Ref.: DPIIT, Ministry of Commerce and Industry Order No.P-45021/2/2017-PP(BE-II) dated 16/09/2020.

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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 exists for the following item(s):

Item - 1

"Design, development, manufacture, supply, testing and commissioning of microprocessor controlled IGBT based 3-phase propulsion equipment including transformers, lightning arrestors, converters, motors, train control and management system (TCMS), pneumatic system comprising of air compressor, circuit breakers, pantograph with concomitant accessories, cables, driver desk with all equipments, lighting system including fans, circuit breakers, parking brake equipment, Brake blending, Load weighing sensors, passenger information and communication system,"
inter-vehicular couplers, Speed indicating cum recording system, cab air-conditioning unit, networking system including CCTV cameras, cable transit system, cable trays, HT room filters, earthing switches, coach display units, interface equipments with laptops, special tools for assembly/disassembly of various assemblies, supervision of installation and training for MEMU (On Board) conforming to applicable RDSO and other specifications.

Item - 2

"Design, development, manufacture, supply testing and commissioning of microprocessor controlled IGBT based 3-phase propulsion equipment including transformers, lightning arrestors, converters, motors, train control and management system (TCMS), oil pumps and oil cooling blowers, pneumatic system comprising of air compressor, circuit breakers, pantograph with concomitant accessories, cables, driver desk with all equipments, shunting desk with all equipments, lighting system including fans, circuit breakers, parking brake equipment, APC receiver, Brake blending, Load weighing sensors, passenger information and communication system, inter-vehicular couplers, Speed indicating cum recording system, air filters, cab air-conditioning unit, networking system including CCTV cameras, cable transit system, cable trays, earthing switches, coach display units, interface equipments with laptops, special tools for assembly/disassembly of various assemblies, supervision of installation and training for EMU (On Board) conforming to applicable RDSO and other specifications."

It has, therefore, been decided that in respect of above 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 60%.

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 RDSO approval 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 (MTRS).

(Praful Kumar)
Joint Director Railway Stores/G
Railway Board

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