

GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
RAILWAY BOARD

No.2010/H/4/1/1

New Delhi, dated: 19.03.2018

Principal Chief Medical Directors
All Indian Railways
&
Chief Medical Officers
All PUs (including RDSO, Lucknow).

Sub: Procurement of Drugs/Pharmaceutical products including products of CPSE through e-Marketplace (GeM).

Ref: Railway Board's letter No: 88/RS(G)/779/14 Pt. dated 22.09.2017 (copy enclosed).

M/s Karnataka Antibiotic & Pharmaceuticals Limited had requested Board for implementation of Pharmaceutical Purchase Policy, 2013 framed by Ministry of Chemical & Fertilizer (Department of Pharmaceuticals). In this background, a group of officers comprising of Medical, Stores and Finance Directorate was advised to go into the issue & to submit suggestions.

After careful consideration in the matter and taking into consideration the suggestions of the group of officers, the Competent Authority in the Ministry of Railways has decided that the provisions contained in Board's letter cited under reference should also be made equally applicable for purchase of Pharmaceutical products.

All zones/PUs are desired to act accordingly.

This has the approval of Director General (RHS).


19/03/18

(Dr. Amitava Dutta)
Executive Director/Health
Railway Board

60

भारत सरकार / GOVERNMENT OF INDIA
रेल मंत्रालय / MINISTRY OF RAILWAYS
(रेलवे बोर्ड / RAILWAY BOARD)

No: 88/RS(G)/779/14 Pt.

New Delhi, dated: 22.9.2017

The General Manager, All Indian Railways/PUs, NF(C), CORE
The DG/RDSO/Lucknow & NAIR/Vadodara
CAOs, DMW/Patiala, WPO/Patna, COFMOW/N. Delhi, RWP/Bela
CMD/MDs, All Railway PSUs

Sub. : Procurement of common use Goods and Services through
Government e-Marketplace (GeM).

- Ref. : (i) Railway Board's letter No.88/RS(G)/779/14 Pt. dated 06/01/2017
(ii) Railway Board's letter No. 88/RS(G)/779/14 Pt. dated 27/07/2017
(iii) Ministry of Finance O.M. No. F.26/4/2016.PPD dated 20.09.2016
(copy enclosed).
(iv) Department of Commerce O.M No. Reforms/Regn/Govt.Buyer/1/
2016 -GeM dated 09/12/2016 (copy enclosed).
(v) Department of Commerce O.M No. Reforms/Regn/Govt.Buyer/1/
2016-GeM dated 06/02/2017 (copy enclosed).

In supersession to this office letter referred at (ii) above, following guidelines are issued
on the subject matter:

- 1.0 Rule 149 of General Financial Rules (GFR) - 2017, issued by Ministry of Finance
legislate as under :

Government e-Market place (GeM): DGS&D or any other agency authorized by the
Government will host an online Government e-Marketplace (GeM) for **common use
Goods and Services**. DGS&D will ensure adequate publicity including periodic
advertisement of the items to be procured through GeM for the prospective suppliers.
The Procurement of Goods and Services by Ministries or Departments will be mandatory
for Goods or Services available on GeM. The credentials of suppliers on GeM shall
be certified by DGS&D. The procuring authorities will certify the reasonability of rates.
The GeM portal shall be utilized by the Government buyers for direct on-line purchases
as under :

- (i) Up to Rs.50,000/- through any of the available suppliers on the GeM, meeting
the requisite quality, specification and delivery period.
(ii) Above Rs.50,000/- and up to Rs.30,00,000/- through the GeM Seller having
lowest price amongst the available sellers, of at least three different
manufacturers, on GeM, meeting the requisite quality, specification and delivery
period. The tools for online bidding and online reverse auction available on GeM
can be used by the Buyer if decided by the competent authority.

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- (iii) Above Rs.30,00,000/- through the supplier having lowest price meeting the requisite quality, specification and delivery period after **mandatorily obtaining bids, using online bidding or reverse auction tool provided on GeM.**
- (iv) The invitation for the online e-bidding/reverse auction will be available to all the existing Sellers or other Sellers registered on the portal and who have offered their goods/services under the particular product/service category, as per terms and conditions of GeM.
- (v) The above mentioned monetary ceiling is applicable only for purchases made through GeM. **For purchases, if any, outside GeM, relevant GFR Rules shall apply.**
- (vi) The Ministries/Departments shall work out their procurement requirements of Goods and Services on either "OPEX" model or "CAPEX" model as per their requirement/ suitability at the time of preparation of Budget Estimates (BE) and shall project their Annual Procurement Plan of goods and services on GeM portal within 30 days of Budget approval.
- (vii) The Government Buyers may ascertain the reasonableness of prices before placement of order using the Business Analytics (BA) tools available on GeM including the Last Purchase Price on GeM, Department's own Last Purchase Price etc.
- (viii) A demand for goods shall not be divided into small quantities to make piecemeal purchases to avoid procurement through L-1 Buying / bidding / reverse auction on GeM or the necessity of obtaining the sanction of higher authorities required with reference to the estimated value of the total demand.

2.0 It has been decided that procurement of common use Goods and Services, available on GeM, should be done using the services of GeM. Seamless integration of GeM, IMMS and Railways' payment system (IPAS) is being actively pursued with GeM/DGS&D and CRIS to ensure full utilisation of services of GeM. Following guide lines are issued for successful implementation of procurement through GeM.

(a) **Delegation of purchase powers shall be as follows:**

Delegation of powers, authority for approval and limits thereof on such delegation or authority, as circulated vide Railway Board letter No.88/RS(G)/779/14 Pt. dated 06/01/2017(Refer Para 2.6, 2.7& 2.10) in relation to placement of purchase order for items available on DGS&D Rate contracts shall now apply for procurement of common use Goods and Services available on GeM, without going into the formalities of Tender Committee examination, as followed in existing system of placement of purchase order against DGS&D rate contracts.

(b) **Enrolment of Users (user includes indentor, purchaser, consignee, paying authority):**

- (i) Procedure, terms and conditions for enrolment of user is available on GeM website.

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- (ii) User can also refer to Department of Commerce Office Memorandum No. Reforms/Regn/Govt.Buyer/1/2016-GeM dated 09/12/2016 and dated 06/02/2017 (copy enclosed for ready reference).
- (iii) Users should continuously update themselves about these terms and conditions by regularly visiting GeM website.
- (iv) For procurement through GeM, IRS Conditions of Contracts will not be applicable.
- (c) Procedure for placement of contract through GeM has been detailed in the user manual available online on GeM website.
- (d) Bidding or Reverse Auction on GeM, as prescribed in Para 1 (ii) and (iii) above, shall be conducted by the purchase officer competent to accept the offer.
- (e) In case of failure of order placed through GeM, purchaser may, after recording detailed reasons, procure that item through normal procurement procedure, outside GeM. Such specific cases, where procurement of common use Goods or Services available on GeM, is done outside GeM, due to failure of vendor selected through GeM, shall be treated as if the said Goods or Services are not available on GeM. Such failures shall be reported to GeM.
- (f) If any Buyer want to include any Additional Special Terms and Conditions, over and above the General and Special Terms Conditions available in GeM, then the same have to be incorporated in the Tender /Bidding Process. However, the buyer has to ensure that there is no violation of General and Special Terms and Conditions for Sale/Purchase of Goods and Services in GeM.
- (g) **Placement of covering P.O. and Data porting to iMMS:** Pending integration of iMMS with GeM, procedure as is being followed for dealing with DGS&D Rate/Running contracts shall also be followed for placement of covering PO and data porting to iMMS, for procurement through GeM.
- (h) **Acceptance of Material:** Acceptance of material shall be governed by General Terms and Conditions for Sale/Purchase of Goods and Services on GeM and Ministry of Finance Office Memorandum no. F.26/4/2016.PPD dated 20/09/2016 (copy enclosed for ready reference), and additional special terms and conditions, if any, incorporated by the buyer in the Bidding Process.
- (i) **Payment:**
- (a) Procedure for payments to sellers/suppliers in GeM has been mandated and circulated by the Ministry of Finance vide O.M. no. F.26/4/2016.PPD dated 20.09.2016, which needs to be followed by Ministry of Railways and its PSUs.
- (b) Attention is also drawn to the **Para 13 of the General Terms and Conditions for Sale/Purchase of Goods and Services in GeM**, which is reproduced below:

Paying Authority and Payment Terms:

If the buyer is not using any on-line payment portal/method or integration of payment portal of buyer with GeM portal is not yet complete, Off-line

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payments can be made using existing payment methods of the buyer organization. However, the process up to bill-processing by Buyer will have to be completed on GeM portal itself and all e-signed documents available on GeM portal shall be accepted for such off-line processing of bills. There shall be no need for getting such documents signed by issuing authorities. Also the time lines prescribed for payment has to be adhered to even in case of off-line payments.

This is issued with the concurrence of Finance Directorate of Ministry of Railways.

J. C. Taneja
(J. C. Taneja)
Dy. Dir. Rly. Stores(G)-II
Railway Board

No: 88/RS(G)/779/14 Pt.

New Delhi, dated 22.9.2017

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

J. C. Taneja
for Financial Commissioner / Railways

No: 88/RS(G)/779/14 Pt.

New Delhi, dated 22.9.2017

1. PCMMs, PCEs, CMEs, CEEs, CSTE, 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, Koila Ghat Street, Kolkata
6. Executive Director (Stores), RDSO, Lucknow
7. Chief Commissioner, Railway Safety, Lucknow
8. Zonal Railway Training Institute, Sukadia Circle, Udaipur

J. C. Taneja
(J. C. Taneja)
Dy. Dir. Rly. Stores(G)-II
Railway Board

No: 88/RS(G)/779/14 Pt.

New Delhi, dated 22.9.2017

56

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

J. C. Taneja

(J. C. Taneja)
Dy. Dir. Rly. Stores(G)-II
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, Advisors & Executive Directors of Railway Board