

## **PRICES AND PAYMENT**

- 1.0 **SCOPE** : This Chapter deals with prices to be paid for Supply and/or Erection of various items of work or for supplies and other amounts payable in accordance with accepted schedules of prices and rates and terms and conditions of payment mentioned herein. This is a works contract. The total prices for the completed items of work are the actual prices payable to the Contractor as per the terms and conditions of the contract.
  
- 2.0 **SCHEDULE OF PRICES** : The unit prices of various items of work shall be included these tender papers. All unit prices shall be FIRM irrespective of minor variations in basic quantities and use of alternative types of various components and fittings approved by the purchaser. Minor changes in the basic designs shall not affect the unit prices so long as such shall be in RUPEES. The prices shall be for materials and erection and for execution of work in accordance with specifications and approved drawings and designs. Unit prices shall be quoted for all items of work.
  
- 3.0 **UNIT PRICES FOR MATERIALS** : The unit prices shall include the prices of materials including all incidental charges for transport, loading/unloading and handling of materials, commission for arranging dispatch by rail/road direct from manufacturers factory to work site.  
  

The prices shall include all taxes such as Income tax, TDS, CESS and GST (with effect from 01.07.2017) applicable on this works contract. Therefore, they should quote their prices taking into account the rate of taxes as leviable in the event of sale through works contract to the central Government Organization in that state. It is clarified that required forms applicable for the purpose will be supplied to the contractor as applicable in the states where the contract is being executed.
  
- 4.0 **FOR ERECTION** : The unit prices shall include cost of erection, testing and commissioning to be done by the Contractor to the extent indicated in schedule and also cover all cost of administration of the contract insurance premium, banker's charges for guarantees, cost of stamps, cost of storage, loading and unloading and handing of materials and for any road transport which the contractor may use for carriage of materials between contractors depot and his works spot and of works and adjustments necessary to be done by the contractor during or after the tests carried out by the purchaser.
  
- 5.0 **CLARITY IN QUOTED RATES/PERCENTAGES** : Tenderers are advised to work out their rates sufficiently in advance of the last date specified for the tender receipt and indicate their rates very clearly and legibly both in words and figures without necessitating overwriting/ erasures etc. In case of discrepancy between the quoted rates in figures and words the rate quoted in words alone will prevail. Notwithstanding the conditions stated above the railway administration reserves the right to adopt the rate quoted in words (or) figures whichever is lower, if such adoption results in benefit to railways without affecting the inters positions of the tenderers with reference to the overall value of the tenders.
  
- 6.0 **PRICE VARIATION**: The prices quoted by tenderer, firm and Price Variation Clause is applicable as per GCC 2022. No adjustment in any manner on account of variation in insurance, Foreign exchange, custom duty & freight charges or on account of price fluctuation of raw materials is permissible be it in unit price of its materials, equipments or components or erection. Any increase in duties and taxes during the period of execution of work will be on contractor's account.

7.0 **PRICES OF EQUIPMENTS, COMPONENTS & MATERIALS:** The prices of individual equipments, components and materials required for the work are inclusive of Excise duty, Sales Tax and Insurance premium under the Emergency risks, (goods) Insurance Act in force if any.

8.0 **PAYMENT & RECOVERIES:** Subject to any deduction of recoveries which the Purchaser may be entitled to make under the contract, the contract shall unless otherwise agreed to be entitled to get the following payments subject to the conditions stipulated in subsequent paragraphs.

- (i) "On Account" payments.
- (ii) Progress payments on supply and erection.
- (iii) Final payment on Testing and commissioning.

9.0 **ON ACCOUNT PAYMENTS:** "On Account" payment against supply will be made by Railways. This will be considered on receipt of supply of listed item below after fulfillment of following.

- i. Suppliers Challans
- ii. Test Certificates of firms
- iii. Certificate of receipt of materials duly accepted by the Purchaser's engineers.
- iv. Insurance certificate
- v. Submission of Indemnity bond in the approved form.
- vi. Submission of Contractors BG for 10% of the amount claimed under ONA valid for periods covering supply and erection in each case.

The amount payable as "On-account" shall not exceed 70% of the accepted rate for item no. 1 of Price schedule. On-account payment made will be subsequently adjusted while making progress payment.

10.0 **A COMPLETE LIST OF MATERIALS TO BE SUPPLIED BY CONTRACTOR IN A SINGLE LOT FOR ON ACCOUNT PAYMENT AGAINST SUPPLY :**

- 1. Machine drive
- 2. Landing doors with control drive.
- 3. V3F controller
- 4. Ropes
- 5. Spring buffer
- 6. Over speed governor for car & counter weights.
- 7. Automatic Rescue Device (ARD)
- 8. Car Panels.

Purchaser will nominate railway representative to witness the tests/inspection at Firm's premises before dispatch of the above listed items.

11.0 **RECOVERIES FROM THE CONTRACTOR :**

- (i) All the recoveries for materials supplied and services rendered by the purchaser to the contractor and other refunds due from the contractor shall unless otherwise specified, ordinarily be made by deductions from payments due to the contractor covering the value of supply and erection in the progress payment for erection.
- (ii) Materials issued by the railway but are not utilized in the work and are not returned are liable for recovery at double the market rate or book rate whichever is higher with usual codal charges.

12.0 **PROGRESS PAYMENTS FOR SUPPLY AND ERECTION:** Progress payment of 90% of accepted rates of price schedule for each lift will be made after the contractor completes the erection work and inspected by the purchaser's representative and duly certified for satisfactory erection.

Balance 10% of accepted rates for supply and erection will be payable to the contractor on satisfactory testing and commissioning of Lifts and on handing over to Railways.

The BG against On-account payment will be refunded to contractor after commissioning and handing over the lifts to Railways.

### 13.0 **INSPECTION CLAUSE :**

The contractor shall provide a set of copy of manufacturers Test certificates, Type/Acceptance / Routine test conducted in house or by a reputed outside agencies duly attested to the engineer in-charge at the time of supply.

The materials will be inspected by RITES at manufacturer's premises or contractor's depot as the case may be as desired by the RITES. The purchaser or his representative shall have the right to be present during all the stage of manufacture and shall be afforded free of charge all reasonable facilities for inspection and testing as well as to examine the stage inspection report of the manufacturer and quality audit program of manufacturer.

After installation, the lift shall be tested by the contractor in the presence of the purchaser's representative.

Each installed lift shall be subject to the final acceptance inspection/ testing to prove the functionality of the lift in terms of the movement, control and safety. This shall include testing of the lifts over speed, in order to ensure the soundness of the equipment and its installation.

Each installed lift shall be subject to the final visual inspection including the check for satisfactory workmanship and shall cover all connections, paintings and general cleanliness of the installation as a whole.

All other expenses testing & inspection will be borne by the contractor/manufacturers.

All tools, instruments, etc. required for execution of the work, testing etc., shall be provided by the contractor.

Any ISI/BIS certified materials – Acceptance on firm's Work Test Certificate (WTC)

### 14.0 **DUTIES & TAXES :**

**14.1 INCOME TAX:** Income Tax will be deducted at 2% (Two percent) and also surcharge, if any, at source from each bill, unless otherwise authorized by Income Tax Department.

**14.2 GST (Goods and Service Tax) :** It may please be noted that the supplier of Goods and / or services for the said tender / agreement, would be subject to GST Act and Rules as applicable from time to time.

**14.3. CESS ON COST OF CONSTRUCTION:** The tenderer for carrying out any construction work in the relevant State (Tamil Nadu / Kerala / Karnataka / Andhra Pradesh / Pondicherry) must get themselves registered from the Registering Officer under Section-7 of the Building and Other Construction Workers Act, 1996 and rules made thereto by the relevant State Government and submit Certificate of Registration issued from the Registering Officer of the relevant State Government (Labour Department). For

enactment of this Act, the tenderer shall be required to pay CESS @ 1% of cost of construction work to be deducted from each bill. Cost of material shall be outside the purview of cess, when supplied under a separate schedule item.

**15.0 MODE OF PAYMENT :** The successful contractors are to furnish the following details for arranging payment through Electronic Fund Transfer (EFT) instead of issue of cheques.

- 1) Name of the Bank.
- 2) Address of the Bank.
- 3) Type of Account (SB a/c. /Current A/c. /OD)
- 4) Account No.
- 5) MICR – Bank Code.

**16.0 FINAL SETTLEMENT :** After satisfactory completion of the work, the performance guarantee bond will be released to the contractor as per GCC, April /2022. The releasing of Security Deposit after maintenance period is over as per GCC April /2022.

**17.0 MEASUREMENTS :** Payments for field work shall be made in accordance with approved designs and drawings and measured in relevant units except where provided for otherwise. In case the dimensions of the work are more than those shown in approved designs and drawings the contractor will not be entitled to any extra payment, unless dimensions were increased on account of physical impossibility of carrying out the work in accordance with approved drawings and designs. In case the dimensions of work are less than those shown in the approved designs and drawings and the work is accepted without being rejected payment will be made as per work actually done.

\*\*\*\*\*