

## **SOUTHERN RAILWAY**

### **SPECIAL CONDITIONS OF CONTRACT - ELECTRICAL**

1. This is a Works Contract. This 'Special Conditions of Contract' should be read in conjunction with "Indian Railways Standard General Conditions of Contract, April 2022" corrected upto submission of tender, "General Instructions to the Tenderers", "Tender agreement form", The "contract labour (Regulation and abolition) Act 1970, "Central Rules 1971", as amended from time to time, specific drawings, technical specifications issued for the purpose of this work and "Important instructions to Tenderers" govern this contract. Some of the above documents do not form Part of this tender document but the rules are binding on the tenderer. The tenderer who desires to peruse the same can also download the same from "indianrailways.gov.in" and "ireps.gov.in" websites.

Note:1. The Instructions and conditions of Indian Railways Standard General Conditions of Contract, April 2022 shall be applicable for all the tenders and contracts of railways for execution of 'Works' as defined in GFR 2017 as amended from time to time.

2)Advance correction slip No.1 Advance Correction Slip No.1 vide Rly Bd Lr No.2022/CEI/CT/GCC2022/Policy dtd 14-07-2022) is applicable for IRSGCC April 2022.

3)Advance Correction Slip No.2 vide Rly Bd Lr No.2022/CE-I/CT/GCC-2022/Policy dtd 13-12-2022) is applicable for IRSGCC April 2022.

4)Advance Correction Slip No.3 vide Rly Bd Lr No.2022/CE-I/CT/GCC-2022/Policy dtd 26-04-2023) is applicable for IRSGCC April 2022.

5)Advance Correction Slip No.4 vide Rly Bd Lr No. No. 2022/CE-I/CT/GCC-2022/Policy dtd 07-08- 2023 is applicable for IRSGCC April 2022.

6)Advance Correction Slip No.5 vide Rly Bd Lr No. No. 2022/CE-I/CT/GCC-2022/Policy dtd 20-10-2023 is applicable for IRSGCC April 2022.

7)Advance Correction Slip No.6 vide Rly Bd Lr No. No. 2022/CE-I/CT/GCC-2022/POLICY dtd 21-12-2023 is applicable for IRSGCC April 2022.

8)\_Advance correction Slip No.7 vide Rly Bd Lr No.2022 I CE-I/CT/GCC-2022/POLICY/Pt.I dtd 25-09-2024 is applicable for IRSGCC April 2022

9) Advance correction Slip No.8 vide Rly Bd Lr No.2022 I CE-I/CT/GCC-2022/POLICY dtd 20-12-2024 is applicable for IRSGCC April 2022.

10) Advance Correction Slip No.9 vide Rly Bd Lr No.2022/CE-I/CT/GCC/POLICY/Pt.I dtd 09-01-2025 is applicable for IRSGCC April 2022.

11) Advance correction Slip No.10 vide Rly Bd Lr No. No.2022/CE-I/CT/GCC/POLICY dtd 04-03-2025 is applicable for IRSGCC April 2022.

2. Order of Precedence of Documents: In a tender/contract, in case of any difference, contradiction, discrepancy, with regard to Conditions of tender/contract, Specifications, Drawings, Bill of quantities etc., forming part of the tender/contract, the following shall be as per Clause 1.01 of Indian Railways Standard General Conditions of Contract, April 2022.
3. The Unit Rate quoted should be inclusive of all taxes and GST applicable from time to time and firm in terms of Rupees and not subject to any fluctuations and given as per attached Schedule. Any deviation from the Schedule of requirements will be adjusted by mutual agreement.
4. GST Rules will apply for the E-Tender – (Reference:- CEE/MAS Letter No. E.227/II/1/ ADMIN dated 13.06.2017).
5. The Supply of Goods and Services would be subjected to GST Act and Rules applicable from time to time.
6. The tenderers should submit the following details pertaining to GST along with their E-Tender document (Reference:- Railway Boards Letter No. 2016/AC-II/1/6 Dated 12.05.2017 – RBA No. 55/2017):-
  - a) GSTIN Numbers representing the States in which they are registered.
  - b) Address of Registered office.
  - c) Place of Business in State.
  - d) E-mail address.
  - e) If the Tenderer is not registered for GST, the same should be furnished.
7. **Compliance with the GST Act** ( Ref:\_Clause 6, Indian Railways Standard General Conditions of Contract, April 2022)
  - (a) (i) Before submitting a tender, the tenderer will be deemed to have satisfied himself by actual inspection of the site and locality of the works, that all conditions liable to be encountered during the execution of the works are taken into account and that the rates he enters in the tender forms are adequate and all inclusive to accord with the provisions in Clause-37 of the Standard General Conditions of Contract for the completion of works to the entire satisfaction of the Engineer.
  - (a)(ii) Tenderers will examine the various provisions of The Central Goods and Services Tax Act, 2017(CGST)/ Integrated Goods and Services Tax Act, 2017(IGST)/ Union Territory Goods and Services Tax Act, 2017(UTGST)/ respective state's State Goods and Services Tax Act (SGST) also, as notified by Central/State Govt. & as amended from time to time and applicable taxes before bidding. Tenderers will ensure that full benefit of Input Tax Credit (ITC) likely to be availed by them is duly considered while quoting rates.
  - (a)(iii) The successful tenderer who is liable to be registered under CGST/IGST/UTGST/SGST Act shall submit GSTIN along with other details required under CGST/IGST/UTGST/SGST Act to railway immediately after the award of contract, without

which no payment shall be released to the Contractor. The Contractor shall be responsible for deposition of applicable GST to the concerned authority.

- (a)(iv) In case the successful tenderer is not liable to be registered under CGST/IGST/UTGST/SGST Act, the railway shall deduct the applicable GST from his/their bills under reverse charge mechanism (RCM) and deposit the same to the concerned authority.
8. The tenderer/Contractor shall furnish copies for having executed similar type of work indicating the value of contract.
9. The several documents forming the tender are to be taken as mutually complementary to one another. If there are varying or conflicting provisions in the documents forming Part of contract, the Engineer shall be the deciding authority with regard to the intentions of the provisions and his decision shall be final and binding on the Contractor, unless otherwise commented upon by the tenderer at the time of tendering itself.
10. Should the tenderer find discrepancies in or omission from the Drawing/specification or any of the tender forms or shall be in doubt as to their measurements, he should at once notify the Engineer inviting tender who may send a written intimation to all tenderers. It shall be understood that every endeavor has been made to avoid any error which can materially affect the basis of the tender and the successful tenderer shall take upon himself and provide for the risk of any error which may subsequently be discussed without any claim on accounts thereof. The Railways decision on such matters shall be final and binding.
11. **Bid security (Reference : Clause 5 of IRSGCC April 2022) Ref:ACS 11 Ltr No.2022/CE-I/CT/GCC-2022/POLICY/Pt.1(E-3320424) dtd 13-03-2026**
- (1) (a) The tenderer shall be required to submit the bid security with the tender for the due performance with the stipulation to keep the offer open till such date as specified in the tender, under the conditions of tender. The bid security shall be as under:

Value of the work	Bid security
For all works	2% of the estimated cost of the work.

Note:

- (i) The bid security shall be rounded off to the nearest ₹100. This bid security shall be applicable for all modes of tendering.
- (ii) Any firm recognized by Department of Industrial Policy and Promotion (DIPP) as 'Startups' shall be exempted from payment of bid security detailed above.
- (iii) Labour Cooperative Societies shall submit only 50% of above bid security detailed above.
- (b) It shall be understood that the tender documents have been issued to the tenderer and the tenderer is permitted to tender in consideration of stipulation on his part, that after submitting his tender he will not resile from his offer or modify the terms and conditions thereof in a manner not

acceptable to the Engineer. Should the tenderer fail to observe or comply with the said stipulation, theaforesaid amount shall be liable to be forfeited to the Railway.

- (c) If his tender is accepted this bid security mentioned in sub clause (a) above will be retained as part security for the due and faithful fulfillment of the contract in terms of Clause 16 of the Standard General Conditions of Contract. Bid security of other Tenderers shall, save as herein before provided, be returned to them, but the Railway shall not be responsible for any loss or depreciation that may happen thereto while in their possession, nor be liable to pay interest thereon.
- (d) The Bid Security shall be deposited either in cash through e-payment gateway or submitted as Bank Guarantee bond from a scheduled commercial bank of India or as mentioned in tender documents. The Bank Guarantee bond shall be as per Annexure-VIA of IRSGCC, April 2022 and shall be valid for a period of 90days beyond the bid validity period. In case, submission of Bid Security in the form of Bank Guarantee clause 5(1)(3) of IRSGCC April 2022 shall be followed.
- (e) **Mode of payment:-**All the tenderers/ Contractors have to deposit full Bid Security stipulated for the tender, only through online payment modes as permitted in IREPS application like multiple banks net banking, debit / credit cards etc., available on IREPS portal.
- (f) **Participation of Partnership Firms in works tenders:-**The Partnership Firms participating in the tender should be legally valid under the provisions of the Indian Partnership Act.(For details of Rules and Regulations for tender under Partnership, refer Clause 18 of IRSGCC April 2022)
- (g) Subject to exemptions provided under para 5(1) (a) of Part-1 (ITT) of this document, the tender must be accompanied by a Bid Security as mentioned in tender documents, failing which the tender shall be summarily rejected.( Clause 6(a), Annexure – I – Tender form (Second Sheet), IRSGCC April 2022).
- (h)
  1. For tenders which do not have certificate based system of credential verification, the tenderers shall keep their offers open for a period of three times the tender notice period (Ref:RlyBdLtr No.2017/Trans.Cell/S&T/NIT Period dt. 26-07-2018)
  2. For tenders which have certificate based system of credential verification, the tenderers shall keep their offers open for a period of 60 days for single packet system and 90 days for two packet system. (Ref: Rly bdLtr no.2017/Trans/01/Policy dtd 08-02-2018, IRSGCC April 2022)
  3. In case of short tender notice period the tenderers have to keep their offers valid and open for a minimum period of 60 days (As Clause 6(b), Annexure - I of IRSGCC, April 2022 restricts the minimum tender validity period to 60 days).
    - from the date of closing of Tender, within which period the tenderer cannot withdraw his offer subject to the period being extended further if required, by mutual agreement from time to time. Any contravention of the above condition will make the tenderer liable for forfeiture of his initial security mentioned above.

## **12 Security Deposit ( para 16.(1),16.(2),16.(3) of Indian Railways Standard GCC, April 2022):-**

- (1) The Security Deposit shall be 5% of the contract value. The Bid Security submitted by the Contractor with his tender will be retained/encashed by the Railways as part of security for the due and faithful fulfillment of the

contract by the Contractor. Provided further that, if Contractor submits the Cash or Term Deposit Receipt issued from a Scheduled commercial bank of India or irrevocable Bank Guarantee Bond from a Scheduled commercial bank of India, either towards the Full Security Depositor the Part Security Deposit equal to or more than Bid Security, the Railway shall return the Bid Security, to the Contractor.

Balance of Security Deposit may be deposited by the Contractor in cash or Term Deposit Receipt issued from Scheduled commercial bank of India or irrevocable Bank Guarantee bond issued from Scheduled commercial bank of India, or may be recovered at the rate of 6% of the bill amount till the full Security Deposit is recovered. Provided also that in case of defaulting Contractor, the Railway may retain any amount due for payment to the Contractor on the pending "on account bills" so that the amounts so retained (including amount guaranteed through Performance Guarantee) may not exceed 10% of the total value of the contract.

The Irrevocable Bank Guarantee submitted towards Security deposit shall be initially valid up to the stipulated date of Maintenance period plus 60 days and shall be extended from time to time, depending upon extension of contract granted in terms of Clause 17A and 17B of the Standard General Conditions of Contract.

Note: Security Deposit deposited in cash by the Contractor or recovered from the running bills of a Contractor or submitted by contractor as Term Deposit Receipt(s) can be refunded/returned to the contractor, in lieu of irrevocable Bank Guarantee bond issued from scheduled commercial bank of India, to be submitted by him, for an amount equal to or more than the already available Security Deposit, provided however that, in a contract of value less than Rs. 50 Crore, such refund/ return of the already available Security Deposit is permitted up to two times and in a contract of value equal to or more than Rs. 50 Crore, such refund / return of the already available Security Deposit is permitted up to three times.

**(2) (i) Refund of Security Deposit:** Security Deposit mentioned in sub clause (1) above shall be returned to the Contractor along with or after, the following:

- (a) Final Payment of the Contract as per clause 51.(1) of IRSGCC April 2022 **and**
- (b) Execution of Final Supplementary Agreement or Certification by Engineer that Railway has No Claim on Contractor **and**
- (c) Maintenance Certificate issued, on expiry of the maintenance period as per clause 50.(1) of IRSGCC April 2022, in case applicable.

**(2) (ii) Forfeiture of Security Deposit:** Whenever the contract is rescinded as a whole under clause 62 (1) of GCC, the Security Deposit already with railways under the contract shall be forfeited. However, in case the contract is rescinded in part or parts under clause 62 (1) of GCC, the Security Deposit shall not be forfeited.

**(3)** No interest shall be payable upon the Bid Security and Security Deposit or amounts payable to the Contractor under the Contract, but Government Securities deposited in terms of Sub-Clause 16.(4)(b) of this clause will be payable with interest accrued thereon.

### **13 Performance Guarantee para 16.(4) of Indian Railways Standard GCC, April 2022):-**

The procedure for obtaining Performance Guarantee is outlined below:

- (a) The successful bidder shall have to submit a Performance Guarantee (PG) within 21 (Twenty one) days from the date of issue of Letter of Acceptance (LOA). Extension of time for submission of PG beyond 21 (Twenty one) days and upto 60 days from the date of issue of LOA may be given by the Authority who is competent to sign the contract agreement. However, a penal interest of 12% per annum shall be charged for the delay beyond 21 (Twenty one) days, i.e. from

22<sup>nd</sup> day after the date of issue of LOA. Further, if the 60<sup>th</sup> day happens to be a declared holiday in the concerned office of the Railway, submission of PG can be accepted on the next working day.

In all other cases, if the Contractor fails to submit the requisite PG even after 60 days from the date of issue of LOA, the contract is liable to be terminated. In case contract is terminated railway shall be entitled to forfeit Bid Security and other dues payable against that contract. In case a tenderer has not submitted Bid Security on the strength of their registration as a Startup recognized by Department of Industrial Policy and Promotion (DIPP) under Ministry of Commerce and Industry, DIPP shall be informed to this effect.

**The failed Contractor shall be debarred from participating in re-tender for that work.**

- (b) The successful bidder shall submit the Performance Guarantee (PG) amounting to 5% of the original contract value and Additional Performance Guarantee as per clause 16(4)h in any of the following forms:
- (i) A deposit of Cash;
  - (ii) Irrevocable Bank Guarantee;
  - (iii) Insurance Surety Bond as per Annexure-XVII

**Note:**

**Incase of extension of date of completion ,selected bidder needs to submit extended Insurance Surety Bond /Fresh Insurance Surety Bond /fresh Performance Guarantee ,in any form as given above ,before expiry of existing Insurance Surety Bond (Ref: Advance Correction Slip No.11 vide Rly Bd Lr No.2022/CE-I/CT/GCC/POLICY(E-3320424) dtd 13-03-2026)**

- (iv) Government Securities including State Loan Bonds at 5% below the market value;
- (v) Pay orders and Demand Drafts Tendered by any Scheduled Commercial Bank of India;
- (vi) Guarantee Bonds executed or Deposits Receipts tendered by any Scheduled Commercial Bank of India;
- (vii) Deposit in the Post Office Saving Bank;
- (viii) Deposit in the National Savings Certificates;
- (ix) Twelve years National Defence Certificates;
- (x) Ten years Defence Deposits;
- (xi) National Defence Bonds and

(xii) Unit Trust Certificates at **5%** below market value or at the face value whichever is less. Also, FDR in favour of FA&CAO (free from any encumbrance) may be accepted.

- (c) The Performance Guarantee shall be submitted by the successful bidder after the Letter of Acceptance (LOA) has been issued, but before signing of the contract agreement. This P.G. shall be initially valid upto the stipulated date of completion plus 60 days beyond that. In case, the time for completion of work gets extended, the Contractor shall get the validity of P.G. extended to cover such extended time for completion of work plus 60 days.
- (d) The value of PG to be submitted by the Contractor is based on original contract value and shall not change due to subsequent variation(s) in the original contract value.
- (e) The Performance Guarantee (PG) shall be released after physical completion of the work based on 'Completion Certificate' issued by the competent authority stating that the Contractor has completed the work in all respects satisfactorily.
- (f) Whenever the contract is rescinded, the Performance Guarantee already submitted for the contract shall be encashed in addition to forfeiture of Security Deposit available with railway.
- (g) The Engineer shall not make a claim under the Performance Guarantee except for amounts to which the President of India is entitled under the contract (not withstanding and/or without prejudice to any other provisions in the contract agreement) in the event of:
- (i) Failure by the Contractor to extend the validity of the Performance Guarantee as described herein above, in which event the Engineer may claim the full amount of the Performance Guarantee.
  - (ii) Failure by the Contractor to pay President of India any amount due, either as agreed by the Contractor or determined under any of the Clauses/Conditions of the Agreement, within 30 days of the service of notice to this effect by Engineer.
  - (iii) The Contract being determined or rescinded under clause 62 of the GCC.

(h) If a tender is accepted on the quoted rates of bidder which is below the advertised value tender value ,an additional performance security shall be submitted by the bidder as below:

Bid quoted in % of advertised cost	Additional Performance Guarantee (%)
Below 0-5%(inclusive)	NIL
Below 5%	5%

**(Ref: Advance Correction Slip No.11 vide Rly Bd Lr No.2022/CE-I/CT/GCC/POLICY(E-3320424) dtd 13-03-2026)**

The Confirmation Letter for the 'Performance Guarantee' issued by the concerned Bank should be sent to this Office by the concerned Bank only, by a Registered Post or Speed Post only.

In case, the Performance Guarantee is submitted in the form of Fixed Deposit Receipt, Deposit Receipt (free from any encumbrance) etc., the validity/maturity date for the same shall be of "AUTO RENEWAL" only.

- 14 **Compliance to statutory regulations:-** The work shall conform to the following Acts, Rules and Codes as applicable:-
  - i) Indian Electricity Rules.
  - ii) National Building Code.
  - iii) National Electrical Code 1985.
- 15 The work shall be carried out generally in conformity with ISS latest edition amended/ modified wherever specified and also in conformity with the Regulations for tender and contract conditions or tender, Tender agreement form, 'General Conditions of Contract'.
- 16 The tenderer/Contractor must ensure the safety of the labourers and staff arranged by him while executing the work and the Railways will not be responsible for any injury/loss sustained by the Contractors/staff due to any category of accident or any other fatal accident. Any compensation of claims arising out of such accident if any to take place, the Contractor shall solely and completely be responsible. The Contractor shall take a note of Labour laws to be complied with by him as indicated in the "General conditions of contract" which has to be observed while the contract is executed. Any laws not specifically mentioned in the "General Conditions of Contract" but required to be satisfied by the Contractor statutorily shall be binding on the Contractor.
- 17 The tenderer should themselves be fully conversant with site conditions before quoting for the tender.
- 18 The "Bonded Labour System (abolition) Ordinance 1975" would apply to the present contract. The tenderer/Contractor shall duly observe the provisions thereof.
- 19 As per the extant Income Tax Act & Rules and Finance Act 2013, the Income Tax shall be deducted at source from the Contractors bill @ 1% in case of Individual Contractor (Proprietor/Proprietress) and 2% in case of others for the value of the payment to be made to the Contractors under this contract. Surcharge and Educational Cess charges need not be recovered as per the extant Income Tax Rules - (Reference:- Sr. DFM/MAS Letter No. W.55/X-I Dated 13.05.2013 – (M/E.61/II/P/Vol. V).
- 20 The work shall be carried out in the presence of authorized representatives of the Sr. Divisional Electrical Engineer/General Service/Chennai Division/Southern Railway, Park Town, Chennai – 600 003.
- 21 **Permits:-** The tenderer/Contractor shall have to obtain special permit from the Railways to enable his workers to work or to bring/take materials from the work spot.
- 22 The programme and method of work shall be furnished by the Contractor well in time and get the same approved by the Engineer-in-charge before commencement of the work.
- 23 No Drawings other than enclosed in the tender documents will be supplied. For additional details of the site conditions if any desired tenderer may inspect the site and proposed their best offer.

Failure to do so will not absolve them of their responsibility to fulfill the requirements as indicated in the specification.

- 24 The work shall be commenced immediately on receipt of the "Letter Of Acceptance" and completed within the date agreed upon in the agreement for completion. The Railway attaches the utmost importance to the timely completion of the work on or before the date contracted for. In this connection the attention of the tenderer/Contractor is specially invited to the Clauses regarding "Liquidated damages" under Clause 17(B) of the "Indian Railways General Conditions of Contract – April,2022".
- 25 **Fixing of milestones (Reference:- PCE/MAS Letter No. W.29/1/Vol. VI Dated 26.05.2006):-** The Executive Engineer-in-charge of the work may fix appropriate milestones and monitor.
- 26 **Programme of Work:-**
- a) Immediately on issue of 'Letter Of Acceptance' of this tender, the Contractor should submit a programme of work showing the activities work wise for completing the whole work within the stipulated period of completion in consultation of the Executive-in-charge of the work. If so desired by the Engineer, the Contractor shall submit further programme from time to time, taking into consideration the latest progress achieved till then.
  - b) This is to reiterate that the Railway reserves the right of terminating the contract of the Contractor, at any stage of review of the progress under (a) above, if the above agreed programmes are not adhered to within the margin of 10% as envisaged in Clause 62 (1) (viii) of the 'Indian Railways General Conditions of Contract – April,2022'.
  - c) Non-submission of the program as envisaged above shall entitle the Railway to terminate the contract at the Contractor's fault under Clause 62 of the 'Indian Railways General Conditions of Contract – April, 2022'.
- 27 **Workmanship:-** Good workmanship is an essential requirement of this Contract. No substandard work or incomplete work will be accepted. The work shall be carried out under the direct supervision of persons holding certificate of competency issued by the State Government.
- 28 **Power Supply:-** No electric power will be supplied by the Railways for the Contractor to carry out his work. The Contractor if so desires to have temporary power supply for his work, he may apply for the same to the Sr. Divisional Electrical Engineer/Southern Railway/Chennai Division and if feasible supply may be made available on terms applicable as for outsiders. The Contractor has to bear all the incidental charges.
- 29 **Tools, tackles and instruments:-** All tools, tackles, instruments and materials required by the Contractor in connection with Installation, Erection, Testing and Commissioning of the whole equipment included in the contract shall be provided by the Contractor at his cost and Railways will not in any way assist the Contractor in supply or procure the same.

- 30 The Railways shall not be in any way responsible for any loss or damage or deterioration which may happen to or in respect to such tools, instruments and materials either by the same being lost, stolen, injured or destroyed by any case what so ever. This clause shall not anyway diminish the liability of the Contractor to execute the works in terms of the contract.
- 31 The exact quantities of work indicated against various items of work under the schedule of work is likely to be increased or decreased upto 25% of the quantities specified according to site conditions and as decided by the Railway administration. The Railways shall be entitled by order in writing to increase or reduce the no. of units. As such the tenderer shall quote the rates for accessories and material in the price schedule and payment will be made pro-rata basis. Railways reserves the right to split the work and award portion of the work for each station to different agencies if found necessary.
- 32 The work should be carried out only by a tenderer/contractor holding a valid license issued by the State Government for carrying out installation work of the voltage classes involved under direct supervision of the persons holding valid certificates of competency for same voltage classes issued or recognized by the State Government. The tenderer should furnish with his tender the particulars of the license held by him. The successful tenderer shall furnish the names and particulars of certificates of competency of the supervisors and workmen to be engaged for carrying out this work. In case of LT works if the firm does not have a license in its name, it shall be ensured that the work is carried out only by a person who is a holder of such license. (Ref: Sr.DEE/G/MAS Note No. M/E.29/II/Tender Uploading dated 20.01.2020)
- 33 **Property in materials and plants:-** The materials brought by the tenderer/Contractor upon the site or on the land occupied by the tenderer/Contractor in connection with the works and intended to be used for the execution there of shall immediately, they are brought upon the site or the said land be deemed to be the property of the Railways. Such of them as during the progress of the works are rejected, by the Engineer are declared by him not to be needed for the execution of the works or such as on the grant of the certificate of completion remain unused shall immediately on such rejection or declaration or grant cease to be deemed the property of the Railways and the Contractor/tenderer may then (but not before) remove them from the site or the land.
- 34 This Clause shall not in any way diminish the liability of the tenderer/Contractor nor shall the Railways be in anyway answerable for any loss or damage which may happen to or in respect of such materials or plant against which 'ON ACCOUNT PAYMENT' have been made by the Railway administration or otherwise and also in the case of rejected materials not removed the tenderer/Contractor either by the same being lost, stolen, injured or destroyed by fire, tempest or otherwise.
- 35 **Anti-larval work:-** The tenderer/Contractor shall be responsible for anti-larval work at his cost during progress of works as may be prescribed by the Engineer on the advice of the Railways. Medical authorities and where use of insecticides is involved, it shall be done in accordance with the provision of the Act and Rules in this behalf at the cost of the tenderer/Contractor who shall also be solely responsible for the any acts or omissions under provisions of the aforesaid rules.

- 36 **SAMPLES:-** The successful tenderer should submit 2 sets of samples of all Electrical items within 14 Days from the date of issue of `LETTER OF ACCEPTANCE" for approval. For fabricated items, prototype approval shall be obtained from the Section Engineer-in-charge before bulk fabrication is taken up. The tenderer shall clearly indicate the Makes/Brands proposed to be used by them against the equipment/sub-assemblies/components of the transformer/ACB panel/LT switch boards. The acceptance of the same shall rest with Railway administration.
- 37 The Contractor shall note that all the materials mentioned in the Schedule as "Will be supplied departmentally" shall mean that the same will be handed over to the Contractor only at the Electrical/Maintenance Depot Stores/Perambur by the Senior Section Engineer/ Electrical/Maintenance/Perambur. The responsibility of transporting the same to the site as well as the safe custody, till taken over by the Railways rest with the Contractor.
- 38 The contractor shall have to submit as laid route diagram for conduit/wiring/switch board layout in original tracing, preferably made in "CAD". The tenderer shall also make available of a soft copy of the same in a CD/DVD/Pen drive as directed by Section Engineer Incharge.
- 39 The Tenderers shall submit general arrangement Drawing for LT switchboards if any, at the time of submission of tender.
- 40 The Contractor should submit Insulation Resistance value and Earth Resistance value after completion of the work.
- 41 **Disaster Management over Indian Railways:-** Please note that in case of any accidents/ natural calamities involving human lives, the vehicles and equipments of Contractors shall be drafted by the Railway administration on payment basis. For payment purpose, the item shall be operated as a Non-schedule (NS) item as per the existing norms and powers delegated to the Railways. Hence the Contractor shall also furnish the details of vehicles and equipments available with them to enable the Railway administration to utilize the same during any accidents/natural calamities involving human lives (Reference:- Railway Board Letter No. 2003/Elect (G)/113/4 Dated 08.08.2003 issued vide CEE/MAS Letter No. E.252/P/Vol. XII Dated 18/20.08.2003 – (M/E.61/II/P/Vol. III).

**42 Guarantee/Warranty Clause:-**The Contractor should guarantee that the said goods/ stores/articles would continue to conform to the description and quality as aforesaid for a period of 60 months for all LED fixtures(complete assembly) ,60 months for all types of BLDC Fans(complete assembly) and 12months for all remaining items for all remaining items from the date of taking over as above by the Railways and this warranty shall survive notwithstanding the fact that the goods/stores/articles may have been inspected, accepted and payment therefore made by the purchaser (Reference: CEE/MAS letter no.E.252/P/Vol.XIV dated 17/20.02.2006- (M/E.61/II/P/Vol.IV)).

**43 Variation in contract quantities in Works Contracts** (Reference:- para 42 of Indian Railways General Conditions of Contract, April 2022)

- (i) Unless otherwise specified in the special conditions of the contract, the accepted variation in quantity of each individual item of the contract would be upto 25% of the quantity originally contracted, except in case of foundation work. (in which no variation limit shall apply). However, the rates for the increased quantities shall be as per sub- para (iii) below.
- (ii) The Contractor shall be bound to carry out the work at the agreed rates and shall not be entitled to any claim or any compensation whatsoever upto the limit of 25% variation in quantity of individual item of works.
- (iii) In case an increase in quantity of an individual item by more than 25% of the agreement quantity is considered unavoidable, then same shall be executed at following rates
  - (a) Quantities operated in excess of 125% but upto 140% of the agreement quantity of the concerned item, shall be paid at 98% of the rate awarded for that item in that particular tender;
  - (b) Quantities operated in excess of 140% but upto 150% of the agreement quantity of the concerned item shall be paid at 96% of the rate awarded for that item in that particular tender;
  - (c) Variation in quantities of individual items beyond 150% will be avoided and would be permitted only in exceptional unavoidable circumstances and shall be paid at 96% of the rate awarded for that item in that particular tender.
  - (d) Variation to quantities of Minor Value Item:  
The limit for varying quantities for minor value items shall be 100% (as against 25% prescribed for other items). A minor value item for this purpose is defined as an item whose original agreement value is less than 1 % of the total original agreement value.
    - d.(i) Quantities operated upto and including 100% of the agreement quantity of the concerned minor value item, shall be paid at the rate awarded for that item in that particular tender;
    - d.(ii) Quantities operated in excess of 100% but upto 200% of the agreement quantity of the concerned minor value item, shall be paid at 98% of the rate awarded for that item in that particular tender;
    - d.(iii) Variation in quantities of individual minor value item beyond 200% will be avoided and would be permitted only in exceptional unavoidable circumstances and shall be paid at 96% of the rate awarded for that item in that particular tender.
- (iv) In case of earthwork, the variation limit of 25% shall apply to the gross quantity of earthwork items and variation in the quantities of individual classifications of soil shall not be subject to this limit.
- (v) As far as Standard Schedule of Rates SSOR items are concerned, the variation limit of 25% would apply to the value of SSOR schedule as a whole and not on individual SSOR items. However, in case of Non Standard Schedule of Rates (SSOR) items, the limit of

25% would apply on the individual items irrespective of the manner of quoting the rate (single percentage rate or individual item rate).

The aspect of vitiation of tender with respect to variation in quantities should be checked and avoided. In case of vitiation of the tender (both for increase as well as decrease of value of contract agreement), sanction of the tender accepting authority (competent for the revised quantity) and shall not be treated as a case of single tender – (Reference:- Railway Board Letter No. 2017/Trans/01/Policy Dated 08.02.2018).

- d) **Vitiation of contract due to variation:-** As a result of variations, a contract shall be considered “vitiating” only when the following percentage variation in contract value between tenderers are noticed to have been exceeded (Reference:- Railway Board Letter No. 2017/Trans/01/Policy Dated 08.02.2018):-

S. No.	Value of Contract	Percentage difference between present Contractor and new L-1 as a result of variation (percentage shall be calculated with base as the revised contract quantities multiplied by the rates of the present contractor)
1.	Small value contracts (Tender Value less than `50 Lakh).	10
2.	Other than small value contracts (Tender Value equal to or more than `50 Lakh).	5

- e) Executives while executing the work shall make all efforts to ensure that no vitiation takes place in normal circumstances. Vitiation should be an exceptional rather than a routine affair (Reference:- Railway Board Letter No. 2017/Trans/01/Policy Dated 08.02.2018).

**44 National Electronic Fund Transfer System:-** (Reference:- Sr. DFM/MAS Letter No. Sr. DFM/MAS/EFT Dated 20.06.2008 – (M/E.61/II/P/Vol. V).

- a) In view of introduction of the system of National Electronic Fund Transfer System by the Railways for making payments to Contractors instead of issue of cheques, you are requested to submit the following details to ensure prompt crediting of your Bank Account:-
- b) Name of Bank, Name of the Branch, Address of Bank, Telephone No., 9 Digit Code No. of the Bank and branch appearing on the MICR cheque issued by the Bank, IFSC Code of the branch, Type of Account (SB A/c / Current A/c / Cash Credit with Code 10/11/13, Leger and ledger folio No., Account No. appearing on the cheque book etc,. The mandate may kindly be got attested by the Bank Manager concerned and a photo copy of the cancelled cheque may also be submitted to this Office for further process. On receipt of the above data, the individual NEFT No. for your firm will be advised. It should be ensured that the above NEFT No. is quoted when the bills are submitted. A specimen copy of the NEFT form may also be obtained from this Office.

**45 Penalty in case of any damages to underground Signaling, Electrical and Telecommunication cables:-**

(Reference:- Railway Board's Letter No. 2021/Tele/5(2)/3-Part(1)(3425647) Dated 12.06.2023)

<b>Cable Damaged</b>	<b>Penalty per location</b>
Only Quad cable or Signalling cable	1 Lakh
Only OFC	1.25 Lakh
Both OFC & Quad	1.5 Lakh
Electrical cable	1 Lakh

Also contractors carrying out excavation works must use "Call before U Dig"(CBUD) mobile application to coordinate with owners of existing utility assets to safeguard from damage.

Contractors are advised to use "Call Before u Dig" (CBUD) mobile app to coordinate with owners of existing utility assets to safeguard from damage.(Reference:Rly Bd Ltr No.2020/Tele/11(6)/1(3329554) dtd 02-12-2023)

**46 Price Variation Clause (PVC)** (Reference:- Para 46.(A) of Indian Railways Standard GCC, April 2022).

Price Variation Clause (PVC) shall be applicable only in tender having advertised value above **Rs. 2 Crores**. The Price Variation Clause (PVC) in Works Contract shall be dealt with in accordance with provisions of Item 46A of the 'Indian Railways Standard General Conditions of Contract – April 2022'. For details refer IRS GCC April 2022.

**47** The tenderer shall carefully go through all the documents, contained in the tender and submit his tender after taking into consideration of the various conditions laid down therein.

**48** It must be clearly understood that all the terms and conditions stipulated in various pages of the documents are binding on the tenderer unless otherwise commented upon by the tenderer at the time of tendering.

**49** Time is the essence of the contract and the dates agreed upon and specified in the agreement shall be guaranteed under Penalty Clauses as specified in para 17B of the 'Indian Railways Standard General Conditions of Contract – April 2022'.

**50** The spares recommended for 2 Years maintenance and tools required for maintenance quoted the tenderer shall be itemized separately and lists furnished in the tender.

**51** It is the responsibility of the Contractor to make necessary arrangements for all the tools, equipment and stores required for the erection and the Railways will not in anyways assist the Contractor in supplying or procuring the same.

**52 Inspection:** All equipment/materials to be supplied by the tenderer/Contractor may at the discretion of the Engineer-in-charge be subject to inspection by the Engineer or his representatives at the manufacturers factory before dispatch and the Railways shall have free

access for such an inspection being carried out. All expenditure in connection with the inspection by the Railways shall be borne by the tenderer/Contractor. However, the inspection carried out and the certificate issued thereof on delivery at site will be final.

For materials of purchase value Rs.5 lakhs and above, inspection shall be done by third party i.e. M/s.RITES and all expenditure in connection with the inspection shall be borne by the tenderer/Contractor.

For ISI marked products, if the order is placed on ISI certified manufacturers, the materials can be accepted on firm's WTC.(Ref: Railway Board Letter No.2017/Trans/01/Policy/Pt-S dated 16.08.2018)

- 53 Tests:-** Necessary tests either at manufacturing end or elsewhere, during any stage of manufacture as is required to be carried out in conformance with, applicable latest revision of Indian Standard or equivalent standards so as to satisfy itself with meeting the requirements, shall be done if demanded by Railway administration, in presence of the Executive Engineer of Railway administration or his nominated representative, and all costs towards the same shall be borne by the contractor. The right of acceptance of the rightness of the test condition, facilities, parameters, results etc., shall rest with Railway administration. Railways shall also reserve the right to insist carrying out the tests, though already carried out earlier, in presence of its Engineers. No additional cost will, however, be payable for such tests. In addition to the above tests, all tests which are considered necessary for ensuring quality of Transformers/ Escalators/Lifts/Measuring Instruments/ACB switch gears/DG set/LT Switch Gears/ Measuring Instruments and/or associated components shall also be done by the contractor and or shall be supplemented with test certificates issued at source. The contractor shall along with the equipment supply copies of test certificates in original for reference and record. The contractor shall bear all the expenses incidental to inspection.
- 54 CLEARANCE FROM ELECTRICAL INSPECTOR:-** The Contractor shall provide all as laid/as erected Drawings general arrangement Drawing (in original tracing preferably made in 'CAD') and other details such data obtained during type and routine tests, authenticated copy of type certificate and original certificate of routine test clearly indicating the Serial Number of equipment/accessories. Any modification/alteration/ corrections pointed out by the Electrical Inspector shall be carried out both at site as well as in Drawing. A soft copy of the Drawings in a CD/DVD/pen drive shall also be supplied.

**55 System improvement in quality assurance programme in Works Contract:-**

For system improvement in quality assurance programme in Works Contracts of all Electrical Works Contracts, the following Registers should be maintained for each and every work at site and should be produced during inspection by officials (Reference:- CEE/MAS Letter No. E. 252/P Dated 21.02.2013 – Circulated to all Supervisors/MAS Division vide Letter No. M/E.61/II/P/Vol. V Dated 07.03.2013:-

- i) Site Order Book.
- ii) Hindrance Register.
- iii) Material Transaction Register.
- iv) Cube Testing Register.
- v) Daily Progress & Labour Register.

The above Registers maintained at site by the concerned Senior Section Engineer/ Electrical should also be jointly signed by the Contractor.

**56 Labour:-**

The Contractor shall abide by the provision of the following Laws, Acts & Rules as amended from time to time

- I. Minimum Wages Act, 1948-(Clause 54 of GCC 2022)
- II. Apprentices Act, 1961 (Clause 54 A of GCC 2022)
- III. Provisions of Payment of Wages Act, 1936 (Clause 55 of GCC 2022)
- IV. Provision of the contract labour (Regulation and Abolition) Act, 1970 and the Contract labour (Regulation and Abolition) Central Rules 1971 (Clause 55 A of GCC 2022)
- V. Provisions of Employees Provident Fund and Miscellaneous Provisions Act, 1952, Employees' Pension Scheme, 1995; Employees Deposit Linked Insurance Scheme, 1976 (Clause 55 B of GCC 2022)
- VI. Provisions of "The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996" and "The Building and Other Construction Workers' Welfare Cess Act, 1996 (Clause 55 D of GCC 2022)
- VII. Workmen's Compensation Act 1923 (Clause 57 of GCC 2022)
- VIII. Provision of Mines Act (Clause 57 A of GCC 2022)
- IX. Laws & Bye-laws pertaining to the employment of local or imported labour (Clause 59(2) of GCC 2022)
- X. Sanitary Rules prescribed by the Railways 59 (4) and other rules mentioned in clauses 59(5) - 59(9) of GCC 2022.

**57 Registration of Labour** (Ref: Clause 55 C of GCC 2022)

- (i) Contractor is to abide by the provisions of various labour laws in terms of above clause 54, 55, 55-A and 55-B of Indian Railways Standard General Conditions of Contract. In order to ensure the same, an application has been developed and hosted on website 'www.shramikkalyan.indianrailways.gov.in'. Contractor shall register his firm/company etc. and upload requisite details of labour and their payment in this portal. These details shall be available in public domain. The registration/ updation in of Portal shall be done as under:

- (a) Contractor shall apply for onetime registration of his company/firm etc. in the Shramikkalyan portal with requisite details subsequent to issue of Letter of Acceptance.

Engineer shall approve the contractor's registration in the portal within 7 days of receipt of such request.

- (b) Contractor once approved by any Engineer, can create password with login ID (PAN No.) for subsequent use of portal for all Letter of Acceptances (LoAs) issued in his favour.
- (c) The contractor once registered on the portal, shall provide details of his Letter of Acceptances (LoAs) / Contract Agreements on shramikkalyan portal within 15 days of issue of any LoA for approval of concerned Engineer. Engineer shall update (if required) and approve the details of LoA filled by contractor within 7 days of receipt of such request.
- (d) After approval of LoA by Engineer, contractor shall fill the salient details of contract labours engaged in the contract and ensure updating of each wage payment to them on shramikkalyan portal on monthly basis.
- (e) It shall be mandatory upon the contractor to ensure correct and prompt uploading of all salient details of engaged contractual labour & payments made thereof after each wage period.

- (ii) While processing payment of any 'On Account Bill' or 'Final Bill' or release of 'Advances' or 'Performance Guarantee / Security deposit', contractor shall submit a certificate to the Engineer or Engineer's representatives that "I have uploaded the correct details of contract labours engaged in connection with this contract and payments made to them during the wage period in Railway's Shramikkalyan portal at 'www.shramikkalyan.indianrailways.gov.in' till \_\_\_\_Month, \_\_\_\_Year."

**58 Non-Employment of Labourers below the age of 15:** (Ref : Clause 60 (1) of GCC 2022): The Contractor shall not employ children below the age of 15 as labourers directly or through petty Contractors or sub-contractors for the execution of work.

**Medical Certificate of Fitness for Labour:** (Ref : Clause 60 (2) of GCC 2022): It is agreed that the Contractor shall not employ a person above 15 and below 19 years of age for the purpose of execution of work under the contract unless a medical certificate of fitness in the prescribed form (Proforma at Annexure-VIII of IRSGCC 2022) granted to him by a certifying surgeon certifying that he is fit to work as an adult, is obtained and kept in the custody of the Contractor or a person nominated by him in this behalf and the person carries with him, while at work; a token giving a reference to such certificate. It is further agreed that the responsibility for having the adolescent examined medically at the time of appointment or periodically till he attains the age of 19 years shall devolve entirely on the Contractor and all the expenses to be incurred on this account shall be borne by him and no fee shall be charged from the adolescent or his parent for such medical examination.

**Period of Validity of Medical Fitness Certificate** (Ref : Clause 60 (3) of GCC 2022): A certificate of fitness granted or renewed for the above said purposes shall be valid only for a period of one year at a time. The certifying surgeon shall revoke a certificate granted or renewed if in his opinion the holder of it, is no longer fit for work in the capacity stated therein. Where a certifying surgeon refuses to grant or renew a certificate or revoke a certificate, he shall, if so required by the person concerned, state his reasons in writing for doing so.

**Medical Re-Examination of Labourer** (Ref : Clause 60 (4) of GCC 2022) : Where any official appointed in this behalf by the Ministry of Labour is of the opinion that any person employed in connection with the execution of any work under this contract in the age group 15 to 19 years is

without a certificate of fitness or is having a certificate of fitness but no longer fit to work in the capacity stated in the certificate, he may serve on the Contractor, or on the person nominated by him in this regard, a notice requiring that such persons shall be examined by a certifying surgeon and such person shall not if the concerned official so directs, be employed or permitted to do any work under this contract unless he has been medically examined and certified that he is fit to work in the capacity stated in the certificate.

**EXPLANATIONS:**

- (1) Only Qualified Medical Practitioners can be appointed as "Certifying Surgeons" and the term "Qualified Medical Practitioners" means a person holding a qualification granted by an authority specified in the Schedule to the Indian Medical Degrees Act, 1916 (VII to 1916) or in the Schedule to the Indian Medical Council Act, 1933 (XXVII) of 1933.
- (2) The Certifying surgeon may be a medical officer in the service of State or Municipal Corporation.

**59 Assignment or Subletting of contract:-**

The Contractor shall not assign or sublet the contract or any part thereof or allow any person to become interested therein in any manner whatsoever without the special permission in writing of the Chief Engineer, save as provided below. Any breach of this condition shall entitle the Railway to rescind the contract under Clause 62 of these Conditions and also render the Contractor liable for payment to the Railway in respect of any loss or damage arising or ensuing from such cancellation; provided always that execution of the details of the work by petty Contractor under the direct and personal supervision of the Contractor or his agent shall not be deemed to be sub-letting under this clause. Refer clause no.7, page no.44 of IRSGCC April 2022 for further details.

**60 Completion Certificate:-**

With respect to Railways, the experience certificate should have been issued by at least a JA grade officer. With respect to other Government departments and PSU's the certificate issued at the level of Executive Engineer and above can be taken as valid.

**61 Implementation of GST Act, 2017 – Procedure for payment of Contractual Bill – (Reference:- Railway Board Letter No. 20176/CE-1/CT/12/GST/Pt. I Dated 29.06.2017 – GST Circular No. 26 – RBA No. 83 – M/E.61/II/P/Vol. VI):-**

- a. 'Work executed by the Contractor' will be recorded in Measurement Books by Railway duly accepted by the Contractor. Railway will prepare 'On Account/Final Contract Certificate' for the payable amount based on the work executed and the rates quoted by the Contractor duly deducting various statutory taxes like – Income Tax etc., as per applicable rates and the Railways will directly deposit the statutory deductions made to the concerned authorities.
- b. With the GST Act in force, it will be the responsibility of service providers (i.e. Contractors) to submit the invoice (bill) duly segregating the GST component from the Gross amount of work executed.
- c. All Works Contracts are to be provided with Goods/Service code based on the type of contract. In case contract consists of both Goods and Service, then interpretation regarding nature of

contract shall be done as per Clause 8, Chapter III of CGST Act, 2017. The Goods/Service Code notified by the Ministry of Finance and can be downloaded from the website [www.cbec.gov.in](http://www.cbec.gov.in).

d. Clause 8 - Chapter III of CGST Act, 2017 (Levy and Collection of Tax):-

The tax liability on a composite or mixed supply shall be determined in the following manner, namely:-

- (a) A composite supply comprising two or more supplies, one of which is a principal supply, shall be treated as supply of such principal supply; and
- (b) A mixed supply comprising two or more supplies shall be treated as a supply of that particular supply which attracts the highest rate of tax.

e. The 'On Account/Final Contract Certificate' shall be prepared by the Railway on the basis of quantity of work executed and agreemental rates, duly segregating the GST component as detailed below:-

Since the agreemental rates of contracts are inclusive of all taxes as per Clause 37 of GCC – 2014, the calculation of 'Gross amount of work executed', 'Amount of work executed excluding GST amount' and 'GST amount' in the 'On Account/Final Contract Certificate' shall be done as under:-

Let Z = Gross amount of work executed on the basis of quantum of work executed and agreemental rates.

X = Amount of work executed excluding GST amount.

Y = GST amount as per applicable GST rate for that Goods/Service Code.

R = Percentage rate of GST for that Goods/Service Code.

Then,  $Z = X + Y$ ,  $Y = X \times R / 100$ .

- f. Percentage rate of GST for various types of Goods/Services as finalized by GST Council can be downloaded from the website [www.cbec.gov.in](http://www.cbec.gov.in).
- g. Once the 'On Account/final Contract Certificate' is prepared by Railway and communicated to Contractor, the contractor shall submit Invoice (Bill) on his Letter head duly segregating the 'Amount of work executed excluding GST amount' and 'GST amount' (i.e. "X" & "Y" as mentioned in para (v) above along with Invoice No. (Bill No.) and all other details required under GST Act. The sample GST compliant Invoice is annexed herewith.
- h. In case Contractor is liable to be registered under GST Act, Railway shall pay to the Contractor 'Gross amount of work executed' (i.e. "Z" as mentioned in para (v) above duly deducting all other leviable taxes like Income Tax, LabourCess, Royalty etc., as applicable. Contractor shall be liable to pay 'GST amount' to respective authority himself. Whereas, Railway shall deposit all other taxes deducted to concerned authority as is being done presently.
- i. In case Contractor is not liable to be registered under GST Act, Contractor shall be paid "Amount of work executed excluding GST amount" (i.e. "X" as mentioned in para (v) above duly deducting all other leviable taxes like Income Tax, LabourCess, Royalty etc., as applicable. Railway shall deposit 'GST amount' as well as all other taxes deducted to concerned authority.

j. In case any need arises to modify the Invoice (Bill) due to any reason, Contractor shall submit amended fresh Invoice for processing the payment.

**62** In case the successful tenderer is not liable to be registered under CGST/IGST/UTGST/ SGST Act, the Railway shall deduct the applicable GST from his/their bills under reverse charge mechanism (RCM) and deposit the same to the concerned tax authority – (Reference:- Railway Board Letter No. 2008/RS(G)/777/1 Dated 06.07.2017 – (M/E.61/II/P/Vol. VII).

**63** Please note that the GST Registration Number assigned for Southern Railway in the State of Tamil Nadu is as follows – (Reference:- FA&CAO/MAS Letter No. 16/Books/GST Dated 03/04.07.2017):-

TAMIL NADU	33AAAGM0289C1ZQ
SAC CODE	995461

**64 The tenderers may please note and ensure the following particulars:-**

- a. The payment to the contract labourers should be made through Bank/Cheque only.
- b. Individual Identity Card should be issued to all contract workers.
- c. Necessary steps should be taken to deduct Provident Fund from the payment made to Contract labour and ensure that the same is credited to their Provident Fund account.
- d. The contract labourers should be provided with Medical facilities from ESI.

(Reference:- Railway Board Letter No. E(LL)2015/PNM/AIRF/1 Dated 20.10.2015 issued vide CPO/MAS Letter No. P(L)/445/Contract Labour/Vol. IX Dated 28.10.2015 –(M/E.61/II/P/Vol. VI).

**65** 'Letter of Credit' – (For Tenders having advertised value of 10 Lakh and above) – (Reference:- Railway Board Letter No. 2018/CE-I/CT/9 Dated 04.06.2018) – (M/E.61/II/P/Vol. VII):-

- a. For all the tenders having advertised cost of 10 Lakh or above, the contractor shall have the option to take payment from Railways through a 'Letter of Credit' (LC) arrangement.
- b. This option of taking payment through LC arrangement has to be exercised in IREPS (Indian Railway Electronic Procurement System – the e-application on which tenders are called by Railways) by the tenderer at the time of bidding itself, and the tenderer shall affirm having read over and agreed to the terms and conditions of the LC option.
- c. The option so exercised, shall be an integrated part of the bidder's offer.
- d. The above option of taking payment through LC arrangement, once exercised by the tenderer at the time of bidding, shall be final and no change shall be permitted, thereafter, during execution of contract.
- e. In case tenderer opts for payment through LC, following shall be the procedure to deal release of payment through LC:
  - (a) The LC shall be a sight LC.
  - (b) The contractor shall select his Advising/Negotiating Bank for LC. The incidental cost towards issue of LC and its operation thereof shall be borne by the contractor.

- (c) SBI, New Delhi, Main Branch will be the nodal branch for issue of LCs based on online requests received from Railway Accounts Units for tenders opened in financial year 2018-19. SBI branches where the respective Railway Accounts Office has its Account (Local SBI branch) will be the issuance/reimbursing branch for LC issued under this agreement. The Bank shall remain same for this tender till completion of contract. The incidental cost @ 0.15% per annum of LC value, towards issue of LC and operation thereof shall be borne by the contractor and shall be recovered from his bills.
- (d) The LC shall be opened initially for duration of 180 to 365 days in consultation with contractor. The LC shall be extended time to time as per the progress of the contract, on the request of the contractor. The value of LC to be opened initially as well as extended thereafter shall be finalised by the engineer in consultation with the contractor on the basis of expected progress of work.
- (e) The LC terms and conditions shall inter-alia indemnify and save harmless the Railway from and against all losses, claims and demands of every nature and description brought or recovered against the Railways by reason of any act or omission of the contractor, his agents or employees, in relation to the Letter of Credit (LC). All sums payable/borne by Railways on this account shall be considered as reasonable compensation and paid by contractor.
- (f) The LC terms and conditions shall inter-alia provide that Railways will issue a Document of Authorisation (format enclosed as Annexure 2) after passing the bill for completed work, to enable contractor to claim the authorized amount from their Bank.
- (g) The acceptable, agreed upon document for payments to be released under the LC shall be the Document of Authorisation.
- (h) The Document of Authorisation shall be issued by the Railways Accounts Office against each bill passed by Railways.
- (i) On issuance of Document of Authorisation, a copy of Document of Authorisation shall be posted on IREPS for download by the contractor. A digitally signed copy of Document of Authorisation shall also be sent by Railway Accounts Office to Railway's Bank (Local SBI Branch).
- (j) The contractor shall take print out of the Document of Authorisation available on IREPS and present his claim to his Bank (advising Bank) for necessary payment as per LC terms and conditions. The claim shall be comprise of copy of Document of Authorisation, Bill of Exchange and Bill.
- (k) The payment against LC shall be subject to verification from Railway's Bank (Local SBI Branch).
- (l) The contractor's Bank (advising Bank) shall submit the documents to the Railway's Bank (Local SBI Branch).
- (m) The Railway's Bank (issuing Bank) shall after verifying the claim so received with respect to the digitally signed Document of Authorisation received from Railway Accounts Office, release the payment to contractor's Bank (advising Bank) for crediting the same to contractor's account.
- (n) Any number of bills can be dealt within one LC provided the sum total of payments to contractor is within the amount for which LC has been opened.
- (o) The LC shall be closed after the release of final payment including PVC amount if any, to the contractor.
- (p) The release of Performance Guarantee or Security Deposit shall be dealt directly by Railway with the contractor i.e. not through LC.

- f. For opening of LC, Executive Department shall make a request letter to concerned Accounts Department on a format, placed as Annexure –1.
- g. Necessary option for payment to contractors through LC is available in IREPS and IPAS e-applications.

**Note 1:** The above conditions are general in nature for all the tenders. The conditions which are not relevant to this tender in question may kindly be ignored.

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**SOUTHERN RAILWAY**

**Annexure - 1**

**REQUEST LETTER FROM EXECUTIVE BRANCH TO ACCOUNTS OFFICE FOR  
OPENING OF LETTER OF CREDIT**

DRM/E/O/MAS Office

No.

Dated:-

Sr. DFM/MAS

Sub:- Opening of Letter of Credit.

Ref:- Contract Agreement No.

\*\*\*\*\*

It is requested to open a sight LC against the above referred Agreement in favour of  
M/s.....

The details of beneficiary are as under:-

- (i) Name of Contractor. M/s.
- (ii) Vendor Code.
- (iii) Address.
- (iv) Tender No.
- (v) Contract Agreement No.
- (vi) Description of Goods/Service.
- (vii) Value of Contract.
- (viii) Stages of payment.
- (ix) Expected payment within 6 Months (LC Amount).
- (x) Beneficiary Bank details:-
  - (a) Bank Name.
  - (b) Address.
  - (c) Account No.
  - (d) IFSC Code.
- (xi) Validity/period for which LC is to be opened.

It is certified that the Contractor has exercised the option of taking payment due against the tender, through LC arrangement in IREPS portal at the time of bidding itself and the option has been flagged in the IRESPS. This has the approval of Sr. DEE/G/MAS, Southern Railway.

(Signature)

Name:- Designation:-

(Office Seal)

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**SOUTHERN RAILWAY**

**Annexure -2**

**Sr. DFM/MAS Office**

**Dated:-**

LCDA No. (18 DIGIT IPAS GENERATED NO.)

Dated:-

**DOCUMENT OF AUTHORIZATION**

Reference:- (i) Works Contract No. .... Dated .....  
(ii) Inland Letter of Credit No. .... Dated .....

\*\*\*\*\*

This document is issued against Contract No. .... (FROM IREPS) Dated ..... for Work of  
(Description of Work from IREPS) .....

The beneficiary of the aforementioned Letter of Credit M/s. .... (Name and Vendor Code)  
..... (Vendor Code ..... as per IREPS ..... ) is entitled to receive payment, aggregating ...../-  
(From Abstract of Bill Passed) ..... out of a total LC amount of ...../- (From Master Table of LC  
opened) ..... against the First/Second\* Commercial Invoice No. (From IPAS) ..... Dated  
..... (From IPAS) ..... for ...../- raised against the above contract from STATE BANK OF  
INDIA, ..... (Branch – From LC MASTER TABLE) ..... on the strength of this Certificate.

The details of payments already made to the beneficiary under this Letter of Credit as follows:-

S. No.	Invoice No.	Invoice Date	Invoice amount	LCDA No.	LCDA Date	Amount paid
Total Paid						

This Payment:- ...../-

LC Balance after this Payment:- ...../-

(Signature of authorised Railway Authority)

Name:-  
Designation:-

(Office Seal)

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### **LIST OF APPROVED MAKE OF MATERIALS**

<b>SN</b>	<b>DESCRIPTION</b>	<b>MAKE</b>
1.	MCCB	SCHNEIDER/ ABB/SIEMENS/ Legrand/L&T
2.	LT XLPE Cables/wires	CCI/NICCO/Finolex/Havells/KEI/Polycab
3.	Multi function meter	L & T/AE/ENERON/TRINITY/Schneider
4.	Ammeter (Digital)	L& T/AE/ENERON/TRINITY/Cozerv / Schneider/ Secure/ Rishab
5.	Current Transformer	AE/KAPPA/INDCOIL/Crompton
6.	Indication lamps	L&T/TEKNIC/Schneider/ Siemens/ ABB/L&T
7.	MCB	Schneider/Siemens/ Legrand/L&T
8.	Wires.	KEI/Finolex / Polycab / CCI/ Havells/ L&T
9.	Selector switches	Kaycee / Siemens / L & T

**Note:** Apart from the makes/brands indicated above, Railway also reserves the right to accept any other reputed makes based on technical suitability. All materials/ fittings/ appliances etc used in electrical installations shall confirm to BIS Specifications wherever these exist. (Ref: Sr.DEE/G/MAS Note No. M/E.29/II/Tender Uploading dated 26.05.2020)

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