



आधुनिक रेल डिब्बा कारखाना, रायबरेली  
MODERN COACH FACTORY,  
RAEBARELI

General Manager/Vig.  
Modern Coach Factory, Raebareli,  
Lalganj, Distt.- Raebareli  
Uttar Pradesh - 229120

Date: 13.08.2021

Confidential

No. G/MCF/RBL/Vig./Sys. Improvement.

PCMM,  
MCF/RBL.

**Sub: Common pitfalls/ irregularities in tendering process.**

1. A complaint had been received from CVC duly forwarded through Rly. Bd. vigilance in which complainant had made various allegations of general nature. While most of the allegations are policy related requiring no action at local level, few issues highlighted by the complainant merit attention. For example, complainant had pointed out the following broad-lacunae/ shortcomings in our tendering process: -
  - LTs are normally issued to a pre-decided penal of approved/ regular sources but often due care is not taken in preparing such list. As a result, many a times sources having practically no experience/ less experience get included in the penal leaving aside tried and proven sources. Further, LTs are normally justified for meeting the urgent requirements but, in many cases, the full requirement of a particular year was found procured through LT.
  - In majority of the cases floated by Railways in IREPS, EMD amount is not clearly indicated. When EMD is not explicitly claimed, how can the firm be de-listed on withdrawal of bid during its validity.
  - Specifications (MDTS) and/ or the schedule of requirement are not spelt out clearly and correctly as many a times, machines not required for the manufacturing of the concerned part are also included in the STR/ MDTS. Further, although the same/ similar parts are procured by all the coaching PUs but their nomenclature, drawing & part nos. vastly differ. This not only causes confusion for the vendor but also renders the rate comparison futile.
  - Many a times, drawings & specification are not uploaded with the tender which is a gross irregularity.
  - Eligibility Criteria (EC) of the tenders are restrictive in nature and not stipulated in fair & transparent manner and there is no uniformity between the EC adopted by different coaching PUs.
  - Cartel formation in tenders is not meticulously checked or discouraged.
  - Approved Vendors not participating regularly in tenders are not reported to the approving agencies for taking appropriate deterrent action against them.
  - Procurement through agents should be discouraged as per extant policy particularly in case of indigenous items but in practice this is not followed.
2. Although the references of specific cases of MCF were not cited by the complainant in support of the above allegations, yet the issues raised by him are flagged to the concerned departments for taking suitable note of. As plethora of instructions in the subject matter are already available, the same are not being reiterated. It is however expected that adequate precautions are taken by all concerned in issuing tenders as preventive checks by vigilance may be conducted on these aspects in future.

This has the approval of CVO/MCF.

*Sanjaya*  
(Sanjaya Tiwary) 13/08/2021  
SVO/MCF/RBL  
For GM (Vigilance)

Copy: (i) Secy to GM: For the kind information of GM.  
(ii) PCME, PFA, CDE, CEDE, CPLE