

RITES Ltd. / Contract Policy Cell / Gurgaon

E-Tendering – Tender and Contract Document for Works July 2019

Correction Slip No. 10

The existing Sub-Clause 12.8 in section-1 may be deleted and read as below:

The bids will be evaluated for qualification criteria as mentioned in Clause -2 herein before and also in conjunction with provisions of Sub-Clause 12.15, 12.16 and 12.17. RITES shall not be responsible for any postal delay in receipt of all original documents including the cost of tender document and EMD, as applicable. In case of non-receipt of these documents in original within the specified period, the bid will be treated as non-responsive.

A new Sub-Clause 12.17 in Section-1 may be inserted as under:

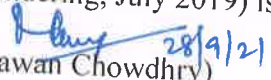
12.17

In order to implement the provisions related to procurement of goods, services or works related to telecommunication sector as per the Gazette Notification dated 31.08.2021 issued by Ministry of Communications, Department of Telecommunications forwarded vide letter No. DPE/7(4)/2017-Fin. dated 15.09.2021 issued by Ministry of Finance, Department of Public Enterprises, Govt. of India and Order No. P-45021/2/2017-PP (B.E.-II) dated 16.09.2020 issued by Ministry of Commerce and Industry, Department of Promotion of Industry and Internal Trade, (Public Procurement Section), the contents/provisions of above mentioned Gazette Notifications, letters and orders shall be applicable in this tender with immediate effect.

No. RITES/CO/CPC/T&CD/CS 10 (E-Tendering)

Dated, 28.09.2021

The above Correction Slip No. 10 to Tender and Contract Document for Works (E-Tendering, July 2019) is issued with the approval of the competent authority.


(Pawan Chowdhry)

ED/ B&A and Head
Contract Policy Cell

Encl: Gazette Notification dated 31.08.2021 (07 pages), Letter dated 15.09.2021 (1 page), and Order dated 16.09.2020 (09 pages) {Total 17 pages}.

Copy to:

1. All Divisional Heads/SBU Heads as per standard mailing list of dispatch.
2. Secy. to CMD/DP/DT/DF for kind information please.
3. CVO for kind information please.
4. AGM/IT for getting uploaded on portal ESS/Important Files *and in RITES website.*


सत्यमेव जयते

भारत का राजपत्र

The Gazette of India

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EXTRAORDINARY
भाग I—खण्ड 1
PART I—Section 1
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No. 254]

नई दिल्ली, मंगलवार, सितम्बर 7, 2021/भाद्र 16, 1943
NEW DELHI, TUESDAY, SEPTEMBER 7, 2021/BHADRA 16, 1943

संचार मंत्रालय
(दूरसंचार विभाग)
अधिसूचना

नई दिल्ली, 31 अगस्त, 2021

विषय: सरकारी अधिप्राप्ति (मेक इन इंडिया को प्राथमिकता) आदेश 2017- दूरसंचार उत्पादों, सेवाओं अथवा कार्यों की अधिसूचना के संबंध में

फा. सं. 18-10/2017-आईपी.—

- संदर्भ:
- i) औद्योगिक नीति एवं संवर्धन विभाग (डीआईपीपी) का दिनांक 15.06.2017 का आदेश संख्या पी-45021/2/2017-बीई- II
 - ii) औद्योगिक नीति एवं संवर्धन विभाग (डीआईपीपी) का दिनांक 28.05.2018 का आदेश संख्या पी-45021/2/2017-पीपी (बीई-II) - संशोधन
 - iii) उद्योग और आंतरिक व्यापार संवर्धन विभाग (डीपीआईआईटी) का दिनांक 29.05.2019 का आदेश संख्या पी-45021/2/2017 (बीई-II) - संशोधन
 - iv) उद्योग और आंतरिक व्यापार संवर्धन विभाग (डीपीआईआईटी) का दिनांक 04.06.2020 का आदेश संख्या पी-45021/2/2017 (बीई-II) - संशोधन

v) उद्योग और आंतरिक व्यापार संवर्धन विभाग (डीपीआईआईटी) का दिनांक 16.09.2020 का आदेश संख्या पी-45021/2/2017 (बीई-II) - संशोधन

सरकार ने औद्योगिक नीति और संवर्धन विभाग (डीआईपीपी) के दिनांक 15.06.2017 के आदेश संख्या पी-45021/2/2017-बीई-II द्वारा सरकारी अधिप्राप्ति (मेक इन इंडिया को प्राथमिकता) आदेश 2017 (इसे आगे "पीपीपी-एमआईआई आदेश" कहा गया है) जारी किया है जिसे आगे दिनांक 28.05.2018 के आदेश, दिनांक 29.05.2019 के आदेश, दिनांक 04.06.2020 के आदेश और दिनांक 16.09.2020 के आदेश द्वारा संशोधित किया गया है ताकि मेक इन इंडिया को प्रोत्साहित किया जा सके तथा आय एवं रोजगार को बढ़ाने के दृष्टि से भारत में वस्तुओं और सेवाओं के विनिर्माण तथा उत्पादन में वृद्धि की जा सके।

2. उद्योग और आंतरिक व्यापार संवर्धन विभाग (डीपीआईआईटी) ने दूरसंचार क्षेत्र से संबंधित वस्तुओं, सेवाओं अथवा कार्यों की अधिप्राप्ति से संबंधित प्रावधानों को लागू करने के लिए दूरसंचार विभाग को नोडल विभाग के रूप में अभिनिर्धारित किया है।

3. तदनुसार, दूरसंचार विभाग द्वारा, 29 अगस्त 2018 की अपनी पूर्ववर्ती अधिसूचना सं 18-10/2017-आईपी का अतिक्रमण करते हुए इस अधिसूचना को जारी किया जाता है।

4. पीपीपी-एमआईआई आदेश दिनांक 16.09.2020 के खंड 3(क) के अनुसार, यह घोषित किया जाता है कि निम्नलिखित दूरसंचार उत्पादों, सेवाओं अथवा कार्यों में पर्याप्त स्थानीय क्षमता और स्थानीय प्रतिस्पर्धा है:

क्र.सं.	उत्पाद श्रेणी	उत्पाद विवरण
1	एन्क्रिप्शन / यूटीएम (यूनीफाइड श्रेट मैनेजमेंट) प्लेटफॉर्म (टीडीएम और आईपी) (यूनीफाइड श्रेट मैनेजमेंट)	टीडीएम (टाइम डिवीजन मल्टीप्लेक्स)
2		आईपी (इंटरनेट प्रोटोकॉल)
3	आईपी/एमपीएलएस कोर राउटर/एज/एग्रीगेशन/एंटरप्राइज राउटर	एसडी-वैन राउटर (एसडीएन श्रेणी) होम / एंटरप्राइज - कोर / ब्रांच राउटर (<=1 जीबीपीएस)
4	ईथरनेट स्विच (एल2 और एल3)	(स्टैकेबल / स्टैंडअलोन / मॉड्यूलर स्विच), कोर / डिस्ट्रीब्यूशन / एक्सेस लेयर्स (पीओई / पीओई + सहित) के लिए एल2/एल3 ईथरनेट स्विच 1-100 जीबीई इंटरफेस स्विच (मेट्रो और एंटरप्राइज)
5		औद्योगिक / कैरियर ग्रेड लैन 1, 10 जीबीईपीओई / पीओई + / गैर-पीओई स्विच (ईथरनेट पर पावर)
6	आईपी आधारित सॉफ्ट स्विच, आईएमएस, एकीकृत संचार प्रणाली	आईपी पीवीएक्स / यूनीफाइड कम्युनिकेशन सिस्टम्स (यूसीएस): एंटरप्राइज क्लास
7	वायरलाइन पीएवीएक्स / आईपी पीवीएक्स	वायरलाइन पीएवीएक्स / आईपी पीवीएक्स
8	ग्राहक परिसर उपकरण (सीपीई) (वाई-फाई एक्सेस पॉइंट, कम क्षमता वाले राउटर, मीडिया कन्वर्टर्स सहित)	सीपीई (वाई-फाई एक्सेस पॉइंट और राउटर सहित), [राउटर-ये छोटी क्षमताएं हैं - होम क्लास]
9	लीज-लाइन मोडेम एन*2 एमबीपीएस/आईपी	लीज-लाइन मोडेम एन*2 एमबीपीएस/आईपी
10	जीपीओएन उपकरण (ओएनटी और ओएलटी सहित)	जीपीओएन/एक्सजीपीओएन उपकरण (ओएनटी और ओएलटी सहित)
11	एसडीएच / पीडीएच क्रॉस कनेक्ट	एसडीएच/पीडीएच क्रॉस कनेक्ट (एसटीएम: 1/4/16/64; ई1/ई3/डीएस3; ईथरनेट

		इंटरफेस)
12	छोटे आकार के एलटीई/एलटीई-आर आधारित मोबाइल सिस्टम, अपने विभिन्न डेरिवेटिव के साथ	मैक्रो ईनोड वी, श्रेणी 2, टीईसी ईएनबी जीआर (टीडीडी/एफडीडी) के अनुसार (ईएनबी जीआर सं.टीईसी/जीआर/डब्ल्यूएस/ईएनबी-001/01/मार्च-19)
13	वाई-फाई आधारित ब्रॉडबैंड वायरलेस एक्सेस सिस्टम इनडोर और आउटडोर (एक्सेस प्वाइंट, एप्रिगेशन ब्लॉक, कोर ब्लॉक सहित)	इंडोर एपी (802.11 ऐक्स एमआईएमओ, 2.4 और 5 गीगाहर्ट्ज बैंड)
14	वाई-फाई एक्सेस कंट्रोलर (इंटरऑपरेबिलिटी और मल्टी बेंडर एपी सपोर्ट के साथ)	टाइप 1: <= 2000 एपी सपोर्ट
15	रेडियो सिस्टम (आईपी/हाइब्रिड)	रेडियो सिस्टम (आईपी/हाइब्रिड) (5 गीगाहर्ट्ज बैंड - लाइसेंस छूट बैंड)
16	पुनरावर्तक (आरएफ/आरएफ-ओवर-ऑप्टिकल), आईबीएस और वितरित एंटीना सिस्टम (इनडोर/आउटडोर) सक्रिय और निष्क्रिय सहायक उपकरणों सहित	पुनरावर्तक (आरएफ/आरएफ-ओवर-ऑप्टिकल), आईबीएस और वितरित एंटीना सिस्टम (इनडोर/आउटडोर) सक्रिय और निष्क्रिय सहायक उपकरणों सहित
17	सैटेलाइट फोन (एस बैंड)	वाॉयस और डेटा दोनों (9.6 केबीपीएस तक)
18	आपदा संचार प्रणाली आदि, बैकपैक सैटेलाइट उत्पादों (एस बैंड) सहित	पोर्टेबल टर्मिनल वाॉयस और डेटा (2 एमबीपीएस यूएल) के लिए टीईसी जीआर (टीईसी / टीएस टीपी / टीएक्स / पीवीटी -01/01/जन. - 11)
19	दूरसंचार नेटवर्क प्रबंधन प्रणाली (एनएमएस)	वाहक वर्ग
20	अपने विभिन्न डेरिवेटिव के साथ	उच्चम वर्ग
21	ऑप्टिकल फाइबर	सिंगल मोड / मल्टीमोड ऑप्टिकल फाइबर
22	ऑप्टिकल फाइबर केबल	ऑप्टिकल फाइबर केबल (यूजी और ओएच)
23	टेलीकॉम पावर सिस्टम (सौर ऊर्जा सहित)	यूपीएस, पावर प्लांट, इन्वर्टर (सौर ऊर्जा सहित) 0.5-1500 केवीए
24		पावर प्लांट: 1-2000 केवीए (मॉड्यूलर)
25	दूरसंचार बैटरी (लेड एसिड और लिथियम-आयन)	5000 एएच तक लेड एसिड (वीआरएलए सहित)

इस सूची की समय-समय पर समीक्षा देश में होने वाले उन्नत उत्पादन क्षमता के आधार पर की जाएगी।

5. घरेलू सामग्री की परिभाषा पीपीपी-एमआईआई आदेश दिनांक 16.09.2020 के खंड 2 के अनुसार होगी। पीपीपी-एमआईआई आदेश दिनांक 16.09.2020 के खंड 5 के अनुसार, एतद्वारा यह स्पष्ट किया जाता है कि यदि प्रिंटेड सर्किट बोर्ड असेंबली (पीसीबीए) और परिक्षण आयातित/घरेलू रूप से निर्मित पुर्जों और घटकों से भारत में सरफेस माउंटिंग टेक्नोलॉजी (एसएमटी) प्रक्रिया का उपयोग करके किया जाता है, तो आयातित/घरेलू रूप से निर्मित पुर्जे और घटक घरेलू सामग्री के उद्देश्य के लिए अर्हक होंगे। इसकी समीक्षा भारत में सेमीकंडक्टर फैब के चालू होने पर की जाएगी।

6. पीपीपी-एमआईआई आदेश दिनांक 16.09.2020 के खंड 9(घ) के अनुसार, शिकायतों और स्व-घोषणापत्रों तथा लेखापरीक्षकों/लेखाकारों के प्रमाणपत्रों का स्वतंत्र रूप से आकस्मिक सत्यापन करने हेतु निम्नलिखित समिति का गठन किया गया है:

क) डीडीजी (टीसी), टीईसी, नई दिल्ली -	अध्यक्ष
ख) निदेशक (तकनीकी), सी-डॉट	सदस्य
ग) अध्यक्ष द्वारा सहयोजित कोई अन्य सदस्य -	सदस्य
घ) डीजी, टीईपीसी -	सदस्य
ड.) निदेशक (वित्त), दूरसंचार विभाग -	सदस्य
च) निदेशक, टीईसी -	संयोजक

7. यदि घरेलू रूप से दूरसंचार उत्पाद, सेवाओं अथवा कार्यों की आपूर्ति में घरेलू सामग्री (एलसी) के बारे में किसी बोलीदाता के दावे के विरुद्ध अधिप्रापण संस्था अथवा संबंधित मंत्रालय/विभाग द्वारा कोई शिकायत प्राप्त होती है तो इसे उपर्युक्त पैरा 6 के अनुसार समिति को भेजा जाएगा। समिति को बोलीदाता के द्वारा की गई घरेलू सामग्री के समर्थन में सभी आवश्यक दस्तावेजों सहित प्राप्त शिकायतों का निपटान शिकायत प्राप्ति की तारीख से यथा-संभव 4 सप्ताह के भीतर कर देना चाहिए।

8. पीपीपी-एमआईआई आदेश दिनांक 16.09.2020 के खंड 9 (ड.) के अनुसार, यह अधिसूचित किया जाता है कि न्यूनतम शिकायत शुल्क 2 लाख रुपए अथवा अधिप्राप्त किए जाने वाले घरेलू रूप से आपूर्ति किए गए दूरसंचार उत्पादों, सेवाओं अथवा कार्यों के मूल्य का 1 प्रतिशत (अधिकतम 5 लाख रुपये तक), इनमें से जो भी अधिक हो, का होगा जिसका भुगतान "डिमांड ड्राफ्ट" द्वारा अथवा "ऑनलाइन" किया जाएगा और जिसे दूरसंचार अभियांत्रिकी केंद्र (टीईसी) के पास अथवा अन्य तीसरे पक्ष की परीक्षण प्रयोगशालाओं अथवा शिकायतकर्ता द्वारा की गई शिकायत के साथ टीईसी द्वारा मान्यता-प्राप्त तकनीकी लेखा परीक्षकों के पास जमा किया जाएगा। यदि शिकायत गलत पाई जाती है, तो शिकायत शुल्क जब्त कर लिया जाएगा। यदि शिकायत को आंशिक अथवा पूर्णतः सही पाई जाती है, तो शिकायतकर्ता का जमा शुल्क बिना किसी ब्याज के वापस कर दिया जाएगा।

9. यह स्पष्ट किया जाता है कि यह अधिसूचना उन सभी केंद्रीय स्कीमों (सीएस)/केंद्रीय क्षेत्र की स्कीमों (सीएसएस), जिनके लिए राज्यों और स्थानीय निकायों द्वारा अधिप्रापण किया जाता है, पर भी लागू होगी यदि उस परियोजना अथवा स्कीम को पूरी तरह से अथवा आंशिक रूप से सार्वभौमिक सेवा दायित्व निधि (यूएसओएफ) परियोजनाओं सहित भारत सरकार द्वारा वित्तपोषित किया गया हो।

10. यह अधिसूचना तत्काल प्रभाव से लागू होगी और संशोधित होने तक वैध रहेगी। यह स्पष्ट किया जाता है कि नोडल मंत्रालय के विशिष्ट संशोधनों को छोड़कर, पीपीपी-एमआईआई आदेश, 2017 के अन्य सभी परिशोधनों/संशोधनों का कड़ाई से पालन किया जाएगा।

हरि रंजन राव, संयुक्त सचिव

MINISTRY OF COMMUNICATIONS

(Department of Telecommunications)

NOTIFICATION

New Delhi, 31st August, 2021

Subject: Public Procurement (Preference to Make in India) Order 2017- Notification of Telecom Goods, Services or Works - regarding.

F. No. 18-10/2017-IP.—

- Reference:**
- i) Department of Industrial Policy & Promotion (DIPP) Order No. P-45021/2/2017-B.E.-II dated 15.06.2017
 - ii) Department of Industrial Policy & Promotion (DIPP) Order No. P-45021/2/2017-PP (BE-II) dated 28.05.2018 – Revision

- iii) Department for Promotion of Industry & Internal Trade (DPIIT) Order No. P-45021/2/2017 (B.E.-II) dated 29.05.2019 -- Revision
- iv) Department for Promotion of Industry & Internal Trade (DPIIT) Order No. P-45021/2/2017 (B.E.-II) dated 04.06.2020 -- Revision
- v) Department for Promotion of Industry & Internal Trade (DPIIT) Order No. P-45021/2/2017 (B.E.-II) dated 16.09.2020 -- Revision

The Government has issued Public Procurement (Preference to Make in India), Order 2017 (hereinafter called as "PPP-MII Order") vide the Department of Industrial Policy and Promotion (DIPP) Order No. P-45021/2/2017-B.E.-II dated 15.06.2017 which is further revised vide Order dated 28.05.2018, Order dated 29.05.2019, Order dated 04.06.2020 and Order dated 16.09.2020 to encourage 'Make in India' and to promote manufacturing and production of goods and services in India with a view to enhancing income and employment.

2. Department for Promotion of Industry & Internal Trade (DPIIT) has identified Department of Telecommunications as the nodal Department for implementing the provisions related to procurement of goods, services or works related to the telecommunication sector.

3. Accordingly, the Department of Telecommunications, in supersession of its earlier notification No. 18-10/2017-IP dated 29th August, 2018 issues this notification.

4. In terms of clauses 3(a) of the PPP-MII Order dated 16.09.2020, it is declared that following telecom products, services or works are having sufficient local capacity and local competition:

S. No.	Product Category	Product Details
1	Encryption/ UTM (Unified threat management) platforms (TDM and IP) (Unified threat management)	TDM (Time Division Multiplex)
2		IP (Internet Protocol)
3	IP/ MPLS Core routers/ Edge/Aggregation/ Enterprise Router	SD-WAN Routers (SDN Category) Home / Enterprise - Core / Branch routers (<=1 Gbps)
4	Ethernet Switches (L2 and L3)	L2/L3 Ethernet Switches 1-100 GbE interface Switches (Metro and Enterprise) (stackable / standalone / modular switches), for Core / Distribution / Access Layers (including PoE/PoE+)
5		Industrial / Carrier Grade LAN 1, 10 GbE PoE/PoE+/Non-PoE Switches (Power over Ethernet)
6	IP based Soft Switches, IMS, Unified Communication Systems	IP PBX / Unified Communication Systems(UCS); Enterprise class
7	Wireline PABXs / IP PBX	Wireline PABXs / IP PBX
8	Customer Premises Equipment (CPEs) (including Wi-Fi Access points, low capacity Routers, Media Converters)	CPE (including Wi-Fi Access points and Routers), [Routers-These are small capacities - home class]
9	Leased-line Modems n* 2Mbps / IP	Leased-line Modems n* 2Mbps / IP
10	GPON equipment (including ONT and OLT)	GPON/XGPON equipment (including ONT and OLT)

11	SDH/ PDH Cross Connects	SDH/ PDH Cross Connects (STM : 1/4/16/64; E1/E3/DS3; Ethernet interfaces)
12	Small Size LTE/ LTE-R Based Mobile Systems. with its various derivatives	Macro eNode B, Category 2, as per TEC ENB GR (TDD/FDD) (ENB GR No. TEC/GR/WS/ENB-001/01/MAR-19)
13	Wi-Fi based broadband wireless access systems indoor & Outdoor (Including Access Point, Aggregation Block, Core Block)	Indoor AP (802.11 ax MIMO, 2,4 & 5 GHz bands)
14	Wi-Fi Access Controller (with interoperability and multi vendor AP support)	Type 1: <= 2000 AP support
15	Radio systems (IP/ Hybrid)	Radio systems (IP/ Hybrid) (5 GHz band - License Exempt band)
16	Repeaters (RF/RF-over-Optical), IBS and Distributed Antenna systems (indoor / outdoor) including Active & Passive Accessories	Repeaters (RF/RF-over-Optical), IBS and Distributed Antenna systems (indoor / outdoor) including Active & Passive Accessories
17	Satellite Phones (S Bands)	Both Voice and Data (upto 9.6 Kbps)
18	Disaster Communication Systems etc., including backpack satellite products (S Band)	TEC GR (TEC / TS TP / TX / PVT -01/01/JAN - 11) for Portable Terminals Voice and Data (2 Mbps UL)
19	Telecom Network Management systems (NMS) with its various derivatives	Carrier Class
20		Enterprise Class
21	Optical Fibre	Single Mode / Multimode Optical Fibre
22	Optical Fiber Cable	Optical Fiber Cable (UG & OH)
23	Telecom Power System (Including Solar Power)	UPS, Power Plant, Invertor (Including Solar Power) 0.5-1500 KVA
24		Power Plant: 1-2000 kva (Modular)
25	Telecom Batteries (Lead Acid & Li-ion)	Lead Acid up to 5000 AH (Including VRLA)

The list will be reviewed time to time to keep up with improved production capacities in the country.

5. The definition of Local Content shall be as per clause 2 of the PPP-MII Order dated 16.09.2020. In accordance with clause 5 of the PPP-MII Order dated 16.09.2020, it is hereby clarified that that if Printed Circuit Board Assembly (PCBA) and testing from imported/domestically manufactured parts and components using Surface Mounting Technology (SMT) process is done in India, then imported/domestically manufactured parts and components will be qualified for the purpose of Local Content. This shall be reviewed when the semiconductor FAB in India is operational.

6. In terms of clause 9(d) of PPP-MII Order dated 16.09.2020, the following Committee is constituted for complaints and independent verification of self-declarations and auditor's/accountant's certificates on random basis:

- | | |
|---|--------------|
| a) DDG(TC), TEC, New Delhi | -Chairperson |
| b) Director (Technical), C-DOT | - Member |
| c) Any other member(s) as co-opted by the chairperson | - Member |
| d) DG, TEPC | - Member |
| e) Director (Finance), DoT | - Member |
| f) Director, TEC | - Convener |
7. In case a complaint is received by the procuring entity or the concerned Ministry/Department against the claim of a bidder regarding Local Content (LC) in a locally supplied telecom goods, services or works, the same shall be referred to the Committee as in para 6 above. The Committee should dispose of the complaint within 4 weeks, as far as possible, from the date of receipt of complaint along with all necessary documentation in support of Local Content claimed by the bidder.
8. In terms of clause 9 (c) of PPP-MII Order dated 16.09.2020, it is hereby notified that there will be a minimum complaint fee of Rs. 2 Lakh or 1% of the value of the locally supplied telecom goods, services or works being procured (subject to a maximum of Rs. 5 Lakh), whichever is higher, to be paid by Demand Draft or online, and to be deposited with Telecommunications Engineering Centre (TEC), as the case may be, or with any other third party testing laboratories or technical auditors accredited by TEC along with the complaint by the complainant. In case, the complaint is found to be incorrect, the complaint fee shall be forfeited. In case, the complaint is upheld in part or full, deposited fee of the complainant will be refunded without any interest.
9. The notification would also be applicable to all Central Schemes (CS)/ Central Sector Schemes (CSS) for which procurement is made by States and local bodies, if that project or scheme is fully or partially funded by Government of India including Universal Service Obligation Fund (USOF) projects.
10. The Notification comes into effect immediately and will remain in force till any further revision is made. It is clarified that, except specific amendments to Nodal Ministry, all other revisions/amendments in PPP-MII Order, 2017 shall be followed strictly.

HARI RANJAN RAO, Jt. Secy.

F No. DPE/7(4)/2017-Fin
Government of India
Ministry of Finance
Department of Public Enterprises

Block No. 14, CGO Complex,
Lodi Road, New Delhi-110003
Dated the 15th September, 2021

To,
Chief Executives of all CPSEs

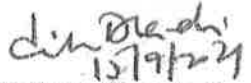
Subject:- Public Procurement (Preference to Make in India) Order 2017 –
Notification of Telecom Goods, Services or Works

Sir/Madam,

The undersigned is directed to forward herewith a copy of Gazette Notification dated 31st August, 2021 issued by Department of Telecommunications on the subject mentioned above for information and strict compliance.

Encl : As stated

Yours faithfully,


15/9/21
(Kailash Bhandari)
Deputy Director
Tel : 2436-6247

No. P-45021/2/2017-PP (BE-II)
Government of India
Ministry of Commerce and Industry
Department for Promotion of Industry and Internal Trade
(Public Procurement Section)

Udyog Bhawan, New Delhi
Dated: 16th September, 2020

To

All Central Ministries/Departments/CPSUs/All concerned

ORDER

Subject: Public Procurement (Preference to Make in India), Order 2017– Revision; regarding.

Department for Promotion of Industry and Internal Trade, in partial modification [Paras 2, 3, 5, 10 & 13] of Order No.P-45021/2/2017-B.E.-II dated 15.6.2017 as amended by Order No.P-45021/2/2017-B.E.-II dated 28.05.2018, Order No.P-45021/2/2017-B.E.-II dated 29.05.2019 and Order No.P-45021/2/2017-B.E.-II dated 04.06.2020, hereby issues the revised 'Public Procurement (Preference to Make in India), Order 2017' dated 16.09.2020 effective with immediate effect.

Whereas it is the policy of the Government of India to encourage 'Make in India' and promote manufacturing and production of goods and services in India with a view to enhancing income and employment, and

Whereas procurement by the Government is substantial in amount and can contribute towards this policy objective, and

Whereas local content can be increased through partnerships, cooperation with local companies, establishing production units in India or Joint Ventures (JV) with Indian suppliers, increasing the participation of local employees in services and training them,

Now therefore the following Order is issued:

1. This Order is issued pursuant to Rule 153 (iii) of the General Financial Rules 2017.
2. **Definitions:** For the purposes of this Order:

'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, meets the minimum local content as prescribed for 'Class-I local supplier' under this Order.

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'Class-II local supplier' means a supplier or service provider, whose goods, services or works offered for procurement, meets the minimum local content as prescribed for 'Class-II local supplier' but less than that prescribed for 'Class-I local supplier' 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 that prescribed for 'Class-II local supplier' under this Order.

'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.

'Margin of purchase preference' means the maximum extent to which the price quoted by a "Class-I local supplier" may be above the L1 for the purpose of purchase preference.

'Nodal Ministry' means the Ministry or Department identified pursuant to this order in respect of a particular item of goods or services or works.

'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'.

3. 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) 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'. In procurement of all goods, services or works, not covered by sub-para 3(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.

(c) For the purpose of this Order, works includes Engineering, Procurement and Construction (EPC) contracts and services include System Integrator (SI) contracts.

3A. 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 3(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 L1. If L1 is 'Class-I local supplier', the contract for full quantity will be awarded to L1.
- ii. If L1 bid is not a 'Class-I local supplier', 50% of the order quantity shall be awarded to L1. Thereafter, the lowest bidder among the 'Class-I local supplier' will be invited to match the L1 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 L1 price. In case such lowest eligible 'Class-I local supplier' fails to match the L1 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 L1 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 L1 bidder.

(c) In the procurements of goods or works, which are covered by para 3(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 L1. If L1 is 'Class-I local supplier', the contract will be awarded to L1.
- ii. If L1 is not 'Class-I local supplier', the lowest bidder among the 'Class-I local supplier', will be invited to match the L1 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 L1 price.
- iii. In case such lowest eligible 'Class-I local supplier' fails to match the L1 price, the 'Class-I local supplier' with the next higher bid within the margin of purchase preference shall be invited to match the L1 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 L1 price, the contract may be awarded to the L1 bidder.

.....Contd. p/4

(d) "Class-II local supplier" will not get purchase preference in any procurement, undertaken by procuring entities.

3B. Applicability in tenders where contract is to be awarded to multiple bidders -
In tenders where contract is awarded to multiple bidders subject to matching of L1 rates or otherwise, the 'Class-I local supplier' shall get purchase preference over 'Class-II local supplier' as well as 'Non-local supplier', as per following procedure:

a) In case there is sufficient local capacity and competition for the item to be procured, as notified by the nodal Ministry, only Class I local suppliers shall be eligible to bid. As such, the multiple suppliers, who would be awarded the contract, should be all and only 'Class I Local suppliers'.

b) In other cases, 'Class II local suppliers' and 'Non local suppliers' may also participate in the bidding process along with 'Class I Local suppliers' as per provisions of this Order.

c) If 'Class I Local suppliers' qualify for award of contract for at least 50% of the tendered quantity in any tender, the contract may be awarded to all the qualified bidders as per award criteria stipulated in the bid documents. However, in case 'Class I Local suppliers' do not qualify for award of contract for at least 50% of the tendered quantity, purchase preference should be given to the 'Class I local supplier' over 'Class II local suppliers' / 'Non local suppliers' provided that their quoted rate falls within 20% margin of purchase preference of the highest quoted bidder considered for award of contract so as to ensure that the 'Class I Local suppliers' taken in totality are considered for award of contract for at least 50% of the tendered quantity.

d) First purchase preference has to be given to the lowest quoting 'Class-I local supplier', whose quoted rates fall within 20% margin of purchase preference, subject to its meeting the prescribed criteria for award of contract as also the constraint of maximum quantity that can be sourced from any single supplier. If the lowest quoting 'Class-I local supplier', does not qualify for purchase preference because of aforesaid constraints or does not accept the offered quantity, an opportunity may be given to next higher 'Class-I local supplier', falling within 20% margin of purchase preference, and so on.

e) To avoid any ambiguity during bid evaluation process, the procuring entities may stipulate its own tender specific criteria for award of contract amongst different bidders including the procedure for purchase preference to 'Class-I local supplier' within the broad policy guidelines stipulated in sub-paras above.

4. **Exemption of small purchases:** Notwithstanding anything contained in paragraph 3, procurements where the estimated value to be procured is less than Rs. 5 lakhs 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. **Minimum local content:** The 'local content' requirement to categorize a supplier as 'Class-I local supplier' is minimum 50%. For 'Class-II local supplier', the 'local content' requirement is minimum 20%. Nodal Ministry/ Department may prescribe only a higher

percentage of minimum local content requirement to categorize a supplier as 'Class-I local supplier'/ 'Class-II local supplier'. For the items, for which Nodal Ministry/ Department has not prescribed higher minimum local content notification under the Order, it shall be 50% and 20% for 'Class-I local supplier'/ 'Class-II local supplier' respectively.

6. **Margin of Purchase Preference:** The margin of purchase preference shall be 20%.

7. **Requirement for specification in advance:** The minimum local content, the margin of purchase preference and the procedure for preference to Make in India shall be specified in the notice inviting tenders or other form of procurement solicitation and shall not be varied during a particular procurement transaction.

8. **Government E-marketplace:** 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.

9. **Verification of local content:**

- ✓ a. The 'Class-I local supplier'/ 'Class-II local supplier' at the time of tender, bidding or solicitation shall be required to indicate percentage of local content and provide self-certification that the item offered meets the local content requirement for 'Class-I local supplier'/ 'Class-II local supplier', as the case may be. They shall also give details of the location(s) at which the local value addition is made.
- ✓ b. In cases of procurement for a value in excess of Rs. 10 crores, the 'Class-I local supplier'/ 'Class-II local supplier' shall be required to provide a certificate from the statutory auditor or cost auditor of the company (in the 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.
- c. Decisions on complaints relating to implementation of this Order shall be taken by the competent authority which is empowered to look into procurement-related complaints relating to the procuring entity.
- d. Nodal Ministries 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
- e. Nodal Ministries and procuring entities may prescribe fees for such complaints.
- f. False declarations will be in breach of the Code of Integrity under Rule 175(1)(i)(h) of the General Financial Rules for which a bidder or its successors can be debarred for up to two years as per Rule 151 (iii) of the General Financial Rules along with such other actions as may be permissible under law.

- g. A supplier who has been debarred by any procuring entity for violation of this Order shall not be eligible for preference under this Order for procurement by any other procuring entity for the duration of the debarment. 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, in the manner prescribed under paragraph 9h below.
- h. The Department of Expenditure shall issue suitable instructions for the effective and smooth operation of this process, so that:
 - i. The fact and duration of debarment for violation of this Order by any procuring entity are promptly brought to the notice of the Member-Convenor of the Standing Committee and the Department of Expenditure through the concerned Ministry /Department or in some other manner;
 - ii. on a periodical basis such cases are consolidated and a centralized list or decentralized lists of such suppliers with the period of debarment is maintained and displayed on website(s);
 - iii. in respect of procuring entities other than the one which has carried out the debarment, the debarment takes effect prospectively from the date of uploading on the website(s) in the such a manner that ongoing procurements are not disrupted.

10. Specifications in Tenders and other procurement solicitations:

- a. Every procuring entity shall ensure that the eligibility conditions in respect of previous experience fixed in any tender or solicitation do not require proof of supply in other countries or proof of exports.
- b. Procuring entities shall endeavour to see that eligibility conditions, including on matters like turnover, production capability and financial strength do not result in unreasonable exclusion of 'Class-I local supplier'/ 'Class-II local supplier' who would otherwise be eligible, beyond what is essential for ensuring quality or creditworthiness of the supplier.
- c. Procuring entities shall, within 2 months of the issue of this Order review all existing eligibility norms and conditions with reference to sub-paragraphs 'a' and 'b' above.
- d. **Reciprocity Clause**
 - i. When a Nodal Ministry/Department identifies that Indian suppliers of an item are not allowed to participate and/ or compete in procurement by any foreign government, due to restrictive tender conditions which have direct or indirect effect of barring Indian companies such as registration in the procuring country, execution of projects of specific value in the procuring country etc., it shall provide such details to all its procuring entities including CMDs/CEOs of PSEs/PSUs, State Governments and other procurement agencies under their administrative control and GeM for appropriate reciprocal action.

- ii. Entities of countries which have been identified by the nodal Ministry/Department as not allowing Indian companies to participate in their Government procurement for any item related to that nodal Ministry shall not be allowed to participate in Government procurement in India for all items related to that nodal Ministry/ Department, except for the list of items published by the Ministry/ Department permitting their participation.
 - iii. The stipulation in (ii) above shall be part of all tenders invited by the Central Government procuring entities stated in (i) above. All purchases on GeM shall also necessarily have the above provisions for items identified by nodal Ministry/ Department.
 - iv. State Governments should be encouraged to incorporate similar provisions in their respective tenders.
 - v. The term 'entity' of a country shall have the same meaning as under the FDI Policy of DPIIT as amended from time to time.
- e. Specifying foreign certifications/ unreasonable technical specifications/ brands/ models in the bid document is restrictive and discriminatory practice against local suppliers. If foreign certification is required to be stipulated because of non-availability of Indian Standards and/or for any other reason, the same shall be done only after written approval of Secretary of the Department concerned or any other Authority having been designated such power by the Secretary of the Department concerned.
- f. "All administrative Ministries/Departments whose procurement exceeds Rs. 1000 Crore per annum shall notify/ update their procurement projections every year, including those of the PSEs/PSUs, for the next 5 years on their respective website."

10A. Action for non-compliance of the Provisions of the Order: In case restrictive or discriminatory conditions against domestic suppliers are included in bid documents, an inquiry shall be conducted by the Administrative Department undertaking the procurement (including procurement by any entity under its administrative control) to fix responsibility for the same. Thereafter, appropriate action, administrative or otherwise, shall be taken against erring officials of procurement entities under relevant provisions. Intimation on all such actions shall be sent to the Standing Committee.

11. Assessment of supply base by Nodal Ministries. The Nodal Ministry 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 the higher minimum local content or the manner of its calculation, with a view to avoiding cost increase from the operation of this Order.

12. Increase in minimum local content: The Nodal Ministry may annually review the local content requirements with a view to increasing them, subject to availability of sufficient local competition with adequate quality.

13. **Manufacture under license/ technology collaboration agreements with phased indigenization:** While notifying the minimum local content, Nodal Ministries may make special provisions for exempting suppliers from meeting the stipulated local content if the product is being manufactured in India under a license from a foreign manufacturer who holds intellectual property rights and where there is a technology collaboration agreement / transfer of technology agreement for indigenous manufacture of a product developed abroad with clear phasing of increase in local content.

13A. In procurement of all goods, services or works in respect of which there is substantial quantity of public procurement and for which the nodal ministry has not notified that there is sufficient local capacity and local competition, the concerned nodal ministry shall notify an upper threshold value of procurement beyond which foreign companies shall enter into a joint venture with an Indian company to participate in the tender. Procuring entities, while procuring such items beyond the notified threshold value, shall prescribe in their respective tenders that foreign companies may enter into a joint venture with an Indian company to participate in the tender. The procuring Ministries/Departments shall also make special provisions for exempting such joint ventures from meeting the stipulated minimum local content requirement, which shall be increased in a phased manner.

14. **Powers to grant exemption and to reduce minimum local content:** The administrative Department undertaking the procurement (including procurement by any entity under its administrative control), with the approval of their Minister-in-charge, may by written order, for reasons to be recorded in writing,

- a. reduce the minimum local content below the prescribed level; or
- b. reduce the margin of purchase preference below 20%; or
- c. exempt any particular item or supplying entities from the operation of this Order or any part of the Order.

A copy of every such order shall be provided to the Standing Committee and concerned Nodal Ministry / Department. The Nodal Ministry / Department concerned will continue to have the power to vary its notification on Minimum Local Content.

15. **Directions to Government companies:** In respect of Government companies and other procuring entities not governed by the General Financial Rules, the administrative Ministry or Department shall issue policy directions requiring compliance with this Order.

16. **Standing Committee:** A standing committee is hereby constituted with the following membership:

Secretary, Department for Promotion of Industry and Internal Trade—Chairman
Secretary, Commerce—Member
Secretary, Ministry of Electronics and Information Technology—Member
Joint Secretary (Public Procurement), Department of Expenditure—Member
Joint Secretary (DPIIT)—Member-Convenor

The Secretary of the Department concerned with a particular item shall be a member in respect of issues relating to such item. The Chairman of the Committee may co-opt technical experts as relevant to any issue or class of issues under its consideration.

17. Functions of the Standing Committee: The Standing Committee shall meet as often as necessary, but not less than once in six months. The Committee

- a. shall oversee the implementation of this order and issues arising therefrom, and make recommendations to Nodal Ministries and procuring entities.
- b. shall annually assess and periodically monitor compliance with this Order
- c. shall identify Nodal Ministries and the allocation of items among them for issue of notifications on minimum local content
- d. may require furnishing of details or returns regarding compliance with this Order and related matters
- e. may, during the annual review or otherwise, assess issues, if any, where it is felt that the manner of implementation of the order results in any restrictive practices, cartelization or increase in public expenditure and suggest remedial measures
- f. may examine cases covered by paragraph 13 above relating to manufacture under license/ technology transfer agreements with a view to satisfying itself that adequate mechanisms exist for enforcement of such agreements and for attaining the underlying objective of progressive indigenization
- g. may consider any other issue relating to this Order which may arise.

18 Removal of difficulties: Ministries /Departments and the Boards of Directors of Government companies may issue such clarifications and instructions as may be necessary for the removal of any difficulties arising in the implementation of this Order.

19. Ministries having existing policies: Where any Ministry or Department has its own policy for preference to local content approved by the Cabinet after 1st January 2015, such policies will prevail over the provisions of this Order. All other existing orders on preference to local content shall be reviewed by the Nodal Ministries and revised as needed to conform to this Order, within two months of the issue of this Order.

20. Transitional provision: This Order shall not apply to any tender or procurement for which notice inviting tender or other form of procurement solicitation has been issued before the issue of this Order.



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