

Central Electricity Authority



सत्यमेव जयते

Guidelines for Acceptance, Examination and Concurrence of Detailed Project Reports for Pumped Storage Schemes

**New Delhi
July, 2024
(Version 3.0)**

INDEX

Section/ Chapter / Para No.	Contents	Page No.
Index	Title	i
Section -1	Requirement for Concurrence of Pumped Storage Schemes	1
1.1	Provisions under the Electricity Act, 2003	1
1.2	Capital expenditure exceeding which Concurrence is required	1
Section -2	Submission and acceptance of DPR	2
2.1	For Power Projects	2
2.2	For Multi-purpose Projects	2
Section -3	Examination and Concurrence of DPR	3 – 5
3.1	Examination Procedure	3
3.2	Concurrence to the Scheme	3
3.3	Submission of updated DPR	4
3.4	Information regarding Financial Closure	4
3.5	Time frame for accord of Concurrence	4
3.6	Validity of Concurrence	4
3.7	Transfer of Concurrence	5
3.8	Subsequent Changes in the Project Parameters	5
3.9	Availability of Guidelines	5
3.10	Applicability of Guidelines	5
Appendix		
Appendix-1(a)	Checklist-1 (To be examined in HPA division, CEA)	6-7
Appendix-1(b)	Checklist-2 (To be examined in CEA/CWC/GSI/CSMRS)	8
Appendix-1(c)	Undertaking by Project Developer	9
Appendix-2	Modified modalities for transfer of TEC/ Concurrence/ TEA /Appraisal of Hydro Electric Schemes already cleared/ concurred/ appraised by CEA (including Annexure)	10-16

SECTION-1

REQUIREMENT FOR COCURRENCE OF PUMPED STORAGE SCHEMES

1.1 Provisions under the Electricity Act, 2003

- 1.1.1 As per Section 8(1) of the Electricity Act, 2003, any generating company intending to set up a hydro generating station shall prepare and submit to the Authority for its concurrence, a scheme estimated to involve a capital expenditure exceeding such sum, as may be fixed by the Central Government, from time to time, by notification.
- 1.1.2 As per Section 8(2) of the Electricity Act, 2003, the Authority shall before concurring to any scheme submitted to it, have particular regard to, whether or not in its opinion, -
- a) the proposed river-works will prejudice the prospects for the best ultimate development of the river or its tributaries for power generation, consistent with the requirements of drinking water, irrigation, navigation, flood control, or other public purposes, and for this purpose the Authority shall satisfy itself, after consultation with the State Government, the Central Government, or such other agencies as it may deem appropriate, that an adequate study has been made of the optimum location of dams and other river-works.
 - b) The proposed scheme meets the norms regarding dam design and safety.
- 1.1.3 As per Section 8(3), where a multi-purpose scheme for the development of any river in any region is in operation, the State Government and the generating company shall co-ordinate their activities with the activities of the persons responsible for such scheme in so far as they are inter-related.

1.2. Capital Expenditure exceeding which Concurrence is required

- 1.2.1 In compliance with Section 8(1) of the Electricity Act, 2003, the Central Government vide Notification No. SO 550(E) dated 18.04.2006 modified vide Notification No. SO 490(E) dated 28.01.2014 has fixed the following limits of capital expenditure for various categories of hydroelectric schemes exceeding which the scheme is to be submitted to the Authority for concurrence:
- i) ₹ 2500 crores, provided that –
 - a) the scheme is included in National Electricity Plan (NEP) as notified by Central Electricity Authority (CEA) and conforms to the capacity and type.
 - b) the site for setting up the generating station has been allocated through the transparent process of bidding in accordance with the guidelines issued by Central Govt.
 - ii) ₹ 1000 crores for any other scheme not covered by para i (a) and i (b) of clause.

SECTION-2

SUBMISSION AND ACCEPTANCE OF DPR

2.1 For Power Projects

- 2.1.1 The Generating Company / Project Developer intending to set up a pumped storage station shall submit the DPR to the Authority for its concurrence as required under Section 8 of the Electricity Act, 2003.

Generating Company / Project Developer shall prepare the DPR of Pumped storage Scheme as per latest version of "Guidelines for Formulation of Detailed Project Reports for Pumped Storage Schemes" published by CEA.

2.1.2 Submission of DPR

Generating Company / Project Developer shall upload DPR on **DPR Approval Process Monitoring System (DAPMS)** portal of CEA (<https://ceaclearance.gov.in/>) and submit 8 copies of DPR including pre-DPR chapters approved by respective appraising groups along with six soft copies on compact disks/ pen drives to HPA division, CEA. CEA shall check whether clearance of Chapters/aspects have been included as per the Checklists attached at **Appendix-1(a)** and **Appendix-1(b)**. Further, developer shall submit an undertaking in the format prescribed at **Appendix-1(c)**.

2.2 For Multi-Purpose Projects

- 2.2.1 DPRs of multipurpose projects involving drinking water, irrigation, power, flood control, navigation etc. shall be submitted to CWC for clearance of Technical Advisory Committee (TAC) of Ministry of Jal Shakti (MoJS). In case DPRs of these schemes are submitted to the Authority, the Authority shall not accept the same and redirect these to CWC/ MoJS for examination/appraisal.

The views of the Authority on power portion of the scheme viz. power planning and cost estimates shall be submitted to CWC for accord of clearance by Technical Advisory Committee of MoJS. Detailed examination of Pumped Storage Scheme shall be undertaken by the Authority after DPR of the power portion is submitted to it for accord of concurrence under Section 8 of the Electricity Act, 2003.

- 2.2.2 DPRs of power projects, involving flood moderation aspects only in addition to power generation shall be accepted in CEA and referred to CWC for examination of the flood moderation aspects. Detailed examination of such schemes could be continued by CEA (as per procedure mentioned above in Para 2.1) along with appraisal of scheme by CWC/ MoJS for flood moderation aspects. However, the date of acceptance of such scheme in CEA for concurrence would be reckoned from the date of clearance of flood moderation aspects by CWC/ MoJS.

SECTION-3

EXAMINATION AND CONCURRENCE OF DPR

3.1 Examination Procedure

- 3.1.1 To discharge its obligation under Section 8 of the Electricity Act, 2003, the Authority may take the assistance of Central Water Commission, Ministry of Jal Shakti, Geological Survey of India (GSI), Central Soil and Materials Research Station (CSMRS) etc. The Authority may also consult the State Government or Central Government or such other Government agencies as it may deem appropriate (as per Section 8(2) of Electricity Act, 2003).
- 3.1.2 The comments / queries raised by the Authority shall be promptly replied by the Generating Company / Project Developer preferably within a period of 7 working days and not more than 15 working days, failing which the DPR shall stand returned to the generating company.

3.1.3 Concurrence of DPR

The Authority acts as a single agency in so far as concurrence of the Pumped Storage Schemes is concerned. However, as per the demarcation of responsibility in Govt. of India, the following aspects related to Pumped Storage Schemes are assigned to CWC/ MoJS:

- 3.1.3.1 Hydraulic Structures for hydropower
- 3.1.3.2 Water Management
- 3.1.3.3 Flood Control
- 3.1.3.4 Dam Safety
- 3.1.3.5 Regulation and development of inter-state rivers and river basins
- 3.1.3.6 Water laws legislation
- 3.1.3.7 International water laws
- 3.1.3.8 The matter regarding rivers common to India and neighboring countries.

CEA therefore consults CWC/ MoJS on issues related to Inter-State/ International clearance, Hydrology, design of Hydraulic Structures, Dam design & Safety, Construction Material & geotechnical aspects, Construction methodology and Machinery, Cost of civil works, etc.

The examination of a Pumped Storage Scheme is an interactive process and involves appraisal of various aspects like Design and safety of the dam, Hydel civil design, Electro-mechanical design etc.

3.2 Concurrence to the Scheme

- 3.2.1 In case the Pumped Storage Scheme is found technically viable with necessary inputs and clearances having been tied-up, the Authority may accord concurrence for

implementation of the Pumped Storage Scheme, under Section 8 (2) of the Electricity Act, 2003.

- 3.2.2 The intimation regarding accord of concurrence to Pumped Storage schemes is conveyed to the Generating Company / Project Developer, Ministry of Power, other concerned Government Departments, State Government and appropriate Regulatory Commission.

3.3 Submission of updated DPR

- 3.3.1 During the DPR preparation process, if changes are suggested by CEA/CWC/GSI/CSMRS which have an impact on the design of the scheme, then Generating Company / Project Developer is required to update the DPR incorporating all the suggested modifications as agreed by them during the deliberations, upload the same on online DPR clearance portal of CEA and submit the same on compact disk along with 6 (six) nos. of hard copies for record of the Authority.
- 3.3.2 The Generating Company / Project Developer is also required to submit the updated DPR to concerned State Government, the Regulatory Commission and the Transmission Utility under intimation to the Authority.

3.4 Information regarding Financial Closure

After the finances for the project is tied up, the Generating Company / Project Developer shall inform the details of the financial package to the Authority.

3.5 Time Frame for accord of Concurrence

In case the Pumped Storage Scheme is found technically viable with necessary inputs/ clearances having been tied up, the Authority may accord concurrence for implementation of the pumped storage scheme, as far as practicable, within a period of 50 (fifty) days from the date of submission of 8 sets of DPR complete in all respects/ acceptance of Complete DPR by CEA from Developer.

3.6 Validity of Concurrence

- 3.6.1 In case the time gap between the concurrence to the scheme by the Authority and the actual start of the work of the project by the generating company is three years or more, a fresh concurrence of the Authority shall be obtained by the Generating Company/ Project Developer before the start of actual work.

Revalidation of Concurrence may also be considered, in case the reasons for not starting of works are beyond the control of generating company. However, proposal for revalidation shall be submitted three months before the expiry of validity of Concurrence, which is three years from the date of issue of Concurrence letter.

The Generating Company may apply for revalidation of the Concurrence giving justification after getting due authorization of the appropriate Government. The Authority will consider the request for extension of the validity based on the merit.

- 3.6.2 The Authority reserves the right to revoke the concurrence, if the conditions stipulated in the Office Memorandum conveying the Concurrence are not complied with to the satisfaction of the Authority.

3.7 Transfer of Concurrence

In case, any generating company acquires any Pumped Storage Scheme already Concurred by the Authority through NCLT or through allotment by State Government or by any other means, then generating company shall apply for its Transfer of Concurrence to the Authority in accordance with the procedure laid down by the Authority (given at Appendix-2).

3.8 Subsequent changes in the Project parameters

In case of changes or any deviations in the parameters of the project from those concurred by the Authority, necessitated on account of site conditions, they must be brought to the notice of the Authority on immediate basis with appropriate justification for its approval prior to implementation of such changes else Authority may decide as per clause 3.6.2.

Also, Central Electricity Authority's Guidelines for Examination and Approval of Changes in Design of Structures / Equipment of Hydroelectric Projects including Pumped Storage Projects (PSPs) subsequent to Accord of Concurrence by CEA are available on the Authority's website (www.cea.nic.in).

3.9 Availability of Guidelines

Central Electricity Authority's "Guidelines for Acceptance, Examination and Concurrence of Detailed Project Reports for Pumped Storage Schemes" are available on the Authority's website (www.cea.nic.in).

Central Electricity Authority's "Guidelines for Formulation of Detailed Project Reports for Pumped Storage Schemes" are available on the Authority's website (www.cea.nic.in).

3.10 Applicability of Guidelines

These guidelines are applicable to all the pumped storage projects which require concurrence of the Authority under section 8 of Electricity Act irrespective of their date of submission.

Checklist – 1

S. No	ITEM	REMARKS
1.	Name of the project	
2.	Location a) State(s) b) District(s) c) Taluka(s)/Tehsil(s) d) Basin e) River f) Longitude/Latitude g) Survey of India Topographical Map reference No.(s) h) Earthquake Zone number i) Complete address for correspondence along with pin code/ e-mail, FAX, Telephone numbers of Nodal Officer and Alternate Nodal Officer.	
3.	Whether the scheme is included in the National Electricity Plan. If so, whether the capacity and type of the scheme are same as given in the NEP.	* Yes / No
4.	Category of the project a) Power Project b) Power Project having reservoir for flood moderation. c) Multipurpose Project	*
5.	In case of category 4c) above, whether the clearance of Technical Advisory Committee of Ministry of Jal Shakti is available.	* Yes / No
6.	Mode of formation of the Generating Company in terms of Clause-2(28) of Electricity Act, 2003.	*
7.	Whether the Generating Company is Registered with the Registrar of the Company. Whether Article of Association has Generation as one of the objectives of the Company	* Yes / No
8.	What is the mode of allocation of the scheme whether through i) MOU route upto 100 MW ii) Tariff based bidding iii) MOU route with equity participation of State Govt. If so %age of State Govt. equity iv) Any other mode	*
9.	Whether authorization of the Competent Government in favour of the company to establish, operate and maintain specific Power Station available	* Yes /No
10.	Whether land availability Certificate from State Government available	Yes/No
11.	Whether State Govt. authorised the company to utilize water of that stretch of river.	Yes/No
12.	Whether Cost Estimates enclosed Present Day & Completed Cost - For Generating Companies in Central, State, Private and Joint Sectors and For SEBs & State power Utilities	*Yes/No

13.	Financial Analysis/ How the project is going to be financed.	
14	Whether arrangement for absorption/ dispatch of power made	Yes/ No
15	Whether arrangements for wheeling/ evacuation of Power made	Yes/ No
16.	Whether any agreement with the transmission company to provide evacuation system made. If so details of the agreement.	Yes/ No
17.	Whether Consent of STU/ State Govt. for availability of off peak power/energy (for pumped storage scheme) is obtained.	Yes/ No
18.	Whether salient features of the Project filled up in the prescribed format.	Yes/ No
19	Status of CWC /other affected States clearance from inter-state angle, if applicable	*
20.	Status of Defence clearance, if required	*
21.	Whether the area is likely to have any Environmental and Ecological problems due to the altered surface water pattern If yes, whether preventive measures have been discussed	Yes /No
22	Status of MoEF&CC Clearance from Environment/ & Forest angle	
23.	Status of Clearance from Indian Board of Wild-Life	
24	Status of Clearance under Forest Rights Act from Ministry of Social Justice & Empowerment/ State Government (In case Scheduled Tribe population is affected)	
25	Whether Rehabilitation and Resettlement Plan from State Revenue Department enclosed.	Yes/No
26	Whether approvals of CEA/ CWC/ GSI/ CSMRS have been obtained and included in the DPR in respect of following aspects -	*
	i). Gen. Layout by HCD Dte., CWC & HE&TD/ HPP&I Div., CEA	Yes/No
	ii). Hydrological Aspects by Hydrology Dte., CWC	Yes/No
	iii). Power Potential Aspects by HPA/ HPP&I Div. CEA	Yes/No
	iv). Foundation Engg. and Seismic Aspects by FE&SA Dte, CWC	Yes/No
	v). Geological Aspects by GSI	Yes/No
	vi). Construction Material Aspects by CSMRS	Yes/No
	vii).Inter-State Aspects by ISM Dte, CWC	Yes/No
	viii) Design of transmission system upto pooling point by PSPA Div., CEA	Yes/No
	ix) Dam/Barrage Design aspects by CMDD/BCD Dte., CWC	Yes/No
	x) Gates/HM Design aspects by Gates Design Dte., CWC	Yes/No
	xi) Hydel Civil Design aspects by HCD Dte., CWC	Yes/No
	xii) E&M Design aspects by HE&TD/ HPP&I Div, CEA	Yes/No
27	International Clearance by MoJS	Yes/No

Note : In case marked 'Yes' in the Check List, attach the supporting document.

* : Must for examination of DPR

Checklist – 2

- A. Following chapters/documents should be available in the DPR
- i) Basin Planning*
 - ii) Power supply position in the State and justification of the scheme from power demand and supply considerations
 - iii) Project layout map and drawings
 - iv) Hydrology*
 - v) Power Potential Studies
 - vi) Geology
 - vii) Construction Material and Geotechnical aspects
 - viii) Foundation Engineering and Seismicity aspects
 - ix). Inter-State* aspects
 - x) Design of civil structures
 - xi) Design of Electrical & Mechanical equipment
 - xii) Power evacuation aspects (Transmission of Power and Communication Facilities (upto Cooling Point)).
 - xiii) Set of drawings giving general layout of the project, civil components, E&M equipment, Single Line switching scheme etc.
- B. Completeness and relevance of material given in the above chapters needs to be checked.

*Note: Chapters on Basin Planning, Inter-state Aspects and Hydrology are not required for Off-stream closed loop type PSPs.

Undertaking by Project Developer

To whomsoever it may concern

Ref. No:

Date:

This is to certify that the chapters of Detailed Project Report of the Pumped Storage Project in district, state, bearing DPR ID no. on DPR Approval Process Monitoring System, submitted by M/s., is aligned with the pre-DPR chapters on various aspects approved by the appraising groups of CEA, CWC, GSI and CSMRS. Further, observations provided by the appraising groups have been duly incorporated in the DPR.

Signature of CEO (in case of Private Company) / Director (in case of PSU)

Name:

CIN No.

Address:

Email:

Contact No.:

Seal:

Government of India
Central Electricity Authority
Sewa Bhavan, R.K.Puram
New Delhi-110066.

No. CEA/103/18/2010-HPA/1452

Dated : 29th December, 2010

OFFICE MEMORANDUM

Subject: Modified modalities for transfer of Techno Economic Clearance (TEC)/ Concurrence/ Techno-Economic Appraisal (TEA)/ Appraisal (in case of future J&K Projects) of Hydro Electric Schemes already cleared/ concurred/ appraised by CEA.

Modalities of simplified transfer of Techno-Economic Clearance of Hydro Electric Schemes already cleared by CEA were issued by CEA vide letter no. 103/18/98/HAD/CEA dated 8-10-99. After enactment of 'The Electricity Act, 2003', these have been modified and the modified procedure is given below which supersedes the earlier one:

I. FOR SCHEMES WITHOUT ANY CHANGE IN SCHEME FEATURES AND COST ESTIMATES

- i) In case the new agency furnishes a certificate to the effect that there is no change in the cost estimates and the project features as were cleared/ concurred/ appraised by the Authority originally, the Techno Economic Clearance (TEC)/ Concurrence/ Techno-Economic Appraisal (TEA)/ Appraisal (in case of J&K Projects) will be transferred to it by the approval of Authority in its internal meeting on receipt of the following:
 - a) A request by the new agency for transfer of Techno Economic Clearance (TEC)/ Concurrence/ Techno-Economic Appraisal (TEA)/ Appraisal (in case of J&K Projects).
 - b) Approval of the Competent Government(s) for transfer of the scheme to the new agency
 - c) Implementation Agreement between the new agency and the Competent Government (s).
 - d) Certificate to the effect that developer would abide by stipulations of Electricity Act, 2003 and Amendments there to.
 - e) Certificate to the effect that developer would abide by the provisions of Hydro Power Policy 2008 and other policies & guidelines etc. issued by the Govt. of India from time to time.
 - f) Certificate to the effect that developer would abide by the provisions of "Guidelines for participation of foreign companies in tenders for work packages of Hydroelectric Projects in sensitive areas, 2009" (**Annexure**) and seek prior clearance from Ministry of Home Affairs, if applicable, and not obtained earlier.
- ii) The above transfer of Techno Economic Clearance (TEC)/ Concurrence/ Techno-Economic Appraisal (TEA)/ Appraisal (in case of J&K Projects) shall be subject to

furnishing the following by the new agency within ONE YEAR of the transfer of Techno Economic Clearance (TEC)/ Concurrence/ Techno-Economic Appraisal (TEA)/ Appraisal (in case of J&K Projects).

- a) Valid Environment and Forest clearance in the name of the new agency.
- b) Clearance of CWC from inter-State/ Country aspects. Clearance from MOWR, if so warranted.

II. FOR SCHEMES ENVISAGING CHANGES IN SCHEME FEATURES AND / OR COST ESTIMATES

- i) In case the new agency envisages changes in the parameters of the project and/or cost estimates with respect to the Techno Economic Clearance (TEC)/ Concurrence/ Techno-Economic Appraisal (TEA)/ Appraisal (in case of J&K Projects) already accorded by the Authority, the "In Principle" transfer of Techno Economic Clearance (TEC)/ Concurrence/ Techno-Economic Appraisal (TEA)/ Appraisal (in case of J&K Projects) in the name of new agency shall be effected, on submission of the documents mentioned at 1(i) (a)/ (b)/ (c)/ (d)/ (e)/ (f). Such transfer shall be valid for a period of TWO YEARS within which, the new agency shall furnish the following in respect of the revised scheme, for consideration of fresh Techno Economic Clearance (TEC)/ Concurrence/ Techno-Economic Appraisal (TEA)/ Appraisal (in case of J&K Projects), by the Authority as per the extant procedure being followed for accord of Concurrence/ Appraisal (in case of J&K Projects) to new schemes:
 - a) Preparation and submission of DPR as per prevalent guidelines issued by CEA.
 - b) Updated hydrology, optimization studies, technical parameters, Cost estimates, etc., with supporting design calculations, details, drawings etc.
 - c) Comparative statement of features as Techno Economic Clearance (TEC)/ Concurrence/ Techno-Economic Appraisal (TEA)/ Appraisal (in case of J&K Projects) and as now proposed with justification for necessitating changes.
 - d) Clearance of CWC from Inter-State/Country aspects. Clearance from MOWR, if so warranted.
 - e) Valid Environment and Forest clearance in the name of the new agency.

Authority shall have the right to revoke the transfer of Techno Economic Clearance (TEC)/ Concurrence/ Techno-Economic Appraisal (TEA)/ Appraisal (in case of J&K Projects), if any, of the conditions stipulated in para I & II above are not fulfilled.

Sd/-

(Amarjeet Singh)
Secretary, CEA

Copy to:

1. Minister of Power, Govt. of India, Shram Shakti Bhawan, New Delhi.
2. Secretary (Power), Ministry of Power, Shram Shakti Bhawan, New Delhi.
3. Special Secretary, Ministry of Power, Shram Shakti Bhawan, New Delhi.
4. Additional Secretary, Ministry of Power, Shram Shakti Bhawan, New Delhi.
5. Joint Secretary (Hydro), Ministry of Power, Shram Shakti Bhawan, New Delhi.
6. Chairperson, CEA
7. Chairman, CWC
8. Member (Hydro), CEA
9. All Members of CEA
10. All Members of CWC
11. Chief Secretary, All State Governments – with request for circulation to all developers of HE Projects in the State.
12. Secretary (Power), All State Governments
13. All Chairmen of SEBs
14. All State Vidyut Nigam Ltd.
15. CMDs of NHPC, SJVNL, THDC, NEEPCO, NTPC
16. All Chief Engineers, CEA
17. CERC
18. SERCs.
19. CEA Website.

No. 7/1/2002-DO(NHPC) [Vol.II]
Government of India
Ministry of Power

Shram Shakti Bhawan, Rafi Marg
New Delhi, dated-03.09.2009

OFFICE MEMORENDUM

Sub: Guidelines for participation of foreign companies in tenders for work packages of Hydroelectric Projects in sensitive areas.

The Government hereby lays down the following guidelines for participation of foreign companies in tenders for work packages of Hydroelectric Projects in sensitive areas.

1. (a) These guidelines may be called "Guidelines for participation of foreign companies in tenders for work packages of Hydroelectric Projects in sensitive areas, 2009" and shall be applicable from the date of their issue.
2. (a) These guidelines have been framed, on the considerations that:-

National security will be a critical determinant while making choices in regard to hydro-electric projects in sensitive regions and border areas. Along the border, the concerned area may extend to a width of 50 kms on the Indian side of the international border with neighbouring countries. Every hydro-electric project, within this belt, with foreign participation of any form will need prior security clearance. This would extend to both public and private sector projects.

Prior clearance would apply in the case of similar hydro-electric projects being set up in certain sensitive locations, even if these are away from the border. Specific guidelines will be drawn up in consultation with the Ministry of Home Affairs to draw up a list of such sensitive locations.

Security aspects of hydro projects also need to be kept in view elsewhere as well. These would involve ensuring the safety and security of structures such as dams, intakes, tunnels, etc. Security implications shall inevitably form part of any pre-contract discussions and must be addressed prior to the actual commencement of the project or assigning of a project to any party.

3. (a) These guidelines shall be applicable to all Hydro-Electric Projects, being set up in the Central and State Sector and by Independent Power Producers with foreign participation of any form, regardless of the Project size or investment limit, located in the State of Jammu & Kashmir, in the North Eastern States including Sikkim and within an aerial distance of 50 kilometers on the Indian side of the international border with neighboring countries or of the line of control (LOC) with Pakistan, or the Line of Actual Control (LAC) with Tibet Autonomous region (China), or within any notified restricted/Protected areas, or within sensitive locations as identified by Ministry of Home Affairs from time to time.
4. (a) The State Government, before allotting any Hydro-Electric project covered by criteria at 3 above to a foreign company or to a company involving foreign collaboration in any form including Build Own Operate (BOO) or Build Operate

Transfer (BOT), shall seek prior clearance from Ministry of Home Affairs.

- (b) Similarly, a Developer of any Hydro-Electric Project covered by the criteria at 3 above, before appointing a foreign contractor or sub-contractor, shall seek prior clearance from Ministry of Home Affairs, through the State Government concerned. The details of the foreign companies shall be provided by the Developer.
 - (c) In case of a bid process for selection of a developer, contractor or sub-contractor such clearance from Ministry of Home Affairs shall be sought at the stage of Request for Qualification (RFQ).
5. (a) The Ministry of Home Affairs shall give its clearance/advise within 6 weeks on the reference from the State Government or from the Developer through the State government, as to whether the foreign developer/ contractor/ sub- contractor needs to be eliminated on the grounds of national security, invoking a clause to be inserted in all bid documents to the effect that any bid can be rejected without assigning any reason.
- (b) The period of 6 weeks shall commence from the date complete details are made available in the reference/questionnaire to the Ministry of Home Affairs.
- (c) If the clearance/advice from Ministry of Home Affairs is not received within 6 weeks, the bid process would continue its normal course.
6. Once a foreign developer/ contractor/ sub-contractor has been qualified at the RFQ stage to submit his commercial bid, he should not be eliminated on the ground of national security.
7. (a) The project developer would evaluate and determine the optimum number of foreign employees required to be deployed at the project being awarded or sub-contracted to a foreign company, keeping in view the project's requirements, location and technical necessities. The number of foreign employees would be kept to the minimum and be confined only to technical/supervisory staff.
- (b) Foreign employees would ordinarily be expected to confine their stay and movements to the designated place of stay and project site. Any visits outside the project site in any Restricted/Protected areas would only be undertaken after permission from the competent authority is obtained through the company in which they are employed, failing which they will be liable to action as per prevalent rules and orders. It will be the specific responsibility of the developer to ensure that the contract with the foreign company carries a clause that if the personnel of that Company are found indulging in activities prejudicial to India's national security interest, then the project developer may cancel the contract without any liability.
- (c) The project developer shall furnish the list of foreigners (consultants, contractors, employees or retainers) proposed to be engaged in the project, with their full particulars (passport details, job profile/expertise, duration/location of stay, etc.) well in advance, which would be vetted before issue of visa.

- (d) The Ministry of Power will certify in case of CPSUs, the project completion time and the requirement of the foreign personnel, while in case of all other projects, this will be certified by the concerned State Government.
8. (a) The Ministry of External Affairs in consultation with Ministry of Home Affairs will decide on the kind of Visa to be issued.
- (b) While issuing visa/work permits, the Ministry of External Affairs will impose the necessary restrictions on specific individuals or on employees of specific companies that need to be watched, as well as the total number of visas issued at a given point of time in respect of project, so as to ensure compliance of the guidelines. Particular care would also be taken in respect of projects which are already allotted or where contracts and sub-contracts are already allotted, in the interest of national security.
9. If any equipment or electrical gadgets are proposed to be imported for the execution/implementation of the project, the promoters and CPSU's shall provide the equipment details, purpose, import route, etc., to the Department of Power/Energy in the State Government or to the ministry of Power as the case may be.
10. Considering the importance of security and safety aspects of all Hydro-Electric Projects including Hydro-Electric Projects not covered at criterion 3 above, Central Electricity Authority will, in consultation with Ministry of Home Affairs, also address the issue of ensuring safety and security of structures such as dams, intakes, tunnels etc. and, where considered necessary, issue guidelines for the purpose. These guidelines will be taken into account while according concurrence under Section 8 of the Electricity Act, 2003. Observance of such security guidelines by Hydro-Electric Projects that do not require Central Electricity Authority's concurrence under Section 8 of the Electricity Act, 2003, will be ensured by the respective State Government.
11. Prior clearance of security implications should inevitably form part of any pre-contract negotiations and must be addressed prior to the actual commencement of the Project or assigning of a Project to any Party.
12. The Ministry of Power shall ensure implementation of these guidelines by the CPSU's under its administrative control. The primary responsibility of ensuring compliance of these guidelines in respect of other Developers shall be that of the State Governments in consultation with the Ministry of Home Affairs.

Sd/-
(Kamal Bose)
Under Secretary to the Govt, of India
Tel. No. 2332.4357

To

Energy/Power Secretaries of all the State Governments

Copy forwarded to :

1. Foreign Secretary, South Block, New Delhi
2. Secretary (R) R&AW, New Delhi.
3. Home Secretary, North Block, New Delhi
4. Director Intelligence Bureau, New Delhi
5. Secretary, Deptt. of Industrial Policy, Udyog Bhawan, New Delhi.
6. Secretary, Department of Heavy Industry, Udyog Bhawan, New Delhi.
7. Dy. National Security Adviser, Sardar Patel Bhawan, New Delhi.
8. Defence Secretary, South Block, New Delhi
9. Principal Secretary to PM, PMP, South Block New Delhi.
10. Secretary, Department of Economic Affairs, North Block, New Delhi.
11. Cabinet Secretariat (Shri K.L. Sharma Director) Rashtrapati Bhawan, New Delhi.
12. Chairperson CEA, R.K. Puram, New Delhi.

Copy also to in the Ministry of Power :

PS to Minister of Power/PS to Minister of State for Power

PS to secretary (Power)/Sr. PPS to AS(AK)/PPS to AS

(GBP)PS to all Joint secretaries

Economic Adviser

All Directors/Deputy Secretaries