

**MINISTRY OF DEFENCE
DEPARTMENT OF DEFENCE PRODUCTION
DIRECTORATE OF PLANNING & COORDINATION
MS DIVISION**

'B' BLOCK, ROOM NO. 175
NEW DELHI- 110 011
Dated: 05 Oct, 2020

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.
- e. 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.


5/10/2020
(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. DGOB 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



5/10/2020

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

ANNEXURE

SI No.	Items
1.	Electric Motor DC 27v 0.18 KW
2.	Stainless Steel Tube (316L) 88.9 X 5.49
3.	Automatic Galley Fire-Fighting Wet Chemical System
4.	Waterjets Propulsion System of above 3500 kw
5.	Forged Cu-Ni Fittings
6.	Superni 718A (Nickel based Super alloy)
7.	Superni 263A (Nickel based Super alloy)
8.	Superni 75A (Nickel based Super alloy)
9.	Alloy 800/800H (Iron based Super alloy)
10.	Superni C276 (Nickel based Super alloy)
11.	Superni 750 (Nickel based Super alloy)
12.	Super cast 247A (Nickel based Super alloy)
13.	Superni 690 (Nickel based Super alloy)
14.	Superni 600 (Nickel based Super alloy)
15.	Precipitation hardening stainless steel 13-8MoPH
16.	Precipitation hardening stainless steel 15-5Ph
17.	Precipitation hardening stainless steel 17-4ph
18.	Stainless Steel 321
19.	Stainless Steel 347A
20.	Alloy 99A
21.	Steel Tube (Annealed) 30KhGSA Gost 8732-78/ Gost 4543-71 OD 133X16mm thick
22.	Aluminium Alloy Extruded Seamless Tube D16T as per Gost 18482-79/ 2024,T4 as per EN573-3, 755-1, -2, -3, EN515 and ASTM B 241 OD 110mm X 20mm thick