

**Government of India  
Ministry of Railways  
(Railway Board)**

No. 99/RS(G)/709/1

New Delhi, dated: 06-12-2007

The General Manager, All Indian Railways & PUs including NF(Const.).  
 The General Manager, CORE, Allahabad.  
 The General Manager, Metro Railway, Kolkata.  
 The Director General, RDSO, Lucknow and Railway Staff College, Vadodara.  
 CAO/DCW, Patiala and COFMOW, New Delhi.  
 CAO/MTP, Mumbai & Chennai,  
 CAO/MTP, NBCC Place, Bhishma Pitamah Marg, Pragati Vihar, New Delhi.  
 The MD, RITES, RITES Bhavan, Sector-29, Gurgaon.  
 The MD, Konkan Railway Corporation Ltd., Raigad Bhavan, 8<sup>th</sup> Floor, Sector-11,  
 CBD, Belapur, Navi Mumbai.  
 The MD, Mumbai Rail Vikas Corporation, 2<sup>nd</sup> Floor, Church Gate station Building,  
 Mumbai.  
 MD, CRIS, Chanakyapuri, New Delhi.

**Sub: Ordering on approved sources in Part-II.****Ref: Board's letter of even no. dated 05-05-2006**

During the discussions held in the 65<sup>th</sup> Periodical Conference of Controllers of Stores with Railway Board in Rail Bhawan, New Delhi on 2<sup>nd</sup> & 3<sup>rd</sup> of August 2007, Issue of ordering on Part II sources beyond 15% permitted vide letter under reference was discussed & deliberated in detail and it was decided to initiate a proposal for partial modification of the same. It was also seen that there were differences in views amongst COSs of various Railways & PUs in the tenders dealt with by them and also in the tenders dealt with in the Board's office. With a view to ensuring uniformity, Board decided to nominate a Committee of AMs of Engg., Electrical, Finance, Mechanical and Stores Directorate to review the aforesaid letter dated 05.05.2006 and put up their recommendations. Board has approved the recommendations of the Committee of AMs set up to propose suitable modifications to letter under reference.

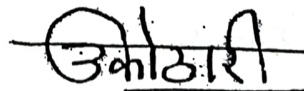
Accordingly,

a) Existing Para 2.0 of the said letter dated 05-05-2006 may be substituted by the following:-

"2.0 Ordering on Part II approved source with competitive price ranking can be considered beyond 15% in case that source has successfully executed a larger quantity order in the same Railway unit or other Railway units/PUs in the preceding 3 years. Successful executions will be signified by both quantitative and qualitative performance. Upper limit of quantity to be ordered on such a source will not exceed 25% of the

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Sanjeev Kumar

  
6/12

net procurable quantity in a given procurement case with another 5% on new source in deserving cases and with strict compliance of extant procedure on such educational ordering. That is to say, the ordering quantity on a Part II source can be up to 15% or the highest quantity of a past order, successfully executed in the preceding 3 years in the same Railway unit or other Railway Units/PUs, whichever is higher, subject to maximum of 25% of the net procurable quantity in the given procurement case."

b) Existing Para 3.0 of the said letter dated 05-05-2006 may be expanded by adding the following:-

"Aggregate quantity to be ordered on all Part-II approved vendors taken together, however, will not exceed 25% of the net procurable quantity, in a given procurement case."

c) Existing Tender conditions should be suitably modified to contain the following condition:

"All Part-II approved tenderers must submit attested photocopies of POs, inspection certificates and receipt notes / certificates related to the maximum quantity of the material under procurement, successfully supplied by them in any single order placed on them over the preceding three years by any Zonal Rly/PU. Such tenderers are to note that non-submission of such documents shall be taken as their not having any such past performance and their offers shall be considered further as per extant rules and no back reference in this regard will be made to them."

d) Railways/PUs should get the genuineness of the documents submitted by the tenderer(s) as per Para (c) above confirmed from the relevant Zonal Railway/ Production Unit before accepting these documents for decision making.

e) It is clarified that Para 2 of Board's letter dated 5.5.2006 relates to the L<sub>1</sub> Part-II approved tenderer and Para 3 relates to other Part-II approved tenderers whose rates are higher than that of L<sub>1</sub> Part-II approved tenderer. It is further clarified that competitive price ranking of the offers from Part-II approved tenderers (for application of Para 3 of Board's letter dated 5.5.2006) is to be adjudged with reference to the lowest rate received in the tender either from Part-II or from Part-I approved sources.

This issues with the concurrence of Finance Directorate of Ministry of Railways.

  
(Trilok Kothari)

Director Railway Stores(IC)  
Railway Board

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*Sanjeev Kumar*