

F.No.14023/4/2018-FP
Government of India
Ministry of Chemicals & Fertilizers
(Department of Fertilizers)

Shastri Bhawan, New Delhi
Dated: - 27th November, 2019


OFFICE MEMORANDUM

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

The undersigned is directed to refer to Deptt. for Promotion of Industry and Internal Trade's OM No. P-45020/1/2018-PP (BE-II) dated 01.10.2019 enclosing therewith OM No. P-45020/1/2018-PP (BE-II) dated 02.04.2019 wherein Department of Fertilizers (DoF) has been requested to review the Minimum Local Content (MLC) for 32 items included in the DoF's PP (PMI) Order dated 27.07.2018 and exclude the items for which they are not the Nodal Department. Further, it was requested to review the MLCs exemption for 18 items as most of these items also belong to other Nodal Ministries.

2. In view of above, DoF has reviewed its PP (PMI) Order and a copy of DoF's revised draft PP (PMI) Order is forwarded herewith for the concurrence / vetting of Deptt. for Promotion of Industry and Internal Trade (copy enclosed).

Encls.: As above.


Niranjn Lal
Director (PSU)
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To
Sr. Development Officer
(Kind Atten.: Shri Arun Mahendru Balraj)
Deptt. for Promotion of Industry and Internal Trade
(Room No. 475, Udyog Bhawan, New Delhi)

of your place
~~DIR (S&B)~~ *USC(DVSP/N)*
Arun Mahendru
28/12/2019

Very kindly see in date
28.12.2019
~~Director (S&B) (in charge)~~
~~Assistant (KJ)~~
28/12/19

F.No.14023/4/2018- FP
Government of India
Ministry of Chemicals and Fertilizers
Department of Fertilizers

Shastri Bhawan, New Delhi
Dated : 26th November, 2019

ORDER

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

Reference:1. Department of Industry Policy & Promotion 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.

2. Department of Fertilizer's Notification No. 14023/4/2018- FP dated
27.07.2018

In terms of Para 10 of the DoF Notification referred above at 2, the said notification is reviewed and revised as under:

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. The Department of Fertilizers 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.

4. Following fertilizer has sufficient local capacity and local competition. Accordingly, Department of Fertilizers hereby notifies that purchase preference shall be given to local suppliers by all procuring entities the following fertilizer as per Para 3 (a) of DIPP Order 2017:

S. No.	Items
1	SSP (Single Super Phosphate)

5. In furtherance to Public Procurement (Preference to Make in India) Order (PPO), 2017, the preference may be given by all procuring entities to following domestically manufactured fertilizers with minimum local content as indicated against each in terms of para 5 of DIPP Order 2017.

S. No.	Items	Minimum local content (%)
1	Urea	20
2	DAP (Di Ammonium Phosphate)	25
3	APS (Ammonium Phosphate Sulphate)	25
4	NPK (Nitrogen, Phosphorous and Potash) Fertilizers	20
5	Bentonite Sulphur	50

6. 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.

7. 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 Department of Fertilizers exempts following items of fertilizer industry from provision of Public Procurement (Preference to Make in India) Order 2017.

S.No.	Items
1	MoP (Muriate of Potash)
2	SoP (Sulphate of Potash)

8. 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. In case of any clarification, the matter may be referred to the Committee constituted at Department of Fertilizers.

Committee proposed at Department of Fertilizers:

Chairperson- Joint Secretary / Additional Secretary (Fertilizers)

Member- Director (PSU)

Member- Director (Technical from concerned PSU)

9. 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.

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

11. All other terms and conditions shall be as per the DIPP Order 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.

12. 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.

(Gurveen Sidhu)
Joint 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. All Fertilizer CPSEs
7. Internal distribution