The General Managers, All Indian Railways/PUs, NF(C), CORE
DG/RDSO/Lucknow, NAIR/Vadodara,
PCAO, DMW/Patiala, COFMOW
CAO, WPO/Patna, RWP/ Bela.

Sub.: Approval for GTE below Rs. 200 cr. from the competent authority.
Ref.: i. Railway Board’s letter No. 2015/RS(G)/779/5 dated 26/05/2020.
ii. Railway Board’s letter No. 2015/RS(G)/779/5 dated 03/06/2020.
iii. Railway Board’s letter No. 2020/RS(G)/779/2/Pt.1 dated 25/09/2020.

***

1. Vide letter dated 26-05-2020 (ref. i) Railway Board had communicated decision of the Government of India in restricting Global Tender Enquiry (GTE) upto a prescribed value. Vide letter dated 03/06/2020 (ref. ii), clarifications issued by Ministry of Finance, including the competent authority to approve such GTE, were circulated.

2. Public Procurement (Preference to Make in India) Order, 2017 mandates that Global Tender Enquiry is mandatory where the offers of vendors with local content less than 20% are proposed to be considered.

3. The matter has been reviewed by the Railway Board and it has been observed that:
   i. Due to decentralized procurement system followed on Indian Railways, an item requiring GTE at one unit shall require issue of GTE at other units also.
   ii. Certain spares of assemblies need to be procured through GTE, even though the assembly itself is available in India from sufficient Class I local suppliers. The PUs usually procure the assemblies and the spares are required for maintenance by other Railway Units.
   iii. In many cases the development of indigenous vendors is pending with vendor approving agencies.
   iv. There are cases where indigenous sources are available, however, procuring agencies apprehend lack of competition in case GTE is not issued.

4. In view of above, Railway Board has decided the following:
   i. For items where GTE is required to be issued, only a single nominated agency should be permitted to process, propose and issue GTE for combined requirement of all Railway Units.
   ii. Concerned vendor approving agencies shall consider cases for development of indigenous vendors on priority. Vendor approving authority officials (minimum SAG level) shall be part of the team presenting the case to Cabinet Secretariat. Comments of vendor approving agencies regarding developmental efforts shall be incorporated in proposal for GTE to Cabinet Secretariat.
iii. Spares which are required for maintenance, but are not procured separately by PUs: DLW shall be centralised for import of all spares/items of Diesel Locomotives, CLW for import of all spares/items for Electric locomotives, ICF for import of all spares/items for LHB and other coaches, CORE for import of all spares/items for RE requirements, CR for import of all spares/items for 140 Ton cranes, RWF for import of all spares/items for casting/forging processes for wheels and axles and ER for import of all spares/items for 120 Ton cranes. Even if the material is required for manufacture of rolling stock, these items will be procured by these centralised units only, even for items where individual GTE would have been more than Rs. 200 cr.

iv. Where there are local sources available with local content more than 20%, the Railways shall be required to justify why more indigenous sources could not be developed requiring need for GTE.

This is issued with the concurrence of Finance Directorate of Railway Board.

(Anurag Grover)
Dy. Director Railway Stores (G)
Railway Board

2020/RS(L)/779/1

New Delhi, dated 28/10/2020.

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

LIST FOR DISTRIBUTION
Directors of all CTls, CMDs /MDs of all Railway PSUs/ autonomous bodies/ societies, PCMMs, PCEs, PCMEs, PCEEs, PCSTEs, All Indian Railways & PUs, COFMOW, CORE, WPO/Patna and RWP/Bela
Sr. Prof. (Material Management), NAIR, Vadodara, Executive Director (Stores), RDSO, Lucknow
Chief Commissioner, Railway Safety, Lucknow
Zonal Railway Training Institute, Sukadia Circle, Udaipur

Copy to:
The Genl. Secy., AIRF, Room No. 248, & NFIR Room No. 256-C, Rail Bhavan
The Secy. Genl., IRPOF, Room No. 268, FROA, Room No. 256-D &AIRPOA, Room No. 256-D Rail Bhavan.

Copy to:- PSOs/Sr. PPSs / PPs / PSs / APSs to :
MR, MoS(R)
CRB & CEO, M(T&RS), M(Infra.), M(O&BD), M(F), SECY., DG(HR), DG (RHS), DG (RPF)
All AMs, PEDs & Executive Directors of Railway Board.