under law.

9. The Department of Chemicals and Petrochemicals may issue such clarifications and instructions as may be necessary for the removal of any difficulties arising from implementation of this order.

10. It is specified that for all Central Schemes(CS)/Central Sector Schemes(CSS), for which procurement is made by States and / or Local Bodies, would also come within the purview of this order, if that project or scheme is fully or partially funded by Government of India.

11. All definitions, other terms & conditions will be as per the DPIIT Order no. P-45021/2/2017-B.F. II dated 29.05.2019.
12. This order shall come into effect immediately and would be reviewed as and when required. This notification shall remain valid till revised notification is issued.

13. This order supersedes the orders No. C.I.-43012/52/2017-Chem-I(B) dated 25.5.2018, 23.10.2018 and 13.03.2020 in this regard.


(Samir Kumar Biswas)
Joint Secretary to the Government of India

To:-
1. All Ministries/Departments of Government of India
2. Cabinet Secretariat
3. Prime Minister’s Office
4. NITI Aayog
5. Comptroller & Auditor General of India
6. Chief Secretaries to all State Governments/ UTs
7. All chemicals and petrochemicals industries Associations
8. Internal Distribution
No.31026/4/2018-Policy
Government of India
Ministry of Chemicals & Fertilizers
Department of Pharmaceuticals
*****
Shastri Bhawan, New Delhi
Dated the 1st January, 2019

ORDER

Subject:- Public Procurement (Preference to Make in India), Order, 2017 (revised) - Notifying provisions about Pharmaceutical Formulations in furtherance to the Order.

Reference:- Department of Industrial Policy & Promotion (DIPP) Order No. P-45021/2/2017-PP (BE-II) dated 28.05.2018.

The Government has issued revised Public Procurement (Preference to Make in India), Order 2017 vide the Department of Industrial Policy & Promotion (DIPP) Order No. P-45021/2/2017-PP(BE-II) dated 28.05.2018 to encourage ‘Make in India’ and to promote manufacturing and production of goods and services in India with a view to enhancing income and employment.

2. DIPP has identified Department of Pharmaceuticals as the nodal Department for implementing the provisions related to goods, services or works related to Pharmaceutical sector.

3. In furtherance of the above mentioned order of DIPP, the Department of Pharmaceuticals (DoP) hereby notifies that purchase preference shall be provided by all Government Procuring Entities to local suppliers of Pharmaceutical Formulations in various dosage forms, as per the minimum local content prescribed in this order.

4. This Order comes into effect immediately and shall remain valid till revised.

5. Minimum local content and Phased Manufacturing Programme (PMP).

5.1 For formulations which are manufactured in India, the minimum local content for all Pharma products shall be as per the table below:-

<table>
<thead>
<tr>
<th>Pharma Products</th>
<th>Minimum Local Content (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2018-19</td>
</tr>
<tr>
<td>All Pharmaceutical formulations in different dosage</td>
<td>75</td>
</tr>
<tr>
<td>forms and strengths</td>
<td></td>
</tr>
</tbody>
</table>
5.2 For formulations which are not manufactured in India, the minimum local content for all Pharma products shall be as per the table below:-

<table>
<thead>
<tr>
<th>Pharma Products</th>
<th>Minimum Local Content (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2018-19</td>
</tr>
<tr>
<td>All Pharmaceutical formulations in different dosage forms and strengths</td>
<td>10</td>
</tr>
</tbody>
</table>

6. Procedure for calculating local content for Pharmaceutical Formulations.

6.1 Bill of Material sourced from domestic manufacturers (Dom-BOM) may be calculated based on one of the following depending on data available. Each of these calculations should provide consistent result:-

(a) Sum of the costs of all inputs which go into the product (including duties and taxes levied on procurement of inputs except those for which credit/ set-off can be taken) and which have not been imported directly or through a domestic trader or an intermediary.

(b) Ex-Factory Price of product minus profit after tax minus sum of imported Bill of material used (directly or indirectly) as inputs in producing the product (including duties and taxes levied on procurement of inputs except those for which credit/ set-off can be availed).

(c) Market price minus post-production freight, insurance and other handling costs minus profit after tax minus warranty costs minus sum of Imported Bill of material used as inputs in producing the product (including duties and taxes levied on procurement of inputs except those for which credit / set-off can be taken) minus sales and marketing expenses.

6.2 Total bill of Material (Total-BOM) may be calculated based on one of the following depending on data available. Each of these calculations should provide consistent result:-

(a) Sum of the costs of all inputs which go into the product (including duties and taxes levied on procurement of inputs except those for which credit / set-off can be availed).

(b) Ex-factory Price of product minus profit after tax.
(c) Market price minus post-production freight, insurance and other handling costs minus profit after tax, minus sales and marketing expenses.

6.3 The percentage of local content value-addition may be calculated as per the following formula:-

\[
\text{Percentage of local content} = \frac{(\text{Dom-BOM}/\text{Total-BOM}) \times 100}
\]

It is recommended that each assessing agency should calculate the domestic local content/value addition using at least two of the above formulae so as to validate the assessments in this regard and ensure that the local content that is claimed is consistent.

7. It is clarified that this order shall also be applicable to procurement of medicines made by State Governments or PSUs under State Governments or local bodies under Centrally Sponsored schemes that are fully or partially funded by Government of India.

8. Every procuring entity shall constitute a Committee with internal and external experts for independent verification of self-declaration and auditors/accountants certificates on random basis and for the complaints that are received/referred. In case any clarification is needed by this committee on any particular point, the matter may be referred to the following committee in the Department of Pharmaceuticals:-

(i) Chairperson - Joint Secretary (Policy)
(ii) Member - Joint Secretary (PSU) or representative thereof.
(iii) Member - Member Secretary (NPPA) or representative thereof.

9. In case a complaint is received by a procuring entity against the claim of a bidder regarding local content, the same shall be referred to the committee of the procuring entity as referred to in para 8 above. The Committee should dispose of the complaint within 4 weeks, as far as possible, from the date of receipt of complaint along with all necessary documentation in support of local content claimed by the bidder.

10. There will be a complaint fee of Rs. 10,000/- per complaint to be deposited with the said procuring entity along with the complaint by the complainant. In case, the complaint is found to be incorrect, the complaint fee shall be forfeited. In case, the complaint is upheld in part or full, deposited fee of the complaint will be refunded without any interest.

[Signature]
11. All other terms & conditions will be as per the Department of Industrial Policy & Promotion (DIPP) Order no. P-45021/2/2017-PP(BE-II) dated 28.05.2018.

[Signature]
(Navdeep Kinwa)
Joint Secretary to the Govt. of India
Ph. 23385131

Copy to:-

1. All Ministries/Departments of Government of India
2. Cabinet Secretariat
3. Prime Minister’s Office
4. NITI Aayog
5. Comptroller & Auditor General of India
6. Internal Circulation in the Department of Pharmaceuticals
7. Senior Director, NIC, DoP with request to upload the same on the Department’s website.
ORDER

Subject: Public Procurement (Preference to Make in India), Order 2017-notifying Cement in furtherance of the Order.

The Government of India has issued Public Procurement (Preference to Make in India), Order 2017 vide the Department for Promotion of Industry & Internal Trade (DPIIT) Notification no. P-45021/2/2017-B.E.-II dated 15.06.2017(as amended on 29/05/2019) to encourage ‘Make in India’ and to promote manufacturing and production of goods and services in India with a view to enhancing income and employment.

2. In reference to clause 3(a) of Public Procurement (Preference to Make in India), Order 2017 (last amended on 29/05/2019), it is hereby notified that there exists sufficient local capacity and local competition in respect of following types of cement and only local suppliers shall be eligible to bid for all public procurement irrespective of purchase value:

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Type of Cement</th>
<th>Relevant BIS Standard</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Ordinary Portland Cement</td>
<td>IS 269:2015</td>
</tr>
<tr>
<td>2</td>
<td>Portland Slag Cement</td>
<td>IS 455:2015</td>
</tr>
<tr>
<td>3</td>
<td>Portland Pozzolona Cement (Flyash based)</td>
<td>IS 1489(Part1): 2015</td>
</tr>
<tr>
<td>4</td>
<td>Composite Cement</td>
<td>IS 16415:2015</td>
</tr>
<tr>
<td>5</td>
<td>Oil Well Cement</td>
<td>IS 8229:2015</td>
</tr>
</tbody>
</table>

3. This Order shall come into effect immediately.

4. DPIIT shall be the Nodal Ministry to monitor the implementation of Order on Cement.

(Anil Agrawal)
Joint Secretary to Government of India
Tele: 23063838

Copy to:
1. All Ministries/Departments of Government of India
2. Cabinet Secretariat
3. Prime Minister Office

4. NITI Aayog, New Delhi

5. Joint Secretary(DPIIT), Member-Convenor of Standing Committee of Public Procurement(Preference to Make in India), Order, 2017

6. Comptroller and Auditor General of India

7. AS & FA, Department for Promotion of Industry & Internal Trade

8. Internal Distribution

(Anil Agrawal)
Joint Secretary to Government of India
Tele: 23063838
ORDER

Subject: Public Procurement (Preference to Make in India), Order 2017-Notifying Paper in furtherance of the Order.

The Government of India has issued Public Procurement (Preference to Make in India), Order 2017 vide the Department for Promotion of Industry & Internal Trade (DPIIT) Notification no. P-45021/2/2017-B.E.-II dated 15.06.2017(as amended on 29/05/2019)to encourage ‘Make in India’ and to promote manufacturing and production of goods and services in India with a view to enhancing income and employment.

2. In reference to clause 3(a) of Public Procurement (Preference to Make in India), Order 2017 (last amended on 29/05/2019), it is hereby notified that there exists sufficient local capacity and local competition in respect of following types of paper and only local suppliers shall be eligible to bid for all public procurement irrespective of purchase value:

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Type of Paper</th>
<th>Relevant BIS Standard</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Writing &amp; Printing Paper (WPP)</td>
<td>IS 1848:2007</td>
</tr>
<tr>
<td>2</td>
<td>Copier Paper (cut size)</td>
<td>IS 14490:1997</td>
</tr>
<tr>
<td>3</td>
<td>Art Paper</td>
<td>IS 4658:2019</td>
</tr>
<tr>
<td>4</td>
<td>Art card</td>
<td>IS 4658:2019</td>
</tr>
<tr>
<td>5</td>
<td>Kraft Paper</td>
<td>IS 1397:1990</td>
</tr>
<tr>
<td>6</td>
<td>Newsprint</td>
<td>IS 11688:1999</td>
</tr>
<tr>
<td>7</td>
<td>Security Paper (MICR, Check Paper)</td>
<td>IS 11087:1986</td>
</tr>
</tbody>
</table>

3. This Order shall come into effect immediately.

4. DPIIT shall be the Nodal Ministry to monitor the implementation of Order on Paper.

(Anil Agrawal)
Joint Secretary to Government of India
Tele: 23063838
Copy to:
1. All Ministries/Departments of Government of India
2. Cabinet Secretariat
3. Prime Minister Office
4. NITI Aayog, New Delhi
5. Joint Secretary(DPIT), Member-Convenor of Standing Committee of Public Procurement(Preference to Make in India), Order, 2017
6. Comptroller and Auditor General of India
7. AS & FA, Department for Promotion of Industry & Internal Trade
8. Internal Distribution

(Anil Agrawal)
Joint Secretary to Government of India
Tele: 23063838
NOTIFICATION

New Delhi, the 5th May, 2020

Subject: Implementation of “Public Procurement (Preference to Make in India) Order, 2017” regarding
the items where there is sufficient local capacity in shipbuilding components and competition
and where public procurement shall be done only from local suppliers

S.O. 1427(E)—In continuation of this Ministry’s Notification (1) dated 31.08.2018 regarding
prescribed local content in shipbuilding and Public Procurement (Preference to Make in India) Order, 2017
notified vide Department For Promotion of Industry And Internal Trade (DPIIT) Notification
No. 45021/2/2017-PP(B.E.II) dated 15.06.2017, 28.05.2018 and 29.05.2019, under clause 3(a) of PPP-MII
Order, 2017 to encourage ‘Make in India’ and to promote manufacturing and production of goods and services
in India to enhance income and employment, the following items in shipbuilding are notified as items where
there is sufficient local capacity and where public procurement is to be carried out only from local suppliers.

a. Rubber/Steel Fenders
b. Cable Installation Material (Cable Rack/Saddle/Hanger/Tray etc)
c. Grating, Chequered Plates
d. Hand Tools
e. Cable Ties/Cable hangers
f. Galvanised Sheet

2. This issues with the approval of the Competent Authority.

[S.O. 13017/4/2017-SBR]
SATINDER PAL SINGH, Jt. Secy. (Shipping)
पोत परिवहन मंत्रालय
(एसबीआर अनुभाग)
अधिसूचना
नई दिल्ली, 5 मई, 2020

विषय: वैद्यक संप्रेक्षण अधिकार धारण करने वाले विदेशी उत्पादक के लाइसेंस के अधीन तथा जहां पीपी-एमआईआई, 2017 के अनुसरण में तकनीकी बंटरण सम्मानिता जोड़त है, के अंतर्गत भारत में उत्पादित की जा रही वस्तुओं के लिए "सर्वजनिक बरीद (मेक इन इंडिया को वरीयता) आदेश, 2017" को सापूत करना।

का.वा. 1425(अ)---उद्योग संचरण और अंतर्राष्ट्रीय व्यावसायिक विभाग (डीपीएआईआईटी) की दिनांक 15.06.2017, 28.05.2018 तथा 29.05.2019 की अधिसूचना सं. 450121/2/2017-पीपी (दी.ई. II) के खंड 13 के तहत अधिपूर्ण सर्वजनिक बरीद (मेक इन इंडिया को वरीयता) आदेश, 2017 एवं बच और रोजगार बढाने के उद्देश्य से और भारत में माल और सेवा के विनिर्माण और उत्पादन को प्रोत्साहित करने हेतु निम्नलिखित मर्दों को किसी विदेशी उत्पादक के साथ लाइसेंस/ माइक्रो से भारत में विनिर्मित/एसेंबल की जा रही निम्नलिखित वस्तुएं पोत निर्माण वस्तुओं के रूप में अधिपूर्ण की गई हैं:

ज. वातन
ि. इंजन/डीजल जैनरेटर
ि. सर्विज़ टैंक और पाईपिंग जैसी इंजन की सहायता सामग्रियां
Subject: Implementation of “Public Procurement (Preference to Make in India) Order, 2017” with respect to the items, being manufactured in India under license from a foreign manufacturer holding intellectual property rights and where there is transfer to technology agreement

S.O. 1425(E).—In pursuance of the Public Procurement (Preference to Make in India) Order, 2017 notified vide Department For Promotion of Industry And Internal Trade (DPIIT) Notification No. 45021/2/2017-PP(B.E.II) dated 15.06.2017, 28.05.2018 and 29.05.2019 under clause 13 of the PPP-MII Order 2017 to encourage ‘Make in India’ and to promote manufacturing and production of goods and services in India to enhance income and employment, the following items are notified as shipbuilding items being manufactured / assembled in India under license from/collaboration with a foreign manufacturer.

a. Valves
b. Engines
c. Diesel generators
d. Engine Auxiliaries such as service tanks & piping
e. Switch Gears
f. Gas Turbine Assembly, Testing
g. Sewage Treatment Plant
h. Oily Water Separator

2. This issues with the approval of the Competent Authority.

[F. No. SY-13017/4/2017-SBR]
SATINDER PAL SINGH, Jt. Secy. (Shipping)
Notification

Subject: Public Procurement (Preference to Make in India) Order 2017- Notification of Telecom Products, Services or Works - regarding.

Reference: i) Department of Industrial Policy & Promotion (DIPP) Order No. P-45021/2/2017-B.E.-II dated 15.06.2017
ii) Department of Industrial Policy & Promotion (DIPP) Order No. P-45021/2/2017-PP (BE-II) dated 28.05.2018

The Government has issued Public Procurement (Preference to Make in India) Order 2017 vide the Department of Industrial Policy and Promotion (DIPP) Order No. P-45021/2/2017-B.E.-II dated 15.06.2017 which is further revised vide No. P-45021/2/2017-PP (BE-II) dated 28.05.2018 to encourage ‘Make in India’ and to promote manufacturing and production of goods and services in India with a view to enhancing income and employment.

2. DIPP has identified Department of Telecommunications as the nodal Department for implementing the provisions related to procurement of goods, services or works related to the telecommunication sector.

3. Accordingly, in furtherance of the aforesaid Public Procurement (Preference to Make in India) Order 2017 (hereinafter called as PPP-MII Order), and in supersession of notification of this Department’s Policy for Preferential Market Access (PMA) dated 5th October 2012 and notification for value addition criterion dated 11th January 2017, the Department of Telecommunications, hereby notifies that the aforesaid Order shall be applicable for telecom products, services or works in full except as specified in this notification.

4. It is clarified that this notification shall be 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 India including Universal Service Obligation Fund (USOF) projects.

5. In terms of clauses 2, 3 and 11 of PPP-MMI Order, the Department of Telecommunications has prepared a list of telecom products, services and works for their purchase preference from local suppliers for public procurement. The list of telecom products, services and works along with their Preference to Make in India (PMI) and their Local Content (LC) is in Table-A. The local supplier has to manufacture equipment from component level in India and also develop local vendors for procurement of raw materials, components and parts for increasing local content. The Department has identified conditions for the inputs to be qualified as Local Content and maximum ceiling for design as LC out of total LC which are in Table-B and Table-C respectively.

6. In terms of clauses 3(a) and 11 of the PPP-MMI Order, it is declared that list of telecom products, services and works in Table-A have sufficient local capacity and local competition. It is hereby notified that the procuring entities will procure a minimum percentage as indicated under Preference to Make in India (PMI) of their telecom products, services or works requirements fulfilling Local Content (LC) criterion prescribed against each item as in Table A.

7. Clause 14 (a) of PPP-MMI Order regarding powers to reduce the minimum local content below the prescribed level stands withdrawn from Ministries/Departments of Government of India and the Boards of Directors of Government companies or autonomous bodies. This power vests only with Standing Committee as constituted under clause 16 of PPP-MMI Order.

8. In terms of clause 9(a) of PPP-MMI Order, the local supplier at the time of tender, bidding or solicitation shall provide self-certification in Form-1 specifying that the item offered meets the minimum local content and shall give details of the location(s) at which the local value addition is made.

9. Each identified products, services or works as in Table-A shall comply with the latest TEC GR/IR, if such GR/IR have been issued. The procuring entity may ensure that prior experience clause is not too restrictive to exclude all local suppliers of telecom product, services or works. All Procurement Officers may be required to certify compliance of this order before uploading tenders on Central Public Procurement Portal (CPPP). Disciplinary action will be taken against erring officers who insert restrictive tender conditions against local suppliers with a malafide intent or otherwise flout the provisions of PPP-MMI Order.
10. For compliance of GR/IR or any national standard, certification from Indian bodies i.e. TEC/TSEC, STQC, BIS or any accredited lab by them, is a mandatory requirement to be submitted by the bidder. For any telecom product, service and work as in Table-A, the procuring entity should not specify to bidder to mandatory qualify any foreign eligibility specifications or certification(s) issued by any foreign testing/security lab(s).

11. In case a complaint is received by the procuring entity or the concerned Ministry/Department against the claim of a bidder regarding local content in telecom products, services or works or in case of a question whether an item being procured is a telecom product, service or work to be covered under the notification or any doubt in respect of telecom products, services or works, reference shall be made to Telecommunications Engineering Centre (TEC), Department of Telecommunications or technical auditor as accredited by the Telecommunications Engineering Centre (TEC), Department of Telecommunications, New Delhi.

12. In terms of clause 9(d) of PPP-MII Order, the following Committee is constituted for complaints and independent verification of self-declarations and auditor's/accountant's certificates on random basis:

i. DDG(TC), TEC, New Delhi - Chairperson
ii. Director (Technical), C-DOT - Member
iii. Any other member(s) as co-opted by the chairperson - Member
iv. DG, TEPC - Member
v. Director (Finance), DoT - Member
vi. Director, TEC - Convenor

13. In case a complaint is received by the procuring entity or the concerned Ministry/Department against the claim of a bidder regarding Local Content (LC) in a locally supplied telecom product, services or works, the same shall be referred to the Committee as in para 12 above. The Committee should dispose of the complaint within 4 weeks, as far as possible, from the date of receipt of complaint along with all necessary documentation in support of Local Content claimed by the bidder.

14. In terms of clause 9 (e) of PPP-MII Order, it is hereby notified that there will be a minimum complaint fee of ₹ 2 Lakh or 1% of the value of the locally supplied telecom products, services or works being procured (subject to a maximum of ₹ 5 Lakh), whichever is higher, to be paid by Demand Draft or online, and to be deposited with Telecommunications Engineering Centre (TEC), as the case may be, or with any other third party testing laboratories or technical auditors accredited by TEC along with the complaint by the complainant. In case, the complaint
is found to be incorrect, the complaint fee shall be forfeited. In case, the complaint is upheld in part or full, deposited fee of the complainant will be refunded without any interest.

15. The Department of Telecommunications shall be the nodal Department to monitor the implementation of this notification for telecom products, services and works. For vetting the restrictive and discriminating terms and conditions against domestic manufactures of telecom products, services and works, a Committee is constituted with the following composition:

   i)  JS (T)          Chairperson
   ii) DDG(IC)        Vice-Chairperson
   iii) One representative of TEC    Member
   iv) One representative of C-DOT    Member
   v)  Director (IP)  Member Secretary

16. The Notification comes into effect immediately and shall remain valid till revised.

**********
<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Telecom Products, Services and Works</th>
<th>Year 2018-19</th>
<th>Year 2019-20 onwards</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Encryption/UTM platforms (TDM and IP)</td>
<td>PMI 100</td>
<td>PMI 100</td>
</tr>
<tr>
<td></td>
<td></td>
<td>LC 65</td>
<td>LC 65</td>
</tr>
<tr>
<td>2.</td>
<td>IP/MPLS Core routers/ Edge/ Enterprise Router</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td></td>
<td></td>
<td>55</td>
<td>55</td>
</tr>
<tr>
<td>3.</td>
<td>Managed Leased line Network equipment</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td></td>
<td></td>
<td>55</td>
<td>55</td>
</tr>
<tr>
<td>4.</td>
<td>Ethernet Switches (L2 and L3), Hubs</td>
<td>50</td>
<td>50</td>
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<tr>
<td></td>
<td></td>
<td>55</td>
<td>55</td>
</tr>
<tr>
<td>5.</td>
<td>IP based Soft Switches, IMS, Unified Communication Systems</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td></td>
<td></td>
<td>65</td>
<td>65</td>
</tr>
<tr>
<td>6.</td>
<td>Wireless/Wireline PABXs / IP PBX &amp; / Media Gateways</td>
<td>100</td>
<td>100</td>
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<tr>
<td></td>
<td></td>
<td>65</td>
<td>65</td>
</tr>
<tr>
<td>7.</td>
<td>CPE (including Wi-Fi Access points and Routers, Media Converters, 2G/3G/4G/LTE Modems, Leased-line Modems, NEV/SDN CPE</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td></td>
<td></td>
<td>45</td>
<td>50</td>
</tr>
<tr>
<td>8.</td>
<td>Set-Top Boxes</td>
<td>50</td>
<td>50</td>
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<tr>
<td></td>
<td></td>
<td>50</td>
<td>55</td>
</tr>
<tr>
<td>9.</td>
<td>SDH/Carrier-Ethernet/MPLS- TP/ Packet Optical Transport equipment/ PTN/ OTN systems</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td></td>
<td></td>
<td>65</td>
<td>65</td>
</tr>
<tr>
<td>10.</td>
<td>DWDM/CWDM systems</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td></td>
<td></td>
<td>55</td>
<td>60</td>
</tr>
<tr>
<td>11.</td>
<td>GPON / XGS-PON, NG-PON2 equipment (including ONT and OLT)</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td></td>
<td></td>
<td>55</td>
<td>60</td>
</tr>
<tr>
<td>12.</td>
<td>Optical/SDH/PDH Cross Connects/ OTN Cross-connects and optical MUX, OADM</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td></td>
<td></td>
<td>55</td>
<td>60</td>
</tr>
<tr>
<td>13.</td>
<td>Small size 2G/3 G GSM based Base Station Systems, with its various derivatives including rural &amp; disaster response, Macro &amp; Micro BTS, Small Cells, NIB, C-RAN BBU and RRH</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td></td>
<td></td>
<td>55</td>
<td>60</td>
</tr>
<tr>
<td>14.</td>
<td>2G/3 G GSM based Base Station Systems, with its various derivatives including rural &amp; disaster response, Macro &amp; Micro BTS, Small Cells, NIB, C-RAN BBU and RRH</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td></td>
<td></td>
<td>55</td>
<td>60</td>
</tr>
<tr>
<td>15.</td>
<td>Small Size LTE/LTE-R Based Mobile Systems, with its various derivatives including rural &amp; disaster communications, Macro &amp; Micro eNodeB, Small Cells, EPC, NIB C-RAN BBU and RRH, LTE/LTE-R/4,5 5 G based broadband wireless access systems (eNodeB, gNB, EPC, etc.)</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td></td>
<td></td>
<td>55</td>
<td>60</td>
</tr>
<tr>
<td>16.</td>
<td>LTE/LTE-R Based Mobile Systems, with its various derivatives including rural &amp; disaster communications, Macro &amp; Micro eNode B, Small Cells, EPC, NIB C-RAN BBU and RRH, LTE/LTE-R/4,5 G/5 G based broadband wireless access systems (eNodeB, gNB, EPC, etc.)</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td></td>
<td></td>
<td>45</td>
<td>50</td>
</tr>
<tr>
<td>17.</td>
<td>Wi-Fi based broadband wireless access systems (Including Access Point, Aggregation Block, Core Block), Integrated Broadband system</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td></td>
<td></td>
<td>55</td>
<td>55</td>
</tr>
<tr>
<td>S. No.</td>
<td>Description</td>
<td>PMI</td>
<td>LC</td>
</tr>
<tr>
<td>-------</td>
<td>-------------</td>
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<td>----</td>
</tr>
<tr>
<td>18.</td>
<td>Microwave Radio systems (IP/Hybrid), Mobile Front haul BBU and RRH (CPRI, eCPRI, FlexE, RoE, NGFI)</td>
<td>100</td>
<td>50</td>
</tr>
<tr>
<td>19.</td>
<td>Software Defined Radio, Cognitive Radio systems</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td>20.</td>
<td>Repeaters (RF/RF-over-Optical), IBS, and Distributed Antenna system</td>
<td>100</td>
<td>55</td>
</tr>
<tr>
<td>21.</td>
<td>Satellite based systems – Hubs, VSAT Disaster Communication Systems etc.</td>
<td>50</td>
<td>35</td>
</tr>
<tr>
<td>22.</td>
<td>Copper access systems (DSL/DSLAM), high-speed xDSL (G.fast)</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td>23.</td>
<td>Network Management systems (NMS) with its various derivatives</td>
<td>100</td>
<td>65</td>
</tr>
<tr>
<td>24.</td>
<td>Security and Surveillance Communication Systems (video and sensors based) including Perimeter Security Systems</td>
<td>100</td>
<td>35</td>
</tr>
<tr>
<td>25.</td>
<td>Optical Fiber</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td>26.</td>
<td>Optical Fiber Cable</td>
<td>75</td>
<td>50</td>
</tr>
<tr>
<td>27.</td>
<td>Telecom Power System (Including Solar Power)</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td>28.</td>
<td>Telecom Batteries (Lead Acid &amp; Li-ion)</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td>29.</td>
<td>IP audio phones / IP video Phones / Analog adaptor</td>
<td>50</td>
<td>35</td>
</tr>
<tr>
<td>30.</td>
<td>SDN Software Controllers, NVF and CNF software</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td>31.</td>
<td>Telecom Cloud infrastructure, Telecom Data centers</td>
<td>50</td>
<td>35</td>
</tr>
<tr>
<td>32.</td>
<td>2 way Analog/Digital radio including Walkie-Talkie &amp; Mobile Radio</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td>33.</td>
<td>Batteries of 2 way Analog/Digital radio including Walkie-Talkie</td>
<td>50</td>
<td>40</td>
</tr>
<tr>
<td>34.</td>
<td>Fiber Monitoring System</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td>35.</td>
<td>M2M/IOT Subsystems</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td>36.</td>
<td>Telecom Services/Works</td>
<td>100</td>
<td>70</td>
</tr>
</tbody>
</table>

PMI = Minimum preference in % (of total quantity being procured) for Make in India Telecom Products, Services or Works as indicated against each financial year.

LC = Minimum Local Content as a percentage of total Bill of Material (cost of production) to qualify as Make in India Telecom Products, Services or Works as indicated against each financial year.
Table-B
Main Inputs/stages for manufacture of telecom products & conditions for the inputs to be qualified as Local Content

<table>
<thead>
<tr>
<th>Main Inputs/stages for manufacture of telecom products</th>
<th>Conditions for the inputs to be qualified as Local Content</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) Design</td>
<td>The maximum Local Content (LC) percentage for Design which can be claimed by a Local manufacturer for the telecom products based on in-house/in country R&amp;D costs incurred/amortized to create IPR in India are as per Table-C subject to the condition that:</td>
</tr>
<tr>
<td>(a) Hardware design</td>
<td>(a) The Intellectual Property Right (IPR) resides in India for Hardware Design.</td>
</tr>
<tr>
<td>(b) Software Design &amp; Development</td>
<td>(b) The Copyright is in India for the software Design &amp; Development.</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>2) Components</td>
<td>Manufactured in India</td>
</tr>
<tr>
<td>(a) Integrated chips (ICs) – Processor, Memory etc.</td>
<td></td>
</tr>
<tr>
<td>(b) Active components – Transistors, Diodes etc.</td>
<td></td>
</tr>
<tr>
<td>(c) Passive Components – Resistors, Capacitors, Inductors etc.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>3) PCBs</td>
<td>Manufactured in India</td>
</tr>
<tr>
<td>(a) PCB Fabrication</td>
<td></td>
</tr>
<tr>
<td>(b) PCB population using components</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>4) Cables/Chassis etc.</td>
<td>Manufactured in India</td>
</tr>
<tr>
<td>(a) Chassis</td>
<td></td>
</tr>
<tr>
<td>(b) Cables</td>
<td></td>
</tr>
<tr>
<td>(c) Racks</td>
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<tr>
<td>(d) Heat sinks</td>
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<tr>
<td>(e) Enclosures</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>5) RF Components/Subsystem</td>
<td>Manufactured in India</td>
</tr>
<tr>
<td>(a) Duplexers/Filter</td>
<td></td>
</tr>
<tr>
<td>(b) Antenna</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>6) Assembly/Integration/Testing#</td>
<td>The upper ceiling limit of Domestic Local Content (LC) for Assembly/Integration/Testing in respect of the telecom products listed in Table-C would be 10% of the total product Bill of Material (except S. No. 25, 26 and 36)</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* The product may include some/all of the input/stage as mentioned above. While calculating only those inputs/stages will be calculated which are involved in the manufacturing of those telecom products.

# In case a system of its subsystem is merely assembled/integrated/tested, then actual Local Content shall be taken as up to 10% only of the cost of system/subsystem.
<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Telecom equipment Description</th>
<th>Maximum ceiling for Design as Local Content out of total LC</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Encryption/UTM platforms (TDM and IP)</td>
<td>55</td>
</tr>
<tr>
<td>2</td>
<td>IP/MPLS Core routers/ Edge/ Enterprise Router</td>
<td>40</td>
</tr>
<tr>
<td>3</td>
<td>Managed Leased line Network equipment</td>
<td>40</td>
</tr>
<tr>
<td>4</td>
<td>Ethernet Switches (L2 and L3), Hubs</td>
<td>40</td>
</tr>
<tr>
<td>5</td>
<td>IP based Soft Switches, IMS, Unified Communication Systems</td>
<td>40</td>
</tr>
<tr>
<td>6</td>
<td>Wireless/Wireline PABXs / IP PBX &amp; / Media Gateways</td>
<td>45</td>
</tr>
<tr>
<td>7</td>
<td>CPE (including Wi-Fi Access points and Routers, Media Converters), 2G/3G/4G/LTE Modems, Leased-line Modems, NFV/SDN CPE</td>
<td>30</td>
</tr>
<tr>
<td>8</td>
<td>Set-Top Boxes</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>SDH/Carrier-Ethernet/MPLS- TP/ Packet Optical Transport equipment/ PTN/ OTN systems</td>
<td>45</td>
</tr>
<tr>
<td>10</td>
<td>DWDM/ CWDM systems</td>
<td>40</td>
</tr>
<tr>
<td>11</td>
<td>GPON / XG-PON, NG-PON2 equipment (including ONT and OLT)</td>
<td>40</td>
</tr>
<tr>
<td>12</td>
<td>Optical/SDH/PDH Cross Connects/ OTN Cross-connects and optical MUX, OA DM</td>
<td>40</td>
</tr>
<tr>
<td>13</td>
<td>Small size 2 G/3 G GSM based Base Station Systems, with its various derivatives including rural &amp; disaster response, Macro &amp; Micro BTS, Small Cells, NIB, C-RAN BBU and RRH</td>
<td>40</td>
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<tr>
<td>14</td>
<td>2 G/3 G GSM based Base Station Systems, with its various derivatives including rural &amp; disaster response, Macro &amp; Micro BTS, Small Cells, NIB, C-RAN BBU and RRH</td>
<td>40</td>
</tr>
<tr>
<td>15</td>
<td>Small Size LTE/LTE-R Based Mobile Systems, with its various derivatives including rural &amp; disaster communications, Macro &amp; Micro eNode B, Small Cells, EPC, NIB C-RAN BBU and RRH, LTE/LTE-R/4.5 G/5 G based broadband wireless access systems (eNodeB, gNB, EPC, etc.)</td>
<td>40</td>
</tr>
<tr>
<td>16</td>
<td>LTE/LTE-R Based Mobile Systems, with its various derivatives including rural &amp; disaster communications, Macro &amp; Micro eNode B, Small Cells, EPC, NIB C-RAN BBU and RRH, LTE/LTE-R/4.5 G/5 G based broadband wireless access systems (eNodeB, gNB, EPC, etc.)</td>
<td>35</td>
</tr>
<tr>
<td>17</td>
<td>Wi-Fi based broadband wireless access systems (Including Access Point, Aggregation Block, Core Block, Integrated Broadband system</td>
<td>35</td>
</tr>
<tr>
<td>18</td>
<td>Microwave Radio systems (IP/ Hybrid), Mobile Front haul BBU and RRH (CPRI, eCPRI, FlexE, RoE, NGFI)</td>
<td>35</td>
</tr>
<tr>
<td>19</td>
<td>Software Defined Radio, Cognitive Radio systems</td>
<td>35</td>
</tr>
<tr>
<td>20</td>
<td>Repeaters (RF/RF-over-Optical), IBS, and Distributed Antenna system</td>
<td>40</td>
</tr>
<tr>
<td>21</td>
<td>Satellite based systems – Hubs, VSAT Disaster Communication Systems etc.</td>
<td>25</td>
</tr>
<tr>
<td></td>
<td>Description</td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>-----------------------------------------------------------------------------</td>
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</tr>
<tr>
<td>22</td>
<td>Copper access systems (DSL/DSLAM), high-speed xDSL (G.fast)</td>
<td>35</td>
</tr>
<tr>
<td>23</td>
<td>Network Management systems (NMS) with its various derivatives</td>
<td>50</td>
</tr>
<tr>
<td>24</td>
<td>Security and Surveillance Communication Systems (video and sensors based) including Perimeter Security Systems</td>
<td>30</td>
</tr>
<tr>
<td>25</td>
<td>Optical Fiber</td>
<td>NIL</td>
</tr>
<tr>
<td>26</td>
<td>Optical Fiber Cable</td>
<td>NIL</td>
</tr>
<tr>
<td>27</td>
<td>Telecom Power System (Including Solar Power)</td>
<td>30</td>
</tr>
<tr>
<td>28</td>
<td>Telecom Batteries (Lead Acid &amp; Li-ion)</td>
<td>30</td>
</tr>
<tr>
<td>29</td>
<td>IP audio phones / IP video Phones / Analog adaptor</td>
<td>15</td>
</tr>
<tr>
<td>30</td>
<td>SDN Software Controllers, NVF and CNF software</td>
<td>15</td>
</tr>
<tr>
<td>31</td>
<td>Cloud infrastructure, Data centers</td>
<td>20</td>
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<td>2 way Analog/Digital radio including Walkie-Talkie &amp; Mobile Radio</td>
<td>30</td>
</tr>
<tr>
<td>33</td>
<td>Batteries of 2 way Analog/Digital radio including Walkie-Talkie</td>
<td>30</td>
</tr>
<tr>
<td>34</td>
<td>Fiber Monitoring System</td>
<td>35</td>
</tr>
<tr>
<td>35</td>
<td>M2M/IoT Subsystems</td>
<td>35</td>
</tr>
<tr>
<td>36</td>
<td>Telecom Services/Works</td>
<td>NIL</td>
</tr>
</tbody>
</table>
Format for Self Certification regarding Local Content (LC) for Telecom Product, Services or Works

Date:

S/o, D/o, W/o__________________, Resident of ________________ do hereby solemnly affirm and declare as under:

That I agree to abide by the terms and conditions of Department of Telecommunications, Government of India issued vide Notification No: ........... dated ...........

That the information furnished hereinafter is correct to best of my knowledge and belief and I undertake to produce relevant records before the procuring entity or any other authority so nominated by the Department of Telecommunications, Government of India for the purpose of assessing the LC.

That the LC for all inputs which constitute the said Telecom Product/Services/Works has been verified by me and I am responsible for the correctness of the claims made therein.

That in the event of the LC of the Telecom Product/Services/Works mentioned herein is found to be incorrect and not meeting the prescribed LC norms, based on the assessment of an authority so nominated by the Department of Telecommunications, Government of India and I will be liable as under clause 9 (i) of Public Procurement (Preference to Make in India) Order 2017.

I agree to maintain all information regarding my claim for LC in the Company's record for a period of 2 years and shall make this available for verification to any statutory authorities.

i. Name and details of the Local supplier (Registered Office, Manufacturing unit location, nature of legal entity)
ii. Date on which this certificate is issued
iii. Telecom Product/Services/Works for which the certificate is produced
iv. Procuring agency to whom the certificate is furnished
v. Percentage of LC claimed
vi. Name and contact details of the unit of the manufacturer
vii. Sale Price of the product
viii. Ex-Factory Price of the product
ix. Freight, insurance and handling
x. Total Bill of Material
xi. List and total cost value of inputs used for manufacture of the Telecom Product/Services/Works
xii. List and total cost of inputs which are locally sourced. Please attach LC certificates from local suppliers, if the input is not in-house.
xiii. List and cost of inputs which are imported, directly or indirectly

For and on behalf of _______________________(Name of firm/entity)

Authorized signatory (To be duly authorized by the Board of Directors)
<Insert Name, Designation and Contact No. and date>
<table>
<thead>
<tr>
<th>Sl No.</th>
<th>Acronyms</th>
<th>Expansion</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>2/3/4/4.5/5 G</td>
<td>Second/Third/Fourth/4.5/Fifth Generation</td>
</tr>
<tr>
<td>2.</td>
<td>BBU</td>
<td>Base Band Unit</td>
</tr>
<tr>
<td>3.</td>
<td>BIS</td>
<td>Bureau of Indian Standard</td>
</tr>
<tr>
<td>4.</td>
<td>BTS</td>
<td>Base Transceiver Station</td>
</tr>
<tr>
<td>5.</td>
<td>C-DoT</td>
<td>Centre for Development of Telematics</td>
</tr>
<tr>
<td>6.</td>
<td>CNF</td>
<td>Container /Cloud Network Function</td>
</tr>
<tr>
<td>7.</td>
<td>CPE</td>
<td>Customer Premise Equipment</td>
</tr>
<tr>
<td>8.</td>
<td>CPRI</td>
<td>Common Public Radio Interface</td>
</tr>
<tr>
<td>10.</td>
<td>CS</td>
<td>Central Scheme</td>
</tr>
<tr>
<td>11.</td>
<td>CSS</td>
<td>Central Sector Scheme</td>
</tr>
<tr>
<td>12.</td>
<td>CWDM</td>
<td>Coarse Wavelength Division Multiplexing</td>
</tr>
<tr>
<td>13.</td>
<td>DIPP</td>
<td>Department of Industrial Policy and Promotion</td>
</tr>
<tr>
<td>14.</td>
<td>DoT</td>
<td>Department of Telecommunications</td>
</tr>
<tr>
<td>15.</td>
<td>DSL</td>
<td>Digital Subscriber Line</td>
</tr>
<tr>
<td>16.</td>
<td>DSLAM</td>
<td>Digital Subscriber Line Access Multiplexer</td>
</tr>
<tr>
<td>17.</td>
<td>DWDM</td>
<td>Dense Wavelength Division Multiplexing</td>
</tr>
<tr>
<td>18.</td>
<td>eCPRI</td>
<td>e- Common Public Radio Interface</td>
</tr>
<tr>
<td>19.</td>
<td>e-node B</td>
<td>Evolved node B</td>
</tr>
<tr>
<td>20.</td>
<td>EPC</td>
<td>Evolved Packet Core</td>
</tr>
<tr>
<td>21.</td>
<td>FlexE</td>
<td>Flexible Ethernet</td>
</tr>
</tbody>
</table>
| 22.    | G.
fast  | ITU-T G series recommendations for Fast Access to Subscriber Terminals |
<p>| 23.    | gNB      | Next Generation Node B |
| 24.    | GPON     | Gigabit Passive Optical Network |
| 25.    | GR       | Generic Requirements |
| 26.    | GSM      | Global System for Mobile |
| 27.    | IBS      | Integrated Building System |
| 28.    | IC       | Integrated Chip |
| 29.    | IMS      | IP Multimedia Subsystem |
| 30.    | IOT      | Internet of Things |
| 31.    | IP       | Internet Protocol |
| 32.    | IPR      | Intellectual Property Right |
| 33.    | IR       | Interface Requirement |
| 34.    | L-2      | Layer Two |
| 35.    | L-3      | Layer Three |
| 36.    | LC       | Local Content |
| 37.    | Li-ion   | Lithium-ion |
| 38.    | LTE      | Long Term Evolution |
| 39.    | LTE-R    | Long Term Evolution-Railway |
| 40.    | M2M      | Machine to Machine |
| 41.    | MPLS     | Multiprotocol Label Switching |
| 42.    | MPLS-TP  | Multiprotocol Label Switching-Transport Profile |
| 43.    | MUX      | Multiplexer |
| 44.    | NFV      | Network Function Virtualization |
| 45.    | NGFI     | Next Generation Fronthaul Interfaces |
| 46.    | NG-PON2  | Next Generation Gigabit Passive Optical Network 2 |
| 47.    | NIB      | Network in Box |
| 48.    | NMS      | Network Management Software |</p>
<table>
<thead>
<tr>
<th>No.</th>
<th>Abbreviation</th>
<th>Full Form</th>
</tr>
</thead>
<tbody>
<tr>
<td>49.</td>
<td>NVP</td>
<td>Network Virtual Function</td>
</tr>
<tr>
<td>50.</td>
<td>OADM</td>
<td>Optical Add-Drop Multiplexer</td>
</tr>
<tr>
<td>51.</td>
<td>OLT</td>
<td>Optical Line Terminal</td>
</tr>
<tr>
<td>52.</td>
<td>ONT</td>
<td>Optical Network Terminal</td>
</tr>
<tr>
<td>53.</td>
<td>OTN</td>
<td>Optical Transport Network</td>
</tr>
<tr>
<td>54.</td>
<td>PABX</td>
<td>Private Auto Branch Exchange</td>
</tr>
<tr>
<td>55.</td>
<td>PBX</td>
<td>Private Branch Exchange</td>
</tr>
<tr>
<td>56.</td>
<td>PCB</td>
<td>Printed Circuit Board</td>
</tr>
<tr>
<td>57.</td>
<td>PDH</td>
<td>Plesiochronous Digital Hierarchy</td>
</tr>
<tr>
<td>58.</td>
<td>PMA</td>
<td>Preferential Market Access</td>
</tr>
<tr>
<td>59.</td>
<td>PMI</td>
<td>Preference for Make in India</td>
</tr>
<tr>
<td>60.</td>
<td>PPP-MII</td>
<td>Public Procurement (Preference to Make in India)</td>
</tr>
<tr>
<td>61.</td>
<td>PTN</td>
<td>Packet Transport Network</td>
</tr>
<tr>
<td>62.</td>
<td>R&amp;D</td>
<td>Research and Development</td>
</tr>
<tr>
<td>63.</td>
<td>RF</td>
<td>Radio Frequency</td>
</tr>
<tr>
<td>64.</td>
<td>RRFI</td>
<td>Remote Radio Head</td>
</tr>
<tr>
<td>65.</td>
<td>SDH</td>
<td>Synchronous Digital Hierarchy</td>
</tr>
<tr>
<td>66.</td>
<td>SDN</td>
<td>Software Defined Network</td>
</tr>
<tr>
<td>67.</td>
<td>STQC</td>
<td>Standardisation Testing and Quality Certification</td>
</tr>
<tr>
<td>68.</td>
<td>TDM</td>
<td>Time Division Multiplexing</td>
</tr>
<tr>
<td>69.</td>
<td>TEC</td>
<td>Telecommunication Engineering Centre</td>
</tr>
<tr>
<td>70.</td>
<td>TEPC</td>
<td>Telecom Export Promotion Council</td>
</tr>
<tr>
<td>71.</td>
<td>TSEC</td>
<td>Technical Specification Evaluation Certificate</td>
</tr>
<tr>
<td>72.</td>
<td>USOF</td>
<td>Universal Service Obligation Fund</td>
</tr>
<tr>
<td>73.</td>
<td>UTM</td>
<td>Unified Threat Management</td>
</tr>
<tr>
<td>74.</td>
<td>VSAT</td>
<td>Very Small Aperture Terminal</td>
</tr>
<tr>
<td>75.</td>
<td>Wi-Fi</td>
<td>Wireless Fidelity</td>
</tr>
<tr>
<td>76.</td>
<td>XDSL</td>
<td>different variations of Digital Subscriber Line</td>
</tr>
<tr>
<td>77.</td>
<td>XGS-PON</td>
<td>10 Gigabit Symmetrical Passive Optical Network</td>
</tr>
</tbody>
</table>

(Amit Yadav)

Copy to:

1. All Ministries/Departments of Government of India.
2. Cabinet Secretariat / PMO / NITI Aayog / Comptroller & Auditor General of India.
3. PS to Hon'ble Minister of Communications.
4. PPS to Secretary (Telecom)/Special Secretary (T)/Administrator, USOF.
5. PPS to Member (T)/Member(S)/Member (F)/Advisor (T)/Advisor (O).
6. Sr. DDG, TEC, Khurshid Lal Bhawan, New Delhi.
7. JS (A)/JS (T)/CVO/All DDsG.
8. All PSUs/Autonomous bodies under Department of Telecommunications.

(Amit Yadav)

Joint Secretary to the Government of India
Minutes of the Meeting of the Standing Committee for implementing the policy related to “Public Procurement (Preference to Make in India) Order, 2017”

Venue: Office of the Secretary, DIPP, Udyog Bhawan
Date of meeting: Thursday, 24th August, 2017
Time of meeting: 3:30 PM

PRESENT:

1. Shri Ramesh Abhishek, Secretary, DIPP.
2. Shri Atul Chaturvedi, Additional Secretary, DIPP.
3. Shri Inderjit Singh, Additional Secretary, Department of Commerce.
4. Shri Sandeep Poundrik, Joint Secretary, Ministry of Petroleum & Natural Gas.
5. Shri Sanjay Aggarwal, Director, Department of Expenditure.
6. Shri V P Maharwar, Director, ONGC.
7. Ms. Asha Nangia, Director, Ministry of Electronics and Information technology.
8. Ms. Palka Sahni, Deputy Secretary, DIPP.

2. A meeting was held under the Chairpersonship of Shri Ramesh Abhishek, Secretary DIPP to discuss the agenda for the meeting which included the following:

(i) Take note of the list of ‘Product Categories’ which have been identified in r/o the Nodal Ministries/Departments (refer enclosure).

(ii) The proposal of Ministry of Petroleum & Natural Gas for “Inclusion of Deep Water operations in the Policy to Provide Purchase Preference (Linked with Local Content) (PP-LC) in all Public Sector Undertakings” under the Ministry.

3. The agenda was put before the Standing Committee and decisions were taken which is as under:

i. The list of ‘Product Categories’ in r/o the Nodal Ministries was presented to the Chairperson of the Standing Committee which was noted for necessary action.

ii. The proposal of Ministry of Petroleum & Natural Gas (MoP&NG): The official representing the MoP&NG raised the issue related to the Policy to Provide Purchase Preference (Linked with Local Content) (PP-LC) in all Public Sector Undertakings under the Ministry which provides for a Steering Committee to provide guidance and to oversee the implementation of the policy on a regular and continuing office. The Policy was not made applicable for Deep Water/HP-HT operations for the time being as these zones are highly technology intensive and state-of-the-art-technology is required for these operations which is available only with very few service providers globally. Now, ONGC has approached MoP&NG with a proposal to include deep water operations in the PP-LC policy.

......contd. p.2/-
ONGC has given the following proposals for amendment in the PP-LC policy:

To insert the following table 1, Enclosure 1 of the PP-LC Policy:

<table>
<thead>
<tr>
<th>Sl. NO.</th>
<th>Item</th>
<th>Local Content (%)</th>
<th>2017-18</th>
<th>2018-20</th>
<th>2022-22</th>
</tr>
</thead>
<tbody>
<tr>
<td>B6c</td>
<td>Deep Water Operations</td>
<td>5%</td>
<td>5%</td>
<td>5%</td>
<td></td>
</tr>
</tbody>
</table>

To delete the words “Deep Water/” at (b) appearing below Table 1 of Enclosure 1 of the PP-LC Policy. Detailed proposal of ONGC is enclosed with the agenda papers.

Ministry of Petroleum & Natural Gas mentioned that the Steering committee has to annually conduct a review of the Policy implementation by September 30th of each year except for the year 2017-2018. Hence the inclusion of new item “Deep Water operations” could not be added under the purview of PP-LC Policy by the Steering Committee during 2017-2018 which has now turned to be a policy bottleneck to enhance the local content. Due to the above restrictions on the working of the Steering Committee, the above decisions could not be taken by the Ministry and the issue has been put before the Standing Committee under DIPP for consideration.

Decision taken by the Standing Committee: The Standing Committee observed that this matter can be dealt with under Rule 5 of the “Public Procurement (Preference to Make in India) Order, 2017”, as reproduced hereunder, whereby the power to grant exemption has already been delegated to the concerned ministries/departments:

"Rule 5: 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."

The ministries/departments can accordingly take a decision on the said proposal.

4. Apart from the agenda, it was also decided that Department of Industrial Policy & Promotion shall organise a workshop for all the Nodal Ministries/Departments and stakeholders concerned where the Ministry of Petroleum & Natural Gas, Ministry of Steel and Ministry of Electronics and Information Technology which have already implemented the provisions of the “local content” in their policies in their respective Ministries as per the provisions of the “Public Procurement (Preference to Make in India) Order, 2017”, shall share their experiences and best practises to implement the “Public Procurement (Preference to Make in India) Order, 2017”. The workshop shall be chaired by the Cabinet Secretary.

5. The meeting ended with a vote of thanks to the Chair.
Minutes of the 2nd Meeting of the Standing Committee for implementing the policy related to "Public Procurement (Preference to Make in India) Order, 2017" held on 6th December, 2017 in Udyog Bhawan New Delhi

1. The 2nd Meeting of the Standing Committee for implementing the policy related to "Public Procurement (Preference to Make in India) Order, 2017" (PPP-MII Order) was held under the Chairmanship of Secretary, DIPP in Udyog Bhawan New Delhi on 6th December, 2017.

2. The meeting of the Standing Committee had been convened to deliberate upon certain specific issues and grievances raised by certain Ministries and industrial undertakings about the implementation of the Order. Hence, the Committee decided to hear their views along with the views of concerned Departments. List of participants is at Annexure-I.

3. The following decisions were taken by the Committee:

3.1 Procurement of works, services are also covered by "Public Procurement (Preference to Make in India) Order, 2017"

3.1.1 It is clarified that PPP-MII Order is not limited in its scope to mere supply of either goods or services alone, and that the contracts for procurement of works are also covered by this order as construction contracts entail rendering of both goods and services during course of execution.

3.2 Amendments to the approved list of categories and nodal Ministries/Departments:

3.2.2 The Standing Committee deliberated and agreed to the following categorization of new 'product categories' alongwith the corresponding Nodal Ministries/Departments:-

<table>
<thead>
<tr>
<th>S.No</th>
<th>Product Category</th>
<th>Nodal Ministry/Department</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Construction Works</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(a) All Railway Works</td>
<td>Ministry of Railways</td>
</tr>
<tr>
<td></td>
<td>(b) All Defence Works</td>
<td>Ministry of Defence</td>
</tr>
<tr>
<td></td>
<td>(c) Roads and Bridges [except for Railways and Defence Projects]</td>
<td>Ministry of Road Transport and Highways</td>
</tr>
<tr>
<td></td>
<td>(d) All other works</td>
<td>Ministry of Housing &amp; Urban Affairs</td>
</tr>
<tr>
<td>2.</td>
<td>Metro Rail Systems</td>
<td>Ministry of Housing &amp; Urban Affairs</td>
</tr>
</tbody>
</table>

3.3 Restrictive eligibility conditions in the tender for Mumbai Metro – grievance raised by Bharat Earth Movers Limited (BEML)
3.3.1 BEML has approached the Committee with the grievance that there are many restrictive conditions in pre-qualification tender of MMRCL-line3, BEML has not been shortlisted in the above tender because of these restrictive conditions. Special mention was made of the condition on experience of operational performance i.e. “130 metro coaches should have been in revenue service for at least 5 years.” BEML has the operational performance of 140 coaches (including consortium share of 34 coaches) for 3 years running since 1st January, 2014.

3.3.2 The condition has two components: (a) 130 metro coaches should have been in revenue services and (b) for at least 5 years. These numbers are arbitrary and must be reviewed by MMRCL especially when their adoption results in exclusion of competent domestic suppliers like BEML, a Central Public Sector Undertaking. BEML has informed the Committee that by October 2017, BEML had manufactured more than 1200 metro coaches out of 2500 metro coaches supplied to various metro rail corporations.

3.3.3 Representative of MMRDA informed that many conditions in the tender are included as per the norms set by the Japan International Cooperation Agency (JICA), who are funding the project and that JICA has insisted upon putting these conditions in the tenders. Hence, it is not possible for them to remove these conditions. They also informed that BEML has not been found eligible on some other parameters like ability to design the supplied coaches, a point contested by BEML.

3.3.4 Representative of Ministry of Housing & Urban Affairs informed that they have already issued the directions for minimum local content to be adopted for procurement of items by various Metro Rail companies, in case the quantity to be procured is above 100. For rolling stock, it is 40%, which is to be increased to 50% after one year. Margin of purchase preference has been kept at 10%.

3.3.5 Representative of MMRDA informed that the procurement is for 210 Metro coaches and that these coaches are expected to be pressed into service four years from now. They could not provide justification for the figures of 130 coaches or five years of revenue service.

3.3.6 The Committee concluded that the condition of operational performance of 130 coaches and being in revenue service for five years laid down by MMRCL are restrictive and precludes domestic manufacturers like BEML from participating in the procurement process, despite having the capacity to manufacture as also having manufactured sufficient number of coaches in the past several years. The Committee noted that JICA is just one of the financiers of the project and should not be allowed to impose tender conditions that are at variance with explicit decisions of the Government of India like the PPP-MII Order. The Committee also noted that having multiplicity of designs of metro coaches across the country will fragment the market and work against economies of scale, maintainability and inter-operability.
3.3.7 The Committee decided that PPP-MII Order is applicable to JVs like MMRCL where Government of India holds 50% equity. It was decided that the Ministry of Housing and Urban Affairs will:

(a) Amend the instant tender after deletion of such restrictive and discriminatory clauses against domestic manufacturers.

(b) Issue directives to all PSUs /Government companies under it with regard to applicability of Public Procurement Order as per Para 15 of PPP-MII Order.

(c) Review tender conditions and negotiate with JICA to drop restrictive conditions against domestic manufacturers.

(d) Consider the issue of standardization in design of Metro systems across the country with a view to provide appropriate economies of scale, maintainability and inter-operability.

[Action: Ministry of Housing and Urban Affairs]

3.4 Restrictive eligibility conditions in the tender of Talcher Fertilizers Ltd. for Gasification Project - grievance raised by FICCI and Larsen & Toubro:

3.4.1 Representative of L&T informed about restrictive conditions being imposed on the domestic industry in finalizing EPC Contractor for Talcher Fertilizer Ltd. (TFL) for Gasification project by inserting a requirement of having set up Ammonia & Urea fertilizer project in last 20 years, when the Indian fertilizer industry has not seen a greenfield ammonia and urea fertilizer project in last 20 years. They contended that local EPC players having experience of successfully executing units in related sectors like petrochemical, refinery etc. may be given the opportunity to participate in the tenders. Further, PPP-MII Order may be made applicable to autonomous public limited companies owned by PSUs like Talcher Fertilizer Ltd., which is co-owned by CPSUs. The representative also pointed out the contradiction in the bid document wherein it is mentioned that there has been no new ammonia and urea fertilizer project set-up in India in past 20 years and yet the same condition has been imposed.

3.4.2 The representative of Deptt. of Fertilizers informed that the above tender has been withdrawn and the project will be re-tendered with the modified conditions.

3.4.3 The Committee concluded that all joint ventures of public sector undertakings shall be covered under PPP-MII Order. Talcher Fertilizers Ltd. being the joint venture of RCF, Coal India Limited (CIL), GAIL and FCIL (all CPSUs) shall be covered under the Public Procurement Order. It was also decided that D/o Fertilizers may issue directives to all PSUs to comply with the Order. It was further decided that technical experience requirement should be made broad-based so as not to discriminate against competent domestic manufacturers.

[Action: Department of Fertilizers]
3.5 Restrictive eligibility conditions in the tenders for Medical Devices - grievance raised by Association of Indian Medical Device Industry (AIMED);

3.5.1 The Forum Coordinator, AIMED informed the Committee about the problems being faced by various stakeholders of All India Medical Device Industry in the public tenders floated by Government Hospitals/Institutions. He cited various examples wherein various Govt. Hospitals and Procurement Institutions of Centre & State Govt. continue to ignore the PPP-MII order and put discriminatory clauses such as seeking compliance to USFDA approval to debar Indian Manufacturers from bidding in tenders for supply of drugs/medicines and medical devices. He also requested for adopting 15% preferential pricing policy for Indian Origin medical devices in line with policy adopted by other countries and tenders under UN funding.

3.5.2 Representative of Deptt. of Pharmaceutical informed that they had already prepared and circulated a draft for indigenous content for various medical devices and invited the comments from all the stakeholders. However, Ministry of Health & Family Welfare has informed that they are the nodal ministry for the medical devices sector. Representative from MoHFW intimated that their Ministry is going to issue a Regulation on Medical Devices for January, 2018 and they will consider the issues raised by the concerned stakeholders. He requested that the compliance for the PPP-MII may only be decided after the issue of order for Medical Devices Regulation.

3.5.3 The Committee noted that a ‘mandatory’ requirement of ‘USFDA approval’ is clearly untenable though the public procurers are free to set quality requirements and prescribe other, less prescriptive ways of assuring themselves about quality of supplies. As regards, providing 15% preferential pricing to Indian manufacturers, the Committee noted that it was outside its purview and it was up to the concerned nodal ministry to take a decision on this issue.

3.5.4 The Committee decided that MoHFW is already notified as the nodal Ministry for medical devices for the purpose of this order, and they may expeditiously conclude stakeholder consultations and notify detailed guidelines on domestic content requirements and quality standards for various medical devices. MoHFW must consult Mo/Do Pharmaceuticals and MEITY as the ‘medical devices’ also include ‘electronic devices’. It was also decided that MoHFW will issue necessary directives citing PPP-MII Order that while USFDA approval may be a sufficient condition, it cannot be a mandatory eligible condition for bid participation. This directive should also be applicable to all procurement under CGHS, by Railways, the Armed forces and all other Central Departments and Central PSUs/Government companies and hospitals funded by Government of India. MoHFW will also issue a similar advisory to all State Governments for procurement at their end also by State PSUs.

[Action: MoHFW, Deptt. of Pharmaceuticals, MEITY and all nodal Ministries which procure medical devices]
3.6 Restrictive eligibility conditions in the tenders for “Construction of Metro Railway Rake Maintenance Depot cum POH shop at Joka” by RVNL, a PSU of Ministry of Railways - grievance raised by Hyt Engineering Company Pvt. Ltd.;

3.6.1. The representative from Hyt Engineering Company Pvt. Ltd. made a detailed presentation citing how RVNL had recently floated a tender for “Construction of Metro Railway Rake Maintenance Depot cum POH shop at Joka”, which is discriminatory in nature as it only allows foreign players to participate and does not consider domestic bids. The said tender calls for products of M/s Hagenscheidt Germany, M/s Danobat Spain and M/s Talgo Spain and not a single indigenous manufacturer. Also the minimum eligibility criterion for bidder is to have supplied 350 such machines outside the country of origin and has service centers in at least 7 countries including India.

3.6.2. Representative of RVNL stated that they have withdrawn the said tender and it will be issued with the modified conditions.

3.6.3. The Committee concluded that the condition of “experience of supplying 350 machines outside the country of origin and having service centers in at least 7 countries was totally disproportionate to the actual order of just 1 machine. These clauses clearly discriminate against domestic manufacturers.

3.6.4. The Committee decided that preferably only users’ functional requirement and technical specification should be specified in the tender document rather than overspecifying the product in terms of its make. All the companies, whether domestic or foreign, should be considered if they meet these requirements. Also, the requisite experience should not be disproportionate to the supply order in hand. Ministry of Railways will direct RVNL to revise the tender condition accordingly and ensure strict compliance of PPP-MII order.

[Action : Railway Board]

3.7 Debarring foreign firms from tender participation – clarification sought by Railways Board

3.7.1. Railway Board had sought to know if there was any guideline/rule wherein the participation of foreign firms (individually or in JV with Indian firm) in Indian Government construction contracts may be restricted using the concept of reciprocity. It has also sought to clarify whether the PPP-MII Order is applicable to Construction Contracts.

3.7.2. The Committee pointed out that the provisions under Para 10 (d) of the “Public Procurement (Preference to Make in India) Order, 2017” provides the concerned Nodal Ministry the discretion to take a suitable decision on such specific cases. A copy of decision taken in this regard shall be sent to DIPP. It was also clarified that since a Construction Contract essentially involves an agreement enforceable by law for supply of goods and services, hence the “Public Procurement (Preference to Make in India) Order, 2017” is applicable to all Construction Contracts as well. The M/o Railways will be the
Nodal Ministry in respect of all Railway Works and is expected to take appropriate
decision in terms of the PPP-MII Order.

[Action : Railway Board]

3.8 Unjustified call for splitting a tender by M/o Railways – grievance
raised by Bharat Forge Pvt. Ltd.;

3.8.1 CMD, Bharat Forge Ltd (BFL) informed that they had quoted against tender No.
101710260 of Ministry of Railways on 4.9.2017 for 255 nos. crankshaft. The BFL was
declared L1 in the tender. BFL has further informed that they have come to know that
the order is likely to be split between L1 and L2, L2 being a Chinese company in the
ratio of 60:40. BFL has stated that as per Public Procurement Order Para 3(b)(i) if among
all the qualified bids the lowest bid (L1) is from local supplier, the contract for full quantity
will be awarded to L1. Therefore, splitting the order with the L2 bidder, a Chinese
company, is against rules especially since they have the proper capacity and capability
to supply the entire order. They have therefore requested that they should be considered
for 100% quantity for aforesaid tender.

3.8.2 The representative of the Railway Board informed that they are not aware of the
issues involved and assured that the matter will be looked into and action as appropriate
will be taken.

[Action : Ministry of Railways]

3.9 General directions to the Nodal Ministries
3.9.1 The Committee decided that the following may be brought to the notice of all
Nodal Ministries for effective implementation of PPP-MII Order in letter and spirit:

a) All nodal Ministries must notify domestic content in respect of items assigned to
them at the earliest.
b) The Nodal Ministries are also advised to study the Phased Manufacturing
Programme (PMP) being implemented by Ministry of Electronics and Information
Technology to progressively increase domestic content in manufacture of
electronic products and consider similar strategies in respect of products/services
assigned to them for implementing the PPP-MII Order.
c) Evolve an internal system of vetting the restrictive and discriminating terms &
conditions against domestic manufacturers especially included in tenders or pre-
qualification bids or expressions of interest floated by them or their Attached/
Subordinate Offices, Autonomous Bodies, PSUs, JVs, with State Governments
and JVs formed among Central PSUs.

[Action : All Nodal Ministries]

4. The meeting ended with a vote of thanks to the Chair.

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<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Name/Designation/</th>
<th>Ministry/Department /Organization</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Shri Ramesh Abhishek, Chairman, Standing Committee and Secretary</td>
<td>DIPP</td>
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<tr>
<td>2</td>
<td>Dr. Subhash Chandra Pandey, Addl. Secy. &amp; Financial Advisor</td>
<td>DIPP</td>
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<tr>
<td>3</td>
<td>Shri Rajiv Aggarwal, Joint Secretary</td>
<td>DIPP</td>
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<td>4</td>
<td>Shri Arun Mahendru Balraj, Sr. DO</td>
<td>DIPP</td>
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<tr>
<td>5</td>
<td>Shri B.S. Nayak, Under Secretary</td>
<td>DIPP</td>
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<tr>
<td>6</td>
<td>Shri Mukund Kumar Sinha, Joint Secretary</td>
<td>M/o Housing &amp; Urban affairs</td>
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<tr>
<td>7</td>
<td>Shri Ambuj Bajpai, Under Secretary</td>
<td>do</td>
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<tr>
<td>8</td>
<td>Shri Rajiv Kumar, Director</td>
<td>M/o Health &amp; Family Welfare</td>
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<tr>
<td>9</td>
<td>Shri Dinesh Kapila, Eco. Adviser</td>
<td>D/o Pharmaceuticals</td>
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<tr>
<td>10</td>
<td>Shri Niranjan Lal, Director</td>
<td>D/o Fertilizers</td>
</tr>
<tr>
<td>11</td>
<td>Shri Ajay Sawhney, Secretary</td>
<td>M/o Electronics &amp; IT (MEITY)</td>
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<tr>
<td>12</td>
<td>Shri S.K. Marwaha, Director</td>
<td>do</td>
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<tr>
<td>13</td>
<td>Shri K.N. Reddy, Under Secretary</td>
<td>D/o Expenditure</td>
</tr>
<tr>
<td>14</td>
<td>Shri A.P. Dwivedi, ED (PSU)</td>
<td>M/o Railways</td>
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<tr>
<td>15</td>
<td>Shri P.S. Gupta, EDCE (G)</td>
<td>do</td>
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<tr>
<td>16</td>
<td>Shri P.P. Pandey, GM (HR)</td>
<td>Rail Vikas Nigam Ltd.</td>
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</tbody>
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160
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<thead>
<tr>
<th></th>
<th>Name</th>
<th>Organization</th>
</tr>
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<tbody>
<tr>
<td>16.</td>
<td>Shri D.K. Hota, Chairman &amp; Managing Director</td>
<td>Bharat Earth Movers Ltd. (BEML)</td>
</tr>
<tr>
<td>17.</td>
<td>Shri Ramesh K.N., General Manager</td>
<td>do</td>
</tr>
<tr>
<td>18.</td>
<td>Shri Pawan Kumar, General Manager</td>
<td>do</td>
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<tr>
<td>19.</td>
<td>Shri Kuldip Goel, Vice President</td>
<td>L&amp;T/ FICCI</td>
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<tr>
<td>20.</td>
<td>Shri Rajiv, General Manager (Rolling Stock)</td>
<td>MMRCL, Mumbai</td>
</tr>
<tr>
<td>21.</td>
<td>Shri Shailender Birla</td>
<td>Alstom Transport India Ltd.</td>
</tr>
<tr>
<td>22.</td>
<td>Shri Bhojraj Teli, Managing Director,</td>
<td>HYT Engg. Company Ltd.</td>
</tr>
<tr>
<td>23.</td>
<td>Ms. Kiran Gulati, Vice President</td>
<td>do</td>
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<tr>
<td>24.</td>
<td>Shri Hrishikesh Darunkar, Manager</td>
<td>do</td>
</tr>
<tr>
<td>25.</td>
<td>Shri Rajiv Nath, Forum Coordinator</td>
<td>Association of Indian Medical Device Industry (AIMED)</td>
</tr>
<tr>
<td>26.</td>
<td>Shri Suresh Vazirani</td>
<td>do</td>
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</table>
Minutes of the 3rd Meeting of Standing Committee for Implementation of Public Procurement (Preference to Make in India) Order, 2017 held on 23.04.2018

3rd Meeting of Standing Committee for Implementation of Public Procurement (Preference to Make in India) Order, 2017 was held under the Chairmanship of Secretary, DIPP on 23.04.2018.

List of participants is attached.

Gist of the discussion of each agenda item is given below :-

**Agenda 1: Action taken report in respect of Minutes of the Second Standing Committee Meeting held on 06.12.2017.**

The Committee took note of the following action taken in respect of the Minutes of the Second Standing Committee Meeting held on 06.12.2017:-

- It was informed by representative of Department of Expenditure that the proposal of DIPP for amending the Public Procurement Order to include works (including turnkey works) in PPP-MII Order has been approved by competent authority and the same will be communicated shortly.

- Representative of Department of Fertilizers informed that restrictive eligibility conditions in the tender of Talcher Fertilizers Ltd. (Agenda Item No. 3.4, Meeting dated 06.12.2017) for ammonia, urea tender has been removed and the tender has been re-issued with revised terms and conditions. The written comment in this regards have also been received.

- Representative of Ministry of Railways informed that tender for "Construction of Metro Railway Rake Maintenance Depot cum POH shop at Joka" by RVNL (Agenda Item No. 3.6, Meeting dated 06.12.2017) has been cancelled. A written communication in this regard will be sent to DIPP.

  *(Action: Ministry of Railways)*

- Regarding Tender No. 101710260 of Ministry of Railways for procurement of crankshaft (Agenda Item No. 3.8, Meeting dated 06.12.2017), it was informed by the representative of Ministry of Railways that total requirement in respect of the tender has been reduced and the order has been given to the Indian company which was L1.

**Agenda 2: To discuss the Action Taken Report (ATR) by Nodal Ministry with respect to the following:**

  a) Declaration of items, which have sufficient local capacity as per para 3(a) of PPP-MII Order, to be procured locally of value less than Rs.50 Lakh.
  b) Notification of domestic content in respect of items assigned to each Nodal Ministry.
  c) Implementation of Phased Manufacturing Programme (PMP)

Representatives of all the nodal Ministries were requested to give the status of implementation of PPP-MII Order, 2017 with reference to above points.
• Ministry of Railways: The representative of Ministry of Railways informed that Railway procures more than 30,000 items and the Ministry vide Order dated 01.02.2018 has directed the compliance of PPP-MII Order and to ensure that participating vendor indicate local content alongwith the offer and all railway units, PUs/ PSUs should make changes to align with PPP-MII Policy. It was also informed that Ministry vide order dated 03.08.2017 has notified that minimum local content shall ordinarily be 50%. However, PHOD/CHOD of procuring departments in consultation with indenting departments shall however be competent to vary the minimum local content below the prescribed level on case to case basis.

Clause 14 of PPP-MII Order gives Ministries/Departments of Government of India and Board of Directors of the Government Companies or autonomous bodies power to reduce minimum local content below prescribed level. Thus the decision regarding minimum local content should be taken by Ministry of Railways (Railway Board) rather than General Managers/ PHODs/CHODs. This will also ensure the uniformity of decision by various zonal Railway units. The Ministry of Railways is thus requested to reconsider and issue a modified notification regarding minimum local content.

(Action: Ministry of Railways)

• Department of Pharmaceuticals: The representative of Department of Pharmaceuticals informed that they will be notifying the local content in respect of medical devices in four major categories, viz. consumables, implants, IVDs and electronics within two weeks.

The representative of Ministry of Health & Family Welfare informed that they have also issued directions with regard to pharmaceuticals. M/oH&FW to provide a copy of the same to DIPP and Department of Pharmaceuticals.

Department of Pharmaceuticals is requested to notify the local content for medical devices as well as pharmaceutical products (if required, after examining the Ministry of Health & Family Welfare directions) at the earliest.

(Action: M/o Health & Family Welfare and D/o Pharmaceuticals)

• Ministry of Electronics & Information Technology (MeITY): The representative of MeITY informed that they have already issued the order for domestic content for ten electronic products. They will be adding more items shortly.

It was decided that a separate meeting may be called with MeITY regarding implementation of PPP-MII Order for electronic items.

(Action: MeITY and DIPP)

• Department of Telecommunications: The representative of Department of Telecommunications informed that matter regarding notification of domestic content for telecom related items is under consideration in the Department and the orders for the same will be issued shortly.

The order for the telecom items may be issued on priority basis.

(Action: D/o Telecommunications)
• Ministry of Heavy Industries: The representative of Ministry of Heavy Industries informed that domestic content under PPP-MII Order for four items of textile machinery is under consideration in the Department and same will be issued shortly.

The automobile sector is very important as there is lot of Government procurement of automobiles. Ministry of Heavy Industry should consider notifying the domestic content and PMP for automobile sector on priority.

(Action : M/o Heavy Industry)

• Ministry of Petroleum & Natural Gas: The representative of Ministry of Petroleum & Natural Gas informed that they have already issued a Policy to provide purchase preference linked with local content for entities under M/oPNG. Further, to provide effective guidance and to oversee implementation of the policy on continuing basis, a Steering Committee has been formed in the Ministry.

• Ministry of Textiles: Representative of Ministry of Textiles informed that they have already identified the items for declaring domestic content and the stakeholder consultations will be held shortly. They will be notifying the domestic content within three weeks.

Ministry of Textiles may notify the domestic content and PMP on priority.

(Action : M/o Textiles)

• Ministry of Shipping: Representative of Ministry of Shipping informed that they already give preference for the Government Shipyards. M/o Shipping was requested to provide a copy of the same to DIPP.

The M/o Shipping should identify specific items/parts of the large ships for notifying the domestic content on priority.

(Action : M/o Shipping)

• Department of Defence Production: Representative of Department of Defence Production informed that they have already identified 90 items for declaring domestic content and they will be notifying the domestic content for these items within a month.

Deptt. of Defence Production may notify the domestic content and PMP on priority.

(Action : D/o Defence Production)

• Ministry of Power: Representative of Ministry of Power informed that they have constituted a Committee in Central Electricity Authority (CEA) for identifying the items for declaring domestic content. They will be taking further action on receipt of their comments.
Ministry of Power should take immediate action for notifying the domestic content and PMP on priority.

(Action: M/o Power)

- Ministry of Road Transport and Highways: Representative of Ministry of Road Transport and Highways informed that their 80% procurement is domestic as the items/works being procured by them are locally available from the local contractors only.

M/o Road Transport & Highways was requested to notify domestic content and PMP on priority.

(Action: M/o Road Transport and Highways)

- Ministry of Housing & Urban Affairs has already issued the notification for domestic contents and phased manufacturing programme pertaining to Metro Rail.

- Ministry of Chemicals & Petrochemicals: Representative of Ministry of Chemicals & Petrochemicals informed that they are in process of identifying the items for notifying under PPP-MII Order.

Ministry of Chemicals & Petrochemicals should take immediate action for notifying the domestic content and PMP on priority.

(Action: Ministry of Chemicals & Petrochemicals)

- No representative was present from the following nodal Ministries:
  - Department of Defence, Ministry of Defence
  - Ministry of New and Renewable Energy
  - Ministry of Civil Aviation
  - Ministry of Steel
  - Ministry of Mines

It was decided that all the nodal Ministries including the Ministries which are not present in the meeting should take immediate action for implementation of PPP-MII Order. Secretary, DIPP emphasized the need for urgently issuing guidelines/notifications pertaining to declaration of items with sufficient local capacity, domestic content and Phased Manufacturing Programme (PMP) in respect of items pertaining to each nodal Ministry. It was also informed that Cabinet Secretary will review the implementation of the PPP-MII Order with each nodal Ministry, date for which will be intimated separately.

(Action: All nodal Ministries/Departments)
**Agenda 3:** MEA suggestions regarding factors to be considered while deciding the tender were considered along with DIPP comments thereof. These comments may be forwarded to MEA.

<table>
<thead>
<tr>
<th>S. No.</th>
<th>MEA suggestions regarding factors to be considered while deciding the tender</th>
<th>Comments of DIPP</th>
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<tbody>
<tr>
<td>i.</td>
<td>Reciprocal access given by countries of tendering parties to Indian Companies in that sector.</td>
<td>Already included in (PPP-MII Order) According to Para 10(d) of Public Procurement (Preference to Make in India) Order, 2017 (PPP-MII Order), if a Nodal Ministry is satisfied that Indian suppliers of an item are not allowed to participate and/or compete in procurement by any foreign government, it may, if it deems appropriate, restrict or exclude bidders from that country from eligibility for procurement of that item and/or other items relating to that Nodal Ministry. <strong>Decision:</strong> It was decided that MEA should take the inputs of Indian Missions in the matter and inform the DIPP and all concerned Ministries/Departments about countries which are not allowing Indian companies to participate in tender in those countries. <em>(Action: MEA)</em></td>
</tr>
<tr>
<td>ii.</td>
<td>Location of the project, including its national security implications.</td>
<td>Subject does not come under preview of PPP-MII Order.</td>
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<td>iii.</td>
<td>Issues arising out of funding by foreign financing sources, including foreign governments.</td>
<td>In a meeting held in PMO on 16.3.2018 regarding implementation of PPP-MII Order, issue related to projects funded by multilateral/bilateral agencies was discussed. It was decided that &quot;while the procedure of International Competitive Bidding (ICB) may be followed, DEA should work with such funding agencies to ensure that no clauses that are restrictive or discriminatory against domestic suppliers are included in the bid documents. As far as feasible, we may insist on manufacturing in India. MoHUA informed that JICA has already agreed to their proposition for minimum domestic content.*</td>
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<td>iv.</td>
<td>Dependence on a foreign source for technology, operations and maintenance that has major economic and security implications on a recurring basis.</td>
<td>The same may be addressed in context of multilateral institutions particularly ADB. Further, DEA and DIPP may discuss jointly before inclusion of any clause in the ICB that is violative of PPP-II Order.</td>
</tr>
<tr>
<td>v.</td>
<td>Experience of operations in international markets, especially in OECD economies.</td>
<td>According to Para 13 of PPP-II Order, while notifying the minimum local content, Nodal Ministries may make special provisions for exempting suppliers from meeting the stipulated local content if the product is being manufactured in India under a license from a foreign manufacturer who holds intellectual property rights and where there is a technology collaboration agreement / transfer of technology agreement for indigenous manufacture of a product developed abroad with clear phasing of increase in local content.</td>
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<tr>
<td>vi.</td>
<td>Assurance that tendering party will not require the presence of personnel other than senior technical personnel for execution of the project.</td>
<td>This is not permissible as per clause 10(a) of PPP-II Order which states that ‘every procuring entity shall ensure that the eligibility conditions in respect of previous experience fixed in any tender or solicitation do not require proof of supply in other countries or proof of exports.’</td>
</tr>
<tr>
<td>vii.</td>
<td>Extent of Indian domestic content offered by the tendering party.</td>
<td>It is for the tendering agency to decide about requirement of presence of personnel for execution of the project and the level of composition of work force. It may not be appropriate to give such a blanket assurance.</td>
</tr>
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</table>

**Decision:** DIPP & DEA to discuss jointly and take follow up action.

**(Action: DEA & DIPP)**

As per Para 5 of PPP-II Order, 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.
**Agenda 4:** Clarifications sought by D/o Defence with respect to Cyber Security Products.

The matter was deliberated and it was noted that while DPM 2009 (Defence Procurement Manual) dates back to 2009, it is not clear when was the Cabinet approval for DPP 2016 (Defence Procurement Procedure) obtained? Also details of the Good/Services/works covered under DPP 2016/DPM 2009 are awaited from Ministry of Defence. Representative of Ministry of Defence (D/o Defence) was however not present in the meeting.

Representative of MEITY informed that they have already taken inputs from Ministry of Defence and DIPP in the matter and will be taking a decision shortly.

**(Action : MEITY, D/o Defence, DIPP)**

**Agenda 5:** Grievances raised by companies.

**Agenda No. 5.1 : Grievance raised by Joy Global (India) Ltd.**

Joy Global (India) Ltd. raised the issue regarding non-compliance of PPP-MII Order in the tendering process of Northern Coalfields Shovel Tender for supply of 10 cum electric rope shovel. The company stated that despite being L2 and within 1% margin of L1 (L1 being a foreign company) the tender is likely to be awarded to the foreign company. The company stated that they have domestic content of 50% in the products being supplied by them and they are ready to give certificate in this regard.

The matter was deliberated in the meeting and it was decided that PPP-MII Order was applicable in this case as tender was issued after the issue of PPP-MII Order. Ministry of Coal / Northern Coalfields should consider giving margin of purchase preference of 20% as per para 3(b)(ii) or 3 (c)(ii) of PPP-MII Order, as applicable, subject to applicant meeting the eligibility and domestic content criteria.

**(Action : Ministry of Coal)**

**Agenda No. 5.2 : Grievance raised by M/s S M Scientific Instruments Pvt. Ltd.**

M/s S M Scientific Instruments Pvt. Ltd. raised the grievance regarding the bid submitted for some equipment to HITES (HLL infra Tech Services Ltd.) for supply of some equipments. Representative of Ministry of Health & Family Welfare informed that the said tender has already been cancelled. M/o H&FW was requested to inform about the decision in writing to DIPP and M/s SM Scientific Instruments P.Ltd.

**(Action : Ministry of Health & Family Welfare)**

**Agenda No. 5.3 & 5.4 : Grievance raised by Tejas Networks**

The representatives of the Department of Telecom informed that approval of the Cabinet was obtained in the year 2017, where but the State Governments were authorized to adopt higher standard of technology at their own cost. Accordingly, the IP MPLS Technology, which is superior, is being adopted by a number of States like Maharashtra etc. He further stated that in Chattisgarh, the additional cost due to superior technology is borne by the State. As regards the issue of procurement of different routers from the same Vendor (Agenda No 5.4), the representative of DoT clarified that if different routers are procured from different vendors there will be issues of compatibility.
After deliberations the following observations were made:

i. This Standing Committee under the PPP-MII Order cannot go into the technical specifications or technology being adopted, which is within the purview of the concerned Department/ Ministry/ Procuring Agency.

ii. Further, it was noted that a decision to adopt higher technologies has been taken with the approval of Cabinet and the cost is being partially borne by the State Governments also. The PPP-MII Order is not applicable to procurement by State Governments. In view of this, no directions can be given to DoT/ concerned State Governments with regards to the tender being issued for the Bharat Net Programme as pointed out by M/s Tejas Networks.

iii. Further, as regards the procurement of all routers from the same vendor, MeITY has already given a justification in this regard if the complainant has any justifications/ comments on the same. They may be raised again with proper justifications.

**Agenda No. 5.5 : Grievance raised by Security Promotion Group of India (SPGI)**

M/s SPGI have complained regarding non-compliance of Public Procurement Order for supply of telecom security equipments in the procurement by various Government entities like Airport Authority of India, Chandigarh Police, UP Police Radio, LIC India, GAIL, Surat Smart City Development Ltd., State Bank of India, IRCON, IIM Ahmedabad, NBCC, CISF, ECIL.

It was informed to the Company that while the State Governments / entities are not under purview of PPP-MII Order, however, if they provide specific details regarding violation of the order by the Central Ministries/Departments/PSUs, same will be taken up by DIPP.

**Agenda No. 5.6 : Grievance raised by M/s Electronic Payment & Services Pvt. Ltd. (EPS)**

M/s Electronic Payment & Services Pvt. Ltd. (EPS) raised the issue regarding non-compliance of PPP-MII Order by the state run banks for procuring the ATM Managed Services.

The representative of Deptt. of Financial Services informed that they have no control over PSU Banks and the Banks issue their own guidelines for procurements. It was noted that the PPP-MII Order is applicable to all the Government entities. In the present case there is splitting of the order by PSU Banks and therefore contention of M/s EPS to reduce the criteria regarding turnover and experience in handling number of ATM machines has some merit. D/o Financial Services is requested to look into the issue raised by M/s EPS and to ensure compliance of PPP-MII Order by the PSU Banks.

*(Action : D/o Financial Services)*
Agenda No. 5.7 : Grievance raised by M/s KBS Computers

M/s KBS Computers raised the issue of non compliance of PPP-MII Order in procurement of Desktop Computers under Open Tender by way of stipulating certification/ qualification criteria by Nuclear Power Corporation of India Limited NPCIL. Representative of MeI TY informed that they have already issued orders in this regard and the matter has been resolved. He was requested to provide a copy of the order issued by MeI TY to DIPP and M/s KBS Computers.

(Action : MeI TY)

Agenda No. 5.8 : Grievance raised by M/s Daulat Ram Engineering Services Pvt. Ltd.

M/s Daulat Ram Engg. Services complained that despite being L1 bidder in the tender for procurement of traction alternator for locomotives by DLW Varanasi, the order is being diverted to a Chinese company that is 3% higher than their price.

The representative of Ministry of Railways informed that they will examine the matter and revert back as the same is received by them only on 19.04.2018.

(Action : M/o Railways)

Agenda No. 6 : Compliance to guidelines in Central Public Procurement (CPP) Portal

Agenda No. 6.1 : Certification by Procurement Officers while uploading tenders on CPP Portal.

It was informed that D/o Expenditure has issued an OM dated 17.04.2018 declaring that CPP Portal and Government eMarket place (GeM) will permit uploading of tender documents on CPPP and GeM for calling of the bids /reverse options only after the Purchase Officer certifies that the tender document complies with the PPP-MII order and Public Procurement Policy for Micro and Small Enterprises(MSEs) Order 2017. Hence, every user agency would have to accept an online certificate /declaration before each tender document is accepted for upload by the CPPP and GeM Portal. NIC is making relevant changes in the portal in compliance with this mandate.

Agenda No. 6.2 : Provision for entry of grievance / suggestions on CPP Portal

It was informed that a provision for entry of grievance / suggestions on CPP Portal has been introduced to enable the concerned companies to lodge their grievance related to non-compliance of PPP-MII Order 2017 and Public Procurement Policy for Micro and Small Enterprises (MSEs) Order 2012.

The Standing Committee took note of above changes to spur compliance with the Order.

The meeting ended with the vote of thanks to the Chair.

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Participants List – 3rd Meeting of the Standing Committee on Implementation of “Public Procurement (Preference to Make in India) Order, 2017” held on 23.04.2018 at 5.00 pm in Room No. 152, Udyog Bhawan, New Delhi

1. Sh. Ramesh Abhishek, Secretary, DIPP
2. Dr. Subhash Chandra Pandey, SS&FA, DIPP
3. Sh. Rajiv Aggrawal, Joint Secretary, DIPP
4. Sh. A. Mahendra Balraj, SDO, DIPP
5. Sh. Mahesh Chandra, Railway Board
6. Dr. H. R. Yadav, GGM/Metro, RVNL, M/o Railways
7. Sh. Tirath Ram, US, Deptt of Financial Services
8. Sh. Rajib Kumar Sen, Economic Adviser, D/o Defence Production
9. Sh. Sanjeev Kumar, S.E., M/o Road Transport & Highways
10. Smt. Renuka Kumar, Director, M/o Power
11. Sh. N. Sivanand, IS, DHI
12. Sh. Anupam Sharma, OSD, Deptt of Atomic Energy
13. Sh. Deen Dayal, Under Secretary, MoHUA
14. Sh. A. Bharti, Economic Adviser, M/o Coal
15. Sh. A.K. Singh, GM, Coal India Ltd
16. Sh. Shameel Waris, Coal India Ltd
17. Sh. Vivek Gupta, Executive Director, SAIL
18. Sh. Rajeev Kumar, Director, MoHFW
19. Sh. S.P. Singh, JS, M/o Shipping
20. Sh. Dinesh Kapila, Economic Adviser, D/o Pharma
21. Sh. Gurveen Sidhu, JS, D/o Fertilizers
22. Sh. S.K. Rakesh, JS, MeitY
23. Sh. Vinod Kumar Chauhan, Scientist ‘C’, MeitY
24. Ms. Priya Nair, Director, MEA
25. Sh. Sanjay Aggrawal, Director, Deptt. of Expenditure
26. Sh. Sanjay Singh, Administrator, USOF, DoT
27. Sh. Mahmood Ahmed, Jt. Administrator, USOF, DoT
28. Sh. Deepak C., BSNL, DoT
29. Sh. S.K. Sharma, Director, DCPC
30. Sh. S.K. Singh, SO, DCPC,
31. Sh. Niranjan Lal, Director, DoF
32. Sh. A. Madhukumar Reddy, JS, M/o Textiles
33. Sh. A.K. Sharma, ED, M/o Civil Aviation
34. Sh. Shibnath Bhowmik, Country Head, M/s Joy Global
35. Sh. Sanjeev Seth, Chairman, M/s SPGI
36. Sh. C.P. Sharma, M.D, M/s Daulat Ram Engg. Services
37. Sh. Thayagarajan S., M/s EPS
38. Sh. R.S. Manku, VP & Head, M/s HLL/HITES
39. Sh. S.R. Jeevan Dass, VP, M/s HLL/HITES
40. Sh. Anil Jauhari, M/s NABCB
41. Ms. Sashi Rekha, Director, M/s NABCB
Minutes of the 4th Meeting of Standing Committee for Implementation of Public Procurement (Preference to Make in India) Order, 2017 held on 27.08.2018

4th Meeting of Standing Committee for Implementation of Public Procurement (Preference to Make in India) Order, 2017 was held under the Chairmanship of Secretary, DIPP on 27.08.2018.

List of participants is attached.

Gist of the discussion of each agenda item is given below :-

**Agenda 1: Action Taken Reports (ATRs) in respect of Minutes of the Third Standing Committee Meeting held on 23.04.2018**

Action taken report in respect of Minutes of the Third Standing Committee Meeting held on 23.04.2018 was discussed and it was noted that the action in respect of following issues is yet to be completed :-

(i) **Agenda Item No. 2** : Out of 19 nodal Ministries/ Departments, 10 (ten) nodal Ministries/ Departments have notified Minimum Local Content (MLC). Remaining 09 nodal Ministries have yet to respond to the matter.

   **(Action : Concerned Ministries)**

(ii) **Agenda Item No. 3(i)** : Response of MEA on the matter regarding reciprocal access given by the countries of tendering parties to the Indian companies is yet awaited. MEA has to provide their response after taking inputs from Indian Missions.

   **(Action : Ministry of External Affairs)**

(iii) **Agenda Item No. 5.1** : Grievance raised by M/s Joy Global India Limited : Response of Ministry of Coal/Northern Coal Fields in the matter is awaited.

   **(Action : Ministry of Coal/ Northern Coal Fields)**

(iv) **Agenda No. 5.3** : Grievance raised by Tejas Networks: The decision taken in the 3rd Standing Committee meeting regarding applicability of PPP-MII Order to the Bharat Net-2 programme was again deliberated in the Fourth Standing Committee Meeting at Agenda item No. 8.8 The decision taken in the 3rd Standing Committee meeting held on 23.4.2018 stands modified to the extent detailed in the present minutes.

(v) **Agenda Item No. 5.6** : Grievance of M/s Electronics Payments & Services Pvt. Ltd. (EPS) : Response of Deptt. of Financial Services is
awaited. The matter is again taken up in the Fourth Standing Committee Meeting as an agenda item.

(Action : Deptt. of Financial Services)

**Agenda 2: Notification of Minimum Local Content (MLC) by Nodal Ministries/Departments and analysis thereof:**

(i) **Ministry of Railways:** It was noted that the Ministry of Railways has clarified that delegation of powers to vary Minimum Local Content to the field units have been re-examined and it has been decided that all cases requiring variation of MLC from 50% shall be considered only by Ministry of Railways on case to case basis. Ministry of Railways also informed that vendor approval system of RDSO has been streamlined to make it simple, transparent, user-friendly and more effective.

Ministry of Railways was requested to consider reviewing the MLC for certain specific items or sub-assemblies, where the MLC can be substantially higher.

(Action : Ministry of Railways)

(ii) **Ministry of Housing & Urban Affairs (MoHUA):** It was noted that MoHUA has provided a purchase preference margin of 10% subject to furnishing of an additional Bank Guarantee (BG) of 10% to be provided to avail advantage of this preference. The Committee noted that there is no justification for reducing the purchase preference margin from 20% as provided for in the PPP-MII Order to 10%. Further, additional BG of 10% to be provided by local suppliers only puts them at a disadvantage vs foreign suppliers. This also adds to their costs, and is onerous and discriminatory against local suppliers.

The representative of MoHUA informed that they are in the process of reviewing the margin of purchase preference and requirement of additional bank guarantee.

(Action : Ministry of Housing & Urban Affairs)

(iii) **Ministry of Petroleum & Natural Gas:** It was noted that Ministry of Petroleum & Natural Gas has provided a purchase preference margin of 10% as against 20% margin specified in ‘PPP-MII Order’. There is, however, no justification for this reduction.

MoPNG was requested to review and modify the same, and in case the purchase preference is to be kept at 10%, then justification for the same may be provided.

(Action : Ministry of Petroleum & Natural Gas)

(iv) **Ministry of Steel:** It was noted that M/o Steel has provided MLC of 15% and have also clarified the reasons for keeping the MLC at 15%. They have
clarified that in case MLC had been fixed higher, then large number of steel product companies would not fulfill the norm of local content despite making value addition. Ministry of Steel was requested to review the MLC and also to consider adding the provisions regarding purchase preference margin. They may also review the applicability of the Order to procurement of iron & steel products above Rs.50 crores only in any project, as the PPP-MII Order is applicable on all public procurements above Rs.5 lakhs.

Representative of Ministry of Steel informed that the Notification of Ministry of Steel is being reviewed and they will inform the decision in this regard shortly.

(Action : Ministry of Steel)

(v) Department of Pharmaceuticals : It was noted that in the draft Notification for pharmaceuticals a uniform MLC of 60% (2018-19) has been kept. The Committee was of the view that while a number of pharma products are manufactured in India, there are some critical drugs that are imported.

Accordingly, it was suggested to D/o Pharmaceuticals that lower %age of MLC may be notified for such imported drugs to induce their local manufacturing, alongwith PMP if appropriate.

(Action : Department of Pharmaceuticals)

(vi) Department of Heavy Industry: The Committee noted that D/o Heavy Industry has already issued notification for MLC for automobile and auto components and capital goods sector. D/o Heavy Industry was requested to undertake notification for machine tools, furnaces and HVAC.

Representative of DHI informed that the notification of MLC for these items will be issued shortly.

(Action : Department of Heavy Industry)

(vii) Ministry of Shipping : It was noted that M/o Shipping has issued guidelines for evaluating and awarding tenders for dry-docking and ship repair works, but is yet to notify MLC as per the PPP-MII Order.

Representative of M/o Shipping informed that Notification for MLC will be issued shortly.

(Action : Ministry of Shipping)

(viii) Ministry of Textile: It was noted that M/o Textiles has proposed Minimum Local Content (MLC) for certain products like cotton fabric as 100%, and for products like carpets at 90%. In such a situation, local vendors/industry who have even a very small imported value addition, will not be eligible for the preference.

M/o Textiles was requested to consider above while issuing the final notification. Ministry of Textile may also consider inclusion of Bullet proof
Jacket in the technical textile category in consultation with Ministry of Home Affairs and Ministry of Defence.

Representative of Ministry of Textile informed that they have finalized MLC after due stakeholder consultation and the notification will be issued shortly.

(Action : Ministry of Textile)

(ix) Department of Telecommunications: Representative of Deptt. of Telecommunication informed that their notification for MLC has already been approved by competent authority and will be issued shortly.

(Action : Department of Telecommunications)

(x) Ministry of Power: Representative of Ministry of Power informed that they will issue the notification for MLC within three weeks.

(Action : Ministry of Power)

(xi) Ministry of New and Renewable Energy (MNRE): Representative of Ministry of New and Renewable Energy informed that there is no Government procurement in their sector; as such, they are not required to issue notification for MLC.

It was however noted that many Government Departments/PSUs procure items covered by MNRE, for instance rooftop solar modules for their use, and therefore it is mandatory that MNRE issue notification for MLC for such items.

(Action : Ministry of New and Renewable Energy)

(xii) Ministry of Civil Aviation: Representative of Ministry of Civil Aviation informed that they have already issued directions to PSUs under their Ministry for compliance of the PPP-MII Order and they are in process of finalizing the list of the items for issuing notification for MLC.

Ministry of Civil Aviation was requested to issue the notifications in phases, rather than wait for consolidating the large number of items.

(Action : Ministry of Civil Aviation)

(xiii) Ministry of Mines: Representative of Ministry of Mines informed that they have already finalized the notification for MLC for three items and the same will be issued within a week.

(Action : Ministry of Mines)

(xiv) Ministry of Road Transport and Highways: Representative of Ministry of Road Transport and Highways informed that most of their procurement is for construction of roads and bridges and same is from domestic sources.

It was noted that there may be certain items covered by Ministry of Road Transport and Highways, which have import content. It would, therefore be required that the Ministry issues notification for MLC.

(Action : Ministry of Road Transport and Highways)
(xv) **Department of Defence**: No representative from Department of Defence was present in the Meeting. Secretary, Deptt. of Defence is requested to ensure participation at appropriate level in the Standing Committee Meeting and issue notification for Minimum Local Content for defence items. It is noted that Deptt. of Defence is nodal Ministry for “Defence Works” under PPP-MII Order.

**Action : Department of Defence**

**Agenda 3:** Applicability of PPP-MII Order on all tenders issued subsequent to the Order

It was noted that some procurement agencies are not complying with the provisions of the ‘PPP-MII Order’ by taking the plea that their tender was floated based on the Pre-Qualification Requirements (PQRs) formulated by them/ their client before the issue of DIPP’s order dated 15.06.2017, and thus implying that the PPP-MII Order would not be applicable on them. The Committee took note of it and categorically clarified that the provisions of PPP-MII Order are mandatorily applicable to all such tenders issued subsequently to the issuance of ‘PPP-MII Order’, i.e. 15.06.2017, irrespective of whether the RFQs/RFPs are issued before the issue of PPP-MII Order. It is made clear that PPP-MII Order does not require any changes in technical requirements, so long as they are not discriminatory or restrictive against domestic suppliers.

**Action : All Ministries/Departments**

**Agenda 4:** Compliance of ‘PPP-MII Order’ along with ‘MSME Order’

It was noted that the question of applicability of ‘PPP-MII Order’ in conjunction with ‘MSME Policy’ of Government of India has been raised by some Government organizations. The issue is that the ‘PPP-MII Order’ does not distinguish between MSME and other units in normal course, so long as both are local vendors, and that the ‘PPP-MII Order’ takes precedence over all the notifications/ orders/ circulars, except those which are issued with Cabinet approval after 1st January 2015.

Accordingly, it was proposed to provide preference to local MSEs over non-MSE local suppliers, to the tune of 20% of the supply quantity in cases covered under clause 3(a) and 3(b) of the PPP-MII Order. However, for cases covered under clause 3(c), there shall be no preference to MSEs over non-MSEs, and the provisions of PPP-MII Order shall prevail. The Order will accordingly have to be amended. Also, to avoid conflict, it was suggested that Ministry of MSME should consider increasing the ‘purchase preference’ to 20% in consonance with the provisions of ‘PPP-MII Order’ for simplification.
The matter was deliberated in the meeting and it was decided to take the views of MSME before any amendment in PPP-MII Order is undertaken.

(Action : DIPP/Ministry of MSME)

Agenda 5: Incorporation of ‘PPP-MII Order’ in e-Procurement modules of all Ministries/Departments.

It was noted that Ministries/ Departments are using different ‘Electronic Procurement Systems’ (EPS) such as IREPS (by Railways) e-procure.gov.in (by NIC), metal.juction.com (by Steel sector), Tender Wizard & TCIL Module (by others) and GeM. GeM is an independent module to be utilized by all Government departments. Since, PPP-MII Order is to be implemented by all Government Departments and PSUs, its provisions may also be integrated in EPS Systems of different Departments/ Organizations.

(Action : All Ministries/Departments)

Agenda 6: Sufficient local capacity and competition (in cases below Rs.50 lacs)

Provisions of Para 3 (a) of ‘PPP-MII Order’ reads as under --

“In procurement of goods in respect of which the Nodal Ministry has communicated that there is sufficient local capacity and local competition, and where the estimated value of procurement is Rs. 50 lakhs or less, only local suppliers shall be eligible”.

It may be noted that, as per decision taken in the meeting of the Committee of Secretaries (CoS) held on 28th May, 2018, the nodal Ministries/ Departments were required to communicate the availability of sufficient local capacity and local competition where the estimated value of procurement is Rs. 50 lakhs or less. Response to the same is awaited.

All nodal Ministries/Departments were requested to issue the notification for the items where sufficient local capacity and local competition is available, so that for procurement of these items below Rs.50 lacs, only local suppliers will be eligible.

(Action : All nodal Ministries/Departments)

Agenda 7: Discrimination against local suppliers by inclusion of foreign brand names in tenders

It was noted that many grievances have been received as a part of certain EPC or works contracts, foreign make products have been specified for certain items, and no or very few Indian companies are listed in the ‘pre-approved list’ although sufficient local capacity is available for such items.
The Committee noted that inclusion of foreign brands/companies in the ‘pre-approved list’ is against the spirit of ‘PPP-MII Order’; and only domestic brands that meet the minimum local content should be considered for inclusion in the ‘pre-approved list’. It was noted that as per GFR 144(i)(b), “the description of the subject matter of procurement to the extent possible should not indicate a requirement for a particular trade mark, trade name or brand”. Wherever it is felt that the required technical specifications and quality norms are not met indigenously, then only foreign brands/companies may be included after due diligence. It was categorically clarified that the ‘PPP-MII Order’ is applicable to all such EPC contracts also.

The Committee was of the view that as many such grievances are being received regarding exclusion of domestic companies from pre-approved list and by changing the pre-qualification conditions viz. turnover, experience criteria etc. with malafide intentions. The Committee noted that this is totally unacceptable and all the Ministries/Departments should issue directions to the PSUs/autonomous bodies/subordinate offices under them that PPP-MII Order shall be followed in letter and spirit. No foreign brands/companies should be included in pre-approved list unless it is felt that the required technical specifications and quality norms are not fulfilled by brands/companies meeting the minimum local content requirement. All Ministries/Departments may initiate disciplinary action against the erring officials whenever PPP-MII Order is flouted with malafide intent.

(Action : All Ministries/Departments)

Agenda 8: Disposal of grievances raised by companies

Agenda No.8.1: Grievance raised by Electronic Payment and Services Pvt. Ltd.

The grievance of the representative of the complainant Electronic Payment and Services Pvt. Ltd. (EPS) was heard. EPS has complained that Punjab National Bank (PNB) and IDBI Bank have imposed restrictive conditions in the tender floated by them thereby denying equal opportunity. M/s EPS has stated that following discriminatory conditions have been included in the tender documents of PNB:

(i) Bidder should have provided ATM Managed Services for at least 10,000 ATMs/BNAs in India in the scheduled commercial Banks at any point of time during last one year from date of submission of Bids.

(ii) The bidder should be a financially strong company with an annual turnover of at least Rs.500 crores for the last financial year of 2016-17; should also have “Positive Net Worth” as per its latest audited balance sheet for the year ending 31st March, 2017.
(iii) The bidder should have its own bona fide support resources in the field to provide FLM/ SLM/ services to ATMs in at least 15 states across the country covering a minimum 100 centers.

EPS has further stated that despite their representation to the PNB officials to reduce the criteria of having managed at least ten thousand ATMs to five thousand ATMs and turnover criteria from Rs.500 crores to Rs.150 crores, the Bank has not taken any cognizance of their representation. Similar conditions have been included in the IDBI Tender.

It was noted further that the grievance was received on 15-01-2018 and was forwarded to Department of Financial Services, Ministry of Finance. Subsequently Secretary, DIPP had written to Secretary, DFS vide D.O. letters dated 28.5.2018 and 11.7.2018. Comments are still awaited. The representative of DFS present in the meeting was requested to examine the matter and provide their comments on the issue at the earliest.

The Committee was of the view that such procurement is a violation of the PPP-MII Order. Department of Financial Services should issue directions to all Public Sector Banks to ensure compliance of PPP-MII Order.

(Action : Deptt. of Financial Services, Ministry of Finance)

Agenda No. 8.2 : Grievance raised by M/s L.T. Elevator Private Ltd.

The grievance of the complainant M/s L.T. Elevator Private Ltd. was heard. M/s LT Elevator has complained regarding inclusion of restrictive conditions for enlistment of Group A OEMs by CPWD. They have complained that CPWD has included an experience clause of 25 years and average financial turnover of Rs.500 crores during last five years for enlistment of Group A OEMs. The very demarcation and benchmark made by CPWD for Class A enlistment (APQ) is not justified / tangible and some pragmatic approach is necessary to encourage the Indian OEMs who are performing well for Supply Installation Testing and Commissioning (SITC) of LIFT for several years and who have executed several Government Orders following the Indian Standard Codes for SITC of LIFT.

The matter was deliberated in the meeting. It was noted that as per para 10(b) of PPP-MII Order, Procuring entities shall endeavour to see that eligibility conditions, including on matters like turnover, production capability and financial strength do not result in unreasonable exclusion of local suppliers who would otherwise be eligible, beyond what is essential for ensuring quality or creditworthiness of the supplier. Therefore, eligibility conditions, including on matters like turnover, production capability and financial strength in the tender should be in consonance with the approximate tender value/quantity.
It was noted that the conditions imposed by CPWD appears to be restrictive against domestic manufacturers. MoHUA was therefore requested to review the same at the earliest and modify the same suitably.

**(Action: Ministry of Housing & Urban Affairs)**

**Agenda No. 8.3 : Grievance raised by M/s Polygamma Industries Private Limited**

The grievance of the representative of the complainant M/s Polygamma Industries Pvt. Ltd. was heard. M/s Polygamma has raised the grievance related to the tender issued by NBCC (India) Ltd. in the procurement of EPDM Waterproofing Membrane by for the AIIMS Re-development Project. The company has alleged that for purchase of the above item, foreign make brands viz. Carlisle, Firestone were specified ‘pre-approved list’, whereas other brands like Pidilite and STP, who are not manufacturers, were also listed in the ‘pre-approved list’. The name of ‘Polygemma’, a local manufacturer, which was earlier approved by NBCC, has been removed for the concerned tender.

The matter was deliberated in the meeting and it was noted that inclusion of foreign brands/companies in the ‘pre-approved list’ is against the spirit of ‘PPP-MII Order’; and only domestic brands that meet the minimum local content should be considered for inclusion in the ‘pre-approved list’. Wherever it is felt that the required technical specifications and quality norms are not met indigenously, then only foreign brands/companies may be included after due diligence.

Representative of MoHUA was asked to review the matter and issue the directions to all PSUs/attached offices/ subordinate officers including CPWD, NBCC, DDA etc. for compliance of PPP-MII Order and ensure that only domestic brands that meet the minimum local content should be considered for inclusion in the ‘pre-approved list’.

**(Action: Ministry of Housing & Urban Affairs)**

**Agenda No. 8.4 : Grievance raised by M/s OMEGA Elevators**

The grievance of the representative of the complainant M/s OMEGA Elevators was heard. The company has complained regarding CPWD Notification No. DG/SE/TAS(E)/Enlist. Rules-Lifts-A/01 DATED- 10.4.2018 for enlistment of class A Suppliers. The company has claimed to meet qualified criteria for registration of category A or type A building as they have been registered with CPWD. However, they have complained that in a recent enlistment of class A supplier of CPWD, they have been delisted due to turn over criteria of 500 crore for five consecutive years, which they feel is on higher side as the lift are to be installed by CPWD is valued upto Rs. 20 Cr. The applicant company has requested to make amendment in the notification of CPWD, which states the turnover criteria of Rs.500 Cr in five consecutive years.
The matter was deliberated in the meeting. It was noted that as per para 10(b) of PPP-MII Order, Procuring entities shall endeavour to see that eligibility conditions, including on matters like turnover, production capability and financial strength do not result in unreasonable exclusion of local suppliers who would otherwise be eligible, beyond what is essential for ensuring quality or creditworthiness of the supplier. Therefore, eligibility conditions, including on matters like turnover, production capability and financial strength in the tender should be in consonance with the approximate tender value/quantity.

It was noted that the conditions imposed by CPWD appears to be restrictive against domestic manufacturers. MoHUA was therefore requested to review the same at the earliest and modify the same suitably.

(Activity: Ministry of Housing & Urban Affairs)

Agenda No. 8.5: Grievance raised by Shri Rathi Steel Limited

Shri Rathi Steel Limited has complained regarding denial of approval by Engineers India Limited for supply of TMT bars. The company has complained that EIL has denied them approval stating that a minimum turnover of Rs.1000 crore is required for any vendor to get approval.

It was noted that as per para 10(b) of PPP-MII Order, Procuring entities shall endeavour to see that eligibility conditions, including on matters like turnover, production capability and financial strength do not result in unreasonable exclusion of local suppliers who would otherwise be eligible, beyond what is essential for ensuring quality or creditworthiness of the supplier. Therefore, eligibility conditions, like turnover, production capability and financial strength in the tender/approval process should be in consonance with the approximate tender value/quantity.

The matter was deliberated and it was noted that the conditions imposed by EIL appears to be discriminatory against domestic manufacturers. Ministry of Petroleum & Natural Gas was therefore requested to review the same at the earliest and modify the same suitably.

(Activity: Ministry of Petroleum & Natural Gas)

Agenda No. 8.6: Grievance raised by Raj Kamal Aggarwal

Sh. Raj Kamal Aggarwal has complained regarding non-compliance of PPP-MII Order in the tenders issued by AIIMS Rishikesh. He has complained that AIIMS, Rishikesh has imposed various conditions in the tenders such as USFDA/European CE, specification, turnover etc which are not possible to fulfill by a regular manufacturer.

It was noted that as per para 10(b) of PPP-MII Order, Procuring entities shall endeavour to see that eligibility conditions, including on matters like turnover, production capability and financial strength do not result in unreasonable exclusion
of local suppliers who would otherwise be eligible, beyond what is essential for ensuring quality or creditworthiness of the supplier. Therefore, eligibility conditions, including on matters like turnover, production capability and financial strength in the tender should be in consonance with the approximate tender value/quantity. Further, Ministry of Health & Family Welfare has already issued directions that foreign certifications, such as CE/USFDA, should not be mandatory for bid participation and equivalent Indian certification should be given. Therefore, inclusion of such certification is discriminatory against domestic suppliers.

Ministry of Health & Family Welfare was requested to review the matter and provide their comments/ action taken to the Standing Committee at the earliest.

It was also decided that M/o H&FW may issue directions to all the AIIMS for compliance of PPP-MII Order and desist from inclusion of such discriminatory or restrictive conditions against local suppliers.

(Action: Ministry of Health & Family Welfare)

Agenda No. 8.7 : Grievance raised by Telecom Equipment and Services Export Promotion Council (TEPC)

The grievance of the representative of the complainant M/s TEPC was heard. TEPC has complained regarding tender issued by PGCIL for procurement of Telecom equipment(DWDM) package –U under Augmentation of Telecom Backbone and access Network. TEPC has complained that following restrictive conditions have been included in the tender:-

(i) Turnover criterion of Rs. 138 crore per year for best last three years out of 5 years is far high than the government policy for micro and small units at Rs 5/75 crores.

(ii) clause 2(b) of the tender prescribing “experience for Indian bidder to have installed, tested, and commissioned at least 25 add drop nodes of 32 channels 10G or above DWDM system in one or more contracts in last 7 years, which should have been in satisfactory operation” restrictive for local bidder.

It was noted that as per para 10(b) of PPP-MII Order, Procuring entities shall endeavour to see that eligibility conditions, including on matters like turnover, production capability and financial strength do not result in unreasonable exclusion of local suppliers who would otherwise be eligible, beyond what is essential for ensuring quality or creditworthiness of the supplier. Therefore, eligibility conditions, including on matters like turnover, production capability and financial strength in the tender should be in consonance with the approximate tender value/quantity.

Ministry of Power was requested to review the matter and provide their comments/ action taken to the Standing Committee at the earliest.

(Action: Ministry of Power)
Agenda No. 8.8 : Grievance raised by Telecom Equipment and Services Export Promotion Council (TEPC)

The grievance of the representative of the complainant M/s TEPC was heard. TEPC has complained regarding tender issued by Universal Service Obligation Fund (USOF), Dept. of Tele communication tender No. USOF/TENDER/ANI/30-174-7/2018, dated: 04-06-2018, for provision of mobile services in identified uncovered villages and seamless mobile coverage along with national highways in Andaman and Nicobar Islands. TEPC has complained that the provisions of PMA policy has been completely ignored by USOF in tender for provision of mobile services in Andaman & Nicobar Islands.

The Standing Committee also discussed the issue regarding applicability of PPP-MII Order to the Bharat Net-2 programme, which was raised by M/s Tejas Network. The issue was earlier deliberated in the 3rd Standing Committee meeting held on 23.4.2018 in which, following views were expressed:-

“The grievance of the representative of the complainant M/s Tejas Networks was heard. The representatives of the Department of Telecom informed that approval of the Cabinet was obtained in the year 2017, where the State Governments were authorised to adopt higher standard of technology at their own cost. Accordingly, the IP MPLS Technology, which is superior, is being adopted by a number of States like Maharashtra etc. He further stated that in Chattisgarh, the additional cost due to superior technology is borne by the State. As regards the issue of procurement of different routers from the same Vendor (Agenda No 5.4), the representative of DoT clarified that if different routers are procured from different vendors, there will be issues of compatibility.

After deliberations the following observations were made:

i. A Standing Committee under the PPP MII Order cannot go into the technical specifications or technology being adopted, which is within the purview of the concerned Department/ Ministry/ Procuring Agency.

ii. Further, it was noted that a decision to adopt higher technologies has been taken with the approval of Cabinet and the cost is being partially borne by the State Governments also. The PPP MII Order is not applicable to procurement by State Governments. In view of this, no directions can be given to DoT/ concerned State Governments with regards to the tender being issued for the Bharat Net Programme as pointed out by M/s Tejas Networks.

iii. Further, as regards the procurement of all routers from the same vendor, MeITY has already given a justification in this regard if the complainant has any justifications/ comments on the same. They may be raised again with proper justifications.”

It was placed before Standing Committee that under the Bharat Net-2 programme, even though the procurement is undertaken at the State level, funding is substantially by the Central Government.
In this regard, the following decision taken in the CoS meeting dated 21.5.2018, was also noted:-

“Central Ministries/Departments may specify in all Central Sector Schemes/ Centrally Sponsored Schemes (CS/CSS) that the procurement made by States and Local Bodies would come within the purview of PPP-MII Order, if that project / scheme is fully / partly funded by Government of India.”

In view of the above, the Standing Committee decided that the PPP-MII Order is applicable to procurement under Bharat Net-2 programme as also other projects funded from USOF. The decision taken in the 3rd Standing Committee meeting held on 23.4.2018 stands modified to this extent.

Representative of Deptt. of Telecommunication informed that the necessary orders for compliance of PPP-MII Order in respect of USOF are being issued shortly. Deptt. of Telecommunications was requested to inform the Standing Committee after issuing the Orders.

(Action :Dept. Of Telecommunication)

**Agenda No. 8.9 : Grievance raised by M/s Coral Telecom Limited**

The grievance of the representative of the complainant M/s Coral Telecom Limited was heard. The company has complained regarding tender issued by Workshop Projects Organisation, Patna under Ministry of Railways for supply of Supply, installation, testing and commissioning of Voice communication system with facility of LAN connectivity, Wi Wi-Fi, Internet/Railnet and BSNL connectivity through a secured wireless link (Licence free) in Staff colony, Staff rest house, Health unit at Rail Wheel Plant, Bela. The company has complained that tender has asked for Server/Media Gateway of Gartner’s Magic Leader quadrant Product and the Gartner Magic Quadrant is a foreign certification body. Gartner Leader Magic Quadrant clause in the tender is restrictive for participation of domestic manufacturer.

It was noted that the Gartner Magic Quadrants is a research methodology and visualization tool for monitoring and evaluating the progress and positions of companies in a specific, technology-based market by Gartner, a company based in USA.

The matter was deliberated and it was concluded that specifying one certification body, and that a foreign one like Gartner, appears to be a restrictive clause against local suppliers. The Ministry of Railways should review the tender for suitable modification of this clause.

(Action :Ministry of Railways)

**Agenda No. 8.10 : Grievance raised by Shri Vikrant Life Sciences Pvt. Ltd.**

The grievance of the representative of the complainant M Shri Vikrant Life Sciences Pvt. Ltd. was heard. The company has complained regarding tender issued by
PGIMER Chandigarh for purchase of sutures and suture material due on 28.08.2018. The company has complained that PGI has incorporated the turnover clause of Rs. 200 Crores per year for the last 3 years in the tender, while the value of the items to be procured is about Rs.10-12 crores. Further, they have asked for CE marked /US FDA certification.

It was noted that the initial tender, which was due on 31.07.2018, had a minimum turnover criteria of Rs.200 crore and above per annum for the last three years. It also contained compulsory certification by USFDA/CE (European). Subsequently, the revised tender which is due on 23.08.2018 has included certification by USFDA/CE (European)/ WHOGMP/ ISO 13485 and turnover requirement of Rs.200/ Rs.100 crore for different kind of sutures/sutures material. It was revised again in the tender due on 28.8.2018, with revised turnover requirement of Rs.100/ Rs.50 crore.

It was noted that as per para 10(b) of PPP-MII Order, Procuring entities shall endeavour to see that eligibility conditions, including on matters like turnover, production capability and financial strength do not result in unreasonable exclusion of local suppliers who would otherwise be eligible, beyond what is essential for ensuring quality or creditworthiness of the supplier. Therefore, eligibility conditions, including on matters like turnover, production capability and financial strength in the tender should be in consonance with the approximate tender value/quantity. Further, Ministry of Health & Family Welfare has already issued directions that foreign certifications, such as CE/USFDA, should not be mandatory for bid participation and equivalent Indian certification should be given. Therefore, inclusion of such certification is discriminatory against domestic suppliers.

Ministry of Health & Family Welfare was requested to review the matter and provide their comments/ action taken to the Standing Committee at the earliest. It was also decided that M/o H&FW may issue directions to all the AIIMS for compliance of PPP-MII Order and desist from inclusion of such discriminatory conditions against local suppliers.

**(Action : Ministry of Health & Family Welfare)**

**Agenda No. 8.11 : Grievance raised by M/s Paharpur Cooling Towers Ltd.**

The grievance of the representative of the complainant Paharpur Cooling Towers Ltd. was heard. The company has complained regarding Tender issued by BHEL for ACC Package required in NTPC 3 X 800 MW Patratu Project. They have complained that in the tender floated by BHEL for procurement of Air Cooled Condensers, the terms have been designed to favour foreign suppliers. Further, the bid document does not indicate that Public Procurement (Preference to Make in India) Order, 2017 (PPP-MII Order) is applicable, nor does it provide for 20% purchase preference to domestic suppliers or specify any minimum local content.
It has also been pointed out by the company that an earlier tender (for 660MW plants) had as qualifying criteria, the supply of 1 Air Cooled Condenser (ACC) for 200 MW Power Plant which has been in commercial operation for at least one year. But now the qualification criterion has been raised to 500 MW (for an 800MW plant), whereas the complainant meets the condition for a 300 MW Plant. It is alleged that the qualifying bar has been raised so high only to keep Indian bidders out of the fray. The complainant thus claims that the terms of the tender have been designed to favour foreign suppliers. Further, the tender stipulates that the factory for which the equipment will be supplied should be the one used in the earlier project. However, the main tender of NTPC, which is the client on whose behalf BHEL is undertaking the procurement, had no such requirements for factory qualification. This clause effectively excludes the use of M/s PCTL’s Vadodara facility for manufacture of tube bundles.

The matter was raised with Dept. of Heavy Industry. DHI vide D.O. letter dated 27.07.2018 conveyed that the said tender was floated by BHEL based on the Pre-Qualification Requirements (PQRs) formulated by NTPC in its tender floated on 31.08.2016, before the issue of DIPP’s order dated 15.06.2017, and thus implying that the PPP-MII Order would not be applicable.

It was noted as the BHEL tender for ACC Package for 3x800 MW Patratu Project was issued only on 14.11.2017, i.e. after the PPP-MII Order had come into force, as such, the provisions of PPP-MII Order are definitely applicable to the procurement undertaken by BHEL. Also, BHEL has included the stipulation that the factory for which the equipment will be supplied should be the one used in the earlier project. However, the main tender of NTPC, which is the client on whose behalf BHEL is undertaking the procurement, had no such requirements for factory qualification. Therefore BHEL has changed the conditions stipulated in the tender of NTPC.

The matter was deliberated and the Standing Committee was of the view that PPP-MII Order is applicable in the above tender. Accordingly, Ministry of Power should issue directions to NTPC and BHEL for compliance of the PPP-MII Order. As regards to “qualification criteria of 500 MW/300 MW and the requirement that factory for which the equipment will be supplied should be the one used in the earlier project”, Ministry of Power may examine the issue and decide on suitability of including these conditions in the tender by BHEL. Ministry of Power may also ensure that no discriminatory and restrictive conditions against domestic suppliers are included in the tender.

(Action : Ministry of Power)

The meeting ended with the vote of thanks to the Chair.

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List of Participants – Fourth Meeting of SCM on Implementation of “Public Procurement (Preference to Make in India) Order, 2017” on 27.08.2018 at 2.30 pm in Room No. 152, Udyog Bhawan, New Delhi

1. Sh. Ramesh Abhishek, Secretary, DIPP
2. Dr. Subhash Chandra Pandey, SS&FA, DIPP
3. Sh. Rajiv Aggrawal, Joint Secretary, DIPP
4. Smt. Rasika Chaube, AS, Ministry of Steel
5. Dr. N.K. Singh, Joint Secretary, M/o Mines
6. Sh. A.N. Sharan, Joint Secretary, Ministry of New & Renewable Energy
7. Sh. R.K. Pathak, DDG IIC, D/o Telecommunications
8. Sh. Mahesh Chandra, Railway Board
9. Sh. S. L. Marwaha, Director, MeitY
10. Sh. D.K. Madan, Director, D/o Chemicals & Petro Chemical
11. Dr. Anindya Sinha, Project Adviser, M/o Coal
12. Sh. Rajiv Kumar, Economic Adviser, Department of Defence Production
14. Sh. Janardan Prashad, Director, Ministry of Housing & Urban Affairs
15. Sh. Rajeev Kumar, D/o H&FW
16. Sh. Sanjay Aggrawal, Director, Deptt. of Expenditure
17. Sh. Kuldeep Kumar Sahrawat, Director, DoT
18. Sh. K.K. Tiwari, I.A. DHI
19. Sh. A. Mahendru Balraj, SDO, DIPP
20. Sh. Sanjay Chavre, Sr.D.O, Ministry of Heavy Industry
21. Sh. H.K Nanda, Director, Ministry of Telecommunications
22. Sh. A.Rastogi, Director, Ministry of Civil Aviation
23. Sh. Mukul Arya, US, MEA
24. Sh. Arun Kumar, US, D/o Financial Services
25. Sh. A.K.Choudhary, Depty Director, MSME
27. Sh. SP Sengupta, M/s LT Elevator
28. Sh. Jayesh Doshi, M/s Omega Elevetors
29. Sh. Hartay S. Singh, M/s Paharpur Cooling Ltd.
30. Dr. Vijay Koul, M/s Vikrant Life Sciences
31. Sh. Gautam Vora, Polygomma Pvt. Ltd.
32. Sh. Thayagarajan S., M/s EPS

*****
F.No. P-45021/127/2018-BE-II
Government of India
Ministry of Commerce & Industry
Department for Promotion of Industry and Internal Trade
(Public Procurement Section)
Udyog Bhawan, New Delhi
Dated March 15, 2019

OFFICE MEMORANDUM

Subject: Minutes of 5th Standing Committee Meeting on Public Procurement (Preference to Make in India) Order, 2017 held on 06.03.2019 at Udyog Bhawan, New Delhi

The undersigned is directed to forward herewith a copy of the Minutes of 5th Meeting of the Standing Committee for Implementation of Public Procurement (Preference to Make in India) Order, 2017 held under the Chairmanship of Secretary, DPIIT on 06.03.2019 at 11:30 AM in Room No. 152, Udyog Bhawan New Delhi for further action at your end.

(D.V.S.P. Varma)
Under Secretary to the Govt. of India
Tele: 23061257
Email: dvsp.varma@nic.in

Encl.: As above

To

1. Chairman, Railway Board,
2. Secretary, Department of Commerce,
3. Secretary, MeitY
4. Secretary, Ministry of Road Transport & Highways
5. Secretary, Ministry of Textile
6. Secretary, Ministry of Petroleum and Natural Gas
7. Secretary, Ministry of Housing & Urban Affairs
8. Secretary, Ministry of Health & Family Welfare
9. Secretary, Department of Defence R & D and Chairman DRDO
10. Secretary, Ministry of Coal
11. Secretary, Department of Financial Services
12. Secretary, Ministry of Science & Technology
13. Secretary Department of Pharmaceutical
14. Secretary, Ministry of Steel
15. Joint Secretary, Department of Expenditure

Copy to:

1. PSO to SDPIIT
2. PPS to SS&FA
3. PPS to JS(RA)
Minutes of the 5th Meeting of Standing Committee for implementation of Public Procurement (Preference to Make in India) Order, 2017 held on 06.03.2019

5th Meeting of Standing Committee for implementation of Public Procurement (Preference to Make in India) Order, 2017 was held under the Chairmanship of Secretary, DPIIT on 06.03.2019. List of participants is attached.

2. Initiating the discussions, the Chairman welcomed the participants on behalf of DPIIT. A brief overview of various grievances received, alleging violation of PPP-MII Order, 2017, their pendency and nature of grievances was shared with the participants. It was noted that total 213 grievances have been received across Ministries/Departments, of which 109 have been resolved. Pendency of outstanding grievances across Ministries was also reviewed. Concern was expressed regarding the 21 grievances pending for more than 6 months, and 26 for more than three months.

3. It was emphasized that the grievances should be resolved within a period of 01 month, and in no case should it take more than three months. It was decided that unresolved grievances pending for more than 03 months may be reviewed by CoS; accordingly, a request is to be forwarded to the Cabinet Secretariat.

   (Action: All Ministries/Departments, PP Cell)

4. Category/nature of grievances received was also reviewed by the Committee. It was noted that majority of the grievances pertain to restrictive and discriminatory condition in the tenders, and specifying foreign brands. This is in spite of the directives in this regard already communicated to all the Ministries/Departments by Secretary, DPIIT and PS to PM. Such conditions in the tender can be considered as willful disobedience/non-compliance of the government instructions/orders. In this regard, it was also noted that CVC has issued directions to all the CVOs to exercise oversight on contracts over an amount of Rs. 5 Crores, so as to ensure that restrictive/discriminatory clauses against domestic suppliers are not included in the tender document for procurement of goods and services and that the tender conditions are in sync with PPP-MII Order, 2017. It was decided that all the cases with estimated purchase value exceeding Rs. 5 Crore, where violation of PPP-MII Order is observed, may also be referred to CVC.

   (Action: DPIIT)

5. The grievance of Metro Rolling Stock manufacturers, wherein local manufacturers suffer a price disadvantage of approx. 8.1% due to unutilized tax credit of input raw-material (GST on the final product is 5% whereas GST on most of assemblies/sub-assemblies is 12/18%), was deliberated in detail. Representative from MoHUA stated that the subject matter was also discussed in a meeting with Metro Rolling Stock manufacturers under chairmanship of JS(RA) in DIPP on 28.11.2018, wherein it had been decided that Metro Rolling Stock manufacturers shall submit their concerns in writing, including suggestions to resolve the problem. However, none of them submitted their response except M/s Bombardier. It was
decided that MoHUA shall coordinate with Metro Rolling Stock manufacturers and take their inputs. Thereafter, the issue will be taken up by DPIIT and MoHUA with D/o Revenue, and if required, placed before CoS for resolution.

(Action: MoHUA/DPIIT)

6. It was also decided that on all grievances wherein stakeholders have requested for review of PPP-MII provisions, inputs may be taken from Department of Expenditure (DoE) also for effective resolution of such grievances.

(Action: DoE/DPIIT)

7. Thereafter, each agenda point was discussed, and the decisions taken thereto are detailed below.

8. Agenda 1: Notification of Minimum Local Content (MLC) by Nodal Ministries/Departments

8.1 It was noted that following Nodal Ministries/Departments have not issued notifications for minimum local content for the sectors indicated below:

a. Department of Defence (All Defence Works)
b. Ministry of Power [Power (generation, transmission and distribution)]

Department of Defence and Ministry of Power should notify MLC Notifications for their respective product segments on priority.

(Action: Department of Defence/Ministry of Power)

8.2 Department of Pharmaceuticals' MLC and PMP notifications, wherein pharma products have been classified into broad categories of (a) Pharma products manufactured in India, and (b) Pharma products not manufactured in India, were deliberated. The DoP representative stated that the categorization has been done after consultation with various procuring agencies, and they are able to identify the drugs easily on this basis. The Standing Committee accepted this clarification, and observed that this issue will be re-visited if any procuring agency raises it in future.

(Action: Department of Pharmaceuticals)

8.3 It was noted that MoPNG has issued purchase preference policy for procurement by all agencies under it, which includes even items for which MoPNG is not the Nodal Ministry. It was decided that while MoPNG may notify purchase preference policy to be followed by its agencies with approval of Cabinet, they can notify the minimum local content for Gas and Oil related products only, for which MoPNG is the Nodal Ministry. As regards other product segments, the MLC notified by the concerned nodal department has to be followed by all entities, including those under MoPNG. Further, MoPNG was requested to consider aligning its purchase preference margin from 10% to 20% (from existing 10%), in line with PPP-MII Order.
8.4 It was noted that **M/o Railways** has issued general notification that MLC shall ordinarily be 50%. All the cases requiring variation of MLC shall be considered only by Ministry of Railways on case to case basis. The **M/o Railways** representative intimated that the general notification is being reviewed to notify the MLC on the basis of item/broad category of items/ sub-assemblies. M/o Railways was requested to review its MLC notification in a time-bound manner.

(Action: Railway Board)

8.5 Standing Committee also expressed concerns over the extra ordinarily long time taken for approval of vendors by agencies like RDSO/ Defence etc, thereby causing unnecessary harassment to local suppliers. Committee directed that vendor approval process, wherever required, should be done in time-bound manner.

(Action: All Departments)

8.6 It was noted that **Ministry of Steel** has issued a modified draft purchase policy, wherein the no. of items have been increased from 11 to 59 (15+31+13 – in different categories). Also, the Policy shall be applicable for purchase cases beyond estimated value of Rs.25 Crores, as against earlier policy of Rs. 50 Crores. The draft policy circulated by MoS is under examination in DPIIT. Comments may be furnished on priority.

(Action: DPIIT)

8.7 It was noted that Ministry of Textile is yet to issue **MLC notification for technical textiles**, which is held up for want of inter-ministerial consultation and concurrence between MoD, MHA and MoT. In the CoS meeting held on 3rd Jan, 2019, it was decided that Standing Committee shall resolve inter-ministerial issues. Accordingly, it was decided to convene a separate meeting on the subject under chairmanship of SS&FA, associating representatives from MoD, MHA and Ministry of Textiles to resolve the issue.

(Action: DPIIT/ MoT/ MHA/ MoD)

9. Agenda 2: Deleting Ministry of Road Transport & Highways (MoRTH) from List of Nodal Ministries

9.1 It was decided to **delete MoRTH from the list of Nodal Ministries** since most of the products for which MoRTH is the nodal Ministry are the products in respect of which other Ministries are the nodal Ministry.

(Action: DPIIT)

10. Agenda 3: Minimum Local Content (MLC) under PPP-MII Order for manufacturers of Forged wheels for requirement of Ministry of Railways
10.1 Regarding M/s Bonatrans request to reduce MLC for forged wheels procured by Railways from present value 50%, as they are manufacturing this item in India with lesser value addition, representative from M/o of Railway clarified that they have re-examined the matter pursuant to CoS meeting held on 03-01-2019. He clarified that there is no manufacturer in the country for this item with sufficient local content. M/s Bonatrans also imports the forged blanks from abroad, and does certain machining activity only in the country. As such, M/o of Railway representative opined that they do not find any merit in reducing the MLC requirement for forged wheel. Representative from Ministry of Steel did not attend the Meeting. It was considered that it is the Nodal Ministry’s responsibility to notify MLCs. M/o of Railway, as a Nodal Ministry, have re-examined the matter based upon discussion held in grievance review meeting held on 12.11.2018 and COS meeting held on 03.01.2019. Hence, this matter may be treated as closed.

11. Agenda 4: Grievance raised by Association of Indian Medical Device Industry (AIMeD) and M/s Prognosys, Bangalore.

11.1 AIMeD alleged that (a) M/s HLL Infra Tech Services Ltd. (M/s HITES) tender for procurement of 6 units of Digital X-ray 1000 mA, and (b) Kalawati Saran Hospital in its tender for procurement of Digital Flat panel 800 mA, have indicated following restrictive conditions:

- All three major components (X-ray tube, Generator & Flat panel detector) should be USFDA or European CE Certified individually and the detector its image acquisition software should be from the same company & US FDA certified.

- Out of X-ray tube, Generator & Flat panel detector, at least 2 should be from the same manufacturer of the main (complete) system.

11.2 AIMeD alleged that the above requirements is discriminating against Indian manufacturers, while favoring the MNCs, as Indian manufacturers (including MNCs in India) may not be making all components in-house. Further, a no. of them do not aim to sell to USA or Europe presently, and hence may not have the regulatory approval of USFDA/European CE.

11.3 M/s Prognosys also sent their grievance against the subject tender of M/s HITES and Kalawati Saran Hospital. They have claimed that they are Bengaluru based company and acknowledged market leader in digital imaging and digital healthcare. They specifically requested that the following clause of tech specs should be deleted,

"Out of X-ray tube, Generator & Flat panel detector at least 2 should be from the same manufacture of the main (complete) system."

11.4 M/s Prognosys alleged that this is a restrictive practice started and pushed by a cartel of foreign based companies to ensure that the tender field is limited. M/s Prognosys has also brought out that in one of the recent tenders floated by AIIMS, Jhajjar, Haryana, the technical specifications consisted of specifications similar to the
above. Upon representation by various companies, the tender committee subsequently amended the specifications and the above clause was removed and thus made more equitable for participation.

11.5 It was considered that stipulating restrictive eligibility criteria like mandatory USFDA or European CE certification is in violation of PPP-MII Order, advisory by the MoHFW as also the guidelines issued by Nodal Ministry i.e. Dept of Pharmaceuticals on the subject.

11.6 As regards the requirement of “Out of X-ray tube, Generator & Flat panel detector at least 2 should be from the same manufacture of the main (complete) system”, it is particularly important to note that, as claimed by M/s Prognosys, other leading institutions like AIIMS Jhajjar have removed aforesaid condition to allow wider participation. In case this criterion is required for technical or quality reasons, then the same needs be justified.

11.6 Representative from Kalawati Saran Hospital informed the committee that the subject tender is being modified to have broad based generalized specifications.

11.7 Representative from HITES stated that 2 out of the 3 components should be from the same manufacturer for better sync of the equipment and performance. He also stated that in the absence of aforesaid requirement, the equipment emit more radiation which is dangerous for the patients, being screened. Rep. from M/s Prognosys countered the points put forth by M/s HITES stating that there is no such requirement in CT Scanning Machine, which also perform similar function with similar components.

11.8 It was decided that M/s HITES and Kalawati Saran Hospital shall review the tender conditions, and remove the mandatory provision of USFDA/ CE certification in line with the advisory of MoHFW. Further, as regards the condition of 2 components being from same manufacturer, the same shall be removed; in case this criterion is required for technical or quality reasons, a justification on the same shall be placed before the Standing Committee for decision. MoHFW may also examine such conditions in other tenders and issue necessary directions to all procuring agencies.

(Action: MoH&FW/M/s HITES/Kalawati Saran Hospital)

12. Agenda 5: Grievance raised by M/s Jindal Steel and power (JSPL).

12.1 M/s JSPL alleged that qualification criteria in Pune Metro Rail project have been restrictive for the domestic manufacturers. They alleged that it has been deliberately changed to keep Local Manufacturers out of the bidding process. M/s JSPL briefed the case as under:

Experience Requirement in the initial bid document

- Supply of minimum quantity of 90,000 (0.09 Million) MT of rails during last seven years, out of which minimum 45000 MT of rails should have been supplied to countries outside the country of production.
- Out of rails supplied to other countries, **18000 MTs** of Rails supplied should be Head Hardened in last seven years as per International Standards similar to be procured in this contract. At least 9000 MT of such supplies should be of (UIC 60) or similar Rail profile section similar to present bid.

**Experience Requirement in the Revised bid document**

- Supply of minimum quantity of 90,000 (0.09 Million) MT of rails during last seven years, out of which minimum 45000 MT of rails should have been supplied to countries outside the country of production.

- Out of rails supplied to other countries, **22,500 MTs** of Rails supplied should be Head Hardened in last seven years as per International Standards similar to be procured in this contract. At least 20% of such supplies should be of (UIC 60) or similar Rail profile section similar to present bid.

M/s JSPL claimed that they have supplied **19,996 MTs** (as against tender requirement of **22,500 MTs**) to Iranian Islamic Republic Railways.

**Profitability Requirement**

12.2 M/s JSPL also brought out that profitability requirement indicated by Pune Metro in its tender also requires change to following extent to allow them to bid for the project:

**Existing provision regarding profitability:**

- Profit before tax should be positive during last two years or any three years, out of last five audited financial years. In case JV- The profitability of only lead firm shall be evaluated.

**Changes suggested**

- Profit before tax should be positive during any one year, out of last five audited financial years.

They have further stated that aforesaid changes are required since steel sector in India was under stress in the last few years.
12.3 M/s JSPL also claimed that leading Metro Rail Corporations such as DMRC and BMRCL has already qualified the technocommercial bid of M/s JSPL. Also, they are the established proven supplier to Indian Railways and have already supplied 53000 MTs of Rail to Indian Railways in 03 months out of contracted quantity of 97400 MT Rails.

12.4 Representative from Pune Metro/MMRCL did not attend the meeting. However, representative from MoHUA informed the committee that they have already taken up the matter with the concerned authorities with the directions to ensure that the tender terms and conditions are not restrictive/discriminatory for the local suppliers. It was decided that MoHUA shall submit Action Taken Report to the Standing Committee.

12.5 It was further observed by the Committee that enhancing the condition of rails supplied from 18,000 MT to 22,500 MT seems to be with malafide intent, and the same is to be referred to CVC for strict action against the erring officials.

(Action: MoHUA/Pune Metro/ DPIIT)

13. Agenda 6: Grievance raised by Shri Praveen Mahajan of M/s Aludecor.

13.1 Shri Praveen Mahajan alleged that National High Speed Rail Corporation Ltd (NHSRCL) has considered only International brands in their pre-approved list of Aluminum Composite Panel (ACP). Local capable suppliers do not appear in the approved list.

13.2 Rep. of NHSRCL stated that detailed technical specification of Aluminum Composite Panel (ACP) cladding has been mentioned in the bid document. He also clarified that NHSRCL’s bid document also indicated the list of Makes of acceptable ACP cladding material supplier based on a random market survey, which include “Alucobond” – being manufactured locally in Pune. Other Brands mentioned include Reynobond, Alcopla, and Alpoli- imported brand available in Indian market through local suppliers. It was also noted that technical specifications of Aluminum Composite Panel (ACP) indicated by NHSRCL in their bid documents are based upon British Standards/Global Standards and not the Indian standards.

13.3 The matter was deliberated in detail and it was considered that mentioning of foreign brand in pre-approved list is in violation of the letter and spirit of PPP-MII Order, as it restricts the participation of Indian manufacturers in the bidding process. Also, the technical specifications mentioned in the bid documents should incorporate local Indian standards and not the foreign standards. As such, it was considered that NHSRCL is not providing fair and equal opportunity to local suppliers to participate in its bidding process for supply of ACP material.

13.4 It was decided that NHSRCL shall modify its bid documents to exclude specifying any foreign make/brand in its bid document. Rather, broad based generalized specification, based upon local governing standards shall be
formulated and indicated in the bid documents. Railway Board/ NHSRCL shall submit Action Taken Report to the Standing Committee.

(Action: Railway Board/NHSRCL)

14. Agenda 7: Grievance raised by M/s Bharat Forge.

14.1 M/s Bharat Forge alleged that Turbo Wheel Impeller Balance ASSY for 4500 HP Locomotive Engine regularly used at DLW Varanasi has been developed by them after making huge investment under Make in India Program. Hitherto there was no indigenous source available and this assembly was imported from USA. Representative of M/s Bharat Forge alleged that although they being the indigenous supplier, who developed this item for Railways under Make in India program, DLW is inclined to import the item through the Delhi based trader, who is importing the item from USA/Mexico.

14.2 M/s Bharat Forge also alleged that Indian Railways has not indicated HSN code in its tender for the item. As a result thereof, Delhi based trader, who is importing this item from USA, is supplying the same with 5% GST whereas this item falls under the category of 18% GST. He alleged that because of above, Delhi based trader is getting price advantage of 13%. He also alleged that Railway authorities took extra ordinarily long time in according approval for the product developed by them.

14.3 Representative from DLW clarified that they have given fair and equal opportunity to M/s Bharat Forge for supplying the items. He clarified that after approval of M/s Bharat Forge’s product from RDSO, DLW scrapped its already opened tender so that Bharat Forge may participate in the procurement process on equal footing. He also clarified that tenders are due for opening in the last week of March 2019 and also that there will be no discrimination against any local suppliers. The representative from M/s Bharat Forge confirmed this status.

14.4 In view of the fact that the tender has already been cancelled and fresh bids invited, the grievance may be treated as closed.

15. Agenda 8: Grievance raised by M/s Janak Positioning

15.1 M/s Janak Positioning alleged that on the GeM portal the bids are floated with specifications either mentioning the model number and make of particular company or they are putting the Bid with specification which favors only one of the suppliers. They also alleged that M/s Alterra Solutions has declared itself as a start-up company on GeM whereas it is a reorganized company of a previous company and it is a trading section of a large multinational company. Thus in the garb of start-up it is a getting undue benefit by declaring itself as a start-up. They have further stated that they contacted GEM portal to highlight this issue. However GeM has expressed its inability to control such bids as this is the GeM is only a facilitating portal.

15.2 Representative from GeM did not attend the meeting. Representative from Dept. of Commerce briefed the committee that GeM is based upon broad based generalized specifications and does not indicate any brand/make except in case of proprietary cases.
15.3 Standing Committee directed that GeM should make provisions in its portal so that only broad based generalized specifications are indicated during the procurement/bidding process. Standing Committee also directed that GeM should have provisions to verify the credentials/details of the bidders in terms of Rule 149 of GFR 2017.

15.4 Regarding the specific grievance of M/s Janak Positioning, Standing Committee requested DoC’s representative to coordinate a meeting of M/s Janak Positioning with CEO, GeM so that their specific grievance is addressed on priority.

15.5 It was decided that GeM shall submit Action Taken Report to Standing Committee.

(Action: Department of Commerce/ GeM)

15.6 The allegation of wrongful registration as a startup will be enquired into by DPIIT’s concerned Division & a report sent to the Standing committee

(Action: DPIIT)

16. Agenda 9: Grievance raised by M/s HYT Engineering

16.1 M/s HYT Engineering alleged that Maharashtra Metro Rail Corporation Ltd. in its tender has clubbed the procurement of various machine tool required for rolling stock Depot in a single package i.e. a supplier has to bid and supply all the machines. M/s HYT has alleged that because of aforesaid restrictive practice only large multinational companies can participate in the bidding process.

16.2 Representative from M/s HYT Engineering also alleged that the subject tender has eligibility criteria requirement of having supplied similar equipment to other countries outside India. He alleged that these conditions are restrictive for local manufacturers to participate in bidding process.

16.3 M/s HYT has claimed that although they have supplied more than 300 wheel lathes to various workshops/depots of Indian railway and metros like DMRC, Kochi and Jaipur metro etc., they cannot participate in the subject tender.

16.4 They have also alleged that PPP-MII order regarding 20% purchase preference have not been indicated by MMRCL in its tender.

16.5 Representative from Pune Metro/MMRCL did not attend the meeting. However, representative from MoHUA informed the committee that they have already taken up the matter with the concerned authorities with the directions to ensure that the tender terms and conditions are not restrictive/discriminatory for the local suppliers. It was decided that MoHUA shall submit Action Taken Report to the Standing Committee.

16.6 It was also observed that clubbing purchase of all machine under one tender, so as to effectively block domestic bidders, seems to be with malafide intent. The same is to be referred to CVC.

(Action: MoHUA/Pune Metro/ DPIIT)
17. **Agenda 10:** Grievance raised by M/s Jindal Stainless (Hisar) Ltd. (JSHL)

17.1 M/s JSHL alleged that in the recent tenders floated by VRDE for armoured vehicle programs, use of particular brands of imported material viz. Ex-SSAB, Sweden (Hull Envelope-Ramor 500, Bottom Plate-Ramor 400, Ribs Ramour 500, and differential Plate-Ramour300) have been indicated. M/s JSHL stated that they have developed armour grade High Nitrogen Steel in collaboration with DMRL, DRDO and JD1. M/s JSHL claimed that these material are better than those indicated for use in the RFP of VRDE for armoured vehicle program. They requested that under Make in India program, armoured grade steel products developed by them in collaboration with DMRL, DRDO and JD1 should be given fair opportunity to participate in aforesaid procurement.

17.2 Representative from VRDE did not attend the meeting. However, the representative from Defence R&D stated in the meeting that they will take up with procuring agency to modify its tender documents to ensure that they are not restrictive/discriminatory for the local suppliers. It was decided that Defence R&D shall submit Action Taken Report to the Standing Committee.

(Action: Deptt of Defence R&D/ VRDE)

18. **Agenda 11:** Grievance raised by M/s Omega Elevators and M/s L.T. Elevators.

18.1 M/s Omega elevators alleged that CPWD in its tenders for procurement of Lifts for Red Fort, Rampart Area, New Delhi, as also for several other places, have mentioned foreign make/brands for procurement, thereby excluding Indian manufacturers from bidding. M/s LT Elevators also alleged that Chief Engineer Navy, MES Vizag, is procuring lifts of few foreign make MNCs, thereby excluding Indian manufacturers from participation.

18.2 Representative from CPWD informed the committee that they have already issued directions to all procuring agencies to cancel the tenders which mention specific brands/makes in its bid documents. Further the procuring agencies have been directed to procure the items with broad based generalized specs.

18.3 Representative from Ministry of Defence/Chief Engineer (Navy) Vizag, did not attend the meeting. **Standing Committee directed that MoD/Chief Engg (Navy) Vizag shall invite the bids with broad based generalised specifications without mentioning any foreign make/brand.**

18.4 **Action Taken Report shall be submitted by MoHUA/CPWD and Department of Defence/Chief Engineer (Navy) Vizag to the Standing Committee.**

(Action: MOHUA/CPWD and Deptt of Defence/CE (Navy) Vizag)
19. Agenda 12: Grievance raised by M/s Bharat Pumps & Compressors (BPCL)

19.1 M/s BPCL alleged that in ONGC tender for procurement of 27 nos. of Oil Rigs, which inter-alia includes 62 nos. of mud pumps, M/s BPCL name has not been included in the list of “Preferred vendors”. M/s BPCL further alleged that in aforesaid tender, three International brands have been mentioned as “Preferred vendors”.

19.2 M/s BPCL claimed that they are domestic manufacturer and the leading supplier of Mud Pumps to ONGC. It has already supplied nearly 225 nos. of Mud Pumps to ONGC in the past, which are working satisfactory at various sites over the years. They have further claimed that they fully meet the required manufacturing and supply experience as per the tender documents i.e. manufacturing experience of 10 years and having supplied minimum 05 nos. of pumps to ONGC of the tendered capacity/rating. Despite above, their name has not been included in the list of “Preferred Vendors”.

19.3 Representative from M/s BPCL did not attend the meeting. Representative from M/s ONGC briefed the committee that M/s BPCL could not make supplies for the orders placed in 2017 because of financial crisis. He further clarified that since M/s BPCL is not in position to make any supplies, their name was not included in name of preferred vendors. It was decided that ONGC shall give its reply in writing to Standing Committee, for consideration.

(Action: MoPNG/ ONGC)

20. Agenda 13: Grievance raised by M/s STP Limited

20.1 M/s STP Limited alleged that for drinking water pipe line projects, consultants are specifying inner non-metallic coating for the pipe lines projects as per BS 6920 Standard (testing of Non-metallic components with regards to their effect on the quality of water). BS 6920 Standard in turn requires WRAS/NSF Certifications. WRAS is a UK based laboratory whereas NSF is a USA based laboratory. They have requested that instead of BS 6920 Standard, the specifications should indicate BIS Standards IS 16676-2017 (Specifications for solvent less epoxy system for application on interior or exterior surface of steel water pipe line to be used for Drinking Water), which require CFTRI-CSIR Certifications.

20.2 Representative from M/o Science and Tech. stated that M/s STP Ltd. letter is a suggestion for enforcement of BIS standards by various procuring agencies. Rep of M/s STP did not attend the meeting. It was noted that M/s STP has not given specific details for violation of PPP-MII order. It was decided that M/s STP may be advised to give specific details of procurement cases for alleged violation of PPP-MII order, which may then be taken up properly with the procuring agencies.

(Action: DPIIT)

21. Agenda 14: Grievance raised by M/s Perto India Private Limited
21.1 Representatives from M/s Porto intimated that they are 100% subsidiary of M/s Porto S.A., who has invested more than Rs. 300 Crore in a factory set up in Jaipur to establish a manufacturing facility to manufacture cash dispenser/ATM. They have just started its commercial production in April 2017 and being a new company, it is very difficult for them to participate in Public Sector Banks’ tender as among other eligibility criteria, it includes

   a. Turnover of Rs.100/300 Crores from ATM/CDs/Cash Recycler In Indian market
   b. Profit during the last 3 years
   c. Support centers in at least 50 locations India
   d. Minimum Installed base of 1000/8000 ATMs/CDs/Cash recyclers In India

21.2 Representative from DFS briefed the Committee that Secretary DFS has written to all the public sector banks to abide by the provisions of PPP-MII Order, and not to stipulate any restrictive conditions in the bid documents. Representative from DFS was requested to provide the copy of the letter and corrective actions taken by the respective banks.  

(Action: DFS)

22. Agenda 15: Grievance raised by M/s BHEL Ltd

22.1 M/s BHEL alleged that Central Electricity Authority introduced a new Route “6” for qualifying Indian Manufacturing Companies for supply of supercritical equipment for power utilities on their own without dependence on foreign Collaborator on 27th January, 2017. However, in the subject tender for 3x800 MW Talabira project, issued by NLC, Route 6 as a QR Criteria has been omitted. Non-inclusion of latest provisions of CEA Advisory i.e. Route “6” is detrimental to local manufacturers as it effectively debar Indian Companies to qualify on their own. Instead, local manufacturers are unduly forced to source products and components from its foreign collaborator and defeat the very purpose of “Make in India” initiative.

22.2 The subject case was also discussed in Grievance Review meeting held on 12.11.201 wherein it was decided that M/s NLC should amend their tender to include Route 6 in terms of CEA Guidelines. However, Action taken Report has not been received from M/s NLC.

22.3 Representative from M/s BHEL did not attend the meeting. Representative from M/s NLC briefed the committee that they have already issued the necessary amendments in the bid document to include Route 6 as a QR criterion in terms of CEA guidelines. Representative from NLC was requested to give a confirmation in writing to DPIIT.

(Action: Ministry of Coal/NLC)

23. Agenda 16: Grievance raised by M/s Electronic Payment and Services Pvt. Ltd.

23.1 Electronic Payment & Services Pvt. Ltd. (EPS) has complained that Punjab National Bank (PNB) and IDBI Bank have imposed restrictive conditions in the tenders floated by them thereby denying equal opportunity to local manufacturers.
M/s EPS has stated that following discriminatory conditions have been included in the tender documents of PNB/IDBI:-

(i) Bidder should have provided ATM Managed Services for at least 10,000 ATMs/BNAAs in India in the scheduled commercial Banks at any point of time during last one year from date of submission of Bids.

(ii) The bidder should be a financially strong company with an annual turnover of at least Rs.500 crores for the last financial year of 2016-17; should also have “Positive Net Worth” as per its latest audited balance sheet for the year ending 31st March, 2017.

(iii) The bidder should have its own bonafide support resources in the field to provide FLM/ SLM/ services to ATMs in at least 15 states across the country covering a minimum 100 centers.

23.2 The subject grievance of the firm was also heard in the 4th Standing Committee Meeting held on 27/08/2018 and also in the Grievance Review Meeting held on 12.11.2018. M/s IDBI justified the eligibility criteria saying it is commensurate with the size of procurement. However, on examination of the clarifications furnished by IDBI on each of the eligibility criteria, M/s EPS has alleged as under:

a. The RFP called for the provision of service of only 2814 existing ATMs plus 500 nos. of E-Surveillance solutions installation and management whereas the eligibility criteria requires that minimum of 10000 number of ATMs to be managed by intending bidders as on 25th January, 2018 and ATM Managed Service contract which have expired and ATMs which are in the process of transition/transfer will not be considered in considered in count of 10000 ATMs. As such there seems no correlation in the eventual size of the order and the qualification criteria incorporated.

b. The size of the annual contract is not more than 20 Crores. Hence, requirement of annual turnover of Rs. 100 Crores is restrictive.

c. M/s EPS has also alleged that other eligibility criteria like positive net worth for each of the 5 preceding financial years, requirement of minimum experience of 5 years and net profit in any 3 years of the past 5 preceding financial years are also restrictive as these have been designed to exclude specific local players.

23.3 Representative from DFS briefed the Committee that Secretary DFS has written to all the public sector banks to abide by the provisions of PPP-MII order and not to stipulate any restrictive conditions in the bid documents. Representative from DFS was requested to provide the copy of the letter and corrective actions taken by the respective banks.

(Action: DFS/PNB/IDBI)

24. Agenda 17: Grievance raised by M/s Polygomma Industries Private Limited

24.1 M/s Polygomma alleged that in M/s NBCC (India) Ltd. redevelopment projects like AIIMS Re-development Project/IIT Bhubaneswar/ Nouraji Nagar, New Delhi, EPDM Waterproofing Membrane of foreign make/ brands viz. Carlisle, Firestone
appear in the 'pre-approved list'. The name of 'Polygomma', a local manufacturer, which was earlier approved by NBCC, has been removed for the 'pre-approved list'.

24.2 Representative from M/s Polygomma did not attend the meeting. Representative from M/s NBCC apprised the committee that based upon DPIIT guidelines, M/s NBCC has made necessary provisions in the Works Manual (being followed by NBCC Officials in their day to day functioning) to take special care by the Tender Formation Committee (TFC) at the time of framing Tender documents including approved makes. The same is mentioned as below:

"TFC shall check the list of makes proposed by the Consultant with regard to compliance of Make in India (MII) order 2017 of DPIIT and recommend the same for approval by concerned RBG/SBG/ZH.

In case, where reputed MII makes are not available, names of only imported/ foreign makes should not be specified. Instead requisite specifications of the materials may be given in the Tenders."

24.3 Representative of NBCC also briefed that in none of their new tenders/tenders yet to be opened have any stipulation regarding foreign Make/Brand. However, in respect of the tenders which were awarded in 2017 and for which execution is presently under way, the contracts are being executed as per contract provisions. As such, he requested that the grievances of M/s Polygomma may be treated as closed. After consideration, it was decided to treat the grievance as closed.

25. Agenda 18: Grievance raised by M/s Joy Global (India) Ltd

25.1 M/s Joy Global (India) Ltd. raised the issue regarding non-compliance of PPP-MII Order, 2017 in the tendering process of Northern Coalfields Limited Shovel Tender for supply of 10 cum electric rope shovel. The company stated despite being L2 and within 1% margin of L1 (L1 being a foreign Company), the tender was likely to be awarded to the foreign company.

25.2 The subject case was also discussed in Grievance Review meeting held on 12.11.201 wherein M/s Northern Coalfields/ Ministry of Coal were directed to either award the tender as per provisions of PPP-MII Order or retender. NCL was directed to convey their decision in writing to DPIIT. However, Action taken Report has not been received from M/s NCL.

25.3 Representative from M/s NCL did not attend the meeting. Representative from M/o of Coal informed that he is not aware of the case and also that he will inform the same to DPIIT after ascertaining from M/s NCL shortly. This grievance is long-pending, and the M/o Coal was requested to provide an update expeditiously.

(Action: Ministry of Coal/ M/s NCL)
26. Agenda 19: Grievance raised by M/s BHEL, a PSU under the Department of Heavy Industry

26.1 M/s BHEL alleged that M/s ONGC in its global tender for procurement of 20 nos. of “Automated Hydraulic Work-over Rigs” has stipulated qualification criteria in respect of past experience, which preclude them from bidding process. BHEL further stated that they are the only domestic manufacturer of oil rigs of such capacity in India and has been supplying to oil exploration companies in India, the past experience for supply of such oil rigs is not available with them as tenders for such “Automated Hydraulic Work-over Rigs” have never been floated by ONGC or any other oil exploration company in the past. However, based on their experience of past four decades, they can supply these rigs as per tender requirements once the qualification criteria are made enabling.

26.2 Representative from ONGC stated that they revised the bid document so as to give local suppliers an equal opportunity to supply the subject item from their existing facilities without insisting for prior experience. No representative of BHEL was present in the meeting.

26.3 M/s BHEL did not participate in the tender, however, vide their letter, M/s BHEL has alleged that even in the revised bid documents, ONGC has stipulated requirement of past experience of supply of hydraulic rigs which is not available with M/s BHEL, and as such, they are unable to participate.

26.4 Committee considered that procuring entities should not incorporate any restrictive and discriminatory eligibility criteria regarding prior experience in the tender documents that unfairly exclude local manufacturers. The Standing Committee observed that M/s ONGC should re-examine the need of such prior experience criteria, keeping in view the relevance of such criteria vis-à-vis the ability of the bidders to execute the order as per technical specifications and quality norms, as also keeping in view the need to provide fair opportunity to local manufacturers to participate in the bidding process, and in line with the letter and spirit of the PPP Order. M/s ONGC will provide an action taken report to DPIIT for consideration.

(Account: MoPNG/ONGC)

27. Agenda 20: Inclusion of Department of Fertilizers in the List of Nodal Ministries

27.1 It was decided to notify “Department of Fertilizers” as Nodal Department for the product category “Fertilizers”.

The meeting ended with a vote of thanks to the Chair.
List of participants in the 5th Standing Committee Meeting PPP-MII Order held on 06.03.2019 in Udyog Bhawan, New Delhi

1. Sh. Ramesh Abhishek, Secretary, DPIIT
2. Dr. S.C Pandey, SS& FA, Ministr of Commerce & Industry
3. Sh. Rajiv Aggarwal, JS, DPIIT
4. Sh. M.K. Mishra, JS, DFS
5. Sh. Manish Shukla, ADG, DoT
6. Sh. D.K. Tulani, SE(E), CPWD
7. Sh. S.K. Marwaha, Director, Meity
8. Sh. Kamsehwar Choudhary, Consultant, DPIIT
9. Sh. Rajesh Gupta, Director, DPIIT
10. Sh. Rakesh Kumar, Director, DPIIT
11. Sh. Chandra Shekhar, ED(Engg), AAI
12. Sh. A.K., Bansal, JGM(L), AAI
13. Sh. B. C. Sharma, ONGC
14. Sh. S. Viswanathan, ONGC
15. Sh. Prashant Mishra, NHISRC
16. Ms. Anju Bhatta, DST
17. Sh. Manoj Agarwal, DLW
18. Sh. Rakesh Garg, CGM, NBCC
19. Sh. Manoj Kumar Gupta, M/o Railways
20. Sh. K. K. Marwaha, MoHFW
21. Sh. S.K. Mohanti, MoS
22. Ms. Remya Prabha, Deputy Director, Deptt. Of Pharmaceuticas
23. Sh. R.K. Choudhary, GM, IOCL
24. Mrs. Archana Bhurjwaj, IOCL
25. Dr. V.K. Sharma, Addl. MS, LHMC& SSKH
26. Dr. Ravinder Singh, D(F), DRDO
27. Ms. Arundhati Kandwal, HITES Noida
28. Sh. S.R. Jeevan Doss, UP(BME), HITES
29. Sh. S.K. Dhamija, DGM, PNB
30. Sh. Anil Kumar, AMS, Kalawati Saran Children Hospital
31. Sh. Randhir Singh, AD Medical Equipment, Canon India
32. Sh. V. Radhakrishnan, US, MoHFW
33. Sh. Umashankar Thakur, DS, Ministry of Coal
34. Sh. Sunil Monga, M/s Prognosis Medical
35. Sh. Rajiv Nath, Forum Coordinator, AiMED
36. Sh. Vijay Kumar Chama M/s JSPL
37. Ms. Richa Bhatta, M/s Janak Positioning Pvt. Limited
38. Sh. Umesh Bhattu, M/s Janak Positioning Pvt. Limited
39. Sh. Rajendra Singh, MHA
40. Sh. Jayesh Doshi, M/s Omega Elevators
OFFICE MEMORANDUM

Dated March 29, 2019

Subject: Minutes of 6th Standing Committee Meeting on implementation of the Public Procurement (Preference to Make in India) Order [PPP-MII Order 2017] held on 19.03.2019 at Udyog Bhawan, New Delhi

The undersigned is directed to forward herewith a copy of the Minutes of 6th Meeting of the Standing Committee for Implementation of Public Procurement (Preference to Make in India) Order, 2017 held under the Chairmanship of Secretary, DPIIT on 19.03.2019 at 17.00 Hrs. in Room No. 152, Udyog Bhawan New Delhi for further action at your end.

Encl: Eight pages

(D.V.S.P. Varma)
Under Secretary to the Govt. of India
Tele: 23061257

To

1. Chairman, Railway Board,
2. Secretary, Ministry of Petroleum and Natural Gas
3. Secretary, Ministry of Housing & Urban Affairs
4. Secretary, Department of Commerce
5. Secretary, Department of Telecommunication
6. Secretary, Ministry of Electronics & Information Technology
7. Secretary, Ministry of Steel
8. Joint Secretary (Public Procurement), Department of Expenditure
9. Managing Director, CRIS

Copy to:

1. PPS to SDPIIT
2. PPS to SS&FA
3. PPS to JS(RA)
4. SDO (AMB) /Director (RG)/ Director(RK)/Consultant(KC)
Minutes of the 6th Meeting of Standing Committee for Implementation of Public Procurement (Preference to Make in India) Order, 2017 held on 19.03.2019

6th Meeting of Standing Committee for implementation of Public Procurement (Preference to Make in India) Order, 2017 was held under the chairmanship of Secretary, DPIIT on 19.03.2019 at Udyog Bhawan New Delhi. List of participants is attached.

2. Initiating the discussions, the Chairman welcomed the participants on behalf of DPIIT. It was informed that the present meeting was for discussion on some important policy issues related to implementation of PPP-MII Order and issues faced by procuring agencies. Gist of discussion and the decisions taken on each of the agenda items is given below:

1. Definition of Local Supplier to be eligible for benefit of PPP-MII Order

1.1 CRIS had raised the issue regarding different definition of “local supplier” in PPP order issued by DPIIT, and that by Department of Telecommunication (DoT).

1.2 PPP-MII Order 2017 defines Local Supplier as “a supplier or service provider whose product or services offered for procurement meets the minimum Local Content as prescribed under this order or by the competent Ministries/Departments in pursuance of this order.” Hence, the supplier (who may not be the manufacturer/OEM of the offered product) offering a product which meets the stipulated local content requirements is also considered a local supplier.

1.3 DOT/ Nodal Ministry for Telecom products notification stipulates that the Local Supplier “has to manufacture equipments from component level in India and also develop local vendors for procurement of raw materials, components and parts for increasing local content... and meet Local Content (LC) criterion as prescribed in the notification”.

206
1.4 Mo Steel/ Nodal Ministry for Iron and Steel Products defines Domestic Manufacturer as "manufacturer of Domestically Manufactured Iron and Steel products (DMI&SP)". In turn, DMI&SP are defined as "those iron and steel products which are manufactured by entities that are registered and established in India, including in Special Economic Zones (SEZs) and meet the criteria of domestic minimum value-addition as mentioned in the notification".

1.5 MoPNG / Nodal Ministry for Oil and Gas Sector related products defines Domestic Manufacturer as "business entity or individual having business activity established under Indian Law and producing products domestically". MoPNG also says Domestic products shall be "goods and/or service (including design and engineering), produced by companies, investing and producing in India".

1.6 The matter was deliberated in detail and it was considered that multiple definitions of local supplier will create confusion for Procuring entities since a tender may consist of two or more items pertaining to different Nodal Ministries. As such, it was decided that the definition of Local supplier shall be as notified by DPIIT in its PPP-MII Order, and also that Nodal Ministries are not authorized/ permitted to change the basic definitions in PPP-MII Order.

1.7 It was also noted that the definition of local supplier, as notified by DPIIT in its PPP MII Order, is a broad based generalized specification that covers suppliers of both goods and services, as also works. Hence, all other Nodal Ministries should align their local supplier definition with PPP MII Order.

2. Definition of Local Content

2.1 It was noted that different Nodal Ministries have given different definitions of Local Content, which has led to ambiguity. PPP-MII Order 2017 defines Local Content as "the amount of value added in India which shall, unless otherwise prescribed by the Nodal Ministry, be the total value of the item procured (excluding net domestic indirect taxes) minus the value of imported content in the item (including all customs duties) as a proportion of the total value, in percent."
2.2 Mo Steel/ Nodal Ministry for Iron and Steel Products defines Value addition as "the difference between the net selling price and the landed cost of imported input steel (of immediate prior process) at a manufacturing plant in India".

2.3 DOT/ Nodal Ministry for Telecom products notification defines Local Content as "Minimum Local Content as a percentage of Total Bill of Material (cost of production)". DoT has also identified conditions for the inputs to be qualified as Local Content. For example Components like ICs/ Active & Passive Components/ PCBs/ Cables/ Chassis/ RF Components etc can be claimed as LC only if they are manufactured in India. There are conditions for "Hardware design" and "Software design and development" to be taken as LC and quantum of LC therein. Similarly, if a system or its subsystem is merely assembled/ integrated/ tested, then actual Local Content shall be taken as up to 10% only of the cost of system/ subsystem.

2.4 MoPNG / Nodal Ministry for Oil and Gas Sector related products has provided separate definition for local content for goods, services and EPC contracts which is as follows:

**Local Content in Goods**

Local Content in Goods shall be the use of raw materials, design and engineering towards manufacturing, fabrication and finishing of work carried out within the country.

**Local Content in Services**

Local Content in Services shall be use of services up to the final delivery by utilizing manpower (including specialist), working appliance (including software) and supporting facilities carried out within the country.

**Local Content in EPC contracts**

Local Content in EPC contracts shall be the use of materials, design and engineering comprising of manufacturing, fabrication, assembly and finishing as well as the use of services by utilizing manpower (including specialist), working appliance (including
software) and supporting facilities up to the final delivery, carried out within the country.

2.5 Pros and cons of definitions given by different Ministries/Departments as also the existing definition in PPP-MII Order were deliberated in detail. After due deliberation, it was decided that DPIIT shall prepare a revised draft definition of local content/domestic value addition, and thereafter circulate it to all Nodal Ministries/Departments and major Central procuring agencies for their comments. Thereafter, the matter may be placed again before the Standing Committee.

3. Self-certification of Local Content by bidder/manufacturer

3.1 CRIS has sought clarification regarding self certification by local suppliers in a bid. They have stated that in case of supplier (who is not the manufacturer/OEM of the offered product) offering a product which meets the stipulated local content requirements, the self certification regarding Local Content should be from manufacturer/OEM of the offered product rather than the local supplier.

3.2 After deliberations, it was felt that while only the manufacturer can be privy to details of local content in any goods, the PPP Order allows the bidder to self-certify local content up to a bid value of Rs 10 cr. Therefore, comments from various Nodal Ministries/Departments and major Central procuring agencies may be sought in this regard, and thereafter the matter may be placed again before the Standing Committee.

4. Providing suppliers details for items with sufficient local capacity by Nodal Ministry [Para 3(a) of PPP-MII Order]

4.1 CRIS has sought clarification that DOT has notified that for a few items there is sufficient local capacity and local and competition. However, details of suppliers have not been made available. CRIS has requested that all the nodal ministries may be advised to make available the details of local suppliers on their website.

4.2 The matter was deliberated in detail and it was considered that it may not be prudent to expect nodal ministries to make available details of all the local suppliers on their websites for following reasons:

- Nodal Ministry may not have comprehensive list of all the local suppliers and all plants at which they carry out manufacturing across the country.
• The list cannot be exhaustive.

• A supplier on the list might stop manufacturing or go below the mandated minimum local content for a particular good, and instead import it. It would thus no longer be eligible.

• New manufacturers or suppliers can keep entering the market, and would not be on the list.

• Nodal ministries do not have the wherewithal to undertake due diligence, and thereby certify, of the eligibility of the suppliers.

• Each product can come in a number of different configurations or specifications, and it may not be possible for the nodal ministries to capture all such variations in the list.

• If a procuring agency were to use such a list for the purposes of a limited tender, this could lead to allegations of bias.

5. Different Quantum of Purchase Preference (i.e. % of Order Quantity awarded to local supplier) in DoT notification as against 50% provided in para 3(b) of PPP-MII Order

5.1 CRIS has sought clarification regarding different Quantum of Purchase Preference (i.e. % of Order Quantity awarded to local supplier) in DoT notification as against 50% provided in para 3(b) of PPP-MII Order. They have stated that DOT notification indicates the quantum of purchase preference as 75% and 100% as against 50% stipulated in PPP MII Order. CRIS has pointed out that the DOT notification does not clearly indicate whether 100% PMI is applicable only for procurement with estimated value of Rupees 50 lakhs or less or even for higher values.

5.2 The matter was deliberated in detail and it was decided that Quantum of Purchase Preference (i.e. % of Order Quantity awarded to local supplier) is one of the basic tenets of the PPP-MII Order. Assigning different values to it by different nodal ministries will not only change the basic structure of the policy, but also create confusion for Procuring entities since a tender may consist of two or more items pertaining to different Nodal Ministries. As such, it was decided that DoT should align its Notification in line with PPP MII Order.

6. Applicability of PPP-MII Order in QCBS/ CQCCBS/ QBS etc methods of selection, not based on price alone
6.1 MoHUA has sought clarification regarding applicability of PPP-MII Order in QCBS/ CQCCBS/ QBS etc methods of selection, not based on price alone. They have stated that Faridabad Smart City SPV has issued RFP on QCBS method and have stated that PPP-MII Order is not applicable to them as selection is not based on cost alone. MoHUA has sought clarification on the implementation of PPP-MII order policy in such tenders.

6.2 After deliberations, it was noted that Para 3(c) of Order is applicable in procurements of indivisible goods or works, and services where the bid is evaluated on price alone.

6.3 Accordingly, it was decided that procurement of “Consulting Services”, as defined vide Rule 177 of GFR 2017, and amplified vide Paras 1.3.2 and 1.3.6 of “Manual for Procurement of Consultancy and Other Services 2017” issued by Department of Expenditure, Ministry of Finance, where successful bidder is selected not only on price but technical criteria also using QCBS, CQCCBS, QBS etc., are not covered under PPP-MII Order. Notwithstanding above, while undertaking such procurement using QCBS, CQCCBS, QBS etc., procuring agency should ensure that the discriminatory eligibility conditions are not included in the tender that result in exclusion of local sellers/ service providers.

7. Calculation of Minimum Local Content requirement in composite tenders (involving multiple items)

7.1 DOT has forwarded CRIS queries regarding implementation of PPP-MII Order for system Integration Projects i.e. for projects involving supply of different components with system integrator responsible for supply, commissioning & integration of quoted items in context of DOT notification.

7.2 During the deliberations it was noted that system integration project may involve supply of multiple components. One of the possible ways for calculating the MLC in any such particular bid could be as follows:

- Procuring entities may work out MLC requirement for the project by taking the weighted average of all the major components that individually account for at least 10% of the project cost.
- If the Nodal Ministries/ Departments have indicated MLC for any sub-assembly going into SI Project, the procuring entity shall calculate MLC requirement taking into account MLC for the sub-assembly as one component going into the project to calculate weighted average in a manner similar to above.
• If the Nodal Ministries/Departments have not indicated MLC for any of the items going into SI Project, the procuring entity shall calculate MLC requirement, presuming MLC for such major components as 50% as per para '5' of PPP MII Order.

• The bidders may indicate LC for all the major components which go in the SI projects and whose cost has been taken into consideration while working out MLC requirement. Weighted average of the LC, in the same proportion as was used for calculation of MLC requirement, shall be taken for calculating the Local Content in the bid.

7.3 It was decided that DPIIT will circulate a draft formulation for calculation of Minimum Local Content in a particular bid involving several components with varying MLC, to all Nodal Ministries/Departments and major procuring agencies for their comments before finalizing the matter.

8. Mandatory requirement of domestic manufacturing beyond certain threshold of procurement

8.1 Ministry of Steel's purchase preference policy stipulating mandatory manufacturing in the country for 11 notified products for all government purchases above Rs. 50 Crores, and MoHUA's stipulation in "Metro Rail Coach" tenders that minimum 75% of the tendered quantity of metro rail coaches shall be manufactured indigenously with progressively increased indigenous content, were deliberated.

8.2 It was considered that similar initiative should be taken by all the Nodal Ministries by identifying the high value items (beyond a particular threshold) being procured in the country on regular basis and specifying that a certain minimum percentage of these shall be mandatorily manufactured in the country.

8.3 It was noted that all the Nodal Ministries have already been requested to identify the high value items (beyond a particular threshold) being procured in the country on regular basis and specify that a certain minimum percentage of these shall be mandatorily manufactured in the country. It was decided that all the Nodal Ministries may again be requested to provide their comments on priority basis.

The meeting ended with the vote of thanks to the Chair.
List of participants in the 6th Standing Committee Meeting PPP-MII Order held on 19.03.2019 at Udyog Bhawan, New Delhi.

1. Shri Ramesh Abhishek, Secretary, DPIIT and Chairman, Standing Committee
2. Shri Rajiv Aggarwal, Joint Secretary, DPIIT
3. Shri Manoj Kumar Gupta, Executive Director, Railway Board
4. Shri Rajesh Kumar Pathak, DDG, DoT
5. Shri Kuldeep Sehorwat, Director, DoT
6. Shri Aman Sharma, Director, MoSteel
7. Shri Rohit Mathur, Director, MoPNG
8. Shri Janardan Prasad, Director, MoHUA
9. Shri S.K. Marwaha, Director, MoExpenditure
10. Shri Sanjay Aggarwal, Director, MoExpenditure
11. Shri Kamlesh Choudhuri, Consultant, DPIIT
12. Shri Rajesh Gupta, Director, DPIIT
13. Shri Arun Mahendu Balraj, SDO, DPIIT
14. Ms. Shashi Rawat, Section Officer, MoPNG
15. Shri A.K. Sirohi, GM (procurement), CRIS

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Minutes of the 7th Meeting of Standing Committee for Implementation of Public Procurement (Preference to Make in India) Order, 2017 held on 26.06.2019

7th Meeting of Standing Committee for Implementation of Public Procurement (Preference to Make in India) Order, 2017 was held under the Chairmanship of Secretary, DPIIT on 26.06.2019. List of participants is attached.

2. Initiating the discussions, the Chairman welcomed the participants. Action Taken Report for the decisions taken in 5th and 6th Standing Committee were reviewed. Brief Overview of various grievances received for violation of PPP-MII Order, 2017 including its pendency and nature of grievances were shared with the participants. It was noted that total 378 grievances have been received across Ministries/Departments. It was also noted that 231 out of these 378 grievances have been resolved. Pendency of outstanding grievances across Ministries was also reviewed. Concern was expressed that as many as 34 grievances are pending for more than three months, and 32 for more than six months. It was emphasized that the grievances should be resolved within a period of 01 month, but in no case should it take more than three months.

(Action required: DPIIT/MoT/MoHUA)

Agenda Point No. 2

3. It was noted that Ministry of Textile has not issued MLC notification for “Technical textiles”. Similarly, Department of Defence notification for MLC for “Defence Works” is awaited. It was decided that both these cases may be placed in Committee of Secretaries meeting.

(Action required: DPIIT)

Agenda Point No. 3

4. The question of applicability of ‘PPP-MII Order’ in conjunction with ‘MSME Policy’ of Government of India was deliberated. It was noted that DO letters were written to Secretary, MSME on the subject in the recent past. Representative from Ministry of MSME informed the Committee that they had discussions in their ministry on the subject yesterday and also that Ministry of MSME has communicated its view point to DPIIT. Representative from Ministry of MSME also informed the committee that Ministry of MSME is of the view that purchase preference should be given to MSE Units, including those owned by SC/ST and Women entrepreneurs, as per MSME Act. The comments of Ministry of Railways on the subject were also deliberated. It was decided that a separate meeting may be convened with Ministry of MSME associating other stakeholders to take a final view of the subject.

(Action required: DPIIT/Ministry of MSME)

Agenda Point No. 4
5. Various instances of not abiding with PPP-MII Order under the pretext that it is not part of procuring agency "Procurement Manual" were deliberated in detail. After due deliberations, Standing Committee issued following directions:

a. Ministry of Defence should amend its Defence Procurement Manual to mention applicability of PPP-MII Order, 2017 (as amended from time to time) on all procurement under its ambit as an enabling provision to facilitate procuring agencies under administrative control of Ministry of Defence to abide with it in letter and spirit.

b. AIIMS, New Delhi and Bureau of Civil Aviation Security (BCAS) should also amend their respective Procurement Manuals to mention applicability of PPP-MII Order, 2017 (as amended from time to time) on all procurement under its ambit.

c. All the ministries/ departments shall issue directions to all the PSUs, Autonomous bodies, statutory bodies under their administrative control for compliance of the PPP MII Order, 2017 in letter and spirit. Department of Public Enterprises shall also issue suitable instructions to all Central Govt. undertakings in this regard.

d. The directives like PPP-MII Order issued by Government of India should be treated as integral part of the Manual and is binding on procuring agencies to abide with these even if there are no explicit provisions of these in the "Procurement Manual".

e. As such, in the specific instances of grievances regarding AIIMS New Delhi and Bureau of Civil Aviation Security (BCAS), respective procuring agency should abide with PPP-MII order in letter and spirit and should not stipulate any restrictive term and conditions in their tender for the reason that PPP-MII Order is not part of their "Procurement Manual".

(Action required: All Ministries/Departments)

6. Following specific grievances raised by companies would were taken up for discussion in the meeting:

**Agenda Point No. 5: Grievance raised by M/s Jindal Steel and power Ltd (JSPL)**

M/s JSPL alleged that eligibility criteria in IRCON tender for the supply of 2100 MT Head Hardened Rails has restrictive eligibility criteria for domestic manufacturers.

M/s JSPL alleged that as per eligibility criteria manufacturing facilities for domestic manufactures should mandatorily be RDSO approved. For foreign manufactures, manufacturing facilities are required to be certified by internationally accredited agency.

M/s JSPL has claimed that their manufacturing facilities are certified by TUV – Nord Luxemburg, which is in line with criteria indicated by foreign suppliers. They have further stated that RDSO did not carry out inspection of M/s JSPL manufacturing facilities for HH Rail as Railway Board stated that it is not required as HH rails are not mandatorily required to be inspected by RDSO.
M/s JSPL alleged that while the foreign manufacturers certified by TUV-Nord Luxemburg are eligible to bid but M/s JSPL with similar certifications is not eligible.

M/s JSPL has also alleged that provisions of development orders for domestic bidders have also not been incorporated in the tender as has been the practice in all previous tenders of Railway board/IRCON/RVNL.

Representative from Ministry of Railway stated that they will amend the bid document to stipulate similar certification requirement for local as well as foreign suppliers. Representative from Ministry of Railway also clarified that they did not incorporate provisions of developmental order in the subject tender since it is a small order for one section only. As such, purchase order can’t be divided into parts for a development order.

It was noted that IRCON/Ministry of Railway will amend the bid document to stipulate similar certification requirement for local as well as foreign suppliers. It was decided that for transparency purpose, Ministry of Railway shall issue the broad guidelines regarding the circumstances/conditions such as minimum threshold level above which the provisions of developmental order shall be incorporated in the bid document.

(Action required: IRCON/Ministry of Railways)

**Agenda Point No. 6: Grievance raised by Shri Rajesh Tuli**

Shri Rajesh Tuli alleged that BR Singh Hospital, Eastern Railway Kolkata, Ministry of Railway is procuring PBX system worth Rs. 3.5 Crores from foreign manufacturers on limited quotation basis. However, as per DPIIT PPP MII Order, 2017 and Nodal ministry DOT Notification thereof, this item is reserved for purchase from domestic manufacturers.

No representative from Eastern railway attended the meeting. However, it was noted that Eastern Railway in its response dated 17.05.2019 clarified that they asked PBX System from any one of the manufacturers as mentioned in the tender schedule viz. “Siemens/Avaya/Alcatel/Cisco or similar”. As such, no single manufacturer has been preferred or called for. Eastern Railway has further clarified that they accepted the offer of M/s WEBFIL (Govt Company), which has been authorised by Avaya. They have also clarified that DoT, Government of India has approved the manufactured product of Avaya.

Shri Rajesh Tuli alleged that earlier they had restrictive conditions like Gartner magic Quadrant, foreign brands etc. Based upon DPIIT intervention, they changed the modus operandi of buying foreign goods through PSU under pretext of TEC approval.
Representative from DoT also opined in the meeting that the instant procurement by Eastern Railway Kolkata seems to be in violation of PPP-MII order 2017. Even the goods offered by PSU must meet MLC requirement. Also, TEC approval does not imply compliance of PPP-MII order.

It also came out during discussions that Stores Department of Eastern Railway had scrapped the same tender on intervention of DPIIT. However, S&T Department of Eastern Railway invited a separate tender for this item as works contract in violation of PPP-MII Order. As such, action of S&T Department appears to be willful disobedience of PPP-MII Order.

It was decided that this being a case of willful disobedience of PPP-MII Order, 2017, the case be referred to Chairman Railway Board for examination and fixing the responsibility of individual(s) with copy to CVC.

(Action required: DPIIT/MoR)

Agenda Point No. 7: Grievance raised by M/s Mediff Technologies

M/s Mediff Technologies alleged that Sree Chitra Tirunal Institute of Medical Sciences rejected their bid for supply of PACS System in the Hospital without valid reason.

It was noted that DPIIT took up the matter with Sree Chitra Tirunal Institute. The comments received from Sree Chitra revealed following restrictive & discriminatory eligibility requirement in their bid documents:

a. The mandatory requirement of USFDA/CE certified products in the tender is restrictive and discriminatory against local manufacturers and also in violation of the advisory issued by MoH&FW.

b. International Certifications like IHE and/or any other International Standards which are not in practice/followed by local manufacturers in the country, is restrictive for local manufacturers and hence violative of PPP-MII order.

c. Eligibility criteria requirement that tenderer should have more than 10 years of experience in the PACS business, as also the requirement of one site of PACS and RIS supported and maintained by tenderer uninterrupted for more than 5 years, also seem restrictive, as it may restrict the participation of Local manufacturers. It is unclear as to why such an onerous condition has been imposed, and needs to be reconsidered, unless justified on technical grounds.

Accordingly, Sree Chitra Tirunal Institute was advised vide DPIIT OM dated: 8 April, 2019 to review the provisions of bid document and ensure that there are no restrictive/ discriminative practices for the local manufacturers in the bidding process. Reply from Sree Chitra is awaited.

Similar grievance has been received from M/s Mediff Technologies in respect of procurement of PACS systems by AIIMS Rishikesh. The grievance was forwarded to AIIMS Rishikesh / MOH&FW on 4 February, 2019. However, no comments have been received till date.
It was decided that Sree Chitra Tirunal Institute shall cancel the subject tender and refloat the bid without any restrictive/discriminatory terms and conditions. It was also decided that MoH&FW shall expedite reply of AIIMS Rishikesh, which is pending for more than 04 months now.

It was also decided that both the cases be referred to Secretary, Health/Secretary, DST for examination and fixing the responsibility of individual(s) for willful disobedience of PPP-MII Order, 2017, with copy to CVC.

(Action required: Sree Chitra Tirunal Institute/ AIIMS Rishikesh/ DST/ MoH&FW)

Agenda Point No. 8: Grievance raised by M/s Andhra Pradesh Medtech Zone Limited (AMTZ)

M/s Andhra Pradesh Medtech Zone Limited alleged that (a) AIIMS New Delhi in its tender for procurement of Plasma Gas Sterilizer, (b) HITES in its tender for procurement of Holmium Laser, Ultra HD Laparoscopy for AIIMS Bhubaneswar under PMSSY and (c) Dr. RML Hospital New Delhi in its tender for procurement of Medical equipments/ Instruments (Tender no.: 11-01/2014-LH(S) have restrictive and discriminatory clause of Mandatory USFDA for domestic manufacturers.

Representative from AIIMS New Delhi and Dr. RML Hospital New Delhi did not attend the meeting.

Representative from HITES briefed before the Committee that for the equipment for which there are BIS Standards, they are not insisting on mandatory US FDA/ CE Certifications. However, for the equipment, for which there are no BIS Standards, to ensure proper quality and standards, they are stipulating US FDA/CE Certifications in accordance with MoH&FW OM No. X.11035/379/2015-DFQC(Pt) dated 20.02.2018. She also clarified that for Holmium Laser and Ultra HD Laparoscopy, there are no BIS Standards. Representative from CDSO also confirmed in the meeting that there are no BIS Standards for Holmium Laser and Ultra HD Laparoscopy.

It was decided that for such type of cases, where there no BIS Standards, a generalized eligibility formulation should be devised by concerned competent authority. In the instant case, Department of Pharmaceuticals should ensure that technical parameters are so stipulated that USFDA/European CE are not required to be indicated. All procuring agencies should abide with these. It was also decided that
MoH&FW shall expedite reply of AIIMS New Delhi and Dr. RML Hospital New Delhi, which is pending since 10.05.2019.

(Action required: AIIMS New Delhi/ Dr. RML Hospital/ Deptt of Pharmaceuticals/MoH&FW)

Agenda Point No. 9: Grievance raised by M/s Bhutoria Refrigeration Pvt. Ltd.

M/s Bhutoria Refrigeration Pvt. Ltd. alleged that M/s HITES Limited awarded the contract for AIIMS Bhatinda to M/s NCC Limited with specific directions that Chilled water Cassette Units of only the foreign Makes of Cubic Midea, Hitachi& Daikin shall be considered. Tender also called for Eurovent Certification, which are not available in case of Indian Products. The grievance was forwarded to M/s HITES/ MOH&FW. No reply has been received.

Rep of M/s Bhutoria Refrigeration Pvt. Ltd. also alleged that Cubic Midea is a dealer of Midea and also that Hitachi& Daikin don’t have Eurovent Certification. As such, subject procurement is tailored for a particular foreign product. Rep of M/s Bhutoria Refrigeration Pvt. Ltd. also claimed that they have largest market share for these products in India but still their name has been excluded to favor foreign product.

It was noted that matter was taken up with HITES/MoH&FW vide this office OM dated 30.04.2019. However, no reply has been received.

It was observed that mentioning a foreign brand along with dealer name i.e. Cubic Midea so as to exclude local suppliers from bidding process in spite of repeated directions on the subject vide DO letters from PS to PM and Secretary DPIIT, is a willful disobedience of PPP-MII Order, 2017 with malafide intent.

It was decided that the case be referred to Secretary, Health for examination and fixing the responsibility of individual(s) for willful disobedience of PPP-MII Order, 2017, with copy to CVC.

(Action required: DPIIT/ MoH&FW)

Agenda Point No. 10: Grievance from M/s Aludecor

M/s Aludecor alleged that National High Speed Rail Corporation Ltd (NHSRCL) has considered only International brands in their pre-approved list of Aluminium Composite Panel (ACP). Local capable suppliers do not appear in the approved list. Also, Generic technical specifications of Aluminum Composite Panel (ACP) indicated by NHSRCL in their bid documents are based upon British Standards/Global Standards and not the Indian standards. However, the CPWD DSR Standards does not specify any such British Standards/Global Standards.

Case was also discussed in 5th Standing Committee Meeting held on 06.03.2019 wherein it was decided that NHSRCL shall modify its bid documents to exclude
name of any foreign make/brand in its bid document. Also, broad based generalized specs, based upon local governing standards shall be formulated and indicated in the bid documents. ATR shall be submitted to DPIIT.

Rep of NHSRCL informed that they have instructed Engineers India Ltd. to ensure that only material manufactured in India are to be approved for use during execution of contract. They have also informed that there is no Indian Standard for fire testing of Al cladding assembly, applicable global standards are mentioned in tender, to whom many Indian suppliers confirm and NHSRCL provide fair and equal opportunity to local suppliers. It was also

It was decided that NHSRCL will share copies of their instructions to Engineers India Ltd. with all the potential local suppliers also, to ensure that only material manufactured in India are to be approved for use during execution of contract so as to provide them a fair and equal opportunity to participate in supply of these items. Also, NHSRCL will ensure that only material manufactured in India is approved for use during execution of contract.

It was also repeated that all procuring agencies should avoid mentioning foreign standards in the specifications. If the functional requirement so warrants, technical specification parameters should be indicated in the bid document, instead of foreign standards.

(Action required: NHRCL/Ministry of Railway)

Agenda Point No. 11: Grievance from Shri Ashok Kumar

Shri Ashok Kumar and/or his representative did not attend the meeting. Also, there was no representative from DGAFMS in the meeting.

It was noted that Shri Ashok Kumar has alleged in its Grievance that DGAFMS tender for procurement of 38 Nos. refrigerated Blood Bank Centrifuge, RFP No. MAP 599 dated 13-04-2018, has specifications tailored to suit foreign products.

Shri Ashok Kumar has alleged that the Standard Specifications of subject equipment in all Government tenders is 6000 g force considering the requirement of 5000 g force for blood component separation process. Accordingly, all the local manufacturers are manufacturing this equipment with the Standard specification parameter of 6000 g force. However, DGAFMS in the subject tender has tweaked the specification parameters to 6200 g force instead of 6000 g force.

All the local suppliers have been rejected on account of 6200 g force requirement and the equipment is being procured at double the cost from foreign suppliers. It was considered that if the allegations made in the grievance are factually correct and without proper justification, then these are of serious nature.

It was decided that Department of Defence/DGAFMS shall expedite their reply on priority. The matter is to be placed before the next Standing Committee meeting.

(Action required: DGAFMS/Department of Defence)
Agenda Point No. 12: Grievance from M/s Larsen and Toubro Ltd (M/s L&T)

M/s L&T alleged violation of PPP-MII Order in M/s Hindustan Shipyard Ltd’s RFP for selection of collaborator for Fleet Support Ship Project for Indian Navy.

Fleet Support Ship Project for Indian Navy has been assigned to M/s Hindustan Shipyard Ltd on nomination basis. M/s Hindustan Shipyard Ltd floated RFP for selection of collaborator for subject project. The eligibility criteria in the RFP stipulate that collaborator should have constructed and delivered a Naval vessel of similar capabilities/capital warships on or after 1st Jan’ 2005 which should have been completed within 4 years of build period.

M/s L&T has alleged that FSS of present configuration is planned for the first time at an Indian Shipyard, therefore no Indian Shipyard can qualify on the basis of building FSS of similar capability. Further, no Indian Shipyard, in spite of having built the most complex “capital warship”, meets the criteria that the vessel construction should have been after 01 Jan 2005 with build period within 4 years. Therefore, the qualification criteria stipulated in RFP summarily disqualify all Indian Shipyard.

M/s L&T has further clarified that they have tied up with M/s Navantia of Spain. M/s L&T and M/s Navantia together meet qualification criteria stipulated by M/s HSL in its RFP. They propose to bid for the project as a joint venture with M/s L&T as prime bidder. M/s L&T has claimed that M/s Navantia, with its track record in Design and construction of FSS, will provide design and expertise support and M/s L&T will take on all other activities as the Prime Bidder.

2. M/s HSL has intimated that every naval Project being undertaken in an Indian Shipyard has a design/Technology/construction assistance /know how provider from a global reputed design house /shipyard viz. ROE, DCNS, Fincantieri, Navantia etc. Similarly, in the FSS project HSL was mandated to seek a collaborator to ensure that the best global practices are adopted and modern shipbuilding techniques are adopted in construction of FSS. Accordingly, to meet the requirement of meeting the stringent construction timelines of four years followed by four ships at an interval of only 10 months each, as indicated by Indian Navy and construction of state of art FSS for the first time in the country, HSL through a global RFP duly approved by IHQ MoD (N) sought selection of a collaborator, “with experience in design and construction of vessel of similar capability or capital warships”.

The details of the grievance as also the response received from M/s Hindustan Shipyard were gone through the Committee.

Considering the complexities involved, it was decided that a meeting may be convened separately on the subject grievance.

(Action required: DPIIT)
**Agenda Point No. 13: Grievance from M/s Larsen and Toubro Ltd (M/s L&T)**

**M/s Larsen & Toubro** alleged that Kochi Metro Rail Limited tender for procurement of 23 nos. passengers ferries, co-funded by KfW German, to carry passengers in inland back waters of Kochi, is violating PPP MII Order on account of the followings:

a. Provisions for purchase preference to local suppliers in terms of PPP MII Order have not been incorporated in the tender.

b. The tender also does not provide for “Right of first refusal” to Indian Shipyards over foreign shipyard as per Ministry of Shipping purchase preference guidelines.

c. The specifications have been tailored to source only imported products as will be evident from the various specifications parameters as detailed below:

i. The batteries specified for electric propulsion are restricted to only Lithium Titanate Oxide chemistry, and have to be imported.

ii. The electric motors of the propulsion systems are to be water/oil cooled with reversible permanent magnet synchronous electronic motors of 690/700V 3-phase and are again not available in India and have to be imported.

d. Although, the specifications are very complex, exceedingly import oriented with large value of import content, Foreign Exchange Rate Variation Clause has not been incorporated in the bid document giving unfair advantage to foreign suppliers who can quote in US Dollars or Euro without any Foreign Exchange Rate Variation Risk.

e. M/s L & T has also alleged that the specifications has unnecessarily been complicated/complex. A simple propulsion system specification would have ensured indigenous constructions of these ferries. Alternatively, for environmental conservation, Solar operated ferries/ simple marine batteries enabled propulsion system would meet the requirement.

No representative from Kochi Metro attended the meeting. Rep from MoHUA briefed the committee that the subject procurement is KfW funded, and as such, PPP-MII Order is not applicable. The contention put forth by representative of MoHUA was not agreed to, as the provisions of PPP-MII Order are applicable on all Metro projects, including subject procurement.

It was also decided that Kochi Metro can’t frame specifications and/or put forth eligibility criteria suited only for foreign products. As such, MoHUA should review and change the specifications, if required in consultation with Ministry of Shipping, ensuring that these are not favoring foreign suppliers. MoHUA should also ensure that there is no restrictive and/or discriminatory condition against local suppliers in the bid document.

It was decided that Kochi Metro and MoHUA shall take action in light of the above observations and submit ATR before Standing Committee.

*(Action required: Kochi Metro/ MoHUA)*

**Agenda Point No. 14: Invocation of Para 10(d) of PPP- MII Order**

It was noted that Request for invocation of clause 10(d) of the PPP-MII Order 2017 by Indian Railways, Department of Telecom and Department of Power against
Chinese Companies alleging that restrictive trade practices are being followed by their Chinese counterpart thereby denying opportunity to Indian manufacturers to participate in Chinese government tenders have been received from M/s Plasser India (Indian Railways), M/s Bharat Forge (Indian Railways), M/s Teja Network/TEPC (Department of Telecom) and M/s Paharpur Cooling Tower (Ministry of Power).

The Railway Board recommended that Clause 10(d) should not be invoked as requested by M/s Plasser India and M/s Bharat Forge because past experience shows that banning Chinese companies will lead to increase in prices of these items. It was decided to discuss this matter with Railway Board in a separate meeting. It was decided that Ministry of Power should expeditiously take decision on the grievance of M/s Paharpur Cooling Tower for invocation of 10(d). Regarding invocation of 10(d) by DoT, as per grievance of M/s Teja Network/TEPC, DoT representative briefed the committee about concerns expressed by Department of Commerce on applicable GATT provisions. It was decided that as regards grievance of M/s Teja Network/TEPC for invocation of 10(d) by DoT, the case may be discussed jointly associating Department of Commerce.

(Action required: Ministry of Power/DoT/DPIIT)

Agenda No. 15: To achieve economies of scale as far as possible, large contracts should be given and not piecemeal contracts.

Representative from Department of Expenditure expressed the view that this item may not be discussed in DPIIT PPP-MII Order Standing Committee. Instead, Department of Expenditure may be provided details for examination and further action.

The matter was deliberated and it was decided that the subject matter should be considered in the Standing Committee as there are several dimensions in providing level playing field to domestic manufacturers, including enhancing their competitiveness by providing economies of scale through consolidation of procurement demand.

It was also decided that comments of various Ministries/Departments may be sought on the subject. Matter may be placed in next Standing Committee with their comments/feedback.

(Action: DPIIT/All Ministries)

7. During Standing Committee meeting, implementation of PPP-MII Order in GeM was also discussed. It was considered that GeM should have provisions wherein all procuring agencies are mandatorily required to certify compliance with PPP-MII Order, 2017 while uploading bid in GeM. Representative from GeM also flagged their concerns regarding clarification on priority of MSE bidders (under MSME Act) vis-à-vis local suppliers (under PPP-MII Order). Standing Committee gave following directions on the subject:
a. A separate meeting may be convened associating Ministry of MSME and GeM for taking a decision on inter se priority of MSE bidders (under MSME Act) vis-à-vis local suppliers (under PPP-MII Order) in bid award process.

b. Notwithstanding above, GeM should have provisions wherein all procuring agencies are mandatorily required to certify compliance with PPP-MII Order, 2017 while uploading bid in GeM.

(Action: GeM/ DPIIT)

8. Standing Committee also directed that a workshop may be organised associating all Departments and major PSUs to sensitize them further on PPP-MII Order 2017.

(Action: DPIIT)

Meeting concluded with vote of thanks to the chair.
Minutes of the 8th Meeting of Standing Committee for Implementation of Public Procurement (Preference to Make in India) Order, 2017 held on 10.10.2019

8th Meeting of Standing Committee for implementation of Public Procurement (Preference to Make in India) PPP-MII Order, 2017 was held under the Chairmanship of Secretary, DPIIT on 10.10.2019. List of participants is attached.

2.1 Initiating the discussion, the Chairman welcomed the participants. Brief overviews of various grievances received for violation of PPP-MII Order, 2017 including its source were shared with the participants. It was noted that total 556 grievances have been received across Ministries/Departments. Most of these have been received directly DPIIT from the stakeholders. Very few grievances have been lodged on Central Public Procurement Portal (CPPP) although facility has been created in CPPP for online registration of grievances. It was considered that stakeholders should be sensitized through industry associations to lodge grievances online on CPPP instead of sending it over mail to DPIIT.

(Action required: DPIIT)

2.2 Ministry wise break-up of grievances was also shared with the participants. It was noted that 344 out of 556 grievances received have been resolved. Pendency of outstanding grievances across Ministries was also reviewed. Concern was expressed that as many as 44 grievances are pending for more than six months. It was directed that a reconciliation mechanism should be evolved through regular meetings between DPIIT and concerned procuring agencies for speedy resolution of the grievances, and updation of records.

(Action required: DPIIT)

Agenda Point No. 2

3.1 It was noted that CRIS sought clarification that in case a bidder (who is not the manufacturer/ OEM of the offered product) offers a product which meets the stipulated local content requirements, whether the self-certification regarding Local Content (LC) should be from manufacturer/OEM of the offered product or from the bidder? The matter was deliberated in 6th Standing Committee meeting wherein it was decided to seek feedback/comments from different Ministries/Departments on the subject.

3.2 The feedback/comments received from different Ministries/Departments in this regard were perused in the meeting. Representatives from different ministries/department present in the meeting suggested suitability of local content
certification from bidder (who may not be the manufacturer/ OEM of the offered product) under certain types of procurement, whereas for others, OEM certification is mandatory.

3.3 FICCI’s observation was also noted wherein they have pointed out that for procurement above Rs. 10 crores, the local supplier is required to provide LC certificate from the statutory auditor/cost auditor/chartered account of the company. Considering confidentiality required at the time of bidding, FICCI has suggested that a self-certification by the bidder about LC should suffice. Certificate from auditors may be furnished during execution of the project. Representatives from different Ministries/Departments present in the meeting, pointed out that the bid has to be evaluated based upon documents submitted by the bidder in its bid. Processing of bid, based upon the certification to be furnished at a later date, will not be as per rules. Option of enhancing the aforesaid limit of Rs. 10 Crores was also deliberated but representatives from most of the Ministries/Departments suggested that “no change” is required in this regard.

3.4 After detailed deliberations, the Standing Committee gave following directions on the subject:
(a) It is for the concerned procuring agency to decide while floating the tender as to whether they want local content certification from manufacturer or bidder (in case bidder is not a manufacturer) depending upon procurement exigency.
(b) No change is required in PPP-MII Order regarding local content certificate from the statutory auditor/cost auditor/chartered account for procurement above Rs. 10 crores.
(c) Such certification has to be necessarily provided within the bid submission period.

Agenda Point No. 3

4.1 Grievances from stakeholders alleging that various central procuring agencies have restrictive and discriminatory clause of mandatory USFDA/ European CE certification in procurement of health sector goods was discussed during the meeting.

4.2 The Standing Committee directed that stipulation of mandatory exclusionary clause like USFDA/ European CE certified products is restrictive and discriminatory for local manufacturers and hence policy should be discontinued forthwith. In this regard, it was also deliberated that at times, the procurement work is handled by medical professionals in the hospital, who are not fully conversant with various procurement
guidelines/procedures. As such, the MoH&FW concerned administrative ministries should guide and advise all its procuring agencies, including the hospitals on which procurement activities to comply with under the PPP-MII Order and desist from such restrictive and discriminatory clauses.

(Activity required: All Ministries)

4.3 Standing Committee also directed that wherever BIS standards exist, the procurement should be carried out with BIS Standards. However, for the items for which BIS standards do not exist, only broad based generalized specification should be specified in the bid documents. Also, instead of using USFDA/ European CE certification, Department of Pharmaceutical and MoH&FW should devise a mechanism for certification from accredited agencies in India.

(Activity required: DoP/MoH&FW)

4.4 For outstanding grievances, the Standing Committee advised the concerned administrative Ministries to get these cases examined and ensure that corrective actions were taken in all these cases.

(Activity required: All Ministries)

**Agenda Point No. 4**

5.1 Grievances from stakeholders alleging that various central procuring agencies, under the administrative control of Ministry of Defence, are not incorporating the provisions of PPP-MII order in its bid documents, were discussed during the meeting. (Representative from Ministry of Defence did not attend the meeting).

5.2 The Standing Committee directed that all central government procuring agencies should comply with PPP-MII Order in letter and in spirit.

5.3 For outstanding grievances, the Standing Committee directed Ministry of Defence to get these cases examined and ensure that corrective actions were taken.

(Activity required: Ministry of Defence)

**Agenda Point No. 5**

6.1 Grievances from stakeholders alleging that various central procuring agencies are specifying foreign brands/make in the bid documents thereby denying the local manufacturers even an opportunity to participate in the bidding process were discussed.
It was also noted that in this regard, a DO letter has also been written by PS to PM and Secretary DPIIT to all Secretaries to advise their procuring agencies to desist from such practices.

6.2 The Standing Committee reiterated its stand that specifying foreign brands/makes in the bid documents is in violation of the PPP-MII Order. It also directed that all central government procuring agencies should ensure that their bid documents do not specify foreign brands/makes in the bid documents and comply with PPP-MII Order in letter and spirit. It was also decided that DPIIT shall reiterate its earlier instructions on the subject to all Ministries/Departments with a request to advise their procuring agencies suitably.

(Action required: DPIIT)

6.3 For outstanding grievances, the Standing Committee advised the concerned administrative Ministries to get these cases examined and ensure that corrective actions are taken in all these cases.

(Action required: All Ministries)

Agenda Point No. 6

7.1 Grievances from stakeholders alleging that various government procurement agencies are procuring lifts with either foreign makes specified in the tender and/or with restrictive eligibility criteria were discussed during the meeting.

7.2 It was noted that similar grievances for procurement agencies under the administrative control of MoHUA, were discussed in a meeting held under the chairmanship of Hon'ble MoS, MoHUA on 30.09.2019 wherein it was decided that MoHUA/CPWD shall formulate uniform guidelines for the eligibility criteria for procurement/ enlistment of lifts (without compromising on safety/quality aspect) providing level playing fields to all technically capable suppliers to participate in government procurement, which may be followed by all central government agencies. It was decided that once these guidelines are formulated, the specific concerns of procuring agencies as well as local manufacturers will get addressed.

7.3 For outstanding grievances, the Standing Committee advised the concerned administrative Ministries to get these cases examined and ensure that corrective actions are taken in all these cases.

(Action required: All Ministries)
Agenda Point No. 7

8.1 M/s Coral Telecom alleged that BR Singh Hospital, Eastern Railway Kolkata, Ministry of Railways is procuring PBX system worth Rs. 3.5 Crores from foreign manufacturers on limited quotation basis. However, as per DPIIT PPP MII Order, 2017 and Nodal ministry DOT Notification thereof, this item is reserved for purchase from domestic manufacturers.

8.2 Representative from Ministry of Railway clarified that bid document stipulated IPBX System from any one of the manufacturers as mentioned in the tender schedule viz. "Siemens/Avaya/Alcatel/Cisco or similar". As such, no single manufacturer has been preferred or called for. Eastern Railway has further clarified that they accepted the offer of M/s WEBFIL (Govt Company), which has been authorised by Avaya. They have also clarified that DoT, Government of India has approved the manufactured product of Avaya.

8.3 Representative from M/s Coral Telecom alleged that earlier they had restrictive conditions like [Gartner Magic Quadrant, foreign brands etc]. Based upon DPIIT intervention, they changed the modus operandi of buying foreign goods through PSU under pretext of TEC approval.

8.4 It was also noted that this case was discussed in the 7th Standing Committee meeting wherein it came out during discussions that Stores Department of Eastern Railway had scrapped the same tender upon intervention by DPIIT. However, S&T Department of Eastern Railway invited a separate tender for this item as works contract in violation of PPP-MII Order. As such, action of S&T Department appears to be wilful disobedience of PPP-MII Order with malafide intent. It was decided that this being a case of wilful disobedience of PPP-MII Order, 2017, the case be referred to CVC and Chairman Railway Board for examination and fixing the responsibility of individual(s) for wilful disobedience of PPP-MII Order, 2017. As decided, case was put up again for the consideration of Standing Committee.

8.5 Standing Committee directed that it is for the concerned administrative Ministry to examine the grievance and ensure appropriate corrective action. Hence, Shri Rajesh Tuli/ M/s Coral Telecom shall file their grievance afresh with Ministry of Railways with complete facts and details within a period of 10 days i.e. by 20th Oct, 2019. Ministry of Railways shall get the complaint examined and take a well reasoned decision, after

Page 5 of 11
giving an opportunity of hearing to the complainant, within a period of 04 weeks i.e. by 10th November 2019. Executive Director(RS), Ministry of Railways, Shri Manoj Kumar Gupta shall be the nodal person in Ministry of Railways for these purposes. DPIIT shall take a decision regarding the reference to CVC or otherwise, keeping in view the decision of Ministry of Railways.

(Action required: MoR)

**Agenda Point No. 8**

9.1 M/s Bhutoria Refrigeration Pvt. Ltd. alleged that M/s HITES Limited awarded the contract for AIIMS Bhatinda to M/s NCC Limited with specific directions that Chilled Water Cassette Units of only the foreign makes of Cubic Midea, Hitachi& Daikin shall be considered. Tender also called for Eurovent Certification, which are not available in case of Indian products.

9.2 Representative of M/s Bhutoria Refrigeration Pvt. Ltd. also alleged that Cubic Midea is a dealer of Midea and also that Hitachi& Daikin don't have Eurovent Certification. As such, subject procurement is tailored for a particular foreign product. Representative of M/s Bhutoria Refrigeration Pvt. Ltd. also claimed that they have the largest market share for these products in India but still their name has been excluded to favor foreign product.

9.3 It was also noted that this case was discussed in 7th Standing Committee meeting wherein it was considered that mentioning a foreign brand along with dealer name i.e. Cubic Midea so as to exclude local suppliers from bidding process in spite of repeated directions on the subject vide DO letters from PS to PM and Secretary DPIIT, is a willful disobedience of PPP-MII Order, 2017 with malafide intent. It was decided that the case be referred to CVC and Secretary, Health for examination and fixing the responsibility of individual(s) for willful disobedience of PPP-MII Order, 2017. As decided, case was put up again for the consideration of Standing Committee.

9.4 Standing Committee directed that it is for the concerned administrative ministry to examine the grievance and take appropriate corrective action. Hence, M/s Bhutoria Refrigeration shall file their grievance afresh with MoH&FW with complete facts and details within a period of 10 days i.e. by 20th Oct, 2019. MoH&FW shall get the complaint examined and take a well reasoned decision, after giving an opportunity of hearing to the complainant, within a period of 04 weeks i.e. by 10th November 2019.
DPIIT shall take a decision regarding the reference to CVC or otherwise, keeping in view the decision of MoH&FW. Representative from MoH&FW informed the Standing Committee that Joint Secretary, MoH&FW, Shri Sunil Sharma shall be the nodal person in MoH&FW for these purposes.

(Action required: MoH&FW)

**Agenda Point No. 9: Grievance from Shri Ashok Kumar**

10.1 Shri Ashok Kumar and/or his representative did not attend the meeting. Also, there was no representative from DGAFMS in the meeting.

10.2 It was noted that Shri Ashok Kumar has alleged in his grievance that DGAFMS tender for procurement of 38 Nos. refrigerated Blood Bank Centrifuge, have specifications tailored to suit foreign products. Shri Ashok Kumar has alleged that the standard specifications of subject equipment in all government tenders is 6000 g force considering the requirement of 5000 g force for blood component separation process. Accordingly, all the local manufacturers are manufacturing this equipment with the standard specification parameter of 6000 g force. However, DGAFMS in the subject tender has tweaked the specification parameters to 6200 g force instead of 6000 g force. All the local suppliers have been rejected on account of 6200 g force requirement and the equipment is being procured at double the cost from foreign suppliers.

10.3 It was also noted that this case was discussed in the 7th Standing Committee meeting wherein the complainant and procuring agency did not attend the meeting.

10.4 Standing Committee directed the administrative ministry to examine the grievance and take appropriate corrective action. Action Taken Report may be sent to the Standing Committee. The matter may be placed before the Standing Committee in next meeting.

(Action required: DGAFMS / Department of Defence)

**Agenda Point No. 10: Grievance from M/s Association of Bombay Ship brokers & Chartering Consultants**

11.1 M/s Association of Bombay Ship Brokers & Chartering Consultants alleged that GAIL has kept very stringent pre-requisite eligibility criteria for empanelment of
shipbrokers for chartering of LNG ships, which are unlikely to be met by any of the Indian ship brokers. As per eligibility criteria in enquiry floated by GAIL, a shipbroker is required to meet the following conditions:

a. The shipbroker must have been in LNG ship-broking business globally for more than 5 years as on the date of submission of application for empanelment.
b. The global shipping brokerage (from all segments like LNG, Crude, Petroleum products, Petrochemicals etc) of the shipbroker must have been equal to or more than US $ 5 million in any of their last three financial years.
c. The ship broker must have globally fixed 5 or more LNG shipping charters in any of their last three financial years.

11.2 Representative from Association of Bombay Ship brokers also stated that in view of the fact that LNG chartering into India is a new business and most of the Indian Ship brokers have not yet had the opportunity to participate in this trade. The three eligibility conditions included for empanelment of ship brokers for chartering of LNG ships are restrictive and against the objective of the PPP-MIL Order, 2017, which aims to encourage and promote services in India. It was also noted that size of subject procurement is only Rs. 3.5 Crores whereas the eligibility criteria stipulates requirement of global shipping brokerage (from all segments like LNG, Crude, Petroleum products, Petrochemicals etc) of the shipbroker equal to or more than US $ 5 million (approximately Rs.35 Crores) in any of their last three financial years, is highly restrictive.

11.3 Representative from GAIL informed the committee that the eligibility criteria incorporated in the tender enquiry was as per the approved guidelines of Boards of Directors and did not differentiate between Indian and foreign shipbrokers. They also intimated that none of the Indian shipbrokers, who submitted bid, could meet the eligibility criteria of enquiry.

11.4 Matter was deliberated in detail and the conclusion was that the eligibility criteria stipulated by GAIL is restrictive and discriminatory in nature for local suppliers. Standing Committee directed GAIL to review its eligibility criteria to provide enabling provisions in the bid document for Indian industry to participate in the bidding process.

11.5 Standing committee directed that GAIL shall review the bid documents and Action Taken Report shall be placed before the Standing Committee.
Agenda Point No. 11: Grievance from M/s Omega Elevators

12.1 M/s Omega Elevator alleged violation of PPP-MIL order in procurement of 03 Nos. of Lifts by M/s CONCOR/ Ministry of Railways as the bids for procurement of lifts worth Rs. 25.80 Lakhs were invited from three limited MNC companies without giving opportunity to other potential suppliers including local manufacturers like M/s Omega Elevators to participate in the bidding process.

12.2 Matter was taken up with M/s CONCOR who in turn replied that the lifts in the CONCOR premises were very old and needed to be replaced urgently. Thus, to replace the lifts on an urgent basis, CONCOR decided to replace the lifts by inviting quotation from a panel of local suppliers. They have further clarified that the panel of local suppliers was made based on past experience/ performance of the vendors available in the market. Accordingly, a panel was made of the following elevator manufactures which are established brands and all have their manufacturing units in India viz. a) M/s. Schindler India Pvt Ltd. manufacturing unit in Pune, Maharashtra-INDIA, b) M/s. OTIS Elevator Co. India Ltd. manufacturing unit in Bengaluru, Karnataka-INDIA and c) M/s. ThyssenKrupp Elevator (India) Pvt Ltd. manufacturing unit in Pune, Maharashtra-INDIA.

12.3 M/s Omega Elevator requested that they must also be given fair and equal opportunity to participate in the tender.

12.4 Standing Committee directed that it is for the concerned administrative Ministry to examine the grievance and take appropriate corrective action. Hence, Ministry of Railways shall get the complaint examined and take a well reasoned decision, after giving an opportunity of hearing to the complainant, within a period of 04 weeks i.e. by 10th November 2019. Executive Director(RS), Ministry of Railways, Shri Manoj Kumar Gupta shall be the nodal person in Ministry of Railways for these purposes. DPIIT shall take a decision regarding further course of action, keeping in view the decision of Ministry of Railways.

(Action required: MoR)

Agenda Point No. 12: Grievance from M/s Samriddhi Automation Pvt. Ltd.
13.1 M/s Samriddhi Automation Pvt. Ltd. alleged violation of PPP-MII order in M/s Railtel tender for supply and installation of IP based closed CCTV surveillance system. Firm alleged that initially the tender was giving opportunity to domestic manufacturers as per PPP-MII order of DPIIT and PMA by DoT. After pre-bid meeting, a corrigendum was issued and as per the corrigendum, the following restrictive criteria has been incorporated to exclude the domestic suppliers:

"The OEM(s) whose products have been offered in the bid should have minimum cumulative turnover of INR 375 Crores for OEM’s camera, INR 100 crores for OEMs of switches, INR 30 Crores for Video Management & Recording software, INR 5 crores for video Analytic software, INR 50 crores for Facial Recognition System software and INR 125 crores for OEMs of IT hardware(server and storage) each in last 3 financial years (i.e. current year and three previous financial year(s) from the date of opening of tender)."

13.2 The grievance was forwarded to M/s Railtel for examination and corrective action on 03.10.2019. Similar grievances were also received from other local suppliers viz. M/s Videonetics (forwarded to M/s Railtel for examination and corrective action on 22.08.2019) and M/s Lookman (forwarded to M/s Railtel for examination and corrective action on 16.09.2019). However, no reply was received from Railtel/MoR on any of the above grievances.

13.3 Representatives from M/s Railtel, present in the meeting, informed that eligibility criteria has been stipulated as per laid down norms only and there is no discriminatory practice against local suppliers per se. However, it emerged during discussions that the bid document has five different packets. Each packet corresponds to installation of CCTV System in a zone. Bidder can bid for any one of the packets or multiple thereof. However, the OEM criteria of turnover etc. has been fixed by M/s Railtel taking the cumulative requirement of all the five zones. For example, the OEM’s turnover eligibility requirement for cameras has been specified as INR 375 Crores based upon total requirement of cameras in all the five zones. However, since an OEM can bid for any one zone also, instead of all the five zones, M/s Samriddhi requested that eligibility criteria may be stipulated zone wise i.e. turnover fixed for that particular zone depending on the quantum of the order for that particular zone. M/s Samriddhi pleaded that with above, local OEMs, who are not having large turnover will get an opportunity to participate in smaller zone wise contracts and thereby become eligible for large contracts in future. After detailed discussions, it was concluded that the existing provisions of M/s Railtel are restrictive and discriminatory against local OEM suppliers.
13.4 It was also noted that M/s Railtel has opened the bids against the subject tender on 09.10.2019, although the nodal Ministry DoT had advised M/s Railtel/ MoR to take appropriate action on the grievance before processing the tender further.

13.5 It was decided that MoR/ M/s Railtel shall examine the grievances and forward its recommendations to Standing Committee. Standing Committee was also of the opinion that it would not be appropriate for MoR/ M/s Railtel to proceed further on subject tender till the grievance is disposed off by Standing Committee.

(Action required: MoR/ Railtel)

**Agenda Point No. 13: Local Content definition**

14.1 A brief was presented on existing local content definition in PPP-MII Order, the conflicting issues that arose in this regard in the recent past, the deliberations held in 6th Standing Committee, the proposed revised definition of local content and the feedback/response received thereto from different procuring entities.

14.2 It was noted that DoT is in agreement with proposed definition of local content but has expressed reservations on uniform 50% MLC; Ministry of Steel has sought certain clarifications on the calculation process and most of the Metro Rail Corporations have opined that it will be difficult for procuring agencies to implement the revised MLC definition.

14.3 Considering the fact that most of the Metro Rail Corporations (SPVs) have expressed reservation in adopting revised proposed definition, Standing Committee directed that before processing the subject matter further, the same may be discussed in an internal meeting associating different stakeholders, particularly MoHUA and Metro Rail Corporations. Thereafter, the case may be placed again before the Standing Committee for consideration.

(Action required: DPIIT/ MoHUA)

Meeting concluded with vote of thanks to the chair.
List of participants in the 8th Standing Committee Meeting PPP-MII Order 2017 held on 10.10.2019 at Udyog Bhawan, New Delhi.

1. Dr. Guruprasad Mohapatra, Secretary, DPIIT and Chairman, Standing Committee
2. Shri Rajiv Aggarwal, Joint Secretary, DPIIT
3. Shri Rajesh Gupta, Director, DPIIT
4. Shri Rakesh Kumar, Director, DPIIT
5. Shri S. Bhardwaj, Director, DPIIT
6. Shri Arun Mahendru Balraj, SDO, DPIIT
7. Shri Kameshwar Choudhary, Consultant, DPIIT
8. Shri Rohit Mathur, Director, M/o P&NG
9. Shri S. K. Ahuja, Director, M/o Ayush
10. Shri Rajesh Kumar, Director (IP), DoT
11. Shri R. K. Pathak, DDG (IC), DoT
12. Dr. Mayank Dwivedi, Scientist ‘G’, Director, DRDO
13. Shri Prashant Kumar, Scientist- ‘E’, MEITY
14. Shri Bhaskar Choradia Director, GeM
15. Shri D. V. K. Rao, Deputy Secretary, M/o H&FW
16. Shri Arun Kumar Singh, Deputy Secretary, MHA
17. Shri Manoj Kumar Gupta, ED RS/G, M/o Railways
18. Dr. Vijay Kumar, M/o Railways
19. Shri Umesh Baloda, ED/ Tele Development, M/o Railways
20. Major Shobhit Gupta, Dir. Electrical Engg., (Power Supply), M/o Railways
21. Shri Avinash Agarwal, Additional Director General, Prasar Bharti M/o I&B
22. Shri Ashok Kumar, SE(E), Prasar Bharti M/o I&B
23. Shri Harendra Kumar, EE, Prasar Bharti M/o I&B
24. Shri K.K. Marwana, MoH&FW
25. Shri S. K. Mohanty, Under Secretary, M/o Steel
26. Shri D.V.S.P. Varma, Under Secretary, DPIIT
27. Shri R.P.S. Raghuvanshi, Commandant, ITBP, MHA
28. Shri Manudev Dahiya, Dy. Comdt, ITBP, MHA
29. Shri Avirat Pandey, AC/GD, ITBP, MHA
30. Shri Jagdeep Singh ED/Opr. Railtel
31. Shri Shaminder Singh ED/ Project, Railtel
32. Shri D. P Sen, GAIL
33. Shri R. K. Singhal, GAIL
34. Shri Sameer Virmani, GAIL
35. Shri Ajay Gautam, GAIL
36. Shri Akash Gupta, GG/EC Concor
37. Shri Ashok Kumar, Concor
38. Shri P. N Mishra, Sr. Manager, Concor
39. Shri Jayesh Joshi, Omega Elevators
40. Shri K.K Dwedi, Omega Elevators
41. Shri Sanjeev Singhal, M D, Samridhi Automations Pvt. Ltd
OFFICE MEMORANDUM

Subject: Minutes of 9th Standing Committee to review the implementation of Public Procurement (Preference to Make in India) Order – regarding.

The undersigned is directed to forward minutes of 9th Standing Committee to review the issues/grievances related to Implementation of the PPP- MII Order 2017 which was held on 04.12.2019 at 10.30 AM under the chairmanship of Secretary, Department for Promotion of industry and Internal Trade in Room No 47 at Udyog Bhawan, New Delhi for further necessary action and sending inputs/comments/ action taken report by concerned Ministries /Departments to this Department within the stipulated period.

Encl: As above

(D.V.S.P. Varma)
Under Secretary to Govt. of India
Tel: 23061257
Email: dvsp.varma@nic.in

To

1. Secretaries of all Ministries/Departments of Government of India
2. Chairman, Railway Board, Rail Bhawan, Rafi Marg, New Delhi [email: crb@rb.railnet.gov.in] (Agenda 2, 3, 4, 6, 7 and 9)
3. Secretary, Ministry of Housing & Urban Affairs, NirmanBhawan, New Delhi [email: secyrurban@nic.in] (Agenda 2)
4. Secretary, Ministry of Coal, Shastri Bhawan, New Delhi, E-mail – secy.moc@nic.in (Agenda 8)
5. Secretary, Ministry of Health & Family Welfare, Nirman Bhawan, C-Wingh, New Delhi – 110 001 Email: secyhtw@nic.in
6. Secretary, Defence Production, 136, South Block, New Delhi. Email: sdpns@nic.in
7. Secretary, Ministry of Petroleum and Natural Gas, ShastriBhawan. Dr Rajendra Prasad Road, New Delhi [email: sec.png@nic.in]
8. Secretary, Department of Defence. 101-A, South Block, New Delhi – 110011. Email:defsecy@nic.in
9. Secretary, Department of Telecommunications. Room No. 210, Sanchar Bhawan, Rafi Marg, New Delhi – 110001. Email: secy-dot@nic.in
10. Secretary, Department of Commerce, Udyog Bhawan New Delhi. Email:osoffice@nic.in
11. Secretary, Ministry of Information and Broadcasting, Room No 655, A Wing Shastri Bhawan. New Delhi – 110001. Email: secy.inb@nic.in
12. Joint Secretary (Public Procurement), Department of Expenditure, North Block, New Delhi. Email: secyexp@nic.in
Procuring Entities:

1. Director General, Armed Forces Medical Services
2. Director, Bhopal Smart City
3. MES/ Engineer in Chief Kashmir House
4. Managing Director, Railtel India Corporation of India (Agenda 5 and 7)
5. Coal India
6. General Manager, Eastern Railway
7. General Manager, South Eastern Railway
8. General Manager, South Central Railway
9. Director General, CPWD (Agenda 2)
10. RDSO (Agenda 6)

Copy to:

1. PPS to SDPIIT
2. PPS to AS (S), DPIIT
3. PPS to JS(MKN), DPIIT
The 9th Meeting of Standing Committee for implementation of Public Procurement (Preference to Make in India) PPP-MIII Order, 2017 was held under the Chairmanship of Secretary, DPIIT on 04.12.2019. List of participants is attached.

A. Initiating the discussion, the Chairman welcomed the participants. Brief overviews of various grievances received regarding violation of PPP-MIII Order, 2017 including their sources were shared with the participants. It was noted that total 610 grievances have been received across various Ministries/Departments. Most of these have been received directly by DPIIT, via email/hard copy, from different stakeholders. Very few grievances have been lodged on Central Public Procurement Portal (CPPP) although facility has been created in CPPP for online registration of grievances. It was considered that stakeholders should be sensitized through industry associations to lodge grievances online on CPPP instead of sending it over mail to DPIIT.

(Action: DPIIT)

B. Ministry wise break-up of grievances was shared with the participants. It was noted that out of 610 grievances received, 350 had been resolved. Pendency of outstanding grievances across Ministries was reviewed. Grave concern was expressed that as many as 78 grievances were pending for more than six months. The Chair directed that an immediate reconciliation mechanism should be evolved through regular meetings between DPIIT and concerned procuring ministries/agencies for speedy resolution of the grievances and updation of records. The Chairman, Standing Committee commented that such delay in resolution/reconciliation of grievances (especially more than 6 months old) is being viewed strictly and all ministries should immediately review the cases and take action to bring them to a conclusion.

C. The Chairman directed all representatives of Ministries present, to cancel the tenders against which complaints were lodged, the complaints against which were not looked into/settled for the last 6 months with immediate effect. In cases, where tenders were already decided/settled/finalized without compliance of PPP-MIII Order, 2017, strict action to be taken against the erring officers responsible for such decision, in terms of Clause-10(A) of PPP-MIII order, which inter alia reads as under-

“10A. In case restrictive or discriminatory conditions against domestic suppliers are included in bid documents, an inquiry shall be conducted by the Administrative Department undertaking the procurement (including procurement by any entity under its administrative control) to fix responsibility for the same. Thereafter, appropriate action, administrative or otherwise, shall be taken against erring officials of procurement entities under relevant provisions. Intimation on all such actions shall be sent to the Standing Committee”.

(Action: All Ministries/Deptts, with written intimation to the Standing Committee by 31.12.2019)
Agenda No. 1 - Definition of Local Content

1.1 Proposed definition of Local Content was circulated to all Ministries vide OM dated 24.06.2019 followed by reminders. Replies have been received from only from the Department of Telecommunication, Ministry of Steel, Metro Rail Corporation.

1.2 DoT is in agreement with the proposed definition but, has expressed reservation on uniform 50% Minimum Local Content (MLC). Ministry of Steel has sought clarification on calculation process. Metro Rail Corporation has expressed difficulty in implementing the revised MLC. Replies from M/o Defence, M/o Petroleum & Natural Gas, and Ministry of Railways are awaited.

1.3 Representatives of MoHUA mentioned that they are facing difficulty in implementing the Local Content, though they have already specified MLC for different components in Metro Rail procurement. The issue was deliberated in detail. It was decided to indicate the phrase “minimum 30% and more” as the Local Content criteria to be provided in the definition.

1.4 After the deliberations, the Committee decided that the revised definition of MLC will be circulated again by DPIIT to all and they were asked to provide their comments within three weeks. If no reply is received by the 27.12.2019, the proposed definition would be finalized and there will no extension of time in this case.

(Action: DPIIT)

Agenda No. 2: Grievances raised by L.T. Elevator

2.1 Grievance was raised by L.T. Elevator Pvt. Ltd. against Bhopal Smart City for violating PPP-MII Order, 2017. The issue was deliberated with the representatives of MoHUA who intimated that the tenders of Smart City have been cancelled & re-tender was called for procurement. MoHUA was asked to provide details thereof and also to intimate to grievance holders for participation in their tendering process.

2.2 It was again clarified by the Committee Chairman that any Scheme/ Project funded by Govt. of India (even if implemented by State Govt. agencies) shall fall under the ambit of PPP-MII Order which applies to goods, services & works. It also transpired during the meeting that Smart City projects have been following the QCBS method of evaluation of bids. Such methods are normally applicable for consultancy contracts and not for the tenders for goods/turnkey projects. Representative of MoH&UA was specifically told to tell her higher authorities that compliance to the PPP-MII order is the direction of the CoS and the highest authorities and has to be followed completely. Any ongoing tenders overlooking this O.M. need to be immediately rectified.

2.3 The Committee directed MoH&UA to review the issues discussed and if required, it should call for a meeting of Smart Cities at their level. The review position/reports should be intimated to DPIIT by the end of this month itself.

2.4 Regarding grievances raised by L.T. Elevator against South Central Railway, it was mentioned that the eligibility criteria specified by Railways were considered different than that of CPWD. Normally, majority of procurement entities have been following CPWD criteria for empanelment. Representatives of Railway expressed that their requirements are different and lifts required at railway stations need more stringent
passenger safety norms. Railway representatives mentioned that they have replied to DPIIT regarding the grievances of L.T. Elevators. The copy of reply shall be provided by Railway for examination by DPIIT.

2.5 Vide letter dated 25.10.2019, CPWD has revised the criteria for selection of Lift suppliers. The revised criterion still includes restrictive conditions such as average annual financial turnover in India for immediate last three consecutive years shall not be less than Rs. 200 crore, minimum 15 years’ experience and a minimum domestic production capacity of 2000 lifts per annum.

2.6 Committee directed that CPWD should review criteria for lift suppliers & issue fresh selection/ empanelment criteria so that local industries having capacity to supply quality products are not debarred specially in those projects were larger passenger usage is not the requirement like in their offices/ buildings etc.

(Action: MoHUA/CPWD, Railways, & DPIIT)

Agenda No. 3- Grievance of Mr. Anirban Majumdar against South Central Railway

3.1 Shri. Anirban Majumdar alleged against South Central Railway about the violation of PPP-MII order, 2017. The grievance was similar to that of L.T. Elevator. Railway Board Representatives mentioned that they have already modified eligibility criteria and have also replied to DPIIT. The copy of Railway Board is yet to be received.

3.2 Committee directed to examine the reply of Railway Board and take necessary actions immediately.

(Action: Railway Board & DPIIT)

Agenda No. 4 - Grievance of Falco eMotors (Rakesh Dhawan) against Eastern Railway

4.1 The grievance was raised by Shri Rakesh Dhawan of Falco e-Motors against Eastern Railway for violating PPP-MII Order, 2017. He has alleged that the process has been secretive and non-transparent and does not allow manufacturers in India benefit of Make in India policy even after meeting all the specifications and tender requirements.

4.2 Railways informed that the grievance of M/s Falco e-Motors is vague regarding violation of PPP-MII Order. Railways mentioned that they have already replied against the grievances. Reply of Railway Board is awaited.

4.3 Committee directed the Railway Board to expedite and send reply within 15 days so that the same may be examined at DPIIT.

(Action: Railway Board & DPIIT)

Agenda No. 5- Grievance of Lookman against Railtel

5.1 M/s Lookman raised the issue against Railtel for use of selection criterion like high turnover & non-inclusion of OEM for camera procurements in their Rail tender. The representative of Railtel mentioned that Railtel has been following uniform qualification criteria (35% within Financial Year & turnover of 150% of tender value). They are also following the turnover criteria as per CVC guidelines.
5.2 The Standing Committee was of view that the criteria of Financial Turnover for Camera was very high. Railtel was directed to review this restrictive criteria so as to ensure that Local /domestic manufacturers meeting these qualities & capacities should not be excluded from participation. Compliance and conformation of the same should be sent to DPIIT by 15th January 2020.

(Action: Railtel & Railway Board)

Agenda No. 6- Grievance of Justice (Retd.) S.Mukherjee against RDSO/Railway Board

6.1 Justice(Retd.) S. Mukherjee has requested for Review of Railway Board’s Letter regarding Lightning & Surge Protection for Signaling Equipment indicating Foreign Certifications by KEMA/VDE which restrict domestic manufacturers to supply Surge Protection Devices to Indian Railways thus creating market for only few European Companies.

6.2 Committee directed that RDSO/Railway Board should indicate National Certifying Agencies/National Standards instead of KEMA/VDE incorporated in their approval criteria. They should avoid using foreign certifications & use National Certifying Body who should have equivalent international certification in India.

(Action: RDSO/Railway Board)

Agenda No. 7- Grievance of TEMA against Railtel

7.1 M/s TEMA against Railtel in alleged violation of PPP-MII order in one of its tenders for provision of Modern Control System including LTE based Mobile Train Radio Control Communication System connected Electronic Interlocking Train detection system of block section. TEMA stated that tender specs do not comply with PPP-MII Order and the DoT Notification. Railway Board informed that they are examining the matter and reply will be send to DPIIT shortly.

7.2 Committee directed that Railway Board/ Railtel should examine the grievance and send reply within 15 days.

(Action: Railtel &Railway Board)

Agenda No. 8- Grievance of Komatsu Mining Corp. against CIL

8.1 Komatsu Mining / Joy Global Against Coal India Limited alleged violation of PPP-MII order in the tender issued by Coal India Limited for procurement of 20 Cu. Mtr. Electric Rope Shovel. Joy Global in their representation stated that Make in India provision was not made part of Notice Inviting Tender.

8.2 Coal India in its reply stated that the tender has been framed in consultation with all the prospective bidders.CIL said that Make in India Policy is part of NIT but the model quoted by Joy Global has neither been manufactured by their principal manufacturer - USA nor by Joy Global in India. CIL mentioned that their offer had been considered but was not found to be acceptable on technical grounds, being non-compliant to tender conditions, which called for proving the manufacturing origin. The grievance was examined at the level of IEM appointed by CIL and disposed off accordingly.
8.3 The Committee directed to provide adequate and detailed reasons for rejecting the tender of Joy Global and provide the report of Panel of IEM to DPIIT immediately.

(Action: Ministry of Coal)

Agenda No. 9- Grievance of Shri Rajesh Tuli (M/s Coral Telecom) against Eastern Railway

9.1 The firm has alleged that invitation of tender for EPBX for eastern Railway (B.R Singh Hospital) was on limited tender basis and was not complying with PPP-MII Order. DoT PMI Policy was also not followed. It was alleged that limited tender was invited from selected bidders, giving little time and contract has been awarded to Webfil Kolkata to Supply the equipment of foreign makes such Avaya/ Clemens Etc.

9.2 Eastern Railway clarified that they have entered into works contract which is not governed by GFR-17. The subject grievance was discussed in 7th Standing Committee Meeting (SCM) held on 26.06.2019, Chaired by Secretary, DPIIT wherein it was decided that "this being a case of willful disobedience of PPP-MII Order, 2017, the case be referred to CVC and Chairman Railway Board for examination and fixing the responsibility of individual(s) for willful disobedience of PPP-MII Order, 2017." Meanwhile, Railway Board vide its letter dated 05.07.2019 also forwarded Para wise comments received from tender issuing authority justifying the subject procurement under the pretext that it pertains to procurement of works and as such provisions of GFR 2017 are not applicable. The justification given by Railway Board vide its letter dated 05.07.2019 is not considered tenable for the simple reason that the subject grievance is for non-compliance of PPP-MII Order, which is applicable on works contracts as well, but has not been complied with in the subject procurement. Also, no justification/comments for non-compliance of PPP-MII Order have been provided by procuring entity/Ministry.

9.3 However, the case was again revived by the 8th SCM which directed that the administrative Ministries should re-examine the grievance and ensure corrective action based on the fresh representation of M/s Coral Telecom to Railway Board. Ministry of Railways is required to dispose the complaint within 4 weeks i.e. by 10th November, 2019. DPIIT could take decision regarding reference to CVC or otherwise keeping in view the decision of Ministry of Railways.

9.4 During the last SCM, Railway Board was requested to hold a meeting with grievance holders and forward reply. Their final reply is still awaited.

9.5 Committee directed that Railway Board should reply within 15 days i.e. by 19.12.2019, so that the issue can be finalised by DPIIT. Failure of not sending reply in time, the case will be decided upon by the Chair.

(Action: Railway Board & DPIIT)

The meeting ended with thanks to all the participants and to the Chair. All were directed to stick to the decisions/deadlines decided upon.
List of Participants in 9th Meeting of Standing Committee Meeting (SCM) held on 04.12.2019 to review the Implementation of Public Procurement (Preference to Make in India) Order, 2017

(S/Shri/Ms.)

1. Dr. Guruprasad Mohapatra, Secretary, DPIIT
2. Shailendra Singh, Additional Secretary, DPIIT
3. Manmeet K. Nanda, Joint Secretary, DPIIT
4. S. Bhardwaj, Director, DPIIT
5. DVSP Varma, Under Secretary, DPIIT
6. K. Chaudhary, Consultant, DPIIT
7. Sanjay Prasad, Joint Secretary, Department of Expenditure
8. Jaideep, Joint Secretary, MOHUA
9. Pooja Sharma, Under Secretary, MOHUA
10. Bhaskar Choradia, Director (GeM), DoC
11. DK Tulani, S.E. (E), CPWD
12. Rohit Mathur, MOPNG
13. Noas Kindo, MOPNG
14. Prashant Kumar, MEITY
15. Chandandeepr Singh, Defence Production
16. Arjun Singh Tomar, Director (Signal), Railway Board
17. Dharmendra Singh, Joint Director, Railway Board
18. M.K. Gupta, EDRSG, Railway Board
19. Major Shobhit Gupta, Director, Electrical Engineering, Ministry of Railways
20. Shaminder Singh, Executive Director, RailTel Corporation of India Limited
21. A.K. Sablania, Executive Director, RailTel Corporation of India Limited
22. Rajesh Kumar, Director, Department of Telecommunications
23. B.Parel, General Manager, Coal India Ltd
24. T.K. Mishra, General Manager, Coal India Ltd
25. Rajesh Tuli, Coral Telecom Limited
26. Shibnath Bhowmik, Joy Global India Private Limited
27. Samaresh Mitra, Joy Global India Private Limited
28. Vikas Nigam, lookam Electroplast India Limited
29. Nadeem Qureshi, Lookam Electroplast India Limited
30. NK Goyal, TEMA/CMAI
31. S.P. Sengupta, L.T. Elevator
32. A. Gupta, L.T. Elevator
OFFICE MEMORANDUM

Subject: Minutes of VC Meeting of 10th Standing Committee - issues/grievances related to implementation of Public Procurement (Preference to Make in India) Order 2017 - regarding.

The undersigned is directed to forward minutes of Video Conference held under chairmanship of Secretary, Department for Promotion of Industry and Internal Trade at 5.00 PM on 21.08.2020 for necessary action and sending action taken report to this Department (email IDs: pps-dipp@gov.in, dvsp.varma@nic.in, rajesh.gupta66@gov.in, rakesh.k72@gov.in and kameshwar.c@gov.in) within stipulated period on priority.

Encl: Minutes of 10 SCM

(D.V.S.P. Varma)
Under Secretary to Govt. of India
Email: dvsp.varma@nic.in

To

1. Chairman, Railway Board, Rail Bhawan, Rafi Marg, New Delhi [email: crb@rb.railnet.gov.in]
2. Home Secretary, North Block, New Delhi. Email: hshso@nic.in
3. Secretary, Department of Pharmaceuticals, Shastri Bhawan, New Delhi -110 001 Email: secy-pharma@nic.in
4. Secretary, Ministry of Electronics & Information Technology, Electronics Nikatan, 6 CGO Complex, Lodhi Road New Delhi email: secretary@meity.gov.in
5. Secretary, Department of Telecommunications, Room No. 210, Sanchar Bhawan, Rafi Marg, New Delhi – 110 001 Email: secy-dot@nic.in
6. Secretary, Department of Heavy Industries, Udyog Bhawan, New Delhi, email: shioff@nic.in
7. Secretary, Ministry of Petroleum and Natural Gas, Shastri Bhawan. Dr. Rajendra Prasad Road, New Delhi email: sec.png@nic.in
8. Secretary, Department of Chemicals & Petrochemicals, Shastri Bhawan, New Delhi, email: sec.cpc@nic.in
9. Secretary, Ministry of Housing & Urban Affairs, Nirman Bhawan, New Delhi email: secyurban@nic.in
10. Secretary, Ministry of Textiles, Udyog Bhawan, New Delhi email: secy-textiles@nic.in
11. Secretary, Ministry of Shipping, Transport Bhawan, Parliament Street, New Delhi email: secyship@nic.in
12. Defence Secretary, 101-A, South Block, New Delhi. Email: defsecy@nic.in
13. Secretary, Department of Defence Production, 136, South Block, New Delhi -110001
Email : sdpns@nic.in
14. Secretary, Ministry of Power, Shram Shakti Bhawan, New Delhi email: secy-power@nic.in
15. Secretary, Ministry of New and Renewable Energy, CGO Complex, Lodhi Road, New Delhi email: secy-mnre@nic.in
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24. Secretary, Ministry of Labour and Employment, Shram Shakti Bhawan, New Delhi. Email: secy-labour@nic.in
25. Special Secretary and Director General (Acquisition), Ministry of Defence, 137 South Block, New Delhi. Email: dgacq-mod@nic.in
26. Secretary, Department of Commerce, Udyog Bhawan New Delhi. Email: csoffice@nic.in
27. Secretary, Ministry of Electronics & Information Technology, Electronics Nikatan, 6 CGO Complex, Lodhi Road New Delhi Email: secretary@meity.gov.in
28. Ms Rasika Chaube, Ministry of Steel, Udyog Bhawan, Dr.Maulana Azad Road New Delhi Email: rasikachaube.nic.in
29. Joint Secretary (Public Procurement), Department of Expenditure, North Block, New Delhi. Email: secyexp@nic.in, js.pfc2.doe@gov.in
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32. Shri Saurabh Gaur, Joint Secretary, Ministry of Electronics & Information Technology, Electronics Nikatan, 6 CGO Complex, Lodhi Road New Delhi Email: saurabh.gaur@meity.gov.in
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34. Ms Sukriti Lekhi, Joint Secretary, Department of Heavy Industries, Udyog Bhawan, New Delhi, Email: jssl-dhi@gov.in
35. Shri Rohit Mathur, Joint Secretary, Ministry of Petroleum and Natural Gas, Shastri Bhawan. Dr.Rajendra Prasad Road, New Delhi Email: rohit.mathur@nic.in
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37. Ms Gurveen Sidhu, Joint Secretary, Department of Fertilizers, Ministry of Chemicals and Fertilizers, Dr. Rajendra Prasad Road, New Delhi Email: gurveen.s@gov.in
38. Shri Nihar Ranjan Dash, Joint Secretary, Ministry of Textiles, Udyog Bhawan, New Delhi Email: nihar.dash@nic.in
39. Shri Satinder Pal Singh, Joint Secretary, Ministry of Shipping, Transport Bhawan, Parliament Street, New Delhi Email: js-ship@gov.in
40. Shri Vishal Gagan, Joint Secretary, 101-A, South Block, New Delhi. Email: js.cao-mod@nic.in
41. Shri Sanjay Jaju, Joint Secretary, Department of Defence Production, 136, South Block, New Delhi Email: jajus@gov.in
42. Shri Tanmay Kumar, Joint Secretary, Ministry of Power, Shram Shakti Bhawan, New Delhi Email: tanmay.kumar-rj@gov.in
43. Shri Amitesh Kr. Sinha, Joint Secretary, Ministry of New and Renewable Energy, CGO Complex, Lodhi Road, New Delhi Email: amitesh.ks@gov.in
44. Ms Rubina Ali, Joint Secretary, Ministry of Civil Aviation, Rajiv Gandhi Bhawan, Safdarganj Airport, New Delhi Email: rubina.ali@nic.in
45. Shri Jaideep, OSD (UT), Ministry of Housing & Urban Affairs, Nirman Bhawan, New Delhi Email: osdut-moud@nic.in
46. Shri Alok Chandra, Economic Adviser, Ministry of Mines, Shastri Bhawan, New Delhi Email: ea-mines@gov.in
47. Shri M.K. Gupta, Executive Director, Railway Board, Rail Bhawan, Rafi Marg, New Delhi Email: edrsg@rb.railnet@gov.in
48. Shri A.K. Rajput, CE, CEA, Ministry of Power, Room No. 225, Sewa Bhawan, R.K. Puram, New Delhi, Email: akrajput@nic.in

Procuring Entities

1. Commissioner of Police, Delhi
2. CEO, Karnal Smart City
3. CEO, Shivamogga Smart City
4. CEO, Chandigarh Smart City
5. CEO, Saharanpur Smart City
6. CEO, Bareilly Smart City
7. CEO, Moradabad Smart City
8. Police Commissioner, UP Police
9. Police Commissioner, Bengaluru Police
10. CMD, Indian Overseas Bank
11. CMD, Indian Bank
12. CMD, Bank of India
13. CMD, IDBI Bank
14. CMD, UCO Bank
15. CEO, M/s DMRC
16. CEO, UP Metro Rail Corporation Ltd (UPMRCL)
17. GM, Southern Railways,
18. MD, M/s Singareni Collieries Corporation Limited
19. Commissioner, Delhi Police
20. GM, Heavy Alloy Penetrator Project, Tiruchirapalli
21. Chairman, Ordnance Factory Board

Copy to:
1. PPS to SIIT
2. PPS to JS (MKN)
3. Director(RG)/Director (RK)//Consultant (KC), DPIIT
Minutes of 10th Meeting of Standing Committee for Implementation of Public Procurement (Preference to Make in India) Order, 2017 held on 21.08.2020 at 5.00 PM through Video Conferencing

The 10th Meeting of Standing Committee for implementation of “Public Procurement (Preference to Make in India) Order, 2017” was held under the Chairmanship of Secretary, DPIIT on 21.08.2020.

2. Initiating the discussions, the Chairman welcomed the participants. Various points discussed in the meeting are detailed below:

**Agenda Point No. 1**

3.1 The changes introduced in the revised PPP-MII Order dated 04.06.2020 and the necessity of revised nodal ministry notification was deliberated. It was also noted that so far, MoR and MoP have issued the notification as per the revised Order.

3.2 The Standing Committee directed all nodal ministries/ departments to review their notifications under PPP-MII Order and re-notify these as per Order dated 04.06.2020 with immediate effect and send their compliance to DPIIT.

(Action: All nodal ministries/ departments)

**Agenda Point No. 2**

4.1 Recent changes in GFR with insertion of Rule 144(xi) and Department of Expenditure Order (Public Procurement No. 1) dated 23rd July, 2020 under these Rules were noted.

4.2 It was informed to all participants that DPIIT has constituted a Registration Committee under the Order. First meeting of registration committee was held on 07.08.2020 and registration format and other related details are being finalized

(Action: DPIIT)

**Agenda Point No. 3**

5.1 Brief overview of various grievances received for violation of PPP-MII Order, 2017 were shared with the participants. Ministry wise break-up of grievances, including its pendency was reviewed. It was noted that a total of 929 grievances have been received across ministries/ departments, out of which 518 were resolved/closed till date. Concerns were expressed that as many as 243 grievances were pending for more than six months.

5.2 It was also noted that most of the pending grievances were against only a few major ministries/ departments.
5.3 The Standing Committee directed that all the outstanding grievances, particularly those which were pending for more than 06 months, should be resolved on priority. The Standing Committee also directed that regular one to one meetings may be convened at the level of JS (MKN) with concerned JS level officers of the respective ministries particularly for the ministries/ departments where there is large pendency, so that the outstanding grievances can be reconciled on priority.

(Action: All ministries & DPIIT)

Agenda Point No. 4

6.1 The concern that imported items are being procured through indirect route in SI/EPC contracts, in spite of there being sufficient local capacity and local competition within the country for such items, was noted. To ensure that in SI/ EPC Contracts, SI/EPC contractor does not supply imported items, when the item is available locally, the proposed amendment mandating that in EPC/SI contracts, EPC/SI contractor shall supply items, for which there is sufficient local capacity and competition duly sourced from Class-I local suppliers was deliberated upon.

6.2 The representatives from various ministries/ departments endorsed the proposed amendment.

6.3 The Standing Committee directed that DPIIT may initiate the proposal for formal amendment in the Order.

(Action: DPIIT)

Agenda Point No. 5

7.1 The existing definition of local content, its limitations as also the proposed changes was discussed in detail.

7.2 The Standing Committee directed the stakeholders to send their comments, if any, by 31.08.2020. Thereafter, DPIIT may initiate the proposal for amendments in the Order taking into consideration the feedback received regarding the proposed changes.

(Action: All Ministries & DPIIT)

Agenda Point No. 6

8.1 The concerns raised by the Acquisition Wing, Ministry of Defence regarding implementation of PPP-MII Order in procurement of defence capital items was noted.
8.2 The Standing Committee directed that concerns raised by Acquisition Wing, MoD may be discussed in an one to one meeting in DPIIT associating concerned officers from Acquisition Wing, Ministry of Defence.

(Action: MoD & DPIIT)

Agenda Point No. 7

9.1 The grievances from stakeholders alleging that various Smart City Projects are not implementing provisions of PPP-MII Order and have restrictive terms & conditions including foreign brands/ foreign technical specifications/ certifications in their tenders, were deliberated upon.

9.2 The Standing Committee directed that indicating foreign brands/ foreign technical specifications/ certifications in the tender is restrictive and discriminatory against local suppliers. Hence, it is a violation of PPP-MII Order. The Standing Committee also directed Joint Secretary (MoHUA) to convene a meeting with the Smart Cities, associating aggrieved local suppliers and DPIIT, directing Smart city administrators/heads to comply with the provisions of the Order in letter and spirit. The specific grievances received may also be addressed in a time bound manner and action taken report be sent to DPIIT by 04.09.2020

(Action: MoHUA)

Agenda Point No. 8

10.1 The grievances from stakeholders alleging that various State Police organizations (under Nirbhaya Fund Scheme) are not implementing the provisions of PPP-MII Order and have restrictive terms & conditions including foreign brands/ foreign technical specifications/ certifications, were deliberated.

10.2 The Standing Committee directed that indicating foreign brands/ foreign technical specifications/ certifications in the tender is restrictive and discriminatory for local suppliers. Hence, it is a violation of PPP-MII Order. The Standing Committee also directed Joint Secretary (MHA) to convene a meeting with all the State Police organizations associating aggrieved local suppliers and DPIIT, directing State Police procuring units to comply with the provisions of the Order in letter and spirit. The specific grievances received may be addressed in a time bound manner and action taken report may be sent to DPIIT by 04.09.2020

(Action: MHA)
Agenda Point No. 9

11.1 The grievances received from stakeholders alleging that Public Sector banks are not indicating provisions of PPP-MII Order in their bid documents was deliberated. It was also noted after the intervention of DPIIT, Indian Bank, IoB and IDBI Bank have issued corrigendum in their bid documents respectively, incorporating provisions of PPP-MII Order.

11.2 Representative from Bank of India, present in the meeting, also informed that they have issued necessary corrigendum in the bid documents. The Standing Committee directed that Bank of India and the UCO Bank to send their written replies to DPIIT by 04.09.2020. The Standing Committee also requested Department of Financial Services to issue an advisory to all Public Sector Banks to comply with the provisions of PPP-MII Order in letter and spirit.

(Action: DFS, Bank of India & UCO Bank)

Agenda No. 10

12.1 The Grievance received from M/s Frog Cellsat alleging that provisions of PPP-MII Order are not being incorporated by Metro Rail Corporations in their tenders for “Licensing of Spaces” for providing in-building solutions (IBS) for mobile coverage, was deliberated in meeting.

12.2 The Standing committee directed that policy guidelines need to be issued in this regard mandating use of locally manufactured items in such contracts. The Standing Committee also opined that in case there is sufficient local capacity and competition for such item(s) in the country, nodal ministry may notify so under Clause 3(a) of the Order. In such cases, policy guidelines may be issued mandating sourcing of such items from Class-I local suppliers, as has been recommended for SI/ EPC contracts. Alternatively, option may be explored for specifying certain minimum percentage of local content in the items procured by licensee for providing requisite services.

12.3 The Standing Committee requested MoHUA to examine the subject matter in consultation with Department of Telecom to ensure that usage of “Made in India” items is encouraged in such contracts. Standing Committee requested that action taken report in this regard may be sent to DPIIT by 04.09.2020.

(Action: MoHUA & DoT)
Agenda No. 11

13.1 The grievance from M/s Jindal Steel and Power limited (M/s JSPL) against profit before tax eligibility criteria for participation in UP Metro Rail Corporation (UPMRCL) tender for supply of RAILS was discussed. It was noted M/s JSPL had successfully qualified and executed the Orders for RAILS for other Metro companies and Indian Railways in the recent past and also that there are only two manufacturers of RAILS in the country. As such, excluding one of the local suppliers may restrict competitive bidding. Representative from M/s JSPL also informed that UPMRCL has floated another global tender for procurement of large quantity of RAILS with profit before tax eligibility criteria thereby debarring them from participation.

13.2 Representative from Ministry of Steel pointed out that in the recent CoS meeting, a direction had been given to ensure to all such procuring ministries that rails shall not be imported.

13.3 Standing Committee opined that eligibility criteria cannot be framed in isolation to exclude local suppliers from bidding process. Standing Committee directed that UPMRCL should review its eligibility criteria. Keeping in view the fact that different metro companies are using different qualification criteria for procurement of RAILS, Standing Committee requested MoHUA to come up with uniform guidelines on qualification criteria for procurement of RAILS, and this should be followed by all Metro Corporations

(Action: UPMRCL & MoHUA)

Agenda No. 12

14.1 Grievance from M/s Mitra Industries alleging that Indian Railways is not allowing them to participate in the bidding process because of restrictive turnover criteria for registration although they are the only manufacturers of CAPD Fluids and bags in the country was deliberated.

14.2 Representatives from Railways board stated that three grievances have been received from M/s Mitra on this account and also that Railways board has got all the relevant documents for examination and necessary corrective action.

14.3 The Standing Committee directed Ministry of Railways to take necessary corrective action and action taken report may be sent to DPIIT by 04.09.2020

(Action: Railway Board)

Agenda No. 13

15.1 The Grievance received from M/s Puzzolana Machinery against Singareni Collieries Company Limited (SCCL) was deliberated. The representative from Singareni Collieries...
Company Limited (SCCL) informed the committee that crushing strength is one of the important parameters for feeder breakers and as such it has been used as a proven-ness criteria. It was also informed that all the shortlisted bidders for price bid evaluation are local suppliers. As such, there is no violation of PPP-MII Order. The representative from Singareni Collieries also expressed the urgency for procurement to meet production targets.

15.2 The Standing Committee directed Singareni Collieries Company Limited to send its reply in writing to DPIIT through Ministry of Coal by 04.09.2020.

(Action: SCCL/ Ministry of Coal)

Agenda No. 14

16.1 The grievance of Security Promotion Group of India alleging Delhi Police has indicated foreign certification in its city surveillance tender and also the time provided for submitting cyber security certificate as just seven days, was deliberated.

16.2 The Standing Committee opined that indicating mandatory foreign certifications, when Indian Standard/ certifications exist, is a violation of PPP-MII Order. The Standing Committee directed MHA to convene a meeting with Delhi Police, associating aggrieved parties and DPIIT, and ensure that fair and equal opportunities are given to local suppliers to participate in bidding process. MHA/ Delhi Police may send Action Taken report to DPIIT by 04.09.2020.

(Action: Delhi Police/ MHA)

Agenda No. 15

17.1 The Grievance received from M/s Accurate Gauging & Instruments regarding restrictive technical specifications in the tender floated by Heavy Alloy Penetrator Project (HAPP), Ministry of Defence, Tiruchirapalli was discussed in the meeting. The representative from HAPP informed the committee that the subject equipment shall be used for manufacturing of 125 mm FSAPDS ammunition for T-72 & T-90 tanks and that the specifications have been framed generically after studying the best CMMs technology available in the world market (both indigenously and internationally) and on the recommendation of the Russian collaborator.

17.2 The Standing Committee directed HAPP to send its reply in writing to DPIIT through Department of Defence Production by 04.09.2020

(Action: HAPP/ Department of Defence Production)

The meeting concluded with a vote of thanks to the Chair.
No.P-45021/229/2020-PP-(BE-II)(E-50107)
Government of India
Ministry of Commerce and Industry
Department For Promotion of Industry and Internal Trade
(Public Procurement Section)
Udyog Bhavan, New Delhi
Dated: January 13, 2021

OFFICE MEMORANDUM

Subject: Minutes of 11th Meeting of Standing Committee held on 05.01.2021 at 11.30 A.M under the chairmanship of Secretary, DPIIT to review the implementation of Public Procurement (Preference to Make in India) Order 2017- regarding.

The undersigned is directed to forward minutes of 11th Meeting of Standing Committee Video Conference held under chairmanship of Secretary, Department for Promotion of Industry and Internal Trade at 11.30 on 05.01.2021 for necessary action and sending action taken report to this Department (email IDs: pps-dipp@gov.in, rajesh.gupta66@gov.in, rakesh.kumar72@gov.in and kameshwar.c@gov.in) on priority.

2. This issues with the approval of competent authority.

Encl: Minutes of 11th SCM.

(Prem Bahadur)
Section Officer
Tele: 2306 1516
Email: premb.maurya@gov.in

To

1. Chairman, Railway Board, Rail Bhawan, Rafi Marg, New Delhi email: crb@rb.railnet.gov.in
2. Secretary, Ministry of Housing & Urban Affairs, Nirman Bhawan, New Delhi email: secyurban@nic.in
3. Secretary, Department of Defence Production, 136, South Block, New Delhi -110001 Email: sdpns@nic.in
4. Secretary, Ministry of Defence, Sena Bhawan, New Delhi.[ email: defsecy@nic.in]
5. Secretary, Department of Telecommunications, Room No. 210, Sanchar Bhawan, Rafi Marg, New Delhi – 110001, Email: secy-dot@nic.in
6. Secretary, Ministry of Power, Shram Shakti Bhawan, New Delhi. Email: secypower@nic.in
7. Secretary, Ministry of Petroleum and Natural Gas, Shastri Bhawan, Dr. Rajendra Prasad Road, New Delhi. Email: sec.png@sb.nic.in
8. Secretary, Department of Pharmaceuticals, ShastriBhawan, New Delhi. Email: jaipriye@nic.in
9. Secretary, Department of Heavy Industry, Udyog Bhawan New Delhi. Email: shioff@nic.in
10. Secretary, Ministry of Textiles, Udyog Bhawan, New Delhi. Email: secy-textiles@nic.in
11. Secretary, Ministry of Shipping, Transport Bhawan, Parliament Street, New Delhi [email: secyship@nic.in]
12. Secretary, Ministry of New and Renewable Energy, CGO Complex, Lodhi Road, New Delhi [email: secy-mnre@nic.in]
13. Secretary, Ministry of Civil Aviation, Rajiv Gandhi Bhawan, Safdarganj Airport, New Delhi [email: secy-moca@nic.in]
14. Secretary, Ministry of Steel, Udyog Bhawan, New Delhi, [email: secy-steel@nic.in]
15. Secretary, Ministry of Mines, ShastriBhawan, New Delhi [email: secy-mines@nic.in]
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18. Secretary, Department of Science & Technology, Technology Bhawan, New Delhi. Email: dstsec@nic.in
19. Secretary, Ministry of Road Transport and Highways, New Delhi [email: secy-road@nic.in]
20. Secretary, Ministry of Coal, Shastri Bhawan, New Delhi. PH. 011-23384884. Email: secy-moc@nic.in
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27. Secretary, Department of Commerce, Udyog Bhawan New Delhi. Email: csoffice@nic.in
28. Secretary, Ministry of Electronics & Information Technology, Electronics Nikatan, 6 CGO Complex, Lodhi Road New Delhi [email: secretary@meity.gov.in]
29. Chief of Defence Staff, Ministry of Defence, Sena Bhawan, New Delhi.
30. Joint Secretary (Public Procurement), Department of Expenditure, North Block, New Delhi. Email: secyexp@nic.in, js_pfc2.doe@gov.in
31. Joint Secretary (AA), DPIIT, Udyog Bhawan New Delhi. Email: agrawal.anil@gov.in
32. Nodal Officer of concerned Ministries/Departments
33. UT Administration of Daman and Diu.
34. The complainant/suppliers – the relevant extract of the Minutes.
Procuring Entities

1. CEO, UP Metro Rail Corporation Ltd (UPMRCL).
2. GM, South Western Railway/ Railway Board.
3. CEO, Port Blair Smart City.
4. MD, M/s Projects & Development India Ltd. (PDIL)
5. MD, M/s ONGC, Dahej.
6. Secretary cum Commissioner, Transport Department, Government of Delhi.
7. Managing Director, DTC Hqrs, New Delhi
8. Secretary, Ordnance Factory Board, Kolkata
9. General Manager, Gun Carriage Factory, Jabalpur.
10. Member Secretary, DDEGS, UT administration of Daman and Diu.

Complainants (The relevant extract of the Minutes)

1. M/s Jindal Steel Power Limited (M/s JSPL).
3. M/s i2V System private Limited and M/s Tejas Network
4. M/s TIL Limited
5. M/s TEMA
6. M/s Jyoti CNC Automation Ltd.
7. M/s Tejas Networks Limited

Copy to:

1. PPS to SIIT
2. PPS to AS(S)
3. PPS to JS(MKN)
4. Dir.(RG)/Dir(RK)/Dir(AK)/Consultant (KC)/ Consultant (VPV), DPIIT
Minutes of 11th Meeting of Standing Committee to review the Implementation of Public Procurement (Preference to Make in India) Order, 2017 held on 05.01.2021 at 11.30 AM through Video Conferencing

List of participants is annexed.

2. Initiating the discussion, the Chairman welcomed the participants. Various points discussed in the meeting are detailed below in the succeeding paragraphs.

Agenda Point No. 1

3.1 The changes introduced in the PPP-MII Order dated 16.09.2020 and the necessity of revised nodal ministry notification under the Order was deliberated. It was also noted that MeitY, DoT, DCPC, MoCA, Ministry of Shipping, Ministry of Mines, Ministry of Textiles, Department of Pharmaceuticals, Department of Military Affairs are yet to issue the notification as per the revised Order. AS, MHA also mentioned the issue of DoT’s older order of 2018 pertaining to local content value and applicability of the order for tenders above 50 lakhs.

3.2 The Standing Committee directed aforesaid nodal Ministries/ Departments to review their notifications under PPP-MII Order and re-notify these as per Order dated 16.09.2020 within 15 days. It was brought to the attention of the House that the limit of applicability of 50 lakhs and above stood removed since the June 4, 2020 amendment to PPP-MII Order itself.

(Action: All nodal Ministries/ Departments)

Agenda Point No. 2

4.1 The role of nodal Ministry and notification of 19 nodal Ministries/ Departments for different product categories under PPP-MII Order, 2017 were perused. It was noted that request letters have been received from various stakeholders to notify nodal Ministry for the following items:

a. “Scientific lab & test equipment” (SL&TE) – The items are being procured by various educational institutions (School, Colleges & Tech institutions), R&D Institutions (DGQA, RDSO, TEC and S&T Labs etc).

b. Light Engineering Items (LEI) – The items are used in construction work like drinking water pipes of different types, its fittings, Hardware items, Electrical cables of different types, Electrical fittings like fans, tube lights etc, Electrical motors, Pumps and other similar electrical and mechanical appliances. The items are procured by all Ministries primarily MoHUA, Railways, Defence, etc.
c. Lifts and Escalators – The items are procured by all Ministries primarily MoHUA, Railways, Defence, MoCA, etc.

d. Air-conditioner – The items are procured by all Ministries primarily MoHUA, Railways, Defence, MoCA, MHA, etc.

e. Currency Counting Machine – The items are primarily procured by Public Sector Banks under DFS.

f. X-Ray Baggage Scanner – The items are primarily procured by Ministry of Railways, MoCA, MHA.

4.2 Standing Committee directed that following nodal Ministries/Departments may be notified for aforesaid items:

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Category of Item</th>
<th>Nodal Ministry</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Scientific lab &amp; test equipment</td>
<td>DST</td>
</tr>
<tr>
<td>2.</td>
<td>Light Engineering Items</td>
<td>DPIIT</td>
</tr>
<tr>
<td>3.</td>
<td>Lifts and Escalators</td>
<td>DPIIT</td>
</tr>
<tr>
<td>4.</td>
<td>Air-conditioners</td>
<td>DPIIT</td>
</tr>
<tr>
<td>5.</td>
<td>Currency Counting Machine</td>
<td>MeitY</td>
</tr>
<tr>
<td>6.</td>
<td>X-Ray Baggage Scanner</td>
<td>MoCA</td>
</tr>
</tbody>
</table>

4.3 Standing Committee also directed that for “CCTV Camera, Security system, Video Surveillance System and all related appliances”, DoT is the nodal Ministry. Standing Committee also advised that before the issue of notification by any other Ministry/Department for compliance of these products with cyber security/other guidelines, nodal Ministry should be consulted.

(Action: DPIIT)

Agenda Point No. 3

5.1 Recent changes by Department of Expenditure through amendment in GFR Rule 144(xi) and Order (Public Procurement No. 1) dated 23rd July, 2020 were perused.

5.2 It was noted that 63 applications have been forwarded to Ministries/Departments concerned for demand-supply related inputs. Comments of most of the Ministries/Departments on the subject are awaited. Ministry wise pendency was reviewed.
5.3 Standing Committee directed all the Ministries/Departments concerned to give their comments regarding demand supply related inputs on priority latest by 15.01.2021.

(Action: Concerned Ministries/Departments)

**Agenda Point No. 4**

6.1 Recent changes in GFR Rule 161(iv) regarding global tender enquiry (GTE) and the procedures prescribed by Cabinet Secretariat, as notified vide its ID no.213/2/1/2020-CA.IV dated 17.11.2020 were reiterated.

6.2 Standing Committee directed all procuring entities to upload its procurement projections on their website and invite domestic tenders. Thereafter, if required, proposal may be sent to DPIIT for convening industry meeting in accordance with the prescribed procedure.

(Action: All Ministries/Departments)

**Agenda Point No. 5**

7.1 It was noted that in accordance with para 10 (f) of PPP-MII Order, all administrative Ministries/Departments, whose procurement exceeds Rs. 1000 Crore per annum, are required to notify/update their procurement projections for the next 5 years on their website. It was informed to the participants that projections must be in a predefined format and shall include details of all procuring entities under administrative control of the concerned Ministry/Department. A web link is required to be sent to DPIIT so that the details may also be made available on DPIIT website.

7.2 It was noted that CoS in its meeting dated 15.11.2019 also recommended that all administrative Ministries/Departments may notify Government procurement projections for the next 3-5 years.

7.3 It was noted that most of Ministries/Departments are yet to publish their procurement projections. Chairman expressed displeasure considering the fact that several rounds of meetings have taken place on the subject matter in last one year even at the level of Cabinet Secretary and Secretary DPIIT.

7.4 Standing Committee directed all the concerned Ministries/Departments to upload procurement projections on their website by 15.01.2021 and send the web links to DPIIT.

(Action: All Ministries)

**Agenda Point No. 6**

8.1 Brief overview of grievances received for alleged violation of PPP-MII Order, 2017 were shared with the participants. Ministry wise break-up of grievances, including
their pendency was reviewed. It was noted that out of a total of 1101 grievances received across Ministries/Departments, 754 could only be resolved till date. Concerns were expressed that as many as 184 grievances are pending for more than six months.

8.2 The Standing Committee directed that outstanding grievances, particularly those which are pending for more than 06 months, should be resolved on priority.

(Action: All concerned Ministries/Departments)

**Agenda No. 7**

9.1 The grievance of M/s Jindal Steel and Power limited (M/s JSPL) against M/s UP Metro Rail Corporation (UPMRCL) tender for supply of Rails was discussed.

9.2 It was noted that there are two tenders for procurement of rails, one pertaining to 1620MT 880 Grade Rails and second pertaining 17000 Head Hardened Rails. For 880 Grade Rails, M/s JSPL and M/s SAIL are domestic suppliers. However, because of profits before tax eligibility criteria, M/s JSPL is not able to qualify. For Head Hardened Rails, M/s JSPL has alleged restrictions in eligibility requirements on account of (a) three year prior experience with Metro/Railway in India and (b) profit before tax in at least 02 years out of last 05 audited financial year.

9.3 Representatives from MoHUA and M/s UPMRCL stated that Head Hardened Rails are safety items. M/s JSPL is not a proven supplier for Head Hardened Rails. There is no manufacturer in India for Head Hardened Rails. M/s UPMRCL is procuring the item through Global Tender Enquiry. Being a safety item, the bid of M/s JSPL cannot be considered as they do not have proven performance. Regarding the requirement of profit before tax, representatives of MoHUA informed that they reviewed the matter based upon directions of 10th Standing Committee and it has been considered that the provisions of bid document in this regard are in accordance with Department of Expenditure “Manual for Procurement of Works 2019” and “Manual of Procurement of Goods, 2017”.

9.4 Representatives from M/s JSPL stated that they have already supplied 20000 MT of Head Hardened Rails to various entities including Indian Railways/Pune Metro/ Govt of Iran in the recent past. They are also RDSO approved for supply of Head Hardened Rails. Regarding profit before tax eligibility criteria, M/s JSPL representatives stated that “Manual of Procurement of Goods, 2017” also mandates that existing successful past suppliers should be considered qualified for the quantity already supplied by them in the recent past. The Manual also mandates that the bidders, which have been restructured by
banks in India under statutory guidelines, should be considered deemed qualified under financial standing criteria.

9.5 It was noted that MoHUA/ M/s UPMRCL have not examined the aforesaid aspects, as has been highlighted M/s JSPL in its subsequent letters and also detailed in para 9.4 above.

9.6 In response to a query, representatives from Department of Expenditure pointed out that the provisions indicated in the Manual are indicative in nature. These can be suitably modified as per exigencies of requirement. He also opined that in case MoHUA/ M/s UPMRCL need any further clarification regarding provisions of the Manual, a reference may be made to them for the same.

9.7 Standing Committee opined that eligibility criteria cannot be framed to exclude local suppliers from bidding process. Instead, it should be an inclusive process wherein all potential suppliers should be given opportunity to participate in the bidding process.

9.8 In the instant case, Standing Committee directed that M/s JSPL may give details of all the past purchase orders received by them for Head Hardened Rails. M/s UPMRCL/ MOHUA may examine the aforesaid details, to be received from M/s JSPL. The matter may be re-looked from the perspective that other similar procuring entities are procuring Head Hardened Rails from M/s JSPL. For profit before tax eligibility criteria, Standing Committee directed M/s UPMRCL/ MOHUA to re-examine the case in view of other provisions of the DoE Manual as detailed in para 9.4 above. If required, MOHUA may consult DoE on the subject matter.

9.9 Standing Committee directed M/s UPMRCL/ MoHUA to send its recommendation by 20.01.2021 without fail and till the decision of DPIIT on this grievance, the tender will not be finalized.

(Action: UPMRCL & MoHUA)
**Agenda No. 8**

10.1 The grievance of M/s Falco eMotors Private Limited alleging that South Western Railway has stipulated tender specifications favouring a Chinese company “Macroair” was deliberated.

10.2 It was noted that Railway Board has furnished a detailed reply on the subject matter vide its OM dated 31.12.2020. Railway Board has informed that 13 bidders participated in the tender. 08 bidders qualified technically without any deviation. The contract has been awarded to L-1 bidder on 17-06-2019.

10.3 It was also noted that the grievance has been examined on file. It has been considered that, for the reasons indicated by the Railway Board in its reply as detailed above, the grievance of M/s Falco Motors is not justifiable.

**Agenda No. 9**

11.1 The grievance of M/s i2V System private Limited and M/s Tejas Network alleging that Port Blair Smart City tender has restrictive eligibility criteria favoring single OEM, viz. the OEM should have supplied to 2 smart cities projects domestically and at least 01 project globally, was deliberated. It was noted that the tender specifications also indicates mandatory foreign certifications. Applicability of PPP-MII Order, 2017 has also not been indicated in the bid documents.

11.2 Representative from MoHUA informed that pursuant to the grievance, the subject tendering process has been annulled on 29.12.2020. Bids shall be invited afresh keeping into consideration the provisions of PPP-MII Order. It was also informed to the committee that MoHUA has issued draft guidelines for compliance of PPP-MII Order to all Smart Cities on 06.12.2020. MoHUA is also in the process of issuing a model RFP document for Smart Cities.

11.3 Standing Committee directed MoHUA Smart Cities to send its reply in writing.

*(Action: MoHUA)*

**Agenda No. 10**

12.1 The grievance of M/s TIL alleging that M/s Projects & Development India Ltd. (PDIL) tender indicates foreign technical standards EN 13000, although Indian Standard i.e. IS 4573 is available, was deliberated.
12.2 Representative from M/s PDIL informed that pursuant to the grievance, the subject tendering process has been annulled. Bids shall be invited afresh keeping into consideration the provisions of PPP-MII Order.

12.3 Standing Committee directed M/s PDIL to send its reply in writing.

(Action: PDIL/ Department of Fertilisers)

Agenda No. 11

13.1 The grievance of M/s TEMA alleging that M/s ONGC tender indicates mandatory requirement of foreign certification was deliberated. It was also noted that the tender specifications indicates Chinese brand “Hikvision”.

13.2 Representative from M/s ONGC informed that pursuant to the grievance, the subject tendering process has been annulled. Bids shall be invited afresh keeping into consideration the provisions of PPP-MII Order and GFR Rule 144(xi).

13.3 Standing Committee directed M/s ONGC to send its reply in writing.

(Action: ONGC/ MoPNG)

Agenda No. 12

14.1 The grievance of M/s TEMA alleging that Transport Department, Govt. of NCT of Delhi is installing hardware and software solutions of M/s Dahua Technology Private Limited (a subsidiary of M/s Dahua, China) in DTC CCTV and Automatic Vehicle Tracking System in violation of GFR Rule 144(xi) was deliberated.

14.2 Representative from Transport Department, Govt. of NCT of Delhi informed that the subject purchase order was placed prior to issuance of DoE Public Procurement Order No. 1 dated 23.07.2020. As such, there is no violation of GFR Rule 144(xi), as has been alleged by M/s TEMA.

14.3 Standing Committee directed Transport Department, Govt. of NCT to send its reply in writing.

(Action: Transport Department, Govt. of NCT)


**Agenda No. 13**

15.1 The grievance of M/s Jyoti CNC Automation alleging that Gun Carriage Factory, Jabalpur (GCF) is not considering its bid, although they have developed the product in association with DHI and IIT Chennai, was deliberated.

15.2 Representative from GCF stated that M/s Jyoti CNC Automation does not have proven performance certificate for the equipment. They have only developed a prototype in association with IIT Chennai. It was also informed by GCF representative that it is a critical item in their production chain costing approx INR 10 Crores. As such, proven performance of the equipment is a pre-requisite else it may affect their production targets.

15.3 Standing Committee directed GCF to send its reply in writing, duly recommended by DoDP.

*(Action: GCF/ DoDP)*

**Agenda No. 14**

16.1 The grievance of M/s Tejas Networks alleging that UT Administration of Daman and Diu tender for Integrated Command and Control Centre for safe Daman project stipulates mandatory foreign certifications was deliberated.

16.2 It was noted that Daman and Diu project is under administrative control of MHA, funded by Government of India. Representative from UT Administration of Daman and Diu did not attend the meeting. Representative from MHA informed that they will follow up with UT Administration of Daman and Diu and forward a detailed reply on the subject grievance.

16.3 Standing committee directed UT Administration of Daman and Diu/ MHA to send their reply at the earliest.

*(Action: UT Administration of Daman and Diu/ MHA)*

17. The meeting concluded with a vote of thanks to the Chair.
List of participants of 11th Meeting of Standing Committee to review the Implementation of Public Procurement (Preference to Make in India) Order, 2017 held on 05.01.2021 at 11.30 AM through Video Conferencing

Sh./Ms.

1. Guruprasad Mohapatra, Secretary, DPIIT – Chairman
2. Shailendra Singh, Additional Secretary, DPIIT
3. Manmeet K Nanda, Joint Secretary, DPIIT
4. Rajesh Gupta, Director, DPIIT
5. Rakesh Kumar, Director, DPIIT
6. Akhilesh Kumar, Director, DPIIT
7. K. Chaudhary, Consultant, DPIIT
8. V P Verma, Consultant, DPIIT
9. Anil Bhatia, Consultant, DPIIT
10. Manoj Gupta, EDRS, Railway Boards
11. Anju Bhalla, JS, DST
12. Hari Ranjan Rao, JS, Telecom
13. Amit Kumar Ghosh, JS, MoRTH
14. Anurag Bajpai, JS, DDP
15. Sanjay Kumar, JS, DAE
16. Navdeep Rinwa, JS, Pharma
17. Jaideep, ODS, MoHUA
18. Alok Chandra, Mines
19. Sanjay Aggarwal, Advisor, PPD, DoE
20. Joyanta Chakraborty, Director, MoCA
21. Rama Kant Singh, Director, DHI
22. Sushil T. Williams, DS, MoPNG
23. K K Srivastava, DS, Do of Chemicals & PC
24. Mukul Yadav, MeitY
25. Prashant Kumar, MeitY
26. Sudhir Marwaha, MeitY
27. Dashrath Prasad, MoPS&W
28. Gorav Malhotra (DMA), NAVY
29. Sushil, UP Metro
30. Anil Kumar Sharma, AAI
31. Sairam, M/s HAL
32. Sanjeev Saxena, NCRB
33. Mukesh Kumar, ESIC
34. Pradeep Goel, M/s ONGC
35. A P Tripathi, M/s ONGC
36. DV Subba Rao, GMCOM/HSL, M/s hslvizag
37. Rajiv Kapoor, M/s TILINDIA
38. Manish, M/s PDIL
39. Sushil Pradhan, M/s Jindal steel
40. Rakesh Dhawan, M/s Falco eMotors
41. Prashant, M/s Tejasnetworks
42. V K Chama, M/s JINDALSTEEL
43. Deepak Bansal, M/s i2vsys
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Shri Shivam Kumar, Intern, DPIIT

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