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:

<table>
<thead>
<tr>
<th>Chairperson</th>
<th>Member (Planning), CEA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Member</td>
<td>Chief Engineer (PSETD), CEA</td>
</tr>
<tr>
<td>Member</td>
<td>Chief Engineer (HETD), CEA</td>
</tr>
<tr>
<td>Member</td>
<td>Chief Engineer (TETD), CEA</td>
</tr>
<tr>
<td>Member</td>
<td>Chief Engineer (DP&amp;R), CEA</td>
</tr>
<tr>
<td>External Expert</td>
<td>As may be co-opted by CEA</td>
</tr>
<tr>
<td>Convener</td>
<td>Chief Engineer (R&amp;D), CEA</td>
</tr>
</tbody>
</table>

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:

<table>
<thead>
<tr>
<th>Chairperson</th>
<th>Chairperson, CEA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Member</td>
<td>Member (Hydro), CEA</td>
</tr>
<tr>
<td>Member</td>
<td>Member (Power System), CEA</td>
</tr>
<tr>
<td>Convener</td>
<td>Member (Thermal), CEA</td>
</tr>
</tbody>
</table>

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
Appendix

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 I ' 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 I 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 hereunder.

(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%.
ANNEXURE – I

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 & HV Bus 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


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
tax) 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 reclaim
xii) Belt weighing & monitoring system.

8 Ash Handling System
i) Clinker grinder
ii) Water jet ejectors
iii) Scrapper 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  
χ) Fire alarm panels  

16 Flue Gas Desulphurization (FGD)  
i) Spray header  
ii) Mist eliminators
Annexure-II

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
   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
Annexure-III

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.