

Document name : System Improvement
Suggestion date : VO/PC/S/2019/08/01937/TVC
Implementation date : 22.06.2020
Implementing authority letter no. : S.Policy/Misc. S. No.24/2020 Date 22.06.2020
Implementing Authority : PCMM/SR
Applicable to Department(s) : STORES
Subject/Title: : Incorporation of PVC clause in Tender/Purchase order

Background:

Thrust area Preventive checks conducted by Vigilance on the aspect of Warranty Rejection and Claims thereon at major workshops and sheds has revealed that, the methodology prescribed by the Railway Board vide letter no. **2000/RS(G)/379/2 dt 07.08.2015** for pre-inspected stock items was not followed for warranty rejections and claims thereon. Shop in-charges have directly processed warranty rejection cases with Suppliers and got replacement/repared supplies directly from Suppliers without routing through the channel of Associate Stores Depot. Most of the Shop incharges do not have knowledge about Board's directives and also applicable warranty period. In order to implement the guidelines prescribed by Board for warranty claims it is considered imperatively necessary that provisions in iMMS be made covering all the modalities prescribed in Board's letter, details of warranty, issue of warranty rejection advice and accountal of warranty replacement supply which will facilitate integration of date for effective implementation.

- Based on the above vigilance has suggested following system improvement
 - PCMM vide letter no. VO/PC/S/2019/08/01937/TVC dt 03.02.2020 was advised to approach CRIS for developing suitable "Warranty Management Module" in iMMS and to incorporate guidelines as per the Railway Board directives in the terms and conditions of all Tenders and also to refer these conditions as special conditions in all POs, where Warranty is applicable.
 - PCME, PCSTE and PCEE vide letter no. VO/PC/S/2019/08/01937/TVC dt 20.02.2020 were advised to incorporate Requisite warranty period for all Stock items where warranty is applicable in the nomenclature description.

- PCMM vide letter no. VO/PC/S/2019/08/01937/TVC dt 20.02.2020 was advised to incorporate warranty period as available in nomenclature description in Tenders and Purchase orders.
- Railway Board vide letter VO/PC/S/2019/08/01937/TVC dt 03.02.2020 has also been requested to kindly refer the matter to CRIS to develop suitable “Warranty Management Module”.

Implemented System Improvement

- **PCMM/SR Vide policy circular No. S.Policy/Misc. S. No.24/2020** Date 22.06.2020 has advised that
 - All purchase Officers while placing Purchase orders involving Warranty Clause shall ensure that the procedure for ‘material rejected in warranty’ shall be applicable as brought out in Para 20.0 (B) of S.Rly. tender conditions (Part-B) of IREPS portal.
- Directives issued by Railway Board vide letter No.2008/RS(G)/379/2 dt.07.08.2015 have been incorporated under tender conditions of S.Rly in IREPS under para 20.0 (copy of relevant pages enclosed) by PCMM/SR
- Based on Vigilance request to Railway Board and PCMM’s advice, CRIS has included Warranty Management module in IMMS.

Benefits:

The above provisions will help in sensitizing all the concerned and to facilitate implementation of Board's instructions on In-service failures and warranty claims thereon, which will ultimately arrest potential revenue leakage.