



Government of India,
Ministry of Railways
Research Designs & Standards Organisation,
Manak Nagar, Lucknow- 226 011

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Date; 21 February, 2022

To,

1. The Principal Chief Electrical Engineer,
 - (i) Eastern Railway, Fairlie Place, Kolkata-700 001.
 - (iii) East Central Railway, Hajipur-844 101.
 - (iv) Northern Railway, Baroda House, New Delhi - 110 001.
 - (v) North Central Railway, Allahabad-211 015.
 - (vi) Western Railway, Churchgate, Mumbai-400 020.
 - (vii) West Central Railway, Jabalpur- 482 001.
2. Chief Administrative Officer, CORE Allahabad-211001, e mail: ceehq.core@gmail.com

Sub: Cross Acceptance Criteria for new items/design/specification.

Ref: (i) Railway Board letter no. 2021/Elect(Dev)/221/45 dated 18.02.2022.

(ii) Railway Board letter no. 2021/Elect(Dev)/225/44 dated 09.12.2021.

In view of the above references, cross acceptance criteria for evaluation & acceptance of alternative products for which there is no RDSO specification but are already in use with satisfactory performance in one or more major Indian/World Railway(s) system is enclosed herewith for kind information and implementation please.

This is issued with approval of the Competent Authority.


21.2.22

(Arvind Koomar)

Joint Director TI-1

For Director General (TI)

Encl: As stated above.

Copy to:

PED Elect. Engg. (Dev)/Railway Board, New Delhi – For kind information please.



सत्यमेव जयते

भारत सरकार, रेल मंत्रालय

GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS

**PROCEDURE FOR CROSS ACCEPTANCE CRITERIA
FOR NEW ITEM/DESIGN/SPECIFICATION FOR 25KV & 2X25KV AC
TRACTION SYSTEM**

**25 केवी और 2X25KV एसी ट्रैक्शन सिस्टम के लिए नई
वस्तु/डिजाइन/विनिर्देश के लिए क्रॉस स्वीकृति मानदंड के लिए प्रक्रिया**

INSTRUCTION No. TI/IN/0044 Rev.00

निर्देश संख्या: TI/IN/0044 Rev.00

(Reference: Railway Board letter no. 2021/Elect(Dev)/225/44
dated 09.12.2021 & letter no. 2021/Elect(Dev)/221/45 dated
18.02.2022)

**RESEARCH DESIGNS & STANDARDS
ORGANISATION
(Ministry of Railways)
Manak Nagar, Lucknow (UP) 226011**

1. PREFACE

- 1.1 The Railway Board vide letter no. 2021/Elect(Dev)/225/44 dated 09.12.2021 (Enclosed as Annexure-2) has directed RDSO to frame the cross acceptance criteria for new items/design/specification used for Traction Installation system for 25kV and 2X25kV AC system for approval by Railway Board.
- 1.2 Further, PED/TI vide note no. ED/TI/Misc/21 dated 16.12.2021 (Enclosed as Annexure-3) has nominated the committee of DTI/III, DTI/Civil, JDTI/I & JD/TI-II of Traction Installation directorate to prepare the cross acceptance criteria. Also, Railway Board vide letter no. 2021/Elect(Dev)/221/45 dated 18.02.2022 (Annexure – 9) has advised to issue Cross Acceptance Criteria to all concern for implementation on Indian Railways.
- 1.3 This guideline of cross acceptance is being framed in view of the liberty given to the Contractor in Para 6 of schedule D and Para 2 of Annexure I (Schedule D) in standard EPC document issued by Railway Board vide letter no. 218/CE-I/CT/36-EPC Contract Policy Pt-1 dated 15.11.2021 (Enclosed as Annexure-4) to adopt international practices, alternative specifications, materials and standards to bring in innovation in the design and construction.
- 1.4 The liberty is given to bring in innovation and therefore an alternative item which is not as per the designs/specifications issued by RDSO, but the same is already in use with satisfactory performance in one or more major Indian/World Railway(s) system.
- 1.5 The specifications of items are created/revised & issued by RDSO as per the RDSO's ISO procedure no. QO-D-8-1.1 and QO-D-8-1.2 for creation and revision of specifications respectively. During the specification preparation stage the draft specifications are uploaded for the comments of Industry/firms on RDSO's open portal for a period of 30 days and on the basis of comments received, a reason document is prepared for the acceptance/non-acceptance of the comments. Thereafter, Reasoned Document and Final Draft are uploaded again on RDSO's open portal for comments for 15 days. Again the comments received are discussed and reason document is prepared and on the basis of it, Directorate head approves the specification for issue. The process adopted is very transparent as anybody can comment on the specification being framed and the acceptance or rejection of comments is well reasoned and on the basis of this reason document and with the approval of Directorate head the specification is issued. The procedure has been further strengthened w.e.f 19.06.2020 to bring out more transparency and expertise by adopting procedures suggested by Bureau of Indian Standards (BIS) and consequent recognition of RDSO by BIS as Standards Development Organisation (SDO).
- 1.6 However, the industry always moves with new technologies and the same are not getting updated in the specification as fast as the industry moves. Therefore, there should be some mechanism to introduce the superior/cost effective technology items/design/specification without taking up the task of specification/STR revision and subsequent vendor development.

- 1.7 It is pertinent to mention here that cross acceptance criteria have been in vogue in METRO/DFCCIL in lump sum/design built contract where the Contractor quotes a lump sum cost for whole work on the basis of functional requirement and is given freedom to adopt new technologies within the ambit of the quoted cost and meeting the functional requirement at the same time.
- 1.8 Following may please be ensured before proposing an alternate solution;
- (i) The proposed new items/design/specification is not specifically refused/restricted in the RDSO specifications.
 - (ii) The new items/design/specification should not degrade the performance with respect to the item/design as mentioned in the RDSO specification.

2. OBJECT

The object of this guideline is to outline the procedure for cross acceptance of new items/design/specification in terms of process, responsibility, spare and maintenance etc. in a uniform procedure.

3. APPLICABILITY

- i. The cross-acceptance guideline shall be applicable to the items having alternative specifications to RDSO specification which are being used first time in Indian Railways in 25 kV or 2x25 kV systems.
- ii. This guideline shall be applied for evaluation & acceptance of alternative products for which there is no RDSO specification but are already in use with satisfactory performance in one or more major Indian/World Railway(s) system.

4. PROCEDURE FOR CROSS ACCEPTANCE

- 4.1 The alternative specifications of the items/design shall be framed by contractor and shall be supported with authentic specifications and standards specified in paragraph 5, schedule D under chapter 'specifications and standards' of standard EPC document issued by Railway Board vide letter no. 218/CE-I/CT/36-EPC Contract Policy Pt-1 dated 15.11.2021. Such a proposal shall be submitted by the Contractor to the Authority. The specifications of the product offered shall be made by the contractor with clause wise justification vis a vis applicable RDSO specification that offered product is superior/cost effective to the technology stipulated in the applicable RDSO specification. Along with the proposal following minimum details/documents shall also be submitted.
- i. Description of item as per the RDSO Specification.
 - ii. Proposed items/design/specification.
 - iii. Deviations from RDSO's specification considering the alternate proposal in consultation with OEM.

- iv. Advantages of new items/design/specification over as mentioned in RDSO specifications in consultation with OEM.
- v. Documents in support of the advantages mentioned.
- vi. Schedule of Guaranteed performance.
- vii. Reference IS/IEC of the new items/design/specification.
- viii. Design/Codal Life of the new item certified by OEM.
- ix. Prototype test report issued by designated/notified body/OEM. The details of the testing agencies/lab along with accreditation certificates.
- x. Provenness performance certificate from the competent official of end user i.e. from world Railway(s)/ Indian Railways & its PSUs/Metro/DFC/Other Railways (as the case may be). New items/design/specification should be of satisfactory performance as mentioned in Annexure-1. Name, Designation, Phone & Fax Nos. and address of the official and Organisation certifying the performance feedback should be clearly mentioned. It would be responsibility of contractor to ensure that certificate submitted is issued only from competent official of certifying organisation.

4.2 The Cross Acceptance Criteria for the (a) Items not covered by RDSO/CORE Specification OR (b) Items being adopted for the first time in Indian Railways, shall be as under:

- a. The item should have already been in-use with satisfactory performance in one or more major world Railway(s)/ Indian Railways & its PSUs/Metro/DFC/Other Railways, for more than 5(five) years from the date of bid opening for the same or higher design speed/rating of equipment offered. The manufacturer should have to meet the criteria of satisfactory performance and has to submit the certificate to this effect as per Annexure-1.
- b. The manufacturer should have supplied at least 20% quantity to be used in this contract in last seven years or they can supply, maximum Five times the quantity supplied in last seven years. However, this should not be treated as impediment in timely completion of the project and therefore, the contractor can place the quantity even beyond this with the approval of authority, in order to ensure timelines of Contract.
- c. Prototype test Report/Certificate for offered items is to be submitted. Fresh prototype test is to be conducted, if the same has not been carried out:
 - i. In last five (5) years from one month prior to date of Bid Opening or later;
 - ii. Considering the environmental conditions as specified in the specification or contract.

- d. The Manufacturer shall have to support maintenance and repair of the equipment in India and supply spares till the design life of the material such as transformers etc. in India. The Contractor shall submit an undertaking to this effect from the Original Equipment Manufacturer (OEM).

The Original Equipment Manufacturer (OEM) may transfer technology to any Indian Company for manufacture and supply as per Clause 8 (iii) of this document.

4.3 In case, the Authority is of the opinion that the proposal submitted by the Contractor is not in conformity with any of the international standards (IEC, IS, EN, AAR, UIC etc.) or codes or the proposed new items/design/specification is inferior/poor than the RDSO specification, the proposal shall be rejected by the Authority and same shall be communicated to the contractor with reasons of rejection.

4.4 In case, the offered new items/design/specification is accepted by the Authority, the proposal along with documents/details mentioned in Para 4.1 above, in support of justification shall be submitted to RDSO for final approval.

4.5 The decision of RDSO for the acceptance/rejection of the new items/design/specification shall be final and binding.

4.6 After acceptance of the new items/design/specification, following details shall also be submitted by the Contractor,

- i. The operation and maintenance manual along with recommended maintenance schedule.
- ii. Undertaking regarding the maintenance spare/support till the codal /design life of the product (On stamp/legal paper of appropriate value).
- iii. Proposed Training schedule of Indian Railway officials (as required) for the new item.
- iv. The design drawings of the new item for the reference of the Indian Railways.

4.7 Type testing for the product as per the new items/design/specification;

- i. In case the type test has already been conducted, the repetition of the type test may be waived off in terms of Clause 4.2 of this document. In this case Contractor have to submit a declaration of OEM that submitted prototype test report is of identical equipment (same rating), manufactured with identical component/raw material at the same manufacturing facility & premises and to the identical quality Standard, which have been supplied in world Railway(s)/ Indian Railways & its PSUs/Metro/DFC/Other Railways (as the case may be).

- ii. The type test report shall be submitted to RDSO for approval/acceptance.
- iii. The non-acceptance of the type test report (completely or partially) shall necessitate the type testing of the new item (completely or partially, as the case may be).
- iv. In case the type testing is to be conducted, following shall be followed;
 - a) The Contractor shall submit the detailed test plan along with the internal test report of the item under consideration to the Authority consisting of the tests to be conducted/verified against test certificates (TC), procedure and acceptance/rejection criteria. The procedure and acceptance /rejection criteria should be supported by the Indian/international standards as applicable.
 - b) The test plan accepted by RDSO shall be forwarded to nominated testing agency as per Para 5.0 of this guideline for witnessing the type test.
 - c) Accordingly, the Type test schedule along with internal test reports shall be submitted to the nominated testing agency as per Para 5.0 of this guideline at least 15 days in advance. The schedule shall contain the location and number of days required for testing of each tests.

5. TYPE TESTING AGENCY

RDSO or any other reputed agency approved by RDSO for witnessing the type tests.

6. TYPE TEST RESULTS

- i. The final type test certificate of the item shall be issued by the RDSO or nominated testing agency as the case may be.
- ii. In case the alternate design/product has failed during the type testing, if the vendor desires for re-testing of same sample or re-testing of improved sample, he may do so by submitting the details of technical explanation and corrective actions taken.

7. CHARGES OF THE TYPE TESTING

Type testing charges shall be borne by the contractor.

8. MAKE IN INDIA POLICY

- i. Make in India Policy regarding Public Procurement issued by Department of Promotion and Industry and Internal Trade (DPIIT), Ministry of Commerce and Industry vide order no. P-45021/2/2017-PP(BE-II) dated 16.09.2020 (Enclosed at Annexure-7), Railway Board letter no. 2020/RS(G)/779/2/Pt.1 dated 25.09.2020 (Enclosed at Annexure-6), Railway Board Letter no. 2015/RS(G)/779/5(Vol.III) dated 19.02.2021 (Enclosed as Annexure-5), Public Procurement Policies/Orders issued for business with countries that share land boundaries with India and other relevant policies shall be applicable.
- ii. As per Railway Board Letter no. 2015/RS(G)/779/5(Vol.III) dated 19.02.2021 (Enclosed as Annexure-5), Para 3.0 except short neutral section assembly for all items/material used in Railway Electrification, only class I local suppliers shall be eligible to bid and supply, irrespective of the purchase value, shall also be applicable for cross acceptance.
- iii. However, in case OEM manufacturing is based outside India, the transfer of technology (TOT) is also permitted as per the following particulars;
 - a. The manufacturer (OEM) shall transfer technology to any Indian firm for manufacture and supply of 100% quantity used in the project. However, for Short Neutral section assembly, up to 50% of the required quantity may be supplied by OEM and remaining, i.e. more than 50%, has to be supplied through TOT.
 - b. The Provenness criteria of OEM i.e. foreign based firm (item installed in India or abroad) shall be accepted subjected to certification under Annexure-1.
 - c. The OEM should have technology tie up with the Indian manufacturer and has signed a Joint Deed of Undertaking (Format enclosed as Annexure-8), by the OEM, the contractor and Indian Equipment Manufacturer/Indian Partner.
 - d. Indian Equipment Manufacturer/Indian Partner undergoing with TOT for the supply of offered product by OEM should meet the requirement of "Class-I local supplier" for that item as mentioned in Para 8 (i) above.
 - e. In order to ensure satisfactory transfer of technology, the OEM shall provide following:
 - (i) Design drawings
 - (ii) Manufacturing drawings.
 - (iii) Process sheets for Manufacture
 - (iv) Inspection and Quality Management procedures
 - (v) Complete Material Specifications
 - (vi) Jigs and Fixtures

- (vii) List of Machinery and Plants along with their functional specifications, which are needed for manufacture
- (viii) Manufacturing supervision
- (ix) Inspection by OEM's representative
- (x) Extended Guarantee for 3 years for items proposed under cross acceptance after expiry of Defect Notification Period.
- (xi) Any other assistance, reasonably required.

Annexure-1**CRITERIA FOR THE SATISFACTORY PERFORMANCE**

1. The item should have already been in-use with satisfactory performance in one or more major world Railway(s)/ Indian Railways & its PSUs/Metro/DFC/Other Railways, for more than 5(five) years from the date of bid opening for the same or higher design speed/rating of equipment offered.
2. The provenness performance of quantity, 02 numbers or required quantity for 100 Track Kilometres, whichever is higher, shall be provided as per following format by competent official of end user.

Format for the submission of the performance certificate for provenness

Equipment description with design speed/ rating									
Quantity (in figures)									
Governing Specification									
Past application history of the equipment									
SN	Model no.	Batch/ Lot no. (as applicable)	Serial no. of equipment	User Rly/ Authority	Station/ Location/Section	Date of commissioning	Date of start of commercial service	Details of Failures till date	Remarks/ Observation

Note:

- i. All the above details shall be provided/certified by the competent official of end user. It would be responsibility of contractor to ensure that certificate submitted is issued only from competent official of certifying organisation.
- ii. Name, Designation, Phone & Fax Nos. and address of the Official certifying the performance feedback should be clearly mentioned.

Annexure-2

GOVERNMENT OF INDIA (भारत सरकार)
MINISTRY OF RAILWAYS (रेल मंत्रालय)
RAILWAY BOARD (रेलवे बोर्ड)



No: 2021/Elect(Dev)/225/44

New Delhi, Dated: 09.12.2021

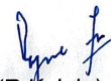
Director General,
RDSO,
Manak Nagar,
Lucknow.

Sub: Cross Acceptance Criteria to new design/specification for AC traction system.

Indian Railways (IR) has adopted 25 kV AC traction system based on SNCF design in 1959. The technological development in traction is a continuous process. The speed of Freight and Passenger trains are increasing day by day. There is need to match the suitable traction system for growing need of traffic requirement on Indian Railways.

2. There is need to upgrade speed to 160 kmph on GQ/GD route as requirement of train speed is increasing day by day so there may be need to allow new design equipment on traction system.
3. 2x25kV system has also been adopted on New Delhi-Hawrah and New Delhi-Mumbai route to upgrade traction system. Recently Dedicated Freight Corridors are commissioned with 2X25 kV AT system where new equipment have been used based on RDSO report TI/REPORT/OHE/0081 (07/2010). RDSO has recommended areas related with alternative design and technology for 2x25 kV DFCC projects and has suggested approved methodology for technology induction on IR (para 11.2 of RDSO report).
4. The new items will be required for 2x25 kV traction system/existing 25 kV traction system which will required to be developed by Railways in short span time in future. There is necessity to fast track process of approval on the basis of cross acceptance criteria for the items used on upgradation of existing 25kV traction system to 2x25 kV traction in Indian Railways.
5. New EPC document have been issued by Railway Board vide letter no. 218/CE-I/CT/36-EPC Contract Policy Pt-1 dated 15.11.221 for New Electrification works and for 2x25 kV upgradation works. The para Clause 6 of Schedule D and Para 2 of Annex I (Schedule D) of EPC document allows alternative specifications and standards/deviations from the Specifications & Standards. The new items shall comply provisions of Cross Approval policy of the Railway Board.
6. Signaling Directorate of RDSO has framed cross acceptance policy for new signaling items which has been approved by Railway Board.

7. RDSO is advised to frame cross acceptance criteria for new items of 25 kV AC and 2x25 kV AC system for new items/new specifications for Railway Board approval.
9. PED/TI, RDSO shall frame Cross Acceptance Criteria for new items used for traction Installation system and submit to Railway Board by 20.12.2021.



(R.K.Jain)

Principal Executive Director Elect.Engg(Dev)
Railway Board

Copy to:

AM/Traction, Railway Board – for kind information please.

Annexure-3

TI/IN/0044
16/12/21

अनुसंधान अभिकल्प और मानक संगठन
(कर्षण संस्थापन निदेशालय)

No.EDTI /Misc/21

Dated, the 16th December, 2021.

Sub : Cross Acceptance Criteria to new design/specification for AC traction system.
Ref : Railway Board's letter No. 2021/Elect(Dev)225/44 dated 09.12.2021.

Railway Board has issued instructions to RDSO for preparation of Cross Acceptance Criteria to new design/specification for AC traction system.

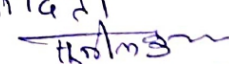
The issue is related with all the four groups of TI Directorate and deals with the policy of vendor approval hence, it is proposed to nominate a committee of the following officers for preparation of the above document.

1. Shri G.P. Katiyar, DTI-3 (Convener)
2. Shri A.K. Yadav, DTI/Civil
3. Shri Arvind Koomar, JDIT-1
4. Shri Girraj Kishore, JDIT-2

Committee should submit the report by 20.12.2021.


(भारद्वाज चौधरी)
कार्यकारी निदेशक / क.सं.

प्रधान कार्यकारी निदेशक / क.सं.

Nomination अनुमोदित।

16/12/21

Annexure-4



भारत सरकार Government of India
रेल मंत्रालय Ministry of Railways
(रेलवे बोर्ड Railway Board)



No.2018/CE-I/CT/36-EPC Contract Policy Pt.-1

New Delhi, Dated: 15.11.2021

As per Mailing List

Sub: Standard EPC Tender Document for Single Stage Two Packet System
Ref: Railway Board's letters No. 2018/CE-I/CT/36-EPC Contract Policy dated 29.10.2019, 15.11.2019, 08.05.2020, 28.05.2020 & 24.08.2021

The documents for Request for Proposal (RFP) and Standard Engineering, Procurement and Construction Contract (EPC) Agreement for Single Stage Two Packet System of Tendering, were uploaded on IR website www.indianrailways.gov.in/railwayboard>>“About Indian Railways”>> “Railway Board Directorates” >> “Civil Engineering” >> “EPC Tender document (Single Stage)”, vide Railway Board's letter of even number dated 29.10.2019. Later on, the same was amended vide letters dated 15.11.2019, 08.05.2020, 28.05.2020 & 24.08.2021.

2. The 'Standard Engineering, Procurement and Construction (EPC) Agreement for Railway Projects' has further been amended by the Board (MI, MF, CRB&CEO) duly incorporating all the amendments issued earlier and the same is available on above IR website.

3. This issues with the concurrence of Finance Directorate of Ministry of Railways.

Prem Sagar
15.11.21
(प्रेम सागर गुप्ता)

कार्यपालक निदेशक सिविल इंजीनियरिंग(जी)/रेलवे बोर्ड
[Rly No. 030-44803, MTNL No.-011-23383379]
e-mail address :edceg@rb.railnet.gov.in

Copy forwarded for information to :

1. The Deputy Comptroller & Auditor General of India (Railways), Room No. 224, Rail Bhawan, New Delhi
2. The PFAs, all Indian Railways

Shruti

For Member Finance

LIST FOR DISTRIBUTION (Letter No. 2018/CE-I/CT/36-EPC Contract Policy dated 15.11.2021)

1. General Managers, All Indian Railways & Production Units
2. General Manager (Con), N.F. Railway, Guwahati
3. General Manager /CORE, Allahabad.
4. Chief Administrative Officers (Con), All Indian Railways (Except N.F. Railway)
5. Principal Chief Engineers, All Indian Railways

(A)

1. CAO, COFMOW, Tilak Bridge, New Delhi
2. Principal CAO, Diesel Loco Modernization Works, Patiala (Punjab)
3. CAO (Workshop Projects), Chamber Bhawan, Judge's Court Road, Anta Ghat, Patna-800001, Bihar

(B)

1. Director General, RDSO, Manak Nagar, Lucknow
2. Director General, NAIK, Vadodara
3. Director, IRICEN, Pune - 411 001 (Maharashtra)
4. Director, IRIEEN, PB No.-233, Nasik Road-422101 (Maharashtra)
5. Director, IRISSET, Taa Naka Road, Lalla Guda, Secunderabad-500017
6. Director, IRIMEE, Jamalpur Distt-Jamalpur, PIN-811214 (Bihar).
7. Director, IRITM, Sarswati Residential Estate, IRITM Campus, Manak Nagar, Lucknow

(C)

1. MD, CONCOR, Concor Bhawan, C-3, Mathura Road, Opp. Apollo Hospital, New Delhi- 110076.
2. IRCON International Limited, C-4, District Centre, Saket, New Delhi- 110017
3. MD, RITES Ltd., RITES Bhawan, Plot No.1, Sector-29, Gurgaon.
4. CMD, RVNL, August Kranti Bhawan, Plot No.25, 1st Floor, Bhikaji Cama Place, New Delhi.
5. MD, MRVC Ltd., Churchgate Station Bldg, Mumbai- 400020
6. CMD, KONKAN Railway Corporation Ltd, Rail Bhawan, New Delhi-110001.
7. MD, DFCCIL, 5th Floor, Pragati Maidan Metro Station Building Complex, New Delhi-110001
8. MD, RLDA, Near Safdarjung Railway Station, Moti Bagh, Phase-I, New Delhi- 110021
9. MD, CRIS, Chanakyapur, New Delhi.
10. CMD, RailTel Corporation of India Ltd, Plot No. 143, Institutional Area, Sector-44, Gurgaon - 122003.
11. CME, IROAF, 12th Floor, Core-I, Scope Minar, Distt. Centre, Laxmi Nagar, Delhi- 110092
12. Managing Director, IRFC Limited, UG Floor, East Tower, NBCC Place, Bhisham Pitamah Marg, Lodhi Road, Pragati Vihar, New Delhi.
13. CMD, IRCTC Ltd., B-148, 11th Floor, Statesman House, Barakhamba Road, New Delhi 110001
14. CMD, Braithwaite & Co. limited, 5 Hide Road Kolkata 700043.

Copy to:**(A)**

1. General Secretary, IRCA, DRM Office, New Delhi.
2. General Secretary, AIRF, Rail Bhawan, New Delhi
3. General Secretary, NFIR, Rail Bhawan, New Delhi
4. General Secretary, IRPOF, Rail Bhawan, New Delhi
5. General Secretary, FROA, Rail Bhawan, New Delhi
6. General Secretary, AIRPA, Rail Bhawan, New Delhi
7. General Secretary, AISC & STREA, Rail Bhawan, New Delhi
8. The Secretary, RBSS, Group (A) Offices Association, Rail Bhawan
9. The Secretary, RBSS, Group (B) Offices Association, Rail Bhawan
10. General Secretary, RBSSS Association, Rail Bhawan
11. The Secretary, RBMSA, Rail Bhawan
12. The Secretary, Railway, Group (D) Employees Association, Rail Bhawan

(B)

1. Concerned PSO for kind information of Chairman cum CEO, M/Infra, M/T&RS M/O&BD, M/Finance, Railway Board
2. Chief Vigilance Officers, All Indian Railways.
3. DG(RHS), DG(RPF), AM(CE), AM(Works), AM(B), AM(Elec.), AM(RS), AM(ME), AM(Tele), AM/C&IS, AM(Sig.), AM(Plg.), PED(B&S), PED(Vigilance), PEDCE(P), EDCE(G), EDTK(M&MC), EDCE(B&S), EDF(X)-I, EDF(X)-II, ED(Works), EDW(Plg.), ED/Project(Mon.), ED(L&A), ED(PSU), EDVE, ED(Safety), ED(SP), ED(Tele), EDRS(G), EDRE, EDEE(G), EDFE, EDE(N), ED(Accounts), ED/T&MPP, EDME(Chg.), EDME(Frt.), ED/Plg., JS(conf), JS(P), JS(G), JS(D), Vigilance-III, Vig(Conf) of Railway Board.

Annexure-5

भारत सरकार BHARAT SARKAR
रेल मंत्रालय MINISTRY OF RAILWAYS
(रेलवे बोर्ड RAILWAY BOARD)

No. 2015/RS(G)/779/5(Vol.III)

नई दिल्ली New Delhi, Dated: 19.02.2021

The General Managers, All Indian Railways/PUs, NF(C), CORE
The DG/RDSO/Lucknow, NAIR/Vadodara,
PCAO, DMW/Patiala, COFMOW
CAO, WPO/Patna, RWP/Bela.

**Sub.: Implementation of Public Procurement (Preference to Make in India) Order, 2017 –
Notification of RE items under para-3(a) of PPP-MII Order.**

**Ref.: (i) DPIIT, Ministry of Commerce and Industry Order No.P-45021/2/2017-PP(BE-II)
dated 16/09/2020
(ii) Railway Board's letter no.2020/RS(G)/779/2 Pt.I dated 25-09-2020.**

- 1.0 Para-3(a) of the Public Procurement (Preference to Make in India) Order, 2017 (as amended) issued vide reference above, stipulates as under-

"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."
- 2.0 Government has desired that Ministries/Departments shall expeditiously issue notification for the items where there is sufficient local capacity and competition and where public procurement shall be done only from 'Class-I local suppliers' under clause 3(a) of PPP-MII, Order, 16/09/2020. Additionally, nodal ministry has been permitted (vide Para 5 of the same order) to increase minimum local content requirement for categorization of vendor into Class-I and Class-II local supplier.
- 3.0 **Railway Board has reviewed and considered that sufficient local capacity and local competition exist for all the material/items used in Railway Electrification as they are indigenously manufactured and supplied except short neutral section assembly which is an RDSO approved item. It has, therefore, been decided that in respect of these items only Class I local suppliers shall be eligible to bid and supply, irrespective of the purchase value. It has been further decided that the minimum local content for the local supplier, of the above item, to be categorized as 'Class-I local supplier' shall be 50%.**
- 4.0 Requirement of a vendor to be a Class I local supplier (self-certification by bidder as per PPP-MII order 2017, as amended), to be considered for ordering of item (s) detailed in para - 3.0 above, shall be a mandatory condition in addition to other qualifying criteria, including status of approval with respective vendor approving agencies,

-2-

etc., which may be applicable for purchase of the item. Suitable eligibility criteria shall be added in the tenders by procuring agencies. Suitable condition should also be inserted in tenders calling attention of vendors, clearly indicating that in keeping with the Public Procurement (Preference to Make in India) Order, 2017, as amended, it has been found that there is sufficient local capacity and competition in supply of the tendered item of required quality and therefore public procurement of the item is restricted to Class I local suppliers only and the vendors who do not qualify to be Class I local suppliers should not quote in the tender as their offers shall not be considered for any ordering. In case any vendor who does not qualify to be a Class I local supplier for the tendered item participates in the tender it does so at its own risk and cost and Railways shall not be liable for any loss or damage caused to the vendor.

This is issued with the approval of Railway Board (M(TRS)).


(Chandan Kumar)
Director Railway Stores/IC
Railway Board

Copy to:

1. PCMMs, PCEs, PFAs, CMEs, CEEs, CSTE, All Indian Railways & PUs, RCF/RBL/NDLS, COFMOW, CORE, WPO and RWP/Bela
2. Sr. Prof. (Material Management), NAIR, Vadodara, Executive Director (Stores), RDSO, Lucknow
3. MD, CRIS, Chanakyapuri, New Delhi
4. MD, RITES, RITES Bhavan, Sector-29, Gurugram
5. Director, Iron & Steel, 3, KoilaGhat Street, Kolkata
6. Chief Commissioner, Railway Safety, Lucknow
7. Zonal Railway Training Institute, Sukadia Circle, Udaipur
8. The Genl. Secy., AIRF, Room No. 248, & NFIR Room No. 256-C, Rail Bhavan
9. The Secy. Genl., IRPOF, Room No. 268, FROA, Room No. 256-D & AIRPOA, Room No. 256-D Rail Bhavan.

Copy for information to: Joint Secretary, Department for Promotion of Industry and Internal Trade (DPIIT), Udyog Bhawan, New Delhi.

Copy to:- PSOs/Sr. PPSs / PPSs / PSs to :

1. MR, MoS(R)
2. CRB and CEO, M/TRS, M/Infra, M/OBD, MF, Secretary/Railway Board, DG (RHS), DG (RPF), DG/HR
3. All AMs, PEDs & Executive Directors of Railway Board

Annexure-6

भारतसरकार GOVERNMENT OF INDIA
रेलमंत्रालय MINISTRY OF RAILWAYS
(रेलवेबोर्ड) (RAILWAY BOARD)

No.2020/RS(G)/779/2/Pt.1

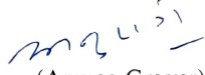
New Delhi, dated: 25.09.2020

The General Managers, All Indian Railways/PUs, NF(C), CORE
The DG/RDSO/Lucknow & NAIR/Vadodara
Principal CAOs, DMW/Patiala, WPO/Patna, RWP/Bela, COFMOW/NDLS
CMDs/All Railway PSUs, KRCL, MRVC

Sub: Public Procurement (Preference to Make in India) Order, 2017 – Revision.
Ref: (i) Railway Board's letters No.2015/RS(G)/779/5 dated 03.08.2017, 08-05-2018,
26-06-2018, 07/08/2018, 26/08/2019, 04/05/2020, 26/05/2020 & 03/06/2020.
(ii) Railway Board's letter No. 2020/RS(G)/779/2 dated 12.06.2020.

In reference to the above, the revised 'Public Procurement (Preference to Make in India) Order, 2017' has been issued by the Ministry of Commerce and Industry (Department for Promotion of Industry and Internal Trade) vide their Order No. P-45021/2/2017-PP (BE-II) dated 16.09.2020, which is enclosed for guidance and implementation/compliance. The decisions of the Ministry of Railways on certain matters as required by the Policy and already issued vide Board's letters under reference, unless superseded, will continue to apply.

DA: as above.


 (Anurag Grover)
 Deputy Director Railway Stores(G)
 Railway Board

No. 2020/RS(G)/779/2/Pt.1

New Delhi, dated:25.09.2020

1. PFAs, All Indian Railways & PUs, etc.
2. The PCMMs, PCEs, PCMEs, PCEEs, PCSTEs, All Indian Railways & PUs, RCF/RBL/NDLS, COFMOW, CORE, WPO and RWP/Bela
3. MD, CRIS, Chanakya Puri, New Delhi
4. Sr. Prof. (Materials Management), NAIR, Vadodara
5. Executive Director (Stores), RDSO, Manak Nagar, Lucknow
6. Director, Iron & Steel, 3, Koila Ghat Street, Kolkata
7. Chief Commissioner of Railway Safety, Lucknow
8. Zonal Railway Training Institute, Sukadia Circle, Udaipur
9. CMDs/MDs, RITES, IRCON, IRFC, CONCOR, KRCL, CRIS, IRCTC, RailTel, RVNL, MRVC, RCIL, DFCCIL, Burn Standard, Braithwaite.

Copy to:- PSOs/Sr. PPSs/PPSs/PSs to

1. MR, MoS(R)
2. CRB, MF, M/Infra, M/TRS, M/O&BD, SECY., DG/HR, DG/RHS, DG/RPF.
3. All AMs, PEDs and All Executive Directors of Railway Board.

Annexure-7

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

Udyog Bhawan, New Delhi
 Dated: 16th September, 2020

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

'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.

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- 2 -

'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'*.

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 procurements 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.

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- 3 -

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

(b) In the procurements 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 procurements 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.

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- 4 -

- (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, procurements 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.
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

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- 5 -

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. 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.
 - d. 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.
 - e. Nodal Ministries and procuring entities may prescribe fees for such complaints.
 - f. 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.

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- 6 -

- g. 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 9h below.
- h. 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 procurements 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.

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- 7 -

- 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.

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- 8 -

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.

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

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- 9 -

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.

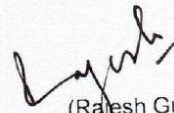
17. **Functions of the Standing Committee:** The Standing Committee shall meet as often as necessary, but not less than once in six months. The Committee

- 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.



(Rajesh Gupta)
Director

Tel: 23063211

rajesh.gupta66@gov.in

Annexure-8**JOINT DEED OF UNDERTAKING BY THE ORIGINAL EQUIPMENT MANUFACTURER ALONGWITH THE CONTRACTOR AND INDIAN EQUIPMENT MANUFACTURER/INDIAN PARTNER**

THIS DEED OF UNDERTAKING executed this day of
Two Thousand and by

M/s., a Company incorporated under the laws of and having its registered Office at (hereinafter called the "Original Equipment Manufacturer", which expression shall include its successors, executors and permitted assigns),

And

M/s., a Company incorporated under the Indian Companies Act of 1956 and having its Registered Office at (hereinafter called the "Indian Equipment Manufacturer/Indian Partner", which expression shall include its successors, executors and permitted assigns),

Through

M/s., a Company incorporated under the laws of and having its Registered Office at (hereinafter called the "Contractor", which expression shall include its successors, executors and permitted assigns),

In favour of Railway

WHEREAS:

1. The "..... Railway" has invited a bid as per its Tender Specification No..... for the execution of (Insert name of the package along with project name).
2. The "Contractor" at the time of bidding has submitted its bid to the "..... Railway" vide proposal No. dated.....for the said package and accepted by the "..... Railway", resulting into a contract (hereinafter called the "Contract").
3. The "Contractor" has selected "Original Equipment Manufacturer" along with its "Indian Equipment Manufacturer/Indian Partner", for the supply of Equipment in line with the Clause No....., Section, of Volume..... forming part of the contract.
4. Under the provisions of the contract for the supply of the Equipment, the "Original Equipment Manufacturer" will supply _____ Nos. of Equipment "Indian Partner" will supply _____ Nos. of equipment.

NOW THEREFORE THIS UNDERTAKING WITNESSETH as under:

- 1.0 Without in any way affecting the generality and total responsibility in terms of this Deed of Undertaking, the Contractor, Indian Equipment Manufacturer /Indian Partner and the Original Equipment Manufacturer to ensure:
 - i. Design of the Equipment manufactured in India shall be identical to the design of equipment to be manufactured and supplied by the Original Equipment Manufacturer.
 - ii. Adequate up gradation of the facilities including quality systems at Indian works.
 - iii. Training to staff of Indian Equipment Manufacturer/Indian Partner and certification to its trained personnel to carry out each activity.
 - iv. Active involvement of Original Equipment Manufacturer expert in various stages of manufacturing of equipment/complete assembly, quality assurance and testing for the first unit of the Equipment at Indian Partner's works.
 - v. Manufacturing and Quality assurance process of Indian Equipment Manufacturer/ Indian Partner shall be same as that of Original Equipment Manufacturer.
 - vi. Specification of raw material and specification of major bought out components shall be same as that of Original Equipment Manufacturer.
 - vii. Timely supply of the said equipment shall be ensured.
 - viii. If necessary the Original Equipment Manufacturer shall advise the Indian equipment manufacturer/Indian Partner and/or Contractor suitable modifications of designs and implement necessary corrective measures to discharge the obligations under the Contract.
- 2.0 This Deed of Undertaking shall be construed and interpreted in accordance with the laws of India and the Courts in (Place of court to be decided by Zonal Railway) shall have exclusive jurisdiction in all matters arising under the Undertaking.
- 3.0 We, the Original Equipment Manufacturer/Contractor and/or The Indian Equipment Manufacturer/Indian Partner agree that this Undertaking shall be irrevocable and shall form an integral part of the Contract and further agree that this Undertaking shall continue to be enforceable till the Railway discharges it.

IN WITNESS WHEREOF the Original Equipment Manufacturer, The Indian Equipment Manufacturer/Indian Partner and/or the Contractor have through their Authorised Representatives executed these presents and affixed Common seals of their respective Companies, on the day, month and year first above mentioned.

WITNESS

(For Original Equipment Manufacturer)

Signature

(Signature of the authorized representative)

Name

Name

Office Address

Common Seal of Company

WITNESS

(For Indian Equipment Manufacturer/Indian Partner)

Signature

(Signature of the authorized representative)

Name

Name

Office Address

Common Seal of Company

WITNESS

(For Contractor)

Signature

(Signature of the authorized representative)

Name

Name

Office Address

Common Seal of Company

Note:

1. The non-judicial stamp papers of appropriate value shall be purchased in the name of executants parties and the date of purchase should not be later than six months of date of execution of the Undertaking.
2. The Undertaking shall be signed on all the pages by the authorised representatives of each of the partners and should invariably be witnessed.

Annexure-9



GOVERNMENT OF INDIA (भारत सरकार)
MINISTRY OF RAILWAYS (रेल मंत्रालय)
RAILWAY BOARD (रेलवे बोर्ड)



No. 2021/Elect(Dev)/221/45

New Delhi, Dated: 18.02.2022

Communication No.- S51

Director General(TI),
RDSO,
Manak Nagar,
Lucknow 226011

Sub: Cross Acceptance Criteria for the New Items/Design/Specification.

Ref: Your Office Letter No. NIL dated: 31.01.2022.

Cross Acceptance Criteria for the New Items/Design/Specification received vide letter under reference has been approved by the Board (M/T&RS) with following modifications.

Para No.	As proposed by RDSO	As modified by Railway Board
3 (ii)	This guideline shall be applied for evaluation & acceptance of alternative products which are not as per the specification of RDSO but are already in use with satisfactory performance in one or more major Indian/World Railway(s) system.	This guideline shall be applied for evaluation & acceptance of alternative products for which there is no RDSO specification but are already in use with satisfactory performance in one or more major Indian/World Railway(s) system
4.4	In case the offered new items/design/specification is accepted by the Authority, the proposal along with documents/details mentioned in para 4.1 above, in support of justification shall be submitted to RDSO/Competent Authority (as decided by Railway Board) for final approval.	In case the offered new items/design/specification is accepted by the Authority, the proposal along with documents/details mentioned in para 4.1 above, in support of justification shall be submitted to RDSO for final approval.
4.5	The decision of RDSO/Competent Authority (as decided by Railway Board) for the acceptance/rejection of the new items/design/ specification shall be final and binding.	The decision of RDSO for the acceptance/ rejection of the new items/design/specification shall be final and binding.
4.7 ii.	The type test report shall be submitted to RDSO/Competent Authority (as decided by Railway Board) for	The type test report shall be submitted to RDSO for approval/ acceptance.

[Signature]
18/02/2022

4.7 iv b).	The test plan accepted by RDSO/Competent Authority (as decided by Railway Board) shall be forwarded to nominated testing agency as per para 5.0 of this guideline for witnessing the type test	The test plan accepted by RDSO shall be forwarded to nominated testing agency as per para 5.0 of this guideline for witnessing the type test.
5.	RDSO or any other reputed agency nominated by Authority as his representative for witnessing the type tests.	RDSO or any other reputed agency approved by RDSO for witnessing the type tests

RDSO is advised to issue Cross Acceptance Criteria to all concern for implementation on Indian Railways.



(Dr. Ram Niwas)

Director Electrical Engineering (Development)
Railway Board