

Amendment No. 7 dated 17.09.2020

to

Request for Proposal (RfP) and Transmission Service Agreement (TSA) for selection of Transmission Service Provider through tariff based competitive bidding process to establish “Transmission System Strengthening Scheme for Evacuation of Power from Solar Energy Zones in Rajasthan (8.1 GW) under Phase-II Part-E”

S.No.	Existing Provision	Amended Provision
Request for Proposal (RFP) / Transmission Service Agreement (TSA)		
1.	<p>Project Schedule in Clause No. 2.6.1 & Bidders undertaking in Annexure-8 of the RFP Document</p> <p>The Payment of Transmission Charges.....as mentioned in the above table</p> <p>Schedule COD for overall Project: 18 months from Effective Date. Schedule COD in months is considering Effective Date in June 2020, It is clarified that in case there is delay in achieving effective Date, the schedule shall be compressed accordingly to achieve Scheduled COD by December, 2021.</p>	<p>Project Schedule in Clause No. 2.6.1 & Bidders undertaking in Annexure-8 of the RFP Document</p> <p>The Payment of Transmission Charges.....as mentioned in the above table</p> <p>Schedule COD for overall Project: 18 Months from Effective Date.</p>
2.	<p>Clause No. 2.1 Qualification Requirements of the RFP Document</p> <p>Clause No. 2.1.1 The Bidder should be a company duly if any Member of the Consortium has purchased the RFP document for such Project.</p> <p>New Para Insertion</p> <p>Bidder who agree and undertake to procure the products associated with the Transmission System as per provisions of Public Procurement (Preference to Make in India) orders issued by Ministry of Power vide orders No. 11/5/2018 - Coord. dated 20.12.2018 and 04.04.2020 (copies enclosed at Annexure A) for transmission sector, as amended from time to time read with Department for Promotion of Industry and Internal Trade (DPIIT) orders in this regard, shall be eligible hereunder. Further, it is clarified that Procuring Entity as defined in orders shall deemed to have included Selected Bidder and/ or TSP.</p>	<p>Clause No. 2.1 Qualification Requirements of the RFP Document</p> <p>Clause No. 2.1.1 The Bidder should be a company duly if any Member of the Consortium has purchased the RFP document for such Project.</p> <p>New Para Insertion</p> <p>Bidder who agree and undertake to procure the products associated with the Transmission System as per provisions of Public Procurement (Preference to Make in India) orders issued by Ministry of Power vide orders No. 11/5/2018 - Coord. dated 28.07.2020 (copy enclosed at Annexure-A) for transmission sector, as amended from time to time read with Department for Promotion of Industry and Internal Trade (DPIIT) orders in this regard, shall be eligible hereunder. Further, it is clarified that Procuring Entity as defined in orders shall deemed to have included Selected Bidder and/ or TSP.</p> <p>Besides, Department of Expenditure, Ministry of Finance vide Order (Public Procurement No 1) bearing File No. 6/18/2019-PPD dated 23.07.2020, Order (Public Procurement No 2) bearing File No. 6/18/2019-PPD dated 23.07.2020 and Order (Public Procurement No. 3) bearing File No. 6/18/2019-PPD, dated 24.07.2020 (copy enclosed at Annexure-B) have issued directions regarding public procurement from a bidder of a country, which shares land border with India are also applicable.</p>

S.No.	Existing Provision	Amended Provision
3.	<p>Annexure-1 Covering Letter of the RFP Document</p> <p>New Insertion after point no. 3</p> <p>4. We hereby agree and undertake to procure the products associated with the Transmission System as per provisions of Public Procurement (Preference to Make in India) orders issued by Ministry of Power vide orders No. 11/5/2018 - Coord. dated 20.12.2018 and 04.04.2020 for transmission sector, as amended from time to time read with Department for Promotion of Industry and Internal Trade (DPIIT) orders in this regard.</p> <p>5. We are herewith submitting legally binding board resolution for the total equity requirement of the Project.</p> <p>.....</p>	<p>Annexure-1 Covering Letter of the RFP Document</p> <p>New Insertion after point no. 3</p> <p>4. We hereby agree and undertake to procure the products associated with the Transmission System as per provisions of Public Procurement (Preference to Make in India) orders issued by Ministry of Power vide orders No. 11/5/2018 - Coord. dated 28.07.2020 for transmission sector, as amended from time to time read with Department for Promotion of Industry and Internal Trade (DPIIT) orders in this regard.</p> <p>We hereby also agree and undertake to comply with Department of Expenditure, Ministry of Finance vide Order (Public Procurement No 1) bearing File No. 6/18/2019-PPD dated 23.07.2020, Order (Public Procurement No 2) bearing File No. 6/18/2019-PPD dated 23.07.2020 and Order (Public Procurement No. 3) bearing File No. 6/18/2019-PPD, dated 24.07.2020 regarding public procurement from a bidder of a country, which shares land border with India.</p> <p>5. We are herewith submitting legally binding board resolution for the total equity requirement of the Project.</p> <p>.....</p>
4.	<p>Article 4.1 TSP's obligation in development of the Project of TSA</p> <p>New Insertion after 4.1 (g)</p> <p>(h) to procure the products associated with the Transmission System as per provisions of Public Procurement (Preference to Make in India) orders issued by Ministry of Power vide orders No. 11/5/2018 - Coord. dated 20.12.2018 and 04.04.2020 (copies enclosed at Annexure A) for transmission sector, as amended from time to time read with Department for Promotion of Industry and Internal Trade (DPIIT) orders in this regard (Procuring Entity as defined in above orders shall deemed to have included Selected Bidder and/ or TSP).</p>	<p>Article 4.1 TSP's obligation in development of the Project of TSA</p> <p>New Insertion after 4.1 (g)</p> <p>(h) to procure the products associated with the Transmission System as per provisions of Public Procurement (Preference to Make in India) orders issued by Ministry of Power vide orders No. 11/5/2018 - Coord. dated 28.07.2020 (copy enclosed at Annexure-A) for transmission sector, as amended from time to time read with Department for Promotion of Industry and Internal Trade (DPIIT) orders in this regard (Procuring Entity as defined in above orders shall deemed to have included Selected Bidder and/ or TSP).</p>

S.No.	Existing Provision	Amended Provision
	(i) to comply with all its obligations undertaken in this Agreement.	<p>Also, to comply with Department of Expenditure, Ministry of Finance vide Order (Public Procurement No 1) bearing File No. 6/18/2019-PPD dated 23.07.2020, Order (Public Procurement No 2) bearing File No. 6/18/2019-PPD dated 23.07.2020 and Order (Public Procurement No. 3) bearing File No. 6/18/2019-PPD, dated 24.07.2020 (copies enclosed at <i>Annexure-B</i>) regarding public procurement from a bidder of a country, which shares land border with India.</p> <p>(i) to comply with all its obligations undertaken in this Agreement.</p>

**No.11/05/2018-Coord.
Government of India
Ministry of Power**

**Shram Shakti Bhawan, New Delhi
Dated the 28th July, 2020**

ORDER

Sub: Public Procurement (Preference to Make in India) to provide for Purchase Preference (linked with local content) in respect of Power Sector.

Ref: Department for Promotion of Industry and Internal Trade (DPIIT) Notification No.P-45021/2/2017-PP (BE-II) dated 4th June, 2020.

The Government of India, Department for Promotion of Industry and Internal Trade (DPIIT) issued Public Procurement (Preference to Make in India), Order 2017 for encouraging 'Make in India' and promoting manufacturing and production of goods and services in India with a view to enhancing income and employment. Further, DPIIT vide order No.P-45021/2/2017-PP (BE-II) dated 4th June, 2020, have issued the revised Public Procurement (Preference to Make in India) Order 2017.

2. In the light of the Public Procurement (Preference to Make in India) Order 2017, this Ministry had notified purchase preference (linked with local content) for Hydro and Transmission sector vide Order No.11/05/2018-Coord. dated 20.12.2018, for Thermal sector vide Order dated 28.12.2018 and for Distribution sector vide Order dated 17.03.2020. Further, a combined order dated 04.04.2020 was also issued.

3. In furtherance of Para 19 of the DPIIT Notification No.P-45021/2/2017-PP(BE-II) dated 04.06.2020 and in supersession of all the aforementioned orders issued by this Ministry, the following has been decided:

- i. For the purpose of this order, the definitions of various terms used in the order, and provisions relating to (i) Eligibility of 'Class-I local supplier'/'Class-II local supplier'/'Non-local suppliers' for different types of procurement, (ii) purchase preference, (iii) exemption to small purchases, and (iv) margin of purchase preference, shall be the same as in DPIIT order dated 04.06.2020, referred to above and extracts of the same given at **Appendix**.
- ii. In procurement of all goods and services or works in respect of which there is sufficient local capacity and local competition as in **Annexure-I**, only "Class-I local supplier", shall be eligible to bid irrespective of purchase value.
- iii. In procurement of all goods, services or works not covered by sub-para 3(ii) above, and with estimated value of purchases less than Rs.200 Crore, in accordance with Rule 161(iv) of GFR, 2017, Global Tender Enquiry (GTE) shall not be issued except with the approval of the competent authority as designated by Department of Expenditure. Only 'Class-I local supplier' and 'Class-II local supplier' shall be eligible to bid in procurement undertaken by procuring entities, except when Global Tender Enquiry has been issued. In Global tender enquiries, 'Non-local suppliers' shall also be eligible to bid along with 'Class-I local suppliers' and 'Class-II local suppliers'.
- iv. For the purpose of this order, 'Works' means all works as per Rule 130 of GFR-2017, and will also include 'turnkey works', Engineering, Procurement and Construction (EPC) contracts and service contracts including System Integrator (SI) contracts. This order shall be applicable to Tariff Based Competitive Bidding (TBCB) projects also.

4. The list of items, in respect of which, local capacity with sufficient competition exists as per **Annexure-I**, will be reviewed at regular intervals with a view to increase number of items in this list.

5. Purchase preference shall be given to local suppliers in accordance with **para 3A** of DPIIT Order dated 04.06.2020, and extracts of the same given at **Appendix**.

6. Further, it has been decided to constitute a committee for independent verification of self-declarations and auditor's / accountant's certificates on random basis and in the case of complaints. The composition of the committee is given below:

Chairperson	Member (Planning), CEA
Member	Chief Engineer (PSETD), CEA
Member	Chief Engineer (HETD), CEA
Member	Chief Engineer (TETD), CEA
Member	Chief Engineer (DP&R), CEA
External Expert	As may be co-opted by CEA
Convener	Chief Engineer (R&D), CEA

7. Further, it has also been decided to constitute a committee to examine the grievances in consultation with stakeholders and recommend appropriate actions to the Competent Authority in MOP. The composition of the Committee is given below:

Chairperson	Chairperson, CEA
Member	Member (Hydro), CEA
Member	Member (Power System), CEA
Convener	Member (Thermal), CEA

8. The complaint fee of Rs.2 Lakh or 1% of the value of the local item being procured (subject to maximum of Rs.5 Lakh), whichever is higher, shall be paid in the form of online transaction or Demand Draft, drawn in favour of DDO, CEA. In case the complaint is found to be incorrect, the complaint fee shall be forfeited. In case, the complaint is upheld and found to be substantially correct, deposited fee of the complainant would be refunded without any interest.

9. All other conditions, not stipulated in this order, shall be as laid down in the DPIIT's order No.P-45021/2/2017-PP (BE-II) dated 04.06.2020.

10. This order shall be applicable in respect of the procurements made by all attached or subordinate offices or autonomous body under the Ministry of Power, Government of India including Government Companies as defined in the Companies Act, and /or the States and Local Bodies making procurement under all Central Schemes/ Central Sector Schemes where the Scheme is fully or partially funded by Government of India. The aforesaid orders shall also be applicable in respect of funding of capital equipment by PFC/ REC.

11. Procuring entities as defined in the DPIIT's Order dated 04.06.2020 are advised to revise their tender documents fully complying with the said DPIIT's Order and the subsequent Orders that would be issued in this regard by DPIIT/this Ministry from time to time.

12. All tenders for procurement by Central Government Agencies have to be certified for compliance of the PPP-MII Order by the concerned procurement officer of the Government Organization before uploading in the portal.

13. In pursuance of the provision of para 13 of the DPIIT Order, 2020, equipment used in the power sector which are manufactured under license from foreign manufacturers holding intellectual property rights and where there is a transfer of technology agreement are listed as under **Annexure-II**. However, Annexure-II will undergo regular review to check for those items in the list for which sufficient local manufacturing capacity and competition have got developed and which meet minimum local content of 50% now, so that these items become eligible for inclusion in Annexure-I of this order and the provisions as contained in para 3 above of this order start becoming applicable in respect of these items too.

14. In order to further encourage Make in India initiative and promote manufacturing and production of goods and services in India, general guidelines as enclosed at **Annexure-III** may be adopted in an appropriate manner according to the circumstances by the procuring entities in their tendering process.

15. This issues with the approval of Hon'ble MoS (IC) for Power and NRE.



(R.K. Das)

Under Secretary to the Government of India
Tel. No.011-23752495

To:

1. All Ministries/ Departments of Government of India (As per list)
2. Secretary (Coordination), Cabinet Secretariat
3. PS to PM, Prime Minister's Office
4. Vice Chairman, NITI Aayog
5. Chief Secretaries of all States/UTs
6. Director General, Comptroller and Auditor General of India
7. Secretary, DPIIT, Chairman of Standing Committee for implementation of Public Procurement Order, 2017
8. Joint Secretary, DPIIT, Member-Convener of Standing Committee for implementation of Public Procurement Order, 2017
9. Chairperson, CEA
10. CMDs of CPSEs/ Chairmen of DVC & BBMB/ MD of EESL
11. All JSs/ EA, MoP

Extracts of important provisions contained in DPIIT Order No.P-45021/2/2017-PP (BE-II) dated 4th June, 2020

1. Definitions:

'Local content' means the amount of value added in India which shall, unless otherwise prescribed by the Nodal Ministry, be the total value of the item procured (excluding net domestic indirect taxes) minus the value of imported content in the item (including all customs duties) as a proportion of the total value, in percent.

'Class-I local supplier' means a supplier or service provider, whose goods, services or works offered for procurement, has local content equal to or more than 50%, as defined under said Order.

'Class-II local supplier' means a supplier or service provider, whose goods, services or works offered for procurement, has local content more than 20% but less than 50%, as defined under this Order.

'Non-Local supplier' means a supplier or service provider, whose goods, services or works offered for procurement, has local content less than or equal to 20%, as defined under this Order.

'L 1' 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.

'Margin of purchase preference' means the maximum extent to which the price quoted by a "Class-I local supplier" may be above the L 1 for the purpose of purchase preference.

'Procuring entity' means a Ministry or department or attached or subordinate office of, or autonomous body controlled by, the Government of India and includes Government companies as defined in the Companies Act.

'Works' means all works as per Rule 130 of GFR- 2017, and will also include *turnkey works*.

2. Eligibility of 'Class-I local supplier'/ 'Class-II local supplier'/ 'Non-local suppliers' for different types of procurement

- (a) In procurement of all goods, services or works in respect of which the Nodal Ministry / Department has communicated that there is sufficient local capacity and local competition, only 'Class-I local supplier', as defined under the Order, shall be eligible to bid irrespective of purchase value.
- (b) In procurement of all goods, services or works, not covered by 2(a) above, and with estimated value of purchases less than Rs.200 Crore, in accordance with Rule 161(iv) of GFR, 2017, Global Tender Enquiry shall not be issued except with the approval of competent authority as designated by Department of Expenditure. Only 'Class-I local supplier' and 'Class-II local supplier', as defined under the Order, shall be eligible to bid in procurements undertaken by procuring entities, except when Global Tender Enquiry has been issued. In Global Tender Enquiries, 'Non-local suppliers' shall also be eligible to bid along with 'Class-I local suppliers' and 'Class-II local suppliers'.
- (c) For the purpose of this Order, works includes Engineering, Procurement and Construction (EPC) contracts and services include System Integrator (SI) contracts.

3. Purchase Preference

- (a) Subject to the provisions of this Order and to any specific instructions issued by the Nodal Ministry or in pursuance of this Order, purchase preference shall be given to 'Class-I local supplier' in procurements undertaken by procuring entities in the manner specified here under.
 - (b) In the procurements of goods or works, which are covered by para 2(b) above and which are divisible in nature, the 'Class-I local supplier' shall get purchase preference over 'Class-II local supplier' as well as 'Non-local supplier', as per following procedure:
 - i. Among all qualified bids, the lowest bid will be termed as L 1. If L 1 is 'Class-I local supplier', the contract for full quantity will be awarded to L 1.
 - ii. If L 1 bid is not a 'Class-I local supplier', 50% of the order quantity shall be awarded to L 1. Thereafter, the lowest bidder among the 'Class-I local supplier' will be invited to match the L 1 price for the remaining 50% quantity subject to the Class-I local supplier's quoted price falling within the margin of purchase preference, and contract for that quantity shall be awarded to such 'Class-I local supplier' subject to matching the L 1 price. In case such lowest eligible 'Class-I local supplier' fails to match the L 1 price or accepts less than the offered quantity, the next higher 'Class-I local supplier' within the 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 Class-I local suppliers, then such balance quantity may also be ordered on the L 1 bidder.
 - (c) In the procurements of goods or works, which are covered by para 2(b) above and which are not divisible in nature, and in procurement of services where the bid is evaluated on price alone, the 'Class-I local supplier' shall get purchase preference over 'Class-II local supplier' as well as 'Non-local supplier', as per following procedure:
 - i. Among all qualified bids, the lowest bid will be termed as L 1. If L 1 is 'Class-I local supplier', the contract will be awarded to L 1.
 - ii. If L 1 is not 'Class-I local supplier', the lowest bidder among the 'Class-I local supplier', will be invited to match the L 1 price subject to Class-I local supplier's quoted price falling within the margin of purchase preference, and the contract shall be awarded to such 'Class-I local supplier' subject to matching the L 1 price.
 - iii. In case such lowest eligible 'Class-I local supplier' fails to match the L 1 price, the 'Class-I local supplier' with the next higher bid within the margin of purchase preference shall be invited to match the L 1 price and so on and contract shall be awarded accordingly. In case none of the 'Class-I local supplier' within the margin of purchase preference matches the L 1 price, the contract may be awarded to the L 1 bidder.
 - (d) "Class-II local supplier" will not get purchase preference in any procurement, undertaken by procuring entities.
4. **Exemption of small purchases:** Procurements where the estimated value to be procured is less than Rs.5 Lakh shall be exempt from this Order. However, it shall be ensured by procuring entities that **procurement is not split for the purpose of avoiding the provisions of this Order.**
5. **Margin of Purchase Preference:** The margin of purchase preference shall be 20%.

List of items of goods and services with sufficient local capacity and competition:

A. Transmission Sector- List of equipment pertaining to transmission system of 66 kV and above voltage level.

1. Transformers and Reactors (66 kV to 765 kV AC)
2. Air Insulated Switchgear (Circuit Breakers, Disconnectors), Surge Arrester, Wave trap (66 kV to 765 kV AC)
3. Gas Insulated Switchgear (66 kV to 400 kV AC)
4. Instrument Transformers (66 kV to 765 kV AC)
5. Bus Post Insulators
6. Substation structure material
7. Transmission line tower material
8. Conventional conductors and accessories
9. Porcelain Insulators and hardware fittings
10. Control & power cables
11. High Voltage Cables (upto 220 kV AC)
12. Control and Protection System including Substation Automation System
13. DG set
14. DC system (DC Battery & Battery Charger) in a substation
15. AC & DC Distribution Board for substation
16. Material for Grounding system
17. Items for illumination system

B. Hydro Sector- List of equipment pertaining to Hydro Generating Station.

1. Hydro Turbine & Associated equipment (Francis, Kaplan & Pelton Turbine)
2. Generator & Associated Equipment
3. Generator Transformer & Reactors
4. Main Inlet Valve & Associated Equipment
5. Penstock protection Valve and Associated Equipment
6. Governing system & Accessories

7. Gas Insulated Switchgear/ Gas Insulated Bus Ducts (Up to 400 kV)
8. Switchyard/Pothead Yard Equipment(excluding Transformer and Reactors)
9. Automation and Controls
10. Protection System
11. XLPE Cable (up to 400 kV)
12. Static Excitation System
13. SST,UAT & SAT
14. LV, MV & HV Switchgear
15. LV, MV & HVBus Ducts
16. DC System
17. Power and Control Cable
18. Illumination system
19. D.G. Set
20. PLCC
21. Grounding System
22. Workshop Equipment
23. EOT Crane
24. Cooling Water System
25. Compressed Air System
26. Drainage/Dewatering System
27. Fire Protection System
28. Heating, Ventilation & Air Conditioning System (HVAC)
29. Elevator
30. Oil Handling System
31. Mechanical BOP Items

C. Thermal Sector- List of equipment pertaining to Thermal Generating Station.

Coal/ lignite based thermal power projects/ plants:

1 Boiler Auxiliaries

- i) Air pre-heater
- ii) SCAPH
- iii) Steam soot blowers (wall blowers & LRSB)
- iv) Auxiliary Steam PRDS
- v) Mill reject system
- vi) Fuel oil system
- vii) Seal air Fan
- viii) Ducts and dampers

ix) Duct expansion joints

x) Blowdown tanks

2 Electro- static precipitators (ESPs)

i) Casing

ii) Electrodes

iii) Rapping system

iv) Hopper heaters

v) Transformer rectifiers

vi) Insulators

3 Turbine Auxiliaries

i) Condensate extraction pumps

ii) Condenser On line Tube Cleaning System (COLTC)

iii) Debris filters

iv) Deaerator

v) Drain cooler and flash tanks

vi) ECW pumps

vii) Plate heat exchangers

viii) Self- cleaning filters

ix) Condensate polishing units (CPUs)

x) Chemical dosing system

4 Generator Auxiliaries

i) Seal oil system

ii) Hydrogen cooling system

iii) Stator water cooling system

5 Electrical Works

i) Transformers

ii) Bus ducts

iii) Motors

iv) Switchgears

v) Power & control cables

vi) Control and metering equipment

vii) Protective relays

viii) Switch yard equipment - Insulators, Circuit Breakers, Isolators, Conductors, CTs, PTs, Bushings, surge arresters etc.

ix) Earthing & Lightning protection system

x) DC batteries & battery charger system

- xi) Electrical laboratory & testing equipment
- xii) Emergency DG sets
- xiii) Plant illumination system

6 Control & Instrumentation System (C&I System)

- i) Thermocouples
- ii) Measuring instruments
- iii) Burner management system
- iv) Flame scanners
- v) Actuators
- vi) Automation and Control Cards
- vii) PLC System
- viii) SWAS system
- ix) Vibration monitoring system
- x) Interplant communication/ public address system

7 Coal Handling Plant

- i) Conveyors
- ii) Hydraulic drives, hydraulic motor
- iii) Wagon Tippler
- iv) Side Arm Charger
- v) Paddle feeder
- vi) Crushers & Screens
- vii) Dust suppression (dry fog & plain water) system
- viii) Air Compressors
- ix) Magnetic separators & metal detectors
- x) Coal sampling system
- xi) Stacker cum reclaimer
- xii) Belt weighing & monitoring system.

8 Ash Handling System

- i) Clinker grinder
- ii) Water jet ejectors
- iii) Scraper chain conveyor
- iv) Dry fly ash vacuum extraction system
- v) Pressure pneumatic conveying system
- vi) Ash water & ash slurry pumps
- vii) Compressors, air dryers & air receivers
- viii) Ash water recovery system

9 Raw water intake & supply system

- i) Travelling water screens
- ii) Raw water supply pumps
- iii) Valves, RE joints etc.

10 Water Treatment System and Effluent Treatment System

- i) Clarification plant
- ii) Filtration plant
- iii) Ultra filtration plant
- iv) Reverse osmosis plant
- v) DM plant
- vi) Chlorination plant
- vii) Chemical dosing system
- viii) Effluent Treatment Plant

11 CW & ACW System

- i) CW & ACW Pumps
- ii) BF valves, NRVs etc.
- iii) RE joints
- iv) Air release valves

12 Cooling towers (NDCT/ IDCT)

- i) Water distribution system,
- ii) spray nozzles,
- iii) packing,
- iv) drift eliminators
- v) CT Fans (for IDCT)
- vi) Gear boxes, shafts & motors (for IDCT)

13 Air Conditioning & ventilation system

- i) Split & window air conditioners
- ii) Chilling/ condensing unit
- iii) AHU and Fresh air unit
- iv) Cooling towers
- v) AWUs, axial fans, roof extractors
- vi) Ducts, louvers & dampers

14 Cranes, EOT cranes, gantry crane & chain pulley blocks etc.

15 Fire Protection and Detection System

- i) Motor driven fire water pumps
- ii) Diesel engine driven fire water pumps
- iii) Hydrant system for the power plant.

- iv) High velocity water spray system
- v) Medium velocity water spray system
- vi) Foam protection system
- vii) Inert gas flooding system
- vii) Fire tenders
- viii) Portable fire-extinguishers
- ix) Automatic fire detection, alarm & control system
- x) Fire alarm panels

16 Flue Gas Desulphurization (FGD)

- i) Spray header
- ii) Mist eliminators

The items manufactured under license from foreign manufacturers holding intellectual property rights and where there is a transfer of technology.

A. Transmission Power sector-

1. Gas insulated switchgear (400 KV and above)
2. 400 KV XLPE cable
3. Numerical protection relays.
4. SCADA
5. Power Transformers, 765KV
6. HVDC Transformers
7. Reactors 400 KV and above
8. Composite Core Conductor
9. GAP Conductors
10. ACSS Conductor
11. INVAR Conductors
12. EHV Cables (up to 220 KV)
13. EHV Cables 400 KV
14. Composite Long Rod Insulators
15. HV Gas Insulated Switchgear (72.5 kV to 420 kV)
16. MV AIS Panels(incl. Circuit Breakers) up to 36 KV, indoor
17. MV Breakers up to 40.5 kV, Outdoor
18. MV GIS Panels (Up to 33kV)
19. RMUs (11kV)
20. RMUs (33kV)
21. Control & Relay Panels, SCADA, Sub-Station Automation etc

B. Hydro Power sector

1. Gas Insulated Switchgear/ Gas Insulated Bus Ducts (400 KV and above)
2. Automation and Controls
3. Protection System
4. 400 kV XLPE Cable

C. Thermal Power sector

D. Coal/ lignite based thermal power projects/ plants:

1 Boiler pressure parts

- i) Tubes
- ii) Steam pipes/ headers
- iii) Steam headers
- iv) Steam drum
- v) Separator

2 Boiler Auxiliaries

- i) Coal burners and oil burners
- ii) Coal mills
- iii) Coal feeders
- iv) PA /FD/ ID fans
- v) SCR

3 Steam turbine

- i) HP/ IP/ LP turbine
- ii) Bearings
- iii) Steam inlet valves
- iv) Generator

4 Steam turbine auxiliaries

- i) Gland steam condenser
- ii) Lub oil pumps
- iii) Oil filters
- iv) Oil purifiers
- v) Condensate extraction pumps
- vi) Condenser
- vii) HP & LP heaters
- viii) Boiler Feed Pumps (BFPs)
- ix) BFP hydraulic coupling
- x) BFP Drive turbines

5 Control & Instrumentation System (C&I System)

- i) Distributed digital control, Monitoring and Information System (DDCMIS)

6 Flue Gas Desulphurization (FGD)

- i) Spray nozzles
- ii) Oxidation Blowers
- iii) Limestone slurry handling pumps
- iv) Booster fans
- v) Vacuum belt filters

B. Gas based thermal power projects/ plants :

1 Gas turbine generating set and auxiliaries :

- i) Gas turbine unit Upto 44 MW
- ii) Combustion unit (Standard)
- iii) Compressor unit upto 145 MW
- iv) Lubrication and control oil system
- v) Oil purification and cooling system
- vi) Compressor cleaning system
- vii) Inlet air system

2. Exhaust gas system

- i) Ducting
- ii) Silencers
- iii) Bypass stack
- iv) Guillotine gates & Diverter damper
- v) Expansion joints

3. Heat Recovery Steam Generator (HRSG)

- i) Drums
- ii) Evaporators & superheaters
- iii) Condensate preheater
- iv) Feed regulating station
- v) Blow down tank
- vi) Chemical dosing system
- vii) HRSG Stack

General guidelines to be adopted selectively in an appropriate manner by the procuring entities in their tender documents.

1. The bidder shall have to be an entity registered in India in accordance with law.
2. The bids shall be in the language as prescribed by the tenderer/procurer.
3. The bids shall be in Indian National Rupees (INR) only in respect of local content only.
4. Indian subsidiaries of foreign bidders shall meet the qualifying criteria in terms of capability, competency, financial position, past performance etc.
5. The bidder shall follow Indian laws, regulations and standards.
6. To be eligible for participation in the bid, foreign bidders shall compulsorily set up their manufacturing units on a long term basis in India as may be specified by the tenderer/procurer.
7. Similar or better technology than the technology offered in respect of material, equipment and process involved shall be transferred to India. Along with the transfer of technology, adequate training in the respective field shall also be provided.
8. Country of origin of the equipment/material shall be provided in the bid.
9. For supply of equipment / material from the country of origin other than India, the bidder shall submit performance certificate in support of satisfactory operation in India or a country other than the country of origin having climatic and operational conditions including ambient temperature similar to that of India for more than --- years (to be specified by the procurer).
10. The technologies/ products offered shall be environmentally friendly, consuming less energy, and safe, energy efficient, durable and long lasting under the prescribed operational conditions.
11. The supplier shall ensure supply of spares, materials and technological support for the entire life of the project.
12. The manufacturers/ supplier shall list out the products and components producing Toxic E-waste and other waste as may be specified. It shall have an Extended Producers Responsibility (EPR) so that after the completion of the lifecycle, the materials are safely recycled / disposed of by the Manufacturer/ supplier and for this, the Manufacturer/supplier along with procurer has to establish recycling / disposal unit **or** as may be specified.
13. Domestic Content requirement (based on the cost of the product) shall be in accordance with the conditions laid down in respective Order(s) of the sectors on Public

Procurement (Preference to Make in India) to provide for purchase preference (linked with local content).

14. The equipment/ material sourced from foreign companies may be tested in accredited labs in India before acceptance wherever such facilities are available.
15. The Tender fee and the Bank Guarantee (BG) shall be in Indian Rupees only.
16. The bidder shall have to furnish a certificate regarding cyber security/safety of the equipment/process to be supplied/services to be rendered as safe to connect.
17. Applicable safety requirements shall be met. Regular safety audit shall be carried out by the manufacturer/ supplier.
18. Statutory laws/regulations including the labour and environmental laws shall be strictly complied with during supply, storage, erection, commissioning and operation process. A regular compliance report shall be submitted to the procurer/appropriate Authorities.
19. Formation of new joint venture in India shall be permitted only with the Indian companies.
20. Tendering by the agent shall not be accepted.
21. The original test report in the language prescribed by the procurer shall generally be accepted. Preferably the translated test report shall not be accepted. However, the notarized translation of test reports shall be accepted.
22. Certification/compliance as per the Indian Standards/ International Standards/ Indian Regulations/ specified Standards shall be mandatory, where ever applicable.
23. Quality assurance of the product shall be carried out by the procurer or an independent third party agency appointed by the procurer. Manufacturing Quality Plan as approved by the procurer shall be followed by the manufacturer/supplier.
24. Wherever required, the foreign supplier shall establish fully functional service centers in India and shall keep spares/material locally for future needs of utilities.
25. Arbitration proceedings shall be instituted in India only and all disputes shall be settled as per applicable Indian Laws.

F.No.6/18/2019-PPD
Ministry of Finance
Department of Expenditure
Public Procurement Division


161, North Block,
New Delhi
23rd July, 2020

Office Memorandum

Subject: Insertion of Rule 144 (xi) in the General Financial Rules (GFRs), 2017

Rule 144 of the General Financial Rules 2017 entitled 'Fundamental principles of public buying', has been amended by inserting sub-rule (xi) as under:

Notwithstanding anything contained in these Rules, Department of Expenditure may, by order in writing, impose restrictions, including prior registration and/or screening, on procurement from bidders from a country or countries, or a class of countries, on grounds of defence of India, or matters directly or indirectly related thereto including national security; no procurement shall be made in violation of such restrictions.


(Sanjay Prasad)
Joint Secretary (PPD)
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Telephone: 011-23093882

To,

- (1) Secretaries of All Ministries/ Departments of Government of India
- (2) Chief Secretaries/ Administrators of Union Territories/ National Capital Territory of Delhi

F.No.6/18/2019-PPD
Ministry of Finance
Department of Expenditure
Public Procurement Division

161, North Block,
New Delhi
23rd July, 2020

Order (Public Procurement No. 1)

Subject: Restrictions under Rule 144 (xi) of the General Financial Rules (GFRs), 2017

Attention is invited to this office OM no. 6/18/2019-PPD dated 23rd July 2020 inserting Rule 144 (xi) in GFRs 2017. In this regard, the following is hereby ordered under Rule 144 (xi) on the grounds stated therein:

Requirement of registration

1. Any bidder from a country which shares a land border with India will be eligible to bid in any procurement whether of goods, services (including consultancy services and non-consultancy services) or works (including turnkey projects) only if the bidder is registered with the Competent Authority, specified in **Annex I**.
2. This Order shall not apply to (i) cases where orders have been placed or contract has been concluded or letter/notice of award/ acceptance (LoA) has been issued on or before the date of this order; and (ii) cases falling under **Annex II**.

Transitional cases

3. Tenders where no contract has been concluded or no LoA has been issued so far shall be handled in the following manner: -
 - a) *In tenders which are yet to be opened, or where evaluation of technical bid or the first exclusionary qualificatory stage (i.e. the first stage at which the qualifications of tenderers are evaluated and unqualified bidders are excluded) has not been completed:* No contracts shall be placed on bidders from such countries. Tenders received from bidders from such countries shall be dealt with as if they are non-compliant with the tender conditions and the tender shall be processed accordingly.
 - b) *If the tendering process has crossed the first exclusionary qualificatory stage:* If the qualified bidders include bidders from such countries, the

entire process shall be scrapped and initiated *de novo*. The *de novo* process shall adhere to the conditions prescribed in this Order.

- c) As far as practicable, and in cases of doubt about whether a bidder falls under paragraph 1, a certificate shall be obtained from the bidder whose bid is proposed to be considered or accepted, in terms of paras 8, 9 and 10 read with para 1 of this Order.

Incorporation in tender conditions

- 4. In tenders to be issued after the date of this order, the provisions of paragraph 1 and of other relevant provisions of this Order shall be incorporated in the tender conditions.

Applicability

- 5. Apart from Ministries / Departments, attached and subordinate bodies, notwithstanding anything contained in Rule 1 of the GFRs 2017, this Order shall also be applicable
 - a. to all Autonomous Bodies;
 - b. to public sector banks and public sector financial institutions; and
 - c. subject to any orders of the Department of Public Enterprises, to all Central Public Sector Enterprises; and
 - d. to procurement in Public Private Partnership projects receiving financial support from the Government or public sector enterprises/ undertakings.
 - e. Union Territories, National Capital Territory of Delhi and all agencies/ undertakings thereof

Definitions

- 6. "Bidder" for the purpose of this Order (including the term 'tenderer', 'consultant' 'vendor' or 'service provider' in certain contexts) means any person or firm or company, including any member of a consortium or joint venture (that is an association of several persons, or firms or companies), every artificial juridical person not falling in any of the descriptions of bidders stated hereinbefore, including any agency, branch or office controlled by such person, participating in a procurement process.
- 7. "Tender" for the purpose of this Order will include other forms of procurement, except where the context requires otherwise.
- 8. "Bidder from a country which shares a land border with India" for the purpose of this Order means

- a) An entity incorporated, established or registered in such a country; or
- b) A subsidiary of an entity incorporated, established or registered in such a country; or
- c) An entity substantially controlled through entities incorporated, established or registered in such a country; or
- d) An entity whose *beneficial owner* is situated in such a country; or
- e) An Indian (or other) agent of such an entity; or
- f) A natural person who is a citizen of such a country; or
- g) A consortium or joint venture where any member of the consortium or joint venture falls under any of the above

9. "Beneficial owner" for the purpose of paragraph 8 above will be as under:

- (i) In case of a company or Limited Liability Partnership, the beneficial owner is the natural person(s), who, whether acting alone or together, or through one or more juridical person(s), has a controlling ownership interest or who exercises control through other means.

Explanation—

- a. "Controlling ownership interest" means ownership of, or entitlement to, more than twenty-five per cent of shares or capital or profits of the company;
- b. "Control" shall include the right to appoint the majority of the directors or to control the management or policy decisions, including by virtue of their shareholding or management rights or shareholders agreements or voting agreements;

- (ii) In case of a partnership firm, the beneficial owner is the natural person(s) who, whether acting alone or together, or through one or more juridical person, has ownership of entitlement to more than fifteen percent of capital or profits of the partnership;

- (iii) In case of an unincorporated association or body of individuals, the beneficial owner is the natural person(s), who, whether acting alone or together, or through one or more juridical person, has ownership of or entitlement to more than fifteen percent of the property or capital or profits of such association or body of individuals;

- (iv) Where no natural person is identified under (i) or (ii) or (iii) above, the beneficial owner is the relevant natural person who holds the position of senior managing official;

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(v) In case of a trust, the identification of beneficial owner(s) shall include identification of the author of the trust, the trustee, the beneficiaries with fifteen percent or more interest in the trust and any other natural person exercising ultimate effective control over the trust through a chain of control or ownership.

10. "Agent" for the purpose of this Order is a person employed to do any act for another, or to represent another in dealings with third persons.

Sub-contracting in works contracts

11. In works contracts, including turnkey contracts, contractors shall not be allowed to sub-contract works to any contractor from a country which shares a land border with India unless such contractor is registered with the Competent Authority. The definition of "contractor from a country which shares a land border with India" shall be as in paragraph 8 above. This shall not apply to sub-contracts already awarded on or before the date of this Order.

Certificate regarding compliance

12. A certificate shall be taken from bidders in the tender documents regarding their compliance with this Order. If such certificate given by a bidder whose bid is accepted is found to be false, this would be a ground for immediate termination and further legal action in accordance with law.

Validity of registration

13. In respect of tenders, registration should be valid at the time of submission of bids and at the time of acceptance of bids. In respect of supply otherwise than by tender, registration should be valid at the time of placement of order. If the bidder was validly registered at the time of acceptance / placement of order, registration shall not be a relevant consideration during contract execution.

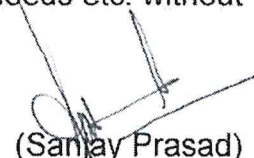
Government E-Marketplace

14. The Government E-Marketplace shall, as soon as possible, require all vendors/ bidders registered with GeM to give a certificate regarding compliance with this Order, and after the date fixed by it, shall remove non-compliant entities from GeM unless/ until they are registered in accordance with this Order.

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Model Clauses/ Certificates

15. Model Clauses and Model Certificates which may be inserted in tenders / obtained from Bidders are enclosed as **Annex III**. While adhering to the substance of the Order, procuring entities are free to appropriately modify the wording of these clauses based on their past experience, local needs etc. without making any reference to this Department.


(Sanjay Prasad)
Joint Secretary (PPD)
Email ID: js.pfc2.doe@gov.in
Telephone: 011-23093882

To

- (1) Secretaries of All Ministries/ Departments of Government of India for information and necessary action. They are also requested to inform these provisions to all procuring entities.
- (2) Secretary, Department of Public Enterprises with a request to immediately reiterate these orders in respect of Public Enterprises.
- (3) Secretary DPIIT with a request to initiate action as provided under Annex I
- (4) Chief Secretaries/ Administrators of Union Territories/ National Capital Territory of Delhi

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Annex I: Competent Authority and Procedure for Registration

- A. The Competent Authority for the purpose of registration under this Order shall be the Registration Committee constituted by the Department for Promotion of Industry and Internal Trade (DPIIT)*.
- B. The Registration Committee shall have the following members*:
- i. An officer, not below the rank of Joint Secretary, designated for this purpose by DPIIT, who shall be the Chairman;
 - ii. Officers (ordinarily not below the rank of Joint Secretary) representing the Ministry of Home Affairs, Ministry of External Affairs, and of those Departments whose sectors are covered by applications under consideration;
 - iii. Any other officer whose presence is deemed necessary by the Chairman of the Committee.
- C. DPIIT shall lay down the method of application, format etc. for such bidders as stated in para 1 of this Order.
- D. On receipt of an application seeking registration from a bidder from a country covered by para 1 of this Order, the Competent Authority shall first seek political and security clearances from the Ministry of External Affairs and Ministry of Home Affairs, as per guidelines issued from time to time. Registration shall not be given unless political and security clearance have both been received.
- E. The Ministry of External Affairs and Ministry of Home Affairs may issue guidelines for internal use regarding the procedure for scrutiny of such applications by them.
- F. The decision of the Competent Authority, to register such bidder may be for all kinds of tenders or for a specified type(s) of goods or services, and may be for a specified or unspecified duration of time, as deemed fit. The decision of the Competent Authority shall be final.
- G. Registration shall not be granted unless the representatives of the Ministries of Home Affairs and External Affairs on the Committee concur*.
- H. Registration granted by the Competent Authority of the Government of India shall be valid not only for procurement by Central Government and its agencies/ public enterprises etc. but **also for procurement by State Governments and their agencies/ public enterprises etc. No fresh registration at the State level shall be required.**

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- I. The Competent Authority is empowered to cancel the registration already granted if it determines that there is sufficient cause. Such cancellation by itself, however, will not affect the execution of contracts already awarded. Pending cancellation, it may also suspend the registration of a bidder, and the bidder shall not be eligible to bid in any further tenders during the period of suspension.
- J. For national security reasons, the Competent Authority shall not be required to give reasons for rejection / cancellation of registration of a bidder.
- K. In transitional cases falling under para 3 of this Order, where it is felt that it will not be practicable to exclude bidders from a country which shares a land border with India, a reference seeking permission to consider such bidders shall be made by the procuring entity to the Competent Authority, giving full information and detailed reasons. The Competent Authority shall decide whether such bidders may be considered, and if so shall follow the procedure laid down in the above paras.
- L. Periodic reports on the acceptance/ refusal of registration during the preceding period may be required to be sent to the Cabinet Secretariat. Details will be issued separately in due course by DPIIT.

[*Note:

- i. In respect of application of this Order to procurement by/ under State Governments, all functions assigned to DPIIT shall be carried out by the State Government concerned through a specific department or authority designated by it. The composition of the Registration Committee shall be as decided by the State Government and paragraph G above shall not apply. However, the requirement of **political and security clearance as per para D shall remain and no registration shall be granted without such clearance.**
- ii. Registration granted by State Governments shall be valid only for procurement by the State Government and its agencies/ public enterprises etc. and shall not be valid for procurement in other states or by the Government of India and their agencies/ public enterprises etc.]

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Annex II: Special Cases

- A. Till 31st December 2020, procurement of medical supplies directly related to containment of the Covid-19 pandemic shall be exempt from the provisions of this Order.
- B. *Bona fide* procurements made through GeM without knowing the country of the bidder till the date fixed by GeM for this purpose, shall not be invalidated by this Order.
- C. *Bona fide* small procurements, made without knowing the country of the bidder, shall not be invalidated by this Order.
- D. In projects which receive international funding with the approval of the Department of Economic Affairs (DEA), Ministry of Finance, the procurement guidelines applicable to the project shall normally be followed, notwithstanding anything contained in this Order and without reference to the Competent Authority. Exceptions to this shall be decided in consultation with DEA.
- E. This Order shall not apply to procurement by Indian missions and by offices of government agencies/ undertakings located outside India.

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Annex III

Model Clause /Certificate to be inserted in tenders etc.

(While adhering to the substance of the Order, procuring entities and GeM are free to appropriately modify the wording of the clause/ certificate based on their past experience, local needs etc.)

Model Clauses for Tenders

- I. Any bidder from a country which shares a land border with India will be eligible to bid in this tender only if the bidder is registered with the Competent Authority.
- II. "Bidder" (including the term 'tenderer', 'consultant' or 'service provider' in certain contexts) means any person or firm or company, including any member of a consortium or joint venture (that is an association of several persons, or firms or companies), every artificial juridical person not falling in any of the descriptions of bidders stated hereinbefore, including any agency branch or office controlled by such person, participating in a procurement process.
- III. "Bidder from a country which shares a land border with India" for the purpose of this Order means: -
 - a. An entity incorporated, established or registered in such a country; or
 - b. A subsidiary of an entity incorporated, established or registered in such a country; or
 - c. An entity substantially controlled through entities incorporated, established or registered in such a country; or
 - d. An entity whose *beneficial owner* is situated in such a country; or
 - e. An Indian (or other) agent of such an entity; or
 - f. A natural person who is a citizen of such a country; or
 - g. A consortium or joint venture where any member of the consortium or joint venture falls under any of the above
- IV. The *beneficial owner* for the purpose of (iii) above will be as under:
 1. In case of a company or Limited Liability Partnership, the beneficial owner is the natural person(s), who, whether acting alone or together, or through one or more juridical person, has a controlling ownership interest or who exercises control through other means.

Explanation—

 - a. "Controlling ownership interest" means ownership of or entitlement to more than twenty-five per cent. of shares or capital or profits of the company;

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- b. "Control" shall include the right to appoint majority of the directors or to control the management or policy decisions including by virtue of their shareholding or management rights or shareholders agreements or voting agreements;
2. In case of a partnership firm, the beneficial owner is the natural person(s) who, whether acting alone or together, or through one or more juridical person, has ownership of entitlement to more than fifteen percent of capital or profits of the partnership;
 3. In case of an unincorporated association or body of individuals, the beneficial owner is the natural person(s), who, whether acting alone or together, or through one or more juridical person, has ownership of or entitlement to more than fifteen percent of the property or capital or profits of such association or body of individuals;
 4. Where no natural person is identified under (1) or (2) or (3) above, the beneficial owner is the relevant natural person who holds the position of senior managing official;
 5. In case of a trust, the identification of beneficial owner(s) shall include identification of the author of the trust, the trustee, the beneficiaries with fifteen percent or more interest in the trust and any other natural person exercising ultimate effective control over the trust through a chain of control or ownership.
- V. An Agent is a person employed to do any act for another, or to represent another in dealings with third person.
- VI. *[To be inserted in tenders for Works contracts, including Turnkey contracts]* The successful bidder shall not be allowed to sub-contract works to any contractor from a country which shares a land border with India unless such contractor is registered with the Competent Authority.

Model Certificate for Tenders (for transitional cases as stated in para 3 of this Order)

"I have read the clause regarding restrictions on procurement from a bidder of a country which shares a land border with India; I hereby certify that this bidder is not from such a country and is eligible to be considered."

Model Certificate for Tenders

"I have read the clause regarding restrictions on procurement from a bidder of a country which shares a land border with India; I certify that this bidder is not from such a country or, if from such a country, has been registered with the

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Competent Authority. I hereby certify that this bidder fulfills all requirements in this regard and is eligible to be considered. [Where applicable, evidence of valid registration by the Competent Authority shall be attached.]"

Model Certificate for Tenders for Works involving possibility of sub-contracting

"I have read the clause regarding restrictions on procurement from a bidder of a country which shares a land border with India and on sub-contracting to contractors from such countries; I certify that this bidder is not from such a country or, if from such a country, has been registered with the Competent Authority and will not sub-contract any work to a contractor from such countries unless such contractor is registered with the Competent Authority. I hereby certify that this bidder fulfills all requirements in this regard and is eligible to be considered. [Where applicable, evidence of valid registration by the Competent Authority shall be attached.]"

Model Certificate for GeM:

"I have read the clause regarding restrictions on procurement from a bidder of a country which shares a land border with India; I certify that this vendor/ bidder is not from such a country or, if from such a country, has been registered with the Competent Authority. I hereby certify that this vendor/ bidder fulfills all requirements in this regard and is eligible to be considered for procurement on GeM. [Where applicable, evidence of valid registration by the Competent Authority shall be attached.]"

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F.No.6/18/2019-PPD
Ministry of Finance
Department of Expenditure
Public Procurement Division

161, North Block
New Delhi
23rd July, 2020


Order (Public Procurement No. 2)

Subject: Exclusion from restrictions under Rule 144 (xi) of the General Financial Rules (GFRs), 2017 –regarding.

In Order (Public Procurement No. 1) dated 23rd July 2020, orders have been issued requiring registration of bidders from a country sharing a land border with India in order to be eligible to bid in public procurement.

2. Notwithstanding anything contained therein, it is hereby clarified that the said Order will not apply to bidders from those countries (even if sharing a land border with India) to which the Government of India has extended lines of credit or in which the Government of India is engaged in development projects.

3. Updated lists of countries to which lines of credit have been extended or in which development projects are undertaken are given in the website of the Ministry of External Affairs.


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To,

- (1) Secretaries of All Ministries/ Departments of Government of India for information and necessary action. They are also requested to inform these provisions to all procuring entities.
- (2) Secretary, Department of Public Enterprises with a request to immediately reiterate these orders in respect of Public Enterprises.
- (3) Chief Secretaries/ Administrators of Union Territories/ National Capital Territory of Delhi

F.No.6/18/2019-PPD
Ministry of Finance
Department of Expenditure
Public Procurement Division

161, North Block,
New Delhi
24th July, 2020

Order (Public Procurement No. 3)

Subject: Clarification to Order (Public Procurement No.1) dated 23rd July 2020

Attention is invited to paragraph 3(b) of the Order (Public Procurement No.1), under the heading "Transitional provisions" which reads as follows:

- b) If the tendering process has crossed the first exclusionary qualificatory stage: If the qualified bidders include bidders from such countries, the entire process shall be scrapped and initiated *de novo*. The *de novo* process shall adhere to the conditions prescribed in this Order.*

It is hereby clarified that for the purpose of paragraph 3 (b), "qualified bidders" means only those bidders who would otherwise have been qualified for award of the tender after considering all factors including price, if Order (Public Procurement No. 1) dated 23rd July 2020 had not been issued.

2. If bidders from such countries would not have qualified for award for reasons unconnected with the said Order (for example, because they do not meet tender criteria or their price bid is higher or because of the provisions of purchase preference under any other order or rule or any other reason) then there is no need to scrap the tender / start the process de novo.

3. The following examples are given to assist in implementation of the Order.

Example 1: Four bids are received in a tender. One of them is from a country which shares a land border with India. The bidder from such country is found to be qualified technically by meeting all prescribed criteria and is also the lowest bidder. In this case, the bidder is qualified for award of the tender, except for the provisions of the Order (Public Procurement No. 1) dated 23rd July. In this case, the tender should be scrapped and fresh tender initiated.

Example 2: The facts are as in Example 1, but the bidder from such country, though technically qualified is not the lowest because there are other technically qualified bidders whose price is lower. Hence the bidder from such country would not be

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qualified for award of the tender irrespective of the Order (Public Procurement No. 1) dated 23rd July 2020. In such a case, there is no need to scrap the tender.

Example 3: The facts are as in Example 1, but the bidder from a country which shares a land border with India, though technically qualified, is not eligible for award due to the application of price preference as per other orders/ rules. In such a case, there is no need to scrap the tender.

Example 4: Three bids are received in a tender. One of them is a bidder from a country sharing a land border with India. The bidder from such a country does not meet the technical requirements and hence is not qualified. There is no need to scrap the tender.

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To,

- (1) Secretaries of All Ministries/ Departments of Government of India for information and necessary action. They are also requested to inform the clarification to all procuring entities.
- (2) Secretary, Department of Public Enterprises with a request to immediately circulate this clarification among Public Enterprises.
- (3) Chief Secretaries/ Administrators of Union Territories/ National Capital Territory of Delhi

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