

**MAKE IN JHARKHAND
(PURCHASE
PREFERENCE) POLICY
2018 (DRAFT)**

**GOVERNMENT OF JHARKHAND
DEPARTMENT OF INDUSTRIES, MINES & GEOLOGY
MDI BUILDING, DHURWA, RANCHI**

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GOVERNMENT OF JHARKHAND
DEPARTMENT OF INDUSTRIES, MINES & GEOLOGY

MAKE IN JHARKHAND (PURCHASE PREFERENCE)
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1.0. Introduction

- 1.1 Government of Jharkhand procures lots of material for infrastructure projects, socio-economic developmental activities and welfare activities of people like agriculture equipments are purchased for distribution to farmers, electrical equipments, wires etc. are purchased for JBVNL and other state owned companies, healthcare equipments, medical equipments and pharmaceutical items for government hospitals etc. Locally manufacturing of these item will generate lots of employment opportunities and capacity and revenue generation for the state.
- 1.2 Jharkhand based dealers, distributors, C&F etc. purchase these items from companies outside the state and supplies to government departments /agencies. This model has limitation of high cost and limited after sale services. They are having lots of potential to manufacture these items locally in Jharkhand if appropriate policy measures are introduced in the state. In other words, local content can be increased through partnerships, cooperation with local companies, establishing production units in Jharkhand or Joint Ventures (JV) with Jharkhand based suppliers, increasing the participation of local employees in services and training them.
- 1.3 Under The MSME Development Act 2006, Government of Jharkhand launched its Procurement Policy 2014 for preferential purchase from local micro and small industries during public procurement. The Jharkhand Industrial and Investment Promotion Policy 2016 provides for preference in Government procurement for local products of medium, large and Mega Industries meeting the specification and quality standards. Again, National Steel Policy-2017 and Policy for Providing Preference to Domestic Manufactured Iron & Steel Products of Ministry of Steel, Govt. of India provides for preferential purchase of steel and iron products during public procurement and Public Procurement (Preference to Make in India) Order-2017, Ministry of Commerce and Industry, Government of India encourages 'Make in India' and promotes manufacturing and production of goods and services in India.
- 1.4 In light of above, there is an urgent need for formulation of a State policy to encourage 'Make in Jharkhand' and promote manufacturing and production of goods and services in Jharkhand with a

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view to enhancing income and employment generation. Emphasis on local content will encourage partnership and cooperation with local companies by way of establishing production units in Jharkhand or Joint Ventures (JV) with Jharkhand supplier. In short, this policy provides purchase preference for locally manufactured items in public procurement from MSEs and Non-MSEs sector.

2.0. Definitions

- 2.1 "Local content" means the amount of value added in Jharkhand which shall, unless otherwise prescribed by the procuring entity, be the total value of the item procured (excluding net SGST) minus the value of imported content in the item (including all IGST/CGST/ customs duties) as a proportion of the total value in percent. The amount of local content may be announced by the procuring entity.
- 2.2 "Local supplier" means a supplier or service provider whose product or service offered for procurement meets the minimum local content as prescribed under this policy or by the procuring entity in pursuance of this policy.
- 2.3 "L1" means the lowest tender or 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.
- 2.4 "Margin of purchase preference" means the maximum extent to which the price quoted by a local supplier may be above the L1 for the purpose of purchase preference.
- 2.5 "Nodal Department" means the Department of Industries, Mines and Geology.
- 2.6 "Procuring entity" means a department or subordinate office of or autonomous body controlled by the Government of Jharkhand and includes Government companies as defined in the Companies Act.

3.0. Applicability

This policy is applicable to all Department and all agencies/entities of Jharkhand Government under their administrative control for purchase of goods and services including iron & steel products for government turnkey projects and not with a view to commercial resale or with a view to use in the production of goods for commercial sale.

Besides above, this policy shall be applicable to such Micro and Small Units (MSEs-as defined under MSME Act 2006 of Govt. of India) of the State and non-MSE units/enterprises of the state which fulfill all the following criteria:

- (i) The manufacturing or Service unit is located within the State of Jharkhand.
- (ii) The Head Office or Corporate Office of such registered unit/company/enterprise is within the territorial jurisdiction of Jharkhand. In case of corporate, the registered

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office under the Companies Act should be located in Jharkhand. If the company has operation in more than one state and atleast 50 % of turnover is outside Jharkhand, then, registered office may be outside Jharkhand.

- (iii) MSE is registered with the Directorate of Industries /District Industries Centre, Khadi and Village Industries Board, Directorate of Handloom, Sericulture and Handicraft of Jharkhand Govt, Industrial Area Development Authorities and National Small Industries Corporation Ltd or any other body specified by Directorate of Industries, Jharkhand Govt from time to time and other industrial units/enterprises which have submitted IEM and been issued Date of Production (DOP) certificate by GM ,DIC/MD, Industrial Area Development Authorities /Director, Industries, GoJ or MSEs having UDYOG AADHAR number issued by Ministry of Micro, Small and Medium Entreprises, GOI duly verified by GM DIC / Regional Directors, Industrial Area Development Authorities / Director Industries, GoJ.
- (iv) The MSE /other enterprise and unit must be registered under Jharkhand VAT Act 2005 or CST Act or GST Act.
- (v) The MSE /other enterprise and unit must have encouraged local people in employment.
- (vi) The MSE /other enterprise and unit must have complied with all statutory and legal formalities of concerned regulators/Act.
- (vii) The MSE and Non-MSE unit availing preferential treatment will give an undertaking with respect to (i) to (vi) above including a categorical statement that the product/services being supplied to Govt. Deptt. or its agencies has been manufactured/created by the unit located in Jharkhand only, giving details of batch no./date or any other identifiable tag (GSI etc.) as per prevalent established practice and will have to submit compulsorily duly signed copy of Form JVAT 409 issued by Dept. of Commercial Taxes, GoJ or relevant forms / document / audit reports as prescribed under GST Act.

4.0. Exclusions:

Waivers shall be granted to all such Government procurements subject to following conditions;

- (i) Where specific grades/qualities of goods/services are not manufactured in Jharkhand, or
- (ii) Where the quantities as per the demand of the project cannot be met through local sources.

In case of wavier, the Head of Department of concerned procurement department or agency shall pass a speaking order with reason for arriving for wavier of purchase preference given in para 4.0. Copy of such speaking order shall be send to concerned department covering such

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sector and also to Standing Committee. Standing Committee shall take efforts to manufacture such goods or produce such service in Jharkhand.

5.0. Requirement of Purchase Preference:

Subject to the provision of this policy and to any specific instructions issued by the Nodal Department in pursuance of this Policy, purchase preference shall be given to local suppliers in all procurements undertaken by procuring entities in the manner specified there under.

- 5.1 In procurement of goods in respect of which the Nodal Department has communicated that there is sufficient local capacity and local competition, and where the estimated value of procurement is Rs. 50 lakh or less' only local suppliers shall be eligible. If the estimated value of procurement of such goods is more than Rs. 50 lakh the provisions of sub-paragraph 5.2 or 5.3 as the case may be shall apply.
- 5.2 In the procurements of goods which are not covered by paragraph 5.1 and which as divisible in nature, the following procedure shall be followed:
- (i) Among all qualified bids, the lowest bid will be termed as L1. If L1 is from a local supplier, the contract for full quantity will be awarded to L1.
 - (ii) If L1 bid is not from a local supplier, 50% of the order quantity shall be awarded to L1. Thereafter, the lowest bidder among the local suppliers, will be invited to match the L1 price for the remaining 50% quantity subject to the local supplier's quoted price falling within the margin of purchase preference, and contract for the quantity shall be awarded to such local supplier subject to matching the L1 price. In case such lowest eligible local supplier fails to match the L1 price or accepts less than the offered quantity, the next higher local supplier within the margin of purchase preference shall be invited to match the L1 price for remaining quantity and so on and contract shall be awarded accordingly. In case some quantity is still left uncovered on local suppliers, such balance quantity may also be ordered on the L1 bidder.
- 5.3 In procurements of goods/services not covered by sub- paragraph 5.1 and which are not divisible and in procurement of services where the bid is evaluated on price alone the following procedure shall be followed:
- (i) Among all qualified bids, the lowest bid will be termed as L1, If L1 is from a local supplier, the contract will be awarded to L1.
 - (ii) If L1 not from a local supplier, the lowest bidder among the local suppliers, will be invited to match the L1 price subject to local supplier's quoted price falling within the margin of purchase preference, and the contract shall be awarded to such local supplier subject to matching the L1 price.
 - (iii) In case such lowest eligible local supplier fails to match the L1 price, the local supplier with the next higher bid within the margin of purchase preference shall be invited to

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match the L1 price and so on and contract shall be awarded accordingly. In case none of the local suppliers within the margin of purchase preference matches the L1 price, then the contract may be awarded to the L1 bidder.

5.4 The margin of purchase preference shall be 20 %.

6. Minimum local content and Verification:

6.1 The minimum local content shall ordinarily be 50%. The procuring entity may prescribe a higher or lower percentage in respect of any particular item and may also prescribe the manner of calculation of local content.

6.2 The local supplier at the time of tender, bidding or solicitation shall be required to provide self-certification as per Annexure 2 (that the item offered meets the minimum local content and shall give details of the location(s) at which the local value addition is made).

6.3 In cases of procurement for a value in excess of Rs 10 crores, the local supplier shall be required to provide a certificate from the statutory auditor or cost auditor of the company (in case of companies) or from a practicing cost accountant or practicing chartered accountant (in respect of suppliers other than companies) giving the percentage of local content.

6.4 Decisions on complaints relating to implementation of this policy shall be taken by the standing committee which is empowered to look into procurement-related complaints relating to the procuring entity.

6.5 Department of Industries, Mines and Geology may constitute committees with internal and external experts for independent verification of self-declarations and auditor's/accountant's certificates on random basis and in the case of complaints.

6.6 False declaration by bidder or its successors or violation this policy may attract debarring of up to 36 months in procurement. The debarment for such other procuring entities shall take effect prospectively from the date on which it comes to the notice of other procurement entities.

6.7 The Department of Industries, Mines and Geology shall keep in view the domestic manufacturing/supply base and assess the available capacity and the extent of local competition while identifying items and prescribing minimum local content or the manner of its calculation, with a view to avoiding cost increase from the operation of this policy.

6.8 Department of Industries, Mines and Geology may annually review the local content requirements with a view to increasing them, subject to availability of sufficient local completion with adequate quality.

7.0 Requirement for specification in advance:

7.1. The minimum local content, the margin of purchase preference and the procedure for preference to Make in Jharkhand shall be specified in the notice inviting tenders or other form of procurement solicitation and shall not be varied during a particular procurement transaction.

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- 7.2. Procuring entities shall endeavour to see that the eligibility, including on matters like turnover, production capability and financial strength do not result in unreasonable exclusion of local supplier who would otherwise be eligible, beyond what is essential for ensuring quality or credit worthiness of the supplier.
- 7.3. Procuring entities shall, within two months of the issue of this policy review all existing eligibility norms and conditions with reference to sub-paragraphs 7.1 and 7.2 above.

8.0 Mandatory procurement from Micro and Small Enterprises.

- 8.1. Every Department of the State Government or its Agencies or aided Institutions shall set an annual goal of procurement from Micro and Small Enterprises and overall procurement goal of minimum of 20 per cent of product and services shall be made mandatory.
- 8.2. The Government department, public sector undertakings and aided Institutions which fail to meet the annual goal shall substantiate with reasons to the Standing Committee.
- 8.3. National Small Industry Corporation Ltd. (NSICL) can participate on behalf of MSEs as consortia and all the facilities that are available to MSE units would also be applicable to NSICL in respect of tender forms, EMD etc. as provided in this policy.
- 8.4. For turnkey projects, it shall be mandatory from agency concerns to procure at least 20 % of the materials of tendered work from working MSEs of the state and accordingly conditions will be laid down in the tender. No relaxation shall be given in terms of quality specification and time limit. In case, in any turnkey projects, tendering department has reasons to believe that conditions can't be fulfilled, such relaxation may be obtained from Standing Committee.

9.0 Special provisions for MSE owned by SC/ST

- 9.1. Out of 20 per cent target of annual procurement from Micro and Small Enterprises, a sub-target of 20 per cent (i.e., 4 per cent out of 100 per cent) shall be earmarked for procurement from Micro and Small Enterprises owned by the Scheduled Caste or the Scheduled Tribe entrepreneurs. Provided that, in event of failure of such Micro and Small Enterprises to participate in tender process or meet tender requirements and L₁ price, 4 percent, as mentioned above, for procurement earmarked for Micro and Small Enterprises owned by Scheduled Caste or Scheduled Tribe entrepreneurs shall be met from other Micro and Small Enterprises.
- 9.2. In case the department has failed to get tender offer under such category, the reason in detail must be mentioned in the proceeding of the procurement committee meeting held for the purpose.

10.0 Purchase from Exclusive List for MSEs

- 10.1. List of goods and services reserved for exclusive purchase from MSEs, located within the state of Jharkhand, and will be prepared from time to time keeping in view the production/service capacity of the local MSEs and requirements of State Govt. Departments and Agencies under its

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control. This list shall consist of items for which sufficient production/service capacity exists within the state of Jharkhand so as to meet the entire demand of the Govt. Sector. A list of items reserved for exclusive purchase is shown in Annexure -3. Such list shall be revised and notified by the Director, Industries annually.

- 10.2. The state Govt. Departments and its Agencies or aided Institutions under their control will have to procure their requirement of these items/services exclusively from local MSEs for the items by inviting limited competitive quotations / tenders from such local MSEs only. Efforts will be made to distribute the purchase order equitably among the participating enterprises prepared to accept lowest negotiated rate keeping in view their production capacity.
- 10.3. If less than three tenders are received for procurement of an item under Exclusive List, the item will be procured through open tendering process. Similarly, if the department procuring items from Exclusive List finds that the assessed production capacity of local MSEs is less than the quantity required to be procured, then also the procurement of additional quantity shall be done through open tendering process.

11.0 Rate Contract

- 11.1. List of goods and services produced by State PSU's is to be reserved for procurement via Rate Contract system. Such list of goods and services shall be prepared by concerned parent department for concerned state PSU. State PSUs/Boards/Corporations shall be asked to furnish details of items being produced by them including their capacity of production, cost price and possible Govt. departments /Aided Agencies which are likely to consume these items.
- 11.2. Managing Director or CEO of the concerned PSU shall prepare cost price of each item or service with the help of Cost Accountant or Chartered Accountant. Cost Price plus 10% as profit shall be offer price of concerned goods and services. This offer price shall be approved by a committee constituted under the Chairpersonship of Principal Secretary/ secretary of the parent department of the concerned state PSU. The price fixed above shall be circulated to all possible consuming department/agencies for purchase and price fixed shall be valid for one year from the date of fixation or otherwise agreed by parent department and consuming department.
- 11.3. Open tendering by Govt. Departments/Aided Agencies will not be allowed for items under Rate Contract without the approval of the concerned parent department. Goods or services, for which subsisting rate contract exists, shall be mandatorily procured following the rate contract system and shall not be procured by any other means.

12.0 Reduction in Transaction Cost for MSE

- 12.1. Following provisions in the Policy are being made for Micro and Small Enterprises to reduces the Transaction Cost of bidding:
 - (i) Tender forms for bidding shall be made available free of cost.

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- (ii) Earnest Money Deposit (EMD) shall be exempted.
 - (iii) MSEs shall be required to deposit only 10% of Security Deposit (SD)
 - (iv) Bill discounting facility shall be made available on Govt. orders.
- 12.2. Non-MSE units of Jharkhand, fulfilling eligibility criteria as envisaged in para-3 (i to vii), will get 50% concession in EMD/SD only.
- 12.3. Tendering Department of the State Government and Aided Agencies should start E-Procurement for Procurement value of Rs. 20 Lakh and above from MSEs.
- 12.4. MSEs working in the state of Jharkhand shall be exempted from tender conditions related to annual turnover and work experience.
- 12.5. Efforts will be made to make full payment for the items bought from MSEs within 30 days of complete supply. Director, Industries shall closely monitor the status of timely payment of dues of MSEs.
- 12.6. The Micro and Small Enterprises Facilitation Council (MSEFC) constituted under the provision of MSMED Act, 2006 shall regularly take up cases related to delayed payment to MSEs.

13.0 Plant Level Advisory Committee (PLAC) for Central PSUs:

- 13.1. Central PSUs are mandated to purchase from MSEs under The MSME Development Act 2006 and various procurement policies of Central Government. Central PSUs shall be encouraged to form Plant Level Advisory Committee under the Chairpersonship of Plant head with other members including representative of Regional Director of JIADA, GM- DIC and representative from local industrial association within three months of notification of this policy.
- 13.2. The functions of PLAC as follows:
- (i) Encouraging purchase from MSEs located in Jharkhand.
 - (ii) Monitoring capacity improvement and quality improvement activities among local MSEs.
 - (iii) Addressing the grievances of local MSEs.
 - (iv) Development of ancillary industries in the downstream in the state and also to suggest recommendations to encourage Make in Jharkhand mission.

14.0 Government E-marketplace:

- 14.1. In respect of procurement through the Government E-marketplace (GeM) shall as far as possible specifically mark the items which meet the minimum local content while registering the item for display and shall wherever feasible make provision for automated comparison with purchase preference and without purchase preference and for obtaining consent of the local supplier in those cases where purchase preference is to be exercised.
- 14.2. It is mandatory for every department of the state government or its agencies or aided institutions to purchase from local MSEs supplier on GeM Portal of the items mentioned in the exclusive list

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of Annexure 3 and also ensure 20 % procurement of the concerned year from local supplier on GeM portal.

14.3. Department of Industries, Mines & Geology in coordination with Department of IT & e-Governance will encourage and facilitate MSEs of the state to register their products on GeM portal.

15.0 Notifying Iron & Steel Products Procured by Government:

15.1. The following definitions may be used for identifying and notifying the Jharkhand manufacturer of iron and steel under the policy.

15.1.1. “Jharkhand Manufactured Iron & Steel Products (JIM&SP)” means iron and steel products which are manufactured by entities that are established and started commercial production in Jharkhand. In addition, if JIM&SP involves imported inputs, such products shall meet the criteria of state minimum value-addition as mentioned in Annexure 1.

15.1.2. “Jharkhand Manufacturer of Iron and Steel” means manufacturer of Jharkhand manufactured iron & steel products (JIM&SP) having minimum annual capacity of 0.2 million ton per annum including value addition.

15.1.3. “Semi-Finished Steel” means billet, blooms, slabs (cast products) which can be subsequently processed to finished steel.

15.1.4. “Finished Steel” means Flat and Long products, which can be subsequently processed into manufactured items.

15.1.5. “Iron & Steel Products(s)” means such iron and steel product(s) which are mentioned in Annexure 1.

15.2. Special Provisions for notification of Iron & Steel Products:

15.2.1. The objective is to notify all iron and 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.

15.2.2. All Government Projects including turnkey projects which require iron and steel as one of the basic components shall be covered under this policy. Notified Jharkhand Manufacturer shall be above to supply products to Government Project as per Schedule of Rate.

15.2.3. Analysis of the availability of various grades of Jharkhand manufactured iron and steel products before notification under the policy and accordingly the State will notify the Jharkhand Manufacturers of various grades of Steel confirming the BIS Standards and Third Party Inspection/Third Party Laboratory Test/National Test House Report. However, while notifying the Jharkhand Manufactures consultation may be carried out by the standing Committee with prominent Jharkhand manufacturers and expert of other Technical Department as special invitee. Department of Industries, Mines and Geology shall issue such notification within three months of publication of this policy in the official gazette.

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- 15.2.4. The Department of Industries, Mines and Geology would notify Jharkhand iron & steel producer along with the minimum prescribed value addition, furnished at Annexure 1.
- 15.2.5. Government agencies which are involved in procurement of iron and steel products in government projects and if such product is not mentioned in Annexure 1, they will provide description and technical specifications of the product along with prescribed standards to the Standing Committee. The Standing Committee will act as per the mandate under this policy.
- 15.2.6. The value addition norm shall be so calibrated that it reflects the average/above average manufacturing capability of the State industry for the iron & steel products at a point of time. This shall be suitable reviewed as per the policy through notification by Department of Industries, Mines and Geology.

15.3. Value addition in Iron and Steel Products:

- 15.3.1. If the Jharkhand Manufacturers of iron and steel products is having imported input, they have to fulfill value addition norms to claim as Jharkhand products of iron and steel.
- 15.3.2. Value addition shall be the difference between the net selling price and the landed cost of imported input steel (of immediate prior process) at a manufacturing plant in India.
- 15.3.3. In case, the iron & steel products are made-
- (i) Using State input steel (semi-finished/finished steel), invoices of purchases from the actual State producers along with quantities purchased and the other related documents must be furnished to procuring Government agency.
 - (ii) Using a mix of State and outside State input steel, the invoices of purchases along with quantities purchased and the other related documents must be furnished separately. To derive the extent of outside value addition, the weighted average of both (State & outside State) input steel shall be considered to ensure that the minimum stipulated value addition requirement of the policy is complied with.
 - (iii) Using only imported input steel, the following formula shall apply to calculate the percentage of State value-addition:

State value addition (%)=(Net selling price-Landed cost of imported input steel at the plant)*100/(Landed cost of imported input steel at the plant)

It is recommended that each bidder participating in the tender process should calculate the value addition using the above formulae so as to ensure the value addition claimed is consistent with the minimum stipulated value addition requirement of the policy.

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16.0 Self-Certification and Grievance Redressal

- 16.1. Each Jharkhand manufacturer shall furnish the Affidavit of self-certification to the procuring Government agency declaring that the products are Jharkhand manufactured. The bidders who are sole selling agents/authorized distributors/authorized dealers/authorized supply houses of the Jharkhand manufacturers of products are eligible to bid on behalf of Jharkhand manufacturers under the policy. The bidder shall furnish the Affidavit of self-certification issued by the State manufacturer to the procuring agency declaring that the products are Jharkhand manufactured in terms of the value addition prescribed. The Affidavit of self-certification shall be furnished in Form1 attached to this policy.
- 16.2. In Case complaint is received by the procuring agency or the concerned Government Agency against the claim of a bidder regarding State value addition/local content in 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 of Standing Committee with a request for technical assistance. If found incorrect, such manufacturer will be black listed for Govt. Procurement.
- 16.3. In case, the matter is referred to the Standing Committee, the grievance redressal committee setup under the Chairmanship of Director of Industries shall dispose off the complaint within four weeks of its reference and receipt of all documents from the bidder after taking in consideration, the view of the Government Agency.
- 16.4. The cost of assessing the prescribed extent of State value addition shall be born by the procuring agency if the State value addition is found to be correct as per the certificate. However, if it is found that the State 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.
- 16.5. Each Government Agency shall clearly define the penalties, in case of mis-declaration by the bidder of the prescribed State value addition, in the tender document. The penalties may include forfeiting of the EMD and such other penalties, as may be prescribed by the concerned Government Agency in the tender document.
- 16.6. MSEs and non-MSEs aggrieved with the unreasonable conditions in tenders floated by a Govt. Department/Aided Agency may, within 10 days of publication of tender, file a grievance petition with the grievance cell in the Directorate of Industries headed by Director, Industries by depositing a fee equivalent to 0.01% of tender value or Rs. 5000 whichever is lower. Such application will be disposed-off by Director, Industries within a period of 20 days from the date of receiving the application. The aggrieved applicant, if not satisfied with the decision of Director, Industries, may appeal to the Appellate Authority headed by Secretary, Department of Industries, Mines and Geology.

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- 16.7. In case of iron and steel products, any complaint to Director of Industries by the concerned bidder, there would be a complaint fee of Rs. 10,000 (Ten Thousand) or 0.1% of the value of the purchase (subject to a maximum of Rs. 1 lakh), whichever is higher, to be paid by Demand Draft deposited with the grievance redress committee.
- 16.8. Efforts shall be made by Director, Industries to organise Annual Buyer and Seller Meet and Vendor Development Programs amongst the large and mega Industries and the MSMEs in association with Directorate of MSME-DI, GOI, NSIC and various representative bodies of Industries.

17.0 Standing Committee:

The Single Window Clearance Committee shall be the standing committee for this policy. The said Committee shall have the mandate for the following:

- (i) Monitoring the implementation of this policy.
- (ii) Recommend the list of Jharkhand Manufacturers including Iron and Steel Manufacturers and list of Iron & Steel products and the Minimum value addition as per Annexure 1.
- (iii) Issue necessary clarifications for implementation of the policy and redressal of disputes related during implementation of this policy.
- (iv) Refer the disputes relating to interpretation of the Policies to Grievance redressal as mentioned in this policy. or any other committee/person for resolving disputes.

18.0 Monitoring

- 18.1. Principal Secretary/Secretary, Department of Industries, Mine and Geology shall be the nodal officer to monitor the implementation of this policy.
- 18.2. Every Government Agency shall ensure implementation of this policy and shall annually, in the month of June, send a declaration indicating the extent of compliance to this policy and reasons for non-compliance thereof, during the preceding financial year.

19.0 Miscellaneous Provisions

- 19.1. This policy will come into operation from the date of issue of notification in the official gazette and shall be valid for five years from the date of notification in the official gazette.
- 19.2. Doubts relating to interpretation of any term and/ or dispute relating to the operation of any provision of this policy shall have to be referred to the Department of Industries, Mines and Geology for clarification/ resolution and the decision of Government in this regard shall be final and binding on all concerned.
- 19.3. Notwithstanding anything contained in the foregoing paragraphs in this policy, the State Government by issuance of notification in the official gazette may amend or withdraw any of the provisions and /or the schemes mention herein above.

List of Iron & Steel Products

Sl. No.	Iron & Steel Products	Inputs (Imported or Domestic)	Minimum Value Addition.
1	Ductile Iron Pipe	Pig Iron/Liquid Iron.	15%
2	Wire rod & TMT bar	Billet	15%
3	Structural/sections	Bloom	15%
4	HR Coils, strips, sheets & plates	Slab	15%
5	HR universal/Quarto Plates	Slab	15%
6	CR coils/strips	HR Coils	15%
7	Coated flat steel products/GP/GC sheets/Al-Zn coated.	Slab/HR Coil/Cold rolled Coils/strips.	15%
8	Color coated, painted sheets.	Slab/HR Coil/Cold/Cold rolled coils/strips.	15%
9	All kinds of steel pipes & tubes	Slabs/Plates/HR coils.	15%
10	Seamless tubes & pipes	Bloom	15%
11	Rails.	Bloom	15%

Format for affidavit of Self Certification regarding State Value Addition in Local Products(including Iron & Steel Products as the case may be)to be provided on Rs. 100/-Stamp Paper

Self-Certification

I.....S/o,.....D/o.....W/o...
.....Date..... 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 Jharkhand issued vide Notification no

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

That the State value addition for all inputs which constitute the said locally manufactured products/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 State value addition of the product mentioned therein 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.....of Jharkhand Public Procurement (Make in Jharkhand) Policy 2017 in Government procurement is provided and that the procuring agency (ies) is hereby authorized to forfeit any 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) Locally manufactured goods & services/Iron & Steel Products for which the certificate is produced.

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- iv) Procuring agency to whom the certificate is furnished.
- v) Name of contact details of the unit of the manufacture(s).
- vi) Net Selling Price of the local Products/ iron & steel products
- vii) Freight, insurance and handling till plant.
- viii) List and total cost value of input (imported) used to manufacture the local Products/ iron & steel products.
- ix) List and total cost of inputs/input steel which are State sourced.
- x) Please attach value addition certificates from suppliers, if the input is not in house.
- xi) Percentage of local content.

Seal and Signature with company address.

Items under 'Exclusive List', reserved for Purchase from State Micro and Small Enterprises (MSEs).

1. Agriculture Implements (Small and light agricultural implements costing up to Rs.50000 and conforming to quality norms of BIS or duly certified by JAMTTC or acknowledged certifying agency.)
2. Steel Furniture, Rack, Trunk, Almirah, Manual Trolley and Patient transfer Trolley.
3. (a) Transformer type welding sets conforming to IS:1291/75 (up to 600 Amps)
(b) Transformer (up to 200KVA) with 3 stars/ 4 stars rating of Bureau of Energy Efficiency
4. Aluminum Wire
5. Solar Lantern/ Street Lighting/ Solar Water Heater Geyser/ Solar Irrigation Pump
6. Alum
7. Deep well hand pump including its spare parts
8. Office Stationery, Exercise books and Computer Stationery
9. Fly Ash bricks and other fly ash blocks
10. PSC pole, RCC hume pipe
11. PVC pipe and UPVC pipe
12. AAC/AAAC/ACSR Conductors
13. Flour grinding
14. Surgical cotton/Gauge and bandages
15. Paint and Varnish
16. Safety boot and Leather boot/Canvas shoes
17. Irrigation shutter, panel and gate
18. Wax candle, Phenyl, Naphthalene ball and alum
19. Broom
20. Emergency light and Battery charger
21. Quick hydrated Line
22. Sodium Silicate
23. Barbed wire and Nails
24. Lac
25. Jute Bags
26. Rice and Pulses
27. Ground Spices
28. PVC Tank

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29. Bus, Truck Body Building
30. PP/HDPP bag
31. Bleaching Powder
32. Sanitary Napkins / Towels
33. Agriculture Pipes (Soft PVC Pipes)
34. Small Iron tools (Hammer, Shovel etc)
35. Manual Agriculture Tools
36. Hand Gloves (Rubber)
37. Domestic Utensils all types
38. Pavers blocks
39. Conveyor belt
40. Leather Bags
41. Jute File Folders
42. Metal Handicraft
43. Road Marking (Thermoplastic) / Painted Road Marking.
44. Retro-reflective Signage
45. Moulded Plastic Goods (House hold/Construction items)
46. Boxes made of metal/Wood
47. Bolts/Nuts/Wire nail
48. Mosquitoes net/Quilt/Mattress/Pillow
49. Cotton/Jute/Rexene/Leather School Bags
50. Corrugated paper board/Boxes
51. Pickles/Chutney/Sauce/Papads/Spices/Culinary Spices (FSSAI Mark)
52. Ready to Eat food/Cereal Flakes/Confectionary (FSSAI Mark)
53. Bakery Products (FSSAI Mark)
54. ICE Cream

55. Fortified Milk/Milk Products.
56. Edible Oil.(FSSAI Mark)
57. Plastic/Metal Dustbins.
58. Disinfectants(House hold/Hospital)
59. UPS/Stabilizers/Battery Charger.
60. Wooden Furniture/Boxes/Boards.
61. Bamboo Products/Lathies.

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- 62. Paper conversion Product.
- 63. Can basket.
- 64. Bucket(Metal)
- 65. Honey
- 66. Blanket/Carpet

Note- *Only upto 50% requirement of Govt. Departments and Aided Agencies in respect of items at Sl.3(b), 4 and 5 ie. Transformer (upto 200 KVA), Aluminium wire and Solar lantern/ Street Lighting/ solar Water Heater Geyser/ solar Irrigation pump or the capacity of MSE's, within State of Jharkhand , whichever is lower, will form part of 'Exclusive List' and remaining will be procured through 'Open Tendering'. The procurement of these items will be done without compromising quality at L₁ price quoted in 'Open Tendering'*

Tendering Departments shall adopt BIS specification/ Accreditation Norm of National Accrediting Agencies, wherever applicable, during procurement of items from 'Exclusive list'.