

**Government of India
Ministry of Shipping
(SBR Section)**

Transport Bhawan, Parliament Street

New Delhi - 110001

No. SY-13017/4/2017-SBR, part3

Dated 13th October, 2020

NOTIFICATION

Sub: Public Procurement (Preference to Make in India) to provide for Purchase Preference (linked with local content) in respect of Shipbuilding / Ship repairs.

Ref: Department for Promotion of Industry and Internal Trade (DPIIT) Notification No. P-45021/2/2017-PP (BE-II) dated 16.09.2020.

The Government had issued Public Procurement (Preference to Make in India) Order 2017 vide Department of Industrial Policy & Promotion (DIPP) Order No. P-45021/2/2017-E.E.-II dated 15.06.2017 and 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. In furtherance of the above-mentioned objectives and in compliance of the above mentioned order, this Ministry had issued Notification (1) dated August 31, 2018, for Minimum Local Content for Shipbuilding / Ship repair items.

2. Recently, Department for Promotion of Industry and Internal trade (DPIIT) has issued a revised Public Procurement (Preference to Make in India), Order 2017 dated 04.06.2020 and subsequently on dated 16.09.2020. In pursuance of the revised Public Procurement (Preference to Make in India), Order 2017, this Ministry's Notification (1) dated August 31, 2018, for Minimum Local Content for Shipbuilding / Ship repair items, stands withdrawn.

3. The revised Public Procurement (preference to Make in India) Order 2017 dated 16.09.2020 provides for new terminology of 'Class-I local supplier' / 'Class-II local supplier' / 'Non local supplier', instead of 'local supplier' in the earlier Order. Accordingly, this Ministry will now not notify Minimum Local Content for various items, instead it will be uniform across items minimum 50% for 'Class -I local suppliers' and minimum 20% for 'Class -II local supplier'.

4. For the purpose of this Notification, the definitions of various terms 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 16.09.2020, referred to above.

5. The DGS shall be the Nodal organization to monitor the implementation of this Notification.

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6. Further, the 'Technical Committee' constituted by DGS vide order dated 08.11.2018 will continue to function and shall inter alia (a) carry out independent verification of self-declarations and auditors / accountants certificates on random basis in case of procurement related complaints. (b) Prescribe fees for the administrative cost of handling the above complaints and revision of fees as and when deemed necessary.

7. Procuring entities as defined in the DPIIT's Order dated 16.09.2020 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.

8. 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.

9. All other conditions, not stipulated in this Notification, shall be as laid down in the DPIIT's order No. P-45021/2/2017-PP (BE-II) dated 16.09.2020.

10. This issues with the approval of Hon'ble MoS for Shipping (Independent Charge).



(Dashrath Prasad)

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13.10.2020

1. All Ministries/Department of Government of India
2. Secretary (Coordination), Cabinet Secretariat
3. PS to PM, Prime Minister's Office
4. Vice Chairman, NITI Aayog
5. Director General, Comptroller and Auditor General of India
6. Secretary, DPIIT, Chairman of Standing Committee for implementation of Public Procurement Order, 2017
7. Joint Secretary, DPIIT, Member-Convener of Standing Committee for implementation of Public Procurement Order, 2017
8. Department of Expenditure
9. Director General of Shipping, Mumbai
10. Chairman, IWAI
11. Chairman, DGLL, Noida
12. Chairman of All Major Port Trusts
13. CMDs of SCI, CSL, DCI, HDPE Ltd.
14. Secretary/President, Shipyards Association of India
15. CEO, INSA

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