

ANNEXURES & FORMATS OF COMMERCIAL NIT

ALL ANNEXURES MENTIONED IN THIS ATTCHMENT IS PART OF THE CORRESPONDING **NOTICE INVITNG TENDER (NIT)** DOCUMENT.

Sr. No.	Documents	Item details
1	FORMAT - I	Vendor Data Updation Form
2	FORMAT - II	Make in India Local content declaration form
3	FORMAT - III	Proforma for Security Deposit & Performance Bank Guarantee and List of RCF approved bankers for Bank guarantees
4	FORMAT - IV	Bid Bond Proforma (EMD in BG form) – applicable for EMD value above Rs. 5 lakh
5	ANNEX – I	Tax Compliance Clauses
6	ANNEX – II	Debarment of firms from Bidding
7	ANNEX – III	Trade Receivables e-Discounting System (TReDS) – For information to bidders
8	Make In India order	Public Procurement (Preference to Make In India) dt 19.07.2024; applicable as amended from time to time and its subsequent Orders/Notifications issued by concerned Nodal Ministry for specific Goods/Products
9	ANNEX-A	Declaration of Status of Debarment Listing/Blacklisting/Holiday Listing orders
10	ANNEX-B	Undertaking about common Directors/Partners/ Interest in other Associated Units/ Companies

FORMAT – I**EXISTING RCF VENDOR –Please mention vendor code - _____**

<u>VENDOR DATA UPDATION FORM</u>						
	Vendors registered with RCF and currently receiving payment through Direct Bank Credit need to indicate only the RCF Vendor code and may not fill and furnish the other details again, if all the details as above are already furnished to RCF earlier and available in RCF SAP Vendor Master.					
Sr. No	Title	Sub Titles		Purpose to be used for		
I	NAME	Title (Whether Company / M/s / Mr / Mrs / etc.)				
		Name (As it appears on the Bank Cheque)	*			
		Type (Whether for Purchases or Services)		<i>will be filled by RCF</i>		
		RCF Vendor Code (for existing RCF Vendors)				
		RCF Vendor Code (for new Vendors, RCF will create and fill)	*	<i>will be filled by RCF</i>		
II	ADDRESS	House/ bldg. Number	*			
		Street	*			
		Street				
		City / Postal Code	*			
		District / State	*			
		Country	*			
		Region Code		<i>will be filled by RCF</i>		
		Other Region Code		<i>will be filled by RCF</i>		
III	REGISTRATION NUMBER	Company registration number	*			
IV	BIDDER TYPE	India / Foreign	*			
V	COMPANY DETAILS	Company's Establishment Year	*			
		Company's Nature of Business	*			
		Company's Legal Status: Limited company / Undertaking / Joint venture / Partnership / Others	*			
VI	COMMUNICATION	Contact person	*			

		Telephone incl. ext.		STD Code	Tel No	Extn
		Mobile Phone	*			
		Fax		STD Code	Tel No	
		Email	*			
		Date Of Birth (DD/MM/YYYY)	*			
		Standard communication method		<i>by email only</i>		
VII	ACCOUNT CONTROL	If also a RCF's Customer?		Yes / No		
		Group Key		<i>will be filled by RCF</i>		
VII I	TAX INFORMATION	GST Reg NO.				
		PAN NO.	*			
IX	DETAILS OF BANK	Bank Key		<i>will be filled by RCF</i>		
		Bank Account No. of Vendor	*			
		Name of Bank	*			
		Name of Branch	*			
		Bank IFSC Code	*			
		Bank Branch Code (Only for SBI accounts)				
		Bank Address	*			
		Bank City	*			
		9 Digit code appearing on MICR cheque	*			
		Telephone No. of Bank		STD Code	Tel No	Extn
		Fax No. of Bank		STD Code	Fax No.	
		Type of Account (for SB A/c=10, Current A/c=11 or CC=13)	*			
		Region		<i>will be filled by RCF</i>		
X	REFERENCE DATA	Industry (whether psu, air force, military, Govt, others)	*			
		Micro / SSI Status (Whether Micro , Small, Medium Enterprise under Micro , Small and Medium Enterprises Development Act, 2006) Ancillary unit	*			

		Proprietor of MSE's is from SC / ST category	*			
	For new vendors :					
1	It is mandatory (Compulsory) to fill relevant data for item marked " * "					
2	Enclose a blank cheque / a photocopy of the cheque.					
3	Enclose a photocopy of Pass Book first page containing name and address of Account Holder					
4	We hereby authorise RCF Ltd to make all payments to us by Direct Credit to our Bank Accounts details of which are given above.					
5	We hereby authorise RCF Ltd to deduct bank charges applicable for such Direct Bank Payments					
				Signature	
Place		Common Seal		Name	
Date				Designation	

Please submit scanned copy of following documents with this form

1. **Blank cancelled cheque / a photocopy of the Cheque**
2. **Copy of GST certificate**
3. **Copy of PAN card**

FORMAT - II**FORMAT FOR DECLARATION OF LOCAL CONTENT AS PER MAKE IN INDIA POLICY BY
GOVT. OF INDIA**

(Duly filled, signed and stamped format shall be submitted on company's letter head)

**DECLARATION OF LOCAL CONTENT AS PER MAKE IN INDIA POLICY BY GOVT. OF
INDIA**

a) Tender No/Bid No. :

b) We have participated in above Tender/Bid as **Manufacturer** / **Trader** (strike out whichever is not applicable) of offered products.

c) We hereby declare that we have submitted the bid under Make In India policy and that the local content in the offered material is.....% (to be eligible under Make In India policy)

d) Detailed address of facility / location where the local content value addition is done is as given below:

Street/House number:.....

Address line 1:.....

Address line 2:.....

District:.....

State:.....

Pin code:.....

e) We also confirm that, we accept that the local content declared by us is liable to be audited by RCF and we confirm that we shall provide all assistance/ co-operation for the same. In the event the local content of goods/ service / works mentioned herein is found to be incorrect and not meeting the prescribed Minimum local content criteria, based on the assessment of procuring agency (ies) / Govt. authorities for the purpose of assessment of local content, action shall be taken against us in line with Make In India Policy.

Note :

- i) **If the bidder is OEM, then it has to submit self-declaration regarding the percentage of local content and the details of locations at which the value addition is made along with their bid.**
- ii) **If the bidder is not OEM, then the bidder has to submit self-declaration supported by OEM's documents/declaration along with their bid.**

With regards,

Signature with company seal**Name** :-**Company / Organization** :-**Designation** :-**E-mail Id** :-**Tel no./ Mobile no** :-

FORMAT FOR BANK GUARANTEE**(To be submitted on Rs. 500/- non judicial stamp paper)****Bank Guarantee No. _____ dated _____**M/s Rashtriya Chemicals & fertilizers Ltd,
.....
.....
.....

Dear Sirs,

In consideration of M/s Rashtriya Chemicals and Fertilizers Limited, [hereinafter referred to as '**RCF**', which expression unless repugnant to the context and meaning thereof shall include its successors and assigns], having agreed to exempt, M/s. _____ having its registered/principal office at _____ [hereinafter referred to as '**Supplier / Contractor**' which expression unless repugnant to the context and meaning thereof shall include its successors and assigns], from depositing with **RCF** a sum of Rs. _____ towards security / performance guarantee in lieu of the said **Supplier / Contractor** having agreed to furnish an irrevocable bank guarantee for the said sum of Rs. _____ as required under the terms and conditions of Contract / Work Order / **Purchase Order no.** _____ dated _____ [hereinafter referred as the '**Order**'] placed by **RCF** on the said supplier / contractor, we, _____ [hereinafter referred to as '**the Bank**' which expression shall include its successors and assigns] do hereby undertake to pay **RCF** an amount not exceeding Rs. _____ [Rupees _____] on demand made by **RCF** on us due to a breach committed by the said **Supplier / Contractor** of the terms and conditions of the **Order**.

1. We _____ **the Bank** hereby undertake to pay the amount under the guarantee without any demur merely on a demand received in writing from **RCF** stating that the **Supplier / Contractor** has committed breach of the term(s) and/or condition(s) contained in the **Order** and/or failed to comply with the terms and conditions as stipulated in the **Order** or amendment(s) thereto. The demand made on **the Bank** by **RCF** shall be conclusive as to the breach of the term(s) and/or condition(s) of the Order and the amount due and payable by the Bank under this guarantee, notwithstanding any dispute or disputes raised by the said **Supplier / Contractor** regarding the validity of such breach and we agree to pay the amount so demanded by **RCF** forthwith and without any demur. However, our liability under this guarantee shall be restricted to an amount not exceeding Rs. _____ [Rupees _____].

2. We, _____ **the Bank** further agree that this irrevocable guarantee herein contained shall remain in full force and effect during the period that would be taken for the performance of the said **Order** and that it shall continue to be enforceable till all the dues of **RCF** under or by virtue of the said Order have been fully paid and its claim satisfied or discharged or till **RCF** certifies that the terms and conditions of the Order have been fully and properly carried out by the **Supplier / Contractor** and accordingly discharge the guarantee.

3. We _____ **the Bank**, undertake to pay to **RCF** any money so demanded notwithstanding any dispute or disputes raised by the said **Supplier / Contractor** in any suit or proceedings pending before any court or tribunal relating thereto as our liability under this present being absolute and unequivocal. The payment so made by us under this Guarantee shall be valid discharge of our liability for payment there under and the said **Supplier / Contractor** shall have no claim against us for making such payment.

4. We _____ **the Bank** further agree that **RCF** shall have full liberty, without our consent and without affecting in any manner our obligation hereunder to vary any of the terms and conditions of the **Order** or to extend time of performance by the said **Supplier / Contractor** from time to time or to postpone, for any time or from time to time, any of the powers exercisable by the **RCF** against the said **Supplier / Contractor** and to forbear or enforce any of the terms and conditions relating to the **Order** and shall not be relieved from our

liability by reason of any such variation or extension being granted to the said **Supplier / Contractor** or for any forbearance, act or omission on the part of **RCF** or any indulgence by **RCF** to the **Supplier / Contractor** or by any such matter or thing whatsoever which under the law relating to sureties would but for this provisions have effect of so relieving us.

5. In order to give full effect to this guarantee, RCF will be entitled to act as if the BANK were the principal debtor and the BANK hereby waives all rights of surety ship.

6. Our liability under this bank guarantee is restricted to Rs. _____ [Rupees _____] and shall remain in force up to _____ and thereafter till the expiry of the extended period, if any, (hereinafter Validity period). Unless a demand is made under this guarantee on us in writing at any time from the date of issue of the guarantee till the expiry of the Validity period, we shall be discharged from all liabilities under this guarantee thereafter.

7. The claim, if any, under this guarantee, shall be lodged at (address of BANK & Branch) _____.

8. This guarantee will not be discharged due to change in the constitution in the **Bank** or the said **Supplier / Contractor** or the provision of the contract between **Supplier / Contractor** and **RCF**.

9. The BANK hereby agrees that the Courts in Mumbai shall have exclusive jurisdiction in any matter of dispute between RCF and the Bank and the **Bank** hereby agrees to address all the future correspondence in regard to this bank guarantee to Chief Finance Manager, Rashtriya Chemicals and Fertilizers Limited, Administrative Building, Mahul Road, Chembur, Mumbai 400 074. INDIA.

10. We have the power to issue this Guarantee in your favour under the Charter of our Bank and the undersigned has full power to execute this Guarantee under the Power of Attorney granted to him by the Bank.

11. We, _____ the **Bank** lastly undertake not to revoke this guarantee during its currency except with the previous consent of the RCF in writing.

SIGNED AND DELIVERED ON THIS _____ DAY OF _____

Yours faithfully,

For and on behalf of _____. (bank)

Signature of Authorised Official of bank

Name of the Official:

Designation of the Official:

Name of Bank:

Branch:

Address of Branch:

Telephone / Mobile No :

Fax No:

Email Id:

Note: Photocopy of Bank Guarantee should also be forwarded to CMM (P) for information

LIST OF RCF APPROVED BANKERS FOR BANK GUARANTEES

A) NATIONALISED BANKS:

1. Bank of Baroda (includes erstwhile Dena Bank & Vijaya Bank)
2. Bank of India
3. Bank of Maharashtra
4. Canara Bank (includes erstwhile Syndicate Bank)
5. Central Bank of India
6. Indian Bank include erstwhile Allahabad Bank
7. Indian Overseas Bank
8. Punjab & Sind Bank
9. Punjab National Bank (include erstwhile Oriental Bank of Commerce & Union Bank of India)
10. State Bank of India
11. UCO Bank
12. Union Bank of India (includes erstwhile Andhra Bank & Corporation Bank)

B) OTHER PRIVATE BANKS:

1. Axis Bank Ltd.
2. Catholic Syrian Bank Ltd.
3. City Union Bank Ltd.
4. HDFC Bank Ltd.
5. ICICI Bank Ltd.
6. IDBI Bank Ltd.
7. Kotak Mahindra Bank Ltd.
8. South Indian Bank Ltd.
9. Tamilnad Merchantile Bank Ltd.
10. Federal Bank Ltd.
11. Jammu & Kashmir Bank Ltd.
12. Karnataka Bank Ltd.
13. Karur Vysya Bank Ltd.
14. YES Bank
15. IDFC Bank
16. Indusind Bank Ltd
17. RBL Bank Ltd

C) FOREIGN BANKS:

1. American Express Bank Ltd.
2. Bank of America National Trust & Saving Association
3. Bank of Tokyo - Mitsubishi UFJ Ltd.
4. Barclays Bank PLC
5. BNP Paribas
6. Calyon Bank
7. Citibank N.A.
8. Deutsche Bank
9. Development Bank of Singapore (DBS)
10. Hongkong & Shanghai Banking corporation Ltd.
11. JP Morgan Chase Bank
12. Royal Bank of Scotland
13. Standard Chartered Bank
14. Bank of America
15. Emirates Bank NBD
16. Shinhan Bank

FORMAT- IV

BID BOND PROFORMA (EMD in BG form)

(To be submitted on Rs.500/- non judicial stamp paper)

Bank Guarantee No: ----- Dated. -----

M/s Rashtriya Chemicals and Fertilizers Ltd,

.....,

.....

Dear Sirs,

This Guarantee is made and issued on this day _____ by _____, a Banking Company incorporated under Banking Regulation Act, having its registered office at _____ (herein after called BANK which expression shall unless repugnant to the context or contrary to the meaning thereof include its successors and assignees) in favour of Rashtriya Chemicals and Fertilizers Limited, a Company incorporated under the Companies Act and having its registered office at "Priyadarshini", Eastern Express Highway, Sion, MUMBAI – 400 022 (hereinafter called "RCF" which expression shall unless repugnant to the context or contrary to the meaning, thereof, include its successor and assignees)

WHEREAS the RCF issued a Notice Inviting Tenders(NIT) no.----- dated -----, inviting offers for supply/undertake ----- project (hereinafter referred to as the Material/Project) and, in response there to, M/s ----- a Company incorporated in ----- having its registered office at ----- (hereinafter called "BIDDER") offered to supply Material/undertake the Project.

AND WHEREAS the NIT provides inter-alia, that a BID BOND for an amount of Rs. _____ (Rupees _____ only) shall be submitted to the Owner in India by the Bidders along with their respective bids, and that if such bidder withdraws his bid at any time before the execution of the contract between RCF and the successful Bidder on or before _____ or changes the terms and conditions of the bid without RCF's consent, or if a Bidder on becoming the successful bidder, fails to or refuses to execute a contract and/ or to furnish a performance bond to RCF after the issue of a Letter of Intent to him, then the security delivered on this bid bond shall thereupon be due and owing to OWNER as Mutually Agreed damages.

1. In consideration of BIDDER's bid submitted to RCF for supplying Material/undertaking Project, we ----- bank hereby agree to pay the RCF an amount not exceeding Rs. ----- (Rupees ----- only) on demand if the BIDDER -

(i) withdraws his proposal at any time before the execution of contract, in accordance with the Bid Invitation/NIT between OWNER and the successful Bidder on or before _____, or
(ii) changes the terms and conditions of the bid submitted by him without RCF's consent, or
(iii) on RCF deciding the BIDDER as successful bidder and there upon issuing Letter of intent to the BIDDER by RCF, the BIDDER (as the successful bidder) fails or refuses to execute a contract and/ or furnish a Bank Guarantee as security deposit and performance guarantee for the faithful performance of the contract, in accordance with the terms and conditions of NIT.

2. The BANK declare that it is holding the amount of Rs.----- (Rupees ----- only) at RCF's disposal and hereby promises and shall be bound to pay to RCF, forthwith and without demur, on a mere demand made in writing by RCF, stating that the BIDDER has failed to fulfil one of the conditions mentioned in (a) or (b) or (c), of clause 1 hereinabove.

3. This Guarantee shall be valid in respect of the claim lodged by OWNER with BANK on or before _____ or any further extended date of the Bank Guarantee.

4. We, _____ (bank) undertake to pay RCF the money so demanded forthwith, notwithstanding any dispute(s) raised by in any suit or proceedings pending before any court or tribunal relating thereto, our liability under these presents being absolute and unequivocal. The payment so made by us under this guarantee shall be a valid discharge of our liability for payment there under and that RCF shall have no claim whatsoever against us for making such payment.

5. The claim if any, under this Guarantee, shall be lodged at (bank-branch and address) -----
-----.

6. The BANK hereby agrees that the Courts in Mumbai shall have exclusive jurisdiction in any matter of dispute between RCF and the BANK and that all the future correspondence in regard to this bank guarantee shall be addressed to Chief Finance Manager, Rashtriya Chemicals and Fertilizers Limited Administrative Building, Mahul Road, Chembur, Mumbai 400 022. INDIA.

7. This Guarantee shall be in addition to and shall not in any way be prejudiced and affected by any other security now or hereafter held by RCF for all or any part of the moneys herein mentioned.

8. We have the power to issue this Guarantee in your favour under the Charter of our Bank and the undersigned has full power to execute this Guarantee under the Power of Attorney granted to him by the Bank.

SIGNED AND DELIVERED ON THIS _____ DAY OF _____

Yours faithfully,

For and on behalf of _____. (bank)

Signature of Authorised Official of bank

Name of the Official:

Designation of the Official:

Name of Bank:

Branch:

Address of Branch:

Telephone / Mobile No:

Fax No:

Email Id:

TAX COMPLIANCE CLAUSES RELATED TO GST

1. Vendor/Supplier/Contractor shall submit documents related to GST Registration such as GST Registration certificate/certificates active as on date of participation in the tender and also supporting documents if the Vendor/Supplier/Contractor /Contractor is registered under Composition Scheme. If unregistered under GST, give a declaration to that effect.
2. Vendor/Supplier/Contractor shall notify the company if it ceases at any time to be registered under GST and also if obtains a new GST registration.
3. If Vendor/Supplier/Contractor is having multiple GST registrations, should intimate the company from which GSTIN invoices will be preferred.
4. Vendor/Supplier/Contractor shall submit the periodicity of filing GST returns applicable to him.
5. Vendor/Supplier/Contractor shall intimate the company about applicability of e-invoicing, SAC /HSN codes for the goods /services supplied by him along with the applicable GST rate as on date of participation in tender. If due to any subsequent amendment/notification under GST Act, there is any change in the tax rates; vendor shall update the company for the same by submitting such notification.
6. Vendor/Supplier/Contractor /Contractor shall ensure timely submission of **Invoice(s)/ Bill of Supply /Receipt Voucher or any other document** as per rules/ regulations of GST Act with all required supporting document(s) within a period specified in Contracts/ LOA.
7. Vendor shall submit separate invoices for services rendered based on company's request for necessary compliance under GST as the case may be.
8. The vendor undertakes to file all required Returns, deposit taxes and details required to be submitted under GST laws & rules as per due dates prescribed. The vendor also agrees to do all things including providing invoices or other documentation in such form and detail that may be necessary to enable or assist the company to claim or verify any Input Tax Credit, set off, rebate or refund in relation to any GST payable under the Agreement entered/Work Order/Purchase Order
9. All necessary adjustment vouchers such as Credit Notes / Debit Notes for any short/excess supplies or revision in prices or for any other reason under the Contract shall be submitted to the company as per GST Act provisions.
10. Advance payments → Vendor/Supplier/Contractor should issue Receipt vouchers immediately on receipt of advance payment and subsequently issue supplies along tax invoice after adjusting advance payments as per Contractual terms and GST Act Provisions.
11. Acceptance /Deemed Acceptance of E way bill for FOR deliveries should not be construed as acceptance of the material by the company and the company reserves the right to inspect the material and rejections if any would be subsequently adjusted by the Vendor by issuing Credit note for shortages/rejections.
12. The company reserves a right to review the Vendor/ supplier invoices to ensure that they are GST compliant and in case of any discrepancy observed, the supplier shall arrange to submit tax compliant invoice, only upon which payment shall be processed.

13. Vendor/Supplier/Contractor would promptly pay GST for the supplies made to the company and would upload returns within the prescribed time as per GST Act.
14. In the event of default on his part in payment of tax and submission / uploading of monthly returns, the company is well within its powers to withhold payments, especially the tax portion, until Vendor/Supplier/Contractor corrects the default /gets the shortcomings rectified at his own cost and / or complies with the requirements of GST Act and produces satisfactory evidence to that effect or upon invoice /debit note/credit note appearing in GSTR2A of the Company on the GST portal.
15. In case GST credit is delayed/ denied to the company and reversed subsequently as per GST law, due to non/delayed receipt of goods and/or services and/or tax invoice or expiry of timeline prescribed in GST Law for availing such ITC, non-payment of taxes or non-filing of returns or any other reason not attributable to the company, GST amount shall be recoverable from Vendor/Supplier/Contractor along with interest levied/ leviable on the company by GST authority.
16. In the event of delay in getting ITC to the company due to reasons attributable to the Vendor/Supplier/Contractor, the company reserves the right to recover interest at 12% on the tax credit so available for the number of days the ITC was delayed. The company may recover such amount from the Security Deposit or any such Deposit / Credit Balance / future payments. Accordingly, the company will raise Invoice/Debit note on the Vendor/Supplier/Contractor.
17. In case the short coming is not rectified by the Vendor/Supplier/Contractor and the company ends up in reversal of credits and / or payments, Vendor/Supplier/Contractor is fully liable for making good all the loss including interest on the tax credit so available for the number of days the ITC was denied.
18. In case of any GST liability arising on the company under reverse charge, Vendor/Supplier/Contractor shall ensure timely submission of invoice. In case of goods such invoices should not be more than 30 days old and in case of services not more than 60 days old, so as to facilitate the company to discharge GST liability on the due dates as prescribed under GST Law. In case of any default towards discharge of GST liability under reverse charge by the company due to any lapses on account of vendor, the applicable interest/penalty etc. will be recovered from the vendor.
19. In case of receiving any notice / intimation from GST authority to the company towards non-compliance by the vendor, payments will be withheld for all outstanding bills and bills received subsequently from the vendor, till the time , necessary rectification has been carried out by the vendor and proof of the same has been submitted to the company.
20. Any late delivery i.e., delivery after the due date or delay in submission of invoices or any other delays, attracts payment of damages by the vendor / contractor as agreed mutually. It is agreed by the vendor/supplier /Contractor that such damages become recoverable by the company with applicable GST thereon.
21. In case the GST rating of vendor on the GST portal / Govt. official website is negative / black listed, then the bids may be rejected by the company. Further, in case rating of bidder is negative / black listed after award of work for supply of goods / services, then the company shall not be obligated or liable to pay or reimburse GST to such vendor and shall also be entitled to deduct / recover such GST along with all penalties / interest, if any, incurred by the company.
22. The company reserves the right to suspend / cancel / terminate the contract in the event of frequent / multiple / repeated defaults by the Vendor/Supplier/Contractor in complying with the requirements as per GST Law and Vendor/Supplier/Contractor shall be put under Holiday list as mentioned in the Contract.

ANNEXURE - II

Debarment of firms from Bidding (Holiday/De-listing/Black-listing)

1. Debarment is classified under following two types:

- (i) In cases where debarment is proposed to be limited to only RCF, the appropriate Orders can be issued by RCF, thereby banning all its business dealing with the debarred firm.
- (ii) Where it is proposed to extend the debarment beyond the jurisdiction of RCF i.e. covering to all central Ministries/ Departments, the requisite Orders shall be issued by Department of Expenditure (DoE), Ministry of Finance (MoF).

Definitions

2. Firm: The term 'firm' or 'bidder' has the same meaning for the purpose of these Guidelines, which includes an individual or person, a company, a cooperative society, a Hindu undivided family and an association or body of persons, whether incorporated or not, engaged in trade or business.

3. Allied firm: All concerns which come within the sphere of effective influence of the debarred firms shall be treated as allied firms. In determining this, the following factors may be taken into consideration:

- a. Whether the management is common;
- b. Majority interest in the management is held by the partners or directors of banned/ suspended firm;
- c. Substantial or majority shares are owned by the banned/ suspended firm and by virtue of this it has a controlling voice.
- d. Directly or indirectly controls, or is controlled by or is under common control with another bidder.
- e. All successor firms will also be considered as allied firms.

4. The terms "banning of firm", 'suspension', 'Black-Listing' etc. convey the same meaning as of "Debarment".

Debarment by RCF, limited to only RCF-

5. Orders for Debarment of a firm(s) shall be passed by RCF, keeping in view of the following:

- a. A bidder or any of its successors may be debarred from participating in any procurement process for a period not exceeding two years.
- b. Firms will be debarred if it is determined that the bidder has breached the code of integrity as per Rule 175 of GFRs 2017 given below-

No official of a procuring entity or a bidder shall act in contravention of the codes which includes

(i) prohibition of

- (a) making offer, solicitation or acceptance of bribe, reward or gift or any material benefit, either directly or indirectly, in exchange for an unfair advantage in the procurement process or to otherwise influence the procurement process.
- (b) any omission or misrepresentation that may mislead or attempt to mislead so that financial or other benefit may be obtained or an obligation avoided.
- (c) any collusion, bid rigging or anticompetitive behavior that may impair the transparency, fairness and the progress of the procurement process.
- (d) improper use of information provided by the procuring entity to the bidder with an intent to gain unfair advantage in the procurement process or for personal gain.
- (e) any financial or business transactions between the bidder and any official of the procuring entity related to tender or execution process of contract; which can affect the decision of the procuring entity directly or indirectly.
- (f) any coercion or any threat to impair or harm, directly or indirectly, any party or its property to influence the procurement process.
- (g) obstruction of any investigation or auditing of a procurement process.
- (h) making false declaration or providing false information for participation in a tender process or to secure a contract;

(ii) disclosure of conflict of interest

(iii) Disclosure by the bidder of any previous transgressions made in respect of the provisions of sub-clause (i) with any entity in any country during the last three years or of being debarred by any other procuring entity.

c. A bidder can also be debarred for any actions or omissions by the bidder other than violation of code of integrity, which in the opinion of RCF, warrants debarment, for the reasons like supply of sub-standard material, non-supply of material, abandonment of works, sub-standard quality of works, failure to abide "Bid Securing Declaration", suo-moto withdrawing or altering bid during the bid validity period, etc.

d. Before issuing the debarment order against a firm, reasonable opportunity shall be given to the concerned firm to represent against such debarment (including personal hearing, if requested by firm).

e. List of debarred firms will be maintained, which will also be displayed on RCF's website for all units of RCF.

6. Similarly, Government e-Marketplace (GeM) can also debar bidders upto two years on its portal as per their rules for GeM portal hence these debarred firms will not be eligible to participate in RCF's tenders in GeM only.

Debarment across All Ministries /Departments / Other PSUs (State as well as Centre)/ Departments/ Central Public Sector Undertakings (CPSUs)/ State Public Sector Undertakings

7. Where RCF is of the view that business dealings with a particular firm should be banned across all the Ministries/ Departments, RCF can forward such debarment proposal to DoE through DoF. DoE may issue the necessary orders after satisfying itself that proposed debarment across all the Ministries/ Departments is in accordance with Rule 151 of GFRs, 2017. Rule 151 of GFRs, 2017 is given below-

- (i) *A bidder shall be debarred if he has been convicted of an offence— (a) under the Prevention of Corruption Act, 1988; or (b) the Indian Penal Code or any other law for the time being in force, for causing any loss of life or property or causing a threat to public health as part of execution of a public procurement contract.*
- (ii) *(A bidder debarred under sub-section (i) or any successor of the bidder shall not be eligible to participate in a procurement process of any procuring entity for a period not exceeding three years commencing from the date of debarment. Debarment of commerce (DGS&D) will maintain such list which will also be displayed on the website of DGS&D as well as Central Public Procurement Portal.*
- (iii) *A procuring entity may debar a bidder or any of its successors, from participating in any procurement process undertaken by it, for a period not exceeding two years, if it determines that the bidder has breached the code of integrity. The Ministry/Department will maintain such list which will also be displayed on their website.*
- (iv) *The bidder shall not be debarred unless such bidder has been given a reasonable opportunity to represent against such debarment.*

8. The firm will remain in suspension mode (i.e. debarred) during the interim period till the final decision taken by DoE, only in RCF.

9. Before forwarding the debarment proposal to DoE through DoF, reasonable opportunity shall be given to the concerned firm to represent against such debarment (including personal hearing, if requested by firm).

10. DoE can also give additional opportunity, at their option, to firm to represent against proposed debarment. DoE can also take suo-moto action to debar the firms in certain circumstances.

11. No contract of any kind whatsoever shall be placed on the debarred firm, including its allied firms by RCF after the issue of a debarment order.

12. DoE will maintain list of such debarred firms, which will be displayed on Central Public Procurement Portal.

Revocation of Orders

13. An order for debarment passed shall be deemed to have been automatically revoked on the expiry of that specified period and it will not be necessary to issue a specific formal order of revocation.

14. A debarment order may be revoked before the expiry of the Order, by the competent authority of DoE, if it is of the opinion that the disability already suffered is adequate in the circumstances of the case or for any other reason.

Other Provisions (common to both types of debarment)

15. No contract of any kind whatsoever shall be placed to debarred firm including its allied firms after the issue of a debarment order by competent authority. Bids from only such firms shall be considered for placement of contract, which are neither debarred on the date of opening of tender (first bid, normally called as technical bid, in case of two packet/two stage bidding) nor debarred on the date of contract. Even in the cases of risk purchase, no contract should be placed on such debarred firms.

16. If case, any debar firms has submitted the bid, the same will be ignored. In case such firm is lowest (L-1), next lowest firm shall be considered as L-1. Bid security submitted by such debarred firms shall be returned to them.

17. Contracts concluded (awarded) before the issue of the debarment order shall, not be affected by the debarment Orders.

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18. The Debarment shall be automatically extended to all its allied firms. In case of joint venture/ consortium is debarred all partners will also stand debarred for the period specified in Debarment Order. The names of partners should be clearly specified in the "Debarment Order".
19. Debarment in any manner does not impact any other contractual or other legal rights of the procuring entities.
20. The period of debarment shall start from the date of issue of debarment order.
21. The Order of debarment will indicate the reason(s) in brief that lead to debarment of the firm.

ANNEXURE- III**Trade Receivables e-Discounting System (TReDS) for MSME Vendors**

As an initiative of Government of India & RBI towards Make in India, Skill India & Financial Inclusion, to provide a platform for bill discounting for MSME vendors, Rashtriya Chemicals and Fertilizers Limited (RCF) has entered into an association / agreement with following 3 (three) financial institutions :

1. Receivables Exchange of India (RXIL), which is a joint-venture between National Stock Exchange and SIDBI;
2. A Treds, a joint-venture between Axis Bank and Mjunction Services; and
3. Mynd Solution which runs M1 Exchange

Contact details are given below:

Name of Exchange	Contact Name	Contact No.	Email-id
RXIL	Mandar Hukeri	9819611681	mandar.hukeri@rxil.in
			support@rxil.in
			info@rxil.in
Invoice Mart	Gauri Mahamulkar	8369204066	Gauri.Mahamulkar@invoicemart.com
M1 Exchange	Shaiwal Sinha	1800-103-7261	shaiwal.sinha@m1xchange.com

MSE vendors can register on a digital platform which connects MSME sellers and their Buyers to multiple financiers. It enables MSME sellers, under an efficient & transparent bidding mechanism, to sell their invoices to financiers, thus unlocking working capital / generating liquidity quickly, without impacting their relationship with Buyers.

Benefits to MSME Seller:

1. Timely & Cheap finance without any collateral / loan / debt and no recourse to the MSME Seller
2. MSME Seller can get payments in less than 48 hours from submitting invoice on the platform, thus improving cash flows
3. Online & transparent bidding mechanism coupled with Buyer credit profile ensures most competitive rates and significant reduction in cost of funds for MSME.
4. Funding is without recourse to Seller; thus, payment once received through Platform cannot be recalled by the Financier

Steps Involved for registration at Platform:

1. Acceptance of Offer Letter
2. One-time Submission of KYC and On-boarding documents
3. Verification of Documents by individual agencies (each of above) as per RBI guidelines
4. Execution of Agreement with by individual agencies (each of above)

5. Registering of MSME seller
6. Activation of User ID and Password for MSME seller
7. Issuance of User ID and Password to MSME seller
8. Commencement of transactions on Platform

A dedicated customer Management Team will be available for all the “TReDS Platform” by these platforms for any related queries. RCF will not entertain any queries related to any of these platforms.

Payments to be taken through “TReDS” or directly from RCF is a sole discretion of the vendor. RCF shall not intervene in the vendor’s decision to place their invoices on “TReDS” Platform or directly taking payments from RCF.

“TReDS” option shall only be given to the MSME vendors and any other vendor “NOT” registered as MSME with RCF, cannot avail this facility.

No. P-45021/2/2017-PP (BE-II)-Part(4)Vol.II
Government of India
Ministry of Commerce and Industry
Department for Promotion of Industry and Internal Trade
(Public Procurement Section)

Vanija Bhawan, New Delhi
Dated: 19 July, 2024

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, Order No.P-45021/2/2017-B.E.-II dated 04.06.2020 and Order No.P-45021/2/2017-B.E.-II dated 16.09.2020 hereby issues the revised 'Public Procurement (Preference to Make in India), Order 2017' dated 19.07.2024 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.

Explanatory notes for calculation of local content given above

- a. Imported items sourced locally from resellers/distributors shall be excluded from calculation of local content.
- b. The license fees/royalties paid/ technical charges paid out of India shall be excluded from local content calculation.

- c. Procurement/Supply of repackaged/refurbished/rebranded imported products as understood commonly shall be treated as reselling of imported products and shall be excluded from calculation of local content. The definition of repackaged/refurbished/rebranded imported products is as follows;

'Refurbishing' means repair or reconditioning of an imported product does not amount to manufacture because no new goods come into existence.

'Repackaging' means repacking of imported goods from bulk pack to smaller packs would not ordinarily amount to manufacture of a new item.

'Rebranding' means relabeling or renaming or change in symbol or logo/makes or corporate image of a company/organization/ firm for an imported product would amount to rebranding.

- d. To ensure that imported items sourced locally from resellers/distributors are excluded from calculation of local content, procuring entities to obtain from bidders, the cost of such locally-sourced imported items (Inclusive of taxes) along with break-up on license/royalties paid/technical expertise cost etc. sourced from outside India. For items sold by bidder as reseller, OEM certificate for country of origin to be submitted.
- e. For contracts involving supply of multiple items, weighted average of all items to be taken while calculating the local content.

'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.

'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'.

2A. Special treatment for items covered under PLI Scheme

The manufacturers manufacturing an item under PLI scheme shall be treated as deemed Class II local supplier for that item unless they have minimum local content equal to or higher than that notified for Class-I local supplier for that item, provided the manufacturer has received incentive from the concerned PLI Ministry for the item. The above shall be applicable for the specific time period only, as notified by concerned PLI Ministry.

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 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'. 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.

3.1 Mandatory sourcing of items, with sufficient local capacity and competition, from Class-I local suppliers in SI/EPC/Turnkey Contracts/Service Tenders

- a. The items, notified as having sufficient local capacity and competition, shall mandatory be sourced from Class-I local suppliers in SI/EPC/Turnkey Contracts/ Services tenders. This provision will be applicable only for those items which have been notified by the Nodal Ministry as Class I i.e. having sufficient local capacity and competition, with specific HSN codes."
- b. Notwithstanding above, if in any project, it is considered that it is not practically feasible to source such items from Class I local suppliers, it may take relaxation from such stipulation with the approval of Secretary of the administrative Ministry/ Department concerned or with the approval of the Competent Authority specified by the Administrative Ministry/Department, on case-specific basis.

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 procurement undertaken by procuring entities in the manner specified here under.

(b) In the procurement 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 procurement 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.
- (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, procurement 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.

4A. Exemption in sourcing of spares and consumables of closed systems:

Procurement of spare parts, consumables for closed systems and Maintenance/ Service contracts with Original Equipment Manufacturer/Original Equipment Supplier/Original Part Manufacturer shall be exempted from 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. The bidder shall give self-certification for local content in the quoted item (goods/works/services) at the time of tendering. However, at the time of execution of the project, for all contracts above INR 10 Crore, the contractor/ supplier shall be required to give local content certification duly certified by cost/ chartered accountant in practice. For cases where it is not possible to provide certification by Cost/Chartered Accountant at the time of execution of project, the supplier shall be permitted to provide the certificate for local content from Cost/ Chartered Accountant after completion of the contract, within time limit acceptable to the procuring entity. In case the contractor/ supplier does not meet the stipulated local content requirement and the category of the supplier changes from Class-I to Class-II/ Non-local or from Class-II to Non-local, a penalty upto 10% of the contract value may be imposed. However, contract once awarded shall not be terminated on this account.
- d. 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.
- e. 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.
- f. Nodal Ministries and procuring entities may prescribe fees for such complaints.
- g. 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.
- h. 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 9

i below.

- i. 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 procurement 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.

The Administrative Department, while seeking exemption under this para, shall certify that such an item(s) has not been notified by Nodal Ministry/ Department concerned under para 3 (a) 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.



(Himani Pande)

Additional Secretary to the Government of India

Tel: 011-23038888

E-mail: ashpdpiit@gov.in

ANNEXURE - A

**Declaration of Status of Debarment Listing/Blacklisting/Holiday Listing
orders issued by RCF Limited or Ministry of Chemicals and Fertilizers
(To be signed by the duly authorized person)**

Date: _____

RCF NIT/Bid No. – _____

To,
Rashtriya Chemicals and Fertilizers Limited,
Mumbai

Dear Sir/Madam,

I/We declare and confirm that we are currently not on Holiday List/Black List / Debarment list of RCF Limited or Ministry of Chemicals and Fertilizers debarring us from carrying on business dealings with RCF Limited or Ministry of Chemicals and Fertilizers.

Note : Offer is liable for rejection, if Bidder is in the Holiday / Blacklist / Debarment list of RCF Limited or Ministry of Chemicals and Fertilizers.

Place:

Date:

**Signature of Authorized Signatory of
Bidder with company seal**

Name :-

Company / Organization :-

Designation :-

ANNEXURE - B

**UNDERTAKING ABOUT COMMON DIRECTORS/PARTNERS/ INTEREST IN
OTHER ASSOCIATED UNITS/ COMPANIES**

Ref: RCF NIT/Bid No. _____

To,
Rashtriya Chemicals and Fertilizers Limited,
Mumbai

We / I (Director/Partner of the firm) hereby declare that, following are associated firms in which We/ I (Directors/Partners) are having interest.

Sr. no	Name of Firms	Area of Business
1	M/s.	
2	M/s.	
3	M/s.	
4	M/s.	

In case Bidder has no associated firm and/or none of the Directors / Partners have any interest in any other firms, please mention "Nil" against the above point.

We understand that if We /I have any associated firms or our Directors/ Partners has any interest in any other units, RCF reserves the right to register any one unit out of the units owned by the same owners/ directors the decision to consider our application.

In this regard, we undertake that:

a) We / I , Directors / Partners (Bidder) do not have controlling partner (s) in common in any other associated firm;

OR

b) We / I , Directors / Partners (Bidder) are not receiving or have received any direct or indirect subsidy/ financial stake from any of them;

OR

c) We / I , Directors / Partners (Bidder) do not have the same legal representative/agent for purposes of this bid;

OR

d) We / I (Name of the associated firms) do not have relationship with each other, directly or through common third Parties, that puts us in a position to have access to information about or influence on the bid of another Bidder."

Signed hereunder, in confirmation of above.

**Signature of Authorized Signatory of
Bidder with company seal**

Name :-

Designation :-

Company / Organization :-