The General Manager, All Indian Railways & PUs including NF(C).
The General Manager, CORE, Allahabad.
The General Manager, Metro Railway, Kolkata.
The Director General, RDSO, Lucknow & Railway Staff College, Vadodara.
CAO/Workshop Projects organization, 1st Floor, Chamber Bhawan, JC Road, Patna
CAO/DMW, Patiala and COFMOW, New Delhi.
CAO/RCF/RBL, Old TA Building, Kishanganj, Delhi.
MD/All Railway PSUs, KRCL, MRVC
CAO/All autonomous entity under Ministry of Railways

Sub: Cartel formation by approved vendors.


1. Railway Board circular No 2001/RS(G)/779/54 dt 05-08-2002 (two letters),
99/RS(G)/709/1 dt 03-05-2005, 2005/RS(G)/709/1 dt 17-11-2006, and
2001/RS(G)/779/4 dt 12-12-2006 relate to dealing with cartel situations as
indicated therein.

2. Vide Railway Board’s letter No. 2003/RS(G)/1 dated 19.10.2006. Railways
were advised that cases of cartel formation may also be reported to
Competition Commission of India.

3(i) Competition (Amendment) Act 2007 has since been notified by Govt. which
brings out detail provisions about non-competitive conduct by organizations.
The same is available on www.cci.gov.in. You are advised to apprise the
officers of the same.

3(ii) In this connection, in a case of suspected cartel formation, DMW/Patiala had
reported a matter to CCI. The case was investigated and CCI imposed
penalties on the companies at the rate of 2% of the average turnover of the
company which comes out to be Rs. 54.70 cr. for M/s Escorts Ltd., Rs. 5.70
cr. for M/s FTIL and Rs. 1.91 cr. for M/s Stone India Ltd. (CCI, Suo moto case
No. 03 of 2012). Detailed order of CCI is available on www.cci.gov.in.

4. In addition to the provisions given in above referred circulars, it is advised
that the issues related to contravention of provisions of Competition
(Amendment 2007) Act by vendors may also be assessed and CCI be
approached (wherever deemed fit) with complete facts/details for
consideration. Cases reported to CCI should be actively followed up and
represented in CCI.

(Santosh Mittal)
Dy. Dir. Rly. Stores(G)-I
Railway Board
No. 2001/RS(G)/779/4 Pt.I

Copy to:
1. FA&CAOs, All Indian Railways & Production Units.
2. PCEs, All Indian Railways & PUs, WPO/Patna, RCF/RBL, COFMOW, DMW
3. CMEs, CEEs, CSTEs, All Indian Railways & PUs, WPO/Patna, RCF/RBL
4. The ADAI(Railways), New Delhi (with 10 spares copies)
5. The Director of Audit, All Indian Railways.

(Santosh Mittal)
Dy. Dir. Rly. Stores(G-I)
Railway Board

No: 2001/RS(G)/779/4 Pt.I

Copy to:
1. The COSs, All Indian Railways & PUs including NF(C).
2. The COS, Metro Railway, Kolkata.
3. The COS, COFMOW, New Delhi.
4. The COS, CORE, Allahabad.
5. The COS, Konkan Railway Corporation Ltd., Belapur Bhavan, 4th Floor, Sector-11, CBD, Belapur, Navi Mumbai-400614
6. The COS, Mumbai Rail Vikas Corporation, 2nd Floor, Church Gate station Building, Mumbai-400020.
7. CMM/RCF/RBL, Kishanganj, Delhi.
8. COS, Workshops Project Organisation, Patna
9. The Directors-
   a) Indian Railway Institute of Sig. Engg. & Telecom, Secunderabad.
   c) Indian Railway Institute of Elect. Engg., Nasik.
   d) Sr.Prof. (Material Management), Railway Staff College, Vadodara.
   e) Indian Railway Institute of Civil Engg., Pune.
   f) Indian Railway Institute of Logistics & Materials Management, IDA House, Sector IV, R.K.Puram, New Delhi
10. Chairman, Railway Rates Tribunal, Chennai.
11. Director, Iron & Steel, 3, Koila Ghat Street, Kolkata.
12. Executive Director (Stores), RDSO, Manak Nagar, Lucknow.
14. ED(QA)/RITES, RITES Bhavan, Sector-29, Gurgaon, Haryana.
15. CPM, CRIS, Chanakyapuri, New Delhi.
16. GM(Procurement System), CRIS, Chanakyapuri, New Delhi.

(Santosh Mittal)
Dy. Dir. Rly. Stores(G-I)
Railway Board

No: 2001/RS(G)/779/4 Pt.I

Copy to:
1. The General Secretary, AIRF, 4 State Entry Road, New Delhi.
2. The General Secretary, NFIR, 3 Chelmsford Road, New Delhi.
3. The Secretary General, IRPOF, Room No. 268, Rail Bhavan, New Delhi
4. The Secretary General, FROA, Room No. 256-D, Rail Bhavan, New Delhi.
5. The Secretary General, AIRPFA, Room No. 256-D, Rail Bhavan, New Delhi.

(Santosh Mittal)
Dy. Director Railway Stores (G-I)
Railway Board

Copy to:- Sr. PPSs / PPS / PS to:
1. MR, MOS(R)(A), MOS(R)(K)
2. CRB, FC, ME, ML, MM, MS, MT, SECY., DG (RHS), DG (RPF)
3. All AMs and Advisors of Railway Board
4. All Executive Directors of Railway Board
5. All Directors of Elect., Engg., Finance, Mech., Stores, Signal & Telecom Dte. &
6. All Branches of Elect., Engg., Finance, Mechanical, Stores, Signal & Telecom Dte.