महानगर टेलीफोन निगम लि.
(भारत सरकार का उद्यम)
Mahanagar Telephone Nigam Ltd.
(A Government of India Enterprise)
CIN: L32101DL1986GOI023501

स्वच्छ भारत
एक कदम स्वच्छता की ओर

MTNL/SECTT/SE/2018
November 19, 2018

To

National Stock Exchange (NSE)

Sub:-Compliance with Regulation 30 of SEBI (LODR), 2015 Clarification/Confirmation on News Item appearing in "Media/Publication" – "India will continue to force three state-owned telecom companies to purchase 30 per cent of their equipment orders from ITI".

Dear Sir,

With reference to your E-mail/letter dtd: 16.11.2018 on the captioned subject, it is hereby stated that vide letter No. U-37012-2/93-FAC dated: 15.11.2018 (Copy attached), Department of Telecommunication, Govt. of India, has conveyed the approval of Cabinet Committee on Economic Affairs (CCEA) for taking the following measures for procurement quota to M/s ITI LTD in procurement made by BSNL, MTNL, & BBNL:-

(a) To continue the reservation quota policy for M/s ITI Ltd. by reserving:-

(i) 30% of the procurement orders placed by BSNL, MTNL & BBNL for M/s ITI Ltd. for the products manufactured by it and for those outsourced items in which there is a minimum 12% value addition by M/s ITI during 2018-19, 16% value addition in 2019-20 and 20% value addition in 20-21 and

(ii) 20% of the orders for the turn key projects (like GSM network rollout, Wi-Fi etc.. of BSNL, MTNL & BharatNet project network rollout etc of BBNL).

(b) ITI would accept orders under reservation quota only after the price is known and if the same is commercially viable.

(c) ITI shall exercise its option under reservation quota within 15 days of bid opening.

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(d) The aforesaid policy measures shall remain in force for a period of 3 (Three) years with effect from the date of approval of CCEA and shall again be reviewed considering the financial health of ITI as after the expiry of this period.

We hope this clarifies the position.

Thanking You

Yours faithfully

(S.R.Sayal)
Company Secretary

No. U-37012-2/93-FAC
Government of India
Ministry of Communications
Department of Telecommunications
Sanchar Bhawan, 20, Ashoka Road, New Delhi – 1

Dated: 15th November, 2018

To

1. Chairman & Managing Director
Bharat Sanchar Nigam Limited
Bharat Sanchar Bhawan
Harish Chandra Mathur Lane
Janpath, New Delhi-110001.

2. Chairman & Managing Director,
Mahanagar Telephone Nigam Limited,
Mahanagar Door Sanchar Sadan,
9, CGO Complex, New Delhi-110003

3. Chairman & Managing Director
Bharat Broadband Network Limited
Room No. 306, 3rd Floor, C-DoT Campus,
Mandigaon Road, Mehrauli,
New Delhi-110030.

Subject: - Procurement Quota to M/s. ITI Ltd. in Procurements made by BSNL, MTNL and BBNL.

I am directed to say that the Cabinet Committee on Economic affairs (CCEA) in its meeting held on 08th November, 2018 has approved the following measures for Procurement Quota to M/s. ITI Ltd. in procurements made by BSNL, MTNL and BBNL:-

a) *To continue the Reservation Quota policy for M/s ITI Ltd. by reserving i) 30% of the procurement orders placed by BSNL, MTNL and BBNL for M/s ITI Ltd. for the products manufactured by it and for those outsourced items in which there is a minimum 12% value addition by M/s ITI during 2018-19, 16% value addition in 2019-20 and 20% value addition in 2020-21and ii) 20% of the orders for the turn key projects (like GSM network roll-out, Wi-Fi etc. of BSNL & MTNL and BharatNet project network roll-out, etc. of BBNL).*

b) ITI would accept orders under reservation quota only after the price is known and if the same is commercially viable.

c) ITI shall exercise its option under Reservation Quota within 15 days of bid opening.

d) The aforesaid policy measures shall remain in force for a period of three years with effect from the date of approval of CCEA and shall again be reviewed considering the financial health of ITI after the expiry of this period.

2. The monthly progress report of action to implement the aforesaid decisions may be submitted to this office for onward submission to Cabinet Secretariat and for the information of the Members of the council of Ministers in accordance with the Rules of Procedure in regard to Proceedings of Cabinet (Rule 10).

(R. K. Kaushik) 15/11/2018
Director (PSU-II)
Tel. No. 2303 6169

Copy for information to:-

Chairman & Managing Director
M/s ITI Limited,
ITI Bhawan, Doorvaninagar,
Bangalore – 560 016.