No. S/2022/JPO/Drug items Dt.07.02.2023.

Joint Note

Sub.: Procurement of Medicine and other items by Stores Department.

Ref.: 1. Review meeting held on 23.1.2023 by GM/NER.
2. JPO dt.23.2.2022 and revised JPO dt.23.12.2022.

---

1. As per extant Railway instructions the procurement of Medicine and other items of Medical department was handed over to Stores department. Accordingly a JPO was signed on 23.2.2022 detailing the handover of items above one Lakh to Stores department. Subsequently the JPO was revised on 23.12.2022 to handover items below 1 Lakh also to Stores department.

2. A review meeting was called by GM/NER to discuss availability of Medicines/other items at Railway hospitals in N.E.R. It was attended by AGM, PCMM, MD/LNM (looking after as PCMD) and CMM/C. During the meeting MD/LNM has highlighted the problems related to repeated retendering of low value items in the past procurement cycles due non-participation of Railway Board registered sources which hampered availability of these items.

3. To mitigate the situation and improve availability of medicine & other items, it was suggested to utilize the existing delegation of powers under Drug Procurement Policy No 2014/RS(G)/779/13 dt 3.2.2015 regarding procurement from unregistered sources. The clause on Mode of tendering in the said Drug Procurement Policy states that:

2.1.1 Mode of tendering: For all medicines the procurement will be done by:
(i) Single tender on PAC basis or on Non PAC basis or

(ii) Limited tender from among the registered firms. (However, CMD will be competent to add unregistered firms also to whom limited tender can be sent. However, CMD will record justification/reason for inclusion of unregistered firms in each case).

4. Accordingly in terms of Clause 2.1.1(ii) of Drug Policy 2015 it was suggested to formulate a PCMD approved standing list of suppliers/ stockists /authorized dealers of drug manufacturers who have previously supplied to NER to be utilized by Stores department while calling for second/third round of tenders. As per extant procedure, limited tender enquiries (for which powers are delegated under Model SOP) are sent to all the Railway Board registered sources available on its website. Due to non-participation of Railway Board registered sources as highlighted above the tender cases are frequently retendered sometimes three or four times leading to delay in availability of medicines and other items.

5. Therefore the following steps are proposed to be taken for procurement of medicines/other items required by NER hospitals through extant tendering process:

2/2/23

(a) For low value items of annual requirement up to and including 5 Lakhs, the extant procedure of limited tender enquiry to Railway Board registered sources available on Railway Board website will be followed. In case of retendering after discharging first time tender due to non-participation of Railway Board registered sources or high rates etc., the standing PCMD approved sources list will be added to the Railway Board registered sources list for sending limited tender enquiries for second tender and so on. The sources so added from the PCMD standing list will be permitted to participate with tender specific authorization from manufacturers/OEMs.

(b) For items of annual requirement above 5 Lakhs, the standing PCMD approved sources list will be added to the Railway Board registered sources list applicable to that particular item after tendering two times with the Railway Board registered sources list. On the third call of tenders the standing PCMD approved sources list applicable will be added to the Railway Board registered sources list for sending limited tender enquiries. The rest of the procedure stated in para 5 (a) above will be applicable.

(c) As per the calendar of procurement of medicine/other items indicated in JPO dt 23.2.2022 the AMI for next financial year is to be submitted to Medical HQ by 31st Jan of the year and items are to be made available from 1st April onwards. During the meeting it was felt that two months time is too short to make medical/other items available through tendering process and needs review especially when retendering due to non-participation has been reported in the previous procurement cycles. Therefore it is proposed to shift the procurement cycle by two months to allow more time for tendering and making items available on time. As the AMI for 2023-24 is under process and will be submitted to Stores department shortly, it is proposed to pre-pone the medical procurement calendar for 2024-25 by two months by means of amending the JPO.

6. The above changes in tendering process may kindly be agreed as a system improvement exercise to improve availability of medicine /other items at Railway Hospitals of NER and will be reviewed as and when the need is felt for the same.

MD/LNM 7/2/2023

CMM/C 7/2/2023

PCMD 7/2/2023

PCMM 07.02.2023