

No.9/45/2017-HE&MT
Government of India
Ministry of Heavy Industries & Public Enterprises
Department of Heavy Industry

सचिव (औ.नी.सं.)
Secretary (IPP)
सं.सं./Dy. No. P-62548
Date: 14/6/18

Udyog Bhawan, New Delhi
Dated the 08th June , 2018.

NOTIFICATION

Subject: Public Procurement (Preference to Make in India) Order 2017- Notifying specified Capital Goods in furtherance of the Order.

Reference: Department of Industrial Policy & Promotion (DIPP) Notification No.P-45021/2/2017-B.E.II dated 15.06.2017.

The Government has issued Public Procurement (Preference to Make in India) Order 2017 vide the Department of Industrial Policy & Promotion (DIPP) Notification No.P-45021/2/2017-BE.II dated 15.06.2017 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 furtherance of the Public Procurement (Preference to Make in India) Order 2017 notified vide reference cited above, the Ministry of Heavy Industries & Public Enterprises (HI&PE) hereby notifies that preference shall be provided by all Government Procuring Entities to domestically manufactured Capital Goods as per the aforesaid Order.

3. Capital Goods notified under the Public Procurement (Preference to Make in India) Order 2017, are annexed.

4. The Notification comes into effect immediately and would be reviewed as and when Department feels appropriate to do so.

5. This Notification shall remain valid till the revised Notification is issued.

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

6.1 Bill of Material sourced from domestic manufacturers (Dom-Bom) may be calculated based on one of the followings 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 traders or an intermediary.
- b. 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

New Delhi, the Dated 30.05.2018

Copy to:

1. All Ministries/Departments of Government of India
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5. Comptroller and Auditor General of India
6. SS&FA, DHI
7. Joint Secretary (DIPP), Member-Convener of Standing Committee of Public Procurement Order 2017
8. Internal Distribution



(N.Sivanand)

Joint Secretary to Government of India

Tel: 23062367

श्री. निरंजन एन. सुवणंदन
संयुक्त सचिव/Joint Secretary
भारी, रसायन एवं लोक उद्यम विभाग
Ministry of Heavy Industries & Public Enterprises
भारी उद्यम विभाग/Department of Heavy Industries,
भारत सरकार/Govt. of India
नई दिल्ली/New Delhi

Specified Capital Goods

| SN | Product | HSN Code | Minimum Local Content% | Imported Materials |
|----------|--|----------------------|------------------------|---|
| A | STATIC EQUIPMENTS | | | |
| 1 | PRESSURE VESSELS | 8419 8910 | | |
| a | Amonia Converter(special type of pressure vessels used in Fertilizer industry) | 8419 8910 | 50 | Shell Plates, Forgings |
| b | Urea Reactors (special type of pressure vessels used in Fertilizer industry) | 8419 8910 | 50 | Shell Plates, UG Liner Plates Forgings |
| c | Hydroprocessing Reactor (special type of pressure vessels used in Petrochemicals industry) | 8419 8910 | 40 | Shell forgings, Clad plates |
| d | Coke Drum (special type of pressure vessels used in Petrochemicals industry) | 8419 8910 | 50 | Forgings |
| 2 | HEAT EXCHANGERS | 8419 5010 | | |
| a | Urea Stripper (special type of heat exchangers used in Fertilizer industry) | 8419 50 10 | 40 | UG Liner plates, UG Tubes/Bi-metallic tubes, Channel shell plates, T/S & Forgings(Indian Tube manufacturers are not qualified at present) |
| b | Carbamate Condenser(special type of heat exchangers used in Fertilizer industry) | 8419 5010 | 40 | Channel shell plates, UG Tubes, UG Liner plates, T/S & Forgings |
| c | High Pressure Heat Exchangers | 8419 5010 | 45 | Tubes, plates of exotic material like incoloy, Forgings |
| 3 | BOILERS | 8402 1910 | | |

| | | | | |
|---|--|--------------------------------|---------|--|
| a | RG Boilers/Synloop Boilers (special type of boilers used in Fertilizer industry) | 8402 1910 | 45 | Shell plates, Tubes, Refractory |
| B ROTATING EQUIPMENTS | | | | |
| 1 | PUMPS:CENTRIFUGAL | 8413 9120 | 95% | Special seals/High alloys/parts |
| 2 | COMPRESSORS | 8421 2900 | 90% | Special seals/High alloys/parts/intercoolers |
| C INSTRUMENTATION AND AUTOMATION | | | | |
| 1 | INSTRUMENTS FOR PRESSURE | 9026 2000 | 90% | Sensors |
| 2 | INSTRUMENTS FOR TEMPERATURE | 9026 2000 | 90% | Sensors |
| 3 | INSTRUMENTS FOR FLOW | 9026 1010 | 70% | Special Technology Ultrasonic/ Mass Flow Sensors |
| 4 | INSTRUMENTS FOR LEVEL | 9026 1090 | 75% | Radar/Guided/Ultrasonic sensors |
| 5 | PROCESS ANALYSER SYSTEM | 9027 1000 | 65% | Online Analysers and Accessories |
| 6 | CONTINUOUS EMISSION MONITORING SYSTEM | 9027 1000 | 65% | Online Analysers and Accessories |
| 7 | AMBIENT AIR QUALITY MONITORING SYSTEM | 9027 1000 | 65% | Online Analysers |
| 8 | DISTRIBUTED CONTROL SYSTEMS | 9032 8990 | 70%/80% | Electronic Cards |
| D PIPE LINE VALVES | | | | |
| 1 | CONTROL VALVES | 7318 1600 | 85% | Smart Positioners and Accessories |
| 2 | STEAM CONDITIONING VALVES/TURBINE BYPASS VALVE | 8481 8010 / 8481 8090 | 80% | Special Actuators/Smart Positioners |
| 3 | VALVES FOR HIGH TEMPERATURE AND PRESSURE (GATE,GLOBE,BALL,BUTTERFLY) | 8481 8010 / 8481 8090 | ≈ 80% | Special Actuators & High Alloys |

