

Firms bidding for govt contracts to reveal foreign ties

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Lucknow: Now, those firms that apply for government contracts, projects and assignments in Uttar Pradesh will have to give an undertaking of their ties with neighbouring countries.

Issuing an order, the state government has made it binding on all departments to follow the general financial rules framed by the central government while awarding the work orders on grounds of national security.

UP is among the biggest buyers on the government e-marketplace and various departments have been making purchase of over Rs 11,000 crore annually for the past three years. The finance department has circulated the revised guidelines framed by department of expenditure procurement policy division among principal secretaries of various departments and district magistrates earlier this week. According to it, now an agency from a neighbouring country will be eligible to participate in the bids only if it has registered with the competent authority. Similarly, the participating agencies having an agreement with an entity based out of neighbouring country will also have to declare the nature of their linkages before the concerned authority.

Autonomous bodies, public sector institutions and enterprises as well as procurement being done for public private partnership projects from UP will also have to abide by the rules. A senior officer from the finance depart-

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ment said a closer attention on the details were required as a lot of companies that were backed by other countries enter into transfer of technology agreements. In times to come, the registration committee constituted by the department of promotion and internal trade will have the authority to look for violations in such cases.

Joint ventures and consortium of companies that participate in the bids will be also under the scope of the revised rules.

In a relief for manufacturing sector players, who source their raw material from neighbouring countries, particularly China, the government has clarified that as long as original material is processed and converted into other goods, they can participate in the bidding process. However, agents and middlemen who supply finished goods sourced from neighbouring countries as their own will be in for a closer scrutiny.

The officer added that progressing towards USD 1 trillion goal, civil aviation, infrastructure, urban development, urban transportation, agriculture, telecommunication are some core sectors which are procuring goods and services from private players.