भारत सरकार BHARAT SARKAR रेल मंत्रालय MINISTRY OF RAILWAYS रेलवे बोर्ड RAILWAY BOARD नई दिल्ली New Delhi

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

The General Manager, All Indian Railways/PUs, NF(C), CORE The DG/RDSO/Lucknow & NAIR/Vadodara CAOs, DMW/Patiala, WPO/Patna, COFMOW/NDLS, RCF/RBL/NDLS CMDs of PSUs, RVNL, KRCL

Sub.:

Public Procurement (Preference to Make in India) Order 2017

Ref.:

Rly Bd. Letter No. 2015/RS(G)/779/5, dt 03.08.2017

(ii) Rly Bd. Letter No.2011/RS(G)/779/9, dt 06.12.2017

1.0 Vide letter referred at (i) above, instructions for implementation of Public Procurement (Preference to Make in India) Order 2017, were issued for compliance. Some of the Railways/ PUs have submitted the compliance also.

- 2.0 The subject order provides for constitution of a Standing Committee to oversee its implementation. The Standing Committee, while reviewing implementation of the order, during its meeting held on 6th December, 2017, observed that "some of the government institutions/ autonomous bodies/ PSUs/ JVs/ companies etc. had included certain restrictive conditions in the bid documents, which were highly discriminatory against the domestic manufacturers."
- 3.0 Secretary, Department of Industrial Policy and Promotion, has conveyed the following message from the Office of Prime Minister:
 - "It is very disturbing that the broad message has not been appreciated by various Departments. It should be the responsibility at the highest level in each Department to ensure that the tender conditions are strictly in sync with the public procurement order and each tender must be examined from the point of view of the interest of Indian manufacturers."
- 4.0 The Standing Committee has further clarified the following:

 "It is clarified that Public Procurement (Preference to Make in India) Order 2017 is not limited in its scope to mere supply of either goods or services alone, and that the contracts for **procurement of works** are also covered by this order as construction contracts entail rendering of both goods and services during course of execution."
- 5.0 Regarding restrictive and discriminating terms and conditions against domestic manufacturers, attention is drawn to para 3.9.1(c) of Standing Committee minutes which is reproduced below:
 - "3.9.1 c) Evolve an internal system of vetting the restrictive and discriminating terms & conditions against domestic manufacturers especially included in tenders or pre-qualification bids or expressions of interest floated by them or their Attached/ Subordinate Offices, Autonomous Bodies, PSUs, JVs with State Governments and JVs formed among Central PSUs."
- 6.0 In the light of above, it is reiterated that the instructions as contained in the subject order, as circulated by Railway Board, may be followed in letter and spirit, duly modifying tender conditions, where considered necessary. Compliance should be reported to Railway Board.

(Kanwalpreet) DRS/IC Railway Board

Dated: 27.12.2017

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

- 1. PFAs, All Indian Railways & Production Units
- 2. The ADAI(Railways), New Delhi
- 3. The Directors of Audit, All Indian Railways

Dated: 27.12.2017

(Kanwalpreet) DRS/IC Railway Board

- Dated: 27.12.2017
- 1. PCMMs, PCEs, CMEs, CEEs, CSTEs, All Indian Railways & PUs, RCF/RBL/NDLS, COFMOW, CORE, WPO and RWP/Bela
- 2. The Directors
 - a. Indian Railway Institute of Sig. Engg. & Telecom, Secunderabad
 - b. Indian Railway Institute of Mech. & Elec. Engg., Jamalpur
 - c. Indian Railway Institute of Elect. Engg., Nasik
 - d. Sr. Prof. (Material Management), NAIR, Vadodara
 - e. Indian Railway Institute of Civil Engg., Pune
 - f. Indian Railway Institute of Traffic Management, Lucknow
- 3. MD, CRIS, Chanakya Puri, New Delhi
- 4. MD, RITES, RITES Bhavan, Sector-29, Gurugram
- 5. Director, Iron & Steel, 3, KoilaGhat Street, Kolkat
- 6. Executive Director (Stores), RDSO, Lucknow
- 7. Chief Commissioner, Railway Safety, Lucknow
- 8. Zonal Railway Training Institute, Sukadia Circle, Udaipur

(Kanwalpreet)
DRS/IC
Railway Board

Dated: 27.12.2017

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

Copy to:

1. The Genl. Secy., AIRF, Room No. 248, & NFIR Room No. 256-C, Rail Bhavan

2. The Secy. Genl., IRPOF, Room No. 268, FROA, Room No. 256-D & AIRPFA, Room No. 256-D Rail Bhavan

(Kanwalpreet) DRS/IC Railway Board

Copy to:- Sr. PPSs / PPS / PS to:

- 1. MR, MoS(S), MoS(G)
- 2. CRB, FC, ME, MTR, MRS, MS, MT, SECY., DG(RS), DG(S&T), DG(Personnel), DG (RHS), DG (RPF)
- 3. All AMs, PEDs & Executive Directors of Railway Board