## Make in India gets metro boost; local procurement made mandatory

75% of metro cars, 25% of critical equipment and subsystems to be produced in the country

Several signaling equipment also to be procured indigenously

Metro companies to undertake in-house maintenance and develop local expertise

Rolling stock and signaling equipment norms standardized covering 90% of imports

Mandatory Tender Conditions to encourage Make in India brought into immediate effect

Eligibility criteria for suppliers also to be standardized in two weeks

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With rapid expansion of metro rail projects in the country, Ministry of Urban Development has taken several far reaching decisions to promote Make in India campaign. These include stipulating certain mandatory conditions to be incorporated in Tender Documents of metro companies for procurement of metro cars and related critical equipment and sub-systems, procurement of only Made in India signaling equipment besides standardizing technical parameters for rolling stock (metro coaches) and signaling equipment.

The new mandatory Tender Conditions and standardized norms for a wide range of equipment, approved by the Minister of Urban Development Shri M.Venkaiah Naidu have been circulated to all the metro companies on Friday this week making them effective immediately.

These initiatives will incentivize setting up manufacturing facilities in the country by increasing the volumes of procurement of rolling stock and all kinds of equipment by removing variations in the present technical norms for rolling stock and signaling equipment. This will in turn result in reduction of cost through economies of scale.

The Ministry has stipulated the following mandatory conditions to be incorporated in Tender Documents:

- 1.Minimum 75% of the tendered quantity of metro cars shall be manufactured indigenously with progressive indigenization of content, for which the contractor may either establish independent manufacturing facility in India or partner with Indian manufacturers, if the procurement is more than 100 cars;
- 2.To facilitate ease in maintenance through easy availability of spares beyond the warranty period, an identified list of critical equipment and sub-systems shall be included in the Tender Document for ensuring indigenous manufacturing of a minimum of 25% of such equipment, either by Original Equipment Manufacturers themselves by establishing a wholly owned subsidiary in India or through Indian manufacturers;



- 3. Requirement of metro cars at State level shall be clubbed to enable applicability of local procurement norms; and
- 4.To develop in-house expertise on long term basis, metro companies with large size fleet to undertake in-house

A total number of 1,912 metro coaches are currently operational in the country with another 1,420 under procurement. Over the next three years more than 1,600 metro cars would be required. Each metro coach is estimated to cost about Rs.10 cr.

The Ministry has concluded the long pending standaridisation of norms for rolling stock and signaling equipment applicable to over 90% of the present imports. Further, to promote indigenous manufacturing, the Ministry has stipulated procurement of 9 types of signaling equipment from within the country. Metro companies have also been directed to develop maximum possible local competence so that knowhow and technical support is available within the country. Indian companies have to be associated with production of a wide range of signaling and train control project equipment.

Indigenization of several metro functions has also been prescribed. These relate to communication systems, managing operational disturbances, time table preparation, fault reporting, control traction power, maintenance, infrastructure supervision, rolling stock management etc.

The new standardized norms prescribe that the rolling stock and related equipment and systems shall enable Unattended Train Operations, Driverless Train Operations, Standard rail gauge of 1,435 mm, Metro cars with body width of 2.90 meters for passenger capacity of up to 45,000 Peak Hour Peak Distance capacity, body width of 3.20 meters for capacity above 45,000 PHPD, only 3 car, 6 car or 9 car rail combination, operational speed of 80 kmph, minimum 67% motorization for all rolling stock etc. Norms have also been prescribed for Acceleration Rates, Energy Consumption, Noise and Vibration levels, Collision Standards etc.

Further to these initiatives, Ministry of Urban Development will soon evolve common eligible criteria for suppliers of rolling stock and other equipment doing away with the present variations across different metro companies.

Shri Rajiv Gauba, Secretary(UD) discussed with Managing Directors of metro companies on Friday the variations in the present eligibility criteria. Noting that such variations adversely impact competition, he directed that a broadly uniform criteria in respect of Net Worth, Financial and technical capacities and experience of supply of rolling stock and other equipment etc should be evolved in two weeks.

Presently, metros are operating in 7 cities of Delhi, Kolkata, Mumbai, Jaipur, Gurgaon, Bengaluru and Chennai with a total route length of 326 kms. Metro projects with a total route length of 546 kms are under construction in 11 cities and projects with a total route length of 903 kms in 13 cities are under consideration.

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