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.
The Director General, Railway Staff College, Vadodara.
The MD, RITES, RITES Bhavan, Sector-29, Gurgaon.
The MD, KRCL, Belapur Bhavan, 4th Floor, Sector-11, CBD, Belapur, Navi Mumbai.
The MD, MRVC, 2nd Floor, Church Gate Station Building, Mumbai.
The MD, CRIS, Chanakyapuri, New Delhi.
CAO/Workshop Projects organisation, 1st Floor, Chamber Bhawan, J.C. Road, Patna.
CAO/DMW, Patiala and COFMOW, New Delhi.
MD/MTP, NBCC Place, Bhishma Pitamah Marg, Pragati Vihar, New Delhi.
CAO/MTP, Mumbai & Chennai.

Sub: Amendment in certain Paras of Indian Railway Stores Code Volume-I.

Ministry of Railways has decided to amend the following Paras of Indian Railway Stores Code (Volume-I) Revised Edition (1990) vide enclosed advance correction slip Nos, as given against each of these Stores Code Paras.

<table>
<thead>
<tr>
<th>SN</th>
<th>Para of Stores Code</th>
<th>Correction slip No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>132</td>
<td>16</td>
</tr>
<tr>
<td>2</td>
<td>324</td>
<td>17</td>
</tr>
<tr>
<td>3</td>
<td>328</td>
<td>18</td>
</tr>
<tr>
<td>4</td>
<td>329</td>
<td>19</td>
</tr>
<tr>
<td>5</td>
<td>330</td>
<td>20</td>
</tr>
<tr>
<td>6</td>
<td>341(B)</td>
<td>21</td>
</tr>
<tr>
<td>7</td>
<td>Table 341(b) &amp; 342</td>
<td>22</td>
</tr>
<tr>
<td>8</td>
<td>401</td>
<td>23</td>
</tr>
<tr>
<td>9</td>
<td>445</td>
<td>24</td>
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<tr>
<td>10</td>
<td>449</td>
<td>25</td>
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<tr>
<td>11</td>
<td>501</td>
<td>26</td>
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<tr>
<td>12</td>
<td>507</td>
<td>27</td>
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<tr>
<td>13</td>
<td>706</td>
<td>28</td>
</tr>
<tr>
<td>14</td>
<td>707</td>
<td>29</td>
</tr>
<tr>
<td>15</td>
<td>709</td>
<td>30</td>
</tr>
<tr>
<td>16</td>
<td>711</td>
<td>31</td>
</tr>
<tr>
<td>17</td>
<td>711(A)</td>
<td>32</td>
</tr>
</tbody>
</table>

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

(Aruna Jain)
DDRS(G)-II
Railway Board
Contd...2/-
No. 2008/RS(G)/779/9
New Delhi, dt: 06-02-2009

Copy to:

1. FA&CAO, All Indian Railways & Production Units.
2. The ADAI(Railways), New Delhi (with 10 spare copies)
3. The Director of Audit, All Indian Railways.

for Financial Commissioner/Railways.

No. 2008/RS(G)/779/9
New Delhi, dated: 06-02-2009

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, KRCL, Belapur Bhavan, 4th Floor, Sector-11, CBD, Belapur, Navi Mumbai
6. The COS, MRVC, 2nd Floor, Church Gate station Building, Mumbai.
7. The Directors -
   a. Indian Railway Institute of Sig. Engg. & Telecom, Secunderabad.
   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
8. Chairman, Railway Rates Tribunal, Chennai.
9. Executive Director, Iron & Steel, 3, Koila Ghat Street, Kolkata.
10. Director(Stores), RDSO, Manak Nagar, Lucknow.
12. ED(QA), RITES, RITES Bhavan, Sector-29, Gurgaon, Haryana.
13. CPM, CRIS, Chanakya Puri, New Delhi.
15. Dy.CMM / Workshop Projects organisation, 1st Floor, Chamber Bhawan, J.C. Road, Patna -800001.

(Aruna Jain)
DDRS(G)-II
Railway Board

Contd..3/-
No. 2008/RS(G)/779/9

New Delhi, dated: 06-02-2009

Copy to:

(1) The General Secretary, AIRF, 4, State Entry Road, New Delhi-55.
(2) The General Secretary, NFIR, 3, Chelmsford Road, New Delhi-55.
(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.

(Aruna Jain)
DDRS(G)-II
Railway Board

Copy to:-

Sr. PPSs / PPS / P.S to:

(i) CRB, FC, ME, MM, MS, ML, MT, SECY., DG(RHS), DG(RPF)
(ii) All AMs and Advisors of Railway Board.
(iii) All Executive Directors of Railway Board.
(iv) All Directors of Electrical, Engg., Finance, Mech., Stores, Signal & Telecom and Dte.
(v) All Branches of Elect., Engg., Finance(Stores), Mech., Stores, Signal & Telecom

************

ACS No. 16

PARA 132 SCHEDULE OF POWERS OF PURCHASE, SALES &C., OF THE CONTROLLER OF STORES/CHIEF MATERIALS MANAGER.

Table in Para 132 regarding POWERS in Indian Railway Stores Code (Volume-I), may be amended as under:-

<table>
<thead>
<tr>
<th>Item No</th>
<th>Nature of Power</th>
<th>Extent of power</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Purchase of stores other than stationery and printing.</td>
<td>Up to Rs. 2 Crores for CMM and Rs. 15 Crores for COS for each individual item. Same as stipulated in Para 331 (c) the previous sanction of the General Manager is necessary to-</td>
</tr>
</tbody>
</table>

Subject to the constitution of tender committees to deal with tenders of the value of Rs. 10 lakhs or above in each case, vide paragraph 351, note I:

(1) the adoption of the single tender system to orders, the estimated value of which exceeds

(i) Rs.3 Lakhs in the case of non-proprietary articles in normal circumstances and Rs. 15 Crore in the case of proprietary articles where PAC 'c' has been certified subject to the rates quoted being reasonable;
<table>
<thead>
<tr>
<th>Item No</th>
<th>Nature of Power</th>
<th>Extent of power</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Purchase of stores through the Directorate General of Supplies and Disposals.</td>
<td>(ii) Rs. 5 Lakhs in case of emergencies, in case of Proprietary articles where PAC 'a' has been certified and in case of articles in the process of indigenous development subject to the rates quoted being reasonable; (2) the adoption of the open tender system to orders, the estimated value of which exceeds Rs. 10 Lakhs;</td>
</tr>
</tbody>
</table>

(a). Power to sign on behalf of the General Manager all indents placed in India on the Directorate General of Supplies and Disposals against "General Purposes" grant and to certify minor casual indents not involving expenditure against the advance grant upto a limit of Rs. 30,000 in each case. Also power to incur liability in respect of "other than imported stores for general purposes" in anticipation of funds being provided in the sanctioned budget for the following financial year and to certify indents for such stores placed on the Directorate General of Supplies and Disposals accordingly.
<table>
<thead>
<tr>
<th>Item No</th>
<th>Nature of Power</th>
<th>Extent of power</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Purchase of Printing &amp; Stationery</td>
<td>All powers under paragraph 1109 of this code.</td>
</tr>
</tbody>
</table>
| 4       | Penalties for failure to deliver stores within the stipulated time. | 1. The penalties laid down in the contract Document are -  
   a) Cancellation of the contract and recovery of any loss or damage which the railway may sustain by reason of such failure on the part of the contract, or  
   b) Forfeiting of Security Deposit at the rate of 10% of contract value, provided the same has been submitted as per contract condition. or  
   c) Purchase elsewhere at the contractor's risk or  
   d) Recover from the Contractor as agreed Liquidated Damages and not by way of penalty, a sum equivalent to 2% (Two percent) of the price of any stores (including elements of taxes, duties, freight, etc.) which the contractor has failed to deliver within the period fixed for delivery in the contract or as extended for each month or part of a month during which the delivery of such stores may be in arrears where delivery thereof is accepted after expiry of the aforesaid period, subject to a maximum of ten percent of value of the delayed supplies. |
<table>
<thead>
<tr>
<th>Item No</th>
<th>Nature of Power</th>
<th>Extent of power</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td>There should normally be no system of waiver of LD and imposition of Token LD for delayed supplies in supply contracts. System of waiver of LD and imposition of Token Liquidated Damages for delayed supplies in supply contracts will strictly be an exception rather than rule and only in situations where the circumstances leading to delays in supplies were beyond the control of supplier.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2. In respect of purchases made under the General Manager's sanction, the Controller of Stores/Chief Materials Manager may be given powers of granting extensions of delivery periods. He has also powers to impose or waive penalties in such cases, with the concurrence of the Financial Adviser and Chief Accounts Officer</td>
</tr>
<tr>
<td>5.</td>
<td>Cancellation of orders placed by the Controller of Stores under his own power of purchase or against annual contract sanction by the General Manager.</td>
<td>Full Powers</td>
</tr>
<tr>
<td>6.</td>
<td>Obtaining excess quantities against items on rate contracts.</td>
<td>Full Powers subject to the contract Conditions.</td>
</tr>
<tr>
<td>7.</td>
<td>Obtaining excess quantity against items on running contracts entered into by the Railways</td>
<td>Power to exceed the original contract quantity beyond the percentage tolerance agreed, subject to a limit of 10% of the value of the contract subject to conditions of Para 441-S.</td>
</tr>
<tr>
<td>8.</td>
<td>Sale of Stores to other railways</td>
<td>Full powers to sell any stores to other railway at full book rate or higher plus such additional charges as prescribed.</td>
</tr>
<tr>
<td>Item No</td>
<td>Nature of Power</td>
<td>Extent of power</td>
</tr>
<tr>
<td>---------</td>
<td>-----------------</td>
<td>-----------------</td>
</tr>
</tbody>
</table>
| 9.      | Sale of over-stocks of ordinary emergency or special stores :-  
By tenders: .............................................  
By direct sale: .........................................  | Full powers and power to adjust the difference between book value and sale value.  
Full powers to sell at the book rate or purchase rate whichever is higher plus the prescribed departmental charges. |
| 10.     | Direct sale of books, forms, stationery, petty stores and clothing for menial staff. | Power to sell at the book rate or purchase rate whichever is higher plus freight incidental supervision charges to the following Railway Employees' Co-operative Credit Society, Railway Institutes, Government Railway Police Department, Indian Posts and Telegraphs Department, Railway Battalions, Railway Regiments and other similar bodies. |
| 11.     | Disposals by sale or transfer of scrap, unserviceable, surplus and obsolete stores and adjustment of the difference between the book value and sale value.  
By tender: .............................................  
By direct sale to other Govt. Dept. and quasi Govt. bodies, public undertakings of Govt. of India or State Govt.  
By auction: .............................................  | Full powers to dispose of such material and to adjust the difference between the book value and sale value.  
Power to sell at book value or last auction rate whichever is higher or at a loss not exceeding Rs. 200 in each case.  
Note: If as a condition of sale, freight is to be borne by the administration cost of such freight should be taken into consideration in computing the loss. (This rule applies to all cases of sales).  
Full powers subject to paragraph 2224. |
<table>
<thead>
<tr>
<th>Item No</th>
<th>Nature of Power</th>
<th>Extent of power</th>
</tr>
</thead>
<tbody>
<tr>
<td>12.</td>
<td>Extension of time and enforcing or waiving of ground rent in connection with the sale of scrap to contractors and cases of stores awaiting removal from Railway premises</td>
<td>Power to grant extension of time either for payment or removal of material specified in contracts entered into by him and to enforce or to waive ground rent provided the railway has suffered no loss by such extension or waiving which facts must be recorded in writing in each case.</td>
</tr>
<tr>
<td>13.</td>
<td>Writing down value of surplus or obsolete stores on the books.</td>
<td>Power to write down the value of such items of stores as become surplus to requirements or absolute subject to a limit of Rs. 1 Lakhs for each item on the recommendation of Survey Committees.</td>
</tr>
<tr>
<td>14.</td>
<td>Certification of indents for the purchase of stores through the Directorate General of Supplies and Disposals against the works grant.</td>
<td>Full power to sign and certify such indents.</td>
</tr>
<tr>
<td>15.</td>
<td>Tender Deposits- (i) Refund of Security deposit. (ii) Forfeiture of earnest money deposited along with tenders and of security deposits</td>
<td>Full powers provided the contracts are satisfactorily completed. Full powers in accordance with the provision of the tender or contract provided that when the General Manager approves such tenders or contracts, he should decide the question of forfeiture.</td>
</tr>
<tr>
<td>16.</td>
<td>Contracts - for loading and unloading goods.</td>
<td>Full powers. Note: - Contracts should be given after public call for tenders.</td>
</tr>
<tr>
<td>17.</td>
<td>Adjustments against the Stock Adjustment Account.</td>
<td>Full Powers Provided the adjustments are:- (a) restricted to a limit of Rs. 5,000 for each individual case. (b) not due to the negligence, carelessness or dishonesty of any railway employee; (c) not due to different methods of measurement adopted by the Accounts Department Stock Verifiers and the departments.</td>
</tr>
<tr>
<td>Item No</td>
<td>Nature of Power</td>
<td>Extent of power</td>
</tr>
<tr>
<td>--------</td>
<td>----------------</td>
<td>-----------------</td>
</tr>
<tr>
<td>18.</td>
<td>To write off shortages of articles of dead stock, losses of stores and tools and plant in stock and in transit on Revenue Account and to sanction adjustments effected in the numerical accounts for verifications undertaken departmentally or by the Accounts Deptt.</td>
<td>(d) Such that the Chief Accounts Officer agrees need not be referred to the General Manager. Note.- (1) The limit of Rs.1,000 may be extended to Rs.10,000 with respect of adjustments due to fluctuations in market rates. Note.- (2) The restriction in clause (a) does not apply to adjustments of the difference between book rates and sale values for which vide items 9 and 11.</td>
</tr>
</tbody>
</table>

(i) Full powers upto Rs.5,000/- in each individual case provided that the adjustments :-

(a) are not due to the negligence, carelessness or dishonesty of any railway Employees.  
(b) arising out of Accounts Department Verifications are such that the Chief Accounts Officer agrees need not be referred to the General Manager.  
(ii) And up to Rs. 2,000 in each case where the loss is due to the negligence carelessness or dishonesty of any railway employee where it is not possible to effect the recovery of the cost of the stores from the employee concerned.

(Authority Board’s letter No. 2008/RS(G)/779/9 dated 06-02-2009).
Advance Correction Slip No. 17


ACS No. 17

324. THE "OPEN" TENDER SYSTEM

Para 324 of Indian Railway Stores Code (Volume -I) may be amended as under:

“This system of invitation to tender by public advertisement in the most open and public manner possible, should be used as a general rule and must be adopted, subject to the exceptions noted in paragraphs 331 and 332 in all cases in which the estimated value of purchase is (i) over Rs. 10 lakh in normal circumstances, for procurement of items other than safety items (ii) over Rs. 2 Crore in cases of emergencies and (iii) over Rs. 2 crores in cases of procurement of safety items and procurement of items whose approved list of vendors is issued by centralised approving agency i.e. RDSO/PU/CORE etc.”

(Authority Board’s letter No. 2008/RS(G)/779/9 dated 06-02-2009).
328 THE "LIMITED" TENDER SYSTEM.

Para 328 of Indian Railway Stores Code(Volume -I) may be amended as under:-

"Except in the case of procurement of safety items, in case of procurement in emergency and in case of procurement of items whose approved list of vendor is issued by centralised agency, this system may ordinarily be adopted when it is considered to be advantageous, in the case of orders the estimated value of which does not exceed Rs. 10 lakh. In case of safety items, in case of emergency and in case of items whose approved list of vendors is issued by centralised agency i.e. Research Design Standards Organisation(RDSO)/Production Units(PUs)/Central Organisation for Railway Electrification (CORE), this system may be adopted in the case of purchases, the estimated value of which does not exceed Rs. 2 Crore."

(Authority Board's letter No. 2008/RS(G)/779/9 dated 6-02-2009).
329. LIST OF APPROVED FIRMS

In Para 329 of Indian Railway Stores Code (Volume-I), the amendments listed below may be incorporated:

(1) The existing table for categorizing the registered firms may be substituted by the following:

(a) Those firms capable of executing supply orders valuing Rs. 40 Lakhs and above.
(b) Those firms capable of executing supply orders valuing Rs. 10 Lakhs to Rs. 40 Lakhs.
(c) Those firms capable of executing supply orders valuing Rs. 5 Lakhs to Rs. 10 Lakhs.
(d) Those firms capable of executing supply orders valuing each above Rs. One Lakh upto Rs. 5 Lakhs.
(e) Those firms capable of executing supply orders valuing upto Rs. one Lakhs.

(2) Sub-Paras (below the table) may be substituted by the following (Except the Note subscribed below the Para):

1. It has also been decided to revise the existing limits of Rs. 25,000/- and Rs. 1 lakh as last revised from those as mentioned under Recommendation Nos. 66 and 67 of the said committee to Rs. 1 Lakh and Rs. 5 Lakh, respectively.

The firms that are registered for supply of orders valued above Rs. 1 Lakh should invariably be a manufacturer or his authorised agent. The firms who are registered for executing supply orders valued above Rs. 1 lakh should be pre-inspected by an appropriate officer for assessing capacity-cum-capability including effective quality control. The registration should be treated as provisional, till the firm satisfactorily executes one order, but once the registration is confirmed, no discrimination may be made between new and old registered firms. From this list of approved suppliers, names of the firms to be invited to tender, shall be selected by all the purchase officers.

(Authority Board's letter No. 2008/RS(G)/779/9 dated 06-02-2009).

(X)
THE "SINGLE" TENDER SYSTEM

Para 330 of Indian Railway Stores Code (Volume -I) may be amended as under:-

330. The "Single" Tender System. -This system may be adopted with regard to small orders not exceeding Rs. 3 lakhs in value in the case of non-proprietary articles (provided decision to adopt single tender system for articles exceeding Rs. 5,000/- but less than Rs. 10,000/- in value is taken at a level not lower than a Junior Administrative Grade Stores Officer) and Rs. 5 lakhs in case of proprietary articles (with PAC ‘a’ certificate) and articles in the process of indigenous development subject to the rates quoted being reasonable.

In the event of an emergent situation affecting repair, maintenance, outturn, operation etc., which should be recorded in writing, the purchase of non-proprietary articles may be made on single tender basis:

(i) Up to Rs. 5 lakh per item by Controller of Stores; and

(ii) Up to Rs. 7,500/- per item by Divisional Railway Managers in consultation with Associated Finance.

There should be no re-delegation of powers of Divisional Railway Managers at (ii) above.

(Authority Board’s letter No. 2008/RS(G)/779/9 dated 6-02-2009).
341B. CONSTITUTION OF TENDER COMMITTEE:

Para 341B of Indian Railway Stores Code (Volume -I) may be amended as under:-

"Subject to directives issued by Railway Board, a Tender Committee, consisting of a minimum of three members, one each from Stores, Accounts and Indenting Departments, shall be constituted by the authority competent to accept the tenders, to deal with and render advice in all cases of tenders valued over rupees ten lakhs. When General Manager is the authority competent to accept a tender, the Head of Department concerned shall arrange to constitute the Tender Committee.

The Tender Committee should be so constituted that an Officer recommending acceptance of a tender in his capacity as a member of the Tender Committee shall not also be the accepting authority of the same tender. In such cases, the Officer concerned should put up the Tender Committee's proceedings to the next higher authority for acceptance, notwithstanding the fact that the Tender Committee's recommendations are within his own powers of acceptance."

(Authority Board's letter No. 2008/RS(G)/779/9 dated 06-02-2009).

ACS No. ____22____

The Table appearing after Para 364 for Para 341(b) & 342 for Tender Committee of Indian Railway Stores Code(Volume –I) may be amended as under:-

Composition of Tender Committee for dealing with tenders for purchase of Stores & Powers of Stores Officers for acceptance of tenders as determined by Rly. Board

Paras 341 (b) & 342

<table>
<thead>
<tr>
<th>Value limit</th>
<th>Acceptance by</th>
<th>Stores</th>
<th>Consuming Dept.</th>
<th>Finance</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Rs. 10 Lakhs to Rs. 30 Lakh</td>
<td>J.A.G.</td>
<td>Sr. Scale</td>
<td>Sr. Scale</td>
<td>Jr. Scale</td>
</tr>
<tr>
<td>(2) Rs. 30 lakhs to Rs. 1 Crore</td>
<td>S.A.G.</td>
<td>J.A.G.</td>
<td>J.A.G.</td>
<td>Sr. Scale</td>
</tr>
<tr>
<td>(3) Rs. 1 Crore to Rs. 2 Crore</td>
<td>S.A.G.</td>
<td>J.A.G.</td>
<td>J.A.G.</td>
<td>J.A.G.</td>
</tr>
<tr>
<td>(4) Rs. 2 Crore to Rs. 15 Crore</td>
<td>PHOD/CHOD</td>
<td>S.A.G.</td>
<td>S.A.G.</td>
<td>S.A.G.</td>
</tr>
<tr>
<td>(5) Rs. 15 Crore to Rs. 25 Crore</td>
<td>A.G.M.*</td>
<td>PHOD/CHOD</td>
<td>PHOD</td>
<td>PHOD/CHOD</td>
</tr>
<tr>
<td>(6) Rs. 25 Crores and upto Rs. 50 Crore</td>
<td>G.M.</td>
<td>PHOD/CHOD</td>
<td>PHOD</td>
<td>PHOD/CHOD</td>
</tr>
</tbody>
</table>

*Note: * In units where there is no AGM, the accepting authority will be GM against item 5 as well of above table.*

(Authority Board’s letter No. 2008/RS(G)/779/9 dated 06-02-2009)
401. GENERAL:

Para 401 of Indian Railway Stores Code (Volume -I) may be amended as under:-

"The rules in this chapter apply only to contracts i.e. agreements enforceable by law, which relate to the execution of works of constructions, repair or maintenance or to the conveyance of supply of materials. The rules do not apply to petty purchases of Rs. 1 Lakh and under, in respect of which General Manager is competent to frame such instructions, as he may consider necessary.

Note: - (i) The term "General Manager" used in these rules is deemed to mean besides the General Managers of Railways, D.G., RDSO, Chief Administrative Officers and Engineer-in-Chief in independent charge, directly under the Railway Board.

(ii) The terms "Financial Adviser" is deemed to mean the Accounts Officer.”

(Authority Board’s letter No. 2008/RS(G)/779/9 dated 06-02-2009).

ACS No. 24

445. EXTENSIONS OF DELIVERY DATES:

Sub-Para (2) in the Note of Para 445 of Indian Railway Stores Code (Volume -I) may be amended as under:-

"Unless otherwise specified in a contract, the Depart officers/Inspecting Officers/ Consignees may at their discretion, accept delayed supplies of indigenous or imported stores with in the time limit specified below:

Time Limit

(a) Contracts valued up to Rs. 3 Lakh 6 months
(b) Contracts valued over Rs. 3 Lakh but not exceeding Rs. 6 Lakh provided the initial delivery period does not exceed 6 months.

The relaxation will, however, not apply to :

(i) contracts where higher prices have been paid for earlier delivery.
(ii) contracts for supply of stores subject to severe market fluctuations.
(iii) contracts in which provision is made for recovery of pre-estimated damages.
(iv) contracts placed against urgent, operational express and Works Programme indents.

(Authority Board’s letter No. 2008/RS(G)/779/9 dated 05-02-2009)."

ACS No. 25

Para 449 of Indian Railway Stores Code (Volume –I) may be amended as under:-

"The Security Deposit may be:-

(i) Government securities at 5 per cent below the market value.
(ii) Deposit Receipts, Pay Orders, Demand Drafts & Guarantee Bonds of State Bank of India, or any of the Nationalised Banks or any Scheduled Commercial Bank.
(iii) Bond of Indian Railways Finance Corporation and KRCL Bond.
(iv) A deposit in Post Office Saving Bank.
(v) Deposits in National saving Certificates.
(vi) A percentage deduction, ordinarily 10% from periodic payments made on account of work done or supply made.

(Authority Board’s letter No. 2008/RS(G)/779/9 dated 06-02-2009).

ACS No. 26

First paragraph of Para 501 of Indian Railway Stores Code (Volume -I) may be amended as under:-

501. SCRUTINY OF INDENTS/CONTRACTS:

"Copies of all Indents on central purchase agencies and contracts for stores or works valued over Rs. 4 Lakhs for items other than safety items and Rs. 8 Lakhs for safety items should be furnished to the Chief Accounts Officer for prior scrutiny and vetting."

(Authority Board's letter No. 2008/RS(G)/779/9 dated 06-02-2009).

(continued)

ACS No. 27

Sub-Para (a) & (b) of Para 507 of Indian Railway Stores Code (Volume -I) may be amended as under:-

507. CERTIFICATION OF FUNDS:

(a) In the case of purchases valued over Rs. 4 Lakhs each for items other than safety items and Rs. 8 Lakhs each for safety items, the total value of the tenders, after they have been accepted, will be worked out in the office of the Controller of Stores and the Accounts Officer will be asked to certify this total value before the acceptance of the tenders is communicated to the parties concerned. This will be done by reference to the Fund Register in which the amount certified should be entered at the same time.

(b) In the case of purchases valued less than Rs. 4 Lakhs each for items other than safety items and Rs. 8 Lakhs each for safety items including stores obtained through daily orders, the Controller of Stores should prepare a daily abstract of such orders showing the values of stores ordered, and the Accounts office should record a certificate of the availability of funds on this abstract before the orders are actually placed with the suppliers.

(Authority Board’s letter No. 2008/RS(G)/779/9 dated O 6-02-2009).
Advance Correction Slip No. ___28___ INDIAN RAILWAY CODE FOR THE

ACS No. ___28___

Para 706 of Indian Railway Stores Code(Volume –I) may be amended as under:-

706. DIRECT PURCHASE OF DIRECTORATE GENERAL OF SUPPLIES
AND DISPOSAL ITEMS.

Except in respect of items of stores for which the Directorate General of
Supplies & Disposals has entered in to Rate or Running contracts, the
Controllers of Stores may not use the agency of the Directorate General of
Supplies & Disposals for any purchase up to Rs. 1 lakh and under in each case.
In emergencies where non-acquisition of the article concerned is likely to hold up
work, purchases limited to the quantity required to tide over the emergencies
may be made, the controllers of Stores exercising these powers upto the limit of
Rs. 2 crores for each item. In respect of purchases exceeding Rs. 2 crores but
not exceeding Rs. 50 Crore, sanction of the General Manager should be
obtained. The Controller of Stores will also decide when for what quantity and in
what manner such emergency purchases shall be made.

Note. -1. The limit of Rs. 1 lakh mentioned above for direct purchase applies to
each case or to each tender containing similar or inter-connected articles purchased at
any one time and individual demands should not be intentionally split up to come within
the limit mentioned above viz. Rs. 1 lakh.

2. All purchases made by the indentors direct, in terms of the above, the value of
which exceeds Rs. 2,000/- should be notified in the Indian Trade journal with full
particulars: name of the stores, date of purchase, quantity, price paid, name of suppliers
and whether the stores is imported or indigenous and in the latter case whether cottage
and small scale industry product. This may be done in the form used by the Directorate
General of Supplies & Disposals. Further, total value of all direct purchases upto Rs.
2,000/- which are not published in the Indian Trade Journal, should be reported to the
Directorate General of Supplies and Disposals quarterly in regard to purchases made
during the preceding quarter beginning with quarter ending 30th September, 1958. The
total value should exclude purchases of special items like foodgrains, coal etc. which am
not normally purchased through the Central Purchase Organisation.

(Authority Board’s letter No. 2008/RS(G)/779/9 dated 06-02-2009).

ACS No. **29**

Para 707 of Indian Railway Stores Code (Volume -I) may be amended as under:-

"In respect of items of stores which are normally purchased through the Directorate General of Supplies and Disposals and which are covered by Rate or Running Contracts of that Department, the Controller of Stores may, at his discretion, make direct purchases upto limit of **Rs. 1 Lakh** in each case and not exceeding **Rs. 5 Lakh** in the aggregate in each case in any one year if the stores are urgently required or can be more conveniently obtained locally or from a nearer station. In emergencies, the same powers as shown in para 706-S may be exercised."

(Authority Board's letter No. 2008/RS(G)/779/9 dated 06-02-2009).
709. BULLETIN AND DAILY TENDERS:

Para 709 of Indian Railway Stores Code (Volume -I) may be amended as under:

"He may also obtain supplies of stores costing less than Rs. 10 Lakh (other than those obtained on annual tender or through the Directorate General of Supplies and Disposals or proprietary articles or stores of special character such as loco and carriage and wagon duplicates), through the medium of Weekly Bulletin or daily tender which are a modified form of the "Limited Tender". These tenders need be sent only to those firms, which are on the approved list for such tenders. In case of daily tenders separate calls for different classes of stores should be issued when necessary. Firms may be allowed ten to fifteen days from the date of issue of the call for tenders in which to submit quotations and provided rates are reasonable, those quoting early delivery may be given preference."

(Authority Board's letter No. 2008/RS(G)/779/9 dated 06-02-2009).
711. LOCAL PURCHASES OF MATERIALS OF SMALL VALUE

Para 711 of the Indian Railway Stores Code (Volume I) may be amended as under:

The Controller of Stores may also make local purchases of items of small value, both stock and non-stock, up to Rs. 1 Lakh in each case, subject to the condition that in the case of stock items, the purchases are made only where:

(i) The normal annual recoupment quantity does not exceed Rs. 1 Lakh in value; or

(ii) The stock of the item is precariously low and the item is urgently required;

and that the quantity is not deliberately reduced with a view to bringing the purchase within the scope of this provision. He will make no purchase without satisfying himself that the price paid is reasonable. For items costing up to Rs. 10,000/-, he may obtain single quotations, but for items costing over Rs. 10,000/- he should obtain quotations from more than one firm and maintain a proper record of such quotations. The current rates quoted should invariably be compared with the last purchase rates and any large differences checked up before making local purchases.

The powers referred to above or other power of local purchases of stores delegated to the Controller of Stores may be redelegated to the Depot Officers, in consultation with the Financial Adviser & Chief Accounts Officer to the extent considered necessary in each case.

Such purchases may be paid for in cash from imprest cash.

Note. - 1. No non-stock article for which a standard patterns exists, should be purchased, if it could be manufactured by the Railway.

(Authority Board’s letter No. 2008/RS(G)/779/9 dated 06-02-2009).

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711-A. LOCAL PURCHASE OF STORES BY DRM'S, CE'S(C), CSTES(C), CEES(C) OF RAILWAYS, R.E., M.T.P. (R) S AND OTHER OFFICERS NOT ATTACHED TO THE STORES DEPARTMENT.

Sub-Para (i) of Para 711(A) of the Indian Railway Stores Code(Volume –I) may be amended as under:

"Purchase of non-stock items. - Upto Rs. 10,000/- per item but not exceeding Rs. 1 Lakh in the aggregate per month."

(Authority Board's letter No. 2008/RS(G)/779/9 dated 06-02-2009).