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भारत सरकार /Government of India  
इस्पात मंत्रालय /Ministry of Steel  
आई.डी. प्रभाग/ I.D. Division

Udyog Bhavan, New Delhi  
Dated: 22<sup>nd</sup> Feb. 2019

To,

**Dear Stakeholders**

A draft for the review of Policy for providing preference to Domestically Manufactured Iron & Steel Products (DMI&SP) has been prepared and the same is enclosed herewith for comments/views.

2. It is requested to furnish the comments/views on the draft Policy latest by **26<sup>th</sup> February, 2019** at following email ids: **sharma.aman@gov.in** and **ids@nic.in**.

Encl.: As above

(S.K. Mohanty)  
Under Secretary to the Government of India  
Tel.: 23061601

# POLICY FOR PROVIDING PREFERENCE TO DOMESTICALLY MANUFACTURED IRON & STEEL PRODUCTS IN GOVERNMENT PROCUREMENT

## 1 Background

- 1.1 This policy provides preference to Domestically Manufactured Iron and Steel Products (DMI&SP) in Government procurement.
- 1.2 The policy is applicable to iron & steel products as provided in Appendix A and Appendix B, and capital goods for manufacturing iron & steel products as provided in Appendix C, produced in compliance to prescribed quality standards, as applicable.
- 1.3 The policy is applicable to every Ministry or Department of Government and all agencies/entities under their administrative control and to projects funded by these agencies for purchase of iron & steel products for government projects and not with a view to commercial resale or with a view to use in the production of goods for commercial sale.

## 2 Definitions

- 2.1 **Bidder** may be a domestic/ foreign manufacturer of iron & steel or their selling agents/ authorized distributors/ authorized dealers/ authorized supply houses or any other company engaged in the bidding of projects funded by Government agencies.
- 2.2 **Domestically Manufactured Iron & Steel Products (DMI&SP)** are those iron and steel products which are manufactured by entities that are registered and established in India, including in Special Economic Zones (SEZs). In addition, such products shall meet the criteria of domestic minimum value-addition as mentioned in Appendix A and Appendix B.
- 2.3 **Domestic Manufacturer** is a manufacturer of iron & steel products conforming to guidelines in section 7.
- 2.4 **Government** for the purpose of the Policy means Government of India.
- 2.5 **Government agencies** include Government PSUs, Societies, Trusts and Statutory bodies set up by the Government.
- 2.6 **MoS** shall mean Ministry of Steel, Government of India.
- 2.7 **Net Selling Price** shall be the Ex-works/ Ex-factory price comprising of the landed cost of imported steel at the plant and all other cost elements forming part of the conversion cost

inclusive of nominal return on investment. This price is exclusive of any duties and taxes applicable ex-factory.

- 2.8 **Semi-Finished Steel** shall mean Ingots, billet, blooms and slabs, which can be subsequently processed to finished steel.
- 2.9 **Finished Steel** shall mean Flat and Long products, which can be subsequently processed into manufactured items.
- 2.10 **L1** means the lowest tender or the lowest bid or the lowest quotation received in a tender, bidding process or other procurement solicitation as adjudged in the evaluation process as per the tender or other procurement solicitation.
- 2.11 **Margin of purchase preference** means the maximum extent to which the price quoted by a domestic supplier may be above L1 for the purpose of purchase preference. In case of DMI&SP policy, the margin of purchase preference shall be 20%.
- 2.12 **Iron & Steel Product(s)** shall mean such iron and steel product(s) which are mentioned in Appendix A and Appendix B.
- 2.13 **Capital goods(s)** for manufacturing iron & steel products shall mean such product(s) which are mentioned in Appendix C
- 2.14 **Value addition** shall be the net selling price (excluding net domestic indirect taxes) minus the landed cost of imported input materials at the manufacturing plant in India (including all customs duties) as a proportion of the net selling price, in percent. For the purpose of this document, '**value addition**' and '**local content**' have been used interchangeably.

### 3 Exclusions

- 3.1 Waivers shall be granted by the Ministry of Steel to all such Government procurements subject to the below conditions.
- where specific grades of steel are not manufactured in the country, or
  - where the quantities as per the demand of the project cannot be met through domestic sources

The exclusion requests shall be submitted to the Standing Committee along with sufficient proof of unavailability of domestically manufactured iron & steel products

### 4 Standing Committee

A Standing Committee under the Ministry of Steel (MoS) to be chaired by the Secretary (Steel), shall be constituted to oversee the implementation of the policy. The Committee shall comprise of experts drawn from Industry / Industry Association / Government

Institution or Body / Ministry of Steel (MoS). The said Committee in MoS shall have the mandate for the following:

- Monitoring the implementation of the policy
- Review and notify the list of Iron & Steel products and the local content requirement criteria as mentioned at Appendix A, Appendix B and Appendix C.
- Issue necessary clarifications for implementation of the policy including grant of exclusions to procuring agencies as per section 3
- Constitute a separate committee to carry out grievance redressal
- The Standing Committee shall submit its recommendations for approval to Ministry of Steel.

## 5 Notifying Iron & Steel Products Procured by Government

5.1 The following guidelines may be used for identifying and notifying the aforementioned products under the policy:

- The policy is applicable to iron & steel products as provided in Appendix A& Appendix B, and to capital goods for manufacturing iron & steel products as provided in Appendix C.
- The objective of the policy is to notify all iron & steel products which are procured by Government Agencies for government projects and not with a view to commercial resale or with a view to use in the production of products for commercial sale.
- The policy is applicable to all projects funded by Ministry or Department of Government and all agencies/ entities under their administrative control for purchase of iron & steel products.
- The policy shall be applicable to projects where the procurement value of iron and steel products is greater than Rs. 25 crores. The policy shall also be applicable for other procurement (non-project), where annual procurement value of iron and steel products is greater than Rs. 25 crores.
- The policy is applicable to purchase of iron & steel products by private agencies for fulfilling an EPC contract and/or any other requirement of Ministry or Department of Government.
- Analysis of the availability of various grades of domestic iron and steel products needs to precede for notification under the policy. Only those iron & steel products, in respect of which at least one domestic manufacturer exists, shall be notified. Consultation may be carried out by the Standing Committee.
- The policy is applicable to capital goods for manufacturing iron & steel products as provided in Appendix C produced in compliance to prescribed quality standards, as applicable.
- Appendix C is applicable to all public sector steel manufacturers and all agencies/ entities under their administrative control for purchase of capital goods for manufacturing iron & steel products, not with a view to commercial resale.
- The policy is applicable to purchase of capital goods for manufacturing iron & steel products by private agencies for fulfilling an EPC contract and/or any other requirement of public sector steel manufacturers and all agencies/ entities under their administrative control

- Government agencies which are involved in procurement of iron and steel products, and capital goods for manufacturing of iron and steel products, in cases where the iron and steel products are not mentioned in Appendix A, Appendix B and Appendix C, shall provide description and technical specifications of the product along with prescribed standards to the Standing Committee. The Standing Committee will act as per mandate in section 3 and section 4.
- 5.2 The Ministry of Steel (MoS) would notify iron & steel products along with the minimum prescribed local content, furnished at Appendix A and Appendix B.
- 5.3 The policy guidelines on capital goods for manufacturing iron & steel products shall be applicable to public sector steel manufacturers for all purchases of capital goods for manufacturing iron & steel products (Appendix C), irrespective of the project size.
- 5.4 The Local Content requirement norm shall be so calibrated that it reflects the average/above average manufacturing capability of the domestic industry for the iron & steel products at a point of time. This shall be suitably reviewed by the Standing Committee from time to time and amended, if required with the approval of Ministry of Steel.

## **6 Tender procedure for procurement by government and government agencies**

- 6.1 The procuring/ Government agencies shall follow standard procurement procedures, in accordance with instructions of Ministry of Finance and CVC while adhering to DMI&SP. The policy shall come into effect from the date of its notification in all tenders where price bid have not been opened.
- 6.2 The tender document, for procurement of both Goods as well as for EPC contracts, should explicitly outline the qualification criteria for adherence to minimum prescribed domestic value addition by the bidder for iron and steel products and capital goods for manufacturing iron & steel products (as indicated in Appendix A, Appendix B and Appendix C)
- 6.3 In supporting the growth of domestic products, the target of local Content (LC) in iron and steel business activities has been set as contained in **Appendix A and Appendix B**.
- 6.4 For iron and steel products in Appendix A, the procurement process shall be open only to the manufacturers / suppliers having the capability of meeting / exceeding the local content targets.
- 6.5 For iron and steel products in Appendix B, among all qualified bids, the lowest bid will be termed as L 1. If L 1 is from a domestic supplier, the contract for full quantity will be awarded to L 1. If L 1 bid is not from a domestic supplier, 50% of the order quantity shall be awarded to L 1. Thereafter, the lowest bidder among the domestic suppliers, will be

invited to match the L 1 price for the remaining 50% quantity subject to the domestic supplier's quoted price falling within the 20% margin of purchase preference, and contract for that quantity shall be awarded to such domestic supplier subject to matching the L 1 price. In case such lowest eligible domestic supplier fails to match the L 1 price or accepts less than the offered quantity, the next higher domestic supplier within the 20% margin of purchase preference shall be invited to match the L 1 price for remaining quantity and so on, and contract shall be awarded accordingly. In case some quantity is still left uncovered on domestic suppliers, then such balance quantity may also be ordered on the L 1 bidder.

- 6.6 If in the opinion of the procuring company, the tenders (procured quantity) cannot be divided in the prescribed ratio of 50:50, then they shall have the right to award contract to the eligible domestic manufacturer for quantity not less than 50%, as may be divisible.
- 6.7 In continuation to the above clause, if the tendered item is non divisible, (to be included in the tender document by procuring company) the contract can be awarded to the eligible domestic manufacturer for the entire quantity.
- 6.8 The bidders who are selling agents/ authorized distributors/ authorized dealers/ authorized supply houses of the domestic manufacturers of iron & steel products are eligible to bid on behalf of the domestic manufacturers under the policy. However, this shall be subject to the following conditions:
  - a) The bidder shall furnish the authorization certificate issued by the domestic manufacturer for selling domestically manufactured iron & steel products.
  - b) In case the procurement is covered under Appendix A of the theDMI&SP policy, the bidder shall furnish the Affidavit of self-certification issued by the domestic manufacturer to the procuring agency declaring that the iron & steel products is domestically manufactured in terms of the domestic value addition prescribed.
  - c) In case the procurement is covered under the Appendix B and Appendix C of the DMI&SP policy, the bidder shall furnish the certification issued by the statutory auditor to domestic manufacturer declaring that the iron & steel products are domestically manufactured in terms of the domestic value addition prescribed.
  - d) It shall be the responsibility of the bidder to furnish other requisite documents required to be issued by the domestic manufacturer to the procuring agency as per the policy.

## 7 Local Content requirement

- 7.1 Minimum Local Content requirement to qualify the product as a domestically manufactured iron & steel product is mentioned in Appendix A and Appendix B.
- 7.2 Value addition shall be the net selling price (excluding net domestic indirect taxes) minus the landed cost of imported input materials at the manufacturing plant in India (including all customs duties) as a proportion of the net selling price, in percent.
- a) In case the iron & steel products are made using domestic input steel (semi-finished/ finished steel), invoices of purchases from the actual domestic producers along with quantities purchased and the other related documents must be furnished to the procuring Government agency.
  - b) In case the iron & steel products have imported input steel, the invoices of purchases from the actual producers along with quantities purchased and the other related documents must be furnished separately. To derive the extent of domestic value addition, the weighted average of both (imported & domestic) input steel shall be considered to ensure that the minimum stipulated domestic value addition requirement of the policy is complied with.
- 7.3 It is recommended that each bidder participating in the tender process should calculate the Local Content using the below formula below so as to ensure the domestic value addition claimed is consistent with the minimum stipulated domestic value addition requirement of the policy.

$$\% \text{ Local content} = \frac{\text{Net selling price of final product} - \text{Landed cost of imported iron or steel at plant}}{\text{Net selling price of final product}} \times 100\%$$

## 8 Certification and audit

- 8.1 For products in Appendix A, each domestic manufacturer shall furnish the Affidavit of self-certification to the procuring Government agency declaring that the iron & steel products are domestically manufactured in terms of the domestic value addition prescribed. For products in Appendix B and Appendix C, the bidder shall furnish the certification issued by the statutory auditor to the domestic manufacturer declaring that the iron & steel products are domestically manufactured in terms of the domestic value addition prescribed. The bidders who are sole selling agents / authorized distributors / authorized dealers / authorized supply houses of the domestic manufacturers of iron & steel products are eligible to bid on behalf of domestic manufacturers under the policy. The bidder shall furnish the Affidavits of self-certification issued by the domestic manufacturers and the certifications issued by the statutory auditors, to the procuring agency declaring that the iron & steel products are domestically manufactured in terms of the domestic value addition prescribed. The Affidavit of self-certification shall be furnished in **Form 1** attached to these guidelines.



- 8.2 It shall be the responsibility of the domestic manufacturer to ensure that the products so claimed are domestically manufactured in terms of the domestic value addition prescribed for the product. The bidder shall also be required to provide a value addition certificate on half-yearly basis (Sep 30 and Mar 31), duly certified by the Statutory Auditors of the domestic manufacturer, that the claims of value addition made for the product during the preceding 6 months are in accordance with the Policy. Such certificate shall be filed within 60 days of commencement of each half year, to the concerned Government agencies and shall continue to be filed till the completion of supply of the said products.
- 8.3 The procuring agency shall accept the Affidavit of self-certification regarding domestic value addition in a steel product submitted by a bidder. It shall not normally be the responsibility of procuring agency to verify the correctness of the claim. The onus of demonstrating the correctness of the same shall be on the bidder when asked to do so.
- 8.4 In case a complaint is received by the procuring agency or the concerned Government Agency against the claim of a bidder regarding domestic value addition in iron & steel products, the procuring agency shall have full rights to inspect and examine all the related documents and take a decision. In case any clarification is needed, matter may be referred to MoS with a request for technical assistance.
- 8.5 Any complaint referred to the Government Agency shall be disposed off within 4 weeks of the reference along with submission of all necessary documents. The bidder shall be required to furnish the necessary documentation in support of the domestic value addition claimed in iron & steel products to the Government Agency within 2 weeks of filing the complaint.
- 8.6 In case, the matter is referred to the Ministry of Steel, the grievance redressal committee setup under the MoS shall dispose off the complaint within 4 weeks of its reference and receipt of all documents from the bidder after taking in consideration, the view of the Government Agency. The bidder shall be required to furnish the necessary documentation in support of the domestic value addition claimed in iron & steel products to the grievance redressal committee under MoS within 2 weeks of the reference of the matter. If no information is furnished by the bidder, the grievance redressal committee may take further necessary action, in consultation with Government Agency to establish the bonafides of the claim.
- 8.7 The cost of assessing the prescribed extent of domestic value addition shall be borne by the procuring agency if the domestic value addition is found to be correct as per the certificate. However, if it is found that the domestic value addition as claimed is incorrect,

the cost of assessment will be payable by the bidder who has furnished an incorrect certificate. The manner of enforcing the same shall be defined in the tender document.

## 9 Capital goods for manufacturing iron & steel products

- 9.1 Minimum Local Content requirement to qualify products as domestically manufactured capital goods for manufacturing iron & steel products is mentioned in Appendix C.
- 9.2 Value addition shall be the net selling price (excluding net domestic indirect taxes) minus the landed cost of imported input materials at the manufacturing plant in India (including all customs duties) as a proportion of the net selling price, in percent.
- Invoices of purchases from the actual producers along with quantities purchased and the other related documents must be furnished separately. To derive the extent of domestic value addition, the weighted average of both (imported & domestic) input materials shall be considered to ensure that the minimum stipulated domestic value addition requirement of the policy is complied with.
- 9.3 It is recommended that each bidder participating in the tender process should calculate the Local Content using the below formula below so as to ensure the domestic value addition claimed is consistent with the minimum stipulated domestic value addition requirement of the policy.

$$\% \text{ Local content} = \frac{\text{Net selling price of final product} - \text{Landed cost of imported input materials at plant}}{\text{Net selling price of final product}} \times 100\%$$

9.4 In case of capital goods for manufacturing iron & steel products in Appendix C, If L 1 is from a domestic supplier, the contract for full quantity will be awarded to L 1. If L 1 bid is not from a domestic supplier, 50% of the order quantity shall be awarded to L 1. Thereafter, the lowest bidder among the domestic suppliers, will be invited to match the L 1 price for the remaining 50% quantity subject to the domestic supplier's quoted price falling within the 20% margin of purchase preference, and contract for that quantity shall be awarded to such domestic supplier subject to matching the L 1 price. In case such lowest eligible domestic supplier fails to match the L 1 price or accepts less than the offered quantity, the next higher domestic supplier within the 20% margin of purchase preference shall be invited to match the L 1 price for remaining quantity and so on, and contract shall be awarded accordingly. In case some quantity is still left uncovered on domestic suppliers, then such balance quantity may also be ordered on the L 1 bidder.

- If in the opinion of the procuring company, the tenders (procured quantity) cannot be divided in the prescribed ratio of 50:50, then they shall have the right to award contract to the eligible domestic manufacturer for quantity not less than 50%, as may be divisible.
- In continuation to the above clause, if the tendered item is non divisible, (to be included in the tender document by procuring company) the contract can be awarded to the eligible domestic manufacturer for the entire quantity.

## **10 Sanctions**

10.1 Each Government Agency shall clearly define the penalties, in case of wrong declaration by the bidder of the prescribed domestic value addition, in the tender document. The penalties may include forfeiting of the EMD, other financial penalties and blacklisting of such manufacturer/ service provider.

10.2 In case of reference of any complaint to MoS by the concerned bidder, there would be a complaint fee of Rs. 10 Lakh or 0.2 % of the value of the DMI&SP being procured (subject to a maximum of Rs. 20 Lakh), whichever is higher, to be paid by Demand Draft deposited with the grievance redressal committee under MoS along with the complaint by the complainant. In case, the complaint is found to be incorrect, the Government Agency reserves the right to forfeit the said amount. In case, the complaint is found to be substantially correct, deposited fee of the complainant would be refunded without any interest.

## **11 Implementation monitoring by Ministry of Steel**

11.1 MoS shall be the nodal ministry to monitor the implementation of the policy.

- 11.2 All applicable agencies under DMI&SP policy shall ensure implementation of the policy and shall annually, in the month of June, send a declaration indicating the extent of compliance to the policy and reasons for noncompliance thereof, during the preceding financial year.

#### **Reference to Ministry of Steel**

In case of a question whether an item being procured is a DMI&SP to be covered under the policy, the matter would be referred to the Ministry of Steel for clarification.

**New Delhi, Dated: .....**

#### **Copy to:**

- 1. All Ministries/ Departments of Government of India**
- 2. Cabinet Secretariat**
- 3. PMO**
- 4. NITIAayog**
- 5. Comptroller and Auditor General of India**
- 6. Secretary/ ASFA, Ministry of Steel**
- 7. Internal Distribution**

## Appendix A

### List of iron & steel products: Exclusive for domestically manufactured products

Sl. No	Iron & Steel Product description	Applicable HS code	Minimum local content requirement
1	Flat-rolled products of iron or nonalloy steel, of a width of 600 mm or more, hotrolled, not clad, plated or coated	7208	50%
2	Flat-rolled products of iron or nonalloy steel, of a width of 600 mm or more, coldrolled (cold-reduced), not clad, plated or coated	7209	50%
3	Flat-rolled products of iron or nonalloy steel, of a width of 600 mm or more, clad, plated or coated	7210	50%
4	Flat-rolled products of iron or nonalloy steel, of a width of less than 600 mm, not clad, plated or coated	7211	35%
5	Flat-rolled products of iron or nonalloy steel, of a width of less than 600 mm, clad, plated or coated	7212	35%
6	Bars and rods, hot-rolled, in irregularly wound coils, of iron or non-alloy steel	7213	35%
7	Other bars and rods of iron or nonalloy steel, not further worked than forged, hotrolled, hot-drawn or hot-extruded, but including those twisted after rolling	7214	35%
8	Other bars and rods of iron or nonalloy steel	7215	35%
9	Angles, shapes and sections of iron or non-alloy steel	7216	35%
10	Wire of iron or non-alloy steel	7217	50%
11	Flat-rolled products of stainless steel, of a width of 600 mm or more	7219	50%
12	Flat-rolled products of stainless steel, of a width of less than 600 mm	7220	50%
13	Other bars and rods of stainless steel; angles, shapes and sections of stainless steel	7222	50%
14	Wire of other alloy steel	7229	35%
15	Rails, railway or tramway track construction material of iron or steel	7302	50%

## Appendix B

### List of iron & steel products: Domestically manufactured products with 20% margin of purchase preference

Sl. No	Iron & Steel Product description	Applicable HS code	Minimum local content requirement
1	Bars and rods, hot-rolled, in irregularly wound coils, of stainless steel	7221	35%
2	Wire of stainless steel	7223	35%
3	Flat-rolled products of other alloy steel, of a width of 600 mm or more	7225	35%
4	Flat-rolled products of other alloy steel, of a width of less than 600 mm	7226	35%
5	Bars and rods, hot-rolled, in irregularly wound coils, of other alloy steel	7227	15%
6	Other bars and rods of other alloy steel; angles, shapes and sections, of other alloy steel; hollow drill bars and rods, of alloy or nonalloy steel	7228	35%
7	Sheet piling of iron or steel, whether or not drilled, punched or made from assembled elements; welded angles, shapes and sections, of iron or steel	7301	15%
8	Tubes, pipes and hollow profiles, of cast iron	7303	15%
9	Tubes, pipes and hollow profiles, seamless, of iron (other than cast iron) or steel	7304	35%
10	Other tubes and pipes (for example, welded, riveted or similarly closed), having circular cross-sections, the external diameter of which exceeds 406.4 mm, of iron or steel	7305	15%
11	Other tubes, pipes and hollow profiles (for example, open seam or welded, riveted or similarly closed), of iron or steel	7306	35%
12	Tube or pipe fittings (for example, couplings, elbow sleeves), of iron or steel	7307	15%
13	Structures (excluding prefabricated buildings of heading 9406) and parts of structures	7308	15%
14	Reservoirs, tanks, vats and similar containers for any material (other than compressed or liquefied gas), of iron or steel, of a capacity exceeding 300 whether or not lined or heatinsulated, but not fitted with mechanical or Thermal equipment	7309	15%
15	Tanks, casks, drums, cans, boxes and similar containers, for	7310	15%

<b>Sl. No</b>	<b>Iron &amp; Steel Product description</b>	<b>Applicable HS code</b>	<b>Minimum local content requirement</b>
	any material (other than compressed or liquefied gas), of iron or steel, of a capacity not exceeding 300 L, whether or not lined or heat-insulated, but not fitted with mechanical or thermal equipment		
16	Containers for compressed or liquefied gas, of iron or steel	7311	15%
17	Stranded wire, ropes, cables, plaited bands, slings and the like, of iron or steel, not electrically insulated	7312	15%
18	Barbed wire of iron or steel; twisted hoop or single flat wire, barbed or not, and loosely twisted double wire, of a kind used for fencing, of iron or steel	7313	15%
19	Cloth (including endless bands), grill, netting and fencing, of iron or steel wire; expanded metal of iron or steel	7314	15%
20	Chain and parts thereof, of iron or steel	7315	15%
21	Anchors, grapnels and parts thereof, of iron or steel	7316	15%
22	Nails, tacks, drawing pins, corrugated nails	7317	15%
23	Screws, bolts, nuts, coach-screws, screw hooks, rivets, cotters, cotter-pins, washers (including spring washers) and similar articles, of iron or steel	7318	15%
24	Sewing needles, knitting needles, bodkins, crochet hooks, embroidery stiletos and similar articles, for use in the hand, of iron or steel; safety pins, of iron or steel, not elsewhere specified or included	7319	15%
25	Springs and leaves for springs, of iron or steel	7320	15%
26	Stoves, ranges, grates, cookers (including those with subsidiary boilers for central heating), barbecues, braziers, gas-rings, plate warmers and similar non-electric domestic appliances, and parts thereof, of iron or steel	7321	15%
27	Radiators for central heating, not electrically heated, and parts thereof, of iron or steel; air heaters and hot air distributors, not electrically heated, incorporating a motor-driven fan or blower, and parts thereof, of iron or steel	7322	15%
28	Table, kitchen or other household articles and parts thereof, of iron or steel	7323	15%
29	Sanitary ware and parts thereof, of iron or steel	7324	15%
30	Other cast articles of iron or steel	7325	15%
31	Other articles of iron or steel	7326	15%

## Appendix C

### List of capital goods for manufacturing iron & steel products

Sl. No	Plant shop	Capital goods	Minimum local content requirement
1	Raw material handling system	Apron feeder, barrel couplings, heavy duty bearings, hydraulic disc brakes, tanker & container for powdered materials, conveyor belt for pipe conveyors, high angle conveyor system, crushers, crane rail lubrication system, four girder EOT Crane, crane weighing system, crane air conditioning, fluid couplings, fork lift trucks, hydraulic motors, hydraulic system, locking assembly (friction grip), load cells, level sensors, pipe conveyor system, plough/paddle feeder, pneumatic transportation - dense & lean phase, reclaimers, radio remote control, rail fixing arrangements (special), rapid/ flood loading system, stackers, special screen, slew ring bearings, tippers, transfer cars, tongs (special), vibration, isolation system (spring damper), wagon tippers, wagon loaders	50%
2	Mineral beneficiation (iron ore and coal) equipment	Industrial crushers, grinding mills, conventional screens, slurry pumps, hydrate thickeners, filters, hydroclones	50%
3	Coke oven	Coke Oven Silica Refractory, Anchorage System, Waste gas valve with branch pipe, Flash Plate, Door Frame, door body, Minor Casting: Gooseneck, Valve box, AP Lid, Charging & inspection hole lid and frame Reversing mechanism, Centralised lubrication system, Hydrojet Door Cleaning Mechanism, Spillage code conveyor system, skip hoist, Door Lowering Rack, Isolation/ Reversing Cocks, Level II automation, Oven machines	50%
4	By-product plant	Primary Gas Cooler, Electrostatic Tar Precipitator, H <sub>2</sub> S, NH <sub>3</sub> & Naphthalene Scrubber, Combi Stripper, Flushing Liquor Pump, Claus Kiln, Claus reactors, Waste Heat Boilers, Decanters	50%
5	Sinter plant equipment	Pallet car, Drive/discharge end Sprocket assembly, Curved rail, Slide rails, Hot sinter breaker and Grizzly,	50%



		Dip rail & running rail, Impeller assembly for Process fan, Drive assembly of Sinter machine, Hi- intensity Mixer &Noduliser	
6	Pellet plant equipment	Pallet car, Drive/discharge end Sprocket assembly, Curved rail, Slide rails, running rail, Vertical roller mill, Impeller assembly for Process fan, Drive assembly of Indurating machine, Hi-intensity Mixer, Balling disc, Single deck roller screen and Double deck roller screen	50%
7	Blast furnace equipment	Bell less top system with Bleeder valve, SG Iron stave coolers, Copper stave coolers, Stock level indicator (Radar Type), Mud gun, Drilling machine and Manipulator, Gas Cleaning Plant system, Top Recovery Turbine system including its by-pass valve, De-bricking Machine, Re-railing equipment, PCI system, Grinding mill for PCI, Stock level indicator, Tuyere Stock assembly, Waste Heat Recovery system, BF & Hot Blast Stoves Technological Valves, Above Burden probes, Slag granulation unit, Tuyere&Tuyere cooler, Torpedo Ladle Car, BF health refractory	50%
8	Direct reduction plant equipment	Charge distributor, Upper & lower seal leg, Reformer & Re-cuperator system, Burden feeders, Turbo-expander, Process Gas Compressor , Seal gas compressors & bottom seal gas compressors, Seal gas generators & driers, Process Gas Heater, CO2 removal plant	50%
9	Blast oxygen furnace equipment	Main and Maintenance equipment comprising of converter, gunning machine, Refractory/ slag monitoring device, converter vessel, trunnion ring and suspension system, trunnion bearings and housing, Converter bull gear unit and tilt drive system, Rotary joint for converter, bottom stirring system, Lance body with clamping, Lance copper tips, Valve stations for oxygen blowing/ bottom stirring, Sub-lance system, Off gas analyzer with process module i.e. Process software/ hardware, container lab Measurement probes, Switch over station, ID fan for primary gas, Hot metal and steel ladle, Ladle Transfer car, Ladle maintenance equipment, Slag pot, Slag pot transfer car, Scrap boxes, Scrap Transfer car, Lance carriage, Lance guide, Crane & hoist, Lance hoist & trolley, Lance tilting device, Traverse for lifting lances, Bunker of various sizes, Bin Vibrator, Weighing Hopper, Maintenance stands, De dusting suction hood, Teeming/HM, ladle relining stands, Stand Cooling stack inspection device, Hood traverse	50%

		carriage, Refractories, Bypass & isolation valves, Flare stack & ignition system, Scrubbing tower shell - Wet gas cleaning system, Dog house, Ladle drier, ladle pre-heater, ladle cooler, Fume collection hoods, Clean gas stack, Dust silo, Weigh Bridge, Slag retaining device	
10	Electric arc furnace	Furnace proper (includes furnace lower shell, upper shell and roof, Tilting platform, Furnace Gantry) and transformer, Electrode regulation system, Hydraulic system, Refractories, Parts of Level I & Level II Automation system. LF - water cooled ladle roof, electrode mast and arms, electrode regulating system, wire feeding system, Bottom inert gas stirring Valve stand for porous plug and top lance, Emergency lance mechanism, Lance carriage system with drive unit, Automatic temperature, sampling & bath level / O <sub>2</sub> measurement, Temp. & oxygen immersion lance, lance carriage system with drive unit, Hydraulic system, Refractories, Ladle roof Delta portion, RH proper (includes Ladle transfer car, vacuum vessel, Vessel lifting & lowering system. Hydraulic system, Multi Function lance, Valve racks/station, Electrode clamp unit, conductor of electrode arms, water cooled cable, A R stirring valve rack, lance transport car, Refractory lance, Hydraulic cylinder, Ladle roof lifting cylinder, Lubrication system, Suction hood, damper, Vibro feeder, weighing hopper, wire feeding system, Electrode nipiling stand, Cranes, hoist, Temperature & sampling tips, ladle stands, ESP, Deducting hoods, Refractories, bag filter, Cranes etc.	50%
11	Continuous casting equipment	Ladle turret, ladle cover manipulator, Ladle Shroud manipulator, tundish car, Continuous tundish temperature measurement system, Tundish stopper rod mechanism, emergency cut-off gate, mould assembly, Nozzle quick change device, mould oscillator and EMS system, Electro-Magnetic braking system, Strand guide segment, Withdrawal & Straightening unit (WSU), Roll gap checker, Emergency torch cutter, Torch cutting machine, Deburrer, Marking machine, Technological control system & process models, Black Refractories, strand gunde segment, tundish, ladle cover, roller tables & auxiliaries, mould& segment maintenance equipments, tundish maintenance equipments, EMBR system	50%
12	Flat product	Large castings and forgings like mill housing, bed plates, work rolls, backup rolls, end spindles; roller tables, backup	50%

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	mills	roll and work roll chucks, coilers / tension reels / uncoilers, AGC cylinders, shears, levelers, lazer welders, packaging machines, non-contact gauges / profile gauges, anti-friction roll neck bearings, oil film bearings, gear boxes, mill motors	
13	Long product mills	Mill housing, bed plates, work rolls, backup rolls, spindles; roller tables, coilers / tension reels / uncoilers, shears, billet welder, packaging machines, non-contact gauges / profile gauges, anti-friction roll neck bearings, oil film bearings, finishing blocks, gear boxes, mill motors	50%

**Form-1**

**Format for Affidavit of Self Certification regarding Domestic Value Addition in Iron & Steel Products to be provided on Rs.100/- Stamp Paper Date:**

I \_\_\_\_\_ S/o, D/o, W/o, \_\_\_\_\_ Resident of \_\_\_\_\_  
\_\_\_\_\_ hereby solemnly affirm and declare as under:

That I will agree to abide by the terms and conditions of the policy of Government of India issued vide Notification No: \_\_\_\_\_.

That the information furnished hereinafter is correct to the best of my knowledge and belief and I undertake to produce relevant records before the procuring agency (ies) for the purpose of assessing the domestic value addition.

That the domestic value addition for all inputs which constitute the said iron & steel products has been verified by me and I am responsible for the correctness of the claims made therein.

That in the event of the domestic value addition of the product mentioned herein is found to be incorrect and not meeting the prescribed value-addition criteria, based on the assessment of procuring agency (ies) for the purpose of assessing the domestic value-addition, I will be disqualified from any Government tender for a period of 36 months. In addition, I will bear all costs of such an assessment.

That I have complied with all conditions referred to in the Notification No. \_\_\_\_\_ wherein preference to domestically manufactured iron & steel products in Government procurement is provided and that the procuring agency (ies) is hereby authorized to forfeit and my EMD. I also undertake to pay the assessment cost and pay all penalties as specified in the tender document.

I agree to maintain the following information in the Company's record for a period of 8 years and shall make this available for verification to any statutory authority.

- i. Name and details of the Bidder (Registered Office, Manufacturing unit location, nature of legal entity)
- ii. Date on which this certificate is issued
- iii. Iron & Steel Products for which the certificate is produced
- iv. Procuring agency to whom the certificate is furnished
- v. Percentage of domestic value addition claimed and whether it meets the threshold value of domestic value addition prescribed
- vi. Name and contact details of the unit of the manufacturer (s)
- vii. Net Selling Price of the iron & steel products
- viii. Freight, insurance and handling till plant
- ix. List and total cost value of input steel (imported) used to manufacture the iron & steel products
- x. List and total cost of input steel which are domestically sourced.
- xi. Please attach value addition certificates from suppliers, if the input is not inhouse.
- xii. For imported input steel, landed cost at Indian port with break-up of CIF value, duties & taxes, port handling charges and inland freight cost.

**For and on behalf of (Name of firm / entity)**

Authorized signatory (To be duly authorized by the Board of Directors)

**<Insert Name, Designation and Contact No.>**