No. 2016/RS(M)/PACE/ Pt.1

New Delhi, Date: 06-09-2017

Principal Chief Materials Managers,
All Indian Railways and PUs

Sub-Mission PACE: Long Term Contracting with Reverse Auction-
Processing Tender cases in exigencies.

Ref: Railway Board’s letter No. 2016/RS(M)/PACE/Pt.-I Dtd. 05-07-2017

Vide Railway Board’s letter under reference, Zonal Railways were
categorized into four different clusters and instructions were issued for adopting
Long Term Contracting with Reverse Auction for identified high value items for the
combined quantity of identified items for the Zonal Railways in that cluster.

The purpose of forming clusters is to realise full benefits of long term price
agreement for bulk quantity, to fetch maximum possible savings.

It has, however, been brought to notice of the Board that nominated Railways
are still awaiting demands from other Railways in the cluster, which is delaying
procurement process for some items for all the Zones in that cluster.

Considering the fact that availability of items is of paramount importance, it
has now been decided that in case of exigencies, individual Zonal Railways should
go ahead with normal procurement of the items allotted to cluster so that operations/maintenance/outturn/planned work etc. of the Railways is not affected.

Tender cases already processed for cluster items must be finalized on
priority. Under normal circumstances, Railway Board’s directives issued vide letter
under reference may be adhered to.

This is issued with the approval of DG(RS)/Railway Board.

(Vinod Kumar)
Director Railway Stores (M),
Railway Board

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PFAs/PCEs/CMEs/CEEs/CSTEs, All Indian Railways