Will the Minister of POWER
be pleased to state:

(a) whether procurement of chimney lining products from neighboring countries by Damodar valley corporation as part of their GAD project contract is a breach of office memorandum issued on 23 July 2020 by Ministry of Finance (Department of Expenditure) specifically;

(b) if so, the details thereof;

(c) the details of the product suppliers from whom such procurement has been permitted along with the country of origin; and

(d) the details of memorandum set up to identify non compliance by the power plants and penalise them for not adhering to the above mentioned order from Ministry of finance?

A N S W E R

THE MINISTER OF POWER AND NEW & RENEWABLE ENERGY

(SHRI R.K. SINGH)

(a): No, Sir.

(b): Does not arise in view of (a) above.

(c) & (d) Department of Expenditure (DoE) vide Office Memorandum (OM) No. F.18/37/2020-PPD dated 08.02.2021 clarified its earlier order (Public Procurement No.1) issued vide OM F.No.6/18/2019-PPD dated 23.07.2020 as follows:

(i) A bidder is permitted to procure raw material, components, sub-assemblies etc., from the vendors from countries which share a land border with India. Such vendors will not be required to be registered with the Competent Authority, as it is not regarded as “sub-contracting”.

(ii) However, in case a bidder has proposed to supply finished goods procured directly / indirectly from the vendors from the countries sharing land border with India, such vendors will be required to be registered with the Competent Authority.

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In line with the above clarification, DVC approved procurement / supply of Flue Gas Desulphurisation (FGD) equipment to the following entities:

1. M/s Larsen and Toubro, Vadodara, Gujarat
2. M/s Thermax, Pune, Maharashtra

The above entities procured components, sub-assemblies pertaining to Borosilicate lining system of Chimney from the vendors from countries which share a land border with India, as per DoE OM dated 08.02.2021.