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(Version 24)

NORTH CENTRAL RAILWAY

INSTRUCTIONS TO TENDERERS

AND

GENERAL CONDITIONS OF TENDERS FOR SUPPLY CONTRACT

(FOR INDIGENOUS TENDERS)

Note: Contract Documents and their order of Precedence: The following conditions and documents in indicated order of precedence (higher to lower) shall be considered an integral part of the contract, irrespective of whether these are not appended/ referred to in it. Any generic reference to 'Contract' shall imply reference to all these documents as well:

(a) Valid and authorized Amendments issued to the contract.

(b) The contract document, The Letter of Award (LoA)

(c) Special Tender conditions

(d) Technical Specifications as given in tender documents

(e) Drawings

(f) IRS Conditions of contract circulated by Railway Board vide L/No. 2024/RS(G)/779/11 Dated 11/09/2025.

(g) General Tender Conditions/ instructions to tenderers

(h) Contractor's bid

1.0 GENERAL INSTRUCTIONS

1.1 On behalf of the President of India, the Principal Chief Materials Manager, North Central Railway, Prayagraj, India (hereinafter referred to as the Purchaser), invites electronic tenders for the supply as set forth in the Notice Inviting Tender (NIT), 'Techno Commercial Bid Details' form and 'Financial Rate Page for Supply' form of the electronic tender uploaded on the Indian Railways E-Procurement System website (www.ireps.gov.in), herein after referred to as IREPS website. The tenders are invited in terms of 'IRS Conditions of Contract, Instructions to tenderers and general conditions of tenders for supply contract (for

indigenous tenders) uploaded on the IREPS website, Special Conditions of Contract (wherever applicable and uploaded with NIT/ tender document), and other conditions incorporated in the tender documents.

1.2 Electronic tender document consists of:

a. Latest version of IRS conditions of contract

b. Instructions to Tenderers and General Conditions of Tenders for supply contract (for Indigenous Tenders).

c. Special Conditions of Contract

d. NIT and Tender Document

e. 'Submit Payment Details' form

f. 'Techno Commercial Bid Details' form, including attached documents, if any.

g. 'Financial Rate Page for Supply' form.

1.3 The contract, if placed, shall be governed by latest versions (along with all corrections slips) of

a. IRS Conditions of Contract latest version circulated by Railway Board vide L/No. 2024/RS(G)/779/11 Dated 11/09/2025.

b. Special Conditions of Contract (wherever applicable and uploaded with NIT/ tender document)

c. Instructions to Tenderers & General Conditions of Tenders for supply contract (for Indigenous Tenders).

1.4 **Registration of Vendors on IREPS website:**

In order to participate in the electronic tenders issued by North Central Railway, the vendors are required to obtain 'Class-III Digital Signature Certificate with Company Name' from any Certifying Authority' licensed by Controller of Certifying authorities (CCA). The details of the certifying authorities are available on CCA website www.cca.gov.in. The vendors will also have to get themselves registered on IREPS website (www.ireps.gov.in).

Vendors can submit their log in registration request on line by clicking on the New Vendors link available on Home Page of IREPS website, and after signing the same digitally using their own Digital Signature Certificate. Log in registration to the web site is available on free of charge basis. The registration request, after due verification, will be accepted and Password will be sent to

them to their registered e-mail account. Detailed instructions regarding registration process are available in 'User's Manual for Vendors' which can be accessed through Learning Center link available on the Home page of IREPS website.

Vendors interested in participating against an electronic tender are advised in their own interest to obtain the digital signatures, and get themselves registered on IREPS website well in advance of the tender closing date. North Central Railway shall not provide any assistance to the vendor in this regard, and shall not be responsible for failure of the vendor to submit their offer against any electronic tender on this account.

1.5 Offers received in the electronic tender box available in the IREPS website (www.ireps.gov.in) will only be considered against electronic tenders.

1.6 Manual offers delivered by post/fax or in person, or offers sent by e-mail or telex shall not be accepted against electronic tenders, even if such offers are received in time. All such offers shall be considered as invalid offers and shall be rejected summarily, without any consideration.

1.7 The digital signature of the tenderers on the E-tender form will be considered as confirmation that the tenderers have read, understood and accepted all the conditions laid down in the documents referred to in Para 1.2 and 1.3 above, unless special deviation is quoted by the tenderers in the Technical deviation & Commercial Deviation templates in 'Techno-commercial Bid Details' form.

1.8 All mandatory fields in pre-designed templates of 'Techno Commercial Bid Details' form and 'Financial Rate Page for Supply' form shall be filled in by the tenderer.

1.9. The stores offered should be in accordance with stipulated drawings and specifications as given in the 'Techno Commercial Bid Details' form and 'Financial Rate Page for Supply' form and attachments attached with the electronic tender.

1.10 The details of deviations, if any, from tender specification and other conditions should be clearly indicated in the Technical Deviation and Commercial Deviation templates provided on 'Techno-commercial Offer' form. Tenderers may note that conditions deviating from the tender conditions/ description/specifications may render the offer liable to be ignored.

1.11 Tenderers are required to quote in the same rate unit (i.e. Number, set etc.) as given in the tender schedule. Any deviation

in this aspect shall render the offer unresponsive and shall be summarily rejected.

1.12 **Currency of Offer:** The price should be quoted only in Indian Rupees. The offers submitted in other currencies shall not be considered.

1.13 **Validity of Offer:** The offer shall be kept valid for acceptance for a minimum period/ minimum number of days as specified in the tender schedule from the date of opening of the tender. In case the tenderer stipulates validity period of less than the specified in the tender schedule, the offer is liable to be treated as unresponsive and ignored.

1.14 Tenderers are advised to confirm "Compliance to special tender condition/Checklist" in the template Special Conditions/Check list for Bidders on 'Techno Commercial Bid Details' form by putting a tick mark in the check box provided against each Special Condition/Checklist, and in case of a "No" must furnish reason for non-compliance with that Special Condition/Checklist in the remark entry box provided there in. Tenderers may note that non-compliance to the Special Conditions/Checklist, without stating valid reasons in the relevant remark entry box may render the offer liable to be ignored.

1.15 Should a tenderer have a relative employed in Gazetted capacity in the Stores Department of the North Central Railway, or in the case of a partnership firm or company incorporated under the Indian Company Law should a partner or a relative of the partner be employed in Gazetted capacity in Stores Department of North Central Railway, the authority inviting tenders shall be informed of the fact by the tenderer at the time of submission of tenders, failing which the tender may be rejected, or if such fact subsequently comes to light the contract may be rescinded.

1.16 Railways have started making payments through NEFT system for quick money transfer to the tenderers account.

Tenderers must give their consent in the mandate form provided at Annexure- 6of General Conditions of Tenders for Supply Contract, for receipt of payment through NEFT.

1.17 **Corrigenda:** Purchaser reserves the right to issue corrigenda to the tender document before the due date of opening of the tender and additional time if warranted, may be given for such corrigenda. Tenderers are also advised to check the website for the purpose of submitting their e-bids or revising their e-bids, whether any such

corrigendum to the tender has been issued or not.

2.1 The tenderer shall clearly indicate whether he is registered with PCMM/NORTH CENTRAL Railway or any other Zonal Railway/PU for supplying the quoted item, and if so, he must mention his registration number along with monetary limit, if any, under remarks column in the 'Financial Rate Page for Supply' form. In case the tenderer is approved by RDSO/CLW/BLW/RCF/ICF/MCF/CORE/PLW etc. for the quoted item, he must attach in the Attach Documents template on Techno Commercial Bid Details' form a scanned copy in PDF format of the registration/approval certificate.

2.2 If the tenderer is not registered with NORTH CENTRAL Railway or any other Zonal Railway/PU or is not an approved source for the tendered item with RDSO/CLW/BLW/RCF/ICF/MCF/CORE/PLW etc. he shall provide a satisfactory evidence acceptable to the Purchaser by attaching scanned copies of such documents in PDF format in the Attach Documents template on 'Techno-commercial Bid Details' form to show that:-

a. he is an established manufacturer, who regularly manufactures the items offered and has adequate Capacity cum capability, technical knowledge and past supply experience;

b. he has adequate financial stability and status to meet the obligations under the contract for which he is required to submit a copy of the report from a recognized bank or a financial institution;

c. he has adequate plant and manufacturing capacity to manufacture the items offered and supply within the delivery schedule offered by him;

d. he has established quality control system and organization to ensure that there is adequate quality control at all stages of the manufacturing process.

2.2.1 If the tenderer himself is not the manufacturer of the item offered by him, he shall be duly authorized by the manufacturer of such item. Such tenderers must enclose with their offer a certificate of authorization from the manufacturer, as per proforma given in Annexure- 4 of this document, to participate in the specific electronic tender being submitted. In this case, the tenderer must provide details of the manufacturer including complete postal address, e-mail id, name and mobile No./telephone No. of contact person for sending copy of the contract to the manufacturer.

2.2.2 The OEM/Authorized Dealers/Agents must comply the following

conditions, failing which their offer(s) will be ignored:

(a) In a tender, either the authorized agent/dealer on behalf of the principal /OEM or the Principal/OEM itself can bid but both cannot bid simultaneously for the same item in the same tender.

(b) If an authorized agent/dealer submits bid on behalf of the Principal/OEM, the same agent/dealer shall not submit a bid on behalf of another Principal/ OEM in same tender for the same item/product.

2.3 For the purpose of Para 2.2 the tenderer should additionally attach:-

(a) A performance statement in the Performance Statement template on 'Techno-commercial Bid Details' form by entering a list of major supplies effected in the recent past, of the items offered by him, giving details of the purchaser's name and address, order no. and date, quantity supplied and whether the supply was made within the delivery schedule. Alternatively tenderers can also create such performance statement in PDF format separately as per the format given in Annexure-2, which can be attached in the Attach Documents template of 'Techno-commercial Bid Details' form.

(b) A statement in PDF format indicating details of equipment, staff employed and quality control measures, as per the format given in Annexure-3 of this document, attached in the Attach Documents template of 'Techno-commercial Bid Details' form.

2.5.1 Procurement of items reserved to be procured from Sources approved by nominated vendor/source approving agencies (RDSO/ CLW/BLW/RCF/ICF/MCF/CORE/PLW etc.) as available on UVAM only.

(a) Purchaser reserves the right to procure Bulk/regular/entire quantity from approved vendors/sources of nominated vendor/source approving agencies for the tendered item (as available on UVAM only).

(b)

(i) Offers received from tenderers appearing in the Vendor list of nominated
Vendor/source approving agencies for tendered item (as available on UVAM only) as 'Vendors for Developmental Orders' shall be considered eligible for Developmental Orders up to 20 percent of net procurable quantity (NPQ).

(ii) It is re-iterated that Developmental Vendors are only such vendors which are listed as developmental vendors on UVAM without any

condition. (Authority: Railway Board's letter no. 2021/RS(G)/779/7 Dated 09.05.2025)

(c) Where there are not more than three Indian suppliers categorized as Approved Vendor for a particular item, developmental vendors can be considered for placement of bulk order without any quantity restrictions. However, while considering such vendors, factors including past performance, capacity, delivery requirements, quantity under procurement, nature of item, outstanding order load etc. shall be considered in a transparent manner, subject to rates being reasonable. In such cases, the purchaser reserves the right to split the order quantity between one or more firms and Para 25.2 of
Instruction to tenderers and General Conditions of tenders for supply contract [for indigenous tenders] shall be applicable. Such orders shall be treated as bulk orders. Indian Supplier shall be defined as follows: A supplier or bidder shall be considered to be from India if (i) the entity is incorporated in India, or ii) a majority of its shareholding or effective control of the entity is exercised from India, or iii) more than 50% of the value of the item being supplied has been added in India.

(d) The status of the vendor (i.e. approved or developmental vendor) shall be reckoned as on the date of tender opening and not thereafter. However, cases of downgrading/removal/ suspension/ banning etc., after opening of tender, shall be taken into account while considering the offers.

(e) The firms/tenderers who are not appearing in UVAM as Approved/Developmental Vendors of nominated vendor/source approving agencies will not be considered for ordering. However, such firms willing to participate, are advised to approach the concerned Vendor Approving agency for getting their name registered as approved/developmental vendor in the vendor directory maintained in UVAM .

2.5.2 Para 2.5.2 stands deleted as covered by para 2.5.1

2.5.3 Procurement of items for which no approved vendor list has been issued: In such cases, for being eligible for a regular order(s), the tenderer must have 'Relevant past performance as defined in the following para. 2.5.3(a).Further, upto 20% of the NPQ may be ordered on new sources also, as developmental order(s), on the basis of capacity cum capability of the source as defined in Para -2.5.3(b).

2.5.3 (a) **Relevant Past performance for Regular orders:**

[A] Regular Order**:** Bulk/regular/entire quantity order will be placed on manufacturers or their authorized agents with satisfactory past performance for the tendered item (with same/equivalent drawing/specification) within last 3 Financial years and current Financial year upto date of tender opening for minimum 20 percent of the total tendered quantity against a single purchase order/contract to any Zonal Railways/ PUs/CORE shall only be eligible for full/bulk order. Other sources may be considered for developmental order, provided the firm submits documentary proof in support of their credentials/satisfactory performance.

(B) All other offers can be considered only for developmental order upto 20 percent of the net procurable quantity provided tenderer is a manufacture or their authorized agents or registered with any of the Zonal Railways/PU/CORE for the tendered item [Or for the item having same description, but of different sizes/ratings/capacities].

[C] The onus of submission of requisite documents in support of satisfactory past performance of supply i.e Receipt Notes/CRN of railways/CRAC of GEM /Inspection certificate along with proof of acceptance by consignee, capacity & capability credential, M&P required for manufacturing tendered item, T&P, Technical manpower, in house testing facilities, MSE credentials, financial credential PAN no/ ITCC etc.) along with their e-offer regarding 'Bulk order' or 'Developmental order' lies with the tenderer. In case the tenderer do not submit the requisite documents as detailed above along with their e-offer, the tender will be decided on the basis of their past supp]y performance records as available with NCR [if any] .

[D] Furnishing of false declaration shall render termination of contract and further action as per terms and conditions of contract. In case the tenderers do not submit the requisite documents as detailed above along with their offer, the tender will be dealt as per extant rule and no back reference will be made in this regard.

Note - In case tenderer participates as an authorized agent, then the Performance as required above shall be that of principal authorizing the agent. It may so happen that the agent has credentials of past supply for a different Principal but this will not be considered as performance for placing bulk order in case of change of Principal.

2.5.3 (b) "Capacity-cum-Capability" for Developmental order:

The firms not complying the condition of bulk order as per para 2.5.3 (a) above may be considered for developmental order upto 20 % of NPQ. For consideration of developmental orders upto 20% of NPQ, the tenderers/bidders must be able to demonstrate their Capacity-cum-Capability to manufacture the tendered item. For this purpose they should submit along with their offer, documented past performance reports for the tendered item [or for the item having same description, but of different sizes/ ratings/ capacities] , details of M&P, testing facilities, QAP (if available), technical manpower available with them, registration for the tendered item [or for the item having same description, but of different sizes/ ratings/ capacities] with any of the Zonal Railways/PSUs/CORE or any other details as may be warranted as per the technical specification and drawing. Such tenderers are to note that non submission of such documents shall be taken as their not having any such past performance and/or capacity, and their offer shall be considered further as per extant rules and no back reference in this regard will be made to them.

2.5.4 Procurement of materials from Micro & Small Enterprises (MSEs):

For items reserved from Micro & Small Enterprises (MSEs) the offers of MSEs registered with District Industries Centers or Khadi and Village Industries Commission or Khadi and Village Industries Board or Coir Board or National Small Industries Corporation or Directorate of Handicraft and Handloom or any other body specified by Ministry of MSME, for the tendered item(s) will only be considered. MSEs registered with any one of the above agencies must attach (in the template -Attach Documents on "Techno-Commercial Bid Details form, a scanned copy in PDF format) their current & valid registration certificate for the tendered item along with their offer, failing which the offer is liable to be ignored.

3.0 BENEFITS/PREFERENTIAL TREATMENT TO MICRO & SMALL ENTERPRISES (MSEs)

(A) In order to extend the benefit/preferential treatment to eligible MSEs, the following conditions shall apply:

(i) MSEs who are interested in availing themselves the benefits/preferential treatment will upload with their offer, the proof of their being registered under Udyam Registration as MSE unit.

(ii) The benefits of the Policy shall be given only to those MSEs which are having valid Udyam Registrationin compliance of existing Government of India Policy.

(B) The MSEs must also indicate the terminal validity date of their registration.

The benefits/preferential treatment extended to MSEs as per public procurement policy are as below:

(i) MSEs with Udyam Registration Certificate only will be exempted from payment of Earnest Money and tender document cost wherever applicable.

(ii) Items reserved exclusively for purchase from MSEs, shall continue to be purchased from them only as per extant rules.

(iii) For items other than para (ii) above, following will apply:

(a) In tenders, participating MSEs submitting valid Udyam Registration certificate and quoting a price within price band of L1+15% shall be allowed to supply a portion of the requirement by bringing down their price to L1 price in a situation, where L1 price is from someone other than a MSE and such MSEs can be together, ordered up to 25% of the net procurable quantity.

(b) The sub-target for procurement of goods and services from MSEs owned by Scheduled Castes and Scheduled Tribes (SC/ST) entrepreneur shall be 4% out of the total 25%. In the event of failure of such MSEs to participate in the tender process or meet the tender requirements and L1 price; the 4% sub-target of procurement earmarked from MSEs owned by SC/ST entrepreneurs, shall be met from other MSEs.

(c) Minimum 3% reservation shall be provided for MSEs owned by women entrepreneurs within the above 25% reservation.

(d) Traders and Agents are not eligible to avail the benefits, extended to MSE's under the Public Procurement Policy.

(e) The 358 items reserved for exclusive purchase from MSEs shall be procured from the manufacturing enterprises. Trading enterprises are not covered under the definition of MSE.

(f) In case, the tendered item is restricted for placement of bulk orders on approved sources, then the criteria for placement of orders on MSEs under the Public Procurement Policy for MSEs will additionally require that the MSE firms are one of the valid approved sources for the tendered item.

(C) Gazette Notification NO. S.O.2119(E)dated 26.06.2020, Gazette Notification NO. S.O.4926(E) dated 18.10.2022 and other notifications/amendments issued by Ministry of Micro, Small and

Medium Enterprises from time to time shall be applicable in the tenders.

3.1 **STARTUP INDIA:**

Railway may relax condition of prior turnover and prior experience with respect to startup Micro and Small Enterprises subject to meeting of quality and technical specifications by specifically mentioning the same in NIT/Tender schedule.

3.2 **Public Procurement (Preference to make in India) Order 2017:**

3.2.1 The revised Public Procurement (Preference to make in India) Order 2017 issued by the Ministry of Commerce and Industry, Department for promotion of Industry and Internal Trade (Public procurement section), Govt. of India vide their order No. P-45021 /2/2017-PP(BE-II)- part (4) VoL.II dated 19/07/2024 and forwarded vide Railway Board letter No. 2020/RS(G)/779/2/Pt.1(E3322671) dated 20.08.2024 shall be applicable for all tenders issued by this organization, except where estimated value is less than Rs. 5.00 Lakh (Rs. Five Lakhs).

3.2.2 **Definitions**: For the purpose of this Order, the definitions are as under:

(i) **Local content'** means the amount of value added in India which shall, unless otherwise prescribed in NIT/Tender schedule/ the special conditions, be the total value of the item procured (excluding net domestic indirect taxes) minus the value of imported content in the item (including all customs duties) as a proportion of the total value, in percent.

Local content can be increased through partnerships, cooperation with local companies, establishing production units in India or Joint Ventures (JV) with Indian suppliers, increasing the participation of local employees in services and training them.

Note- It is clarified that the bidders offering imported products will fall under the category of Non-local suppliers. They can't claim themselves as Class-I local suppliers/Class-II local suppliers by claiming the services such as transportation, insurance, installation, commissioning, training and after sales service support like AMC/CMC etc. as local value addition."(Authority Railway board letter No. 2020/RS(G)/779/2-Part-1 dated 17/05/2021).

***Explanatory* 'notes *for calculation* of *local* content given above**

a. Imported items sourced locally from resellers/distributors shall be excluded from calculation of local content.

b. The license fees/royalties paid/ technical charges paid out of India shall be excluded from local content calculation.

c. Procurement/Supply of repackaged/refurbished/rebranded imported products as understood commonly shall be treated as reselling of imported products and shall be excluded from calculation of local content. The definition of repackaged/refurbished/rebranded imported products is as follows;

'Refurbishing' means repair or reconditioning of an imported product does not amount to manufacture because no new goods come into existence.
'Repackaging' means repacking of imported goods from bulk pack to smaller packs would not ordinarily amount to manufacture of a new item.
'Rebranding' means relabeling or renaming or change in symbol or logo/makes or corporate image of a company/organization/firm for an imported product would amount to rebranding.

d. Imported items sourced locally from resellers/distributors are excluded from calculation of local content. The bidders/tenderers to submit, the cost of such locally-sourced imported items (Inclusive of taxes) along with break-up on license/royalties paid/ technical expertise cost etc. sourced from outside India. For items sold by bidder as reseller, OEM certificate for country of origin to be submitted.

e. For contracts involving supply of multiple items, weighted average of all items to be taken while calculating the local content.

(ii) **'Class-I Local supplier'** means a supplier or service provider whose goods, services or works offered for procurement, meets the minimum local content as prescribed for class-I local supplier under this order.

(iii) **`Class-II local supplier'** means a supplier or service provider, whose goods, services or works offered for procurement, meets the minimum local content as prescribed for class-II local supplier but less than that prescribed for Class I local supplier under this order.

(iv) **"Non Local supplier'** means a supplier or service provider, whose goods, services or works offered for procurement, has local content less than that prescribed for Class II local supplier under this order.

(v) 'L1' means the lowest tender or lowest bid or the lowest quotation received in a tender, bidding process or other procurement solicitation as adjudged in the evaluation process as per the tender or other procurement solicitation.

(vi) '**Margin of purchase preference'** means the maximum extent to which the price quoted by a Class-I local supplier may be above the L1 for the purpose of purchase preference which is 20% unless specified in NIT/Tender schedule/the special conditions. However, it will be taken as per the status of the policy reckoned as on the date of tender opening.

(vii) '**Procuring Entity'** means an ministry or department or attached or subordinate office of, or autonomous body controlled by, the Government of India and includes government companies as defined in the companies act.

(viii) '**Nodal ministry**' means the ministry or department identified pursuant to this order in respect of a particular item of goods or services or works.

(ix) '**Works**' means all works as per rule 130 of General Financial Rule 2017 issued by ministry of Finance , Government of India (referred as GFR 2017 in subsequent Paras) and will also include turnkey works.

(x) **Minimum local content-** The local content requirement to categorize the supplier as class-I local supplier is minimum 50%. For class-II local supplier, the local content requirement is minimum 20%. Nodal ministry/department may prescribe only a higher percentage of minimum local content requirement to categorize a supplier as class-I local supplier/class-II local supplier. For the items, for which nodal ministry/department has not prescribed higher minimum local content notification under the order, it shall be 50% and 20% for class-I local suppliers/class-II local suppliers respectively.

(xi) ***Special* treatment for items *covered* under *PLI Scheme***

The manufacturers manufacturing an item under PLI scheme shall be treated as deemed Class II local supplier for that item unless they have minimum local content equal to or higher than that notified for Class-I local supplier for that item, provided the manufacturer has received incentive from the concerned PLI Ministry for the Item. The above shall be applicable for the specific time period only, as notified by concerned PLI Ministry.

3.2.3 **A. Eligibility of `Class-I local supplier/Class-II local supplier/Non-local suppliers for different types of procurement:**

(a) In procurement of all goods, services or works in respect of which the Nodal Ministry / Department has communicated that there is sufficient local capacity and local competition, only Class-I local supplier, as defined bidder the Order, shall be eligible to bid irrespective of purchase value.

(b) In procurement of all goods, services or works, not covered by sub-Para 3.2.3 (a) above and estimate value of purchases with estimated value of purchases less than Rs. 200 Crore, in accordance with Rule 161(iv) of GFR, 2017, Global tender enquiry shall not be issued except with the approval of competent authority as designated by Department of Expenditure. Only Class-I local supplier and Class-II local supplier, as defined under the Order, shall be eligible to bid in procurements undertaken by procuring entities, except when Global tender enquiry has been issued. In global tender enquiries, Non-local suppliers shall also be eligible to bid along with Class-I local suppliers and Class-II local suppliers.

(c) For the purpose of this Order, works includes Engineering, Procurement and Construction (EPC) contracts and services include System Integrator (SI) contracts.

(d) **Mandatory sourcing of items, with sufficient local capacity and competition, from Class-I local suppliers in SI/EPC/Turnkey Contracts/Service Tenders**

(i). The items, notified as having sufficient local capacity and competition, shall mandatory be sourced from Class-I local suppliers in SI/EPC/Turnkey Contracts/Services tenders. This provision will be applicable only for those items which have been notified by the Nodal Ministry as Class I i.e. having sufficient local capacity and competition, with specific HSN codes."

(ii). Not withstanding above, if in any project, It is considered that it is not practically feasible to source such items from Class I local suppliers, it may take relaxation from such stipulation with the approval of Secretary of the administrative Ministry/ Department concerned or with the approval of the Competent Authority specified by the Administrative Ministry/Department, on case-specific basis.

B. Purchase Preference

(a) Subject to the provisions of this Order and to any specific instructions issued by the Nodal Ministry or in pursuance of this Order, purchase preference shall be given to Class-I local supplier in procurements undertaken by procuring entities in the manner specified here under.

(b) In the procurements of goods or works, which are covered by para 3.2.3 A (b) above and which are divisible in nature, the Class-I local supplier shall get purchase preference over 'Class-II local supplier' as well as Non-local supplier as per following procedure:

(i) Among all qualified bids, the lowest bid will be termed as L1. If L1 is Class-I local supplier, the contract for full quantity will be awarded to L1.

(ii) If L1 bid is not a 'Class-I local supplier' 50% of the order quantity shall be awarded to L1. Thereafter, the lowest bidder among the Class-I local supplier will be invited to match the L1 price for the remaining 50% quantity subject to the Class-I local suppliers quoted price falling within the margin of purchase preference, and contract for that quantity shall be awarded to such local supplier subject to matching the L1 price. In case such lowest eligible Class-I local supplier fails to match the L1 price or accepts less than the offered quantity, the next higher Class-I local supplier within the margin of purchase preference shall be invited to match the L1 price for remaining quantity and so on, and contract shall be awarded accordingly. In case some quantity is still left uncovered on Class-I local suppliers, then such balance quantity may also be ordered on the L1 bidder.

(c) In the procurements of goods or works, which are covered by Para 3.2.3 A (b) above and which are not divisible in nature, and in procurement of services where the bid is evaluated on price alone, the Class-I local supplier shall get purchase preference over Class-II local supplier as well as Non-local supplier as per following procedure:

(i) Among all qualified bids, the lowest bid will be termed as L1. If L1 is Class-I local Supplier the contract will be awarded to L1.

(ii) If L1 is not `Class-I local supplier' the lowest bidder among the Class-I local Supplier will be invited to match the L1 price subject to Class-I local supplier's quoted price falling within the margin of purchase preference and the contract shall be awarded to such, Class-I supplier to matching the L1 price.

(iii) In case such lowest eligible Class-I local supplier` fails to match the L1 price, the Class-I supplier with the next higher bid within the margin of purchase preference shall be invited to match the L1 price and so on and contract shall be awarded accordingly. In case none of the Class-I local supplier within the margin of purchase preference matches the L1 price. The contract may be awarded to the L-1 bidder.

(d) "Class-II local supplier will not got purchase preference in any procurement, undertaken by procuring entities.

C. Applicability in tenders where the contract is to be awarded to multiple bidders-

In tenders where contract is awarded to multiple bidders subject to matching of L1 rate or otherwise, class-I local supplier shall get purchase preference over class-II local supplier as well as non-local suppliers as per following procedure:

a) In case there is sufficient local capacity and competition for the item to be procured, as notified by the nodal ministry, only class-I local suppliers shall be eligible to bid. As such, the multiple suppliers, who would be awarded the contract, should be all and only class-I local suppliers.

b) In other cases, class-II local suppliers and non-local suppliers may also participate in the bidding process along with class-I local suppliers as per provision of this order.

c) If class-I local suppliers qualify for award of contract for at least 50% of the tendered quantity in any tender, the contract may be awarded to all the qualified bidders as per award criteria stipulated in the bid documents. However, in case, class-I suppliers do not qualify for award of contract for at least 50% of the tendered quantity, purchase preference should be given to the class-I local supplier over class-II local suppliers/non-local suppliers provided that their quoted rate falls within 20% margin of purchase preference of the highest quoted bidder considered for award of contract so as to ensure that the class-I local suppliers taken in totality are considered for award of contract for at least 50% of the tendered quantity.

(d) First purchase preference has to be given to the lowest quoting class-I local supplier whose quoted rates fall within 20% margin of purchase preference subject to its meeting the prescribed criteria for award of contract as also the constraint of maximum quantity that can be sourced from any single supplier. If the lowest quoting class-I local supplier does not qualify for purchase preference because of aforesaid constraint or does not accept the offered quantity, an opportunity may be given to next higher class-I local supplier falling within 20% margin of purchase preference and so on.

e) To avoid any ambiguity during bid evaluation process the procuring entity may stipulate its own tender specific criteria for award of contract amongst different bidders including the procedure for purchase preference to class-I local supplier within the broad policy guidelines stipulated in sub paras above.

D. <u>Exemption in sourcing of spares and consumables of closed systems</u>:

Procurement of spare parts, consumables for closed systems and Maintenance/ Service contracts with Original Equipment Manufacturer/Original Equipment Supplier/Original Part Manufacturer shall be exempted from this Order.

3.2.4 **Verification of local content:**

a.(i) The 'Class I local supplier/Class-II local supplier at the time of tender, bidding or solicitation shall be required to indicate percentage of local content and provide self-certification that the item offered meets the local content requirement for 'Class-I local supplier/ 'Class-II local supplier', as the case may be They shall also give details of the location(s) at which the local value addition is made.

(ii) The percentage of Local Content entered by the bidder in their techno-commercial offer for classification as a Class-I or Class -II Local supplier for the tendered item(s), in accordance with the Make in India policy, shall be deemed as their self-certification of local content. In addition to this, unless explicitly stated otherwise in the offer, the bidder's manufacturing plants and facilities shall be considered as the location(s) where local value addition is carried out for the tendered item.

b. In cases of procurement for a value in excess of Rs. 10 Crores, the 'Class-I local supplier/'Class-II local Supplier' shall be required to provide a certificate from the statutory auditor or cost auditor of the company (in the case of companies) or from a Practicing cost accountant or practicing chartered accountant (in respect of suppliers other than companies) giving the percentage of local content.

(i) The bidder shall give self-certification for local content in the quoted item (goods/works/services) at the time of tendering. However, at the time of execution of the project, for all contracts above INR 10 Crore, the contractor/ supplier shall be required to give local content certification duly certified by cost/ chartered accountant in practice. For cases where it is not possible to provide certification by Cost/Chartered Accountant at the time of execution of project, the supplier is permitted to provide the certificate for local content from Cost/Chartered Accountant after completion of the contract, at the time of submission of bill. In case the contractor/ supplier does not meet the stipulated local content requirement and the category of the supplier changes from Class-I to Class-II/ Non-local or from Class-II to Non-local, a penalty of 10% of the portion of contract for which the

stipulated local content requirement in not met, will be imposed. However, contract once awarded shall not be terminated on this account.

Note - The necessary certificate of local content must be signed with UDIN/relevant similar Nos. for statutory auditor or cost accountant whichever is applicable.

c. Decision on complaint relating to implementation of this order shall be taken by the competent authority which is empowered to look into procurement related complaints relating to the procuring entity.

d. Railway may constitute committees with internal and external experts for independent verification of self-declarations and auditor's/accountant's certificates on random basis and in the case of complaints.

e. PCMM/CMM(CHOD) shall have full powers to take decisions on complaints relating to implementation of this order (Preference to Make in India) Order 2017.Fee for filing a complaint under the order shall be Rs. 10,000 per case. The complaint shall be filed in the office of the PCMM/NCR and the fees shall be deposited with the office of the PFA/NCR.

f. False declarations will be in breach of the code of integrity under Rule 175(1)(i)(h) of the General Financial Rules for which a bidder or its successors can be debarred for up to two years as per Rule 151 (iii) of the General Financial Rules along with such other actions as may be permissible under law.

g. A supplier who has been debarred by any procuring entity for violation of this order shall not be eligible for preference under this order for procurement by any other procuring entity for the duration of the debarment. The debarment for such other procuring entities shall take effect prospectively from the date on which it comes to the notice of the procurement entities.

3.2.5 Unless otherwise specified in tender schedule, tendered goods shall be treated as divisible in nature.

3.2.6 The decision of NC railway /Railways regarding sufficient Local capacity and local competition will be final and binding on all.

3.2.7 Deleted.

3.2.8 Deleted.

3.2.9 Deleted.

3.2.10 Deleted.

3.2.11 In tender where bulk procurement is to be made from approved vendors of RDSO/CLW/BLW/RCF/ICF/MCF/CORE/PLW etc. or any other agency or as specified in the eligibility criteria mentioned in the

tender documents, the above preferential treatment will be given to approved vendor(s)/ vendor(s) suitable for bulk order(s) only.

3.2.12 Exemption of small purchases: Notwithstanding anything contained in paragraph 3.2.3 above, procurements where the estimated value to be procured is less than Rs. 5 lakhs is exempted.

3.2.13 **Reciprocity clause:**

i. When a nodal ministry/department identifies that Indian suppliers of a item are not allowed to participated and/or compete in procurement by any foreign government, due to restrictive tender conditions which have direct or indirect effect or barring Indian companies such as registration in the procuring country, execution of projects or specific value in the procuring country etc., it shall provide such details to all its procuring entities including CMDs/CEOs of PSEs/PSUs, State Governments and other procurement agencies under their administrative control and GeM for appropriate reciprocal action.

ii. Entities of countries which have been identified by the nodal ministry/department as not allowing Indian companies to participate in their Government procurement for any item related to that nodal ministry/department, except for the list of items published by the Ministry/Department permitting their participation.

iii. The term 'entity' of a country have the same meaning as under the FDI Policy of DPIIT as amended from time to time.

3.2.14 **Manufacturer under license/technology collaboration agreements with phased indigenization**

While notifying, the minimum local content, nodal ministry may make special provision for exempting suppliers from meeting the stipulated local content if the product is being manufactured in India under a license from a foreign manufacturer who holds intellectual property rights and where there is technology collaboration agreement/transfer of technology agreement for indigenous manufacture of a product developed abroad with clear phasing of increase in local content.

3.2.15 It is clarified that the bidders offering imported products will fall under the category of Non-local suppliers. They can't claim themselves as Class-I local suppliers/Class-II local suppliers by claiming the services such as transportation, insurance, installation, commissioning, training and after sales service support like AMC/CMC etc. as local value addition. (Ref. Railway Board letter No. 2020/RS(G)/779/2-Part-1 dated 17/05/2021)

3.3 PREFERENCE TO DOMESTICALLY MANUFACTUREDELECTRONIC PRODUCTS IN GOVERNMENT PROCUREMENT.

Preference to Domestically Manufactured Electronic Products (DMEP) in Government Procurement in supply tenders will be for its own use and not with a view to commercial sale or with a view to use in the production of goods for commercial sale. The preference will be given to all the companies registered in India and engaged in manufacture of electronic products subject to fulfilling the eligibility criteria as per the policy and in addition to this Railways Important Terms & Conditions of Tender (SOR)/IRS conditions of contract, updated from time to time.

3.3.1 Eligibility:

DMEP are those Electronic products; manufactured by entities registered in India including Special Economic Zones (SEZs) and engaged in manufacture of such electronic products in India which would include OEM and their Contract Manufacturers, but not traders. Additionally, such products shall meet the criteria of domestic value-addition as laid down in the policy, issued vide various Notifications, for being classified as DMEP.

3.3.2 Terms and Conditions:

Purchaser reserves the right for providing preference to domestically manufactured electronic products in terms of Department of Electronics and Information Technology (DeitY) Notification No.33(3)/2013-1PHW dtd.23.12.2013 read with further Notifications issued from time to time. A copy of the aforesaid Notifications/Guidelines can be downloaded from DeitY website i.e., URL www.deity.gov.in/esdm. Purchase preference for domestic manufacturer, methodology of its implementation, value addition to be achieved by domestic manufacturers, self certification and compliance and monitoring shall be as per the aforesaid Guidelines/Notifications. The Guidelines may be treated as an integral part of the tender documents.

(i) The modalities through which the Preference for Domestically Manufactured Electronic Products (DMEPs) shall be operated as follows:

(ii) The Electronic products for which preference will be provided to domestic manufacturers shall be the products notified by Department of Electronics and Information Technology (DeitY) and Department of Telecommunications (DOT).

(iii) The quantity of procurement for which preference will be provided to domestic manufacturers shall be minimum 30% (of the total net procurable quantity) or as notified by the Government from time to time (refer to DeitY website i.e., URLwww.deity.gov.in/esdm).

(iv) The Percentage of Domestic value addition, which qualifies the above

mentioned electronic products to be classified as Domestically Manufactured, as notified by Govt of India i.e. Department of Electronics and Information Technology (DeitY) and Department of Telecommunications (DOT) from time to time.

(v) The preference to DMEP shall be subject to meeting the technical specifications and matching L1price.

3.3.3 Domestic Manufacturers are required to indicate the domestic value addition in terms of Bill of Manufacture (BOM) for the quoted product, in terms of the aforesaid guidelines, in their bid in the following format:

Format for Domestic Value Addition in terms of guidelines issued for procurement of Notified Electronic Products by Government:

Item	Item Description	Manufacturer /Supplier	Country of Origin	Value	Domestic Value addition in %

Bidders claiming to bid in the status of domestic manufacturer, are required to give an undertaking (Self Certification regarding Domestic Value Addition) in the format as given in Form1 [ANNEXURE 8-. *Furnishing false information on this account shall attract penal provisions as per the Guidelines/Notifications.*

3.3.4 Procedure for award of contracts involving procurement from Domestic Manufacturers:

For each electronic product proposed to be procured, among all technically qualified bids, the lowest quoted price will be termed as L1 and the rest of the bids shall be ranked in ascending order of price quoted, as L2, L3, L4 and so on. If L1 bid is of a domestic manufacturer, the said bidder will be awarded full value of the order. If L1 bid is not from a domestic manufacturer, the value of the order awarded to L1 bidder will be the balance of procurement value after reserving specified percentage of the total value of the order for the eligible domestic manufacturer. Thereafter, the lowest bidder among the domestic manufacturers, whether L2, L3, L4 or higher, will be invited to match the L1 bid in order to secure the procurement value of the order earmarked for the domestic manufacturer, In case first eligible bidder (i.e., domestic manufacturer) fails to match L1 bid, the bidder (i.e. domestic manufacturer) with next higher bid will be invited to match L1 bid and so on. However, the procuring agency may choose

to divide the order amongst more than one successful bidder as long as all such bidders match L1 and the criteria for allocating the tender quantity amongst a number of successful bidders is clearly articulated in the tender document itself. In case all eligible domestic manufacturers, fail to match the L1 bid, the actual bidder holding L1 bid will secure the order for full procurement value. *Only those domestic manufacturers, whose bids are within 20% of the L1 bid would be allowed an opportunity to match L1bid.*

In case of turnkey/system-integration projects, eligibility of the bidder as a domestic manufacturer would be determined on the domestic value addition calculated only for the value of the notified DMEPs (i.e. product notified by Govt of India i.e. Department of Electronics and Information Technology (DeitY) and Department of Telecommunications (DOT) from time to time) forming a part of turnkey/system- integration projects and not on the value of whole project.

At present, the products notified by Department of Electronics and Information Technology (DeitY) and Department of Telecommunications (DOT) are given in DMEP 1 form as Annexure 9&DMEP 2 form as Annexure 10. Additionally, the Notified DMEP's with percentage of procurement and Domestic Value Addition Percentage are also given in DMEP 3 form as Annexure 11. However, the percentage of procurement and Domestic Value Addition Percentage will be as notified by Government of India i.e. Department of Electronics and Information Technology (DeitY) and Department of Telecommunications (DOT) from time to time.

3.3.5 The DMEPs which are not covered in DMEP-3 form[Annexure 11]but covered in DMEP-1 [Annexure 9]& DMEP-2 [Annexure 10], the Bill of Material sourced from Domestic Manufacturers (Dom-BOM) will be calculated as per the provisions given in the policy. As per the notifications issued by Department of Electronics and Information Technology (DeitY) and Department of Telecommunications (DOT), Domestic Value Addition in terms of BOM of domestic manufacturers for the Year 1 will be 25% for the purpose of procurement upto31.03.2015.The Domestic Value Addition for Year 2 onwards shall automatically increase by 5% in terms of the policy.

The methodology for calculating the Percentage of Domestic Value Addition will be as per the Notification issued by the Department of Electronics and Information Technology (DeitY) vide Notification No.33(3)/2013-1PHW dtd.23.12.2013 read with further Notifications issued from time to time.

Formula for calculating the Percentage is as under:

Percentage of Domestic Value Addition

= Domestic BOM x 100/ Total BOM.

3.4 Preference to Domestically Manufactured Iron & Steel Products in (DMI&SP) Government Procurement

3.4.1 The policy of preference to DMI&P is applicable to Iron & Steel Products as provided in the table below, as prevailing on 01.12.2017:-

Sr.No.	Iron and Steel Products	Inputs (Imported or Domestic)	Minimum Value Addition
1	Ductile Iron Pipe	Pig iron/ Liquid iron	15%
2	Wire Rod & TMT Bar	Billet	15%
3	Structural/ sections	Bloom	15%
4	HR coils, strips, sheets & plates	Slab	15%
5	HR Universal/ Quarto plates	Slab	15%
6	CR coils/ strips	HR coils	15%
7	Coated flat steel products/ GP/ GC sheets/Al-Zn coated	Slab/ HR coil/ Cold rolled coils/ strips	15%
8	Colour coated, painted sheets	Slab/ HR coil/ Cold rolled coils/ strips	15%
9	All kinds of steel pipes & tubes	Slabs/ Plates/HR coils	15%
10	Seamless tubes & pipes	Bloom	15%
11	Rails	Bloom	15%

3.4.2 This policy shall be applicable to procurement of iron and steel products listed in Para3.4.1 having estimated value of Rs. 50 Crore or

more, forming part of the steel intensive supply or overall supply of stores. The list of Iron & Steel Products and the minimum value addition as notified by Ministry of Steel, Government of India, from time to time, shall be applicable for the purpose of tender finalization. The status as on the date of tender opening shall be considered for the purpose.

3.4.3 Definition:-

(a) Bidder may be a domestic/foreign manufacturer of steel or their selling agents/authorized distributors/authorized dealers/authorized supply houses or any other company engaged in the bidding of projects funded by Government agencies.

(b) "Domestically Manufactured Iron & Steel Products (DMI&SP)" are those iron and steel products which are manufactured by entities that are registered and established in India, including in Special Economic Zones (SEZs). In addition, such products shall meet the criteria of domestic minimum value addition as mentioned in table at Para3.4.1.

(c) Domestic Manufacturer is a manufacturer of domestically manufactured Iron & Steel Products (DMI&SP).

(d) Government for the purpose of the policy means Government of India.

(e) Government agencies include Government PSUs, Societies, Trusts and Statutory bodies set up by the Government.

(f) MoS shall mean Ministry of Steel, Govt. of India.

(g) Net Selling Price shall be the Ex works/Ex factory price comprising of the landed cost of imported steel at the plant and all other cost elements forming part of the conversion cost inclusive of nominal return on investment. This price is exclusive of any duties and taxes applicable ex-factory.

(h) Semi Finished Steel shall mean billet, blooms, slabs (cast products), which can be subsequently processed to finished steel.

(i) Finished Steel means Flat and Long Products, which can be subsequently processed into manufactured items.

(j) Iron & Steel Product(s) shall mean such Iron and Steel product (s) which are mentioned in table at Para3.4.1.

3.4.4 The bidders who are sole selling agents/authorized distributors/authorized dealers/authorized supply houses of the domestic manufacturers of iron & steel products are eligible to bid on behalf of the domestic manufacturers under the policy. However, this shall be subject to the following conditions:

i. The bidder shall furnish the tender specific authorization certificate

issued by the domestic manufacturer for selling domestically manufactured Iron & Steel products.

ii. The bidder shall furnish the Affidavit of self-certification issued by the domestic manufacturer to the procuring agency declaring that the iron & steel products is domestically manufactured in terms of the domestic value addition prescribed.

iii. It shall be the responsibility of the bidder to furnish other requisite documents required to be issued by the domestic manufacturer to the procuring agency as per the policy.

3.4.5 Value addition

Value addition shall be the difference between the net selling price and the landed cost of imported input steel (of immediate prior process) at a manufactured plant in India.

In case, the iron & steel products are made-

i. Using domestic input steel (semi-finished/finished steel), invoices of purchases from the actual domestic producers along with quantities purchased and the other related documents must be furnished to procuring Government agency.

ii. Using a mix of imported and domestic input steel, the invoices of purchases from the actual producers along with quantities purchased and the other related documents must be furnished separately. To derive the extent of domestic value addition, the weighted average of both (imported & domestic) input steel shall be considered to ensure that the minimum stipulated domestic value addition requirement of the policy is complied with.

iii. Using only imported input steel, the following formula shall apply to calculate the percentage of domestic value addition:

Domestic value addition (%) = (Net selling price-Landed cost of imported Input steel at the plant) * 100/ {Landed Cost of imported input steel at the plant}

Each bidder participating in the tender process should calculate the domestic value addition using the above formula so as to ensure the domestic value addition claimed is consistent with the minimum stipulated domestic value addition requirement of the policy.

3.4.6 Each domestic manufacturer shall furnish the Affidavit of self-certification to the procuring Government agency declaring that the iron & steel products are domestically manufactured in terms of the domestic value addition prescribed. The bidders who are sole selling agents/authorized distributors/authorized dealers/authorized

supply houses of the domestic manufacturers of iron & steel products are eligible to bid on behalf of domestic manufacturers under the policy. The bidder shall furnish the Affidavit of self-certification issued by the domestic manufacturer to the procuring agency declaring that the iron & steel products are domestically manufactured in terms of the domestic value addition prescribed. The Affidavit of self-certification shall be furnished in **Annexure12.**

3.4.7 It shall be the responsibility of the domestic manufacturer to ensure that the products so claimed are DMI&SP in terms of the domestic value addition prescribed for the product. The bidder shall also be required to provide a value addition certificate on half-yearly basis (as on Sep 30 and Mar 31), duly certified by the Statutory Auditors of the domestic manufacturer, that the claims of value addition made for the product during the preceding 6 months are in accordance with the Policy. Such certificate shall be submitted within 60 days of commencement of each half year, to the concerned Government agencies and shall continue to be submitted till the completion of supply of the said products.

3.4.8 The onus of demonstrating the correctness of the Affidavit of self□certification regarding domestic value addition shall be on the bidder.

3.4.9 In case a complaint is received against the claim of a bidder regarding domestic value addition in Iron & Steel products, the procuring agency shall have full rights to inspect and examine all the related documents and take a decision. The bidder shall be required to furnish the necessary documentation in support of the domestic value addition claimed in iron & steel products within 2 weeks of asking for the same.

(a) In case, the matter is referred to the Grievance Redressal Committee under the Ministry of Steel (MoS), the bidder shall be required to furnish the necessary documentation in support of the domestic value addition claimed in iron & steel products to the Grievance Redressal Committee under MoS within 2 weeks of the reference of the matter. If no information is furnished by the bidder, the Grievance Redressal Committee may take further necessary action, in consultation with Government Agency to establish the bonafides of the claim.

(b) The cost of assessing the prescribed extent of domestic value addition shall be borne by the procuring agency if the domestic value addition is found to be correct as per the certificate. However, if it is found that the domestic value addition as claimed is incorrect, the cost of assessment will be payable by the bidder who has furnished an incorrect certificate.

(c) In case of mis□declaration by the tenderer of the prescribed domestic value addition, the EMD will be forfeited. If the mis□declaration is detected after placement of purchase order, then the firm shall pay the difference the purchase order value and the value of the lowest technically acceptable offer over which preference was granted to the ordered quantity. This shall be without prejudice to the Purchaser's other rights under the contract.

3.4.10 In case of reference of any complaint to MoS by the concerned bidder, there would be a complaint fee of Rs.10 Lakh or 0.2% of the value of the DMI&SP being procured (subject to a maximum of Rs.20 Lakh), whichever is higher, to be paid by Demand Draft deposited with the grievance redressal committee under MoS along with the complaint. In case, the complaint is found to be incorrect, the Government Agency reserves the right to forfeit the said amount. In case, the complaint is found to be substantially correct, deposited fee of the complainant would be refunded without any interest.

3.5 Preference to local supplier in procurement of Goods & Services in Medical Devices –

Department of Industrial Policy and Promotion (DIPP), vide Office Memorandum no. P-45021/1:/2017-PP Section BE-II dated 23.03.2018 has decided that the Nodal Ministry for product category Medical Devices shall be Department of Pharmaceuticals.

Whereas Para 3 of PPO, 2017 makes it mandatory for procuring entities to give purchase preference to local suppliers, Para 5 of PPO, 2017 empowers Nodal Ministry to, prescribe percentage and the manner Of calculation of minimum local content in respect of any particular item relating to medical devices and Para 9 of PPO, 2017 deals with verification of local content.

Now, therefore, DoP issues the following guidelines for implementation of the provisions of PPO, 2017 with respect to public procurement of Goods & Services in Medical Devices:

3.5.1 Percentage of Minimum Local Content: Medical Device Industry (MDI) is a multi-product industry responsible for provisioning of wide variety of crucial medical products. Based on the present level of understanding of the medical device market in India and discussion with various industry representatives, DoP in accordance with Para 5 of PPO, 2017 prescribes the following percentages of minimum local content for various categories of medical devices for preference in public procurement:

Category of Medical Devices	% of Minimum	% of Local Content proposed to be increased in phased

	Laical Content	manner over next three years
Medical disposables and consumables	50%	50% to 75%
Medical electronics, hospital equipment, surgical instruments	25%	25% to 45%
Implants	40%	40% to 60%
Diagnostic Reagents/IVDs	25%	25% to 45%

3.5.2 Manner of calculation of Local Content: DoP in accordance with Para 5 of PPO, 2017, prescribes the following manner of calculation of local content:

i. Local content of Medical Device shall be computed on the basis of the cost of domestic components in the device/service compared to the total cost of the device/service. The total cost of product shall be the cost incurred for the production of the medical device including direct component i.e. material cost, manpower cost and overhead costs including profit but excluding taxes and duties.

ii. The determination of local content cost shall be based on the following:

a) In the case of direct component: (material), based on the country of origin

b) in the case of manpower, based on domestic manpower

iii. The calculation of local content of the combination of several kinds of goods shall be based on the ratio of the sum of multiplication of local content of each goods with the acquisition price of each goods to the acquisition price of - combination of goods.

iv. Format of calculation of local content shall be as contained in Annexure-14.

3.5.3 Requirement of Purchase Preference: Purchase preference shall be given to local suppliers by all procuring entities as per provisions laid down in para 3 of PPO, 2017. Further, as per provisions of Para 3(a) of the PPO 2017 i.e. in procurement of goods where sufficient 1(3,0.1 capacity and local competition exists and estimated value of procurement is Rs 50 Lakhs or less, a list of goods will be issued by this Department) in due course. Till the time such a list is issued, provisions of para 3(b) or para 3(c) of PPO, 2017, as applicable, shall apply for all procurements without regard to value of procurement.

3.5.4 Verification of Local Content:

a) The local supplier at the time 'of tender, bidding or solicitation shall be required to furnish self-certification of local content in the format as contained in Annexure-15.

b) In cases of procurement for a Value in excess of Rs. 10 crores, the local supplier shall be required to provide a certificate from the statutory auditor or cost auditor of the company (in the case of companies) or from a practicing cost accountant or practicing

chartered accountant (in respect of suppliers other than companies) giving the percentage of local content.

c) PCMM/CMM(CHOD) shall have full powers to take decisions on complaints relating to implementation of this order (Preference to Make in India) Order 2017.Fee for filing a complaint under the order shall be Rs. 10,000 per case.

d) All other provisions of PPO, 2017 shall be applicable as such and shall be adhered to by all procuring agencies for procurement of any medical device.

3.6 **Restrictions under Rule 144 (xi) of the General Financial Rules (GFRs), 2017.**

3.6.1 Any bidder from a country which shares a land border with India will be eligible to bid only if the bidder is registered with the Competent Authority, specified in Annexure 18.

3.6.2 "Bidder' (including the term 'tenderer', 'consultant' 'vendor' or 'Service provider in certain contexts) means any person or firm or company, including any member of a consortium or joint venture (that is an association of several persons, or firms or companies), every artificial juridical person not falling in any of the descriptions of bidders stated hereinbefore, including any agency, branch or office controlled by such person, participating in a procurement process.

3.6.3 "Bidder from a country which shares a land border with India" for the purpose of this Order means a) An entity incorporated, established or registered in such a country; or b) A subsidiary of an entity incorporated, established or registered in such a country; or c) An entity substantially controlled through entities incorporated, established or registered in such a country; or d) An entity whose beneficial owner is situated in such a country; or e) An Indian (or other) agent of such an entity; or f) A natural person who is a citizen of such a country; or g) A consortium or joint venture where any member of the consortium or joint venture falls under any of the above.

3.6.4 "Beneficial owner'' for the purpose of paragraph 3.6.3 above will be as under: (I) In case of a company or Limited Liability Partnership, the beneficial owner is the natural person(s), who, whether acting alone or together, or through one or more juridical person(s), has a controlling ownership interest or who exercises control through other means. Explanation— a. "Controlling ownership interest" means ownership of, or entitlement to, more than twenty-five per cent of shares or capital or profits of the company; b. "Control" shall include the right to appoint the majority of the directors or to control the management or policy decisions, including by virtue of their shareholding or management rights or shareholders agreements or voting agreements; (ii)In case of a

partnership firm, the beneficial owner is the natural person(s) who, whether acting alone or together, or through one or more juridical person, has ownership of entitlement to more than fifteen percent of capital or profits of the partnership; (iii) In case of an unincorporated association or body of individuals, the beneficial owner is the natural person(s), who, whether acting alone or together, or through one or more juridical person, has ownership of or entitlement to more than fifteen percent of the property or capital or profits of such association or body of individuals; (iv) Where no natural person is identified under (i) or (ii) or (iii) above, the beneficial owner is the relevant natural person who holds the position of senior managing official; (v) In case of a trust, the identification of beneficial owner(s) shall include identification of the author of the trust, the trustee, the beneficiaries with fifteen percent or more interest in the trust and any other natural person exercising ultimate effective control over the trust through a chain of control or ownership.

3.6.5 "Agent" for the purpose of this Order is a person employed to do any act for another, or to represent another in dealings with third persons.

3.6.6 The successful bidder shall not be allowed to sub-contract works to any contractor from a country which shares a land border with India unless such contractor is registered with the Competent Authority.

3.6.7 Bidder must submit a certificate as per Annexure-19 along with bid for compliance of OM of MoE dated 23.07.2020. If such certificate given by a bidder whose bid is accepted is found to be false, this would be a ground for immediate termination and further legal action in accordance with law. Non-submission of Certificate may lead to summarily rejection of offer.

3.6.8 Validity of registration by Competent Authority: In respect of tenders, registration should be valid at the time of submission of bids and at the time of acceptance of bids. In respect of supply otherwise than by tender, registration should be valid at the time of placement of order. If the bidder was validly registered at the time of acceptance placement of order, registration shall not be a relevant consideration during contract execution.

3.6.9 Notwithstanding above, the terms & conditions mentioned above will not apply to bidders from those countries (even if sharing a land border with India) to which the Government of India has extended lines of credit or in which the Government of India is engaged in development projects.

4.0 TENDER DOCUMENT COST

4.1 The cost of tender documents is dispensed with for tender

documents downloaded by bidders. Accordingly, tenderers are not required to submit Tender Document Cost against electronic tenders.

5.0 EARNEST MONEY

5.1 Tenderers are required to deposit Earnest Money online equivalent to the amount mentioned in the tender document wherever applicable as under:

Estimated value of tender	**EMD (rounded off to nearest higher Rs. 10 (ten))**
Up to Rs. 25 Lakh	@ 2 % of the estimated value of the tender
Above Rs 25 lakh and upto Rs 50 cr.	@2% of the estimated value of the tender subject to Max. Rs 20 lakh.
Above Rs 50 cr.	Rs. 50 lakh.

5.2 Tenderer not falling in the exempted categories mentioned in the subsequent Para 5.3 shall remit the Earnest Money online through Payment Gateway Facility available on the IREPS website. Earnest money shall be accepted via online payment gateway as available on IREPS portal. No other mode of submission of Earnest money is acceptable.

5.3. Exemption from Submission of Earnest Money:
There shall be no exemption from submission of EMD for any tender or by any tenderer except following:

(a) Micro and Small Enterprises (MSEs) having "Udyam Registration certificate" as per Gazette Notification NO. S.O.2119(E) dated 26.06.2020, Gazette Notification NO. S.O.4926(E) dated 18.10.2022 and other notifications/amendments issued by Ministry of Micro, Small and Medium Enterprises from time to time.

(b) Other Railways and Government Departments.

(c) Indian Ordinance Factories.

(d) PSUs owned by Ministry of Railways and PSUs for the group of items that are manufactured by them.

(e) Vendors registered with Railways for the trade group of the item tendered.

(f) Vendors appearing on the approved vendor lists of RDSO/PUs /CORE, subject to approval status being valid on the date of tender closing.

(g) Vendors registered with Railways for supply of medicine, medical equipments and consumables for these items.

(h) In tenders issued against PAC, OEM in whose favour PAC has been issued. KVIC and ACASH for items supplied by them.

5.3.1(i) EMD shall normally not be called against limited tenders with estimated value up to Rs. 25 Lakh (including single tender, global limited tenders).

5.3.1(ii) If considered necessary authority competent to issue tender may incorporate the condition to call for EMD even in such limited tenders, on case to case basis.

5.4 The tenderers falling under any of the above listed exempted categories and claiming exemption will have to attach scanned copy of requisite document in PDF format in the attach Documents template on 'Techno Commercial Bid Details' form and follow the following steps to avail the exemption from submission of Earnest Money:

Tenderers shall search for the relevant tender using the links (a) quick search or (b) advance search provided in their home page after logging into the system using their valid Username, Password& Digital Signature. On retrieving the tender details, they shall click on the Submit Payment Details icon under Actions column to access the Submit Payment Details Page. The tenderers shall then choose the appropriate exemption category available under Submit EMD link on the Submit Payment details page. The tenderer shall thereafter digitally sign and submit the details by clicking the Sign & Submit button available on the page.

5.5. Offers of Tenderers who claim exemption for EMD but do not attach relevant documents in support of their claim, shall be treated as "Offers received without Earnest Money" and will be summarily rejected.

5.6. The tenderers must note that if at any stage, it is found that any of the documents submitted by them are forged/incorrect, their offer shall be rejected; and in case purchase order has already been placed, the contract shall be liable to be rescinded including any other penal and legal action as deemed fit by the purchaser.

5.7 Offers of tenderers who do not submit requisite Earnest Money, and are also not exempted from submission of Earnest Money as per Para 5.3 above, will be summarily rejected.

5.8 The purchaser reserves the right to forfeit the Earnest Money Deposit if the tenderer withdraws or revises his offer within

the validity period or fails to deposit Security Deposit in terms of Para 6.0 of this document.

5.9 In exceptional cases, such as, case of Single Tender, PAC items, etc., Railway reserves the right to exempt EMD from such vendors.

5.10 No interest shall be payable by the purchaser on the Earnest Money.

5.11 The offers not accompanied by requisite EMD will be summarily rejected, unless falling in exempted category. The firm claiming exemption from EMD should clearly indicate valid reasons for such claim duly attaching a signed bid securing declaration as per **Annexure "16"** of this document along with scanned copies of relevant documents with their e-offers.

6.0 Security Deposit (SD)/Performance Security except M&P:

6.1 There shall be no exemption from submission of Security Deposit (SD) for any tender or by any tenderer except following:

a) The store contract of value upto Rs 25 (twenty five) lakh.

b) Other Railways and Government Departments.

(c) Indian Ordinance Factories.

(d) PSUs owned by Ministry of Railways and PSUs for the group of items that are manufactured by them.

(e) In tenders issued against PAC, OEM in whose favour PAC has been issued. KVIC and ACASH shall for items supplied by them.

(f) Vendors registered with Railways for the trade group of the item tendered for orders valued upto their monetary limits of registration.

(g) Vendors appearing on the approved vendor lists of RDSO/PUs/CORE subject to approval status being valid on the date of tender closing.

(h) Vendors registered with Railways for supply of medicine, medical equipments and consumables for these items.

Note:

Apart from claiming damages from vendors, in case of failure to comply with the contractual obligations, Railways shall record poor performance of the vendors for taking suitable penal action as per extant instructions

6.2 Security Deposit (SD) amount:

6.2.1	Contract value	SD (rounded off to nearest higher Rs. 10 (ten))
	Above Rs 25 lakh	@ 5% (percent) of the contract value

6.3 Security Deposit (SD) shall remain valid for a period of 60 days, beyond the date of completion of all contractual obligations.

6.4 **Time to deposit SD:**

SD from successful tender should be received in purchase office within **21 days** from the date of Communication of acceptance with respect to the purchaser

6.5 lf the Contractor, having been called upon by the Purchaser to furnish security deposit, fails to make a security deposit within the specified period, it shall be lawful for the Purchaser to cancel the Letter of Award and to recover from the Contractor the amount of such security deposit by deducting the amount from the pending bills of the Contractor under any other contract with the Purchaser or the Government or any person contracting through the Purchaser or otherwise howsoever, duly adjusting the Earnest Money deposit, if any, made by the contractor.

6.6

i. All vendors, exempted from submitting EMD, as per Para 5.3 above, irrespective of type of tender, i.e. single, limited or open, shall be required to sign a bid securing declaration as per Annexure 16 to this instruction.

ii. There shall be no exemption to such bidders from submitting EMD and SD for all tenders published during the period of time they are so disqualified as per the declaration signed by them.

iii. This Para shall not be applicable for Govt. Departments/ordnance factories/ other Railways/Railway PSUs/ KVIC/ ACASH and matter shall be taken up with them departmentally/administratively.

6.7 In case of severable contracts, failure by contractor to meet deliveries for any lot, Railways may cancel the contract for defaulted part by forfeiting SD commensurate to that lot.

6.8 Risk purchase clause shall not be applicable.

6.9 In exceptional cases, such as, case of Single Tender, PAC items, etc., Railway reserves the right to exempt SD from such vendors.

6.10 The Security money can be deposited in any of the following forms:

6.10.1 Deposit receipts, Pay orders, Demand Drafts, Guarantee Bonds issued by Nationalized or Scheduled Commercial Banks, Bonds of Indian Railway Finance Corporation and KRCL Bonds, Government Securities and deposit receipts in the post office saving banks. The Guarantee Bonds/Bank Guarantee should be submitted in the prescribed form as per **Annexure-5**.

6.10.2 Payment of Security money in the form of pay order/demand draft shall be made in favour of PFA, North Central Railway payable at Prayagraj.

6.10.3 Tenderers submitting Security Money in the form of Bank Guarantee (BG) should ensure the following, to avoid rejection/return of the BG:

1. The Bank Guarantee should be executed on non-judicial stamp paper of appropriate value as applicable at the place where the bank guarantee is executed.
2. The non judicial stamp paper used for executing the Bank Guarantee should have been purchased in the name of executants Bank.
3. The Bank Guarantee should be duly attested by notary public along with notaries stamps of appropriate value affixed thereon.
4. Every page of Bank Guarantee should be signed by the authority executing it and the Bank Guarantee should be duly numbered.
5. All corrections/alterations, if any, made in the Bank Guarantee should be duly attested by the executants Bank and the notary public as well.
6. The Bank Guarantee should be in the prescribed format **(Annexure – 5)** and completely in the typed form.

6.11 The refund of security deposit becomes due when the contract is satisfactorily completed in accordance with terms & conditions of the contract. Purchaser's decision in this regard shall be final and binding on the supplier.

6.12 No claim shall lie against the Purchaser in respect of interest

on cash deposits or Government Securities or depreciation thereof.

6.13 The Purchaser shall be entitled and it shall be lawful on his part to forfeit the said security deposit in whole or in part in the event of any default, failure or neglect on the part of the Contractor in the fulfillment or performance in all respects of the contract under reference or any other contract with the Purchaser or any part thereof to the satisfaction of the Purchaser and the Purchaser shall also be entitled to deduct from the said deposits any loss or damage which the Purchaser may suffer or be put by reason of or due to any act or other default, recoverable by the Purchaser from the Contractor in respect of the contract under reference or any other contract and in either of the events aforesaid to call upon the contractor to maintain the security deposit at its original limit by making further deposits, provided further that the Purchaser shall be entitled to recover any such claim from any sum then due or which at any time thereafter may become due to the contractor under this or any other contracts with the Purchaser.

6.14 (a) The Contractor must maintain the Security Deposit of the required amount in a specified format during the currency of the Contract. ln the event of any amendment affecting the Contract value and/ or delivery period is issued to the Contract, the Contractor shall furnish suitably amended value and or validity of the Security Deposit in terms of the amended Contract within fourteen days of the issue of the amendment. (b) lf the Contractor during the currency of the Contract fails to maintain the requisite Security Deposit, it shall be lawful for the Purchaser at his discretion: (i) to request the Contractor to submit the requisite amount within fourteen days; or (ii) to recover the requisite amount from the pending bills of the Contractor against this Contract or any other Contract and adjust such recovered amount towards Security Deposit of this Contract; or (iii)to treat it as a breach of Contract, terminate the Contract and avail any or all Contractual remedies available to the Purchaser thereof. Note: For clarification of any doubt, the provision of sub-clause (ii) above applies only in case where additional amount is required to be deposited to maintain the requisite Security Deposit, as per the terms of Contract, and not for requirement of Security Deposit for entering into a new contract. Failure of

the Successful Bidder to submit Security Deposit for entering into a contract, having been called upon to do so, shall be dealt as per tender conditions. (c) The Purchaser shall be entitled and it shall be lawful on his part to forfeit the said Security Deposit in whole or in part in the event of any default, failure or neglect on the part of the Contractor in the fulfillment or performance in all respect of the Contract under reference or any other Contract with the Purchaser or any part thereof to the satisfaction of the Purchaser and the Purchaser shall also be entitled to deduct from the said deposits any loss or damage which the Purchaser may suffer or be put by reason of or due to any act or other default, recoverable by the Purchaser from the Contractor in respect of the Contract under reference or any other Contract and in either of the events aforesaid to call upon the Contractor to maintain the said security deposit at its original limit by making further deposits, provided further that the Purchaser shall be entitled to recover any such claim from any sum then due or which at any time thereafter may become due to the Contractor under this or any other Contracts with the Purchaser. (d) Subject to above, the Purchaser shall release the Security Deposit, without any interest, to the Contractor upon the completion of all Contractual obligations relating to supply of Goods. (e) Notwithstanding the above, the Purchaser shall be entitled to call for Warranty Security Deposit (in any form of financial instruments as permitted for Security Deposit) from the Contractor for due performance of warranty obligations under the Contract. In such an event, where Purchaser calls for Warranty Security Deposit, it shall be lawful for the Purchaser not to release/ refund the Security Deposit till the obligation of submitting Warranty Security Deposit in acceptable form is completed by the Contractor, or to encash the financial instrument for Security Deposit and adjust the amount so received towards Warranty Security Deposit. All conditions relating to Security Deposit including non-liability of payment of interest and conditions for forfeiture shall also apply for Warranty Security Deposit. Security Deposit shall be released/ refunded on receipt of acceptable Warranty Security Deposit. (f) No claim shall lie against the Purchaser in respect of interest on cash deposits or Government Securities or depreciation thereof. No interest shall be payable upon the Security Deposit or Warranty Security Deposit or amounts

payable to the Contractor under the Contract.

7.0 SUBMISSION OF OFFERS

7.1 Procedure for submission of electronic offers

7.1.1 The tenderers should visit IREPS website at the address www.ireps.gov.in and submit online offers after logging into the website using their login ID, Password and Digital Signature. Tenderers can submit online electronic offers after filling the details in the following pre-designed templates of module 'E tender-Goods & Services' on IREPS website.

1.0 Submit Payment Details for EMD if applicable

2.0 Techno Commercial Bid Details (Bid Process page)

1. General [GEN.]
2. Terms and Conditions (T&C)
2. Eligibility Criteria (ELIGIBILITY)
3. Compliance statement [COMPLIANCE]
4. DEVIATION (Commercial Deviation & Technical Deviation)
5. Performance Statement [PERFORM.]
6. Attach Documents (DOCS.)
7. Responsiveness [RESPONSIVE]
9. Financial Offer(Fin.Offer)
10. Submit

Tenderers may note that the IREPS software is continuously being upgraded and the forms referred above may be subject to changes. Tenderers are advised to keep themselves updated with the latest changes, by referring to the latest versions of user manuals available on the website, and by taking note of the messages sent by the IREPS administrator from time to time. Tenderers should also make themselves fully acquainted with all the available templates/forms, before they submit their offer. No claim shall be entertained from a tenderer, on account of non-familiarity with the any of the templates and forms available on the IREPS website.

7.1.2 The electronic offers shall be digitally signed by the tenderer. To ensure confidentiality and security, the offers will be auto encrypted using highest level of digital security before transmission on internet channels. Such Electronic offers are received in a time locked electronic tender box, where they remain encrypted till stipulated tender opening date/time. All the details of the digital certificate as obtained from the CCA, showing the identity of the person who is authorized to sign

and submit an electronic offer will get auto attached along with the electronic offer, and can be verified by North Central Railway at a later stage, to establish the identity of the person who has digitally signed and submitted his electronic offers. This is similar to an authenticated copy of the document which authorizes the signatory to commit on behalf of the firm.

7.1.3 Every online tender submitted duly signed with a valid Digital Signature Certificate and received before closing date & time of tender shall be acknowledged by the system and HTML receipt will be generated indicating tender ID as well as date and time of receipt of the tender.

7.1.4 Electronic offer once digitally signed and submitted for one or all the item/items cannot be accessed or revised later and shall remain fully secured confidentially stored into time locked E-tender box in an encrypted form till the due date and time of opening.

7.1.5 Revised bids: Vendors can submit a revised commercial offer ("Financial Rate Page for Supply" form) anytime before the stipulated closing date and time and in such case the last revised offer submitted at a later time and date shall be considered as the offer, superseding all the previously submitted offers for that item/items of the tender.

7.1.6 Alternative bids: The vendors are also allowed to submit alternative offer (for different make, specification, slab discount etc.).

7.1.7 Late Offers: The Indian Railway E-procurement application software does not permit vendors to submit their offers after the designated tender closing date and time.

7.1.8 The tenders are uploaded in IREPS website well in advance of closing time to give sufficient time to the vendors to participate in the tender. Vendors are advised in their own interest to submit their offers well in advance before the tender closing time. North Central Railway shall not be responsible for non-participation of vendors due to any technical problems such as network connectivity etc. on the tender opening day.

8.2. Taxes and Duties

8.2.1 The items which are not under the purview of GST act and are still governed by Excise duty, Sales Tax /VAT etc., the payment of duties and taxes will be done as per terms and conditions mentioned in Annexure-13.

8.2.2 Goods & Service Tax (GST)

(i) The bidders should ensure that they are GST compliant and their quoted tax structure/rates are as per GST law.

(ii) The bidders are required to indicate the rate of GST applicable for the tendered item in their bids separately in the rate page provided in the IREPS System.

(iii) The bidders while submitting their bids shall give the following declaration:"We agree to pass on such additional set off / input tax credit as may become available in future under the GST provisions in respect of all the inputs used in the manufacture of the tendered item on the date of supply, by way of reduction in price and advise the purchaser accordingly."

(iv) The suppliers while submitting their bills for payment shall give the following declaration:
"We hereby declare that additional set off / input tax credit to the tune of Rs. _____has accrued and accordingly the same is being passed on to the purchaser and to that effect the payable amount may be adjusted."

(v) The purchaser will not reimburse any GST paid by the supplier due to mis-classification.

(vi) Any statutory variation in the form of revision of rate of GST applicable for the tendered item or introduction of any new tax on the tendered item will be on the account of the purchaser during the original contractual delivery period.

(vii) 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.

(viii) Firms shall submit the invoice/bill clearly indicating the appropriate HSN and applicable GST rate thereon duly supported with documentary evidence.

8.2.3 Special Conditions of GST:

1. Purchaser may incorporate HSN number in the tender document. However, it shall be the responsibility of the bidders to quote correct HSN number and corresponding GST rate.
2. The offer shall be evaluated based on the GST rate as quoted by each bidder and same will be used for determining the inter se ranking. While submitting offer, it shall be the responsibility of the bidder to ensure that they quote correct GST rate and HSN number.
3. Purchaser shall not be responsible for any misclassification of HSN number or incorrect GST rate if quoted by the bidder.

4. Wherever the successful bidder invoices the goods at GST rate or HSN number which is different from that incorporated in purchase order; payment shall be made as per GST rate which is lower of the GST rate incorporated in the purchase order or billed.

5. Vendor is informed that she/he would be required to adjust her/his basic price to the extent required by higher tax billed as per invoice to match the all inclusive price as mentioned in the purchase order.

6. Any amendment to GST rate or HSN number in the contract shall be as per the contractual conditions and statutory amendments in the quoted GST rate and HSN number, under SVC.

9.0 OPENING OF ELECTRONIC TENDERS

9.1 The tender shall be opened electronically by railway official(s), authorized to do so by North Central Railway, by logging on the IREPS website with their Login ID and Password, by authenticating themselves through their Digital Signature Certificate, as well as applying secure decryption key of NORTH CENTRAL Railway for decryption of electronic offers.

9.2 The tender shall normally be opened on the stipulated closing date, after the stipulated opening time. In case the closing date falls on a holiday, the tender shall be opened on the next working day. However, due to unavoidable reasons, the tender may not be opened on the stipulated closing date, and may be opened on a later date. However, no revision or modification of the offer shall be allowed after the closing date and time, even if there is any delay in the tender opening.

9.3 Immediately after the opening of tender, financial and Techno-commercial tabulation statements are generated by the IREPS module. Vendors who have submitted valid offers against electronic tenders against 'Open' and 'Special Limited' tenders are not required to come to North Central Railway office to witness the tender opening process and know the offer details, as they will be able to access the tabulation statements and bids, immediately after tender opening, by visiting the IREPS website and logging in with their Login ID, Password and Digital Signature.

10.0 EVALUATION OF OFFERS

10.1 The commercial offer details shall be submitted by vendors using 'Financial Rate Page for Supply' form having separate entry box for each element of rate. The vendors must fill in basic rate and other rate components such as GST [for items governed by sales tax and excise duty, the firm should quote them as detailed

in Annexure -13], unconditional discount on basic rate, if any, packing charges on basic rate, forwarding charges, freight charges, other charges, if any, in the boxes provided in the 'Financial Rate Page for Supply' form.

To facilitate evaluation and comparison, all inclusive rate will be worked out by system comprising of the basic rate, packing /forwarding charges, insurance and other charges, if any, freight charges upto destination and the applicable taxes. All inclusive cost comprising of the basic rate, packing charges, forwarding charges, insurance (if any) freight charges up to destination, any other charges as quoted and applicable taxes shall be reckoned for inter-se ranking of offers.

The all-inclusive rate per unit shall be calculated automatically considering all the elements of rate components, as filled by vendor before submitting the offer, and will be displayed before vendor submits his digitally signed electronic offers. Tenderers can edit any or all rate entries before submission and before digitally signing their electronic offers. Tenderers are therefore advised to check, and revise any or all the entries in the rate page before the same is digitally signed and submitted.

All offers will be evaluated after taking into account the all-inclusive destination rate per unit, which will also be displayed to the vendor before submission of his electronic offer.

10.2 Tenderers should quote financial terms and conditions in the nominated fields of 'Financial Rate Page for Supply' form only. Any financial terms and conditions mentioned in the fields other than the nominated fields will be ignored and will not be considered for purpose of evaluation of offer to determine the inter-se ranking of the offer. Tenderers are advised not to quote any terms and conditions having financial bearing in any other template of 'Techno Commercial Bid Details' form except the 'Financial Rate Page for Supply' form. Tenderers are advised not to mention any terms and conditions having financial implications in the Remarks field of the 'Financial Rate Page for Supply' form, as these will not be considered for evaluation of the offer. Similarly, any financial terms and conditions enclosed as attachments or received through post will be ignored and not considered for purpose of evaluation of offer to determine the inter-se ranking of the offers. However, Railways at their own discretion may avail the benefit of such conditions while placing purchase order, if the offer is considered for placement of order.

Nothing extra shall be payable over and above the all inclusive rate

shown in the financial offer, except on account of Price Variation clause, and Statutory Variation, if applicable. Digital Signature of the tenderer on the E-tender form shall be construed as confirmation that the tenderer has read and accepted this condition.

10.3 (a) The tenderers shall quote specific freight charges in the relevant field of financial rate page. Ambiguous remarks like 'freight extra at actual', 'freight shall be charged extra', 'Railway freight shall be charged extra' etc., mentioned in the 'PVC and remarks' field or elsewhere in the electronic offer or attachments shall not be considered for evaluation, and may render the offer liable to be ignored. However, freight charges shall not be payable if the offer is considered.

(b) lf as per Contract conditions, freight is to be borne by the Purchaser at actual, the goods shall be booked by the most economical route or most economical tariff available at the time of dispatch as the case may be. Failure to do so will render the Contractor liable for any avoidable expenditure caused to the Purchaser.

10.4 Conditional discounts, such as, discounts linked with order quantity, early payment, delivery location, etc., will not be considered for the purpose of determining inter-se ranking of the offers. That is, the rates quoted without any attached conditions shall only be considered for the evaluation purpose. Purchaser however, reserves the right to consider any of the discounts offered for acceptance if otherwise firm's offer is found to be acceptable.

10.5 The tenders will be evaluated by the Purchaser on free delivery to destination basis, to ascertain the best and lowest acceptable tender, as specified in the specifications and tender documents. Wherever more than one consignee/items are involved, unless specified otherwise in the tender document, tender would be evaluated and inter-se ranking of the tenderer would be made for each item and/or each consignee separately.

10.6 The inter-se ranking shall be determined by considering the taxes & duties applicable on the date of tender opening and the inter-se ranking arrived at in such manner shall be taken as final.

In case of reduction in taxes and duties, the taxes and duties will be paid as per rate thereof prevailing on the date of supply.

Statutory variation in taxes and duties shall be allowed only where the tenderers have specifically sought such statutory variation in their offer(s).

10.7 Claim for any tax or duty not stipulated in the quotation will not be admitted at any stage on any ground whatsoever.

11.0 ACCEPTANCE OF TENDER

11.1 The purchaser may accept a tender for a part or whole of the quantity offered, reject any tender without assigning any reason and may not accept the lowest or any tender.

12.0 DELIVERY SCHEDULE

12.1 The tenderers should quote the delivery period/delivery schedule carefully, because the time and date for the delivery of stores shall be the essence of the contract and delivery must be completed not later than the date so specified. The attention of the tenderers is invited to clauses 7.4, 7.2 (c) and 13 of the IRS Conditions of Contract, which shall govern the contract.

12.2 The delivery period and delivery schedule as per NORTH CENTRAL Railway's requirement are indicated in the respective fields in the electronic tender. Tenderers are advised to adhere to the delivery period/delivery schedule stipulated in the tender, as deviation from the same may render their offer liable to be ignored. Tenderers should invariably quote firm delivery period in their quotation. If the quoted delivery period spreads over several months, the date of commencement, monthly rate of delivery and the date of completion of delivery must be indicated.

12.3 In the case of "ex-stock" offers, the dispatch of stores is to be effected within 7 days of the receipt of order. Wherever the stores are subject to inspection by Third party inspection agencies (TPI)/DRDO/or agency as specified in tender document/NIT etc. before dispatch, extra time of 3 weeks will be allowed to cover time in inspection.

12.4 In case of delivery by Rail or by Road or by any other mode, the date of receipt of material by consignee will be taken as date of delivery.

12.5 No transit time shall be allowed beyond the delivery date stipulated in the contract. Offers with range delivery period like 2-12 months etc. may be treated as Unresponsive and are liable to be passed over.

12.6 Time Preference Clause: It should be noted that if a contract is placed on a higher tenderer as a result of invitation of tender, in preference to the lower acceptable offer, in consideration of

offer of earlier delivery, the contractor will be liable to pay to the Government the difference between the contract rate and of the lowest acceptable tender on the basis of final price F.O.R destination including all elements of freight, GST, Local taxes, duties and other incidentals in case of failure to complete supplies in terms of such contract within the date of delivery specified in tender and incorporated in the contract. This is in addition and without prejudice to other rights under the terms of contract.

12.7 The delivery period shall be reckoned from the date of issue of Letter of Advance Acceptance/Letter of Acceptance.

12.8 (a) The Contractor shall, as may be required by the Purchaser, deliver the Goods as per the conditions of the Contract. The delivery will not be deemed to be complete until and unless the goods are inspected and accepted by the inspecting Officer as provided in the contract. (b) The Purchaser shall not be liable lo render assistance to the Contractor in securing or to arrange for or provide transport to the Contractor unless it is so specifically stated in the Contract, notwithstanding that transport of the Goods, is controlled by or under the orders of the Government. (c) Notwithstanding any inspection and approval by the inspecting Officer on the premises of Contractor or manufacturer, as the case may be, property in the Goods shall not pass on to the Purchaser until the Goods have been received, inspected and accepted by the Consignee. (d) No Goods shall be deliverable to the Consignee on Sundays and public holidays or beyond normal office hours without the written permission of the Consignee. (e) Perishable Goods: For Goods with a limited shelf life, the Contractor shall ensure that at least 75% (or any other percentage stipulated in the Contract) of shelf life remains balance on delivery date. The Purchaser reserves its rights to reject expired or products with less than such specified shelf life.

12.9 If the completion date of delivery of any installment falls on Sunday or declared holiday of the consignee, then the next working day shall be considered as the completion date of delivery for all contractual purpose.

13.0 Delivery Terms-

13.1 The purchaser will prefer free delivery by road at consignee's end.

13.2 Tenderers are required to clearly indicate the freight charges in the relevant field in the 'Financial Rate Page for Supply' form. The

freight charges to be paid shall in no case exceed the freight charges quoted by the tenderer in the relevant field in the 'Financial Rate Page for Supply' form.

13.3 In case an offer is submitted on 'FOR-Station of dispatch' basis, 'FOR- Ex-Works' basis or 'FOR- Ex-Godown basis' and 'Nil' freight charges are quoted by the tenderer in the relevant field on the 'Financial Rate Page for Supply' form, the supplier shall agree to dispatch the stores by rail/road on free delivery to consignee. No freight charges shall be payable in such cases.

13.4 The purchaser will not pay separately for transit insurance and supplier will be responsible till the entire stores contracted for are received by the consignee in good condition at destination.

14.0 LIQUIDATED DAMAGES (LD):

14.1 In case of failure on the part of the supplier to arrange supplies as per the delivery schedule/installments fixed in advance, save delays attributable to purchaser, the purchaser reserves the right to levy liquidated damages which shall be levied as per **Para 7.5** of IRS Conditions of contract for delayed quantity which have remained unsupplied for that period.

14.2 Railway shall recover from the Contractor as agreed Liquidated Damages and not by way of penalty, a sum equivalent to 1/2% (half percent) of the price of the store(including elements of taxes, duties, freight, etc.) per week or part of the week during which delivery is accepted and the upper limit for recovery of LD in supply contracts is 10% (ten percent) of the value of contract irrespective of delays, unless otherwise provided, specifically in the contract which the contractor has failed to deliver within the period fixed for delivery in the contract or as extended for each week or part of a week during which the delivery of such stores may be in arrears where delivery thereof is accepted after expiry of the aforesaid period.

14.3 Time is the essence of the Contract: The time for and the date specified in the Contract or as extended for the delivery of the Goods shall be deemed to be of the essence of the Contract and delivery must be completed not later than the date so specified or extended.

14.4 Extension of Time for Delivery: (a) lf the Contractor fails to deliver the Goods as per the stipulated deadlines in the Contract, for any cause which the Purchaser may admit as reasonable ground for extension of time for delivery, the

Purchaser shall allow such additional time as he considers to be justified by the circumstance of the case, and shall forgo the whole or such part, as he may consider reasonable, of his claim for such loss or damage due to delay in effecting delivery. Any failure or delay on the part of Sub-Contractor, though their employment may have been sanctioned by the Purchaser, shall not be admitted as a reasonable ground for any extension of time or for exempting the Contractor from liability for any such loss or damage as aforesaid. The decision of the Purchaser in this regard shall be final and binding on the Contractor. (b) lf extension of time for delivery period is allowed, as above, by the Purchaser with damages, the amendment giving such an extension shall be subject to the following conditions: (i) Levy Liquidated Damages (LD): recover from the Contractor as agreed liquidated damages and not by way of penalty a sum equivalent to 1/2% (half)% of the price of any Goods (including elements of taxes, duties, freight, etc.) which the Contractor has failed to deliver within the period fixed for delivery in the Contract for each week or part of a week during which the delivery of such Goods may be in arrears where delivery thereof is accepted after expiry of the aforesaid period. Upper limit for recovery of liquated Damages in Supply Contracts will be '10% (Ten percent) of value of delayed supplies irrespective of delays, unless otherwise provided, specifically in the Contract. The parties to this Contract willingly agree that this amount of damages is an agreed pre- estimate of damages caused to the Purchaser because of delay in supply of Goods by the Contractor. The Purchaser shall not be called upon by the Contractor to prove any damage/ loss in order to claim the damages due to delay in supply of Goods, if the damages so claimed by the Purchaser are as per this Clause. The Liquidated Damages shall be calculated on the gross value of supply (inclusive of GST) as provided for in the Contract. (ii) Denial Clause (DC) as under: (1) No increases in price on account of any statutory increase in or fresh imposition of GST, customs duty or on account of any other taxes/duty/cess/levy, leviable in respect of the Goods and incidental Works/ Services stipulated in the said Contract which takes place after the original delivery date, shall be admissible on such of the said Goods, as are delivered after the said date; and (2) Notwithstanding any stipulation in the Contract for an increase in price on any

other ground, including price variation clause or foreign exchange rate variation, or any other variation clause, no such increase after the original delivery date shall be admissible on such Goods delivered after the said date. (3) Nevertheless, the Purchaser shall be entitled to the benefit of any decrease in price on account of reduction in or remission of GST, customs duty or on account of any other Tax or duty or any other ground as stipulated in the price variation clause or foreign exchange rate variation or any other variation clause which takes place after the expiry of the original delivery date.

15.0 Failure & Termination

i. If the contractor fails to deliver the Stores or any installment thereof within the period fixed for such delivery in the contract or as extended or at any time repudiates the contract before expiry of such period, purchaser would be entitled to cancel the contract and forfeit the security deposit.

ii. Wherever SD has been exempted, for any reason, and the supplier fails to supply goods as per conditions of contract, as amended from time to time, Purchaser shall have right to levy damages from the supplier for failing to comply with the contractual conditions, not by way of penalty, an amount equal to SD amount, as would have been applicable if the contract was with a non-exempted vendor. These damages shall be treated as recoveries outstanding against the vendor and dealt with accordingly.

iii. In case of severable contracts, failure by contractor to meet deliveries for any lot, Railways may cancel the contract for defaulted part by forfeiting SD commensurate to that lot.

iv. Adverse performance of such firms shall be recorded and shall be intimated to the approving authority and shall also be taken into account in future tender cases on merit.

v. Para 0502 (deleted) and Para 13 of IRS conditions of contract in respect of Risk Purchase shall not be applicable.

16.0 INSPECTION

16.1 The inspection of stores at manufacturer's premises before dispatch will be conducted by an agency nominated by the purchaser viz. Third party inspection agencies (TPI) or DRDO or the representative of consignee. Final inspection of stores will be done by the consignee on receipt at destination.

16.2 Tenderers are required to confirm acceptance of the Inspection Clause mentioned in the tender document, and non-acceptance of the same may render the offer liable to be ignored.

16.3 Traders/ authorized agents are required to offer material for

inspection at manufacturer's premises only.

16.4 In case the firm fails to offer the material for inspection against inspection call issued to the inspecting agency or if the material have to be re-inspected due to rejection of the material at firms premises by the inspecting agency or due to non-dispatch of material within validity of Inspection Certificate, then the charges as per terms and conditions of pre-inspected agency will be paid by the supplier to the inspection agency.

16.5 Whenever stage inspection is involved (as per specification) the same will be incorporated in the inspection clause of the contract. Since stage inspection is covered under IRS condition, the inspection authority will be paid the stage inspection charges subject to same being incorporated in the purchase order and only on documentary evidence of having conducted the stage inspection.

16.6 If purchase order is placed directly on an ISI certified manufacturer for ISI marked product, then the material may be accepted on firm's WTC, without any need of third party inspection provided that the Purchaser agrees for inspection clause as 'Acceptance on firm's WTC.'

16.7 Operationalization of Engagement of Third-Party Inspection (TPI) Agencies shall be as per ANNEXURE 21. (Reference RB letter No. 2022/RS(G)/779/8 dated 04/01/2023.)

17.0 ADVICE OF DESPATACH OF STORES

17.1 The supplier should ensure that Railway receipts/PWB under which the material is booked to a Railway consignee are prepared in the favour of 'consignee' and not self' failing to which they will be required to take the delivery themselves and deliver the consignment to the consignee. When suppliers submit the original RR/PWB along with other documents to paying authority for claiming advance payment, a photocopy of RR/PWB should be sent simultaneously to consignee.

17.2 All dispatch documents i.e. RR/PWB, Challan, Inspection certificate etc. should be sent to the consignee and copies of advice of dispatch, must also be sent to the PCMM, North Central Railway, Prayagraj.

17.3 The contractor shall submit monthly report concerning the progress of the contract and/or supply of stores to the purchaser and Consignee. The submission and acceptance of such reports shall not prejudice the rights of the purchaser in any manner.

18.0 PAYMENT TERMS

18.1 The standard payment terms subject to recoveries, if any, under the IRS Conditions of Contract are as under :-

a. 95% payment against inspection certificate and proof of dispatch/delivery to consignee and balance 5% after receipt and acceptance of the goods.

b. 100% payment against receipt and acceptance of material by the consignee after inspection and acceptance at destination.

For contracts valued uptoRs.5.0 Lakh, payment terms as per (b) above only will be accepted.

18.2 In case of dispatch by rail, unqualified Railway Receipt/Parcel Way Bill will be taken as the proof of dispatch. In case of dispatch by other means such as road transport, receipted challan signed by the Gazetted Officer at consignee's end will be taken as proof of delivery for the purpose of para 18.1.a. above.

18.3 Tenderers are advised to accept the standard payment terms incorporated in the tender, as deviation from the same shall render the offer liable to be ignored.

18.4 In deserving cases, North Central Railway, at their sole discretion may accept deviation from the standard payment terms, as per existing guidelines/instruction.

18.5 **For Machinery & Plant items:** 80% payment will be allowed after receipt of the machine in good and acceptable condition at consignee's end against inspection certificate and the supplier's challan certified by the consignee Gazetted Officer. Balance 20% payment will be made on successful installation, commissioning and testing of the machine and also furnishing of a Bank Guarantee towards warranty obligations of the contractor for 10% of the value of the machinery or plant.

18.6 **ELECTRONIC FUND TRANSFER:** To facilitate speedy payment to Suppliers/firms, North Central Railway has introduced National Electronic Fund Transfer (NEFT) scheme through State Bank of India, Main Branch, Prayagraj-211001. As the above payment mode is mandatory the suppliers are advised to furnish their bankers details in the NEFT mandate form which is enclosed as **Annexure-6.**in this booklet. If the Bank data are not furnished by the firms, their payment will not be made through EFT system.

18.7 **Mode of payment through Letter of Credit (LC)**

North Central Railway has introduced an additional mode of payment through Letter of Credit (LC) for all tenders invited for supplies (including all service and maintenance contracts) having estimated value of Rs 10 lakhs and above. The bidder, at the time of bidding itself, shall exercise an option, in favour of taking payment due against the said tender, through LC arrangement. The option so exercised, shall be an integral part of the bidder's offer.

In case the bidder opts for payment through LC, the instructions for tenderers for LC mode of payment would be as per para 18.7.1 below-

18.7.1 Scheme of Letter of Credit for Domestic Supplies (including all service and maintenance contracts) tenders would be as under:

a. All Tenders invited by North Central Railway, having estimated value of Rs 10 lakhs and above, shall have an option for the supplier/contractor to take payment from Railways through a letter of credit (LC) arrangement.

b. The LC will be a sight LC.

c. The bidder, at the time of bidding itself, shall exercise an option, in favour of taking payment due against the said tender, through LC arrangement. The option so exercised, shall be an integral part of the bidder's offer.

d. Option once exercised shall be final and no change shall be permitted, thereafter, during execution of contract.

e. The incidental cost @ 0.023% of LC value, towards issue of LC and operation thereof shall be borne by the supplier/contractor and shall be recovered from their bills.

f. State Bank of India through its branches shall be the Banker for Railways for opening domestic letters of credit for ensuing year. The arrangement would cover all such contracts finalized against tender issued during the said period and shall extend till final execution of these contracts.

g. The schedule of payment liability arising in the contract shall be established by the Railways based on the prescribed delivery schedule/stages of supply.

h. The acceptable, agreed upon document for payments to be released under the LC so opened, shall be a Document of Authorization.

i. The supplier/ contractor shall submit their bills for completed supply to the bill processing authority mentioned in supply/ contract agreement to issue Document of Authorization to enable supplier/ contractor to claim the authorized amount from their Banker.

j. Accounts Officer responsible for passing the claim will issue the Document of Authorization.

k. The supplier/contractor shall take print out of the Document of Authorization available on IREPS portal and present his claim to his banker (advising bank) for necessary payments as per LC terms and condition. The claim shall comprise LC Document of Authorization, bill of exchange and Invoice.

l. The bank shall also recover any amount as may be advised by railway against the contractor/ supplier.

m. The Contractor/Vendor shall 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/Vendor, 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/Vendor.

19.0 PROCEDURE FOR SUBMISSION OF BILLS :

19.1 Suppliers are requested in their own interest to observe the following instructions to avoid delay in payment of their bills for materials supplied for stock purposes and dispatched to the Depots mentioned in contract:-

(i) Receipt note sent to the supplier in token of receipt of the material should be attached with the bill to be prepared in ink on prescribed form and submitted in duplicate to the PFA, Stores Accounts Branch, North Central Railway, Prayagraj.

(ii) Where the condition of advance payment on proof of dispatch is accepted and specified in the purchase Order the suppliers will submit advance payment bill (in duplicate) supported with challan, inspection certificate, proof of dispatch/delivery, etc. as per terms of the contract to the PFA/Stores account Branch, North Central Railway, Allahabad endorsing a copy of the forwarding letter to the PCMM as well as to the Consignee. The bills for balance payment should be submitted in the manner as indicated at (i) above for payment.

19.2 For materials supplied against orders placed for direct dispatch to the consignee on this Railway on non-stock basis, the supplying firm will prepare their 100%payment bills in duplicate, in ink on prescribed forms and submit the same as under.

19.3 One copy of the bill marked, “ORIGINAL” with all dispatch documents as per terms of contract directly to the consignee.

19.4 Another copy of bill marked “DUPLICATE NOT FOR PAYMENT” to the Controlling Officer of the consignee mentioned in the Purchase Order.

19.5 Where the condition of advance payment on proof of dispatch is

accepted and specified in the direct dispatch Order, the suppliers will submit advance payment will (in duplicate) along with the documents as per Para 16.1(ii) above to the accounts officer of the consignee indicated in contract. ORIGINAL copy of the balance payment bill should be sent to the consignee and "DUPLICATE NOT FOR PAYMENT' copy to the controlling officer of the consignee as specified in such Supply order. The supplier is also required to furnish the following certificate on their bill for advance payment. "We have personally examined and verified and do hereby certify that stores in respect of which payment if being claimed have been actually dispatched under RR/PWB no ……..dt……..and further these goods are the exact materials as indicated in challan No……dt……..and covered by inspection certificate no……dt……We also certify that the above referred challan, RR/PWB and inspection certificate have been sent to consignee by Reg. Post/Speed post on ……We shall hold ourselves personally responsible for correctness of this statement."

19.6 The firm should submit their bills only for the supplies made by them during the scheduled delivery period or as extended from time to time. For supplies made after expiry of scheduled delivery period, firms should first obtain necessary extension of delivery period from the competent authority before submission of their bills.

19.8 In case the bill is submitted to PFA supported by amendment to purchase order extending delivery period reserving Railway right to impose liquidated damages the payment of bill would be released after deducting full liquidated damages as applicable.

19.9 Following Points may also be observed by the suppliers while submitting the bills for payment:-

a. The suppliers must submit the bills as per the prescribed format along with the GST certificates.GST related details are available on the NCR website www.ncr.indianrailways.gov.in>Departments>Accounts>GST.

b. The firms are advised that bills for payment should only be submitted for the amounts permitted on the Purchase Orders and in case further amounts are claimed, an amendment should be obtained from the PCMM, North Central Railway, Prayagraj before bills are submitted.

c. Payment for the stores or each consignment thereof will be made to the Contractor on submission of bill accompanied with the prescribed documents mentioned in the contract. In cases where Price Variation Clause (PVC) is part of the contract, a working sheet along with documents in support of the PVC must be submitted at the time of claiming payment.

a. Following declarations will be required from the firm (supplier) while claiming payment:

i. "It is certified that the GST % at which has been charged for the item billed for herein is as per relevant sections of CGST/SGST/IGST Acts and is legally leviable. If, however, it is found later that the rate at which the GST tariff rate has been charged is not correct, we indemnify the North Central Railway,Prayagraj-211015 against any loss on this account."

ii. "It is certified that no refund of GST already reimbursed to me/us on the order/contract has been obtained by me/us during the quarter. And that in respect of refund/increase of refund of GST obtained on this order/contract will be passed on to the purchaser."

iii. No additional duty setoffs on the goods supplied have accrued under the GST Act or any future scheme which may be introduced while submitting the present bill.

iv. Any additional Input Tax Credit benefit, if become available to supplier, the same shall be passed on to purchaser without any undue delay.

OR

It is declared that additional input tax credit to the tune of _____has accrued and accordingly the same is being passed onto the purchaser and to that effect the payable amount may be adjusted.

e. The nomenclature of the material supplied shown in the bills should be strictly in accordance with description given in the purchase Order.

f. Wherever PVC is applicable, basis of PVC may be given, with relevant documents.

g. Copy of Amendment letter issued by Store's Department, if any be enclosed.

h. Transport Receipt/Challan for freight charges should be enclosed along with the bills.

i. In case of submission of bills for 95% advance Payment, Receipted Delivery Challan duly signed and stamped by Gazetted Officer of the consignee/Clear Railway Receipt, Original Inspection Certificate.

j. In case of submission of bills for balance 5% payment or claim if 100% payment, Receipt Note be enclosed along with the bills:-

k. All other relevant documents as per Contract provisions.

20.0 Samples, Drawings & Specifications

20.1 Samples -

20.1.1 The offers should strictly conform to the specified description and drawing/specification in schedule of requirements and no

samples need be submitted unless so mentioned in tender form. When samples are required, the same must strictly conform to description, drawing/specification as mentioned in the tender documents. Samples submitted will be considered as supplemental and not in supersession to any specification mentioned and such samples will only be considered in relation to those points which are not defined in the specification. The onus of drawing attention to any particular item in which a tenderer wishes his samples to supersede or vary from the tender description/specification lies on tenderer. In the absence of specific acceptance in writing to any variation, the purchaser shall be entitled to reject any claim for acceptance of supply embodying such variation.

When samples are called for, they should be marked, sealed and labeled so as to correspond with the item of the tender. They should besent "Freight Paid" to the same address as per the tender, and arrangements should be made to see that they arrive by the opening time and date of the tender; otherwise the offer will be summarily rejected. Samples submitted by the tenderer which are of the value of Rs. 500/-or less will not be returned to them. For samples valuing above Rs. 500/- the tenderer must state on the tender form if he requires the return of unaccepted samples failing which they will be retained by the purchaser. Unaccepted samples will be returned to firms on application who may arrange collection of the same from PCMM Office.

Firms with whom orders are placed should refrain from sending advance samples unless called for and should make supplies strictly as per tenders or orders placed with them.

20.1.2 Wherever the tenders have been invited as per approved sample, such approved sample can be seen in the sample room in the Office of the PCMM, North Central Railway, Subedarganj, Prayagraj-211015, during office hours, on any working day before the closing date and time of the tender.

20.1.3 Advance Sample: (a) Where an advance sample is required to be approved under the terms of the Contract, the Contractor shall submit the sample free of cost to the inspecting Officer within the time specified in the Contract. (b) lf the Contractor is unable to do so, he must apply immediately to the Office issuing the Contract for extension of time stating the reasons for the delay, lf the Purchaser is satisfied that a reasonable ground for an extension of time exists, he

may allow such additional time as he considers to be justified (and his decision shall be final) with or without alteration in the delivery period stipulated in the Contract and on such conditions as he deems fit. (c) ln the event of the failure of the Contractor to deliver the advance sample by the date specified in the Contract or any other date to which the time may be extended as aforesaid by the Purchaser or of the rejection of the sample, the Purchaser shall be entitled to terminate the Contract and take further action as per the provisions of Clause 13. (d) Unless otherwise provided in the Contract, all samples required for test shall be supplied by the Contractor free of cost. Where sample, which is supplied free, is rejected after examination and test, the Contractor shall arrange for collection of the same or whatever remains of the sample, after examination and test within three months of the date of such rejection. (e) Where under the Contract, the Contractor is required to submit an advance sample, any expenses incurred by the Contractor on or in connection with the production of Goods in bulk, before the sample has been approved unconditionally, shall be borne by the Contractor and he shall not claim any compensation in the event of such sample being found unacceptable by the Inspecting Officer. (0 Where the Contract does not require any advance sample to be approved, the Contractor may before proceed with bulk manufacture or delivery of the Goods, if he so desires, submit to the Inspecting Officer for inspection a sample of the Goods in which case a quantity not less than one percent ('1%) of the total quantity to be supplied unless otherwise authorized by the Inspecting Officer shall be submitted. The Contractor shall not, however, be entitled to be shown any consideration or give any extension of time or claim to be exonerated from completing the delivery within the stipulated period only on the ground of delay in the approval of any such sample. (g) lf under the Contract, the supplies are governed by a sealed pattern, the Contractor shall be bound to examine such pattern before preparing a sample or manufacturing the Goods in bulk as the case may be. (h) lf the Contractor submits a sample whether with, before or after the tender, the same shall not govern the standard of supply except when it has been specifically stated so in the acceptance of tender. (i) Marking: Samples submitted shall be clearly labelled with the Contractor's name and address and the Contract number. (j) The rejection of the sample by the Inspecting Authority or Inspecting Officer or Consignee shall be final and binding on the Contractor.

20.1.4 Loan of Sample: (a) lf a certified sample is lent to the Contractor; it will bear a label containing inter alia variations known to the Inspecting Officer between the said sample and the Goods desired. lf the

Contractor finds any further variation between the certified sample and the particulars of specifications mentioned in the Contract he shall at once refer the matter to the Inspecting Officer and the Contractors shall also give intimation of such discrepancy to the Purchase Officer. The Contractor shall follow the instructions of the Inspecting Officer as to what sample of particulars should guide the production of Goods and the decision of the Inspecting Officer in the matter shall be final and binding on the Contractor. (b) The Contractor shall not detach the said label from the certified sample and if for any reasons the said label gets detached the Contractor shall at once return the certified sample to the Inspecting Officer for attaching a fresh label.

20.2 Drawings & Specifications-

20.2.1 Where the tenders have been invited as per IRS/RDSO drawings or specification the tenderer shall obtain such drawings or specifications from RDSO (Research Designs and Standards Organization, ManakNagar,Lucknow-226011) on payment of the cost of drawings/specifications, well in advance of the closing date. Similarly, where the tender has been invited as per drawings or specifications issued by ICF(Integral Coach Factory Factory, Perambur, Chennai, Tamilnadu)/RCF Rail Coach Factory, Kapurthala, Punjab)/CLW (Chittaranjan Loco Works, Chittaranjan, West Bengal)/DLW (Diesel Locomotive Works, Varanasi, Uttar Pradesh)/CORE (Central Organization for Railway Electrification, Prayagraj, Uttar Pradesh), the tenderer shall obtain such drawings/specifications from the respective issuing authorities, on payment of cost of the drawing/specification. Where the tender has been invited as per BIS specifications or any other standards, it shall be the responsibility of the tenderer to arrange such documents from the respective issuing authority. North Central Railway shall provide no assistance to the vendors in this regard, and shall not be responsible for non-participation of vendors on account of delay in arranging such drawings/specifications.

20.2.2 Where the tenders have been invited as per North Central Railway drawings or specifications, scanned copies of such drawings/specifications shall normally be attached with the electronic tender. However, where it is not possible to do so, the drawings/specifications can be seen/ obtained from the Office of the PCMM, North Central Railway, Subedarganj, Prayagraj-211015, during office hours, on any working day before the

closing date and time of the tender.

20.2.3 If any tenderer happen to quote with their own Drawing No/ Part No/Specification, then, they shall have to, necessarily, submit all the requisite documents and information in support of their offer being to be in conformity with the tender Drawing /Specification. Furthermore, copies of such drawings / specifications / catalogue are also to be uploaded along with the offer, failing which the offer will be liable to be rejected.

20.2.4 Following general policy for future tenders/contracts shall apply where drawing holding authority is having reservations for transferring the drawings to the vendor/contractors.

(i) Cases where contracts have already been placed – In such cases the design drawings can be transferred by signing the MOU (Enclosed as annexure) with the IPR holding authority and the contractor after taking incidental charges, if any.

(ii) Cases where tenders are yet to be opened/to be issued – In such cases, the copy of design drawings as mentioned in the list of exhibited drawing in the RDSO specification, should be made available to tender issuing authority before issue of the tender in manual/digital form by drawing/IPR holding authority. It will be the responsibility of tender issuing authority to safeguard the interest of IPR holding authority, by way of providing drawings to tenderers only after signing of above mentioned MOU with the tenderer after taking incidental charges, if any.

21.0 PRICE VARIATION CLAUSE

21.1 Unless otherwise specified in Tender Schedule, Tenderers are advised to quote firm prices only. Offers of Tenderers quoting with PVC in such cases shall be summarily rejected.

21.2 However, wherever considered desirable by the purchaser, a Price Variation Clause may be incorporated in the Tender Schedule itself. In all such cases, where PVC formula and PVC base date/base rate has been incorporated in tender, the Tenderers are advised to submit their offers as per the PVC formula and Base Date/Base Rate incorporated in the tender document and offers received with fixed prices or with a different Price Variation formula or different base date/base rate shall be summarily rejected.

21.3 Tenderers who quote with PVC as stated in Para 21.2 above on account of escalation in price of raw materials may please note

that such escalation claims will be subject to verification by the PFA with reference to the records that may be called for from them. Successful Tenderers will be required to produce complete records for verification/examination of their claims under price escalation before acceptance of such claim. If the tenderers fail to establish their claim by producing satisfactory records before the PFA/NCR, their claim will be disallowed and/or proportionately/suitably reduced.

22.0 PRICE PREFERENCE—the price preference in general has been discontinued in accordance with the policies of the government.

23.0 CARTEL FORMATION:

(a) Wherever all or most of the approved firms quote equal rates and cartel formation is suspected, Railways reserve the right to place order on one or more firms with exclusion of the rest without assigning any reasons whatsoever.

(b) Firms are expected to quote for a quantity not less than 50% of tendered quantity. Offers for quantity less than 50% of quantity will be considered unresponsive and shall become liable to be rejected. This however will be without any prejudice to Railway's right to distribute the tendered quantity & place order on one or more firms.

(c) The firms who quote in cartel be warned that their names are likely to be deleted from list of approved sources.

(d) Whenever tender is floated with purchase restriction from sources approved by nominated authorities and there exist a suspected cartel situation by approved sources or the rates available from approved source/sources are adjudged unreasonably high, despite fair efforts as permissible, the purchaser reserves the right to place orders on firm outside the approved vendors list, without any restrictions.

24.0 QUANTITY OPTION CLAUSE:

24.1 For the tenders, valuing Rs.1.5 Crores and above, the purchaser shall be entitled to vary the total order quantity up to +30% anytime within the delivery period (including extended delivery period and even at the time of ordering) by giving suitable notice on the same price and terms and conditions, even if the supply of original ordered quantity is completed before the last date of scheduled delivery. The +30% option clause can be operated in one or more than one installments as long as the total variation in quantity does not exceed the limit of 30% of total ordered quantity.

For operation of (+) 30% option clause, the increase in quantity with respect to the order quantity can be done by giving suitable delivery schedule for the enhanced quantity on the basis of his original offer

and the tenderer/contractor shall be bound to accept the quantity so ordered.

24.2 Option Clause can be exercised anytime within the Delivery period, by giving reasonable notice.

24.3 Reasonable notice' as mentioned above is only for the purpose of allowing the contractor suitable time to make necessary arrangements for the supplies and not for seeking any consent from the contractor towards exercise of the contractual option clause. To this end, a reasonable delivery schedule for the enhanced ordered quantity stipulated in the relevant Modification Advice to the contract will suffice.

24.4 In a contract that provides for quantity option clause, in case Delivery Period is extended either for the full ordered quantity or a part quantity which remained unsupplied on the date of expiry of the original delivery period, then during the extended delivery period also, quantity variations can be made on the total ordered quantities.

Note - The purchaser reserves the right to incorporate quantity option clause in tenders valuing less than 1.5 Cr. wherever specified in tender schedule/tender document.

25.0. Splitting of tendered quantity

25.1. **Case of no prior decision to split the order-**

(A) Normally full order shall be placed on L-1 firm. However, if it is discovered that the quantity to be ordered is more than what L-1 alone is capable of supplying and there was no prior decision to split the quantities, then the quantity being finally ordered will be distributed among the other tenderers in a manner that will be fair, transparent and equitable. The manner of splitting will take specific note of the following parameters-

(i) Past Performance of tenderers

(ii) Capacity of tenderers

(iii) Delivery requirements in the tender

(iv) Quantity under procurement

(v) Vital/safety nature of the items

(B) In the absence of any differentiation on the above parameters, the manner of splitting will be based on the stipulation given in para 25.2.1 below.

25.2 **Case of pre-decided split ordering –**

25.2.1 Wherever pre-decided split ordering is mentioned in the tender document in advance to have more than one source of supply on account of delivery requirement in tender, past performance and

capability of bidders, quantity under procurement and vital/safety nature of items, provision 25.2.1(a) to para 25.4 shall be applicable.

(a) The purchaser reserves the right to distribute the procurable quantity on one or more than one of the eligible tenderers. Zone of consideration of such eligible tenderers will be the right of the Purchaser. The zone of consideration will be a dynamic mix of inter-se position of firms, supply performance of the firms, quantity being procured, criticality of and lead time of supply of the item, number of established suppliers, their capacity etc.

(b) Whenever such splitting of the procurable quantity is made, the quantity distribution will depend (in an inverse manner) upon the differential of rates quoted by the tenderers (other aspects i.e. adequate capacity- cum-capability, satisfactory past performance of the tenderers, outstanding orders load for the Railway making the procurement, quoted delivery schedule vis-a-vis the delivery schedule incorporated in the tender enquiry etc being same/similar) in the manner detailed in the table below:

Price Difference Between L-1 And L-2	Quantity distribution ratio between L-1 and L-2
UPTO 3%	60:40
MORE THAN 3% AND UPTO 5%	65:35
MORE THAN 5%	At least 65% on the L-1 tenderer. For the quantity to be ordered on the L-2 tenderer, the purchaser shall decide.

In the phrase 'differential rates quoted by the tenderers', the quoted rate would mean

(i) When no price negotiation has been called for, the original rates as obtained at the time of tender opening. However the rate of the highest eligible tenderer within the zone of consideration has to be per se reasonable.

(ii) When price negotiation has been called for, the reference L-1 rate for assessment of ratio will be the original rate of L-1 firm (suitable for bulk quantity)- say firm "A" - as obtained at the time of tender opening.

(iii) If splitting of quantity is required to be done by ordering on tenderers higher than the L2 tenderer, then the quantity distribution proportion amongst the tenderers will be decided by transparent/logical/equity based extrapolation of the model as indicated in the above Para.

25.2.2 However, in exceptional circumstances Railway reserve the right not to

split the order quantity in cases of pre decided splitting

25.3 For cases where the Rlys/PUs had entered the into ToT/JV agreements the following shall be applicable.

"As the Rly has entered into TOT/JV agreement with . no. of .firms, they reserve the right to place orders on all such TOT/JV agreement partners. However for ratio/proportion of quantity distribution among such agreement partners, conditions as detailed in Para 26.2.1(b) shall apply with the exception that the aspect of 'per-se reasonability' will not be applicable."

25.4 In the cases of inadequate capacity-cum-capability, dissatisfactory past performance large quantity of outstanding orders (liquidation of which will take very long time) etc, the Purchaser shall have the right to distribute the procurable quantity amongst tenderers with due consideration to these constraints and in such a manner that would ensure timely supply of materials in requisite quantity to meet the needs of operation, maintenance, safety etc of the Railways, regardless of inter-se ranking of the tenderers and in a fair and transparent manner with due conformity to the Principles of Natural Justice and Equity.

25.5. There will be no purchase preference for products of central public sector enterprises except for preferential purchase policies framed for specific sectors separately.

26.0 FALL CLAUSE

Wherever specifically mentioned in the tender schedule, Fall Clause will be applicable as per following conditions:

26.1 The price charged for the stores supplied under the contract by the contractor shall in no event exceed the lowest price at which the contractor sells the stores or offer to sell stores of identical description to any persons/organizations including the purchaser or any department of Central Government or any Railway Office or any Railway Undertaking, as the case may be, during currency of the contract. The lower price will be applicable to supplies made after the date of coming into force of such reduction or sale or offer to sell at a reduced rate.

26.2 If at any time during the said period the contractor reduced the sale price, sells or offers to sell such stores to any persons, organizations including the purchaser or any Department of Central Government or any Railway Office or any Railway Undertaking as the case may be at a price lower than the price chargeable under the contract, they shall forthwith notify such

reduction or sale or offer of sale to the purchaser and the price payable under the contract for the stores supplied after the date of coming into force of such reduction or sale or offer of sale, shall stand correspondingly reduce.

26.3 The contractor shall furnish the following certificate to the concerned accounts officer along with each bill for payment of supplies made against the contract. (As per Annexure 24 enclosed).

"I/We certify that there has been no reduction in sale price of the stores of description identical to the stores supplied to the Government under the contract herein no such stores have not been offered/sold by me/us to any person/organization including the purchaser or any Department of Central Government or any Railway Office or any Railway Undertaking as the case may be up to the date of bill, at a price lower than the price charged to the Government under the contract".

27.0 REJECTION OF MATERIAL

27.1 Materials peculiar to railways such as parts and fittings of rolling stock except raw materials, which have been rejected during inspection and which could not be rectified are required to be defaced by the inspecting authority to avoid recycling of such rejected materials, and to avoid ultimate failures of assets. All such rejected materials peculiar to railways should be mechanically defaced to prevent sale to railways again.

27.2 **Handling of Rejection cases by Consignees:**

27.2.1 **A. Pre-inspected material rejected by consignee at the time of receipt-**

(i) In case of rejection of pre-inspected goods at consignee end, the material rejection advice/ rejection memo should be sent by consignee to all concerned i.e. Firm, Purchaser, Pre-inspecting agency, paying authority as per contract etc.

(ii) Financial recovery: Incase payment has been made to the firm for the material, the concerned paying authority as per contract should note the rejection advice details in the recovery register for effecting recovery of payments made, as the case may be.

(iii) Joint inspection of rejected material will be held with pre-inspecting agency and firm. In case of failure of either of the two parties to associate with joint inspection should be held by the consignee with whichever of the two parties comes for joint inspection. Irrespective of whether the party(ies) attend joint inspection or not, the modality of joint inspection etc will have to

be completed within 21 days of communication of rejection advice to the supplier (inline with IRS conditions of Contract clause 7.6). For imported material, the time limit will be 45 days.

(iv) Firm may be permitted to collect the rejected goods only after the firm has deposited the payments already made by Railway (if any) to the firm or equivalent amount has been recovered for this purpose.

(v) In case of replacement supply against the rejected goods, the same should be pre-inspected by same pre-inspecting agency who passed the material earlier. In line with IRS conditions of Contract clause 7.6, no inspection charge will be paid by Railway to the inspection agency for the replacement supply.

(vi) However incase of component level rejection in an pre-inspected item (which is an assembly), the replacement supply of the component can be accepted based on firm's internal inspection certificate and final inspection by consignee.

27.2.2 **Testing of samples:**

Whenever the sample is required to be drawn from the field for testing either on account of vendor poor performance or on random basis for quality check then following process shall be followed:

(i) The sample will be sent for testing to an independent lab which will be either a government lab or NABL accredited lab. However, the independent lab will not be the lab where the item was earlier inspected nor will it be a lab under the control or vendor/Railways. It will be tested by the independent lab and the test report sent directly by the lab to the Railway unit for further action. In order to ensure neutrality of testing, the process of testing in the independent lab will not be done in the presence of vendor/railway representative.

(ii) In case the test cannot be done in a government lab or in an NABL accredited lab, it can be done at an independent 3rd party lab. In order to ensure neutrality of testing, the process of testing in the independent lab will not be done in the presence of vendor/railway representative.

(iii) In case when the nature of testing is such that even an independent 3rd party lab is not available, then the testing can be done in the lab at the vendor or Railway premises. In such a case, the testing will be jointly done in the presence of vendor and Railway representative.

27.2. 2 (B) Handling of warranty Rejections will be dealt as per Railway Board Letter No. 2022/RS(G)/779/7 dated 17.10.2022. (Annexure-20)

along with amendments vide Railway Board Letter No. 2022/RS(G)/779/7 (E3390005) dated 26.10.2023 (Annexure 22) ,Railway Board Letter No. 2022/RS(G)/779/7 (E3390005) dated 21.08.2024 (Annexure 23) & along with other amendments issued by Ministry of Railways as applicable from time to time.

28.0 MARKING OF STORE

28.1. Contractor/Manufacturer must inscribe/engrave/ screen-print/emboss vendor's name/identification marks as well as month and year of manufacture on item supplied to North Central Railway. The location of these identification should be such that they do not affect the functional utility and structural stability of the components/materials, and also do not get obliterated on wear and tear. For very small items where marking on individual item is not possible, the vendor will arrange to print vendor's name/identification marks as well as month and year of manufacture on standard packing, after obtaining specific approval from the purchaser in each case. The decision of the purchaser on whether such approval is to be granted or not shall be final and binding.

29.0 SPECIAL CONDITIONS OF TENDERS FOR MACHINERY & PLANT ITEMS.

i) Technical Compliance:

The tenderers should give para-wise comments on the technical specification to indicate whether the equipment offered meets the tender specifications. The offer should be accompanied with complete details of technical parameters.

ii) Authorization Letter:

In case, the tenderer is an agent of the manufacturer, they should clearly indicate the same and also enclose authorization certificate from the manufacturer to this effect and also mention the place where the equipment will be offered for pre-inspection before despatch.

iii) Validity

The offer should be kept valid for minimum period/ minimum number of days as specified in NIT/tender schedule from the date of opening of the tender otherwise the offer will be treated as unresponsive and will be ignored.

iv) After Sales Service

The tenderers should confirm that they will render quick after sales service during the warranty period of the machine and advise details of their after sales net-work/office which will render the said service.

v) Commissioning & Proving Test:

a) The contractor shall arrange commissioning of the equipment at the consignee's premises. He shall carry out necessary proving test to demonstrate the performance of equipment, after its successful commissioning, to entire satisfaction of the consignee.

b) The Contractor or his agents shall commission the machine within stipulated time as shown in the contract. This time frame will be applicable from the date of intimation from the consignee in respect of readiness for commissioning of the machine in cases where the machine is to be installed by the consignee. The time schedule includes the time for installation in cases where installation is also to be undertaken by the contractor.

c) The time allowed for commissioning of machine shall be deemed to be the essence of the contract. In case of delay in commissioning of the machine on the part of the contractor, the purchaser shall be entitled to recover and the Contractor shall be liable to pay liquidated damages at the rate of 2% of the total contract value for each and every month or part thereof for which commissioning is delayed, provided always that the entire amount of liquidated damages to be paid under the provision of this clause shall not exceed 10% of the total contract value. Failure to install/ commission the machine within stipulated time after intimation from the consignee will be taken a breach of contract and purchaser will be at liberty to forfeit the Security Money furnished by the supplier without any prejudice to other rights under the contract.

d) Continuance of commissioning work after expiry of stipulated time will also constitute a default for the purpose of the clause (c) above. The decision of the Purchaser, whether the delay in commissioning has taken for reasons attributed to the Contractor, shall be final.

vi) Training:

The contractor during commissioning and installation of the equipment will also train Railway staff free of cost in operation and maintenance of equipment supplied.

vii) Maintenance manual & Spare Parts:

Contractor is required to supply 2 copies of operation and maintenance manual and lists of spare parts along with equipment.

viii) WARRANTY:

(a) Unless otherwise specified in the tender/contract document, Warranty period for M&P will be 24(twenty four) months from the date of commissioning and proving out of M&P. A Maximum period of

2 (two) weeks will be allowed for attending and recertification of faults during the warranty period.

(b) Maximum down time during the warranty period will be 2%(two percent) for on line M&P and 10% (Ten percent) for off line M&P calculated on quarterly basis.

(c) A penalty of 0.5% (zero point five percent) per week of the contract value will be levied for delay in response time for attending and rectifications of faults beyond specified time during the warranty period as detailed above.

(d) Maximum penalty to be levied on account of warranty failure will be 10% (Ten percent) of the contract value calculated during whole of warrantee period and after that if there is any delay on the part of supplier, purchaser shall be entitled for encashment of WG Bonds. In such cases the bad performance of firm during the warranty period, the same should be recorded and circulated to all Railways. The same should be given due regard in deciding future orders on the firm and when evidence to the contrary is not available, the firm's offer may be even rejected.

ix) Payment terms:

(i) **Payment to foreign supplier**: Payment against foreign supplies shall be made through the Letter of Credit. All charges including the confirmation charges of L.C., levied by foreign Banks, shall be borne by the supplier. The standard payment terms subject to recoveries if any, under the liquidated damages clause and general conditions of contract will be as under:

(a) 80% of the payment against irrevocable L.C. on proof of inspection certificate and shipping documents within 30 days of receipt of shipping documents as specified.

(b) Balance 20% payment within 90 days after installation/commissioning and proving out test of M&P subject to submission of bank guarantee for an amount of 10% of contract value, as warranty security valid beyond six months from the expiry of warranty period.

(ii) **Payment against indigenous supply**: The standard payment terms subject to recoveries if any, under the liquidated damages clause and general conditions of contract will be as under:-

(a) 80% of the payment on proof of inspection certification and Rail/Road Challan to be made within 30 days of receipt of documents as specified.

(b) Balance 20% payment within 90 days after satisfactory installation/commissioning and proving test of M&P subject to submission of bank guarantee for an amount of 10% of contract value, as warranty security valid beyond six months from the expiry of

warranty period.

x) Element of Freight for indigenous purchase-

(a) In case where the consignees are more (say more than four or so), tenderers are required to quote for the FOR station of dispatch prices with an average freight for all consignees, which will be added to FOR station for dispatch price to get FOR destination prices.

(b) In case where the consignees are four or less, tenderers are required to quote FOR station of dispatch price with actual freight for each individual consignee, which will be added to FOR station of dispatch price to get FOR destination price for each individual consignee.

xi). Timely commissioning of M&P-

In the event of contractor's failure to have M&P commissioned by the time or times respectively specified in the letter of acceptance or contract, purchaser may withhold, deduct or recover from the contractor as penalty, a sum @ 2% (two percent) of the price of M&P which the contractor has failed to commission as aforesaid for each and every month (part of a month being treated as a full month) during which the M&P may not have been commissioned, subject to an upper limit of 10% (ten percent) of contract value.

xii) Annual Maintenance Contract-

(a) Tenderers are required to quote for post warranty Annual Maintenance for a period of five years after expiry of the warranty period of the M&P along with their offers.

(b) Tenderers are required to mention such AMC schedule of such Annual periodic maintenance along with offer giving the charges for AMC maintenance schedule and other details of items to be used in such preventive maintenance.

(c) The charges of Annual preventive maintenance schedule for five years along with the cost of items to be used in preventative maintenance schedule during these five years are payable to supplier and sum total of these charges would be ;included in the FOR destination price quoted for M&P for the purpose of comparative evaluation of offer.

(d) Tenderers are required to give the cost of essential spares and service charges for each items of work of repair of M&P outside preventive maintenance contract. These charges will not be included in the price of M&P for the purpose of comparative evaluation of offers.

(e) The terms & conditions of AMC must clearly specify the maximum down time and maximum response time.

(f) Tenderers who are OEM, must give undertaking for supply of spare parts for a period of expected life of the machine/equipment. Other

tenderers must submit undertaking from OEM for supply of spare parts for a period of expected life of the machinery/equipment.

xiii) **Inspection:-** Inspection of M&P items will be carried by Third party inspection agencies (TPI) or the representative of consignee or any agency as specified in NIT/tender document.

xiv). **Packing of Goods:** Packing of goods sufficiently and properly as to ensure goods being free from loss and damages in route as detailed in IRS conditions of contract are reproduced below:

(a) **Para 4.1 - Risk in the Goods:** (a) The contractor shall perform the contract in all respects in accordance with the terms and conditions thereof. The Goods and every constituent part thereof, whether in the possession or control of the Contractor, his agents or servants or a carrier, or in the joint possession of the Contractor, his agents or servants and the Purchaser, his agents or servants, shall remain in every respect at the risk of the Contractor, until their actual delivery to the consignee at the stipulated place or destination or, where so provided in the acceptance of tender, until their delivery to a person specified in the contract as interim consignee for the purpose of dispatch to the consignee. (b) The Contractor shall be responsible for all loss, destruction, damage or deterioration of or to the Goods from any cause whatsoever while the Goods after approval by the Inspecting Officer are awaiting dispatch or delivery or are in the course of transit from the Contractor to the consignee or interim consignee, as the case may be. (c)The Contractor shall alone be entitled and responsible to make claims against a Railway Administration or other carrier in respect of non-delivery, short delivery, miss-delivery, loss, destruction, damage or deterioration of the goods entrusted to such carrier by the Contractor for transmission to the consignee or the interim consignee as the case may be.

(b) **Para 4.11- Packing:** (a) The Contractor shall pack at his own cost the Goods sufficiently and properly for transit by rail road, air and/or sea as provided in the Contract so as to ensure their being free from loss or damage or adverse impact on quality on arrival at their destination. (b) Unless otherwise provided in the Contract, all containers (including packing cases, boxes, tins, drums and wrappings) in which the Goods are supplied by the Contractor, shall be considered as non-returnable and their cost as having been included in the Contract price. (c) lf the Contract provides that the containers shall be returnable, they must be marked 'returnable' and they will be returned to the Contractor as per terms of the Contract. (d) lf the Contract provides that returnable containers shall be separately charged; they shall be invoiced by

the Contractor at the price specified in acceptance of tender. ln such cases, the Contractor shall give full credit for the invoiced amount if the containers are returned to the Contractor. Return of containers shall be made within a reasonable time and in the event of any dispute or difference arising as to whether the containers were so returned, the decision of the Purchaser thereon shall be final and binding and the Purchaser may, in his discretion award, such compensations as may in his opinion be proper for any undue delay in returning the containers. (e) Each bale or package delivered under the Contract shall be marked by the Contractor at his own expense. Such marking shall be distinct (all previous irrelevant marking being carefully obliterated) and shall clearly indicate the description and quantity of the Goods, the name and address of the Consignee, the gross weight of the package and the name of the Contractor with a distinctive number or mark sufficient for the purpose of identification. All markings shall be carried out with such material as may be found satisfactory by the Inspecting Officer as regards quickness of drying, fastness and indelibility. (f) The Inspecting Officer may reject the Goods if the Goods are not packed/ or marked as aforesaid and in case where the packing materials are separately prescribed, if such materials are not in accordance with the terms of the Contract. Such rejection of the Goods by the Inspecting Officer shall be final and binding on the Contractor, (g) Each bale or package shall contain a packing note specifying the name and address of the Contractor, the number and date of the acceptance of tender or supply order and the designation of the Purchase Officer, the description of the Goods and the quantity contained in such bale or package.

(c) **Para 4.11 - Packing:** The Inspecting Officer may reject the stores if the stores are not packed and /or marked as aforesaid and in case where the packing material is separately prescribed, if such materials are not in accordance with the terms of the contract. Such rejection of the stores by the Inspecting Officer shall be final and binding on the Contractor.

30.0 Guidelines for Electronic Reverse Auction:

30.1 Guidelines for Electronic Reverse Auction in Stores Contracts are as under:

(a) Deleted.

(b) The process of procurement through Reverse Auction shall be followed only in case of tenders where there are at least three approved vendors where bulk procurement is to be done from vendors approved by RDSO /CORE /PUs etc. or at least three proven/likely competitive sources,

prima facie competent for execution of bulk ordering.

(c) Financial Bids in single currency/parameter only shall be allowed.

(d) No deviation to specified essential Technical & Commercial conditions shall be permitted to the vendors in the electronic bid form.

30.2 Technical Bid and Initial Price Offer:

(a) The bid evaluation criteria shall be item wise, consignee wise or overall tender value wise.

(b) Bidder shall be simultaneously required to electronically submit a Technical & Commercial Bid and Initial Price Offer.

(c) Offers found eligible for bulk order shall be categorized as qualified for Bulk Order for the purpose of RA and offers found eligible for Developmental order shall be categorized as Qualified for Development Order for the purpose of RA.

(d) Offers not complying with essential technical & Commercial requirements of the tender shall be declared as Ineligible for award of contract.

(e) Technical & Commercial evaluation of bids shall be done by the purchaser as per extant guidelines, delegation and the estimated value of tender.

(f) In case of stores tenders selection of vendors for reverse auction for developmental ordering:

(1) Offers Qualified for Development order, with initial price offer lower than the highest initial price offer of a vendor qualified for bulk order and selected for reverse auction after elimination, shall be allowed to participate in RA.

(2) However, for the items where it is considered essential to also consider the offers for placement of developmental order from vendors categorized as qualified for development order, whose received rates are higher than the rate applicable for offers categorized as qualified for bulk order (ref para2.1)(b)(ii) of Board's letter dated 28.03.2018 (under ref(i) above, all bids categorized as qualified for developmental order shall be allowed to participate in reverse auction.

Note: Suitable clause for applicability of one out of these two options for participation elimination of vendors qualified for developmental order shall be mentioned in the tender.
However, in case, if none of the above options is specifically mentioned in the tender, option (2) as above will be applicable.

30.3 Financial Bid:

Financial Bid shall comprise of Final Price Offer obtained through Reverse Auction. Following conditions and procedure shall be followed in selection of bidders for conduct of Reverse Auction:

Selection of vendors for Reverse Auction for Bulk Ordering in Stores tenders:

Number of tenderers qualified for Award of contract/Bulk Order	Number of Tenderers to be selected for Reverse Auction	Remarks
<3	NIL *	The bid disallowed from participating in Reverse Auction shall be the highest bidder(s) in the tabulation of Initial Price Offer. In case the highest bidders quote the same rate, the Initial Price Offer received last, as per time log of IREPS, shall be removed first, on the principle of last in first out, by IREPS system itself.
3 to 6	3	
More than 6	50% of Vendors Qualified for Bulk Order/award of contract (rounded off to next higher integer).	

Note:

i. * If the number of tenders qualified for Bulk Order/Award of Contact is less than 3, RA shall not be done and tender may be decided on the basis of Initial Price Offer(s).

ii. Selection of vendors for Reverse Auction for developmental ordering: Offers Qualified for Development Order, with initial price offer lower than the highest initial price offer of a vendor Qualified for Bulk Order and selected for Reverse Auction after elimination, shall be allowed to participate in RA.

iii. MSE Criteria: All MSEs (Micro & Small Enterprises) found Qualified for Bulk/Development Orders/Award of Contract but could not be selected for Reverse Auction as per criteria stipulated in Para 30.3 and 30.3.ii above, but are within the range of 15% of lowest Initial Price Offer of the bidder qualified for bulk order shall be permitted to participate in the Reverse Auction, irrespective of their inter-se ranking on the basis of Initial Price Offer. Such MSEs shall be over and above the number of vendors selected for Reverse Auction, as per Para 30.3 and 30.3.ii above. In case of Stores tenders, lowest initial price bid shall mean lowest initial price bid of vendor qualified for bulk order. However, in case all the bidders qualifying for bulk as well as for developmental order (before applying elimination criteria) are within MSE category, this clause shall not apply.

iv. Make in India criteria: All bidders eligible for benefits under Public Procurement (Preference to Make in India) Order — 2017, found

qualified for Bulk/Developmental Order/Award of Contract and are within the specified range of price preference, under the Make in India Policy, of lowest Initial Price offer of the vendor qualified for bulk order shall be permitted to participate in the Reverse Auction, irrespective of their inter-se ranking on the basis of Initial Price offer. Such bidders shall be over and above the number of vendors selected for Reverse Auction, as per Para 30.3 and 30.3.ii above. However, if all the bids qualified for bulk order as well as for developmental order (before applying elimination criteria) also qualify under "Make in India Order, 2017" criteria, this clause shall not apply.

b. During Reverse Auction process, bidders shall not be allowed to bid a rate higher than the lowest Initial Price Offer.

30.4 Reverse Auction among bidders categorized as Qualified for Developmental Order and Qualified for Bulk Order shall be conducted concurrently on IREPS. Qualified Bidders shall be able to see both the auction screens i.e. auction screen of Reverse Auction amongst bidders qualified for bulk order and auction screen of Reverse Auction amongst bidders qualified for developmental order. However, bidders shall only be permitted to bid on the respective screens relevant to them as per their qualification. Purchaser shall not be permitted to see any of the auction screens. Purchaser should only be intimated on website about the status of Reverse Auction, i.e. when the auction will start/ had started, whether the auction is live or whether the auction has closed.

30.5 After obtaining the final price offers through Reverse Auction, the lowest bid of only those bidders who had participated in the Reverse Auction shall be tabulated and considered for ordering. The offers of bidders which were eliminated from Reverse Auction in terms of Para 30.3 shall be tabulated separately and shall not be considered for any ordering. All the relevant policies of Government of India at the relevant time shall be applicable.

30.6 After obtaining the final bids of the Reverse Auction, tenders shall be finalized as per existing policy (including price preference to MSEs and Make in India Order, 2017,[wherever applicable] and procedures based on the eligibility and quantity distribution criteria, as pre-defined in the tender document. All the relevant policies of Government of India at the relevant time shall be applicable.

30.7 Other Instructions:

a) Two Packet Single Stage system of tendering is to be followed for e.R.A. for tenders valuing above Rs.05 Crore.

b) MSE criteria of considering offers from MSEs quoting within L-1 +15% for 25% of NPQ is to be followed for all Goods and Services tenders.

c) Make in India Preference order is to be followed for all Goods, Services tenders wherever applicable as per guidelines.

30.8 Procedure for Conduct and Reporting of R.A

i. The tendering authority shall solicit bids through an invitation to the electronic Reverse Auction to be published or communicated in accordance with the provisions similar to e- procurement.

ii. The Purchaser shall fix the following, on case to case basis, depending upon the nature of item and complexity of case on hand. These shall be indicated in the tender for e-RA itself.

a. Initial e-RA period: This shall be the initial time interval for e-RA. e-RA shall be open for this duration.

b. Auto extension period: In case any offer is received in the time period equal to auto extension period before close of initial e-RA period, the e-RA shall be extended for time equal to auto extension period from the time of last bid. There shall be no upper limit on number of auto extensions. When no offer is received in the last auto extension period, e-RA shall close.

c. Minimum decrement in percentage of value of the last successful bid.

iii. Date and time for start of e-RA shall be communicated to qualified tenderers by the purchaser after evaluation of the Technical Bids.

iv. After submission of initial Price Bid, tenderers will not be allowed to revise the taxes and other levies.

v. During auction period, identities of the participating tenderers will be kept hidden.

vi. Minimum admissible bid value will be last bid value minus minimum decrement as specified by the purchaser before starting of reverse auction. Starting point for reverse auction shall be the lowest initial Price Bid of the tenderer eligible for award of contract.

vii. After close of the RA, tabulation of last (minimum) bids received from all the tenderers will be generated and made visible to Railways and participating tenderers.

viii. Railway users can also view the bidding history in chronological order.

ix. Bidders will not be allowed to withdraw their last offer.

x. L-1 will be defined as the lowest bid obtained after the closure of R.A. session.

31.0 **Arbitration Clause:** Deleted.

32.0 Force Majeure Clause:

(a) On the occurrence of any unforeseen event, beyond the control of either Party, directly interfering with the delivery of Services arising during the currency of the contract, such as war, hostilities, acts of the public enemy, civil commotion, sabotage, fires, floods, explosions, epidemics, quarantine restrictions, strikes, lockouts, or acts of God, the affected Party shall, within a week from the commencement thereof, notify the same in writing to the other Party with reasonable evidence thereof. Unless otherwise directed by the Purchaser in writing, the contractor shall continue to perform its obligations under the contract as far as reasonably practicable and shall seek all reasonable alternative means for performance not prevented by the Force Majeure event. If the force majeure condition(s) mentioned above be in force for 90 days or more at any time, either party shall have the option to terminate the contract on expiry of 90 days of commencement of such force majeure by giving 14 days' notice to the other party in writing. In case of such termination, no damages shall be claimed by either party against the other, save and except those which had occurred under any other clause of this contract before such termination. (b) Notwithstanding the remedial provisions contained elsewhere in the contract, none of the Party shall seek any such remedies or damages for the delay and/ or failure of the other Party in fulfilling its obligations under the contract if it is the result of an event of Force Majeure.

33.0 The tenderer's in their bid shall indicate the details of their concerned GST jurisdictional assessing officers (designation, address, email id). In case of contract award, copy of the LOA/Purchase Order shall be immediately forwarded by the purchaser to the jurisdictional assessing officer mentioned in the tenderer's bid. (Reference Railway Board letter No. 2022/RS(G)/779/14 dated 10/11/2022).

34.0 Bidders responsibility for genuineness of submitted documents and information

Documents and information submitted by bidders or their agents to government authorities at the time of bid submission or afterwards are usually accepted in good faith without further verification. Accordingly, responsibility for ensuring correctness, genuineness and authenticity of information/ documents submitted against any tender solely rests upon the bidder. Bidder shall not, directly or through any other person, indulge in any willful misrepresentation of facts, submission of

forged/altered/ manipulated/ fabricated documents/information in order to induce/officials associated with the tender to act and rely upon them with the purpose of obtaining unjust advantage or causing damage to justified interest of others and /or detrimental to government interest.

The above applies to information and documents submitted by the bidder/ his principal/ consultant/ his authorized representative both during bid submission or execution of contract.

In the event of the bidder committing such acts as mentioned above, the purchasing authority/organization shall have powers to undertake appropriate penal action which might include disqualification of the bidder from the ongoing tender process or terminate/determine the contract (if such transgression are detected later) , exclude the bidder from future tender process for a particular duration, banning/black listing etc. Depending on the severity of the transgression, purchasing authority reserves the right to undertake criminal action as deemed fit for such occasion.

Notwithstanding the above NCR reserves the right to undertake verification either by them or cause such verification through a professional entity at any stage of the tendering and contracting process.

35.0 Code of Integrity:

Purchaser as well as bidders shall not indulge in following prohibited practices, either directly or indirectly, at any stage during the tender process:

(a) "Corrupt practice"- Making offer, solicitation or acceptance of a bribe, reward or gift or any material benefit, in exchange for an unfair advantage in the tender process or to otherwise influence the tender process.

(b) "Fraudulent practice": Any omission or misrepresentation that may mislead or attempt to mislead so that financial or other benefits may be obtained, or an obligation avoided. Such practices include a false declaration or false information for participation in a tender process or to secure a contract.

(c) "Anti-competitive practice": Any collusion, bid-rigging or anti-competitive arrangement, or any other practice coming under the purview of The Competition Act, 2002, between two or more bidders, with or without the knowledge of the Purchaser, that may impair the transparency, fairness, and the progress of the tender process or to establish bid prices at artificial, noncompetitive levels.

(d) "Coercive practice": Any coercion or any threat to impair or harm, directly or indirectly, any party or its property to influence the tender process.

(e) "Conflict of interest" (COI): Any personal, financial or business relationship between the bidder and any personnel of the purchaser who are directly or indirectly related to the tender process, which can affect the decision of the purchaser directly or indirectly.

(f) "Undue Advantage": Improper use of information obtained by the bidder from the purchaser with an intent to gain an unfair advantage in the tender process or for personal gain. This also includes if the bidder (or his allied firm) provided services for the need assessment/ procurement planning of the tender process in which he is participating.

(35.1) Obligations for proactive disclosures:

(a) Purchaser as well as bidders are obliged under this Code of Integrity to suo-motu proactively declare any conflict of interest (coming under the definition mentioned above - pre-existing or as and as soon as these arise at any stage) in any Tender Process. Failure to do so shall amount to a violation of this code of integrity.

(b) Any bidder must declare, whether asked or not in a bid-document, any previous transgressions of such code of integrity during the last three years or of being under any category of debarment by the Central Government or by the Ministry/ Department of the Procuring Organisation from participation in Tender Processes. Failure to do so shall amount to a violation of this code of integrity.

(35.2) Misdemeanours:

The following shall be regarded as misdemeanours-if a bidder, either directly or indirectly, at any stage during the tender process, commits any of the following misdemeanours:

(a) Violates the Code of Integrity.

(b) Convicted of an offence under the Prevention of Corruption Act, 1988 (as amended) or under the erstwhile Indian Penal Code, 1860 (as amended) or under the Bharatiya Nyaya Sanhita, 2023 (as amended) or any other law for the time being in force for causing any loss of life or property or causing a threat to public health as part of the execution of a public procurement Contract.

(c) Employs a government servant who has been dismissed or removed on account of corruption.

(d) Employs a non-official convicted of an offence involving corruption or abetment of such an offence, in a position where they could corrupt government servants.

(e) Employs a government officer within one year of his retirement who has had business dealings with him in an official capacity before retirement;

(f) If determined by the Government of India to have doubtful loyalty to the country or national security consideration.

(g) Any other misdemeanour such as failure to abide by 'Bid securing declaration'.

(35.3) Penalties for misdemeanours:

Without prejudice to and in addition to the rights of the Purchaser to other remedies as per the Tender-documents, if the Purchaser concludes that a (prospective) bidder directly or through an agent has committed a misdemeanour in competing for the tender, the Purchaser shall be entitled, and it shall be lawful on his part to take appropriate measures, including the following, if his bids are under consideration in any procurement:

(a) Enforcement of Bid Securing Declaration in lieu of forfeiture or encashment of Bid Security.

(b) Calling off of any pre-contract negotiations and;

(c) Rejection and exclusion of Bidder from the Tender Process.

(d) In addition to the above penalties, the Purchaser shall be entitled and it shall be lawful on his part to:

(i) File information against Bidder or any of its successors, with the Competition Commission of India for further processing, in case of anticompetitive practices.

(ii) Initiate proceedings in a court of law against Bidder or any of its successors, under the Prevention of Corruption Act, 1988 (as amended) or under the Bharatiya Nyaya Sanhita,2023 (as amended) or any other law for transgression not addressable by other remedies listed in this sub-clause.

(iii) Remove Bidder or any of its successors from the list of registered/ approved suppliers for a period not exceeding two years. Suppliers removed from the list of registered/ approved vendors or their related entities may be allowed to apply afresh for registration after the expiry of the period of removal.

(iv) Debar a bidder from participation in future to purchaser's procurements without prejudice to legal rights and remedies. Debarment shall automatically extend to all the allied firms of the debarred firm.

(v) The Ministry/ Department may debar a bidder or any of its successors from participating in any Tender Process undertaken by Purchaser for a period not exceeding two years commencing from the date of debarment for misdemeanours listed above. The Ministry/ Department shall maintain such a list which shall also be displayed on their website.

(vi) Central Government (Department of Expenditure (DoE), Ministry of Finance) may debar a bidder or any of its successors from participating in any Tender Process undertaken for a period not exceeding two years commencing from the date of debarment for misdemeanours listed above. DoE shall maintain such a list which shall be displayed on Central Public Procurement Portal (CPPP).

(vii) Any dispute or difference in respect of either the interpretation effect or application or the above condition or of the amount recoverable there under, shall be decided by the Purchaser, whose decision there on shall be final and binding.

36.0 Special Conditions for Rate/Running Contract: In addition to Standard Conditions of Contract, the following special conditions shall apply to Rate/Running Contract: -

(a) Purpose of Contract and Parties to the Contract: (i) The parties to the contract, which shall be deemed to be a "Rate/Running Contract" and which is intended for the supply of the goods of the descriptions and approximately in the quantities set forth in the contract during the period specified therein, shall be the Contractor of the one part and the authorities named in the contract hereinafter called the Purchaser (which expression shall, where the context so admits or implies, be deemed to include his successors and assigns) of the other part. The quantities shown in the said Contract, are only approximate, and cannot be guaranteed. (ii) The Purchaser may authorise any officer (who shall hereinafter be called Direct Demanding Officer) at any time during the period of the contract, to place orders direct on the Contractor. (iii) Any variation of this contract shall not be binding on the Purchaser unless or until same is endorsed on the contract or incorporated in a formal instrument in exchange of letters and signed by the parties.

(b) Delivery: The Contractor shall as may be required by the Purchaser either deliver free or FOR or CIF at the place or places specified in the contract such quantities of the goods detailed in the said contract as may be ordered direct from the Contractor from time to time by the Purchaser or by the Direct Demanding Officer. The Contractor shall deliver or dispatch the full quantity of the goods so ordered within the period specified in the said contract.

(c) Increase or decrease of Quantities: The purchaser shall be entitled to vary the approximate total quantities of each description of goods shown in the said contract up to 30 percent, in one or more installments, any time within the last date of delivery period (including extended delivery period) by giving a reasonable notice in writing of such variation.

(d) Maintenance and Replacement of Stocks:

(i) To meet casual demands, the Contractor shall maintain at all time in stock (until 70 percent of the requirements have been drawn), at the place(s) specified in the contract, the quantity/ quantities mentioned therein. All demands should be complied with immediately they are received by the Contractor or within the period, if any, stipulated in individual orders. As soon as the Contractor is called upon to effect supplies, he shall take action to replenish the guaranteed stocks until such time as 70 percent of the total approximate requirement has been drawn and such replenishment shall be completed with the period specified in the contract, after the receipt by the Contractor of casual demands. Due notice will be given to the Contractor by the Direct Demanding Officers or by the Purchaser, if any additional quantities over and above 70 per cent of the total approximate requirements are required and Contractor shall then arrange stocks accordingly.

(ii) The period for replenishment of stocks will be allowed only if the material is not in stock. lf the material is in stock; this Provision will be inoperative even though the guaranteed stock quantity may have been supplied against the contract.

(ii) As an alternative to Sub-Clauses (i) and (ii) above, at the option of the Purchaser, or Direct Demanding Officer, he may order more than one installment of deliveries at a time by stipulating installment wise start date and completion date of supply. Delivery period of all the installments except the first one shall be deemed tentative/ provisional till the start date of the corresponding installment unless otherwise expressly communicated in main contract or any subsequent communication by the purchaser to the contractor. Purchaser without prejudice to other provisions under the contract, reserves the right to make deferment in the aforementioned tentative/ provisional delivery period of any installment, constituting the elements of start date and completion date of supply for that installment. Unless mutually agreed by Parties, the maximum period of deferment for any installment will be limited to six months.

(e) **Reporting Progress of Contract**: The Contractor shall, three calendar months before the termination of the contract or at such intervals as may be specified in the contract, submit a report to the Purchaser stating the total quantity of goods delivered or dispatched under the contract.

(f) **Special conditions**: where they differ from Standard Conditions override the later.

ANNEXURE-1

(DELETED)

ANNEXURE-2

PROFORMA FOR PERFORMANCE STATEMENT

(FOR A PERIOD OF LAST 3 YEARS)

Tender No..... Date of opening.....Time.....Hrs.

Name of the Firm .....

.....

No	Order placed by(full address of purchaser)	Order No. & date	Descripti on of stores	Quantity ordered	Date of completion of delivery				Have the stores been satisfactory supplied & any adverse comment from purchaser/ user
					Unit price E.D. ST & FOR items	As per [illegible]	Actu[illegible]	Remarks indicating reasons for late delivery, if any	

Note: Copy of last three P.O should be enclosed by firm.

Signature and seal of the manufacturer/Tenderers

ANNEXURE-3

PROFORMA FOR EQUIPMENT AND QUALITY CONTROL

TENDER No. ..... Date of opening..... Time.....Hrs.

Name of theFirm .....

Note: All details required only for the items tendered.

1. Name & full address of the firm.
2. Telephone & FAX No. office/factory/Works.
3. Telegraphic and E-Mail address.
4. Location of the manufacturing factory.
5. Details of industrial license. Wherever required as per statutory regulations.
6. Details of plant & machinery erected and functioning in each Deptt. (Monographs & description pamphlets be supplied if available.)
7. Details of the process of manufacture in the factory in brief.
8. Details & stocks of raw materials held.
9. Production capacity of item(s) quoted for with the existing plant &Machinery.

9.1 Normal

9.2 maximum

10. Details of arrangement for quality control of products such as laboratory testing equipment etc.
11. Details of staff

11.1 Details of technical supervisory staff-in-charge of production &quality control

11.2 Skilled labour employed

11.3 Unskilled labour employed

11.4 Maximum No. of workers (skilled & unskilled) employed on any day during the 18 months preceding the date of application.

12. Whether stores are tested to any standard specification, if so copies of original test certificates should be submitted in triplicate.
13. Are you registered with the Directorate General of supplies & Disposals, New Delhi? If so, furnish full particulars of registration, period of currency etc.
14. Are you a small scale unit, registered with the National Small Industries Corporation ltd., If so, furnish full particulars of registration, currency period etc.

Signature and seal of the

Manufacturer/Tenderers

ANNEXURE-4

PROFORMA FOR AUTHORITY FROM MANUFACTURERS

NO.....

DATED.....

TO.

THE PRESIDENT OF INDIA,
Acting through the PCMM,
North Central Railway
Prayagraj- 211015

Dear Sir,

Subject:-PCMM./N.C.Rly/ALD Tender No.....

We .....an established and reputed manufacturer of.....having factories at.....do hereby authorize M/s..... ..... (Name and address of Agents) to represent us, to bid, negotiate and conclude the contract on our behalf with you against Tender No.....

No company/firm or individual other than M/s.....are authorized to represent us in regard to this business against this Specific tender.

Yours faithfully,

(NAME).....

For & on behalf of M/s. .....

(Name of Manufacturers)

Note: This letter of authority should be on the Letter-Head of the manufacturing concern and should be signed by a competent person authorized to sign on behalf of the manufacturer.

ANNEXURE-5

PROFORMA OF BANK GUARANTEE FOR CONTRACT PERFORMANCE GUARANTEE BOND

Ref.....

DATED.....

Bank Guarantee No..... . .....

TO,

THE PRESIDENT OF INDIA,
Acting through Principal Financial Advisor,
North Central Railway,
Prayagraj- 211015.

1. Against contract concluded by the advance acceptance of the tender No.....dated..... covering supply of .....(hereinafter called the said contract) entered into between the President of India and ..... (hereinafter Called the 'contractor'), this is to certify that at the request of the contractor We .....(Bank) are holding in trust in favour of the president of India, the amount of .....Write the sum here in words) to indemnity and keep indemnified the president of India (Govt. of India.) against any loss or damage that may be caused to or suffered by the president of India(Govt. of India) by reason of any breach by the contractor or any of the terms and conditions of the said contract and/or the performance thereof. We agree that the decision of the president of India (Govt. of India), whether any breach of any of the terms and conditions of the said contract an/or in the performance thereof has been committed by the contractor and the amount of loss or

damage that has been caused or suffered by the President of India (Govt. of India) shall be final and binding on us and the amount of the said loss or damage shall be paid by us forthwith on demand and without demur to the President of India (Govt. of India).

2. We.....(Bank) further agree that the guarantee herein contained shall remain in full force and effect during the period that would be taken for satisfactory performance and fulfillment in all respects of the said contract by the Contractori.e.,till.....(viz. the date up to 3 months after the date of the last dispatch/delivery of the goods ordered) hereinafter called the 'said date' and that if any claim accrues or arises against us.....(Bank) by virtue of this guarantee before the said date, the same shall be enforceable against us.....(Bank) notwithstanding the fact that the same is enforced within six months after the said date, provided that notice of any such claim has been given to us.....(Bank) by the President of India (Govt. of India) before the said date. Payment under this letter of guarantee shall be made promptly upon receipt of notice to that effect from the President of India (Govt. of India).

3. It is fully understood that this guarantee is effective from the date of the said contract and that we.....(Bank) undertake not to revoke this guarantee during its currency without the consent in writing of the President of India (Govt. of India).

4. We undertake to pay to the Government any money so demanded notwithstanding any dispute or disputes raised by the Contractor in any suit or proceedings pending before any, court or tribunal relating thereto, our liability under this present being absolute and unequivocal.

The payments so made by us under this bond shall be a valid discharge of our liability for payment there under and the Contractor shall have no claim against us for making such payment.

5. We.....(Bank) further agree that the President of India (Govt. of India) shall have the fullest liberty, without affecting in any manner our obligations hereunder to vary any of the terms and conditions of the said contract or to extend time of performance by the Contractor from time to time or to postpone for any time or from time to time any of the powers exercise able by the President of India (Govt. of India) against the said contract and to forbear or enforce any of the terms and conditions relating to the said contract and we .....(Bank) shall not be released from our liability under this guarantee by reason of any such variation or extension being granted to the said Contractor or for any for-bearance and/or omission on the part of the President of India or any indulgence by the President of India to the said Contractor or by any other matter or thing what-so-ever, which under the law relating to sureties, would, but for this provision have the effect of so releasing us from our liability under this guarantee.

6. This guarantee will not be discharged due to the change in the constitution of the Bank or contractor.

Date..... Signature.....

Place..... Printed-Name.....

Witness..... Designation

.....

(Bank's common Seal)

ANNEXURE-6

NATIONAL ELECTRONIC FUND TRANSFER MANDATE FORM

(To be filled by the tenderer in Block letters)

Details of Beneficiary (Contractor/Firm)

1. Centre (City Code): . . . . . .
2. IFSC Code (Bank Branch Specific No.):. . . . . .
3. Name of Bank: . . . . . .
4. Bank Code: . . . . . .
5. Beneficiary Name: . . . . . .
6. Account No.: . . . . . .
7. Type of Account (Saving/Current/Cash credit):. . . . . .
8. MICR Code:. . . . . .

Signature and seal of
The manufacturer/tenderers

Verification by Bank

ANNEXURE-7

बिल फार्म
BILL FORM ITEMS

मूल/दूसरी प्रति/तीसरी प्रति

ORIGINAL/DUPLICATE/TRIPLICATE

सर्वश्री/M/s.....

.....

.....

एल.एस.टी./सी.एस.टी......

बिल सं./No.....

प्रमुख वित्त सलाहकार,
भण्डार लेखा विभाग, उत्तर मध्य रेलवे,
मुख्यालय, सूबेदारगंज, **दिनांक/**
प्रयागराज–211015
PFA
North Central Railway Headquarter
Subedarganj, Prayagraj -211015

1. **ए.आर.डी. कोड** (1)
   ARD Code (1)
2. **बैच नं**0 ((2-3)
   Batch No.(2-3)
3. **कार्ड कोड** (4-5)
   Card Code (4-5)
4. **डिपो कोड जो स्टाक भण्डार लेखा होगा** (6-7)
   Depot Code which will account for the material (6&7)
5. **विक्रेता का कोड** (8 **से** 12)
   Vender Code (8 to 12)
6. **प्रमुख मुख्य सामग्री प्रबंधक का क्रय आदेशनम्बर** 16 **अंकोमें** (13 **से** 28)
   PCMM Purchase Order No. in sixteen digits (13 to 28)
7. **क्रय आदेश की तिथि**
   P. Order Date.....
8. **रेलवे रसीद सम्भारक का चालान नम्बर** (29 **से** 34)
RR/Suppliers Challan No. (29 to 34)
9. **रेलवे रसीद/सम्भारक का चालान की तारीख**
RR Date

10. डिपो जो रसीद नोट बनायेगा (35 से 36)
Depot Preparing R. Note (35-36)
11. रसीद नोट नम्बर (6 अंको में) (37 से 42)
R. Note No. in six digits (37 to 42)
12. आर. नोट की तारीख (43 से 48)
R. Note Date (43 to 48)
13. पी. एल. नं. (49 से 56)
P.L. No. (49 to 56)
14. क्रय यूनिट कोड (57 से 58)
Buying Unit code (57 to 58)
15. मात्रा तीन दशमलव अंकों तक (59 से 68)
Qty. up to 3 decimal (59 to 68)
16. भुगतान कोड (69)
Payment code (69)
17. चिन्ह (केवल वाउचर की रिवर्सल के समय प्रयोग किया जाए (70)
Sign (To be used only for reversal of the voucher(70)
18. विनिधान (8 अंको में) (71 से 78)
Allocation in eight digits (71 to 78)
19. रकम जो क्रय सरपस में जायेगी (79 से 88)
Amount debitable to purchase in ten digits (79 to 88)
20. भण्डार का विवरण/ Stores.....
.....
21. परेषिति का नाम ----------Name of theConsignee.....
22. आर्डर में दी गई मात्रा ----------
Quantity ordered.....
23. मात्रा जिस के लिए बिल तैयार किया गया ----------
Quantity Billed.....
24. दर अंको में ----------
Rate in figures.....
25. दर शब्दो में ----------
Rate in words.....
26. पैंकिंगचार्जेजरू----------
Packing charges Rs.....
27. बिल की रकम रू----------
Amount Billed Rs.....
28. डिस्काउंट रू----------
Discount Rs.....
29. उत्पाद शुल्क यदि हो तो ----------
Central Excise if any.....
30. विशेष उत्पाद शुल्क रूबिक्रीकर ----------
Special E.D. Rs.....

31. कुल सं0----------
    Total.....
32. केन्द्रीय बिक्रीकर 4%बिक्रीकर ----------
    Sales Tax 4% /CST.....
33. पी. एण्ड एफ. चार्जेज ----------
    Packing & Forwarding charges.....
34. फारवर्डिंग और मालभाड़ा ----------
    Forwarding & Freight charges.....
35. कुल रकम रू----------
    Gross amount claimed Rs.....
36. Certified for Rs..... रूपये के लिए सत्यापित किया।
37. भण्डार सुपुर्द किया ----------
    Stores delivered on.....
38. सी.ओ. सेविन नम्बर (89 से 98)
    Stores delivered on CO7 No. (89 to 98)

.....

विक्रेता के हस्ताक्षर/Signature of Vender

स्थानीय सुपुर्दगी पर भरा जाये

TO BE FILLED IN CASE OF LOCAL DELIVERY

प्रमुख मुख्य सामग्री प्रबंधक के उपरोक्त क्रय आदेश के अन्तर्गत भेजा गया माल ---------- सही हालत में प्राप्त हुआ। लेखे में लेकर ----------को एलोकेट किया। प्राप्त हुआ बिल वित्त सलाहकार एवं मुख्य लेखाअधिकारी (एस.ए.बी.) मुख्या0/इलाहाबाद को विक्रेता को भुगतान का प्रबन्ध करने के लिये भेजा गया। माल की देरी से सुपुर्दगी में प्रमुख मुख्य सामग्री प्रबंधक की स्वीकृति प्राप्त कर ली है। प्रमुख मुख्य सामग्री प्रबंधक की स्वीकृति संख्या---------- ----------दिनांक ----------सहित/बिना एल.डी. के प्रदान की गई।

Stores consigned against above PCMM order have been received in good condition .....stores have been received, accounted for and allocated to.....Bill receive forwarded to PFA (S.A.B.) HQ/Prayagraj for arranging payment to the vendor PCMM sanction of late delivery of stores has been obtained PCMM's sanction..... Dated..... granted without the levy of L.D.

तिथि सहित प्रेषिति के हस्ताक्षर

Consignee's Signature with date

पदनाम/Designation.....

प्रमुख वित्त सलाहकार के कार्यालय के प्रयोग के लिये

PFA OFFICE

(ए) ए.बी. नम्बर ---------- (ई) के लिये पारित रु------

(a) A.B. No..... (e)Amount Passed Rs.

(बी) दिनांक ---------- (एफ) कटौती घटाएं रू0:---

(b) Date (f) Less deduction Rs

(सी) के लिए पारित ---------- (जी) कुल देय रकम ----------

(c) Passed for Rs. (g) Net Amount Payable Rs

(डी) राशि डेबिटेड रु- ---------- (एच) प्रभार्य ----------

(d) AMOUNT DEBITABLE TO (h)Chargeable to

(आई) द्वारा क्रय लेखा रजिस्टर में दर्ज किया गया ----------द्वारा जांच की गई ----------

(i) Posted in purchase Account Register by Checked by

(जे) द्वारा सी.ओ. 6 रजिस्टर में दर्ज किया गया ----------

-

(j) Posted in C.O. 6 Register by----------

कृते प्रमुख वित्त सलाहकार

For PFA

संभारक (सप्लायर) की रसीद

SUPPLIER'S RECEIPT

बिल संख्या ----------में उल्लिखित भंडार के बाबत रु----------प्राप्त किय।

Received Rupees .....on account of detailed in the Bill No.....

संभारक (सप्लायर) के हस्ताक्षर

SIGNATURE OF SUPPLER

संभारक (सप्लायर) द्वारा भरा जाये

TO BE FILLED IN BY SUPPLIER

1.मैं / हम ने व्यक्तिगत रूप से जांच एवं परख लिया है और यह प्रमाणित करता/करते हूं/है कि जिस माल की रकम का दावा पेश किया गया वास्तव में रेलवे रसीद ----------दिनांक ---------- के अन्तर्गत प्रेषित कर दिया गया है और आगे यह कि माल वही है जो चालान नम्बर ----------दिनांक ----------में दर्शाया गया है तथा निरीक्षण प्रमाण पत्र संख्या ---------- दिनांक ----------चालान

नम्बर ---------- दिनांक ----------में दर्शाया गया है तथा निरीक्षण प्रमाण पत्र संख्या ---------- दिनांक ---------- में अंकित है। मैं/हम स्वयं उपरोक्त की सत्यता के लिए व्यक्तिगत रूप से उत्तरदायी हूं/है।

I have personally examined and verified and do hereby certify that goods in respect of which payment is being claimed has been actually dispatched under R.R. NO.....dt.....& further that these goods are exact materials as indicated in Challan No.....dt.....and covered by inspection Certificate No.....dt. .....

I/ we hold myself/ ourselves personally responsible for the correctness of the statement.

2.प्रमाणित किया जाता है कि इस बिल में चार्ज की गई बिक्री कर की राशि संवैधानिक रूप से देय है तथा बिक्रीकर विभाग को की जायेगी । हमारी बिक्रीकर पंजीकरण संख्या ---------- दिनांक ----------है।

Certified that the amount of Sales Tax as charged in the bill is legally payable by us and shall be paid to the Sales Tax authority by us our Sales Tax No. .....dt.....

---------- -------

विक्रेता के हस्ताक्षर **SIGNATURE OF VENDOR**

टिप्पणी–क्रम सं. 4, 5, 6, 7, 8, 9, 13, 14, 20, 21, 22, 23 से 35 विक्रेता द्वारा भरे जायेंगे और शेष कॉलम बिल अनुभाग द्वारा भरे जाने हैं।

NOTE:S.No. 4, 5, 6, 7, 8, 9, 13, 14, 20, 21, 22, 23 to 35 to be filled by the supplier and the remaining columns to be filled in by Bill Section.

Annexure- 8

Form-1 Format for Affidavit of Self Certificate regarding Domestic Value Addition in an Electronic Product to be provided on ` 100/- Stamp Paper.

Date:

I,_____ S/o,D/o,W/o_____, Resident of_____ do hereby solemnly affirm and declare asunder:

That I will agree to abide by the terms and conditions of the policy of Government of India issued vide Notification No.8(78)/2010-lPHW dated.10.02.2012.

That the information furnished hereinafter is correct to the best of my knowledge and belief and I undertake to produce relevant records before the procuring authority or any authority so nominated by the Department of Electronics and Information Technology, Government of India for the purpose of assessing the domestic value-addition.

That the domestic value-addition for all inputs which constitute the said electronic product has been verified by me and I am responsible for the correctness of the claims made therein.

That in the event of the domestic value addition of the product mentioned herein is found to be incorrect and not meeting the prescribed value-addition norms, based on the assessment of an authority so nominated by the Department of Electronics and Information Technology, Government of India for the purpose of assessing the domestic value-

addition. I will be disqualified form any Government tender for a period of 36 months. In addition, I will bear the cost of such anassessment.

That I have complied with all the conditions referred to, in the Notification No.8 (78)/2010-lPHW dated.10.02.2012 wherein preference to domestically manufactured electronic products in Government procurement is provided and that the procuring authority is hereby authorized to forfeit and adjust my EMD and other security amount towards such assessment cost and I undertake to pay the balance, if any, forthwith.

I agree to maintain the following information in the Company's record for a period of 08 years and shall make this available for verification to any statutory authorities.

i. Name & details of the Domestic Manufacturer (Registered office, Manufacturing Unit Location, nature of legalentity).
ii. Date on which this certificate isissued.
iii. Electronic Product for which the certificate isproduced.
iv. Procuring agency to whom the certificate isfurnished.
v. Percentage of domestic value additionclaimed.
vi. Name and contact details of the unit of themanufacturer.
vii. Sale price of theproduct.
viii. Ex-factory price of theproduct.
ix. Freight, Insurance andhandling
x. Total Bill ofMaterial
xi. List and cost value of inputs used for manufacture of the electronicproduct.
xii. List and total cost of inputs which are domestically sourced. Please attach certificates from suppliers, if the input is notin-house.
xiii. List and total cost of inputs which are imported, directly orindirectly.

For and on behalfof_____(Name offirm/entity)

Authorised signatory (To be duly authorized by the Board of Directors)

<Insert Name, Designation and Contact No.>

DMEP 1 Annexure-9

Indicative List of Generic Products:

S.No.	Items
1	Notebooks and Netbooks
2	Tablets
3	Desktops
4	Servers
5	Printers
6	Keyboards
7	Monitors
8	Storage USBs, Memory Cards
9	CCTV and Surveillance cameras
10	ATMs
11	Photocopiers
12	Scanners
13	Faxes
14	Smart cards
15	Mobile Handsets
16	Hand Held Terminals
17	PC Projector
18	POS based devices

DMEP 2 Annexure- 10

Indicative List of Telecom and Network Products:

S.No	Items
1	SIM Cards (Personalisation& OS in India)
2	Encryption/UTM Platforms (TDM and IP)
3	Core/Edge/Enterprise routers
4	Managed Leased Line Network Equipment
5	Ethernet Switches (L2 and L3), Hubs, etc.
6	IP based Soft switches, Media Gateways
7	Wireless, Wireline PABXs
8	CPE (including Wifi Access points and Routers, Media Converters), 2G/3G Modems, Leased line modems, data cards etc.
9	Set-Top Boxes
10	SDH/Carrier Ethernet/Packet Optical Transport Equipment
11	DWDM/CWDM systems
12	GPON Equipments
13	Digital Cross-Connects/MUXs
14	Small size 2 G/3 G GSM based Base Station Systems
15	GSM 2G & 3G/4G, CDMA based wireless Access systems including BTS, BSC, MSC, Media Gateway, Media server, GGSN, SGSN, Node B, RNC, E Node B,EPC, HLR, SMSC & other subsystems.
16	LTE based on broadband wireless access systems (e Node B, EPC etc.)
17	WiFi based broadband wireless access systems (Access Point, Aggregation Block, Core Block, etc.)

18	Microwave Radio systems (IP/Hybrid)
19	Software Defined Radio, Cognitive Radio systems
20	Repeaters (RF/RF-over-optical), IBS and Distributed Antenna system
21	Satellite based systems – Hubs, VSAT, etc.
22	Copper access system (DSL/DSLAM), Optical Fibre, Optical Fibre Cable.
23	Network Management systems
24	Security & Surveillance communication systems (video and sensor based).

DMEP 3 Annexure- 11

Notified Electronic Products having "Preference for Domestically Manufactured Electronic Products in Government Procurement":

I. Desktop Personal Computers (PCs)

For the purpose of this Notification, a Desktop PC shall necessarily consist of a CPU, Memory, Hard disk drive, Keyboard, Mouse and a separate or integrated display unit and should be able to operate independently.

Percentage of procurement for which preference to domestically manufactured PCs is to be provided (in value terms)	**Percentage of domestic value addition in terms of Bill of Material (BOM) required for the desktop PCs to qualify as domestically manufactured**
50%	**30% in year 1**

Criteria BOM classified as domestic: The domestic BOM of desktop PCs would be the sum of cost of main inputs as specified in Column 1 of the following table provided the inputs individually satisfy the value addition requirement specified in column 2 the table.

Main inputs of BOM / Stages manufacture of desktop PCs	**Value addition required for the inputs to be classified domestic BOM**
1	**2**
Processor	Domestic ATMP/ fabrication or both
Memory	Domestic assembly of imported memory chips on imported/ indigenously manufactured bare PCB/ domestic ATMP / fabrication / or combination.

Hard Disk Drive	Domestic assembly and testing from imported Indigenously manufactured parts and components
LCD Monitor	Domestic assembly from imported LCD panel where in plastics molding and stamping of metal parts is done domestically and testing /domestic fabrication of LCD panel or both.
DVD Drive	Domestic assembly and testing from imported / indigenously manufactured parts and components
Cabinet + SMPS	Domestically manufactured cabinet and domestic assembly and testing of SMPS from imported/ indigenously manufactured parts and components subject to the condition that value of the domestically manufactured parts and components used in the assembly of "SMPS" will be minimum 10% (of the value of part and components used in the manufactured of " SMPS) in year 2 which will increase to minimum 20% of the value of part and components used in the manufactured of " SMPS) in year 3 and subsequent years
Key Board/ Mouse	Domestic assembly and testing from imported / indigenously manufactured parts and components
Mother Board	Domestic assembly and testing from imported /indigenously manufactured parts and components except value of bare PCB
Bare PCB	Domestically manufactured
Final / A ssem and desig T	Domestically assembled / tested and any Intellectual Property (IP) resident in

bly development	e s t i n g	India.

II. Dot Matrix Printers:

A Dot Matrix printer is type of impact Printer that forms dot on a paper by a metal pin of diameter 0.2 mm to 0.3 mm which is driven by electro magnet based on solenoid principle and required character matrix is produced by horizontal and vertical resolution of the dot matrix print head. Dot matrix printers can create carbon copies and carbonless copies based on mechanical pressure of pin.

Percentage of procurement for which preference to domestically manufactured Dot Matrix Printers is to be provided (in value terms)	**Percentage of domestic value addition in terms of Bill of Material (BOM) required for the Dot Matrix Printers to qualify as domestically manufactured**
50%	**40% in year 1**

Criteria BOM classified as domestic: The domestic BOM of Dot Matrix Printers would be the sum of the cost of main inputs specified in Column 1 of the following table provided the inputs individually satisfy the value addition requirement specified in column 2 the table.

Main inputs in BOM / manufacture of Dot Matrix Printers	**Value addition required for the inputs to be classified domestic BOM**
1	**2**
Main PCB	Domestic assembly and testing from imported/ indigenously manufactured parts and components subject to the condition that value of the domestically manufactured parts and components used in the assembly of “Main PCB” will be minimum 10% (of the value of part and

	components used in the manufactured of " Main PCB in year 2 which will increase to minimum 15% the value of part and components used in the manufactured of " Main PCB) in year 3 and subsequent years except value of bare PCB
Bare PCB	Domestically manufactured
SMPS	Domestically assembly and testing from imported/ indigenously manufactured parts and components subject to the condition that value of the domestically manufactured parts and components used in the assembly of "SMPS" will be minimum 10% (of the value of part and components used in the manufactured of " SMPS) in year 2 which will increase to minimum 20% of the value of part and components used in the manufactured of " SMPS) in year 3 and subsequent years
Carriage Motors and Paper feed motors	Imported as domestically mechanism. sub along a and main tested printer
From Control Panel	Domestic assembly and testing from imported/ indigenously manufactured parts and components
Home position/ Paper End Sensors	Domestic assembly and testing from imported/ indigenously manufactured parts and components
Main Printer Cabinet and other small plastic components	Domestic Molding of Printer Cabinets and other parts

Printer Mechanism Assembly	Domestic assembly using indigenously manufactured rubber platens, small rubber parts , sheets metal components, Plastic Gears and other Plastic Parts with turned steel shafts and above mentioned sensors and motors
Print Heads and inter connecting cables	Domestic assembly and testing from imported/ indigenously manufactured parts and components
Final Assembly/ testing and design/ development	Domestically assembled / tested and any Intellectual Property (IP) resident in India.

III. **Tablet Personal Computers:**

For the purpose of this notification a Tablet PC shall necessarily consist of an Integrated Motherboard with a broad CPU / Processor , Memory and Power Module; Display Panel (Touch Panel + LCD/LED Module) and Integrated Battery and should be able to operate independently.

Percentage of procurement for which preference to domestically manufactured Tablets PCs is to be provided (in value terms)	**Percentage domestic value addition in terms of Bill of Material (BOM) requirement for the Tablet PCs to qualify at domestically manufactured**
50%	**30 % in one year**

Criteria BOM classified as domestic: The domestic BOM of Tablet PCs would be the sum ofthe cost of main inputs specified in Column 1 of the following table provided the inputs individually satisfy the value addition requirement specified in column 2 thetable.

Main inputs in BOM / Stages for manufacture of Tablet PC	**Value addition required for the inputs to be classified domestic BOM**
1	**2**
Display Pane (Touc Panel + L	Domestic assembly and testing from imported/ indigenously manufactured Touch Panel + LCD/LED Module or combination subject to the condition that from year 3 onwards backlight assembly and testing of the Display Panel shall be done domestically
Integrated Motherboard with a broad CPU / Processor , Memory and Power Module, Semiconductor (i.e. the Semiconductor Chips and module on Integrated Motherboard	Domestically assembly and testing from imported/ indigenously manufactured parts and components except value of bare PCB and Semiconductor BOM (i.e. the Semiconductor Chips and module on Integrated Motherboard) Subject to the condition that the value of domestically manufactured parts and components used in the assembly of “Integrated Motherboard” will be minimum 10% (of the value of part and components used in the manufactured of “Integrated Motherboard) in year 2 which will increase to minimum 20% of the value of part and components used in the manufactured of “Integrated Motherboard) in year 3 and subsequent years. The value of only those Semiconductor Chips and

	module (including processor and memory) of the Integrated Motherboard less the value of there indigenous design (for which IP is resident in India) on which ATMP operations are carried out domestically will be taken as domestic BOM*
Bare PCB	Domestically manufactured
Power Adaptor	Domestically assembly and testing from imported/ indigenously manufactured parts and components subject to the condition that value of the domestically manufactured parts and components used in the assembly of "Power Adaptor" will be minimum 20% (of the value of
	part and components used in the manufactured of "Power Adaptor) in year 2 which will increase to minimum 30%,40% and 50%in years 3, 4 and 5 respectively
Casing	Domestically manufactured casing
Battery	Domestic assembly and testing from imported/ indigenously manufactured parts and components
Accessories (Camera, Speaker, Wifi,	Domestic assembly and testing from imported/ indigenously manufactured parts

Antenna, etc)	and components
(i) Final Assembly/ Testing and (ii) Design/Development	(i) Domestically assembled/tested and (ii) Intellectual Property (IP) resident in India for any of the above items. The value of IP resident in India for any of the above item shall be reduce from its value in domestic BoM.

*This shall be reviewed when the Semiconductor Fab in India is operational.

IV. Laptop Personal Computers(PCs):

For the purpose of this Notification, a Laptop PC (commonly known in the market as Laptop/Notebook/Netbook/Ultrabook etc) shall necessarily consist of a CPU, Memory, Hard disk Drive, Keyboard, Touch pad and/or Trackpoint, an Integrated Display Unit, Integrated Battery and should be able to operate independently.

Percentage of procurement for which preference to domestically manufactured Laptop PCs is to be provided (in value terms)	**Percentage domestic value addition in terms of Bill of Material(BOM)requirement for the Laptop PCs to qualify at domestically manufactured.**
50%	**25 % in one year**

Criteria BOM classified as domestic: The domestic BOM of Laptop PCs would be the sum of the cost of main inputs specified in Column 1 of the following table provided the inputs individually satisfy the value addition requirement specified in column 2 the table.

Main inputs in BOM / Stages for manufacture of Tablet PC	**Value addition required for the inputs to be classified domestic BOM**

1	2
Hard Disk Drive	Domestic assembly and testing from imported/indigenously manufactured parts and components.
Display Panel (LCD,LEDetc) + Back cover+ Bezel	Domestic assembly and testing from imported/ indigenously manufactured Display Panel , Back cover, Bezel or combination subject to the condition that from year 3onwards: **(i)** Back cover shall be domestically manufactured and **(ii)** Back Light assembly and testing of display panel shall be done domestically.
DVD Drive	Domestic assembly and testing from imported/ indigenously manufactured parts and components.
Cabinet+ Motherboard+ Power Module	Domestic assembly and testing from imported/ indigenously manufactured Cabinet, Motherboard, Power Module or combination except value of bare PCB and Semiconductor BoM (i.e., Semiconductor chips & modules on Motherboard) subject to the conditions that: **(I)** Value of domestically manufactured parts

	and components used in the assembly of "Motherboard + Power Module" will be minimum 10% (of the value of part and components used in the manufactured of "Motherboard + Power Module") in year 2, which will increase to minimum 20% (of the value of part and components used in the manufactured of "Motherboard + Power Module") in year 3 and subsequent years and **(II)** Cabinet shall be domestically manufactured from year 3 onwards.
Semiconductors (i.e. Semiconductor chips and Modules on Motherboard)	The value of only those Semiconductor Chips and modules (including processor and memory) of the Integrated Motherboard less the value of their indigenous design (for which IP is resident in India) on which ATMP operations are carried out domestically will be taken as domestic BOM *
Bare PCB	Domestically manufactured
Power Adapter	Domestically assembly and testing from imported/ indigenously manufactured parts and components subject to the condition that value of the domestically manufactured parts and components used in the assembly of "Power Adaptor" will be minimum 20% (of the value of part and components used in the manufactured of "Power Adaptor") in year 2 which will increase to minimum 30%,40% and 50%in years 3, 4 and 5 respectively
Keyboard/ Touchpad and/or Track point	Domestic assembly and testing from imported/ indigenously manufactured parts and components
Battery	Domestic assembly and testing from imported/ indigenously manufactured parts and

	components
(i)Final Assembly/ Testing and (ii)Design/ Development	**(i)** Domestically assembled/ tested and **(ii)** Intellectual Property (IP) resident in India for any of the above items. The value of IP resident in India for any of the above item shall be reduce from its value in domestic BoM.

*This shall be reviewed when the Semiconductor Fab in India is operational.

V. Smart Cards:

For the purpose of this notification, Smart Card is usually a Credit Card sized plastic card with an Integrated Circuit (IC) contained inside. The IC contains a Microprocessor and Memory. Smart Cards can be contact, contactless and dual interface (both contact & contactless). Some of the applications of Smart Card are Identity Card, Banking Card, Health Card, Vehicle Registration Card etc.

(A) Contact Smart Cards:

Percentage of procurement for which preference to domestically manufactured Laptop PCs is to be provided (in value terms)	**Percentage domestic value addition in terms of Bill of Material (BOM) requirement for the Laptop PCs to qualify at domestically manufactured**
50%	**30 % in Year 1** **45% in Year 2** **65% in Year 3 onwards***

Criteria BOM classified as domestic Contact Smart Cards: The domestic BOM of Contact Smart Cards would be the sum of the cost of main inputs specified in Column 1 of the following table provided the inputs individually satisfy the value addition requirement specified in column 2 the table.

Main inputs in BOM / Stages for manufacture of Contact Smart Cards	**Value addition required for the inputs to be classified domestic BOM**
1	**2**
Plastic Card Body	Domestic Manufacturing including sheet cutting and punching, printing,

	lamination and testing using imported/indigenously manufactured raw material, parts and components*
IC Chip Module	Domestic assembly and testing of IC Chip Module using imported/ indigenously manufactured raw materials, parts and components*
Milling and Embedding of IC Chip Module on Plastic Card	Milling and Embedding of IC Chip Module on Plastic Card done domestically.
(i)Final Assembly/ Testing and (ii)Design/ Development	(i)Domestically assembled/ tested and (ii) Intellectual Property (IP) resident in India for any of the above items. The value of IP Resident in India for any of the above item shall be reduce from its value in domestic BoM.

*This shall be reviewed when the Semiconductor Fab in India is operational.

(B) Contactless Smart Cards (Includes Dual Interface Cards):

Percentage of procurement for which preference to domestically manufactured Laptop PCs is to be provided (in value terms)	**Percentage domestic value addition in terms of Bill of Material(BOM)requirement for the Laptop PCs to qualify at domestically manufactured.**
50%	**40 % in Year 1** **50% in Year 2** **70% in Year 3 onwards***

Criteria BOM classified as domestic Contactless Smart Cards: The domestic BOM of Contactless Smart Cards would be the sum of the cost of main inputs specified in Column 1 of the following table provided the inputs individually satisfy the value addition requirement specified in column 2 the table.

Main inputs in BOM / Stages for manufacture of Contactless Smart Cards	**Value addition required for the inputs to be classified domestic BOM**
1	**2**
Plastic Card Body	Domestic Manufacturing including sheet cutting and punching, printing, lamination and testing using imported/ indigenously manufactured raw material, parts and components*
Card Inlay (Antenna)	Domestic assembly and testing from imported/indigenously manufactured parts and components
IC Chip Module	Domestic assembly and testing of IC Chip Module using imported/ indigenously manufactured raw materials, parts and components*
Milling and Embedding of IC Chip Module on Plastic Card	Milling and Embedding of IC Chip Module on Plastic Card done domestically
(i)Final Assembly/ Testing and (ii)Design/ Development	(i)Domestically assembled/ tested and (ii Intellectual Property (IP) resident in India for any of the above items. The value of IP resident in India for any of the above item shall be reduce from its value in domestic BoM.

*This shall be reviewed when the Semiconductor Fab in India is operational.

VI. LED Products:

For the purpose of this notification, LED Products are those whose function is to utilize light produced by LEDs and spanning applications in the areas of (i)

Illumination, (ii) Optical Displays including true LED TVs (iii) Backlighting, (iv) Signalling and Indication and (v) Transportation.

Percentage of procurement for which preference to domestically manufactured Laptop PCs is to be provided (in value terms)	**Percentage domestic value addition in terms of Bill of Material (BOM) requirement for the Laptop PCs to qualify at domestically manufactured**
50%	**50 % in Year 1**

Criteria BOM classified as domestic LED Products: The domestic BOM of LED Products would be the sum of the cost of main inputs specified in Column 1 of the following table provided the inputs individually satisfy the value addition requirement specified in column 2 the table. However, the weightage of total cost of (d) Heat Sink or Thermal Management Solutions, (e) Secondary Optics, (f) System Fixture and Fitting shall not exceed 20% of domestic BOM of the LED Product.

Main inputs in BoM / Stages for manufacture of LED Products	**Value addition required for the inputs to be classified domestic BoM**
1	**2**
(a) LED Emitter	Packaging from imported/ domestically fabricated bare LED Die subject to the condition that from Year 2 onwards, the bare LED Die shall be domestically fabricated using imported/indigenously manufactured inputs.

(b) Driving Electronics	Domestically assembly from imported/ indigenously manufactured parts and components subject to the condition that the value of domestically manufactured parts and components (excluding the value of bare PCB) used in the assembly of "Driving Electronics" will be minimum 10% (of the total value of part and components used in the manufacture of "Driving Electronics") in Year 1 which will increase to minimum of 20% of the total value of part and components used in the manufactured of "Driving Electronics") in year 2 and minimum 30% (of the total value of part and components used in the manufacture of "Driving Electronics") in Year 3 and subsequent years.
(c) Bare PCB including MCPCB	Domestically manufactured using imported/ indigenously manufactured inputs.
(d) Heat Sink or Thermal Management Solutions	Domestically manufactured using imported/ indigenously manufactured inputs.
(e) Secondary Optics	Domestically manufactured using imported/ indigenously manufactured inputs.
(f) System Fixture	Domestically manufactured
(g) Final Assembly/Testing	Domestically Assembled/Tested meeting Indian standards as notified from time to time.

ANNEXURE – 12

FORMAT FOR AFFIDAVIT OF SELF CERTIFICATION REGARDING DOMESTIC VALUE ADDITION IN IRON &STEEL PRODUCTS TO BE PROVIDED ON RS. 100/- STAMP PAPER

I _____S/o, D/o, W/o_____Resident of_____

hereby solemnly affirm and declare asunder:

That I will agree to abide by the terms and conditions of the policy of Government of India issued vide Notification No:.

That the information furnished hereinafter is correct to the best of my knowledge and belief and I undertake to produce relevant records before the procuring agency (ies) for the purpose of assessing the domestic value addition.

That the domestic value addition for all inputs which constitute the said iron & steel products has been verified by me and I am responsible for the correctness of the claims made therein.

That in the event of the domestic value addition of the product mentioned herein is found to be incorrect and not meeting the prescribed value addition criteria, based on the assessment of procuring agency (ies) for the purpose of assessing the domestic value addition, I will be disqualified from any Government tender for a period of 36 months. In addition, I will bear all costs of such an assessment.

That I have complied with all conditions referred to in the Notification No. _____wherein preference to domestically manufactured iron & steel products in Government procurement is provided and that the procuring agency (ies) is hereby authorized to forfeit and my EMD. I also undertake to pay the assessment cost and pay all penalties as specified in the tender document.

I agree to maintain the following information in the Company's record for a period of 8 years and shall make this available for verification to any statutory authority.

i. Name and details of the Bidder

(Registered Office, Manufacturing unit location, nature of legal entity)

ii. Date on which this certificate is issued
iii. Iron & Steel Products for which the certificate is produced
iv. Procuring agency to whom the certificate is furnished
v. Percentage of domestic value addition claimed and whether it meets the threshold value of domestic value addition prescribed
vi. Name and contact details of the unit of the manufacturer(s)
vii. Net Selling Price of the iron & steel products
viii. Freight, insurance and handling till plant
ix. Listandtotalcostvalueofinputsteel(imported)usedtomanufacturetheiron &steelproducts
x. List and total cost of input steel which are domestically sourced
xi. Please attach value addition certificates from suppliers, if the input is not in-house.
xii. For imported input steel, landed cost at Indian port with break-up of CIF value, duties & taxes, port handling charges and inland freight cost.

For and on behalf of_____(Name of firm/entity)

Authorized signatory (To be authorized by the Board of Directors)
<Insert Name, Designation and Contact No.>

Annexure 13

Excise Duty: (this clause is applicable only for the items which are still under the purview of Excise duty)

1.0 If purchaser is required to reimburse the Excise Duty separately, tenderers shall clearly indicate the specific percentage of Excise Duty that shall be applicable in the relevant field of 'Financial Rate Page for Supply' form.

1.1 Excise duty options-

a. If reimbursement of Excise Duty is intended as extra over the quoted prices, the tenderers must use the drop down menu in the 'Financial Rate Page for Supply' form and select 'Maximum Applicable' option in the Excise Duty Type field on the 'Financial Rate page', and also quote the maximum percentage of Excise Duty that may be claimed in the E.D. Maximum Applicable (%) field. Alternatively, in case specific amount of Excise Duty is applicable per unit, the tenderer may quote specific Excise Duty by choosing the 'Specific ED Maximum Applicable' option.

In such cases, the offers shall be evaluated on the basis of maximum rate of ED applicable, as quoted by the tenderer in the relevant field, on the date of tender opening. However, ED will be reimbursed at actual (on production of documentary evidence of payment of ED) and within the upper ceiling of the maximum ED rate considered for evaluation purpose.

N.B.: If any concession on Excise duty is available to the tenderer at the time of submitting offers, which may be reduced or withdrawn, and the tenderers wish that actual ED at the time of supply should be reimbursed, then they should clearly quote with maximum percentage of statutory ED that can become applicable. Similarly, if the excise duty rate may increase due to increase in turnover, the tenderer shall indicate the maximum rate of excise duty which may become applicable.

b. If quoted rate is inclusive of ED, the tenderers must use the drop down menu and select 'Inclusive' option in the Excise Duty Type field on the 'Financial Rate Page for Supply' form. Alternatively, in case specific amount of Excise Duty is applicable per unit, the tenderer may choose the 'Specific ED Inclusive' option. In such cases, the tenderer shall also mention the percentage or amount of Excise Duty that has been included in the quoted rate in the 'Remarks' field on the 'Financial Rate Page for Supply' form, and If it is not done so, then, the offer will be taken as inclusive of ED at the highest rate of ED applicable for the item. Nothing extra shall be payable in such cases on account of Excise Duty, except on account of Statutory Variation, wherever permissible as per contract conditions. However, in case a lower rate of Excise Duty becomes applicable at the time of supply, the purchaser shall be entitled to recover from the supplier the difference in amount on account of such reduction in Excise Duty.

If a tenderer chooses to quote price inclusive of excise duty, it will be presumed that the excise duty so included is firm unless he has clearly indicated the rate of excise duty and quantum of excise duty included in his price and also sought adjustment on account of statutory variation in excise duty.

c. In case the tenderer selects 'Nil' or 'Not applicable' option in the Excise Duty Type field, nothing extra shall be payable by the purchaser on account of Excise Duty.

1.2 The tenderers should indicate in their offer whether they are registered with Excise authorities for availing CENVAT or not. If they are availing CENVAT, they should take into account the entire credit on inputs available under CENVAT Scheme while quoting the price and furnish a declaration to this effect along with a confirmation that any further benefit available in future on account of CENVAT will be passed on to the purchaser.

1.3 No claim on account of statutory variation will be accepted unless the tenderer has clearly indicated the rate of excise duty in his offer, and has also sought adjustment on account of statutory variation in excise duty. Statutory variation in Excise duty will be admissible within the original delivery period only, subject to statutory variation clause being a part of the Contract, and subject to production of documentary evidence and Govt. Notifications.

1.4 PAYMENT OF ED AND EXCISE DUTY- MODVAT RULES.

a) The purchaser will not be responsible for payment of taxes and duties paid by the supplier under misapprehensions of law or misclassification and in such cases even if the suppliers bill contain an element of tax or duty which is not payable by the purchaser, such payment would be disallowed.

b) The claim for ED on each bill should be supported by the following certificates.

i) The rate of ED is advalorem. The ED at present legally leviable in this case is Rs i.e ----on Rs -----being the unit value of the Stores assessed by the concerned authority of the Excise department.

ii) Certified that the ED charged on this bill is not more than that legally leviable and payable under the provision of the relevant act or rules made there under.

c) Certified that the amount of Rs claimed as ED in this bill is in accordance with the provision of the rules in all respects and the same has been actually paid to the excise authorities in respect of the stores covered by the bills.

d) Quarterly certificate to the effect that no refund of ED already reimbursed against this contract has been obtained during the quarter ending. In the event of any such refund being obtained by the seller, the same should be passed on to the purchaser.

e) **MODVAT CERTIFICATE: -** The tenderers will have to give the

following certificates in their offer:-

"We hereby declare that in quoting the above price, we have taken into effect, the full effect of the duty set-off on 'Central excise and counter veiling duties' available under the existing MODVAT scheme. We further agree to pass on such additional duties and set off as may become available in future in respect of all the inputs used for the manufacture of the final product, on the date of the supply under MODVAT scheme, by way of reduction in price and advise the purchaser accordingly."

1.5 North Central Railway will not reimburse any Excise duty paid by the supplier due to misclassification.

2.0 Sales Tax/VAT: this clause is applicable only for the items which are still under the purview of sales tax/VAT

2.1 If reimbursement of Sales tax/VAT is intended as extra over the quoted prices, the tenderers must use the drop down menu in the relevant field and select CST Extra, LST Extra or VAT Extra options in the Sales Tax field on the 'Financial Rate Page for Supply' form, and also quote the percentage of Sales Tax/VAT that is required to be reimbursed by the purchaser. In the absence of any such stipulation, no claim on account of Sales Tax/VAT will be entertained after the opening of tender.

2.2 While quoting the rates, tenderer shall pass on (by way of reduction in prices) the set off/input tax credit that would become available to them by switching over to the system of VAT from the existing system of Sales Tax, duly stating the quantum of such credit per unit of the item quoted for, which has been availed and passed on to the purchaser in the rates submitted.

2.3 The tenderers while submitting the tenders shall give the following declaration."We agree to pass on such additional set

off/input tax credit as may become available in future under the VAT scheme in respect of all the inputs used in the manufacture of the final product on the date of supply, by way of reduction in price and advise the purchaser accordingly."

2.4 The suppliers while claiming the payment for the supplies made will furnish the following certificate to the paying authorities;"We hereby declare that additional set offs/input tax credit to the tune of Rs.----- has accrued and accordingly the same is being passed on to the purchaser and to that effect the payable amount may be adjusted." This certificate shall be furnished even for contracts where CST is payable.

2.5 Provincial or inter-state central sales tax where leviable and intended to be claimed from purchaser should be separately indicated along with the quoted price. As per Taxation Laws (Amendment) Act, 2007 amending the CST act, 1956, Form-D for concessional sales tax for Government purchases is not being issued w.e.f. 01.04.07.

2.6 No claim on account of statutory increase in Sales Tax/VAT will be accepted unless the tenderer has clearly indicated the rate of Sales Tax/VAT in his offer, and has also sought adjustment on account of statutory variation in Sales Tax/VAT. Statutory variation in Sales Tax/VAT will be admissible within the original delivery period only, subject to indication of the same in the Contract, and subject to production of documentary evidence and Govt. Notifications.

Annexure-14

Calculation of Local Content

Name of manufacturer	Calculation of Manufacturer (Cost per unit of product)		
	Cost (Domestic Component) a	Total Cost b	Percentage of Local Content C=(a/b)*100
I. …. II. …. III. …. Total Cost(Excluding tax and duties)			

Note:

I. Cost (Domestic Component): Cost of domestic component may be calculated based on one of the followings depending on data available. Each of these calculations should provide consistent result.

a. Sum of the costs of all inputs which go into the product (including duties and taxes levied on procurement of inputs except those for which credit/ set-off can be taken) and which have not been imported directly or through a domestic trader or an intermediary.

b. Ex-Factory Price of product minus profit after tax minus sum of imported Bill of Material used (directly or indirectly) a inputs in producing the product (including duties and taxes levied on procurement of inputs except those for which credit/ set-off can be taken) minus warranty costs.

c. Market price minus post-production freight, insurance and other handling costs minus profit after tax minus warranty costs minus sum of imported Bill of Material used as inputs in producing the product (including duties and taxes levied on procurement of inputs except those for which credit / set-off can be taken) minus sales and marketing expenses.

II. Total Cost: Total cost may be calculated based on one of the following depending on data available. Each of these calculations should provide consistent result.

a. Sum of the costs of all inputs which go into the product (including duties and taxes levied on procurement of inputs except those for which credit / set-off can be taken).

b. Ex-Factory Price of product minus profit after tax, minus warranty costs.

c. Market price minus post-production freight, insurance and other handling costs minus profit after tax, minus warranty costs minus sales and marketing expenses.

Annexure-15

Format for Affidavit of Self Certification regarding Local Content in a Medical Device to be provided on Rs, 100/- Stamp Paper

Date:_____

I _____ S/o,D/o,W/o _____,
Resident of _____
do hereby solemnly affirm and declare as under:

That I will agree to abide by the terms and 6onditions of the policy of Government of India issued vide Notification No:

That the information furnished hereinafter is Correct to best of my knowledge and belief and I undertake to produce relevant records before the procuring entity or any -authority nominated by the Department of Pharmaceuticals, Government of India for the purpose of assessing the local content.

That the local content for all inputs which constitute the said medical device has been verified by me and I am responsible for the correctness of the claims made therein.

That in the event of the domestic value addition of the product mentioned herein is found to be incorrect and not meeting the prescribed value-addition norms, based on the assessment of an authority so nominated by the Department 1 of Pharmaceuticals, Government of India for the purpose of assessing the local content, action will be taken against the as per Order No. P-45021/2/2017-B.E.-II dated 15.06.2017 and Guidelines issued vide letter no. 31026/36/2016- MD dated 18.05.2018.

I agree to maintain the following information, in the Company's record for a period of 8 years and shall make this available for verification to any statutory authority:

i) Name and details of the Domestic Manufacturer (Registered Office, Manufacturing unit location, nature of legal entity)
ii) Date on which this certificate is issued
iii) Medical devices for which the certificate is produced
iv) Procuring entity to whom the certificate is furnished
v) Percentage of local content claimed
vi) Name and contact details of the unit of the manufacturer
vii) Sale Price of the product
viii) Ex-Factory Price of the product
ix) Freight, insurance and handling
x) Total Bill of Material
xi) List and total cost value of inputs used for manufacture of the medical device

xii) List and total cost of inputs which are domestically sourced. Value addition certificates from suppliers, if the input is not in- house to be attached.

xiii) List and cost of inputs which are imported, directly or indirectly

For and on behalf of (Name of firm/entity) Authorized signatory (To be duly authorized by the Board of Director)

Annexure 16

Bid securing declaration to be signed by bidders availing exemption from submission of EMD

"I/we certify that my/our offer is eligible for exemption from submission of bid security/Earnest Money Deposit, in terms of the tender conditions.
In case my/our claim to exemption from submission of bid security/Earnest Money Deposit is not found valid as per the terms of the tender, I/we understand and accept that Railways has unquestionable right to summarily reject my bid and my offer shall not be considered for ordering. Further, I/we hereby understand and accept that if I/we withdraw or modify my/our bids during the period of validity, or if I/we are awarded the contract and on being called upon to submit the performance/Security Deposit, fail to submit the performance security/ Security deposit before the deadline defined in the request for bid document/ Notice Inviting Tender, I/we shall be debarred from exemption of submitting Bid Security/ Earnest Money Deposit and performance security/ Security Deposit for a period of 6 (six) months, from the date I/we are declared disqualified from exemption from submission of EMD/SD, for all tenders for procurement of goods issued by any unit of Indian Railways published during this period."

For and on behalf of (Name of firm/entity)

Annexure 17

(Deleted)

ANNEXURE 18

Competent Authority and Procedure for Registration

A. The Competent Authority for the purpose of registration under this Order shall be the Registration Committee constituted by the Department for Promotion of Industry and Internal Trade (DPIIT)*.

B. The Registration Committee shall have the following members*: i. An officer, not below the rank of Joint Secretary, designated for this purpose by DPIIT, who shall be the Chairman; ii. Officers (ordinarily not below the rank of Joint Secretary) representing the Ministry of Home Affairs, Ministry of External Affairs, and of those Departments whose sectors are covered by applications under consideration; iii. Any other officer whose presence is deemed necessary by the Chairman of the Committee.

C. DPIIT shall lay down the method of application, format etc. for such bidders as stated in para .1 of this Order.

D. On receipt of an application seeking registration from a bidder from a country covered by para 1 of this Order, the Competent Authority shall first seek political and security clearances from the Ministry of External Affairs and Ministry of Home Affairs, as per guidelines issued from time to time. Registration shall not be given unless political and security clearance have both been received.

E. The Ministry of External Affairs and Ministry of Home Affairs may issue guidelines for internal use regarding the procedure for scrutiny of such applications by them

F. The decision of the Competent Authority, to register such bidder may be for all kinds of tenders or for a specified type(s) of goods or services, and may be for a specified or unspecified duration of time, as deemed fit, The decision of the Competent Authority shall be final.

G. Registration shall not be granted unless the representatives of the Ministries of Home Affairs and External Affairs on the Committee concur'.

H. Registration granted by the Competent Authority of the Government of India shall be valid not only for procurement by Central Government and its agencies/ public enterprises etc. but also for procurement by State Governments and their agencies! public enterprises etc. No fresh registration at the State level shall be required.

I. The Competent Authority is empowered to cancel the registration already granted if it determines that there is sufficient cause. Such cancellation by itself, however, will not affect the execution of contracts already awarded. Pending cancellation, it may also suspend the registration of a bidder, and the bidder shall not be eligible to bid in any further tenders during the period of suspension.

J. For national security reasons, the Competent Authority shall not be required to give reasons for rejection / cancellation of registration of a bidder.

K. In transitional cases falling under para 3 of this Order, where it is felt that it will not be practicable to exclude bidders from a country which shares a land border with India, a reference seeking permission to consider such bidders shall be made by the procuring entity to the Competent Authority, giving full information and detailed reasons. The Competent Authority shall decide whether such bidders may be considered, and if so shall follow the procedure laid down in the above paras.

L. Periodic reports on the acceptance/ refusal of registration during the preceding period may be required to be sent to the Cabinet Secretariat. Details will be issued separately in due course by DPIIT,

'Note: i. In respect of application of this Order to procurement by/ under State Governments, all functions assigned to DPIIT shall be carried out by the State Government concerned through a specific department or authority designated by it. The composition of the Registration Committee shall be as decided by the State Government and paragraph G above shall not apply. However, the requirement of political and security clearance as per pare D shall remain and no registration shall be granted without such clearance. Registration granted by State Governments shall be valid only for procurement by the State Government and its agencies/ public enterprises etc. and shall not be valid for procurement in other states or by the Government of India and their agencies/ public enterprises etc.]

ANNEXURE 19

Certificate for Compliance of OM of MoF dated 23.07.2020

"I have read the clause regarding restrictions on procurement from a bidder of a country which shares a land border with India; I certify that this bidder is not from such a country or, if from such a country, has been registered with the Competent Authority. I hereby certify that this bidder fulfills all requirements in this regard and is eligible to be considered. [Where applicable, evidence of valid registration by the Competent Authority shall be attached.]"

ANNEXURE 20

भारत सरकार Government of India
रेल मंत्रालय Ministry of Railways
रेलवे बोर्ड (Railway Board)

आज़ादी का अमृत महोत्सव

Azadi Ka Amrit Mahotsav

No. 2022/RS(G)/779/7(3390005) Dated: 17.10.2022

The General Managers, All Indian Railways/PUs, NF(C), CORE
DG, RDSO/Lucknow, NAIR/Vadodara
PCAO, PLW/Patiala, COFMOW
CAO, WPO/Patna, RWP/ Bela

Sub: Handling of Warranty Rejections

Ref: Railway Board's letter No.2000/RS(G)/379/2 dated 07.08.2015 and 18.01.2018.

Background

Consolidated instructions on handling of warranty rejections were issued vide Railway Board's letter no.2000/RS(G)/379/2 dated 07.08.2015 and 18-01-2018. These instructions primarily stipulate linking of warranty rejections to the concerned supplying stores depot and relevant purchase orders by the user and arrange for warranty replacements duly conducting joint inspections with pre-inspection agency and the firm.

Review of Warranty Management system indicated practical difficulties in efficient handling of several of warranty issues, centralized database, monitoring of warranty settlement, resultant deterrent actions and system improvements. The system of handling warranty rejections is largely manual and whatever computerization is there, it is on separate systems which are not fully equipped to handle warranty rejections end-to-end, and are not integrated. Also, the policy did not cater for many scenarios which are encountered while dealing with the warranty rejections e.g. warranty rejections of components of Rolling Stocks supplied by Private/Govt/Railway units, cases where PO/stores depot/User depot is not linked, epidemic failures, inefficient marking on the items for linking of items to vendor/purchase orders, warranty claims by users, communication of warranty period to end user ertc

Under this background, the consolidated policy instructions on warranty rejection handling including an Online Integrated Warranty Management System over IR, covering entire warranty management landscape to include all types of warranty failures, including epidemic failures, keeping in view practical field conditions for implementation are being issued in this circular. This circular supersedes earlier circulars on the subject.

1. **Digitisation of Warranty Management System**

   i. The entire Warranty Management System shall be digitized and made paperless.

   ii. The existing maintenance Applications viz CMM, FMM, WISE, SLAM, PUs local system, etc. shall be integrated with UDM/ IMMS/IREPS for seamless transfer of required data. A provision shall be made on these platforms to facilitate end uses to register warranty complaints. Duplicate feeding on UDM is to be avoided. All systems dealing with warranty rejection of vendor and their response should have provision of uploading/attaching documents.

   iii. Provision shall be made on IREPS for the vendors to input dispatch details such as batch number, serial number, major sub component of the item, date of manufacturing (in MM/YYYY), expiry date (wherever applicable), manufacturer's marking, make/Brand, etc. against the Purchase Orders for each consignee. These details would be passed to iMMS/UDM and reflected in DRR/R-Note/CRN generated on iMMS/UDM and for indicating the same while issuing the materials through Issue Notes. Inspecting Agencies shall also indicate these details explicitly in the Inspection Certificate. End Consignee receiving the material from the vendor will verify these details at the time of receipt of material and explicitly indicate the same in iMMS/UDM.

   iv. Warranty period shall be captured in digital form as stated in Para 4 of this letter.

   v. Centralized Recovery Register shall be digitized & maintained in IPAS and linked with iMMS/UDM for seamless both-ways data flow between these applications for recovery.

   vi. The Warranty Rejections of vendors and their responses shall be linked with Unified Vendor Approval Module (UVAM). Cognizance of these warranty rejections of vendors shall be taken for reviewing the Approval of vendors by vendor approving authorities.

   vii. Cognizance of these warranty rejections of vendors shall be taken by the procuring authorities in deciding the tender cases.

2. Materials are rejected under warranty in the following situations:

   (A) Material rejected was issued to the user (shop/shed etc) from its attached Stores Depot or attached User Depot (both Stock & Non-stock).

   (B) Material rejected was received from a PU or a Stores Depot or a User Depot which is not the attached depot of the end user including that received directly through centralized procurement (both Stock & Non-stock).

   (C) Material was rejected in the field and was fitted at some other Workshop/Shed/Depot. Material either received or fitted through Supply Contract, Works Contract or Service Contract or any other type of contracts (both Stock & Non-stock).

   (D) Failure of components of Rolling Stocks received from Railway PUs/ PSUs/ Workshops/ Private Manufacturers

The Methodology of handling these rejections are dealt with below:

(A) For Warranty rejection in Shop/Shed etc where rejected material was issued from its attached Stores Depot or attached User Depot (both Stock and Non-stock items)-

i. In case the material was accounted for in Stores Depot in iMMS after receipt from vendor, end-user shall register the warranty complaints with reasons and other details, as required, on the

systems like CMM/FMM/WISE/SLAM/MU etc. available with them & electronically transfer such data to UDM through integrated system or shall register the warranty complaints directly in UDM (as convenient and practical for the end- user) and issue "Advice Note" of returned stores on UDM with the approval of competent authority (Gazetted Officer) to return the rejected material to attached Stores Depot for issuing "Warranty Rejection Advice" (i.e. warranty claims lodging) by attached Stores Depot.

However, in case the material was accounted for in User Depot in UDM after receipt from the vendor, there is no need for issuing "Advice Note" & to return the rejected material to attached Stores Depot.

"Warranty Rejection Advice" (i.e. warranty claims lodging) shall be issued to the firm with the approval of gazetted officer of the end consignee of attached Stores Depot/ User Depot (depending upon where rejected material was accounted for after receipt from vendor) on iMMS/UDM after getting the warranty rejected material from end-user.

Before, issuing the "Warranty Rejection Advice", the concerned user of iMMS/UDM & gazetted officer shall satisfy himself about the availability of the rejected material, correctness of PO (Purchase Order) and applicability of warranty period and ensure that other details including reason(s) for warranty rejection are genuine as per specification, drawing and terms and conditions of the Contract. This should be decided within 15 days.

ii. Rejected material shall be taken out from the ledger of Stock-Holder in iMMS/UDM (as the case may be). The "Warranty Rejection Advice" shall be issued on iMMS/UDM by attached Stores Depot/ User Depot to all concerned i.e. firm, purchaser, pre-inspecting agency, vendor approving agency, paying authority etc. as per the contract- without fail.

iii. In the Warranty Rejection Advice, the vendor shall be called upon for replacement of rejected stores or for deposition of equivalent amount of rejected material, within a period of 60 days from the date of Warranty Rejection Advice. Date of issue of Warranty Rejection Advice by gazetted officer to be taken as date of Warranty Rejection Advice.

iv. It shall be ensured that initiation of warranty complaint by user and issue of Warranty Rejection Advice in UDM/iMMS is not delayed by concerned officials/officers and warranty rejection advice should be issued within 15 days of detection of warranty complaint. However, if the warranty complaint is detected within warranty period, the "Warranty Rejection Advice" must be issued within warranty period.

On issue of "Warranty Rejection Advice", the "Warranty Rejection Register" should automatically get updated.

v. On getting the "Warranty Rejection Advice", the inspecting agency shall take suitable action against the inspecting officials and ensure necessary corrective actions; duly informing the Officer who has approved the "Warranty Rejection Advice". Recovery of inspection charges from the concerned inspecting agency for the rejected item(s) shall be made by any Bill Paying Authority across IR on pro-rata basis for the quantity and as per the rate of inspection charges for the inspection agency. Claim for recovery of inspection charges against the concerned 3rd party inspecting agency (like RITES etc.) shall automatically get noted into "Centralized Recovery Register" maintained in IPAS on the basis of "Warranty Rejection Advice"; which shall specifically mention the name of inspecting agency. After recovery of inspection charges by any Bill Paying

Authority, "Centralized Recovery Register" w.r.t. recovery of inspection charges to be automatically updated in IPAS to that extent so as to avoid multiple recoveries of inspection charges by different Railways and communicate the recovered amount to iMMS/ UDM.

vi. Any Bill Paying Authority across IR shall withhold the payment of equivalent amount of rejected material through "Centralized Recovery Register" from firm's Bill(s) at the earliest, till the full amount is withheld and the same shall be released only after disposal/closure/settlement of the warranty claim or deposition of equivalent amount of rejected material or after recovery, whichever is earlier. After withholding of amount by any Bill Paying Authority, "Centralized Recovery Register" to be automatically updated in IPAS to that extent so as to avoid multiple withholdings by different Railways and communicate the withheld amount to iMMS/ UDM.

vii. Firm shall be allowed to collect the rejected materials only after deposition of payments already made by Railway (if any) to them or after recovery of equivalent amount by Accounts or against replacement quantity. Rejected material should be suitably defaced before handing-over to the firm to avoid re-use and necessary provision about digital capturing in respective modules may be done.

viii. Warranty Quantity Replacement-

a. Replacement of rejected quantity shall be made to the end consignee at the Stores Depot/User Depot which received the original supply from the firm.

b. The warranty quantity replacement will be supplied and accounted for in iMMS through R/Note & RO if "Warranty Rejection Advice" has been issued through iMMS. However, where "Warranty Rejection Advice" has been issued through UDM, the warranty quantity replacement will be supplied and accounted for in UDM through CRN. R-Note/CRN should be clearly marked as "Warranty Replacement CRN/R-Note, Not for Payment".

ix. Replaced/rectified material shall have warranty for the replaced/rectified goods till the original warranty period plus the time from the warranty rejection advice to material replacement/rectification.

x. Vendor would be permitted to lift the rejected material (subject to clause 2(A)(vii) above) "free of cost" within the period mentioned in Para 2(A)(iii) above. After this time, ground rent shall be applicable.

In cases where firm fails to lift the rejected material within the time period mentioned in para 3203 of IRS Condition of Contract, at the expiry of the period, no claim whatsoever shall lie against the Purchaser in respect of the said goods, which may be disposed of by the Purchaser in such manner as he thinks fit. Without prejudice to the generality of the foregoing, all the provisions in the Indian Railways Standard Conditions of Contract relating to the 'rejection of goods' and 'failure' and 'termination' add and Clause 3100-02 shall apply.

xi. In case disposal/closure/settlement of the Warranty Rejection Advice is not done by firm within the period of 60 days, Recovery Advice of equivalent amount of rejected material for which Warranty Claim has not been disposed/closed/settled shall be automatically sent from iMMS/UDM (depending upon from where Warranty Rejection Advice has been issued) to IPAS and the "Centralized Recovery Register" of IPAS shall be automatically updated for recovery. If any amount is already withheld against the "Warranty Rejection Advice", the same shall be treated as recovered amount and adjusted accordingly. For balance amount, any Bill Paying Authority across IR shall recover the amount mentioned in "Centralized Recovery Register" from firm's

Bill(s), if any. Paying Authorities should not delay the recovery and ensure recovery expeditiously. Even if the payable amount against a Bill and withheld amount are not enough for the full recovery against a Warranty Claim, the Paying Authority should proceed with partial recovery to the extent of payable amount against that Bill and balance recovery amount will remain in the "Centralized Recovery Register" for further recoveries from other Bill(s).

After recovery, the "Centralized Recovery Register" should be automatically updated immediately to avoid multiple recoveries by different Railways and communicate the recovered amount to IMMS/ UDM.

xii. Generally, no rejected quantity replacement/rectification should be allowed once recovery has been made by Accounts or the recovery amount has been deposited by vendor. While receiving fresh replacement supplies/allowing Re-inspection/Rectification/Amount deposition by vendor against Warranty Rejecton Advice after the period of 60 days, user in IMMS/UDM must ensure that these activities are allowed only to the extant the Claim amount has not been recovered by Railways. Once recovery of the warranty claim amount is made in IPAS/deposition by the firm, user will not be allowed to initiate process of receipt of fresh replacement supplies / Re-inspection / Rectification to the extent recovery of the Warranty Claim amount has been completed in IPAS/deposited by firm against Warranty Rejection Advice.

However, there may be some cases against a Warranty Rejection Advice like:

a. Fresh replacement supplies have been received before recovery but material taken into Ledger by user after recovery
b. Re-inspection or Rectification allowed before recovery but material taken into Ledger by user after recovery
c. Amount deposited by vendor before recovery but details of such deposition entered by user after recovery
d. Warranty Rejection Advice withdrawn altogether after recovery
e. Any other incidence like Court /Arbitration Judgement/Order etc. after recovery

In such cases, in all fairness; equivalent amount recovered has to be refunded to the vendor In case of (a) to (e) above, recovered inspection charges shall also be refunded to the inspection agency.

For such cases, the officer approving the Warranty Rejection Advice, with the approval of his officer next in hierarchy (minimum JA grade officer), can issue "Recovery Refund Letter" on iMMS/UDM on advice of the Stock Holder which shall be visible to all stake-holders including IPAS as well as vendor. Vendor may submit his Supplementary Bill on the basis of "Recovery Refund Letter" to the concerned Paying Authority which has deducted the refundable amount on-line or off-line; depending upon the case whether the Bill against which recovery has been made was submitted on-line or off-line. IPAS will pass-on information of all such refunds against a "Warranty Rejection Advice" to IMMS/UDM so that this information can be made available to all stake-holders. Necessary checks & balances should be provided in IPAS to ensure that vendor is not refunded the recovered amount more than the actual recovered amount or the amount mentioned in "Recovery Refund Letter".

xiii. **Inspection of Replacement Supply**- In line with IRS Conditions of Contract clause 0703, Vendor shall bear all cost of such replacement including freight, cost of inspection and inspection charges to inspecting agency, if any, on such replacing and replaced stores but without being entitled to any extra payment on that or any other account.

The replacement supply shall normally be inspected by the same inspection agency which inspected and passed the original supply. However, inspection clause for replacement of quantity rejected under warranty can be changed from 3rd Party Inspection (RITES/RDSO etc.) to Consignee Inspection with the approval of minimum JA grade level officer of the office issuing Warranty Rejection Advice, duly considering practicability of the case due to low quantity/value, criticality of the item, quality issues involved etc.

(B) For Warranty rejection in Shop/Shed etc of the material received from a PU or a Stores Depot or User Depot which is not the attached Depot of the end user including that received directly through centralized procurement (both Stock and Non-stock items)-

i. In such cases it may not be convenient for the end user to either return the material or communicate to the Stores Depot/User Depot (where the accountal of supply received from vendor was originally made). Thus, in all such cases, the warranty rejected material shall be kept in safe custody of the end user. End User shall register the warranty complaints with reasons and other details, as required, on the system like CMM/FMM/WISE/SLAM/MU etc. available with them and electronically transfer such data to UDM through integrated system or shall register the warranty rejections directly in UDM (as convenient and practical for the end-user). "Warranty Rejection Advice" (i.e. warranty claims lodging) shall be issued to the firm with the approval of gazetted officer of the end user on UDM after linking with PO, R/Note/CRN/Accountal Details.

Before, issuing the "Warranty Rejection Advice", the concerned user of UDM & gazetted officer shall satisfy himself about the availability of the rejected material, correctness of PO and applicability of warranty period and ensure that other details including reason(s) of warranty rejection are genuine as per specification, drawing and terms and conditions of the Contract

ii. The "Warranty Rejection Advice" shall be issued on UDM by End User to all concerned i.e. firm, purchaser, pre-inspecting agency (if known), vendor approving agency, paying authority etc without fail.

iii. Warranty Quantity Replacement-

a. Replacement of rejected quantity shall be made at the end of end user.

b. The warranty quantity replacement will be supplied and accounted for in UDM through CRN. The CRN should be clearly marked as "Warranty Replacement CRN, Not for Payment".

iv. Other provision shall be as per sub-Para (iii) to (xiv) of Para 2(A) above, except Para (viii) of 2(A)

(C) For Warranty rejections in the field where material rejected was fitted at some other Workshop/Shed/Depot- Material either received or fitted through Supply Contract or Works Contract or Service Contract (both Stock and Non-stock items)-

i. In such cases it may not be convenient for the end user to either return the material or communicate to the Stores Depot/User Depot (where the accountal of supply received from vendor was originally made) or to the concerned Workshop where items were fitted.

ii. Such case shall also be dealt as per Para 2(B) above.

(D) Warranty rejections of Rolling Stocks received from Railway PUs/PSUs/Workshops/Private Manufacturers and their components -

i. Rolling Stocks are manufactured by following agencies:

SN	Type of Rolling Stocks	Manufactured by
1	Wagons	Private Manufacturers, Railway PSU, Railway Workshop
2	Coaches	Railway PUs/PSUs/Private Manufacturers
3	Locomotives	
4	Train-Sets	
5	MEMU, DEMU, EMU etc.	

ii. Manufacturing Units of Rolling Stocks should provide the following details of all components/sub-assemblies used/fitted in that rolling stock to inspecting agency as well as consignee railway/end user. Inspecting agency, during inspection of Rolling Stock shall ensure digital capture/entry of this data into the respective digital platform.

a. Rolling Stock Number
b. Name of the Rolling Stock supplier
c. Contract number & Date against which Rolling stock supplied to Railway
d. Contact details of Rolling Stock Supplier
e. Name and address of component manufacturer and/or supplier.
f. Date of manufacture of component (MM/YYYY).
g. Inspecting agency for the component.
h. Inspection details of component
i. Warranty of component in months.
j. Vendor Approving agency of the component.
k. Batch/Product Marking, serial number etc of component.
l. Any further details to facilitate complete identification of the supplier of component by end user

iii. For individual components, all Rolling Stock Manufacturers/Suppliers shall be responsible to honour the warranty claims on the basis of warranty period of individual components instead of the entire rolling stock.

iv. The warranty settlement will be processed as per procedure as under

a. **Rolling stock is supplied by a private manufacturer or Railway/other PSUs-**

Warranty claim shall be lodged against Rolling Stock supplier.

This shall be same case as 2(B) above except that in case of items appearing in the approved vendor list of vendor approving agencies, information about such cases shall also be shared with vendor approving agencies.

Rolling Stock Supplier shall be the interface between Railway and component supplier. He has to organize the complete warranty settlement. Any action by the component supplier shall be at the specific direction and authority of Rolling Stock supplier.

b. **Rolling stock supplied by Railway PUs, Workshop-**

In all such cases, the warranty rejected material shall be kept in safe custody of the end user. End User shall register the warranty rejections with reasons of rejection and other details, as required, on the system like CMM/FMM/WISE/SLAM/MU etc. available with them & transfer such data to UDM or shall register the warranty rejections directly in UDM (as convenient and practical for the end- user).

The concerned Railway PU or Workshop shall replace the rejected component within 60 days from warranty rejection registration date at the end of concerned end User registering the warranty rejection either as a fresh supply by Railway PU/workshop or get it replaced/rectified through the component manufacturer/supplier whose supplies have been rejected.

Simultaneously, the Railway PU/Workshop shall raise the warranty claim by issuing "Warranty Rejection Advice" on UDM on concerned component manufacturer/supplier separately from their end as per the process detailed in Para 2(B) above.

3. **Rectification of the rejected stores-**

i. In case the vendor requests for rectification/repair of rejected stores in terms of Para 2, rectification/repair to be permitted in exceptional circumstances and only if the item can be effectively rectified/repaired at the user end and with specific prior approval of the officer next in hierarchy (minimum JA grade officer) to the gazetted officer issuing Warranty Rejection Advice. At the option of the Depot Officer/ officer of end-user (depending upon who has issued the "Warranty Rejection Advice"), rectification/repair of rejected stores by the firm shall be permitted within railway premises only.

ii. If firm requests to rectify/repair the rejected stores at its own premises, same shall be allowed only if the item has unique traceability to ensure that the rejected item cannot be supplied to any other consignee/user and if supplied, it can be traced. For taking out the rejected quantity for rectification/repair, equivalent value of rejected item shall be deposited by the firm.

iii. However, the rectification activity shall have to be completed within timelines given in sub-Para iii of case 2(A) from the date of issue of "Warranty Rejection Advice." After this, process for recovery shall be initiated.

4. **Linking the rejected stores with PO, R/note, warranty period etc –**

i. Marking of stores has been mandated as per Clauses 1103, 1302, and 2704 of IRS Condition of Contract, which must be ensured.

ii. Specification/drawing of the item should include conditions for marking of the item for establishing unique traceability of the item, accountability and performance monitoring of the item/supplier. Marking should be with manufacturer's name, lot/batch number, serial number, month and year of manufacture (in MM/YY format). If possible, Railways' purchase order number and date, consignee code, suppliers' IREPS vendor code and warranty period in number of months may also be included to have complete traceability. Drawing/specification must specifically indicate the types of acceptable marking mechanism/method. Marking method selection should be based on factors like item function, item geometry, type of surface, item size, operating environment, age/ life, criticality, cost, etc. Marking method prescribed in the drawing/specification should be good enough to ensure that unique traceability is possible for the lifecycle of the product and if not possible, at least up to the warranty period of the item.

iii. Direct Part Marking (DPM) for items shall be done based upon the criticality/cost/feasibility to have DPM of the item. The criticality/cost/feasibility shall be decided by the concerned Railway Board Directorates depending upon the nature of the item or/and its end use. This scheme will help in pin-pointing the responsibility, shall improve traceability, accountability and performance monitoring of the item and that of the supplier. Part Marking should be part of specification and should at least indicate manufacturer's name, lot/batch/item No., month, and year of manufacture in MM/YY format. If possible, Purchase Order number and date, consignee code, IREPS vendor code and warranty period in number of months may also be included. It shall be responsibility of the firm to develop a unique coding scheme/mechanism for ensuring traceability of its product. The firm shall intimate the same to the purchaser at the time of supply. In case it is not possible to have these details as part marking on the item, alternate marking scheme and its implementation may be decided by the concerned Directorates.

iv. Onus of marking and traceability as per purchase order shall be on vendor

v. The record of fitment of item shall be captured digitally on UDM and/or other applications / Maintenance Modules like CMM/FMM/SLAM/WISE/MU etc.

vi. Capturing Warranty Period digitally in unambiguous terms:

a. In terms of RB letter No. 78/RS(G)/777/1 dated 07/05/2004:

(i) Warranty Clause specified in the tenders should normally be same as that in IRS conditions of contract.

(ii) Wherever it is considered necessary to have Warranty Clause in technical specifications at variance with Warranty Clause in IRS conditions of contract, then technical department, while submitting the indents, and while providing the specifications, will advise clearly about applicable Warranty Clause for procurement to avoid problems at post contract stage.

(iii) While procuring the material, it should be ensured that the applicable Warranty Clause is specified in tender documents clearly and in unambiguous terms.

b. Warranty clause if at variance with IRS conditions of contract shall be a specific clause in the tender/PO and shall supersede warranty clause of IRS conditions of contract.

Else it should be mentioned in tender conditions that warranty as per IRS conditions of contract is applicable. Both should never be included in the tender.

c. A field of Warranty period for the item under procurement may also be indicated on IREPS while floating tender for the same

d. Data of warranty period should be captured in digital form in terms of number of months and should get reflected in tender, contract, Inspection Certificate and R/Note in digital form and should be known to the end-user.

e. During inspection/receipt of the item, inspecting Agency and material accepting authority shall ensure marking as per purchase order.

vii. While issuing the stores, "Issue Note" should be linked with warranty period in months, RO number, PO number/date and Depot Code as well, so that supply details and exact warranty period is known to consignee/end user.

viii. IMMS and UDM systems should be able to provide the complete supply details i.e. PO No./ Date, Vendor Name, Challan No./Date, warranty period etc. for the consignment to be rejected.

ix. Online provision shall be made for entering the complete details of item as per Para 1 (iii) above by the vendor at the time of dispatch and that should be captured on IMMS/UDM while accepting the material.

5. All efforts should be made to link the warranty rejected item with P.O. However, if it is not possible to link the PO, warranty period mentioned in drawing/specification shall be taken into consideration or if not mentioned therein, it shall be as per IRS conditions of Contract. In such cases the warranty period shall be applicable from the end of month next to manufacturing month mentioned on material (assuming that stores are supplied after inspection after 30/45 days from the actual date of manufacture).

5.1 The Warranty settlement in such cases shall be as per para 2(B) above, except following-

a. As PO details shall not be available, details of PO, R Note, CRN etc may not be included in Warranty Rejection Advice and other communications.

b. The value of rejected materials shall be decided on the basis of rate of component as per latest PO available.

c. If Inspecting Agency of the rejected store is not known, warranty rejection advice shall not be sent to inspecting agency and para 2(A)(v) shall not be applicable.

d. If Inspecting Agency of the rejected store is not known, the inspecting agency for the replacement supplies shall generally be as per the inspection policy followed for normal procurement or as per Para 2 (A-xiii) above.

6. **Authority to adjudicate the disputed warranty cases and authority to decide appeal-**

i. For all warranty rejection cases, the controlling officer of minimum JAG level of the office issuing 'Warranty Rejection Advice" shall be adjudicating the disputed cases. His decision shall be binding on all the parties.

ii. All the disputes, legal matters, etc. arising out of warranty claim shall be handled directly by the office issuing the "Warranty Rejection Advice".

7. **Handling Epidemic Failures-**

Any recurring/large scale rejections from a particular lot will lead to epidemic failure.

i. Whenever the quantity rejected anytime during the warranty period exceeds 5% of the total supplied lot against a particular contract, it will be considered as Epidemic Failure. However, in case of failures related to items which are extremely critical from safety consideration (like critical components or sub-parts of air brake system, wheel discs, axles, propulsion system etc.), RDSO/PU may pre-define a lower percentage for considering the occurrence of epidemic failure. This condition should be declared in the tender document for procurement of such items.

ii. Same steps as mentioned at para 2, as applicable, to be followed. However, instead of rejecting only defected quantity, entire lot should be rejected. Even if some quantity of such lot has been used/fitted, the same may also be identified and called back from service, to the extent possible, by the concerned technical department for issuing warranty rejection.

iii. Joint Inspection shall be conducted as per extant provisions.

iv. In case warranty rejection is established in joint inspection, the vendor shall replace entire lot (as available, refer point ii above) duly inspected by inspecting agency as per contract on his own expenses.

v. Replacement supply should be inspected by the same agency which has previously inspected the supplies.

vi. Epidemic failure is essentially considered as very poor quality performance and should be reflected on the performance of vendor/inspecting agency accordingly.

vii. Concerned Inspection /Quality monitoring/Vendor approving agencies should conduct root cause/failure analysis of the failure and QAP of vendor shall have to be re-validated. They should also suggest improvement in inspection methodology/Quality Assurance Plan to avoid failures.

8. In case the vendor disputes the Warranty Rejection as per Warranty Rejection Advice, representation from vendor should be sent through IREPS system to the officer issuing Warranty Rejection Advice within 7 days from the issue of Warranty Rejection Advice. In such case a joint inspection shall be organised by the officer issuing Warranty Rejection Advice for the grounds of warranty rejections mentioned in the Warranty Rejection Advice.

9. In all cases of warranty rejections where items are appearing in the approved vendor list of vendor approving agencies, information about such cases shall also be shared with vendor approving agency as per Para 1 (vi) above for performance monitoring and capability/capacity assessment/delisting/down gradation of the vendor and review of the design/specifications/STR if required. If required, based on merit of the case, Vendor approving agencies may take appropriate decision on suspension of inspection

10. Data of the warranty rejections shall be analysed item-wise and vendor-wise by the Quality monitoring/vendor approving agency to identify the areas for improvements in systems, processes and design/specification.
11. The recovered amount from the vendor should be credited in the same allocation of the end use in which the item was originally procured.
12. Since complete process is being considered for digitisation, procurements (including Railway Board procurements) which are not being done through iMMS, should also be done through iMMS and Contracts issued through iMMS.

NOTE:

For ease of understanding, a sample flow chart for case 2(A) is enclosed. Other cases (Case 2(B) to 2(D)) involve only minor modifications of the same. In case of any difference between this circular paras and flow chart, the circular para shall prevail.

CHANDAN KUMAR
2022.10.17 17:17:51 +05'30'

(Chandan Kumar)
Director Railway Stores/IC
Railway Board

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Sr. Prof. (Material Management), NAIR, Vadodara, ED (Stores), RDSO, Lucknow

Chief Commissioner, Railway Safety, Lucknow

Zonal Railway Training Institute, Sukadia Circle, Udaipur

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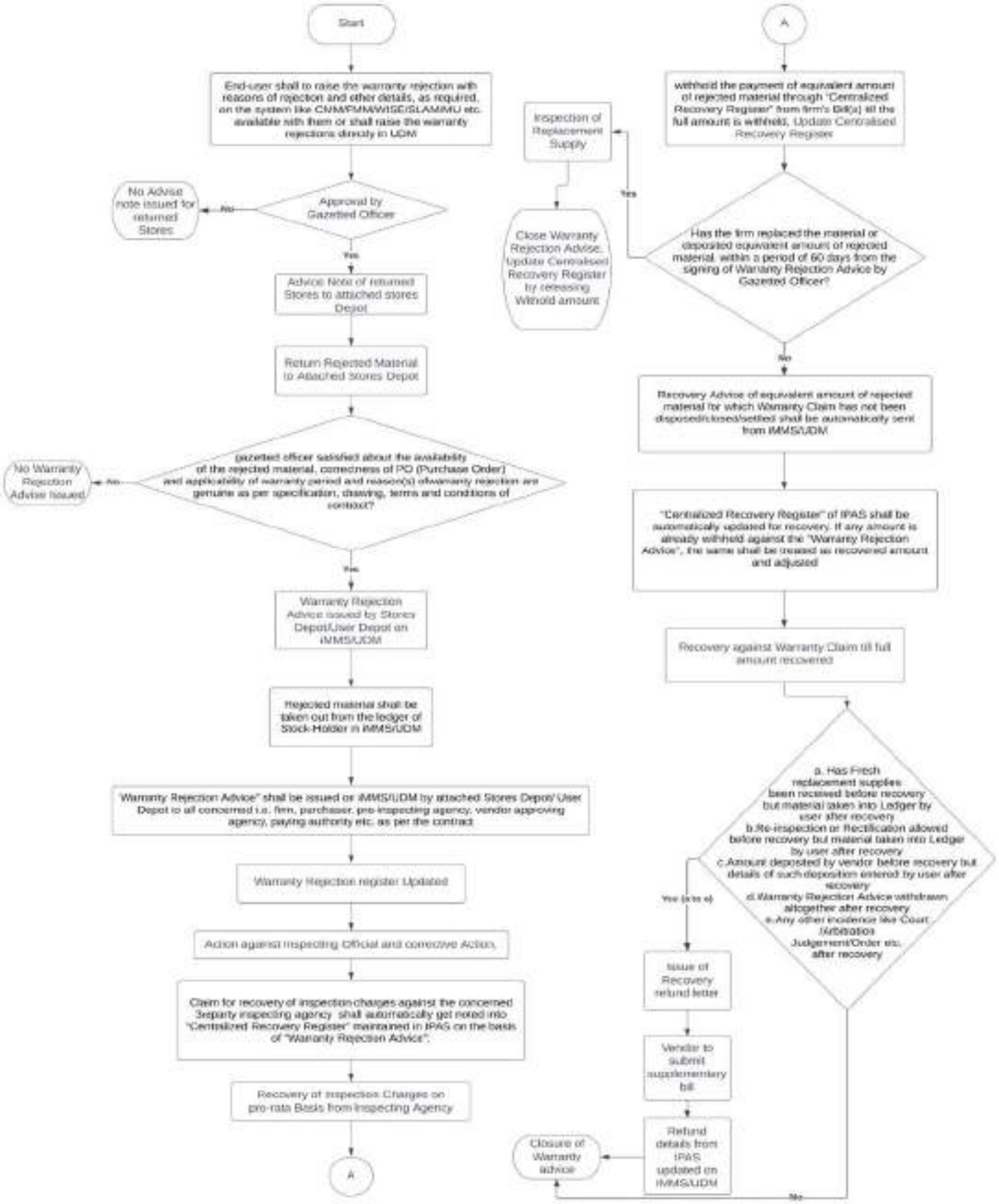
Advisor/MR, EDPG/MR, OSD/MR and CSD/Coord/MR

All AMs, PEDs & Executive Directors of Railway Board.

1543301/2025/O/o CMM/C/STORES/HQ/NCR

Flowchart for the processes (Case 2(A) of the circular) involved in Warranty policy: For Warranty rejection in Shop/Shed etc where rejected material was issued from its attachedStores Depot or attached User Depot (both Stock and Non-stock items)-
(OTHER CASES INVOLVE ONLY MINOR MODIFICATIONS)



ANNEXURE 21

Special condition for inspection

1. Attention of Tenderers/Bidders is invited to IRS conditions of contracts, which are the
governing conditions of contract. Particular attention is invited to IRS conditions 7.2 (c),
6.1 (a), 6.1 (b) and 6.1 (e), 6.2 to 6.9 &6.10 (a, b & c),

2. In terms of IRS conditions of contract, following specific provisions shall apply in cases
of supply of pre-inspected goods through empanelled TPI agencies:

2.1. Unless otherwise stated in the tender schedule, goods procured are required to be pre-inspected before dispatch by the Third Party Inspection (TPI) Agency appointed by Railways at its sole discretion. The TPI Agency appointed shall be indicated in the Purchase Order. It is agreed that Railway's right to appoint TPI Agency of its choice is absolute. Railway also reserves the right to change the TPI Agency at any time through issue of modification advice against the Purchase Order.

2.2. Online inspection call shall be placed by the Supplier on IREPS after the Goods are
ready for inspection.

2.3. In Purchase Orders requiring Stage Inspection, Suppliers shall place online inspection call for a particular stage after achieving readiness required at that stage duly mentioning the stage number. The Inspection for a particular stage shall be initiated only after Inspection has been carried out for all the previous stages, as may be applicable.

2.4. The Third Party Inspection Agency appointed by Railways shall examine the online inspection call and may, within 48 hrs (excluding national holidays), seek additional information, if any, from the Supplier. The Supplier shall within one calendar day (excluding Sundays and national holidays) furnish the required information/documents to the TPI Agency to enable them to register inspection call. In case of incomplete information even after providing opportunity to Supplier to furnish information, the call shall not be registered and Supplier shall be advised of observations through the online system to address the observations and place fresh inspection call. The inspection call may also be rejected by TPI Agency if sufficient time for carrying out the inspection and release of IC before end of delivery period is not available.

2.5. Supplier shall be allowed to withdraw inspection call placed, without any cost, before the inspection call has been registered by the Third-Party

Inspection Agency. Once the inspection has been scheduled by the TPI Agency, withdrawal of inspection call shall not be permitted.

2.6. Inspection fee/charges will be paid directly by Railways to Third Party Inspection Agencies.

2.7. However, charges/expenses specifically provided for in IRS Conditions of Contract, particularly in Para 6.4, 6.5, 6.6 and 4.6 of IRS conditions of contract, shall be borne by the Supplier.

2.8. Inspection charges paid or due to be paid by Railways to the TPI Agency shall be recovered from Suppliers in following cases:
2.8.1. In case of rejection of Goods during the pre-despatch inspection (including stage inspection rejection) by Third Party Inspecting Agency, the charges recovered shall be equal to inspection charges payable to inspecting agency as specified in Para 2.8.4 below.

2.8.2. When the Authorized Inspector of Third-Party Inspection Agency, on visit to Supplier premises for inspection, finds that Goods offered are not yet ready for inspection, Inspection call shall be cancelled by Authorized inspector by issuing call cancellation certificate. Similarly, in case of Stage Inspection, when the Authorized Inspector of Third Party Inspection Agency, on visit to Supplier premises for inspection, finds that readiness for Stage Inspection to be conducted has not been achieved, Inspection call shall be cancelled by Authorized inspector by issuing call cancellation certificate for Stage Inspection. The Call Cancellation Charges shall be recovered from Supplier as specified in para 2.8.4 below.

2.8.3. Inspection Certificate revalidation or re-inspection: If the Supplier fails to deliver the pre-inspected Goods as per the terms of the purchase order within the validity period of Inspection Acceptance Certificate, the TPI Agency, on request of Supplier, may, based on the merits of the case, decide to either re-validate the Inspection Acceptance Certificate or re-inspect the Goods against fresh inspection call to be placed by the Supplier. Decision of
the TPI agency in this respect shall be binding on the supplier. In such cases, the revalidation or re-inspection charges (as applicable) to be recovered from Supplier shall be as specified in para 2.8.4 below.

2.8.4. To summarize, following charges shall be recovered from Supplier

Situation	Charges to be recovered from Supplier (plus GST extra)
At the time of physical visit call is cancelled due to: Goods are not ready for inspection OR Goods, raw materials, components or	Y/2, subject to a maximum of Rs 11000/-

sub components, as the case may be, are not yet ready for inspection, in cases involving Stage inspection (Call Cancellation through issue of Call Cancellation Certificate)	
Goods, raw materials, components or sub components, as the case may be, rejected in Stage Inspection excluding the final Stage, in cases involving stage inspection	Y
Goods rejected in final Stage, in cases involving stage inspection	2Y
Goods rejected in inspection, in cases without stage inspection	Y
Inspection Certificate revalidation or re inspection	Scenario-1: Rs. 5000 or full inspection charges, whichever is lower for revalidation of Inspection certificate. Scnerio-2: In case re-inspection is done afresh, inspection charges to be recovered from Vendor shall be “Y”.

3. Applicable inspection charges in percentage of PO value and slab-wise is as under for information of Suppliers:

PO Value Slab	Inspection charges (X)
From Rs. 5 lakhs upto 1 Cr	0.5220 % + GST extra
Above Rs. 1 Cr up to 25 Cr	0.116 % +GST extra
Above Rs. 25 Cr up to 100 Cr	0.053 % +GST extra
Above Rs. 100 Cr up to 500 Cr	0.035 % + GST extra

Note-1:Purchase Order Value for the purpose of calculating the inspection charges shall mean total value of Goods ordered specifically indicated in the Purchase Order as total order value, and includes freight, packing, forwarding, taxes and duties etc. used in arriving at total order value but excludes any components or items not included specifically in calculation of total order value. The inspection charges shall be calculated using Value of Goods Inspected based percentage charges and GST applicable on inspection

charges for the corresponding PO Value Slab. For avoidance of doubt and as an illustration, if the PO Value for 100 Nos of Item A is Rs. 50 Lakhs and a lot consisting of 25 nos. is offered for inspection. The inspection charges for the lot being inspected shall be = (0.5220/100)x(25/100)x50,00,000 = Rs. 6525 only+ GST Extra.

Note-2: For inspection of Goods by Third Party Inspection Agency where Purchase Order
value is below Rs. 5 lakh, the inspection charges in such cases will be those applicable for PO valuing Rs. 5 Lakhs.

NOTE 3: For inspection of Goods by Third Party Inspection Agency where Purchase Order value is above Rs 500 Cr, the inspection charges in such cases will be fixed separately by the purchaser subject to maximum of 0.035 % + GST extra.

4. When pre-inspected Goods get rejected at consignee end joint inspection will be held as per procedure below. Moreover, in case of rejection of Goods on Joint Inspection, the replacement supply against the rejected lot of Goods shall normally be inspected by the same Third Party Inspection Agency, which inspected and passed the original supply, unless purchaser under special circumstances decides to get the lot inspected by some other inspection agency/consignee and decision of purchaser in this respect shall be binding on supplier.

5. Procedure for Joint Inspection:
(i) If Goods, pre-inspected by TPI Agency, gets rejected at consignee end after receipt by
consignee, the material rejection advice/rejection memo will be sent by consignee through
online system to all concerned i.e. Vendor, TPI Agency, Procuring Entity and Paying Authority and to such others as required.
(ii) Before rejected goods are returned to the supplier, the consignee after or at the time of
issue of rejection advice, at his discretion, shall call for a Joint Inspection between consignee, Vendor and TPI Agency. Such Joint Inspection shall be conducted at a place as mentioned in the notice for Joint Inspection.
(iii) The joint inspection is to be carried out by the consignee with the representatives of the inspecting agency
(iv) In case where either the firm or the representative of inspecting authority do not turn up for Joint Inspection, Joint Inspection shall be done with whosoever of the two is available. In case neither firm nor inspection agency attend, consignees' decision to accept or reject such goods shall be final and binding.
(v) A Joint Inspection report shall be signed by the Party(ies) attending the Joint Inspection. Failure to attend Joint Inspection shall not be an excuse to dispute the findings of Joint Inspection.

(vi) Irrespective of the outcome of Joint Inspection, the TPI Agency will not be entitled for any fee or charges, whatsoever, for attending such Joint Inspection. In case of rejection of
Goods on Joint Inspection, the TPI Agency shall not be entitled for inspection charges for the quantity of Goods rejected. The inspection charges, if and to the extent already paid, shall be recovered from the TPI Agency.

1543301/2025/O/o CMM/C/STORES/HQ/NCR

भारत सरकार
रेल मंत्रालय (रेलवे बोर्ड)
Government of India
Ministry of Railways
(Railway Board)

Annexure 22

No. 2022/RS(G)/779/7 (E3390005) नई दिल्ली New Delhi Dated: 26.10.2023

The General Managers, All Indian Railways/PUs, NF(C), CORE
DG/RDSO/Lucknow, NAIR/Vadodara,
PCAO, DMW/Patiala, COFMOW
CAO, WPO/Patna, RWP/ Bela.

Sub.: Handling of Warranty Rejections
Ref: Railway Board's letter of even number dated 17.10.2022

Vide letter under reference, the consolidated policy instructions on warranty rejection handling including an Online Integrated Warranty Management System over IR was issued for implementation.

In view of the experience gained with the implementation of the policy, it is decided to make amendments in the above referred policy circular as enclosed at **Annexure-I**..

CRIS shall make the system ready accordingly. Necessary action may be taken in this regard.

Encl: As above

26.10.23
(Chandan Kumar)
Director Railway Stores (IC)
Railway Board

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Advisor/MR, EDPG/MR, OSD/MR, OSD/Coord/MR and Addl PS/MR
All AMs, PEDs & Executive Directors of Railway Board

Annexure-I

Para	Existing	Changed to
2(A)(v).	On getting the "Warranty Rejection Advice", the inspecting agency shall take suitable action against the inspecting officials and ensure necessary corrective actions; duly informing the Officer who has approved the "Warranty Rejection Advice". Recovery of inspection charges from the concerned inspecting agency for the rejected item(s) shall be made by any Bill Paying Authority across IR on pro-rata basis for the quantity and as per the rate of inspection charges for the inspection agency. Claim for recovery of inspection charges against the concerned 3rd party inspecting agency (like RITES etc.) shall automatically get noted into "Centralized Recovery Register" maintained in IPAS on the basis of "Warranty Rejection Advice"; which shall specifically mention the name of inspecting agency. After recovery of inspection charges by any Bill Paying Authority, "Centralized Recovery Register" w.r.t. recovery of inspection charges to be automatically updated in IPAS to that extent so as to avoid multiple recoveries of inspection charges by different Railways and communicate the recovered amount to IMMS/ UDM.	**On getting "warranty rejection advice", inspection agency shall take suitable action for any system improvements required to improve inspection process.** Recovery of inspection charges from the concerned inspecting agency for the rejected item(s) shall be made by any Bill Paying Authority across IR **only in case of Epidemic Failures after holding Joint Inspection when it is established that such rejection has taken place due to failure attributable to the Inspecting Agency as per its role under the Purchase Order. In such cases, after joint inspection, "Inspection Charges Recovery Advice" shall be issued by officer issuing "warranty rejection advice".** Claim for recovery of inspection charges against the concerned 3rd party inspecting agency (like RITES etc.) shall automatically get noted into "Centralized Recovery Register" maintained in IPAS on the basis of **"Inspection Charges Recovery Advice"**; which shall specifically mention the name of inspecting agency and rate of inspection charges on pro-rata basis for the quantity rejected. After recovery of inspection charges by any Bill Paying Authority, "Centralized Recovery Register" w.r.t. recovery of inspection charges to be automatically updated in IPAS to that extent so as to avoid multiple recoveries of inspection charges by different Railways and communicate the recovered amount to IMMS/ UDM.
2(A)(vi).	Any Bill Paying Authority across IR shall withhold the payment of equivalent amount of rejected material through "Centralized Recovery Register" from firm's Bill(s) at the earliest, till the full amount is withheld and the same shall be released only after disposal/closure/settlement of the warranty claim or deposition of	Deleted

	equivalent amount of rejected material or after recovery, whichever is earlier. After withholding of amount by any Bill Paying Authority, "Centralized Recovery Register" to be automatically updated in IPAS to that extent so as to avoid multiple withholdings by different Railways and communicate the withheld amount to iMMS/ UDM.	
2(A)(viii) (c)	New Para	**Item/equipment supplied against a particular warranty claim should be used to close that warranty claim only. Any alternate use of the material can be done only with the written consent of the firm.**
2(A)(ix).	Replaced/rectified material shall have warranty for the replaced/rectified goods till the original warranty period plus the time from the warranty rejection advice to material replacement/rectification.	Replaced/rectified material shall have warranty for the replaced/rectified goods till the original warranty period plus the time from the warranty rejection advice to material replacement/rectification. **Record for the same shall be maintained by the system.**
2(A)(x).	Vendor would be permitted to lift the rejected material (subject to clause 2(A)(vii) above) "free of cost" within the period mentioned in Para 2(A)(iii) above. After this time, ground rent shall be applicable. In cases where firm fails to lift the rejected material within the time period mentioned in para 3203 of IRS Conditions of Contract, at the expiry of the period, no claim whatsoever shall lie against the Purchaser in respect of the said goods, which may be disposed of by the Purchaser in such manner as he thinks fit. Without prejudice to the generality of the foregoing, all the provisions in the Indian Railways Standard Conditions of Contract relating to the 'rejection of goods' and 'failure' and 'termination' add and Clause 3100-02	Vendor would be permitted to lift the rejected material (subject to clause 2(A)(vii) above) "free of cost" within the period mentioned in Para 2(A)(iii) above (i.e. 60 days from the date of Warranty Rejection Advice). After this time, ground rent shall be applicable. In cases where firm fails to lift the warranty rejected material within the time period mentioned in para 3203 of IRS Conditions of Contract (i.e. 3 months from the date of issue of warranty rejection advice by the gazetted officer), at the expiry of the period, no claim whatsoever shall lie against the purchaser in respect of the said goods, which may be disposed of by the Purchaser in such manner as he thinks fit. Without prejudice to the

	shall apply.	generality of the foregoing, all the provisions in the Indian Railways Standard Conditions of Contract relating to the 'rejection of goods' and 'failure' and 'termination' add and Clause 3100-02 shall apply. However, in case the material under warranty rejection is not lying in Railway premises but is running online or being actively used by Railways, this clause shall not be applicable.
2(A)(xi).	In case disposal/closure/settlement of the Warranty Rejection Advice is not done by firm within the period of 60 days, Recovery Advice of equivalent amount of rejected material for which Warranty Claim has not been disposed/closed/settled shall be automatically sent from IMMS/UDM (depending upon from where Warranty Rejection Advice has been issued) to IPAS and the "Centralized Recovery Register" of IPAS shall be automatically updated for recovery. **If any amount is already withheld against the "Warranty Rejection Advice", the same shall be treated as recovered amount and adjusted accordingly. For balance amount,** any Bill Paying Authority across IR shall recover the amount mentioned in "Centralized Recovery Register" from firm's Bill(s), if any. Paying Authorities should not delay the recovery and ensure recovery expeditiously. Even if the payable amount against a Bill **and withheld amount** are not enough for the full recovery against a Warranty Claim, the Paying Authority should proceed with partial recovery to the extent of payable amount against that Bill and balance recovery amount will remain	In case disposal/closure/settlement of the Warranty Rejection Advice is not done by firm within the period of 60 days, Recovery Advice of equivalent amount of rejected material for which Warranty Claim has not been disposed/closed/settled shall be automatically sent from IMMS/UDM (depending upon from where Warranty Rejection Advice has been issued) to IPAS and the "Centralized Recovery Register" of IPAS shall be automatically updated for recovery. Any Bill Paying Authority across IR shall recover the amount mentioned in "Centralized Recovery Register" from firm's Bill(s), if any. Paying Authorities should not delay the recovery and ensure recovery expeditiously. Even if the payable amount against a Bill are not enough for the full recovery against a Warranty Claim, the Paying Authority should proceed with partial recovery to the extent of payable amount against that Bill and balance recovery amount will remain in the "Centralized Recovery Register" for further recoveries from other Bill(s). After recovery, the "Centralized Recovery Register" should be automatically updated immediately to avoid multiple recoveries by different Railways and communicate the recovered amount to IMMS/ UDM.

	in the "Centralized Recovery Register" for further recoveries from other Bill(s). After recovery, the "Centralized Recovery Register" should be automatically updated immediately to avoid multiple recoveries by different Railways and communicate the recovered amount to IMMS/ UDM.	
2(A) (xii).	Generally, no rejected quantity replacement/rectification should be allowed once recovery has been made by Accounts or the recovery amount has been deposited by vendor. While receiving fresh replacement supplies/allowing Re-inspection/Rectification/Amount deposition by vendor against Warranty Rejection Advice after the period of 60 days, user in IMMS/UDM must ensure that these activities are allowed only to the extant the Claim amount has not been recovered by Railways. Once recovery of the warranty claim amount is made in IPAS/deposition by the firm, user will not be allowed to initiate process of receipt of fresh replacement supplies / Re-inspection / Rectification to the extent recovery of the Warranty Claim amount has been completed in IPAS/deposited by firm against Warranty Rejection Advice. However, there may be some cases against a Warranty Rejection Advice like: a. Fresh replacement supplies have been received before recovery but material taken into Ledger by user after recovery b. Re-inspection or Rectification allowed before recovery but material taken into Ledger by user after recovery	(a) Generally, there should not be any cases where warranty rejection is not disposed/settled/closed by the vendor within a period of 60 days. R-Note/CRN should be promptly issued in such cases within 60 days period only. Even if warranty is closed/disposed/settled at the fag end of 60 day period, efforts should be made to issue R-Note/CRN within 60 days period only so that no recovery is done. (b) Once recovery has been made by Accounts or the recovery amount has been deposited by vendor, replacement/rectification/re-inspection of the warranty rejected quantity should not be allowed after period of 60 days from date of issue of warranty rejection advice. While receiving fresh replacement supplies/allowing Re-inspection/Rectification by vendor against Warranty Rejection Advice after the period of 60 days, user in IMMS/UDM must ensure that these activities are allowed only to the extant the Claim amount has not been recovered by Railways. Once recovery of the warranty claim amount is made in IPAS/deposition by the firm, user will not be allowed to initiate process of receipt of fresh replacement supplies / Re-inspection / Rectification to the extent recovery of the Warranty Claim amount has been completed in IPAS/deposited by firm against Warranty Rejection Advice. (c) However, cases where due to extreme urgency affecting out-turn, operation etc it is in Railways' own interest to allow replacement/rectification/re-

	c. Amount deposited by vendor before recovery but details of such deposition entered by user after recovery d. Warranty Rejection Advice withdrawn altogether after recovery e. Any other incidence like Court /Arbitration Judgement/Order etc. after recovery In such cases, in all fairness, equivalent amount recovered has to be refunded to the vendor In case of (a) to (e) above, recovered inspection charges shall also be refunded to the inspection agency. For such cases, the officer approving the Warranty Rejection Advice, with the approval of his officer next in hierarchy (minimum JA grade officer), can issue "Recovery Refund Letter" on iMMS/UDM on advice of the Stock Holder which shall be visible to all stake-holders including IPAS as well as vendor. Vendor may submit his Supplementary Bill on the basis of "Recovery Refund Letter" to the concerned Paying Authority which has deducted the refundable amount on-line or off-line; depending upon the case whether the Bill against which recovery has been made was submitted on-line or off-line. IPAS will pass-on information of all such refunds against a "Warranty Rejection Advice" to iMMS/UDM so that this information can be made available to all stake-holders. Necessary checks & balances should be provided in IPAS to ensure that vendor is not refunded the recovered amount more than the actual recovered amount or the amount mentioned in "Recovery Refund Letter".	inspection after a period of 60 days from issue of warranty rejection advice, it may be permitted with the approval of SAG level officer of the officer issuing warranty rejection advice. In such cases "Recovery Refund Letter" should be issued by minimum JA Grade Officer of the office issuing Warranty Rejection Advice to the extent permission is granted and warranty rejection is disposed/settled/closed by the vendor. However, ground rent as per clause 2(A) (ix) above shall be applicable in such cases also. (d) "Recovery Refund Letter" shall also be issued by minimum JA Grade Officer of the office issuing Warranty Rejection Advice in the following cases: i. If warranty is closed/disposed/settled within 60 day period and R-Note/CRN is issued after 60 day period ii. Amount deposited by vendor before recovery but details of such deposit entered by user after recovery; iii. Warranty rejection advice withdrawn altogether after recovery; and iv. In other instances like court/arbitration judgment/order, etc. after recovery. v. cases where, inspite of issue of warranty rejection advice, the item under warranty rejection has been actively running online or being actively used by Railways due to practical considerations. However, firm should be advised to close the warranty as early as possible. In the normal course, such situations should not arise and should be exception only. (e) The vendor may submit his supplementary bill on the basis of "Recovery Refund Letter" to the concerned paying authority which has deducted the refundable amount online or offline depending upon the case whether the bill against which recovery has been made was submitted online or offline. (f) IPAS shall pass on information of such refunds against recovery refund order and

		warranty rejection advice to IMMS/UDM so that this information can be made available to all stakeholders. Necessary checks and balances should be provided in IPAS to ensure that vendor is not refunded a recovery amount more than recovery amount or the amount mentioned in recovery refund order. (g) However, if the recovery amount has been transferred by recovering railway to the Railway issuing warranty rejection advice, such information shall be passed on to all stakeholders by IPAS including to the vendor also to claim his refund. In such cases Supplementary bill shall be submitted to the railway where amount has been transferred.
2(A) xiv (a)	New para	Warranty Rejection Advice (Claim) Withdrawal: In case Claim issued for incorrect quantity/value or issued on some other vendor incorrectly or when Warranty is not admissible due to any reason, warranty rejection claim shall be withdrawn and "Warranty Rejection Advice (Claim) Withdrawal Letter" by minimum JA Grade Officer of the office issuing Warranty Rejection Advice, shall be issued for withdrawal of Warranty Claim.
2(A) xiv (b)	New Para	The status of lodged warranty claims due to failures not admissible as warranty claim due to any reason must be reviewed by Zonal Railways (JAG level officer as per para 6(i)) regularly for early resolution and withdrawal.
2(A) xiv (c)	New Para	Zonal Railways/PUs shall nominate a SAG level officer from each of the concerned user departments to regularly monitor the status of pending warranty claims , timely closure of warranty claims in cases where user has already confirmed the closure and disputed warranty rejection cases and ensure that these disputes are decided timely.

ANNEXURE-23

भारत सरकार Government of India
रेल मंत्रालय Ministry of Railways
रेलवे बोर्ड (Railway Board)

No. 2022/RS(G)/779/7 (E3390005) Dated: 21.08.2024

The General Managers, All Indian Railways/PUs, NF(C), CORE
DG/RDSO/Lucknow, NAIR/Vadodara,
PCAO, PLW/Patiala, COFMOW
CAO, WPO/Patna, RWP/ Bela.

Sub.: Handling of Warranty Rejections.

Ref.: i. Railway Board letter no. 2022/RS(G)/779/7(E3390005) dated 17.10.2022.
ii. Railway Board letter no. 2022/RS(G)/779/7(E3390005) dated 26.10.2023.

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Vide letter under reference (i) above, consolidated policy instructions on handling warranty rejections, including an Online Integrated Warranty Management System over IR, was issued for implementation. Certain amendments in the said policy circular were also issued vide letter under reference (ii) above. Railway Board has further received representations from Railways and suppliers for review of the instructions.

2. The matter has been examined in Board and in view of above, it is decided to make amendments to the above referred instructions as enclosed at Annexure-I.

3. CRIS shall make the system ready accordingly. Provision for joint note/ compliance of warranty obligation, should be on IREPS, to be initiated by the supplier and accepted by the Railway user. In case, representatives of inspecting agency participate in Joint Inspection, the same should also be recorded in joint note/ compliance report. Necessary action may be taken in this regard.

DA: As above

21.08.24

(Anurag Grover)
Dy. Director Railway Stores (G)
Railway Board
Email- ddrsg1@rb.railnet.gov.in
Tele- 011-23047529

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Sr. Prof. (Material Management), NAIR, Vadodara, ED (Stores), RDSO, Lucknow
Chief Commissioner, Railway Safety, Lucknow
Zonal Railway Training Institute, Sukadia Circle, Udaipur

Copy to:

The Genl. Secy., AIRF, Room No. 248, & NFIR Room No. 256-C, Rail Bhavan
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EDPG/MR, JDPG/MOSR(S), Sectt. of MOSR(R)
All AMs, PEDs & Executive Directors of Railway Board

Annexure-I to letter No. 2022/RS(G)/779/7 (E3390005) dated 21.08.2024

Para	Existing	Amended
2(A)(xii)	**Instruction dated 26.10.2023.** (c) However, cases where due to extreme urgency affecting out-turn, operation etc it is in Railways' own interest to allow replacement/ rectification/ re-inspection after a period of 60 days from issue of warranty rejection advice, it may be permitted with the approval of SAG level officer of the officer issuing warranty rejection advice. In such cases "Recovery Refund Letter" should be issued by minimum JA Grade Officer of the office issuing Warranty Rejection Advice to the extent permission is granted and warranty rejection is disposed/settled/closed by the vendor. However, ground rent as per clause 2(A) (ix) above shall be applicable in such cases also.	(c) However, cases where due to extreme urgency affecting out-turn, operation etc. it is in Railways' own interest to allow replacement/ rectification/ re-inspection after a period of 60 days from issue of warranty rejection advice, it may be permitted with the approval of **gazetted officer of minimum JAG level** of the office issuing warranty rejection advice. In such cases "Recovery Refund Letter" should be issued by **gazetted officer** of the office issuing warranty rejection advice to the extent permission is granted and warranty rejection is disposed/ settled/ closed by the vendor. However, ground rent as per clause 2(A) (ix) above shall be applicable in such cases also.
	Instruction dated 26.10.2023. (d) "Recovery Refund Letter" shall also be issued by minimum JA Grade Officer of the office issuing Warranty Rejection Advice in the following cases: i. If warranty is closed/ disposed/ settled within 60 day period and R-Note/CRN is issued after 60 day period ii. Amount deposited by vendor before recovery but details of such deposit entered by user after recovery; iii. Warranty rejection advice withdrawn altogether after recovery; and iv. In other instances like court/	(d) "Recovery Refund Letter" shall also be issued by **gazetted officer** of the office issuing warranty rejection advice in the following cases: i. If warranty is closed/ disposed/ settled within 60 day period and R-Note/ CRN is issued after 60 day period ii. Amount deposited by vendor before recovery but details of such deposit entered by user after recovery; iii. Warranty rejection advice withdrawn altogether after

	arbitration judgment/order, etc. after recovery. v. cases where, inspite of issue of warranty rejection advice, the item under warranty rejection has been actively running online or being actively used by Railways due to practical considerations. However, firm should be advised to close the warranty as early as possible. In the normal course, such situations should not arise and should be exception only.	recovery; and iv. In other instances like court/ arbitration judgment/ order, etc. after recovery. v. cases where, inspite of issue of warranty rejection advice, the item under warranty rejection has been actively running online or being actively used by Railways due to practical considerations. However, firm should be advised to close the warranty as early as possible. In the normal course, such situations should not arise and should be exception only.
2(D)(iv)(b)	**Instruction dated 17.10.2022.** **Rolling stock supplied by Railway PUs, Workshop-**	**Rolling stock supplied by Railway PUs, Workshop-** *(New sub para as follows to be appended to the existing para)* Closure of the warranty rejection shall be done by the end user. The office issuing warranty rejection advice shall be intimated of closure and action taken by end user and vendor. The intimation shall be through UDM/ IREPS/ IMMS. CRN/ Recovery Refund Letter shall also be issued by the end user. Competency of approval for permitting rectification beyond 60 days, as mandated in para 2 (A) (xii) (c), shall be with gazetted officer not below JAG level of the **office of end user.** The "Recovery Refund Letter" shall also be issued by a gazetted officer of **the end user**.
2 (A) xv	New Para	Timely issue of Warranty replacement CRN/ R-Note and Recovery Refund Letter are

		essential for efficient warranty management. Therefore following timelines shall be adhered to: i. Recovery Refund Letter, wherever required, shall be issued simultaneously with Warranty replacement CRN/ R-Note. ii. Warranty replacement CRN/ R-Note and Recovery Refund Letter (wherever required) shall be issued within 10 working days of compliance of warranty obligation by the supplier.

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Annexure 24 for Fall Clause

Declaration to be signed and submitted by the firm's executive while submitting Bill (for Fall Clause):

"I/We certify that there has been no reduction in sale price of the stores of description identical to the stores supplied to the Government under the contract herein no such stores have not been offered/sold by me/us to any person/organization including the purchaser or any Department of Central Government or any Railway Office or any Railway Undertaking as the case may be up to the date of bill, at a price lower than the price charged to the Government under the contract".

(Signature of the firm's executive)

Name of the Executive

Firm's Name & Seal