GOVERNMENT OF INDIA (BHARAT SARKAR)
MINISTRY OF RAILWAYS (RAIL MANTRALAYA)
RAILWAY BOARD

No. 2012/RS(S)/709/7


General Manager,
All Indian Railways and Production Units.

Sub: Improvement of e-auction on Indian Railways.

E-auction module developed by CRIS was introduced in the system on pilot project basis on 06.03.2012. Various suggestions have been received/discussed in meeting held in Railway Board, bringing out the difficulties/problems being faced and probable methods to resolve these issues in implementation of e-auction.

In this connection, a Committee comprising DRS(POL), GM/MMIS CRIS, DF(S)I, and Dy.CMM/EP Northern Railway was constituted to examine all aspects related to improvement in e-auction module. The recommendations made by the Committee, considered by EDRS/C & EDFS and as accepted by Adv.(RS) are given in Annexure-I.

The recommendations of the Committee as accepted by the Adv.(RS) may be implemented forthwith. Necessary modifications/ amendments to the auction conditions including adequate publicity may be ensured.

(A.V.K.M. RAO)
Dy. Director, Railway Stores (S)II
Railway Board.

Contd........2/-
Copy forwarded for information and necessary action to:-
1. The Controller of Stores, All Indian Railways and Production Units.
2. GM/MMIS/CRIS, Chanakyapuri, New Delhi-21.
3. Principal Chief Engineers, CSTEs, CEEs, C.M.E. All Indian Railways and Production Units.
4. Director General, RDSO, Lucknow.
5. Vigilance-IV, RS(G), FS II, Track and Mech.(W), M(N), M(C) & M(L) Branches in Railway Board’s Office.

(A.V.K.M. RAO)
Dy. Director, Railway Stores (S) II
Railway Board.

Copy forwarded to:-

1. FA&CAO, All Indian Railways and Production Units.
2. A.D.A.I., Railways, New Delhi. (with 10 spares).

For Financial Commissioner/Rlys.

Copy to:-

PPS/CRB, PPS/FC, PPS/MS, PPS/ME, PPS/MM, PPS/MT, PPS/ML & PS/Secy./RB., AM(CE), AM(W), AM(ME), AM(F), AM(RS), AM(EP), Adv.(Vig.), DG/RPF., EDV(S), EDF(S), EDCE(P), ED(W), EDME(Tr.), EDME(Chg.) EDME(Fr.), EDME(W), EDTT(M), EDRS(G), EDRS(S), EDRS(P), EDRS(C), EDME(Proj.), DFS-I & DDF(S) II.
RECOMMENDATIONS OF THE COMMITTEE COMPRISING DRS(POL), GM/MMIS CRIS, DF(S)I, AND Dy.CMM/EP N. Rly. TO SUGGEST WAYS & MEANS FOR IMPROVEMENT OF E-AUCTION ON INDIAN RAILWAYS AS ACCEPTED BY ADV.(RS).

(Enclosure to Board's letter No. 2012/RS(S)/709/7 dated 09 June 2013)

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<th>Para No.</th>
<th>Recommendation by Director level Committee, considered by EDRS/C &amp; EDFS, as accepted by Adv.(RS).</th>
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<td>3.1</td>
<td><strong>Constraint of number of lots</strong>&lt;br&gt;Committee deliberated all the aspects and recommend the following solution for the problem.&lt;br&gt;&lt;br&gt;i) The auction platform will be available for e-auction from 09:00 hrs. to 18:30 hrs. However, depot officer will be free to fix actual auction time within this slot.&lt;br&gt;&lt;br&gt;ii) Closing time for the first lot should be kept as 15 minutes from start of auction and the time interval between the closure of two lots must be kept as 5 minutes.&lt;br&gt;&lt;br&gt;iii) There should be provision of auto extension of one and a half minute in case any bid is received within last one minute of closing time/extended time.&lt;br&gt;&lt;br&gt;iv) Number of auto extensions to be increased to 9 (Nine) which is considered almost equivalent to unlimited auto extensions, being substantial, to provide opportunities for competition amongst bidders.&lt;br&gt;&lt;br&gt;This suggested system will ensure that in a day at the maximum 112 number of lots can be tried through e-auction with maximum permissible nine numbers of auto extensions, each of one and a half minute available to allow competitive bidding and also satisfying the condition of no two lots closing at a time.</td>
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<td>3.2</td>
<td><strong>Retrial of rejected lots</strong>&lt;br&gt;Committee is of the opinion to continue the existing system, of not allowing any reopening of auction catalog of rejected lots on that day, however, rejected lots can be tried in next schedule of auction.</td>
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3.3 **Acceptance of lot below reserve price**
Committee recommend to continue present practice of auto acceptance of highest bid above/equal to RP and rejection of any bid below RP.

3.4 **Simultaneous multiple lot bidding**
Committee recommends that bidding mechanism should be revised and designed in such a way that in one single window at least bidding activity of 4 lots is visible with facility of activating any lot by just click of mouse on that lot. In case the space at screen permits accommodating more lots, it can also be accommodated.

3.6 **Warning/alert system for unreasonably high bids**
Committee recommends that whenever bid by a bidder is higher than the last bid by more than 50%, system should display a warning message to the bidder for confirmation of the same before accepting it as a valid bid.

3.7 **Auto bidding mechanism**
Committee recommends continuing existing system where bidder has to bid every time with positive action for each bid.

4.0 **Acceptance of Balance Sale Value by e-auction module**
Committee recommends utilizing this facility by developing/activating acceptance of Balance Sale Value by e-auction module itself so as to expedite the process/mechanism for submission of BSV by the successful purchaser.

5.0 **Payment Gateway Mechanism with other banks**
SBI has been asked to develop process flow mechanism for the same and submit it to Northern Railway for early finalization of issue so as purchaser having account in other banks can participate in e-auction without making it mandatory to open the account with SBI, but routing the money through such process/mechanism through SBI.

Implementation of Paras 3.1, 3.2, 3.3, 3.4, 3.6 & 3.7 should not wait for the implementation of Para 4.0 & 5.0.

CRIS should be advised to give adequate publicity of the proposed changes on the website meant for such purpose.

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[Handwritten notes]