



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



No.2023/I & Trans. Cell /SOP-Commercial/ P

New Delhi, Dated: 19 .01.2024

The General Manager,
PCCM,
All Indian Railways

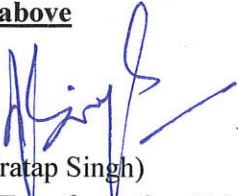
Subject: New item in SOP 2018 (Schedule of Powers) Part E - Commercial Matters


1. Policy for Commercial Earnings and NFR Contracts awarded through e-Auction was introduced vide Railway Board FMC 11 of 2022 (Railway Board's letter no. 2022/TC (FM)/10/04 dt 13.06.2022) and vide addendum FMC 15 of 2022 (technical eligibility criteria for catering units awarded through e-Auction). The relevant provisions of the e-Auction policy would be governed in terms of para-2 below.
2. A new item no. 65 "Commercial Earnings and NFR Contracts through e-Auction mode" has been introduced in SOP 2018, Part E – Commercial Matters.

This issues with the approval of Railway Board [Member (O&BD), Member (Finance) and the Chairman & CEO, Railway Board].

Kindly acknowledge receipt and ensure compliance.

Encl: As above


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New Delhi, Dated: 19.01.2024

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

Copy-As per list enclosed


(Rajat Agarwal)
for Member (Finance), Railway Board

Copy for information to:


1. The Director General, National Academy of Indian Railways, Vadodara.
2. The Director General, Indian Railway Institute of Civil Engineering, Pune.
3. The Director General, Indian Railway Institute of Mechanical and Electrical Engineering, Jamalpur.
4. The Director General, Indian Railway Institute of Signal Engineering and Telecommunications, Secunderabad.
5. The Director General, Indian Railway Institute of Electrical Engineering, Nasik.
6. The Director General, Indian Railway Institute of Transport Management, Lucknow.
7. The Executive Director, Indian Railways Centre for Advanced Maintenance Technology, Gwalior.
8. The Registrar, Railway Claims Tribunal, Delhi.
9. The Chief Commissioner of Railway Safety, Lucknow.
10. The Secretary, Railway Rates Tribunal, Chennai.
11. The Chairman. Railway Recruitment Board, Ahmedabad. Ajmer, Allahabad, Bangalore, Bhopal, Bhubaneswar, Chandigarh, Chennai, Gorakhpur. Guwahati, Jammu & Srinagar, Kolkata, Malda, Mumbai, Muzaffarpur, Patna, Ranchi, Secunderabad and Trivendrum.

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-A & AIRPFA, Room No. 256-D
Rail Bhavan

Copy to:

1. Advisor/MR, EDPG/MR, OSD/MR, OSD/Coord/MR, Additional PS/MR
PS/MoSR(D), EDPG/MoSR(D), EDPG/MoSR(J), Addl.PS/MoSR(J)
2. PSOs/Sr.PPSs/PPSs to CRB & CEO, M/O&BD, MF, M/TRS, M/Infra
3. All DGs, Secretary/RB, All AMs, PEDs, All EDs, Railway Board.
4. IG/P&TS, Railway Board.
5. RBCC, Room No. 476 for uploading on the website.


(Ambar Pratap Singh)
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Annexure-I
Schedule of Powers: Part E. Commercial Matters

S.No.	Nature of Powers		PHOD / HOD	DRM / ADRM	Divisional Officers & Headquarters Officers
1	2		3	4	5
65 (new item) SOP, Part E: Commercial Matters	Commercial Earnings and NFR Contracts through e-Auction mode.	(A) Administrative approval for creation / identification of assets for preparation of lots and inviting e-Auction	PHOD/CHOD: Full powers above Rs 100 Crore HOD: upto Rs 100 Crore	DRM: upto Rs 100 Crore	SG / JAG officers in HQrs and Sr DCM / DCM in independent charge in Divisions: upto Rs 5 Crore
		(B) Conducting e-Auction as Auction Conducting Officer (ACO)	Full powers		SG / JAG officers in HQrs and Sr DCM / DCM in independent-charge in Divisions: Full powers DCM: upto Rs 5 Crore (see *Footnote below)

Notes for Item No. 65:

- (i) **Information dissemination:** GoI's Manual on Procurement of Works (June 2022), requires that "there shall be no asymmetry of information as regard to any bidder" and that the "Transparency Principle" "involves simultaneous, symmetric and unrestricted dissemination of information to all likely bidders". **Auction Plan** to be given widest publicity - including details of the lots to be auctioned, location, contract performance required during the duration of the agreement, highlights, key aspects for successful bidding and contract performance / obligations, applicable terms and conditions etc. While starting the Auction process, the Auction Plan, (already given while giving wide publicity for the same), should be announced again for the benefit of the assembled bidders. ACOs are advised to be familiar with relevant topics / issues like: - Value for Money and Fundamental Principles of Public Procurement; Code of Integrity for Public Procurement; GFR (Rule 175) Code of Integrity.
- (ii) When the entire e-Auction is cancelled due to **non-turning up of the Bidder after winning the Bid** or failure to sign the contract agreement etc.: Such bidder/s would be temporarily suspended in terms of para 30.1 of Railway Board policy circular FMC 11 of 2022. The Bid shall be re-invited immediately (through e-Auction) with the revised reserve price equivalent to the 2nd best bid price obtained in previous e-Auction or the original/reassessed reserve price, whichever is higher.
- (iii) Wherever statutory liabilities and / or instructions e.g., on quota / reservation / ear-marking of specified lots etc. have to be mandatorily complied with, PCCMs may approve inclusion of the same in the list of documents to be uploaded as per para 1 of FMC 11/2022.
- (iv) **Termination due to non-performance:** In cases of termination due to non-performance on administrative / technical grounds, the reserve price would not be lower than the highest bid price in the previous / last e-Auction. However, in the event when a bid / agreement – that was awarded on e-Auction mode - is terminated on grounds of non-performance due to any other reason under provisions of the contract, the revised reserve price would be as mentioned at Note (ii) above i.e., Bid shall be re-invited immediately (through e-Auction) with the revised reserve price equivalent to the 2nd best bid price obtained in previous e-Auction (that was terminated due to non-performance) or the original/reassessed reserve price, whichever is higher.

[*Footnote: Reserve Price in all cases shall be determined by SG/JAG officers in HQrs or Sr DCM/DCM in independent-charge in Divisions.]

[Important Footnote: Any deviation from Note (ii) to (iv) above, would require the personal approval of GM with finance concurrence.]
