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

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

New Delhi, dated 19.12.2018

The General Managers, All Indian Railways/PUs, NF(C), CORE The DG/RDSO/Lucknow & DG/NAIR/Vadodara CAOs, DMW/Patiala, WPO/Patna, COFMOW/New Delhi MDs/All Railway PSUs, KRCL, MRVC

Sub: Public Procurement (Preference to Make in India) Order – 2017 as amended on 28th May, 2018 (PPP-MII Order).

Ref: Railway Board letter No. 2015/RS(G)/779/5 dated 03.08.2017 and 26.06.2018.

Please refer to Public Procurement (Preference to Make in India) Order, 2017, as amended on 28th May, 2018, issued by Railway Board vide letters under reference. As per the Clause 10 (b) of the PPP-MII Order, "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 local suppliers who would otherwise be eligible, beyond what is essential for ensuring quality or creditworthiness of the supplier."

Domestic manufacturers have been raising grievances to Railway Board and Department of Industrial Policy & Promotion, Ministry of Commerce & Industry that, in few tenders floated by Railways and its PSUs, certain items only of foreign make are approved/specified for supply causing exclusion of Indian Brands of such items. Similarly, some local manufacturers have alleged that imported Telecom/IT Software/Hardware items of specific make/model are being procured by various procuring agencies of Railways and its PSUs. It has also come to notice that some tender documents specifically mention foreign brands. Indicating foreign make/brand in a tender even where sufficient local capacities and capabilities exist, and thereby excluding local manufacturers from participation, is violative of PPP-MII Order.

In view of the above, all concerned are advised not to mention any foreign make/brand (except for PAC items) in either direct procurement or for procurement through EPC/Turnkey/Works Project tenders, as per guiding principles laid down in GFRs. Instead, broad based generals technical specifications stated in terms of functional requirements and performance standards alone should be indicated in the tenders.

In order to ensure that there are no violations of the aforementioned policy of the Government of India, you are called upon to examine all the under-process/due-for-opening tenders afresh and ascertain full compliance of subject instructions. It is pertinent to mention here that any violations of these instructions are mandated to be dealt with by initiating strict action against deliberate/inadvertent defaulters.

Notwithstanding any earlier confirmation submitted by Zonal Railways/PUs/Units about compliance of PPP-MII Order, a fresh compliance may be furnished after full review as aforesaid, within 15 days of the issue of this letter.

(V.P. Pathak)
Director General (RS)

Copy to:

ME, MTR, MRS, MT, MS, FC, DG(S&T)
CRB – For kind information

Copy to: Secretary, DIPP, Ministry of Commerce & Industry, Udyog Bhawan, New Delhi-110011