

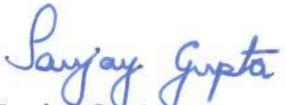
EIL's Initiatives towards

'Make in India' - A campaign towards Nation Building

EIL has been in the forefront of promoting Indian industry for scaling greater heights on a sustained basis. It is a matter of great pride and privilege, that through the concerted efforts of **Team India led by EIL in the Hydrocarbon Sector**, the indigenous component **over the past four decades** has enhanced gradually **from 10% to 90% in Refineries, from almost negligible to 60% in Petrochemicals and Gas Processing Facilities**. This certainly, could not have been possible **without the combined efforts of EIL and its vendors who have continuously engaged themselves in creativity and innovation to lay the footprints to sustain progressive indigenisation**. 1000+ Indian vendors enlisted with EIL, today, are a force to reckon with and are not only serving the domestic industry, but are also fully equipped to supply equipment and materials of **International quality in the overseas markets**.

While sustaining the momentum of indigenisation, **the Make in India campaign** has added further fillip to the endeavours being made by Team India alongwith EIL, hitherto. While, EIL has been, otherwise also contributing to development of indigenous industry and simultaneously import substitution through a number of measures taken from time to time, **it has now been decided to encourage indigenisation through the enclosed policies, whereby, while ensuring the quality of products, the Indian industry would get a strong boost for enhancing their product profile. This would not only result in progressive import substitution but also prepare the Indian industry to be able to cater to overseas markets with a wider product portfolio**. In our opinion, this is a significant move forward and we eagerly look forward to the Indian companies to **take the benefit of this renewed policy initiative**.

We reckon that **Make in India initiative could be a trend setter of sorts** and shall enable the opportunity to fill the void, for reaching **higher levels of indigenisation and quick post award service** and ensuring more laurels for India Inc.


Sanjay Gupta
15-1-16

EIL initiative towards Make In India Campaign
Enlistment policy for Equipment
For Indian suppliers which are 100 % owned Subsidiaries of Foreign Principals

Qualification Criteria for Principal:

- The principal shall be in the business of manufacturing of the product line (for at least last five years) for which the Indian supplier is seeking enlistment.
- The Principal shall already be enlisted with EIL for the same product line.
- The Principal shall have executed at least two orders for the same product line within the last five years, reckoned from the date of supplier's application for enlistment.

Qualification Criteria for Supplier:

- Supplier must be a 100% owned subsidiary of the Foreign Principal for at least last one year, reckoned from the date of suppliers application for enlistment.
- Scope/activity matrix between subsidiary and Principal shall be submitted to EIL upfront for information. However, EIL shall reserve the right to mandate certain activity(ies) or sourcing to be from identified sources only depending upon the product line under consideration and its criticality. The principal and the supplier jointly shall ensure progressive indigenisation of the equipment.
- Supplier demonstrates that he has the necessary capability and adequate infrastructure comprising of space, manpower, equipment corresponding to matrix cited above, for the product line under consideration.
- Supplier shall have executed and supplied minimum two orders in the same product line.
- Supplier shall have appropriate engineering facility, corresponding to matrix cited above, duly approved by principal
- Supplier shall have Manufacturing / Assembly/ testing facility for the range applied for enlistment, however, in the remote case of the subsidiary either not having testing facility at all or not having appropriate testing facility, the supplier shall outsource testing to another independent testing facility subject to acceptance by EIL.
- Supplier shall source critical components or bare tested machine from the principal and source non critical components/ auxiliary supplies himself.
- Supplier shall have an established service facility in India which must be approved by Principal.
- In order to ensure continued support and Back up by the principal from designing to commissioning of the product, the principal shall provide a Back-up Bank Guarantee for 10% of the estimated order value within one month of receipt of each of the first two orders respectively of a project handled by EIL as a consultant or as a contractor from an Indian scheduled bank or the Indian branch of a foreign bank. This will be in addition to any other guarantee/ bank guarantee required from the supplier in any bidding document.
- The supplier shall provide extended warranty of 18 months from commissioning.

