

MISHRA DHATU NIGAM LIMITED A Government of India Enterprise P.O Kanchanbagh, Hyderabad-500058, TS, India Phone: 040-24184685 Email: haribabu.kandregula@midhani-india.in	<p align="center">INVITATION TO TENDER</p> No. MDNL/PUR/51240058/CG/ADVT/517/24-25 Date : 23-12-2024 Due Date : 03-01-2025 TIME : 10:30 Hrs. Opening Date: 03-01-2025 TIME: 10:35 Hrs.
	<p align="center">Your Offer should contain the following information.</p> 1) Unit Rate both in figures & words and Price Basis 2) Validity Period of the offer 3) Quantity / Trade discount, if any 4) Delivery Schedules 5) Mode of Dispatch 6) Terms of Payment 7) GST Taxes / Octroi applicable with rate Percentage

Dear Sirs,

You are requested to send your offer in duplicate for the following items, as per the Terms & Conditions mentioned herein, in sealed envelope super scribed with Invitation to Tender No. & Due Date.

Sl. No.	Material	Estimate Requirement		Delivery Required
	Description & Specification	Qty.	Unit	
1	SUPPLY OF AMBULANCE SHELL VEHICLE (Technical Specification as Per Annexure) 1.0 General Terms and Conditions as per Annexure-I 2.0 Public Procurement (Preference to Make in India), Order 2017 – Revision as per Annexure-II.	01	Set.	Within two months from the date of placement of PO.

Note: Please confirm whether you are MSME Unit or MSME Unit owned by SC/ST Entrepreneur. If yes, please submit latest valid documentary proof for extending benefits as per government guidelines. PLEASE READ THE TERMS & CONDITIONS GIVEN OVERLEAF:

- Offer your firm lowest prices, as price negotiations will not normally be held.
- Envelopes shall be invariably superscribed with Enquiry No. & Due Date.
- Indicate your **GST details along with HSN Code** in your offer.
- Validity of the offers shall be 180 days.
- Security Deposit:** The successful tenderer/Bidder shall be required to furnish SD amount of 5% of purchase order value within 21 days from the date of Purchase Order in form of DD/Bank Guarantee from any nationalized / schedule bank encashable in India. SD shall be valid up to acceptance of material, with an additional claim period of three months.
In case Security Deposit is not submitted within the stipulated time as above, interest @12% p.a. shall be levied for the period of delay beyond the stipulated time. Interest as above may be either deposited by the supplier / contractor or recovered from any amounts due to the supplier / contractor.
- The price shall be quoted on F.O.R. Midhani basis.
- Tenders will be opened on the date & time indicated above in the presence of Tenderers who choose to be present.
- SSI Units registered with NSIC will be extended benefits as per Government Guidelines subject to documentary evidence.
- Please adhere to delivery schedule strictly; extension of delivery period will be given only with imposition of liquidated damages.**
- E- Payment details also enclosed as per Terms & Conditions overleaf.**
- For any technical clarifications contact Shri K. Ravi Kumar, Asst. Mgr (Armouring) and for commercial clarifications contact Shri Amit Kumar Singh, Mgr. (Purchase), Ph. No. 040-24184646.**

Thanking you,

Yours faithfully,
For MISHRA DHATU NIGAM LTD

अमित कुमार सिंह / AMIT KUMAR SINGH
प्रबंधक (क्रय) / Manager (Purchase)

Mgr (Purchase)

TERMS AND CONDITIONS FOR TENDER

1. Any order resulting from this invitation to tender shall be governed by our General conditions of contract and the supplier quoting against this enquiry shall be deemed/ to have read and understood the same.
2. Where counter terms and conditions have been offered by the Tenderer.
3. The purchaser shall not be governed by these unless specific acceptance have been, given in writing in the order by the purchaser.
4. The offer should be complete in all respects. Full particulars and descriptive literature and drawings should be forwarded along with the quotation. The make of the items offered should be clearly specified. Materials should be offered strictly confirming to our specifications. The deviations if any, should be clearly indicated in the quotation. Test certificates must be produced, wherever required where stipulated samples should be forwarded along with the quotation Material confirming to IS will be preferred.
5. **PRICE:** The prices must be unit shown inclusive of packing, forwarding, insurance, Octroi duty and delivery charges and should be on FOR destination basis. Offers from local suppliers should be for free delivery at our stores.
6. **TAXES AND DUTIES:** Indicate your GST details along with HSN Code in your offer.
7. **DELIVERY:** Within two months from the date of Purchase Order.
8. **RIGHT OF ACCEPTANCE:** The purchaser does not bind himself to accept the lowest or any other tender and reserves the right of accepting the whole or any part of the tender or portion of the quantity offered. Within a period of six months from the date of completion of the order, the Purchaser further reserves the right to place order on the successful tenderer for an additional up to 100% of the original ordered quantity.
9. **TERMS OF PAYMENT:** 100% payment against proforma invoice OR after readiness of vehicle before delivery. Payments shall be released on completion of total supplies as per Purchase Order and no part payment shall be release.
Note: All payments shall be processed within 30 days from the date of receipt of necessary documents or date of receipt and acceptance of Goods/services whichever is later.
10. **INSPECTION:** The Purchaser reserves the right to get the Stores inspected before commencement of supplier/ or on arrival at our factory by an inspecting officer authorized by the Purchaser. The Tenderer should be in a position show and/ or send samples of material on demand.
11. **PACKING:** The stores should be securely packed and properly marked to avoid loss or damage in transit by Rail /Road /Air.
12. **TO RECOVER LIQUIDATED DAMAGES:** In the event of unsatisfactory delayed or non supply of materials, the supplier shall be liable to pay by way of liquidated damages at the rate of 1% of the total contract price per week or part thereof subject to a maximum of 10% of the contract price without prejudice to the right of the purchaser to take any other action. The amount shall also be recoverable from any other contract on account of the supplier.
13. **RISK PURCHASE:** The supply of all items must be completed satisfactory and within the specified period in the order failing which, the Purchaser reserves the right to purchase stores from other sources at the suppliers cost and risk.
14. **GUARANTEE / WARRANTY:** If any.
15. **VALIDITY:** The offer should be valid for a minimum period of 180 days from the opening of quotation.
16. In case the item offered is covered by DGS & D Rate Contract, the rate should be as per R/C and a copy of R/C should be enclosed with the offer.
17. **CANCELLATION / SHORT CLOSURE OF CONTRACT:** The Purchaser may, without prejudice to any other remedy for breach of Contract, by written notice of default sent to the supplier, terminate the contract in whole or in part:
 - a) If the supplier fails to deliver any or all of the stores within the time period(s) specified in the contract, or any extension thereof granted by the purchaser.
 - b) If the supplier fails to perform any other obligation under the contract within the period specified in the contract or any extension thereof granted by the purchaser.
 - c) Purchaser reserves the right to cancel the Purchase Order / contract on its own under exceptional circumstances.On receipt of notice for Short Closure, the contractor shall cease all further work, except for such work as may be specified in the notice for the sole purpose of protecting that part of the stores already executed. Further, the liability of MIDHANI in such cases will be limited to the extent of the cost as assessed by MIDHANI, in its opinion, till the point of short closure.

18. **REJECTION:** In case any material is rejected, the same has to be rectified / replaced by the supplier within 15 days from the date of intimation failing which Midhani shall not be responsible for any damages to the materials. The supplier would automatically forfeit the lien on material immediately after the above stipulated time.
19. **MSME UNITS:** Confirm whether you are MSME UNIT or MSME UNIT owned by SC/ST Entrepreneur.
If yes, Please submit latest valid documentary proof for extending benefits as per Government guidelines. Declaration of UAM number required by MSE bidders on CPPP, failing which such bidders will not be able to enjoy the benefits as per Public Procurement Policy for MSEs Order.
Purchase preference and other benefits shall be provided to MSE's as per Public Procurement Policy for MSE's Order, 2012 which was notified under MSMED Act 2006. MSE's shall be exempt from paying Earnest Money Deposit (EMD). These benefits are meant for procurement of goods produced and services rendered by MSEs. Traders are excluded from availing these benefits. Vendors to intimate the value of Goods & Services which are sub contracted by them from the MSE's if any, pertaining to the ordered item(s)"
20. **ARBITRATION:**
Any dispute(s) or difference(s) whatsoever arises under or out of or in connection with the EOI/contract, or in respect of any defined legal relationship associated therewith or derived there from, shall be resolved/settled amicably, through mutual negotiation; failing which the differences shall be resolved by way of arbitration in accordance with the India International Arbitration Centre (IIAC) Arbitration Rules 1996. The authority to appoint the arbitrator(s) shall be the India International Arbitration Centre (IIAC) And will provide administrative services in accordance with India International Arbitration Centre (IIAC) Arbitration Rules 1996. The seat of arbitration shall be India. The language of the arbitration proceeding shall be English. The place of arbitration proceedings shall be Hyderabad, Telangana, India.

In case of PSU/Government organization DPE guidelines in force or as amended from time to time shall be applicable. In the event of any dispute or difference relating to the interpretation and application of the provisions of commercial contract(s) between Central Public Sector Enterprises (CPSEs)/Port Trusts inter se and also between CPSEs and Government dept./Organizations (Excluding disputes concerning Railways, Income Tax, Customs & Excise Dept.), such disputes or differences shall be taken up by either party for resolution through AMRCD as mentioned in DPE OM No. 4(1)/ 2013-DPE(GM)/FTS-1835 dated 22/5/2018 or the latest DPE Guidelines issued from time to time.
21. **JURISDICTION:** All questions, disputes arising under, out of or in connection with the contract shall be subject to the exclusive jurisdiction of court within local limits of Hyderabad, India.
22. **ADDENDA TO TENDER DOCUMENTS:** The Purchase reserves the rights to issue addenda to the tender documents to clarify, modify, supplement or delete any of the condition, clauses or items stated in the tender documents issued with this Invitation to Tender. Each addendum issued will be distributed each tenderer or his authorized representative and the addendum so issued shall form a part of the original tender documents to be reviewed as required
23. **MAKE IN INDIA:** As per Annexure-II.

E-PAYMENT TO VENDORS

Midhani wishes to switch over to the E-Platform for making remittance to the vendors against released on them from time to time. The remittances will be made by effecting E-Payment through banking channels instead of issuing cheques. Being a regular and approved vendor, you are requested to furnish the following details at the earliest to enable midhani to effect E-Payment through banking channels against the orders placed on you.

1. Name of the Bank
2. Name of the Branch
3. Address of the Bank
4. Mode of Payment preferred – RTGS/NEFT
5. Bank's MICR Code
6. Beneficiary's Bank Branch IFSC Code
7. Beneficiary's Account type (Current Account or Savings Account)
8. Beneficiary's Name
9. Beneficiary's Contact Numbers

We seek the above information to build up a data based on which we could migrate to E-Payments instead of issue of cheques.

Annexure

The bidder is required to supply Ambulance shell vehicle (white colored body) **along with one year Comprehensive insurance & temporary registration** to MIDHANI Armour unit, IMT Rohtak, Haryana as per the specifications and conditions specified in the different parts of this Tender document.

Delivery of entire Ambulance shell vehicle at above location i.e at MIDHANI Armour unit, IMT Rohtak, Haryana including packing, handling, transporting, clearing, loading/unloading at ports etc.

Operational manual with list of spares and part numbers to be submitted along with supply.

Specifications: As Mentioned in Annexure – II.

Eligibility Criteria:

Only Original Equipment Manufacturer (OEM) or Authorized Dealer is eligible to quote.

Bidder has to provide the Temporary Registration & Comprehensive insurance for one year along with Vehicle.

Date of Manufacturing of Car: Date of manufacturing of the vehicle should be in year 2024 or latest model

Delivery: The firm shall deliver within 2 months from the date of release of Purchase Order o to MIDHANI Armour Unit, IMT Rohtak. However, early supply is acceptable.

Inspection by MIDHANI: The Pre-Delivery Inspection (PDI) of car shall be done by our MIDHANI representative at the firm's showroom before delivery of car. For the inspections, the firm shall intimate MIDHANI in advance vide both E-Mail and telephonic call.

Warranty: Standard warranty as per OEM

Annexure – II

TECHNICAL SPECIFICATIONS	
VARIANT	AMBULANCE SHELL
DIMENSION AND WEIGHT	
kerb Weight (kg)	940
Full length (mm)	3675
Full Weight (mm)	1475
Full Height (mm) unladen (excludign top light)	1930
Seating Capacity	3 (with recommedned seating capacity of 3 person + 1 Patient after fabrication)
tread	front 1280 mm
	rear 1290 mm
Wheel base (mm)	2350
min. turning radius (m)	4.5
ENGINE PETROL	
Engine type	K12N
Engine dispalcement (cc)	1197
Max. Output (kw\rpm)	59.4/6000
Max.Torque (nm\rpm)	104.4/3000
Tank Capacity (L)	32
TRANSMISSION	
Petrol	5MT
BRAKE \CHASIS	
Brake Front	Disc
Brake Rear	Drum
Front Suspension	MacPherson Strut
Tyre Size	115R13C 8PR
FEATURES	
VARIANT	AMBULANCE SHELL
COMFORT	
Air Conditioner	YES
Heater	YES
Sliding Driver Seat	YES
Head rest front row	INTEGRATED
INSTRUMENT PANEL AND CONSOLE	
Illuninated hazard switch	YES

Digital display in instrument cluster	YES
12 volt accessory socket	YES
Multi speedometer	YES
Digital speedometer	YES
Dome lamp battery saver function	YES
INTERIOR	
Both side sunvisor	YES
Assist Grip (Co-driver+rear)	YES
Molded Roof lining	YES
Molded floor carpet	YES
Interior color (dual tope)	YES
Front cabin Lamp	YES
Cabin air filter	YES
Steering Lock	YES
EXTERIOR	
Wheel cover	CENTER CAP
Front mud flaps	YES
outside rear view mirror (left and right)	YES
Ambulance decal-front and rear	YES
Partly frosted rear side windows	YES
partly frosted back door windows	YES
SAFETY AND SECURITY	
Immobilizer	YES
Headlamp leveling	YES
Side impact beams	YES
Offset crash compliance (as per AIS 098)	YES
Seat belts for all seats	YES
High mount stop lamp	YES
Reverse parking sensor system	YES
Seat belt reminder (Dr + co-Dr)	YES
ABS with EBD	YES
FACILITIES ON BOARD	

Revolving roof lamp	YES
Molded rubber matting in read cabin	YES
Siren	YES
Public address system (Amplifier, mike & speaker)	YES
Two LED lights inside read cabin for illuminated	YES
Stretcher assembly (Monoblock Stretcher)	NO
Attendent's seat	YES
Space for First Aid and nursing lkit	YES
Oxygen cylinder clamp	NO
Hook for infusion mounting	YES

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.

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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.

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(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,
- reduce the minimum local content below the prescribed level; or
 - reduce the margin of purchase preference below 20%; or
 - 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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