

**GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
(RAILWAY BOARD)**

No. 2004/TK-II/22/11/5(Shifting)

New Delhi, Dt. 19-02-2021

**Principal Chief Engineers,
All Zonal Railways.**

Sub: Revised Policy for concrete sleeper plants on Indian Railways.

Ref: Railway Board letter No.2004/Tk-II/22/11/5(Shifting)dt. 05.12.2019

In supersession of above referred letter, following instructions are being issued on the above subject with the approval of Board (M/Infra & MF).

1.0 In order to obtain most competitive rates of PSC sleepers and to have a wider vendor base the policy of PSC sleeper procurement has been reviewed thoroughly, with the aim of increasing transparency, competition with quality products. Ease of doing business in a fair, transparent and competitive manner is also important and has been taken care in revised policy. With these objectives following important features have been incorporated in the subsequent paragraphs:-

- i) Any firm with a certain eligibility can apply on RDSO portal for setting up a CSP and post RDSO certification obtain status of a developmental plant. All such developmental plants shall be eligible to bid in IR concrete sleeper tenders.
- ii) Any existing sleeper plant can shift to any new location.
- iii) As CSPs are to be certified by RDSO, technical eligibility criteria has been dispensed with.

1.1 Policy on Shifting of Sleeper Plants

There should not be any approval required from Railway Board for inter-Railway shifting of any existing Indian Railway sleeper plant to anywhere in India, however subject to fulfillment of following stipulations:

1.1.1 All existing contractual obligations from the present location of the plant shall have to be complied with by the same contractor.

1.1.2 A contractor planning to shift its CSP to a new location shall need to submit an application along with an undertaking to the zonal railway

where its plant is located. The undertaking should bind the existing contractor to comply with all its pending contractual liabilities from the current location of its plant.

1.1.3 Concerned Zonal Railway (where the plant is located at present), based on such application and undertaking from the contractor (present owner of the Concrete sleeper plant) shall permit shifting of the plant to any new location within India.

1.1.4 CSP (if on Railway land) shall complete all formalities of termination of land lease/license agreement and handing over the land to concerned Railway authorities.

1.1.5 At the new location, Railway shall have no liability (whatsoever) for providing land/ other necessary clearances, required for setting up the plant. The concrete sleeper plant at the new location is allowed on private land only. Required siding would also have to be developed at firm's cost, however required connectivity from existing railway yard at new location shall be facilitated as per the extant rules, by the concerned zonal railway.

1.1.6 The above procedure is only for inter-Railway shifting of concrete sleeper plants. For shifting of concrete sleeper plants within the Zonal Railway, procedure as per Railway Board's letter No.2004/Track-II/22/11/5 dtd. 22.02.2006 is to be followed.

1.2 Policy on setting up of New Concrete Sleeper Plant (CSP)

There should not be any approval required from Railway Board for setting up any new Concrete Sleeper plant in any where in India. However following stipulations are to be fulfilled.

1.2.1 Zonal Railways shall be asked to carry out an exercise of availability and requirement/demand of main line PSC concrete sleepers on the Railways every 2 years or as needed. During this exercise, Zonal Railway deficient in sleeper production shall be identified based on the gap between available latest rated capacity of CSPs (as per calculation of RDSO) and average sleeper demand for next 2 year period. An extra margin in sleeper requirement of 30% more than the demand in each zonal railway over next 2 years is proposed to be kept. This extra margin is considered to provide for extra capacity on all zonal railways for ensuring better competition as well as guarding against any sudden spike in demand due to sanction of more projects in a particular year or failure of one or more CSPs. Based on such

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exercise Zonal Railways shall be asked to submit sleeper demand statements. Only those Zonal Railways will be treated as deficient, which have projected average demand (with 30% extra margin discussed above) for 2 year period, more than the total rated capacity of CSPs in that Zonal Railways. The "Deficient Railway Zones" thus identified shall be advised by Railway Board to RDSO and all Railways for publishing on RDSO's website.

- 1.2.2 Any firm satisfying the qualifying requirements laid down in subsequent paragraphs is allowed to setup new CSP at any location to serve Railway sleepers requirements with an intention of supplying PSC sleepers from a location nearby consumption centers so that the cost of freight of sleepers is limited. Railways will give preference and priority (in terms of giving early inspections and approvals by RDSO) to firms desirous of setting up concrete sleeper plants in deficient Railways as identified in para 1.2.1 above. This is done to encourage new firms to setup concrete sleeper plants in deficient Railways as Railways will gain in terms of lesser freight by setting up of new concrete sleeper plants. However, firms are free to setup concrete sleeper plants anywhere in India without the need of advance approval from Railways.
- 1.2.3 Firms desiring to setup new concrete sleeper plants in either a deficient Railways or any other Railway can submit proposal on a customized RDSO's web-portal. The details of deficient Railways also will be available on this portal.
- 1.2.4 The Concrete Sleeper plant at the new location should be set up on private land only. Required siding would also have to be developed at firm's cost, however required connectivity from existing railway yard shall be provided as per the extant rules, by the concerned zonal railway.
- 1.2.5 Firms desiring to setup new CSPs have to approach RDSO by application on a customized web-portal for setting up of new CSP along with compliance of latest STR, IR Specification for manufacturing of PSC sleepers, their Quality Assurance Plan (QAP) and layout plan of the proposed CSP. RDSO will scrutinize the proposal and approve for setting up of new CSP first as a Developmental Plant after necessary inspections and scrutiny.

1.2.6 Qualifying Requirements:

Firms desiring to setup new CSPs shall fulfill the following eligibility criteria which shall be scrutinized by RDSO:

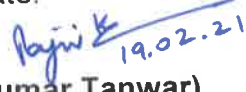
- (a) The firms should be of sound financial standing and should have a total turnover of at least Rs. 10 crores from all business activities in any of the preceding 3 financial years. In support of financial standing, necessary document as per latest instructions to be submitted.
- (b) The firms shall be financially solvent for at least Rs. 1.50 crores and a certificate to this effect issued by a Scheduled Bank shall be enclosed with the tender.

Other terms and Conditions:

- 1.3 The term new CSP would mean CSP being set up at a new geographic location whether a new plant or a shifted plant. For shifting of concrete sleeper plants within the Zonal Railway, procedure as per Railway Board's letter No. 2004/Track-II/22/11/5 dtd. 22.02.2006 is to be followed.
- 1.4 New CSPs would require to offer sleepers duly loaded in railway wagons from a rail siding. New CSPs are required to develop such sidings at their own cost. Necessary connectivity from an existing yard shall be facilitated as per the extant rules in this regard.
- 1.5 New CSPs to have minimum production capacity of 2.4 lakh PSC BG line sleepers per annum.
- 1.6 Tenders for procurement of PSC mainline sleepers for Indian Railways requirements shall continue to be centralized from one procuring agency. The procurement shall continue based on Open Web based-Online-Tenders considering sleeper prices on Ex-Works/Ex-plant basis.
- 1.7 Once RDSO certification as a developmental CSP is available to a Concrete Sleeper Plant (CSP) for any category of PSC Sleeper, that CSP shall become eligible for all types of concrete sleepers requirements of all Railway zones and these plants are eligible to participate in all sleepers tenders of Railways as Developmental Plants.
- 1.8 After setting up of a new Concrete Sleeper Plant (CSP) at new location, its RDSO certification would be mandatory, to qualify as a Developmental Plant, eligible to participate in sleeper procurement tenders.

- 1.9 During tendering process of mainline PSC sleepers from centralized procuring authority as the product of New CSPs is not yet tested/proven, these will qualify as Developmental Plants. A suitable initial quantity of PSC sleepers till stabilization of production would have to be passed by RDSO.
- 1.10 Quantity of sleepers allocation on sleeper plants including the developmental plants shall be based on a competitive web based open online tendering process, including electronic reverse auction (e-RA).
- 1.11 RDSO shall issue detailed guidelines based on above principles for up gradation from Developmental to proven/regular category for all types of PSC sleepers required on Indian Railways.
- 1.12 RDSO shall be certifying all concrete sleeper plants every 2-3 years and only RDSO certified plants will be eligible for supplying sleeper to Indian Railways.
- 1.13 RDSO and Railways may even take help of RITES and accredited third parties approved by National Accreditation Board for Certification Bodies(http://nabcb.qci.org.in/accreditation/reg_bod_fsms.php) for inspection and certification processes, with onus of such inspections/certification from accredited laboratories/third parties on the sleeper manufacturers. Costs for all such quality tests and costs of certifications have to be borne by the concerned CSPs. However, final responsibility of quality and approvals shall rest with the RDSO and Railways only.
- 1.14 Once the Developmental Plants are certified Proven/Regular/Approved by RDSO based on extant RDSO rules/guidelines these will become eligible for the bulk/regular orders.

This issues with the concurrence of the Finance Directorate.


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C/-DG/RDSO for information and necessary action.

No. 2004/TK-II/22/11/5(Shifting)

New Delhi, Dt.19-02-2021

Copy for information and necessary action to:

1. The PFAs, All Indian Railways.
2. FS(II) Branch, Railway Board, New Delhi.
3. Directors of Audit, All Indian Railways/PUs.


For Member Finance