No. 2015/RS(G)/779/5(Vol.II)  New Delhi, dated: 19.02.2020

PCMMs,
ICF, RCF, MCF,
CLW, DLW, DMW & CORE.

Sub: Public Procurement (Preference to Make in India) Order, 2017 – Notification of government procurement projections for the next 3-5 years – reg.

Ref: Railway Board’s letter of no.2015/RS(G)/779/5(3) dated 10-01-2020.

The Government has attached the highest importance to growth of Indian Industry under Make in India Policy circulated vide Public Procurement (Preference to Make in India) Order, 2017 (revised Policy circulated vide Board’s letter dated 26.08.2019).

The Government has desired that steps be taken to encourage ‘Make in India’ and promote manufacturing and production of goods and services in India with a view to enhance income and employment.

An important aspect of vendor management system is ensuring sufficient number of domestic/Indian vendors having manufacturing facilities within the country. This is essential not only to have sufficient domestic competition but also to promote manufacturing within India, boost employment and enhance self sufficiency, and for overall growth of economy of the country.

Therefore, it has been decided that tentative procurement projections for next 3-5 years may be notified item-wise/item group-wise and uploaded on your website to enable industry to suitably set up/increase manufacturing capacity. To start with tentative procurement projections for high value items/item groups, having tendering value more than Rs.100 crores, may be considered for uploading on the website.

The activity may be completed by 28.02.2020 and advised to Railway Board.

(Manoj Kumar Gupta)
Executive Director Railway Stores (G)
Railway Board

1. The Government has attached highest importance to growth of Indian Industry under Make in India Policy circulated vide Public Procurement (Preference to Make in India) Order, 2017 (revised Policy circulated vide Board’s letter dated 26.08.2019).

2. The Government has desired that steps be taken to encourage ‘Make in India’ and promote manufacturing and production of goods and services in India with a view to enhance income and employment.

3. An important aspect of vendor management system is ensuring sufficient number of domestic/Indian vendors having manufacturing facilities within the country. This is essential not only to have sufficient domestic competition but also to promote manufacturing within India, boost employment and enhance self-sufficiency and for overall growth of economy of the country.

4. Study of the vendor directories of vendor approving agencies indicates that large numbers of items having less than two sources are appearing in the directory. It also indicates presence of some foreign companies as approved vendors. It has also come to notice that many Indian approved vendors are supplying foreign goods or goods having large foreign contents.

5. Indian Railways is continuously inducting new technologies and increasing asset creation at a fast pace. It needs growth of Indian Industry to meet our requirements.

6. Therefore, there is urgent need, especially under Make in India Policy of Government of India, to indigenize all the items, increase the local content of these items along with having sufficient number of Indian vendors with 50% and more local content.

7. Proactive actions must be taken in this direction, including insistence on Phased Manufacturing Programme from vendors for manufacturing within the country. One such example is vendor approval by RDSO for some of the signaling items on Cross Acceptance basis.

8. In addition, suitable mechanism for phased indigenization may also be developed in line with clause 13 of Make in India Policy for items being manufactured under
“license/technology collaboration agreements with phased indigenization” and details submitted to Board.

9. Procurement projections for such items for the next 3-5 years must also be notified and uploaded on your websites to enable domestic industry to suitably increase manufacturing capacity.

10. It is requested that the action in this regard may be completed in one month time and advised to Railway Board.

This is issued with the approval of Board(MMM)

(Praveen Kumar)
Joint Director Railway Stores(G)
Railway Board

No. 2015/RS(G)/779/5 (3)

1. PFAs, All Indian Railways & PUs
2. The DA(Railways), New Delhi
3. The PCMMs, PCEs, PCMEs, PCEErs, PCSTEs, PCCMs, PCOMs, PCPOs, PCMDs, CSCs, All Indian Railways & PUs, RCF/RBL/NDLS, COFMOW, CORE, WPO and RWP/Bels
4. The Directors:
   a. Indian Railways Institute of Sig. Engg. & Telecom, Secunderabad
   b. Indian Railways Institute of Mech. & Elect. Engg., Jamalpur
   c. Indian Railways Institute of Elect. Engg., Nasik
   d. Indian Railways Institute of Civil Engg., Pune
   e. Indian Railways Institute of Traffic Management, Lucknow
5. Sr. Prof. (Materials Management), NAIR, Vadodara
6. MD, CRIS, Chanakya Puri, New Delhi
7. MD, RITES, RITES Bhawan, Sector – 29, Gurugram
8. Director, Iron & Steel, 3, Kohla Chat Street, Kolkata
9. Executive Director (Stores), RDSO, Manak Nagar, Lucknow
10. Chief Commissioner of Railway Safety, Lucknow
11. Zonal Railway Training Institute, Sukadha Circle, Udaipur
12. CMDs/MDs & Equivalents, RITES, IRCON, IRFC, CONCOR, KRCL, CRIS, IRCTC, RailTel, RVNL, MRVC, RCIL, DFCCIL, , RLDA, Burn Standard, Braithwaite

(Praveen Kumar)
Joint Director Railway Stores(G)
Railway Board

Copy to:- PSO/Sr. PPS/PPS/PS to

1. MR, MoS(R)
2. CRB, FC, ME, MTR, MRS, MS, MT, MMM, MST, DG(Personnel), DG(RHS), DG(RPF), Secretary
3. All AMs, PEDs & All Executive Directors of Railway Board.

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