



CONTENTS

Titles	Details	Page Nos.
	<ul style="list-style-type: none">• Preface• Foreword• Message	<ul style="list-style-type: none">iiiviviii
Chapter – 1	Introduction	1 – 3
	<ul style="list-style-type: none">• Background• Objectives• Scope	<ul style="list-style-type: none">123
Chapter – 2	General Financial Rules	4 – 8
	<ul style="list-style-type: none">• General Financial Rules• General Financial Rules, 2017	<ul style="list-style-type: none">44
Chapter – 3	Definitions	9 – 14
	<ul style="list-style-type: none">• Definitions as per Public Procurement Order• Local Content as per Ministry of Defence• Definitions as per Ministry of Petroleum & Natural Gas• Definitions as per Ministry of Steel	<ul style="list-style-type: none">9101113
Chapter – 4	Public Procurement Order	15 – 33
	<ul style="list-style-type: none">• Public Procurement (Preference to Make in India) Order 2017	<ul style="list-style-type: none">15
Appendix-I	<ul style="list-style-type: none">• DPIIT's Order dated 16.09.2020	<ul style="list-style-type: none">21
Chapter – 5	Actions by Nodal Ministries/Departments	34 – 53
	<ul style="list-style-type: none">• Actions by Nodal/Administrative Ministries/Departments• List of Orders, Circulars, Notifications, or Guidelines issued by Nodal/Administrative Ministries/Departments• Actions by Department of Expenditure• Actions by Central Vigilance Commission• Actions by Ministry of Defence• Actions by Ministry of Petroleum & Natural Gas	<ul style="list-style-type: none">343536373838



Titles	Details	Page Nos.
	• Actions by Ministry of Steel	39
	• Actions by Ministry of Electronics & IT	40
	• Methodology and Formats	40
Appendix-I	• Approved Product Categories and Associated Ministries/ Departments	42
Appendix-II	• Deptt. of Heavy Industry - Procedure for calculating LC /domestic value addition	43
Appendix-III	• Deptt. of Pharma – Manner of calculation of Local Content	45
Enclosure-I	• Deptt. of Pharma – Calculation of Local Content	46
Enclosure-II	• Format of Affidavit of Self-Certification	48
Appendix-IV	• Deptt. of Textiles – Procedure for calculating local content/ domestic value addition	50
Appendix-V	• Deptt. of Telecom – Format for Self-Certification	52
Chapter – 6	<i>Actions by Ministry of Defence</i>	<i>54 – 68</i>
	• Background	54
	• Defence Procurement Procedure 2016	54
	• Defence Acquisition Procedure 2020	56
	• Indigenous Content Aspects	60
Appendix-I	• Indigenous Content (IC) Proforma	66
Appendix-II	• Format for Certification of Indigenous Content	68
Chapter – 7	<i>Actions by Ministry of P&NG</i>	<i>69 – 80</i>
	• Procurement Policy for Companies/ Organizations under the Ministry of P&NG	69
Appendix-I	• Calculation of Local Content – Goods	76
Appendix-II	• Calculation of Local Content – Service	77
Appendix-III	• Calculation of Local Content – EPC (Goods and Service)	78
Appendix-IV	• MoPNG - For Products other than HSD and Petrol	79

Titles	Details	Page Nos.
Appendix-V	• MoPNG - For HSD and Petrol	80
Chapter – 8	<i>Actions by Ministry of Steel</i>	<i>81 – 87</i>
	• Policy for providing preference to domestically manufactured Iron & Steel Products	81
Appendix-I	• Format for Affidavit of Self-Certification regarding Domestic Value Addition	86
Chapter – 9	<i>Actions by Ministry of Electronics & IT</i>	<i>88 – 100</i>
	• 2012/2013 Policy for providing preference to domestically manufactured Electronic Products	88
	• Definitions	88
	• Notifying Electronic Products Procured by Government	91
	• Value Addition	93
	• Self-Certification	94
	• 2017 Policy for providing preference to domestically manufactured Electronic Products	95
	• Procedure for calculating Local Content/ Domestic Value Addition	96
	• Verification of Local Content/ Domestic Value Addition	96
Appendix-I	• Format for Affidavit of Self-Certification regarding Domestic Value Addition	98
Appendix-II	• Certificate of Local Content for Availing “Make in India” Preference	100
Chapter – 10	<i>Local Content Methodology & Formats</i>	<i>101 – 107</i>
	• Background	101
	• Formats prescribed by Nodal Ministries/ Departments	102
	• Procedure for computation of local content	102
	• Supply Chain Levels	105
	• Certification Formats	107



Titles	Details	Page Nos.
Chapter – 11	<i>Other Key Features of LC Network</i>	<i>108 – 120</i>
	• Indian Entity and Foreign Entity	108
	• Product-wise Minimum Local Content	110
	• Certification by Cost Auditor / Cost Accountant	112
	• Certificate at What Stage	114
	• Penalty for Non-Compliance	116
Chapter – 12	<i>Summary of Recommendations</i>	<i>121 – 135</i>
	• Background	121
	• Recommendations	122
Appendix-I	• Procedure for Calculating the Local Content (LC) or Indigenous Content (IC) or Domestic Value Addition	125
Appendix-II	• Example Showing Level-wise Prime/ Tier Vendor Details	129
Appendix-III	• Format for Self-Certification by the Manufacturer/ Supplier for Local Content (LC)	130
Appendix-IV	• Auditor/ Accountant's Certificate	132
Form-A	• Undertaking by the Supplier for Local Content	134
Form-B	• Undertaking by the Bidder for Local Content	135
	<i>List of Annexure</i>	<i>136 – 139</i>
