

FP-20013/2/2017-FP-PNG

भारत सरकार/ Government of India

पेट्रोलियम और प्राकृतिक गैस मंत्रालय/ Ministry of Petroleum and natural Gas

शास्त्री भवन, नई दिल्ली

Shastri Bhawan, New Delhi

दिनांक 31 दिसम्बर, 2018

To

1. Chairman, IOCL
2. C&MD, BPCL/HPCL/ONGC/GAIL/EIL/OIL/ BLL/BLC
3. Managing Director, CPCL/NRL/MRPL/OVL
4. DG, DGH
5. DG, PPAC
6. Secretary, OIBD
7. ED, PCRA
8. ED, OISD
9. ED, CHT
10. Director, RGIPT
11. Member (BM), PNGRB
12. CEO & MD, ISPRL

Subject: Policy to provide Purchase Preference (linked with local content) (PP-LC) in all Public Sector Undertakings under the Ministry of Petroleum and Natural Gas - reg.

Sir,

Please refer to MoPNG letter No. O-27011/44/2015-ONG-II/FP dated 25.04.2018 on the subject mentioned above vide which copy of "Policy to provide Purchase Preference (linked with local content) (PP-LC) in all Public Sector Undertakings under the Ministry of Petroleum and Natural Gas" was circulated.

2. In this connection, following modifications have been made in the said policy with approval of competent authority:

a. Removal of the word "equipment" from Para 6.1.2 (c), as follows:

"(c). in the case of working facility, based on the country of origin."

b. Local content for Onshore Drilling/ Workover Rigs/ WSS units Construction under Fabrication head in Sl. No. C.1.a. in Table 1 of Enclosure-I shall be modified as:

Sl. No	Item	Local Content (%)	
		2018-2020	2020-2022
C	Fabrications		
1	Drilling/ Workover Rigs/ WSS units Construction		
	a. Onshore	30	40

c. First bullet under point a) (Price Break-up) in Para 7.1.2 (At bidding stage) shall be substituted as:

- "The bidder shall provide the percentage of local content in the bid."

d. **Para 7.1.2 (At bidding stage) (b) & (c) and 7.1.3 (After Contract Award) (a) & (b) shall be substituted with the following clause:**

"The bidder shall submit an undertaking from the authorised signatory of bidder having the power of Attorney alongwith the bid stating the bidder meets the mandatory minimum LC requirement and such undertaking shall become a part of the contract.


In cases of procurement for a value in excess of Rs 10 crores, the undertaking submitted by the bidder shall be supported by a certificate from the statutory auditor or cost auditor of the company (in case of companies) or from a practicing cost accountant or practising chartered accountant (in respect of other than companies) giving the percentage of local content.

However, in case of foreign bidder, certificate from the statutory auditor or cost auditor of their own office or subsidiary in India giving the percentage of local content is also acceptable. In case office or subsidiary in India does not exist or Indian office/ subsidiary is not required to appoint statutory auditor or cost auditor, certificate from practising cost accountant or practising chartered accountant giving the percentage of local content is also acceptable.'

e. Requirement of obtaining the list of items/ services to be procured from Indian Manufacturer/ service providers as per Para 7.1.2 (b) (second bullet) of the Policy shall be omitted.

3. The above modifications in PP-LC Policy will come into force with immediate effect.

Yours faithfully,


31/12/18

(Vijay Sharma)
Director
Tel.: 23073069

Copy to: 1) US (Admn), MoPNG

2) Ms. Neelam Naval, PR, System Analyst (NIC): with request to upload this Order on website of MoPNG.