

SPECIAL CONDITIONS OF CONTRACT (SCC)

1. Introduction

- 1.1** The Indian Railway Standard General Conditions of Contract, i.e., IRSGCC-2022 has been published in the month of April-2022. The intending bidders are requested to acquaint themselves with all the conditions of IRSGCC- 2022 and Advance Correction Slips (ACs), SCC, Technical Specifications and all other documents before participation in tender.
- 1.2** The following Special Conditions of Contract (SCC) are supplement to the Indian Railway Standard General Conditions of Contract, IRSGCC-April 2022 read along with up-to-date correction slips, Indian Railways Unified Standard Schedule of Rates 2021 (South Western Railway), DSR-2021 (for building and Road works) and notes appearing under the relevant chapters and sub-chapters including up to date corrections should be considered as part of the tender document. Where the provisions of Special Conditions of Contract (SCC) are at variance with the IRS General Conditions of Contract (IRSGCC-2022) including Correction Slips and other documents mentioned above, these Special Conditions shall prevail.

2. Prices and Payments

- 2.1 Contract Prices:** The contract shall be firm & fixed and inclusive of all as per clause-37 IRSGCC-April2022(Part-II) unless expressly provided for, in the conditions of contract. Railways shall have no liability to pay anything over and above the accepted rate.
- 2.2 Price Variation:** As per IRSGCC-April2022 and amended by ACs.
- 2.3 On Account Payment:**
- a) **Civil Works:** The payment will be made as defined in the schedule/technical specifications and as per the progress of the work.
 - b) **General Electrical Works:** The contractor shall be entitled to be paid from time to time by way of "On Account Payment "for such item supplied/ work completed at different stations provided such works are completed in all respects to the satisfaction of the Engineer in charge of the Work. The contractor shall be entitled for 70% of payment of schedule item on supply portion of the schedule item after supply of material & certification from the Engineer in-charge.
 - c) **S&T Works:**
Supply Schedule (Installation is separate schedule item): 90% of accepted rate shall be paid for supply of materials indicated in the "Supply Schedule" on receipt & acceptance of material at consignee's depot. The bill & invoice shall be in original and shall be accompanied with all the necessary documents eg; original inspection certificates, challans, warrantee certificates etc. Balance 10% of accepted rate shall be paid on completion of all the works, submission of all documentations & drawing, training for O&M, license for the software etc to the satisfaction of the Engineer.

Supply and Installation Schedule: 70% of accepted rate shall be paid for supply of materials indicated in the "Supply and Installation Schedule" on receipt & acceptance of material at consignee's depot. The bill & invoice shall be in original and shall be accompanied with all the necessary documents eg; original inspection certificates, challans, warrantee certificates etc. 20% of accepted rates shall be paid after successful completion/ installation of those relevant items of work to the satisfaction of the Engineer. Balance 10% of accepted rate shall be paid on completion of all the works, submission of all documentations & drawing, training O&M, license for the software etc. to the satisfaction of the Engineer.

- d) **Electrical Traction works:** The payment will be made as defined in the schedule/technical specifications and as per the progress of the work.

2.4 Mobilization Advance (Applicable for Advertised tender of value more than Rs. 50.00 crore as per clause 19 of IRSGCC-April2022 (Part-I)): The rate of interest as communicated by Railway Board is RBI Bank Rate + 5% (Five percent) simple interest for the tenders to be opened in the financial year 2022-23, subsequent years, after 2022-23, the rate will be communicated separately.

2.5 Taxes

- a) **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 the Income-Tax department.
- b) **Goods and Service Tax (GST):**
- i. With 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. The procedure to be followed is Annexed in this document.
 - ii. This tender falls under the category of Works contracts which attract provisions of GST under Central Goods and Services Taxes, 2017. All the bidders/ tenderers should ensure that they are GST compliant and their quoted tax structure/ rates are as per GST law. The TDS on GST @ 2% or as amended from time to time shall be recovered from the running on-account bills.
 - iii. The rate quoted by the tenderer should take into account applicable GST and cess on GST (if any) there of Railway will not pay any such charges levied upon tenderer and tenderer will only be paid at the rate accepted by the Railway administration under the Contract.

2.6 Royalty Charges:

- a) Royalty charges / seigniorage on supply of Contractor's own earth, ballast, moorum and blanketing as fixed by the respective State Government (Karnataka, Andhra Pradesh, Tamil Nadu, Kerala, Maharashtra as the case may be) as prevailing on the date of opening of tender as per extant notification of respective State Government will be recovered by the Railway from the

Contractors through on account and final bills and will be remitted to the State Government. The rates quoted by the tenderer shall be inclusive of these charges. However, no royalty charges/fee shall be recovered from the bills of the contractor, if the contractor produces documentary evidence e.g., transit pass/Mineral Dispatch Permit issued by State Government Officials in token of having paid royalty fee. In such cases, the genuineness of such documentary evidence produced along with proof of payment of royalty charges, shall be got verified by the Railway from the website/online portal of the concerned Mining and Geology Department.

- b) In States where the system of online verification of Mineral Dispatch Permit has been introduced by DoMG, the procedure to be adopted is as follows:
 - i. On production of the original Mineral Dispatch Permit by the contractor towards payment of Royalty charges, SSE/P.Way/Works shall verify the authenticity of the documents submitted by following the procedure mentioned on the reverse side of the Mineral Despatch Permit and then submit, a certified extract of the quantity as per the "Mineral Despatch Permit" issued by the Department of Mines & Geology along with the CC/final bill.
 - ii. XEN/concerned shall check the correctness of the extract prepared by SSEs randomly to the extent of 10% of the total MDPs submitted.
 - iii. Dy.CE/concerned shall submit a certificate to the effect that quantity of minerals supplied for which payment is proposed in CC bill/final bill is supported by the original Mineral Despatch Permits and genuineness of which is verified from the DoMG portal by in-charge field SSE/AXEN/XEN, and certificate is forwarded to finance to pass the CC/FCC bills without effecting the recovery of Royalty charges.
- c) In States where the system of online verification of Mineral Despatch Permit has not been introduced by the concerned DoMG, the system of obtaining written confirmation from the Department may be followed.
- d) Any instructions issued by Department of Mines & Geology from time to time shall become applicable automatically in addition to the conditions contained herein.
- e) Increase in Royalty charges during currency of contract:
 - i. **When Royalty charges are recovered from contractors CC/Final bills and remitted to Mining department (of the concerned State Government) by Railway:** The increased amount will be recovered by the Railway from the contractors "on account" and "final bills" and remitted to the State Government on receipt of the State Government orders to that effect. However, the Railway shall reimburse the additional liability to the contractor, provided that the work executed falls in the original completion period of the work or in the extended period granted on administrative grounds i.e., 17-A(i),(ii) or (iii) of GCC. As such, claims regarding reimbursement due to increase in seigniorage charges shall not be payable for work executed in the extended period granted on contractor's account under clause 17(B) of GCC.

- ii. **When royalty is paid directly by the contractor to Mining department:** In such cases, the increase in royalty charges over and above that prevailing on the date of tender opening, shall be reimbursed to the contractor on production of documentary proof of payment of royalty at such increased rate. However, no reimbursement shall be made for such cases where time extension has been granted under clause 17(B) of GCC on contractor's account.
- f) **Decrease in Royalty charges during currency of the contract:**
 - i. **When Royalty is recovered from contractors CC/Final bills and remitted to Mining department (of the concerned State Government) by Railways:** The recovery of Royalty charges from the contracts "on account" and "final bills" will be made as per the rate prevailing as on the date of Tender Opening but not at the reduced rate. However, remittance of royalty to the Mining Department shall be made as per the reduced rate and the benefit of reduction in rates shall be passed on Railways.
 - ii. **When Royalty is being paid directly by the contractor to Mining department:** The difference in the rate of royalty will be recovered from the contractor's CC/Final bills and shall be retained by the Railways.
- g) A register shall be maintained by Dy. CE/Executive Engineer/Gati Shakti concerned in which the entries should be made regarding the documentary evidence i.e., Serial No. of "transit passes" issued by concerned authority showing proof of payment of royalty charges, for each bill. Relevant entries shall also be made on receipt of verified document from Mines & Geology department of State Government against the particular bill and "Transit pass". The verified "Transit passes" shall be scored out with cross mark with an endorsement "Accounted against CC/Final Bill No._ dated for Agreement No. ". These passes shall be kept on record for subsequent verification till closure of the contract. The register should be page numbered and one page allotted to one contract. The reference where the verified, "Transit pass" is filed shall also be made on the register.

2.7 Conservancy Charges: Necessary conservancy charge will be deducted as per the Railway board letter No.F(X)/95/I/I Dt.07.09.2021 annexed in this document or latest as applicable from time to time will be deducted from Bill.

2.8 Letter of Credit (LC): For all the tenders having advertised cost of Rs.10 lakh or above, the contractor shall have the option to take payment from Railways through a letter of credit (LC) arrangement. Payment through LC shall be as per procedure as per Railway board letter No. 2018/CE-I/CT/9 Dt.04.06.2018 Annexed in this document.

2.9 Documents to be submitted along with bill

- a) Tax Invoice as per Railway Board letter No.2016/CE-I/CT/12/GST/Pt.I Dt.29.06.2017 annexed in this document. Implementation of GST ACT-2017: Procedure for payment of Contractual Bill
- b) Test reports as mentioned in the technical specifications

- c) All required Certificates by SSE/AXEN.
- d) Labour registration certificate
- e) No of Labour engaged for the work duly updating the data in <https://shramikkalyan.indianrailways.gov.in/portal> along with reports.
- f) All other documents required by Railways

3. Deleted.

4. Measurement of works:

- a) It is mandatory to follow the e-measurement & e-Billing through IRWCMS. It may be noted that no manual measurement/billing is permitted.
- b) The Contractor's Measurement shall be applicable mandatorily with the provisions of para 1316A of engineering code for the contract costing more Rs.5.0 Cr.

5. Variations in extent of contract:

The procedure detailed below shall be adopted for dealing with variations in quantities during execution of works contracts:

5.1 Variation due to Increase in quantities: As per IRGCC-2022

5.2 Variation due to decrease in quantities shall be as under

- a) The contract signing authority can decrease the items upto 25% of individual item without finance concurrence.
- b) For decrease beyond 25% for individual items or 25% of contract agreement value, the prior approval of Competent Authority will be required as per extant instructions issued by Railway from time to time, after obtaining "No Claim Certificate" from the contractor and with finance concurrence, giving detailed reasons for each such decrease in the quantities.
- c) It should be certified that the work proposed to be reduced will not be required in the same work.

5.3 Vitiating due to variation in Contract Quantities

- a) A contract shall be considered "vitiating" only when, the following percentage variation in contract value between tenderers are noticed to have been exceeded.

SN	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 Rs50 lakh)	10
2	Other than small value contracts (Tender Value equal to or more than Rs. 50 lakh)	5

- b) When the percentage difference between present Contractor and new L-1 is noticed as becoming beyond the values specified above, the following action shall be taken.
- c) The Railway administration should immediately examine whether it is practicable to bring in a new agency to carry out the extra quantity of work keeping in view the progress of the work in accordance with the original contract and the nature and lay-out of the work. If it is found that there will be no serious practical difficulty in meeting the additional quantity of work done by another agency, then fresh tenders for the extra quantity may be invited otherwise negotiating the rate with the existing contractor for arriving at a reasonable rate for the additional quantities of work, may be adopted.
- d) The above shall be regulated as under:
- The case shall be decided by the tender accepting authority (competent for the revised quantity) and shall not be treated as a case of single tender.
 - Vitiation should always be computed with respect to the items, rates, quantities and conditions as available at the time of Tender Opening and subsequent changes/additions by way of new items will not be counted for computing Vitiation.
 - Railway shall exercise control over the aspect of vitiation of tender with respect to variation in quantities and shall make all efforts that no vitiation takes place in normal circumstance

6. Inspection

6.1 Materials requiring Inspection:

- a) The inspection of material shall be done by Engineer/ Engineer's Representative/ RDSO/ RITES/ Any other agency at manufacturer's premises before dispatch of material and at consignee depot after receipt of material. The inspection of material shall include type test, routine test, stage test and acceptance test whichever applicable.

- b) The inspection procedure shall be approved by Railway. No materials shall be dispatched from the manufacturer's factory or assembling unit prior to inspection and/or without approval of Railway.
- c) For the inspections at out stations, the contractor shall give at least two weeks' notice to the engineer to enable him to arrange necessary inspection. All the cost for the inspection shall be borne by the contractor.
- d) Notwithstanding any approval, the material non-conformance to technical specification, specified performance & reliability and quality standard shall be rejected during inspections. The rejected material shall be marked with "rejection mark" for identification. The contractor shall take immediate action to replace the rejected material. All the cost regarding replacement shall be borne by the contractor.
- e) The rejected material shall be lying at the risk & account of the contractor. Railway shall also be entitled to recover from the contractor the handling and ground rent/demurrage and any other charges for the period the rejected stores are not removed within justifiable period. Railway shall also have the right to dispose of such stores, as deemed fit, at the contractor's risk and account if contractor failed to remove the rejected material.
- f) The decision of the Engineer with regards the inspection & rejection shall be final and binding on the contractor.

6.2 Inspection of Works:

- a) The inspection of works shall be done by Engineer/ Engineer's Representative at site during execution of work. The inspection of works shall include stage inspections, inspection for testing & commissioning etc. The inspection procedure/ inspection forms shall be approved by Railway.
- b) Notwithstanding any approval, the work non-conformance to the technical specification, specified performance, reliability and quality standard shall be rejected during inspections. The contractor shall take immediate action to correct the non-conformity in the work. All the cost regarding this shall be borne by the contractor.
- c) The contractor has to arrange the Road Vehicle whenever required to the use of the Railway Officials for inspection of works as per site requirement. No separate payment will be made for this.

7. Service roads:

The Railway does not undertake to provide any service roads for the movement of the contractor's vehicles. The contractor can however make use of the service roads, where they exist free of charge. However, the railway shall not undertake to maintain them and the contractor shall maintain them at his own cost. In other places, the contractor should make his own arrangements for the movement of the vehicles and no extra rate shall be paid for this. The Railway reserves the right to make use of the roads formed and

maintained by the contractor, as and when necessary, without any payment to the contractor.

In the event of the contractor forming the service roads where Railway land is not available or cannot be given by the Railway for this purpose, it shall be clearly noted that the contractor shall make his own arrangements for obtaining the required land and the Railway shall not take any responsibility in this respect and shall not compensate the contractor in any way.

8. Machinery, Tools, Plants and Instruments:

- a) All the M&P, Tools, Special tools, Test & Measuring Instruments required for installation, testing and commissioning of work shall be arranged by the contractor in adequate quantities. The contract shall use the standard, good quality tools, healthy and defect free M&P, Tools, Special tools, Test & Measuring Instruments for the execution of work. Any non-standard or inferior tools being used by the contractor shall lead to rejection of work. The engineer's decision shall be final.
- b) The vehicle and equipment of contractors are liable to be drafted by Railway Administration in case of accidents / natural calamities involving human lives for speedy restoration work. For payment purpose, this item will be operated as a Non-Schedule (NS) item, duly negotiating rates as per the conditions of contract. Contractor/Tenderer shall furnish the details of vehicles /equipments available with them to keep a record of the same.

9. Supply of Material

All materials mentioned in the schedule and required for the execution of work shall be supplied by the contractor to the consignee's depot unless specified otherwise. The consignee shall be nominated by the Engineer. The material required for work at site will be issued to the contractor by consignee as and when required. All the cost for supply of material to consignee depot and from consignee depot to the site of work shall be borne by contractor. The contractor will be responsible for the safety of the material at site from the date of issue to the date of commissioning of the system.

10. Maintenance and Warranty:

The Contractor shall maintain the work in all respects, for any defect, deficiencies and fault etc during Maintenance & Warrantee period. The contractor shall rectify any defects, deficiencies and faults etc within 72 hours from the time of complaints. The complaints shall be reported through Phone Call/ SMS/ Whatsapp/ Email. The contractor shall do the failure analysis and identify the pattern failures and shall implement the reliability action plan to stabilize the system. If performance of the Equipment(s) is observed to be poor, the warrantee of the equipment(s), as deemed fit, shall be extended. Penalty of Rs. 500/- per day shall be imposed if contractor failed to attend the failure/complaint within stipulated time during maintenance/ warrantee period subject to maximum of the amount of security deposit.

11. Operation and Maintenance

- a) The contractor shall arrange and conduct training to Railway's staff for operation, troubleshooting, software configuration and maintenance etc of the system and equipment's.
- b) The contractor shall supply all the software or life time license of the software to Railway for operation, user configuration, maintenance etc.
- c) The contractor and OEM shall supply the spare parts as and when required for the maintenance of the equipments.

12. Quality & Safety

12.1 The contractor shall depute a qualified and experienced quality & safety engineer (QSE) for ensuring quality and safety at the work as an internal mechanism of contractor. The QSE shall do the quality and safety audit regularly. QSE shall submit report once in the month and non-conformities shall be complied by the contractor.

12.2 Safety Training & Counselling: The contractor shall not deploy any staff for execution or work until the staff is provided sufficient training for safety. The record of safety training shall be maintained at Site duly acknowledge under the signature of the staff in Safety Assurance Register. Safety counseling of staff working at site has to be done at regular intervals at least once in week and as per latest directives issued by Railways time to time and record of same shall be maintained.

12.3 Safety Procedures & Guidelines: All of the contractor's staff, supervisor, manager, and team leaders shall follow the rules and regulations, procedures in the shed, stations, yards, tracks, buildings etc. The contractor shall ensure that his staff do not trespass and limited the site of work only.

12.4 Traffic and Power Block: The contractor shall work under traffic block and power block. The contractor shall take all the precaution so that no infringement causes for train movements.

12.5 Personal Protection and Safety Gears to the Contractor's Staff: The workers and supervisors of the contractor, shall be always in uniforms with all the personal protection and safety gears eg; Self illumination Vest, Safety Shoes, Safety Belts, Safety Goggles and Helmets etc. of approved industry standard. For persons working at pier top/girder level, temporary supports, hand railing etc., protection with help of ropes, slings and temporary railings shall be provided.

12.6 Barricading:

- a) The contractor shall barricade the site entirely with steel framed barriers or as directed by Engineer for separation and confinement of work site.
- b) These barricades should be provided at a distance of approximately 3.5m from the center line of track or as directed by the Engineer-in- charge. All the barricades are to be painted or struck on with red luminous paint/strips at suitable intervals on the barricades. Barricade should be available at every

stage of work as directed by the Engineer and shall be maintained in perfect condition all the time. Payment will be made separately as per the item available.

12.7 Signages: The contractor shall provide and display appropriate signages.

12.8 Contractor's Electrical Licence: The Electrical General & Electrical Traction works shall be carried out only by a Tenderer/Contractor holding a valid Electrical licence on their own name or person whom they are engaging to supervise/execute this work, issued by the any state Government for carrying out the installation work of the voltage classes involved, under the direct supervision of the persons holding valid certificates of competency for the same voltage classes issued or recognised by the State Government. The successful tenderer should submit the valid Electrical licence on their own name or person whom they are engaging to execute this work and the names and particulars of certificates of competency of the supervisors and workmen to be engaged for carrying out this works before commencement of work.

12.9 Penalty:

- a) The contractor's execution of work shall not cause any damage to Railway equipment, installation, property etc.
- b) The contractor shall be fully responsible for ensuring safety at all times and shall bear the cost of all damages in cases of accidents/unusual occurrences resulting in damages to Railway property and passengers.
- c) Any breach of the safety conditions for precautions and measures as specified hereunder and/or elsewhere in the tender document by the contractor and/or his agents/representatives affecting the safety of movement of trains, engines, or other rolling stock of the Railway, Passengers etc, shall constitute a breach of contract by the contractor leading to termination of contract for default on the part of the contractor including recovery of damages.
- d) A penalty as deemed fit by the engineer shall be imposed on the contractor considering the level and seriousness of safety lapse at the work site. The decision of engineer shall be final for imposition of penalty.
- e) Penalty for Cable Cut shall be imposed as per Railway Joint Procedure Order (JPO).

13. List of Documents attached with this document.

- a) Railway Board letter No. [2016/CE-I/CT/12/GST/Pt.I Dt.29.06.2017](#), Implementation of GST act,2017 for procedure for payment of contractual bill.
- b) Railway board letter No. [2018/CE-I/CT/9 Dt.04.06.2018](#) for Letter of credit (LC).
- c) Railway board letter No. [F\(X\)I/95/I/I Dt.07.09.2021](#) for recovery of conservancy charges.
- d) Form for submission of request for availing mobilization advance as per Annexure-I.