



EAST COAST RAILWAY

Indian Railways

Stores Department

Head Quarters, East Coast Railway, Bhubaneswar- 751017.

This document is applicable to tenders issued by Principal Chief Materials Manager, ECoR. The document consists of following and the special conditions of tender uploaded on IREPS website, if any:

Section I	Instructions to tenderers
Section II	General Conditions of Tenders
Section III	Annexures

Note :

1. All tenderers are required to go through the tender documents carefully before submitting their offers.
2. This tender complies with Public Procurement Policy Order -2017 revision dated 16.09.2020.

Principal Chief Materials Manager

Head Quarters, Rail Sadan, North Block,

East Coast Railway,Bhubaneswar-751017(INDIA).

FAX: 0674-2300497

Revised Tender Document Uploaded on : 23.12.2020.

SECTION-I

INSTRUCTIONS TO THE TENDERERS

1.0 General:

- 1.1 The Principal Chief Materials Manager(PCMM),East Coast Railway, Bhubaneswar-751017 on behalf of the President of India (hereinafter referred to as the Purchaser), duly authorised, invites e- tenders from established and reliable manufactures or their authorised agents for the supply of the items as set forth in the e-tender uploaded on IREPS website.
- 1.2 Tenderers are advised to carefully read all the instructions, the general and special conditions of tender, and Indian Railway Standard (IRS) Conditions of Contract before submitting the offer. By submission of offer with the tenderer's digital signature in the format of techno-commercial bid and financial rate of the IREPS website, hereinafter stated as e-tender form for brevity, it shall be construed that the tenderer has read, understood and accepted all conditions of the tender documents including all conditions uploaded for the tender and corrigendum, if any, and undertakes to abide by the same.
 - 1.2.1 For detailed instructions specific to tender conditions, such as, Price, GST, delivery terms, etc., tenderers must refer to General Conditions of Tender given in Section-II of this document.
- 1.3 Tenderers must submit all information in English. Information in any other language must be accompanied with its authenticated translation in English. Failure to comply with this may render the offer liable to be rejected. In the event of any discrepancy between an offer in a language other than English and its English translation, the English translation shall prevail.
- 1.4 Tenderers must ensure that the conditions laid down for submission of e-tenders detailed in subsequent paras, are completely and correctly complied with. Tenders which are not complete in all respect as stipulated in these tender documents, are liable to be rejected.
- 1.5 The Principal Chief Materials Manager or any other officer authorised on behalf of the President of India is not bound to accept the lowest or any tender or to assign any reason for doing so and reserves himself the right to cancel the tender, to reduce or divide the contract or to accept any tender in respect of the whole or any portion of the items specified in the e-tender and the successful tenderer shall be required to supply the same at the rate quoted/ordered.
- 1.6 In case of any contradiction in the terms and condition appearing in IRS Conditions of Contract and General Conditions specified in the tender documents, the latter will prevail. In case of any contradiction between the General Conditions and Special Conditions specified in the tender documents, the latter will prevail.
- 1.7 Local conditions:

It will be imperative on each tenderer to fully acquaint himself/herself of all the local conditions and factors, which would have any effect on the performance of the contract and cost of the stores. The Purchaser shall not entertain any request for clarifications from the tenderer regarding such local conditions. No request for the change of price, or time schedule for delivery of stores will be entertained on this ground after the Purchaser accepts the offer.

- 1.8 Pre-requisites for vendors desirous of participating in e-tenders:
- 1.8.1 Vendors intending to participate in the e-tenders available on the Indian Railways e-procurement website “www.ireps.gov.in” will have to obtain a Digital Signature Certificate (DSC) ‘Class III’ type in tenderer’s name from an approved certifying agency. The list of certifying authorities issuing the Digital Signature Certificates is available on the website www.cca.gov.in.
- 1.8.2 With the Digital Signature Certificate, vendors will have to register themselves on-line using the link “New Vendors” option available on the home page of the website www.ireps.gov.in duly filling the complete information as required in the web page and attaching their digital signature using “Sign & Submit” button. Upon registration, the website will provide a registration number, which the vendors may note for future correspondence.
- 1.8.3 Vendors are advised that Centre for Railway Information Systems (CRIS) New Delhi, the Web Master, will require minimum of 3 (three) clear working days to provide the user-ID and password which will be sent to the e-mail address provided by vendor during the registration process. In case of any difference in the information provided by the vendor during registration on website and that available in the digital signature certificate, the request will be rejected and an e-mail will be sent duly communicating the reasons for rejection. CRIS will not be responsible for vendor’s failure to participate in a tender due to any technical problems arising during the process of registration or submission of offers.
- 1.8.4 The digital signature certificates (DSC) are issued with limited currency / validity date. The vendors are required to re-register themselves with the website ‘www.ireps.gov.in’ whenever their DSC is renewed.
- 1.8.5 Vendors are advised to familiarize themselves with the e-tendering process with the help of “User Manual” available at home page of website “www.ireps.gov.in” under Learning Center and Help Desk/Frequently Asked Questions (FAQ)/ e-Tender on the same website.

2.0 Downloading of Tender Documents and corrigenda:

- 2.1 Tenderers can download tender documents from website www.ireps.gov.in free of cost. The Purchaser will not be responsible for any delay/delays in downloading of tender documents from the website.
- 2.2 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. It is the responsibility of the tenderer to regularly check any correction or modifications to the tender documents published through corrigendum on the website and download the same, and such corrigendum shall invariably be taken into account while submitting the offer. Tenderer can submit revised offer after considering the effect of corrigendum, in case he has already submitted any offer prior to publication of the corrigendum.

3.0 Cost of Tender Documents :

Tender document cost is not applicable for the tender documents which are downloaded by the tenderers.

4.0 Submission of Offers:

- 4.1** Tenderers are required to submit their offers by filling up the e-tender form on the website itself after making the payment of the requisite Earnest Money Deposit (EMD), unless exempted as per provisions under Para 6.0 below.
- 4.2** All the e-tenders in prescribed electronic offer form on the IREPS website www.ireps.gov.in should be submitted before the due date and time fixed for the receipt of e-tenders as set forth in the tender document. The offer is to be submitted with digital signature by the pre-authorised personnel of the tenderer already registered with IREPS website.
- 4.3** Manual offers sent by post/fax or in person shall not be accepted, even if these are submitted on the firm's letter head and received in time. All such manual offers shall be considered as **invalid** offers and shall be summarily rejected.
- 4.4** The scanned copies of all necessary documents must be uploaded with the offer. In case offers are not accompanied with the required documents, same are liable to be rejected without assigning any reason. However, Railway reserves the right to consider the offers received without supporting documents, on merits in deserving cases.
- 4.5** On submitting the e-tender with Digital Signature Certificate, it shall be assumed that the personnel of the tenderer digitally signing the e-tender form is a legally authorized signatory, that is, he/she is-
- i) the sole proprietor of the concern or the authorized attorney of the sole proprietor,
 - ii) a partner of the firm, in case of a partnership firm, or
 - iii) a Director, Manager or Secretary in the case of a Limited Company, duly authorised by a resolution passed by the Board of Directors or in pursuance of the Authority conferred by Memorandum of Association of the company.
- 4.6** In the case of a firm not registered under the Indian Partnership Act, it shall be deemed that person digitally signing the e-tender is the attorney duly authorised by all the partners. A certified copy of power of attorney or other documents empowering the individual to digitally sign the e-tender, should also be uploaded as a part of the offer.
- 4.7** The IREPS website does not permit submission of any offer after closing date and time of the e-tender. Hence there is no scope of any late or delayed offer in the online bidding process.
- 4.8** As the East Coast Railway (ECoR) makes payment through NEFT system as well as through letter of credit (LC), tenderers are required to comply with the following:
- i) To give consent for receipt of payment through NEFT/RTGS in a mandate form given in Annexure-I or unconditionally accept special tender conditions for payments through Letter of credit (Annexure-V), while submitting their offers.
 - ii) To provide the details of their bank account in line with RBI guidelines for the same, including bank name, branch name and address, account type, bank account No., IFS Code as appearing on MICR cheques issued by the bank etc.
 - iii) To upload certificate from their bank certifying the correctness of the information as mentioned in (ii) above.

4.9 In case, any clarification is required by the tenderers for submitting offers, same should be sought for from the Purchaser well before the tender opening date. It may be noted that no clarification will be given on date of tender opening.

4.10 Submission of Technical Bid & Initial Price Offer for tenders involving e-Reverse Auction (e-RA):

- a) Bidder shall be simultaneously required to electronically submit a Technical & Commercial Bid and Initial Price Offer.
- b) 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'.
- c) Offers not complying with essential technical & commercial requirements of the tender shall be declared as 'Ineligible for award of contract'.
- d) Initial Price Offer of only those bidders categorized as Qualified for Developmental Order or Qualified for Bulk Order, shall be opened and Initial Price Offers shall be tabulated by system separately, category wise as per instructions applicable for electronic tabulation.

5.0 Specifications and Drawings:

5.1 Specifications and drawings issued by ECoR and mentioned in the description will alone be uploaded as a part of the tender documents, wherever applicable. The Principal Chief Materials Manager will not provide or upload IRS/BIS/RDSO/RCF/CLW/DLW/CORE/DGS&D/ICF specifications or drawings and those issued by other organizations. Such drawings and specifications must be obtained by the tenderer from the appropriate authorities concerned who issue them on payment, if required.

5.2 If tenderers happen to quote with their own Drawing No./ Part No./ Specification/catalogue, etc., then they shall have to necessarily upload copies of all such drawings/specifications/catalogues, etc. and all the requisite documents and information as part of their offer to support that it is in conformity with the tendered drawings/specifications, failing which the offer will be liable to be rejected.

6.0 Earnest Money Deposit (EMD):

6.1. There shall be no exemption from submission of EMD for any tender or by any tenderer subject to provisions under clause 6.2 below except following:

- i) Limited tenders with estimated value upto Rs.25 lakhs (including single tenders, global limited tenders) except cases where competent authority incorporates the condition to call for EMD.
- ii) Public Sector Undertakings (PSUs)
 - a. PSUs owned by Ministry of Railways and
 - b. PSUs for the group of items that are manufactured by them.
- iii) Micro and Small Enterprises (MSEs) having current and valid registration for the tendered item with any of the agencies as under:
 - a. District Industries Centers
 - b. Khadi and Village Industries Commission
 - c. Khadi and Village Industries Board
 - d. Coir Board
 - e. National Small Industries Corporation (NSIC)
 - f. Directorate of Handicraft and Handloom
 - g. Any other body specified by Ministry of MSME

- iv) MSEs who are having Udyog Aadhar/Udyam Registration Number will be eligible for exemption from payment of EMD.
 - v) Other Railways, Indian Ordinance factories and Govt. Departments.
 - vi) In exceptional cases, where EMD exemption is specifically incorporated in tender conditions .
 - vii) Vendors registered with Railways for the trade group of the item tendered.
 - viii) Vendors appearing on the approved vendor lists of RDSO/Pus/CORE, subject to approval status being valid on the date of tender closing.
 - ix) Vendors registered with Railways for supply of medicine, medical equipments and consumables shall be exempted from submission of EMD for these items.
 - x) In tenders issued against PAC, OEM in whose favour PAC has been issued shall be exempted from submitting EMD. KVIC and ACASH shall be exempted from EMD for items supplied by them.
- 6.2 Tenderers seeking exemption from payment of EMD must upload the requisite documentary evidence in support of their claim for exemption from payment of EMD along with the offer. All vendors exempted from submitting EMD, as per para 6.1 above, irrespective of type of tender, i.e. single, limited or open, shall be required to sign a bid securing declaration as per Annexure VI.
- 6.2.1 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.
- 6.2.2 The Para 6.2.1 above shall not be applicable for Govt. Departments/Ordinance factories/other Railways/Railway PSUs/KVIC/ACASH and matter shall be taken up with them departmentally/administratively
- 6.2.3 Tenderers other than those who are eligible for exemption from paying Earnest Money as detailed in Para 6.1, shall be required to pay Earnest Money Deposit on or before tender opening date, failing which their offers shall be summarily rejected.

6.3 The amount of EMD shall be as under :

Estimated value of tender	EMD (rounded off to nearest higher Rs.10 (ten)
Above Rs.25 Lakhs and upto Rs.50 Crore	@2% of the estimated value of the tender subject to maximum of Rs.20 Lakhs
Above Rs.50 Crore	Rs.50 Lakhs

- 6.4 EMD should be submitted online only through the payment gateway as available on IREPS website.
- 6.5 No interest shall be payable by the Purchaser on the Earnest Money Deposit or any other payment made to Railways.
- 6.6 EMD shall be refunded when any one of the following conditions is satisfied.
- a) After finalization of tender, the bidder is an unsuccessful bidder.
 - b) Validity of offer expires and validity extension is not sought.
 - c) Validity of offer expires and bidder refuses to extend validity of offer.
 - d) After finalization of the tender successful bidder submits required SD.
- 6.6.1 EMD of bidders or tenderers shall be released immediately after it is due for release as per above criterion.

6.6.2 The Earnest Money of the successful tenderer may be adjusted towards Security Deposit and in case where such tenderer furnishes Security Deposit as per the tender conditions, EMD will be refunded after receipt of full Security Deposit.

6.7 The Earnest Money Deposited is liable to be forfeited, if the tenderer withdraws or amends, impairs or derogates from the offer in any respect within the period of validity of his offer. In case where available EMD amount is less than required SD and the successful tenderer does not deposit the balance SD amount within stipulated time, then EMD shall be forfeited and case be dealt with as that of withdrawal of offer by the tenderer.

7.0 Compliance of IRS, General, Special and Other Tender Conditions:

The offer shall comply with the IRS Conditions of Contract (as updated till the date of tender opening), General Conditions of Tender and Special Conditions of Tender given in the tender documents. The details of deviations from the said tender conditions, if any, should be clearly indicated in the Techno Commercial bid details under "Commercial Deviation Statement" of e-tender form and if space available is not adequate, tenderers can upload a Statement of Deviations which shall include remarks and justifications for deviations against various clauses of the tender conditions for each deviation and the scanned copy of the same must be uploaded as a part of the offer, and a reference of uploaded deviation statement shall be given in "Commercial Deviation Statement". The Purchaser, however, reserves the right to accept or reject any of the deviations and his decision thereon shall be final. If there is no deviation, tenderer should indicate "No Deviation" in Commercial Deviation Statement.

8.0 Compliance of Technical Requirements:

8.1 The stores/equipments offered should be in accordance with the stipulated description, drawings and specifications mentioned in tender document published on IREPS website. The details of deviations from the drawings and specifications, if any, should be clearly indicated in the Techno Commercial bid details under the heading "Technical Deviation Statement" and if space available is not adequate, tenderers can upload a Statement of Deviations which shall include remarks and justifications for deviations against various clauses of technical specifications/drawings for each deviation, and the scanned copy of the same must be uploaded as a part of their offer. A reference of uploaded deviation statement shall be given in "Technical Deviation Statement" of e-tender form. The Purchaser, however, reserves the right to accept or reject any of the deviations and his decision thereon shall be final. If there is no deviation, tenderer should indicate "No Deviation" in Technical Deviation Statement.

8.2 The Purchaser may accept internationally accepted alternative specifications which ensure equal or higher quality than the specifications mentioned in the tender specifications. However, the decision of the Purchaser in this regard shall be final.

8.3 Remarks such as "Best Make" etc. will be assumed to indicate 'Best Make' conforming to the tendered specification, unless it is specially mentioned by the tenderer that the material offered is not to the tendered specification.

8.4 The tenderer should avoid ambiguity in his offer, e.g., if his offer is to his standard sizes/length/dimensions, etc. he should specifically state them in details without any ambiguity. Brief descriptions such as "standard lengths", etc. should be avoided in the offer.

9.0 Eligibility Criteria:

9.1 Offers directly from the actual manufacturers of the tendered item are desirable. The offers from the authorized dealers/agents of manufacturer of tendered item will be considered subject to compliance of the conditions given in para 9.2.2 below. The offers from brokers and middlemen are liable to be rejected.

9.2 The tenderers shall upload necessary scanned copies of documents to show that:

- i) he is a licensed manufacturer who regularly manufactures the items offered and has adequate technical knowledge and practical experience;
- ii) he has adequate plant and manufacturing capacity to manufacture and supply the items offered within the delivery schedule offered by him;
- iii) he has an established quality control system and organization to ensure that there are adequate controls at all stages of all manufacturing process.
- iv) he has adequate financial stability and status to meet the obligations under the contract for which he is required to submit a report from a recognized bank or a financial institution;

9.2.1 For the above purposes, the tenderers should upload the scanned copies of the following documents:

- i) a performance statement giving a list of major supplies effected in the recent past for the tendered item/similar items in the proforma given in "Performance Statement" of e-tender form, with proof of having executed the contracts satisfactorily. While doing so, the tenderer should upload scanned copies of relevant documents, i.e., Purchase orders, Inspection Certificates, Receipt Notes, etc.
- ii) a statement indicating details of equipment employed and quality control measures adopted, including the following:
 - a. Quality assurance plan proposed for manufacture of the tendered item.
 - b. Details of major machinery and equipments available and proposed to be used for manufacturing the tendered item.
 - c. Process chart.
 - d. Inspection stages and inspection plans.
 - e. Place of manufacture and inspection.
 - f. Details of competent technical personnel employed at firm's premises and in the field.
- iii) A report from a recognized bank or a financial institution to show that the firm has adequate financial stability and status to meet the obligations under the contract arising out of the tender for which he is quoting.

- 9.2.2 In case tenderer is not a manufacturer of tendered item and he quotes on behalf of his principal/manufacturer, he shall invariably comply with the following:
- i. Indicate the manufacturer's/ Principal's name and address in his offer.
 - ii. Upload the tender specific authorization letter from his principal/manufacturer to submit offer against this tender.
 - iii. Upload the details as mentioned in Para 9.2 and 9.2.1 above for his principal/manufacturer.
 - iv. Upload his own past performance particulars if any, in the similar manner as for their principal/manufacturer with documentary evidence for same/similar items in the past 3 years.
 - v. Upload the scanned copies of documents for his own credentials, such as, constitution of firm, GST registration, banker's certificate and balance sheet of latest or previous three years duly certified by Chartered Accountant etc.
- 9.2.3 In addition to the above, further information regarding his capacity/capability etc., if required by the Purchaser, shall be promptly furnished by the tenderer.
- 9.2.4 The OEM/Authorized Dealers/Agents must comply with the following conditions failing which their offers are liable to be rejected without further reference:
- i) 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.
 - ii) 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.
- 9.3 Specific Eligibility Criteria if any, mentioned in tender document published on IREPS website and Special conditions shall also be applicable in addition to the above.
- 9.4 Tenderers not uploading the requisite documents may note that their offers are liable to be rejected without further reference.
- 9.5 Participation in the tender is open to all, including unapproved, unregistered and/or untried firms. However, such tenderers will have to submit their offers electronically along with all the supporting documents as described in the tender documents to establish their capacity, including those brought out in para 9.2, 9.2.1 and 9.2.2 above. If the tenderer fails to upload the required documents, his offer is liable to be rejected.
- 9.6 Onus of proving capacity cum capability to supply and/or fitment for tendered item shall lie with the tenderer.
- 9.7 **Bidder from Country sharing land border with India :**
- 9.7.1 Any bidder from a country which shares a land border with India will be eligible to bid in this tender only if the bidder is registered with the Competent Authority.
- 9.7.2 "Bidder" (including the term 'tenderer', 'consultant 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.

9.7.3 “Bidder from a country which shares a land border with India” for the purpose of this Tender 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.

9.7.4 The beneficial owner for the purpose of 9.7.3 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 along or together, or through one or more juridical person, 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 percent, of shares or entitlement to more than twenty-five percent, of shares or capital or profits of the company;
- b. “Control” shall include the right to appoint 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 or 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 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.

9.7.5 An Agent is a person employed to do any act for another, or to represent another in dealings with third person.

9.7.6 The tenderers shall submit the following certificate regarding compliance with this order. “ 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.)”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.

9.7.7 Registration should be valid at the time of submission of bids and at the time of acceptance of bids.

9.7.8 The certificate as per 9.7.6 to be uploaded with the offer failing which offer will be summarily rejected.

10.0 Price Basis:

10.1 All tenderers must quote in Indian Rupees (INR) only, failing which the offers are liable to be rejected.

10.2 Tenderers are required to quote only one rate for each item/consignee in the prescribed fields of Financial Rate Page of e-tender form and nowhere else. In case, the tenderer quotes any rate/or any condition, which affects the all inclusive rate in the Financial Rate Page, at any other place in the offer or in any document uploaded with their offer, then the rates mentioned in the Financial Rate Page will only be considered for determining inter-se ranking of the offer, unless otherwise specified in the tender document. Further, Purchaser reserves the right to consider such offers even as invalid offers and same are liable to be rejected.

10.3 All the mandatory fields of the Techno Commercial Bid Details and Financial Rate Page have to be filled up by the tenderers. All inclusive rate on FOR destination basis shall be automatically calculated by the system and same will be shown to the tenderers before submission of offer.

10.4 The tenderers should quote their lowest possible price for each 'unit' specified in the "Tender Document" for the tendered item. Tenderers are not allowed to change the 'unit' of the tendered item and if they quote their price for any different 'unit', unless specified in the tender document, their offers are liable to be rejected.

10.5 The quoted rate should be firm and not subject to any variation, unless specified in the tender documents. In case of deviation in this aspect, the offer will be treated as unresponsive and will be rejected.

10.6 Wherever multiple consignees and multiple items are mentioned in the tender document as published on IREPS website, tenderers shall quote separately for each consignee and for each item, unless otherwise specified.

10.7 The rates quoted shall not be more than the Maximum Retail Price (MRP) of the tendered item, if any. In case Railway detects at any time that the amounts have been quoted and paid over and above the MRP of any item, goods, then Railway reserves the right to recover any such additional amounts paid for supplying, in full or in part, for such items, over and above the MRP prevailing at the time of supplies actually made. Such recoveries can be made at any time, including after the completion of the contract. In case such over pricing is detected during the course of the contract then Railway reserves the right to pay only the amounts maximum upto the MRP of such items.

11.0 Delivery Period:

11.1 Tenderers must refer to the delivery schedule specified in the tender document. Delivery period quoted must conform to the delivery requirement specified in the tender document and should not be vague such as "2 to 12 months. That is, offer should mention the starting time, monthly/quarterly rate of supply and completion time, such as, to commence in _____days/

months @____ per month/week and completed in _____days/months from date of issue of the purchase order.

11.2 The tenderer should quote specific monthly rate of supplies they intend to deliver and the completion date/month of the lot. The Purchaser will have the right to define the separate delivery period for each installment and purchase order with the installment deliveries shall be a severable contract.

11.3 Notwithstanding above, tenderers must note that the delivery schedules indicated in the tender document are tentative, Purchaser reserves the right to reschedule the delivery according to its production requirement at the time of finalization of tender as well as at post purchase order stage.

11.4 The purchaser reserves the right to accept higher offer for part/full quantity for early delivery period, wherever so specified in the tender specific special conditions.

12.0 Validity of the offer:

12.1 The offers shall be kept valid for acceptance for a minimum period of Ninety (90) calendar days (120 calendar days for M&P Items) from the date of opening of tenders or as specified in the tender, within which period, the tenderer shall not withdraw his offer. Offers with validity period of short duration may be considered as unresponsive and those offers are liable to be rejected, unless validity of offer is extended as per the tender condition.

12.2 The purchaser may ask for the tenderer's consent for an extension of the period of validity of offer. A tenderer granting the request for validity extension shall not be permitted to modify its tender.

12.3 Offers shall be deemed to be under consideration immediately after they are opened and until such time the official intimation of award is made by the Purchaser to the successful tenderer. While the offers are under consideration, tenderers and/or their representatives or other interested parties are advised to refrain from contacting the Purchaser by any means.

13.0 Benefits to Micro and Small Enterprises (MSEs):

13.1 As per the extant Public Procurement Policy of the Government of India, Micro and Small Enterprises (MSEs) having current and valid registration for the tendered item with any of the below specified agencies are entitled for benefits and preferential treatments specified in Clause 13.4 below. MSEs who are interested in availing themselves of these benefits must upload with their offer, the proof of their being MSE registered with any of the agencies mentioned in the notification of the Ministry of MSME and indicated below:

- i) District Industries Centers
- ii) Khadi and Village Industries Commission
- iii) Khadi and Village Industries Board
- iv) Coir Board
- v) National Small Industries Corporation (NSIC)
- vi) Directorate of Handicraft and Handloom
- vii) Those having Udyog Aadhar Memorandum
- viii) Any other body specified by Ministry of MSME

ix) Udyam Registration

Note: 1. Trading enterprises are not covered under the definition of Micro and Small Enterprises.

- 13.2. The MSEs must also indicate the terminal date of validity of their registration.
- 13.3 Non compliance of requirements of para 13.1 and 13.2 above, such offers will not be liable for consideration of benefits detailed in para 13.4 given below.
- 13.4 MSEs registered with any of the agencies mentioned in para 13.1 are entitled for the following benefits:
- i) MSEs registered with any of the agencies for the item tendered will be exempted from payment of Earnest Money.
 - ii) In tenders, participating MSEs 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% value out of the net procurement quantity.
 - iii) A minimum of 4% of total procurement, within the 25% earmarked for MSEs will be from MSEs owned by Scheduled Caste/ Scheduled tribe (SC/ST) Entrepreneurs. In the event of failure of such MSEs to participate in the tender process or meet tender requirements and L-1 price, 4% earmarked from MSEs owned by Scheduled Caste/ Scheduled Tribe (SC/ST) Entrepreneurs be met from other MSEs.
 - iv) A minimum of 3% of total procurement, within the 25% earmarked for MSEs will be procured from women owned MSEs.
 - v) In case tendered item is non-splitable or non-dividable, etc. Purchaser may award the full/complete supply of total tendered value to MSE quoting price within price band L1+15%, considering spirit of policy for enhancing the Govt. procurement from MSE.
- 13.4.1 Traders and agents are not eligible to avail the benefits extended under the Public Procurement Policy for MSEs.
- 13.5 An MSE shall be considered as that owned by SC/ST in following cases:
- a) In case of proprietary MSE, proprietor(s) shall be SC/ST.
 - b) In case of partnership MSE, the SC/ST partners shall be holding at least 51% shares in the unit.
 - c) In case of Private Limited Companies, at least 51% share shall be held by SC/ST promoters.
- 13.6 In case, the tenderer is a Micro or Small Enterprises (MSE), the tenderer shall also furnish the following details in their offer:
- i) The category of the tenderer:
 - a) Whether vendor is Micro Enterprise or
 - b) Whether vendor is Small Enterprise.

- ii) Each of the above categories must further mention the sub-classification whether the tenderer is an enterprise -
 - a) Owned by Scheduled Castes (SC)
 - b) Owned by Scheduled Tribes (ST)
 - c) Owned by women entrepreneurs
 - d) Owned by other than the above three categories.

iii) Confirm the following:

- a) Whether documentary proof of being registered with any of the specified agencies indicated in Para 13.1 above has been submitted with their offer.
- b) Whether the terminal date of validity of the registration with the specified agencies has been indicated in their offer.

13.7 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.

14.0 The tenderers who are large Scale vendors of Railway Units or who come under consortia of MSEs (as vendors to Railway Units) formed by NSIC, are also required to upload with their offers, the procurement and percentage of sub-contract to be made from MSEs for goods to be supplied against this tender, and also furnish the details as in para 13.6 above for the portion sub-contracted to MSEs.

15.0 Preference to Domestically Manufactured Electronic Products:

15.1 The Purchaser reserve the right for providing preference to Domestically Manufactured Electronic Products (DMEP) in terms of the extant policy of the Government which can be downloaded from DeitY website, i.e., URL <http://meity.gov.in/esdm/pma>. 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/notifications on the subject will be treated as an integral part of the tender documents.

15.2 Briefly, the preference for Domestically Manufactured Electronic Products (DMEPs) shall be operated as follows subject to status of the policy applicable as on the date of tender opening and subject to the bidder complying with all other requirements specified in the tender document:

- i) As per extant policy of the Government of India, the electronic products for which preference will be provided to domestic manufacturers are as notified by the Concerned Ministry/Department which are as under:–

Sl. No.	Product name	Notifying Ministry/Department	Notification No. and date
1	Telecom Products	Department of Telecom	18-07/2010-IP dt.05.10.2012 read with Notification dated 11.01.2017
2	Desktop PCs, Laptop PCs, Tablet PCs, Dot Matrix Printers, Smart Cards, Contact Smart Cards, Contactless Smart Cards, LED Products, Biometric Access Control/Authentication devices, Biometric Finger Print Sensors, Biometric IRIS sensors, Servers.	Department of Electronics and Information Technologies, Ministry of Communication and IT	F.No.33(1)/2017-IPHW dt. 14.09.2017

- ii) Copies of all the notifications can be downloaded from <http://meity.gov.in/esdm/pma>.
- iii) The quantity of procurement for which the preference will be provided to domestic manufacturers shall be percentage of the net procurable quantity as specified in the relevant notifications issued by Concerned Ministry/Department indicated in sub-para (i) above and can be downloaded from the websites of respective ministries/departments.
- iv) Percentage of domestic value addition which qualifies the electronic product to be classified as domestically manufactured shall also be as specified in the relevant notifications issued by Concerned Ministry/Department indicated in Sub Para (i) above and can be downloaded from the websites of respective ministries/departments.

- 15.3 In terms of above referred guidelines, domestic manufacturers are required to upload the domestic value addition in terms of Bill of Materials (BOM) for the quoted product along with their offer in the following format, failing which their offer will not be eligible for purchase preference under this policy –

Item No.	Item Description	Domestic value addition in percentage
1		
2		

- 15.4 The tenderers, claiming to bid in the status of domestic manufacturer must also give and upload an undertaking in the format as given as 'Form 1' of the guidelines, copy at Annexure II. Furnishing of false information on this account shall attract penal provisions as per relevant guidelines/notifications.

- 15.5 Procedure for award of contracts involving procurement of specified electronic products from domestic manufacturers shall be as under:

"For each electronic product proposed to be procured, among all technically qualified offers, the lowest quoted price will be termed as L1 and rest of the offers shall be ranked in ascending order of price quoted as L2, L3, L4 and so on. If L1 offer is of a domestic manufacturer, the said tenderer will be awarded full value of the order. If L1 offer is not from a domestic manufacturer, the value of the order awarded to L1 tenderer will be the balance of procurement value after reserving specified percentage of the total value of the order for the eligible domestic manufacturer. Therefore, the lowest tenderer among the domestic manufacturers, whether L2, L3, L4 or higher, will be invited to match L1 offer in order to secure the procurement value of the order earmarked for the domestic manufacturer. In case first eligible tenderer (i.e. domestic manufacturer) fails to match L1 offer, the tenderer (i.e. domestic manufacturer) with next higher offer will be invited to match L1 offer and so on. However, Railway may choose to divide the order among more than one successful tenderer as long as all such tenderer match L1 and the criteria for allocating the tender quantity amongst a number of successful tenderer is clearly articulated in the tender document itself. In case, all eligible domestic manufacturers fail to match the L1 offer, the actual tenderer holding L1 offer will secure the order for full procurement value. Only those domestic manufacturers whose offers are within 20% of the L1 offer would be allowed an opportunity to match L1 offer".

- 15.6 In case of turnkey/system integration projects, eligibility of a tenderer as a domestic manufacturer would be determined on the domestic value addition calculated only for the value of notified DMEPs forming part of the turnkey/system integration projects and not on the value of whole project.

16.0 Public Procurement Policy for Preference to Make in India:

16.1 Provisions for procurement under Public procurement (Preference to make in India) policy

Following provisions will be applicable for items to be procured under Public Procurement (Preference to Make in India) order 2017 dt.15.6.2017 and Public Procurement (Preference to Make in India) order 2017 – Revision dt. 16.09.2020.

- 16.1.1 This order is issued pursuant to Rule 153 (iii) of General Financial Rule 2017.

16.1.2 Definitions:- For the purpose of this Order:

- i. “Local content’ means the amount of value added in India, which shall unless otherwise prescribed by the Nodal Ministry 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.
- 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.
- vii. ‘Nodal Ministry’ means the Ministry or Department identified pursuant to this order in respect of a particular item of goods or services or works.
- viii. ‘Procuring entity’ means a 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.
- ix. ‘Works’ means all works as per Rule 130 of GFR – 2017, and will also include ‘turnkey works’.

16.1.3 **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 under the Order, shall be eligible to bid irrespective of purchase value.
- (b) 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’. In procurement of all goods, services or works, not covered by sub-para 16.1.3(a) above, and 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.
- (c) For the purpose of this Order, works includes Engineering, Procurement and Construction (EPC) contracts and services include System Integrator (SI) contracts.

16.1.3A **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 hereunder.
- (b) In the procurement of goods or works, which are covered by para 16.1.3(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 supplier's quoted price falling within the margin of purchase preference, and contract for that quantity shall be awarded to such 'Class-I 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 16.1.3(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 local supplier' subject to matching the L1 price.
 - iii. In case such lowest eligible 'Class-I local supplier' fails to match the L1 price, the 'Class-I local 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 L1 bidder.
- (d) "Class-II local supplier" will not get purchase preference in any procurement, undertaken by procuring entities.

16.1.3B **Applicability in tender where contract is to be awarded to multiple bidders -**

In tenders where contract is awarded to multiple bidders subject to matching of L-I rates or otherwise, the Class-I local supplier shall get purchase preference over Class-II local supplier as well as Non-local supplier 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 supplier as per provisions 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 Local 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 bidders 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 constraints 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 entities may stipulates 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.

16.1.4 Exemption of small purchases: Notwithstanding anything contained in paragraph 16.1.3 procurements where the estimated value to be procured is less than Rs. 5 lakhs shall be exempt from this Order. However, it shall be ensured by procuring entities that procurement is not split for the purpose of avoiding the provisions of this Order.

16.1.5 Minimum local content: The local content requirement to categorize a 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 supplier/Class-II local supplier respectively.

16.1.6 Margin of Purchase Preference: The margin of purchase preference shall be 20%.

16.1.7 Requirement of specification in advance: The minimum local content, the margin of purchase preference and the procedure for preference to Make in India shall be specified in the notice inviting tenders or other form of procurement solicitation and shall not be varied during a particular procurement transaction.

16.1.8 Government E-marketplace:- In respect of procurement through the Government E-marketplace (GeM) shall, as far as possible, specially mark the items which meet the minimum local content while registering the item for display, and shall, wherever feasible, make provision for automated comparison with purchase preference and without purchase preference and for obtaining consent of the local supplier in those cases where purchase preference is to be exercised.

16.1.9 Verification of local content:

- (a) 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.
- (b) In case 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 in the prescribed format as per Annexure-VII. This certificate has to be submitted along with the offer to claim benefit of Purchase Preference "Make in India" failing which it will be presumed that the tenderer have no claim for Purchase Preference under "Make in India" Policy.
- (c) Decisions on complaints 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) Nodal Ministries 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) Nodal Ministries and procuring entities may prescribe fees for such complaints.
- (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 other procurement entities, in the manner prescribed under paragraph 16.1.9(h) below.
- (h) The Department of Expenditure shall issue suitable instructions for the effective and smooth operation of this process, so that:
 - i. The fact and duration of debarment for violation of this Order by any procuring entity are promptly brought to the notice of the Member- Convenor of the Standing Committee and the Department of Expenditure through the concerned Ministry/ Department or in some other manner;
 - ii. On a periodical basis such cases are consolidated and a centralized list or decentralized lists of such suppliers with the period of debarment is maintained and displayed on website(s);
 - iii. In respect of procuring entities other than the one which has carried out the debarment, the debarment takes effect prospectively from the date of uploading on

the website(s) in such a manner that ongoing procurements are not disrupted.

16.1.10 Specifications in Tenders and other procurement solicitations:

- a. Every procuring entity shall ensure that the eligibility conditions in respect of previous experience fixed in any tender or solicitation do not require proof of supply in other countries or proof of exports.
- b. Procuring entities shall Endeavour to see that eligibility conditions, including on matters like turnover, production capability and financial strength do not result in unreasonable exclusion of 'Class-I local supplier'/'Class-II local supplier' who would otherwise be eligible, beyond what is essential for ensuring quality or creditworthiness of the supplier.
- c. Procuring entities shall, within 2 months of the issue of this Order review all existing eligibility norms and conditions with reference to sub- paragraphs 'a' and 'b' above.
- d. **Reciprocity Clause**
 - i. When a Nodal Ministry/ Department identifies that Indian suppliers of an item are not allowed to participate and/ or complete in procurement by any foreign government , due to restrictive tender conditions which have direct or indirect effect of barring Indian companies such as registration in the procuring country, execution of projects of 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 shall not be allowed to participate in Government procurement in India for all items related to that nodal Ministry/Department, except for the list of items published by the Ministry/Department, permitting their participation.
 - iii. The stipulation in (ii) above shall be part of all tenders invited by the Central Government procuring entities stated in (i) above. All purchases on GeM shall also necessary have the above provisions for items identified by nodal Ministry/Department.
 - iv. State Governments should be encouraged to incorporate similar provisions in their respective tenders.
 - v. The term 'entity' of a country shall have the same meaning as under the FDI Policy of DPIIT as amended from time to time.
- e. Specifying foreign certification/ unreasonable technical specifications/ brands/ models in the bid document is restrictive and discriminatory practice against local suppliers. If foreign certification is required to be stipulated because of non- availability of Indian Standards and/ or for any other reason, the same shall be done only after written approval of Secretary of the Department concerned or any other Authority having been designated such power by the Secretary of the Department concerned.
- f. "All administrative Ministries/Departments whose procurement exceeds Rs.1000 Crore per annum shall notify/update their procurement projections every year, including those of the PSEs/PSUs, for the next 5 years on their respective website".

- 16.1.10A **Action for non-compliance of the Provisions of the Order:** In case restrictive or discriminatory conditions against domestic suppliers are included in bid documents, an inquiry shall be conducted by the Administrative Department undertaking the procurement (including procurement by any entity under its administrative control) to fix responsibility for the same. Thereafter, appropriate action, administrative or otherwise shall be taken against erring officials of procurement entities under relevant provisions intimation on all such actions shall be sent to the Standing Committee.
- 16.1.11 **Assessment of supply base by Nodal Ministries:-** The Nodal Ministry shall keep in view the domestic manufacturing/supply base and assess the available capacity and the extent of local competition while identifying items and prescribing the higher minimum local content or the manner of its calculation, with a view to avoiding cost increase from the operation of this order.
- 16.1.12 **Increase in minimum local content:-** The Nodal Ministry may annually review the local content requirements with a view to increasing them, subject to availability of sufficient local completion with adequate quality.
- 16.1.13 **Manufacture under license/technology collaboration agreements with phased indigenization:-** While notifying the minimum local content, Nodal Ministries may make special provisions 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 a technology collaboration agreement/transfer of technology agreement for indigenous manufacture of a product developed abroad with clear phasing of increase in local content.
- 16.1.13A In procurement of all goods, services or works in respect of which there is substantial quantity of public procurement and for which the nodal ministry has not notified that there is sufficient local capacity and local competition, the concerned nodal ministry shall notify an upper threshold value of procurement beyond which foreign companies shall enter into a joint venture with an Indian company to participate in the tender. Procuring entities, while procuring such items beyond the notified threshold value, shall prescribe in their respective tenders that foreign companies may enter into a joint venture with an Indian company to participate in the tender. The procuring Ministries/Departments shall also make special provisions for exempting such joint ventures from meeting the stipulated minimum local content requirement, which shall be increased in a phased manner.
- 16.1.14 **Powers to grant exemption and to reduce minimum local content:-** The administrative Department undertaking the procurement (including procurement by any entity under its administrative control), with the approval of their Minister-in-charge, may be written order, for reasons to be recorded in writing.
- a. Reduce the minimum local content below the prescribed level; or
 - b. Reduce the margin of purchase preference below 20% or
 - c. Exempt any particular item or supplying entities from the operation of this order or any part of the Order.
- A copy of every such order shall be provided to the Standing Committee and concerned Nodal Ministry/Department. The Nodal Ministry/Department concerned will continue to have the power to vary its notification on Minimum Local Content .

- 16.1.15 **Directions to Government companies:-** In respect of Government companies and other procuring entities not governed by the General Financial Rules, the administrative Ministry or Department shall issue policy directions requiring compliance with this Order.
- 16.1.16 **Standing Committee:-** A standing committee is hereby constituted with the following membership.
Secretary, Department for Promotion of Industry and Internal Trade-Chairman
Secretary, Commerce-Member
Secretary, Ministry of Electronics and Information Technology-Member
Joint Secretary(Public Procurement), Department of Expenditure-Member
Joint Secretary(DPIIT)-Member – Convenor
The Secretary of the Department concerned with a particular item shall be a member in respect of issues relating to such item. The Chairman of the Committee may co-opt technical experts as relevant to any issue or class of issues under its consideration.
- 16.1.17 **Functions of the Standing Committee:-** The Standing Committee shall meet as often as necessary, but not less than once in six months: The Committee
- a. Shall oversee the implementation of this order and issues arising there from, and make recommendations to Nodal Ministries and procuring entities.
 - b. Shall annually assess and periodically monitor compliance with this Order.
 - c. Shall identify Nodal Ministries and the allocation of items among them for issue of notifications on minimum local content.
 - d. May require furnishing of details or returns regarding compliance with this Order and related matters.
 - e. May during the annual review or otherwise, assess issues, if any, where it is felt that the manner of implementation of the order results in any restrictive practices, cartelization or increase in public expenditure and suggest remedial measures.
 - f. May examine cases covered by paragraph 16.1.13 above relating to manufacture under license/technology transfer agreements with a view to satisfying itself that adequate mechanisms exist for enforcement of such agreements and for attaining the underlying objective of progressive indigenization.
 - g. May consider any other issue relating to this Order which may arise.
- 16.1.18 **Removal of difficulties:-** Ministries/Departments and the Boards of Directors of Government companies may issue such clarifications and instructions as may be necessary for the removal of any difficulties arising in the implementation of this Order.
- 16.1.19 **Ministries having existing policies:** Where any Ministry or Department has its own policy for preference to local content approved by the Cabinet after 1st January 2015 such policies will prevail over the provisions of this Order. All other existing orders on preference to local content shall be reviewed by the Nodal Ministries and revised as needed to conform to this Order, within two months of the issue of this Order.

- 16.1.20 **Transitional Provision:** This Order shall not apply to any tender or procurement for which notice inviting tender or other form of procurement solicitation has been issued before the issue of this Order.
- 16.1.21 The Principal Chief Materials Manger(PCMM) shall have full power to take decisions on complaints relating to implementation of this order.
- 16.1.22 Fee for filling a complaint under the order shall be Rs.10,000/- per case. The complaint shall be filed in the office of the PCMM, ECoR. The fee shall be deposited with the office of the Principal Financial Advisor(PFA), ECoR.
- 16.1.23 If Indian suppliers of an item are not allowed to participate and/or compete in procurement by any foreign Government, and if it deems appropriate, Railway reserves the right to restrict or exclude bidders from that country from eligibility for procurement of that item and/or other items.

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

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%

17.1 This policy shall be applicable to procurement of iron and steel products listed in para 17.0 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.

17.2 **Definition:-**

- i. 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.
- ii. “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 para 17.0.
- iii. Domestic Manufacturer is a manufacturer of domestically manufactured Iron & Steel Products (DMI & SP).
- iv. Government for the purpose of the policy means Government of India.
- v. Government agencies include Government PSUs, Societies, Trusts and Statutory bodies set up by the Government.
- vi. MoS shall mean Ministry of Steel, Govt. of India.
- vii. 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.
- viii. Semi-Finished Steel shall mean billet, blooms, slabs (cast products), which can be subsequently processed to finished steel.
- ix. Finished Steel means Flat and Long Products, which can be subsequently processed into manufactured items.
- x. Iron & Steel Product(s) shall mean such Iron and Steel product (s) which are mentioned in table at para 17.0.

17.3 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.

17.4 Value addition

17.4.1 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.

17.4.2 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:

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

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.

17.5 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 Annexure III.

- 17.6 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.
- 17.7 The onus of demonstrating the correctness of the Affidavit of self-certification regarding domestic value addition shall be on the bidder.
- 17.8 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.
- 17.8.1 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.
- 17.8.2 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.
- 17.8.3 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.
- 17.8.4 In case of reference of any complaint to MoS by the concerned bidder, there would be a complaint fee of Rs.10 Lakhs or 0.2% of the value of the DMI&SP being procured (subject to a maximum of Rs.20 Lakhs), 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.

18.0 Tender Opening:

- 18.1 No vendor shall be required to be present in the Railway office for any e- tender opening process. They can obtain totally transparent bid tabulation statement by logging on to the website.
- 18.2 Railway does not guarantee opening of tenders at the specified date and exact time due to reasons beyond control and hence tenders can be opened after due date and time also. It should, however, be noted that vendors can not submit any offer or attach any file after the due date and time stipulated under the tender notice.

XXXXXX

SECTION - II

GENERAL CONDITIONS OF TENDER

1.0 Price:

1.1 Tenderers should quote their rates for free delivery (Door Delivery) at premises of consignees as mentioned in the e-tender. Break up of such price must be given completely and unambiguously in the Financial Rate Page under Financial Bid Details of the e-tender forming the IREPS website. In case the tenderers quote prices on ex-works or ex-godown basis, specific amount of freight charges must invariably be quoted instead of vague freight charges, such as 'extra at actuals'.

1.1.1 In case the tenderer does not specifically state anything about the place of delivery or does not quote freight charges in his offer/e-Bid, it shall be assumed that the tenderer shall bear the freight charges and that the offer is for free delivery at the destination, i.e., for door delivery at consignees' premises as mentioned in the tender document. This assumption shall be final and binding on the tenderer and will not be subject to any legal dispute or arbitration in future.

1.1.2 All tenderers shall quote in Indian Rupees (INR) currency only, failing which such offers are liable to be ignored.

1.2 The rate or amount of taxes and duties, if any, must be spelt out clearly in the break-up to be furnished in the prescribed Financial Rate Page under Financial Bid Details of the e-tender form. Even where the rate or amount of taxes/duties included in the rate is Nil, this should be specifically stated in the offer.

1.2.1 Packing and forwarding charges, wherever applicable, should be quoted clearly. Applicability of GST on the packing and forwarding charges shall be as per the GST Law.

1.2.2 If there is any ambiguity in respect of rates of taxes and duties other than GST, if any, the purchaser shall evaluate the offers by taking into account the highest rate of such taxes and duties as known to the purchaser for determining the inter-se ranking of the offers. Purchaser's decision in this regard shall be final and no claim regarding applicability of taxes/duties or otherwise will be entertained after opening of the e-tenders. The purchasers will, however, reserve the right not to pay such taxes and duties not specifically claimed or not indicated clearly/unambiguously by the tenderers in the Financial Rate Page under Financial Bid Details of the e-tender form.

1.2.3 The purchaser will not be responsible for any incorrect evaluation and consequent impact on inter-se ranking, if the tenderer does not fill the prescribed e-Tender offer form or submits incomplete, ambiguous or misleading rates of taxes, duties and other charges.

1.3 Price Variation Clause:

1.3.1 Unless otherwise specified, wherever no price variation clause is specified, tenderers must submit their offers/e-Bids on fixed price basis only, that is, the quoted prices should be firm and not

subject to any variation, otherwise the offer shall be summarily rejected. Ambiguous conditions, such as, "Price Variation Clause applicable", will not be acceptable and such offers will be summarily rejected.

1.3.2 If any price variation clause (PVC) is specified in the tender documents, tenderer shall submit offer /e-Bid according to such PVC. If the tenderer quotes different PVC, then the offer is liable to be rejected.

1.3.3 Tenderers who quote with price escalation on account of raw material in the tenders must note that any escalation claims will be subject to verification by the Principal Financial Adviser of East Coast Railway (ECoR) with reference to the records that may be called for from them, such as, records of position of ground stocks available at the time of submission of tender for verification/examination of their claims under price variation clause before their claims are accepted. If the tenderer fails to establish his claim by producing satisfactory records before the PFA of ECoR, their claim will be disallowed and/ or proportionately reduced.

2.0 Goods and Services Tax (GST):

2.1 GSTIN of ECoR: 21AAAGM0289C1ZV(for Odisha Consignee), 37AAAGM0289C1ZI (for Andhra Pradesh Consignee).

2.2 All the bidders/tenderers should ensure that they are GST compliant and their quoted tax structure/rates are as per GST law. All tenderers who are registered under CGST/IGST/UTGST/SGST Act shall submit GSTIN (Goods and Services Tax Identification Number) details. Tenderers will examine the various provisions of the Central Goods and Services Tax Act, 2017 (CGST)/Integrated Goods and Services Tax Act, 2017 (IGST)/ Union Territory Goods and Services Tax Act, 2017 (UTGST) respective State's State Goods and Services Tax Act, 2017 (SGST), as notified by Central/ State Government and as amended from time to time and applicable taxes before tendering/bidding.

2.3 All tenderers to incorporate HSN code of item/items being quoted along with the offer. It will be the responsibility of the bidder to quote correct HSN Code and corresponding GST rate. The offers shall be evaluated based on the GST rate quoted by each bidder and the same will be used for determining the inter-se ranking.

2.4 Whenever tender calls for set consisting of many items; tenderer/bidder has to quote clearly the break up rates of various components, showing individual item's description, Basic rate and GST rate as applicable.

2.5 Wherever installation and commission charges are quoted, taxes applicable on such charges have to be clearly mentioned by the tenderer.

2.6 The Purchaser shall not be responsible for any misclassification of HSN Number or incorrect GST rate, if quoted by the bidder. Any increase in GST rate due to misclassification of HSN number shall have to be absorbed by the supplier. Wherever the successful bidder invoices the goods at GST rate or HSN Number which is different from that incorporated in the purchase order; payment shall be made as per GST rate which is lower of the GST rate incorporated in the

purchase order or billed. Vendors will be required to adjust 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.

- 2.7** Any amendment in GST rate shall be governed by the contractual conditions under Statutory Variation Clause (SVC). However, increase in GST rate amendments shall be considered for quoted HSN only, against documentary evidence, provided such increase of GST rates takes place after the date of tender opening. The benefit of reduction in GST rate shall have to be passed on to railways.
- 2.8** While quoting the rates, the tenderer shall pass on, by way of reduction in prices, the full input tax credit that may become available in respect of all the inputs used in the supply of final goods/or services due to implementation of GST with effect from 01.07.2017 and submit a declaration in their offer of the same.
- 2.9** Tenderers while quoting for tenders would also give the following declaration:
- “I/We agree to pass on such additional input tax credit as may become available in future under GST scheme, in respect of all the inputs used in the manufacturing and/or supply of the final goods and service on the date of supply by way of reduction in price and advise the purchaser accordingly.”
- 2.10** 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.
- 2.11** If any tenderer is opting for ‘Composite Levy Scheme’ of GST Act, SVC shall not be applicable to such firms in case of opting out of the Composition Levy Scheme in future.
- 2.12** While making the supply, the firm shall comply with the following:
- i) Submit the invoice/bill clearly indicating the appropriate HSN and applicable GST rate thereon duly supported with documentary evidence.
 - ii) Give a declaration that any additional Input Tax Credit benefit, if become available to supplier, the same has been passed on to Purchaser.
- 2.13** The suppliers must submit the bills as per the prescribed format along with the GST certificates provided in the ECoR website www.ecor.indianrailways.gov.in>Departments>Accounts>Downloads>ECoRbillformat(GST).
- 2.14** The essentials details to be furnished by the vendor in the annexed format at Annexure-VIII for Accounting of GST payments on Goods and Services.
- 3.0 Statutory Variations:**
- 3.1** Statutory variation will be considered during the original delivery period and against documentary evidence only. However increase in taxes or duties on account of misclassification or misapprehension of law shall not be allowed. Tenderers are thus advised to include Statutory Variations Clause correctly and explicitly in their offers.

4.0 Delivery Period Extension and Liquidated Damages:

- 4.1** The time and the date specified in the contract for the delivery of the stores shall be the essence of the contract and the delivery must be completed not later than the date so specified. The delivery period shall be reckoned from the date of issue of Advance PO/Letter of Advance Acceptance/ Letter of Acceptance.
- 4.2** However, extension of delivery period may be considered in deserving cases where genuine reasons exist. Such extensions of delivery period may be considered with liquidated damages as per IRS Conditions of Contract and denial clause. Accordingly, 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 any stores (including elements of taxes, duties, freight, etc) 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, subject to a maximum of 10% (ten percent) of the value of the contract irrespective of delays, unless otherwise provided specifically in the contract.
- 4.3** In the cases where supply is made in the extended period of D.P. (with or without LD), Price Variation (PV) as applicable on the terminal date of the original D.P shall be payable unless price has decreased after the terminal date of the original delivery period, in which case, the decreased rate will be applicable.

5.0 Terms of Delivery:

Material should be delivered by road transport or personal courier service, direct to the consignee on freight prepaid and door delivery basis.

6.0 Risk in Transit and Insurance:

- 6.1** The Purchaser will not pay separately for transit insurance and the supplier shall be responsible till the entire stores contracted to arrive in good condition at destination. Where the tenderer intends to insure the goods, the insurance charges should be clearly indicated under Other Charges in the Financial Rate Page under Financial Bid Details of the e-tender form.
- 6.2** The consignee, will advise the supplier within 45 (forty five) days of the arrival of goods at the destination, any loss/damage etc. of the goods and it shall be the responsibility of the supplier to lodge the necessary claim on the carrier and/or insurer and pursue the same. The supplier shall, however, at his own cost replace/rectify the goods lost/damaged immediately, to the entire satisfaction of the consignee, without waiting for the settlement of the claim. In case, supplier fails to give replacement against lost/damaged goods within 45 days from the date of intimation, the Purchaser may arrange procurement at the risk and cost of supplier.
- 6.3** Notwithstanding any packing condition stipulated in the tender documents or in the tendered drawings/specifications, it shall be the responsibility of the Contractor to appropriately pack the stores so that they are received by the consignee at destination without any loss, destruction, damage or deterioration due to any cause whatsoever.

6.3.1 Suppliers may please ensure plastic sheets less than 50 micron thickness is not utilised for packing, before despatch.

6.4 Special condition for items procured in sets where each set consists of multiple items/assemblies/sub-assemblies:

6.4.1 The supplier will submit the packing list for each consignment truck-wise and paste/print/paint labels on individual items mentioning the item description and reference as mentioned in packing list to facilitate ease of receipt and accountal at depot.

6.4.2 To facilitate ease of identification and acknowledgement of receipt, supplier should submit photo-album (hard copy as well as soft copy) of all the items constituting a set indicating the name of individual part. This photo-album may be submitted only once which will help depot officials in identifying the items on receipt thereof.

6.4.3 Wherever feasible, supplier will pack items set-wise to facilitate receipt and accountal of materials. As far as possible, packing should be done in such a way that it will facilitate easy stacking and vertical space utilization.

6.4.4 Supplier should also indemnify the depot officer for correctness of supply of items in sets as per packing list as per the format given below:

FORMAT OF INDEMNITY FOR CORRECT SUPPLY

(to be submitted on firm's letter head only)

I, the authorized signatory of M/s. having received Purchase Order No..... Dated for supply ofQuantity Nos./sets valued at Rs..... (Rupeesonly) hereby indemnify <Designation of Depot Officer with address> acting through & on behalf of the President of India that in the event of that supplied stores are found not as per the packing list provided and quantities of parts in set is not as per tendered drawing and/or specification due to any reason whatsoever, will make good the shortfall within a reasonable period.

I, also indemnify the consignee against the loss which may accrue to the said shortage.

For

Station:

(Signature with Name and Designation)

Date:

Company Seal

7.0 Weighment clause:

In case of stores ordered on weight basis, the net weight recorded at the consignee's premises or the net weight indicated in the supplier's invoice whichever is less shall be considered for accountal and payment.

8.0 Unloading:

Unloading will be done by consignee unless otherwise specified in the Special Conditions of Tender or elsewhere in the contract.

9.0 Evaluation of the Offers:

Unless otherwise specified, evaluation of offers will be done as under:

- 9.1 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.
- 9.2 As stipulated under clause 1.2.1, the Purchaser shall evaluate the offers based on the GST rate as quoted by each bidder and same will be used for determining the inter se ranking.
- 9.3 In case the offers are received with price variation clauses with different base dates/base prices, all-inclusive rates shall be calculated for all tenderers corresponding to a common base date/base price which shall correspond to the tender opening date, unless otherwise specified in tender document in respect of the various inputs indicated in the price variation clause quoted, so that the tenders are not vitiated on account of variations in the prices of various inputs due to different base dates/prices.
- 9.4 Conditional discounts, such as, discounts for quantity, early payment, delivery at other than specified 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 use any of discounted rate(s) appropriate for acceptance or to counter offer to the successful tenderer(s).
- 9.5 Unless otherwise specified in the tender documents, in case of tender for multiple items, multiple consignees, the inter-se position of the bidders shall be decided item wise/consignee wise and not on the basis of total value of tender as a whole.
- 9.6 For evaluation of inter-se ranking of tenders, the tax regime as applicable on the date of tender opening for statutory taxes/duties, shall be applicable subject to the condition as detailed at para 9.2 above.
- 9.7 All offers will be arranged in the ascending order of the all-inclusive rate.
- 9.8 In case, tenderer quote for delivery of entire tendered quantity to one consignee against Railway's requirements of delivery to multiple consignees, such offer shall be considered valid only for quantity required as per tender schedule by the consignee to whom delivery is offered by the tenderer and it shall be considered that there is no offer for remaining consignees.

- 9.9 In case of Machinery and Plant (M&P) items, the Net Present Value (NPV) of Annual Maintenance Charges (AMC) for various years will also be added to arrive at all inclusive FOR destination rate as per pre-disclosed calculation in the tender document uploaded on the IREPS website.
10. **Consideration of Offers:**
- 10.1 The Purchaser is not bound to accept the lowest or any offer nor to assign any reason for doing so and reserve to himself the right to accept any offer in respect of the whole or any portion of the item specified in the tender and contractor shall be required to supply at the rate quoted. In case of items of critical nature, the Purchaser reserves the right to order the entire or bulk quantity on sources with proven past performance, or the sources who comply with the eligibility criteria specified separately in the tender documents, if any, and whose offers are found technically suitable and otherwise acceptable.
- 10.2 The Purchaser reserves the right to cancel the tender for full or part quantity tendered without assigning any reason. The rates quoted by the tenderers for the full quantity would be taken as valid for acceptance of part quantity.
- 10.3 Offers of only manufacturers or their authorized dealers/distributors/agents with the tender specific authorization from the manufacturers will be considered as brought out in para 9.2 of 'Instructions to the tenderers'. Offers of authorized dealers/distributors/ agents without tender specific authorization are liable to be ignored.
- 10.4 Developmental order may be given upto 20% of the Net Procurable Quantity (NPQ) on unregistered/untried firms about whom the Purchaser is prima facie satisfied that they are capable of executing the order, depending upon the credentials and/or experience with ECoR, provided that their offers are technically suitable and competitive and they have submitted/uploaded adequate evidence to establish their capacity-cum-capability, past performance etc., subject to verification of the capability claimed/exhibited in the tender, if considered necessary by the Purchaser.
- 10.4.1 However, there may be some cases of procurement of materials where Railway may not be willing to undertake the risk of the failure on the part of the supplier on whom the developmental orders have been placed. In such cases, Railway may go in for increased purchase quantity and keeping in view of budgetary and other aspects, so that 100 percent order is placed on registered/approved suppliers and quantity not more than 20% of NPQ can be ordered against developmental orders outside the NPQ.
- 10.5 In case proven suppliers of Railway/Production Unit do not respond in the tender or the performance of such suppliers not satisfactory or exorbitant rates are quoted by them or cartel formation is suspected, then offers of the untried/new firms or the ECoR past suppliers for similar items may be considered for regular order for bulk or entire quantity or part quantity where prima-facie the purchaser feels and is satisfied about their capability to supply tendered items based on the information submitted by the tenderers along with the offer. Otherwise, ECoR reserves the right to re-invite the tender depending upon the merit of the case.

- 10.6 Railways reserves the right to procure stores with preferential treatment as per the following Public Procurement Policies of Government of India as brought out in 'Section-I, Instructions to Tenderers' as amended from time to time:
- Public procurement policy for goods produced and services rendered by Micro and Small Enterprises as brought under para 13.4 of 'Section-I, Instructions to Tenderers'.
 - Preference to Domestically manufactured electronic products as brought under para 15.5 of 'Section-I, Instructions to Tenderers'.
 - Public procurement policy for preference to Make in India as brought under para 16.0 of 'Section-I, Instructions to Tenderers'.
 - Policy for providing Preference to Domestically Manufactured Iron & Steel Products in Government Procurement as brought out under para 17.0 of 'Section-I, Instructions to Tenderers'.
- 10.7 Offers not conforming to the tender requirements and not complying to tender conditions, may be rejected outright without further reference.
- 10.8 If necessary, the purchaser may seek clarifications on the offers by requesting for such information from any or all the tenderers, either in writing or through personal contact, as may be considered necessary. However, tenderers will not be permitted to change the substance of their offers after the offers/e-Bids have been opened.
- 10.9 The tender opening date will be the reference date for assessing the performance of a firm in a tender and any improvement in performance by a firm after tender opening shall not be factored in purchase decision.
- 10.10 **Ordering on approved sources:**
- 10.10.1 Wherever necessary, as per procurement policy of the Government, Purchaser reserves the right to order either the entire or bulk quantity from firms for such items which are reserved for procurement of entire/bulk requirements from approved sources who have been approved by RDSO, Production Units (PUs), CORE, etc. as Approved vendors to manufacture and supply the tendered item. The tenderers are required to upload copies of such approval letters along with their offers. The approval status of the tenderer will be reckoned as on the date of opening of the e-tender and not thereafter. However, in case of downgrading/removal/suspension/banning after opening of e-tender, such changes shall be taken into account while considering the offers.
- 10.10.2 Minimum 80% of the net procurement quantity shall be ordered on approved vendors.
- 10.10.3 Wherever sources have been approved by nominated agency, the placement of developmental orders can be considered in the following circumstances –
- where the approved sources are not adequate or for developing indigenous sources for imported items or for new product development.
 - where the rate received from new sources are lower than those applicable to approved sources and where new sources are having potential for supply of quality material and are having infrastructure of plant and machinery and testing equipment.
 - whose offers are technically suitable.
 - who meet the pre-defined eligibility/qualifying Criteria and technical capability specified in the tender document. The credentials of having met the pre-defined criteria shall be based on the details uploaded by the tenderer like past performance, infrastructure details such as machinery and plant, testing facilities, Quality Assurance Plan, technical manpower, etc, in absence of which the tenderer may not be considered for placement of any order.

10.10.4 However, development order may be given upto 20% of net procurement quantity on unregistered/untried firms about whom Railway is prima facie satisfied that they are capable of executing the order as brought out in para 10.4 above.

10.10.4.1 For Items which are to be procured from RDSO approved sources:

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. Quantity allocation among eligible vendors shall be based on pre decided tender criteria. Such orders shall be treated as bulk orders.

10.11 Cartel Formation:

10.11.1 Wherever all or most of the approved firms quote equal rates and cartel formation is suspected, Railway reserves the right to place order on one or more firms with exclusion of the rest without assigning any reasons thereof.

10.11.2 Firms are expected to quote for quantity not less than 50% of tendered quantity. Offers for a quantity less than 50% of tendered quantity will be considered unresponsive and liable to be rejected.

10.11.3 Wherever cartel formation is suspected, Purchaser reserves the right to place orders on any firm/firms for any quantity without assigning any reason thereof.

10.11.4 The firms who quote in cartel are warned that their names may be deleted from list of approved sources.

10.11.5 Whenever tender is floated with purchase restriction from sources approved by nominated authorities and there exists 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 firms outside the approved vendors list, even beyond prescribed limits, if any.

10.12 Special Condition for e-Reverse Auction(e-RA):

10.12.1 Guidelines for Electronic Reverse Auction

1.0 As mentioned in Tender Schedule document, the Tender for with e-RA invited, procedure to conduct the same as under:-

(i). 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.

(ii) Initial Price Offer of only those bidders categorized as Qualified for Bulk Order/ Developmental order shall be opened and tabulated by system separately, category wise. Extant instructions for electronic tabulation shall apply for tabulation of initial price offers.

2.0 Financial bid:-

2.1 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 Action.

2.2.(a) Selection of vendors for Reverse Auction for award of Contract in 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
Less than 3	NIL*	The bids disallowed from participating in the Reverse Auction shall be the highest bidders(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 tenderers qualified for Bulk Order/Award of Contract is less than 3, RA shall not be done and tender may be decided on the basis of Initial Price Offer(s).
- (ii) **In case of Stores tenders**, selection of vendors for Reverse Action 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 (Not applicable for Works)**: All MSEs (Micro & Small Enterprises) found Qualified for Bulk/Development Orders/Award for Contract but could not be selected for Reverse Auction as per criteria stipulated in **Para 2.2 (a) and 2.2(a) Note (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 2.2 (a) and 2.2(a) Note (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-Revision dt. 16.09.2020, 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 2.2 (a) and 2.2(a) Note (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.

- 2.3. **Reverse Auction among bidders categorized** as Qualified for Developmental Offer and Qualified for Bulk Order shall be conducted concurrently on IREPS/Suitable Platform in Stores tenders. 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.
- 2.4. **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 2.2** 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.
- 2.5. The above guidelines will apply prospectively i.e. for tenders published subsequent to roll out of Reverse Auction module, incorporating above policy, by CRIS.

3.0 **Conduct & Reporting of Reverse Auction**

- i. Railway shall fix the following on case to case basis, depending upon the nature of item/work/service 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 be close.
 - c. Minimum decrement in percentage of value of the last successful bid.
- ii. Date and time for start of e-RA shall be communicated to qualified tenderers by the Railway after evaluation of the Technical Bids.
- iii. After submission of Initial Price Bid, tenderers will not be allowed to revise the taxes and other levies.
- iv. During auction period, identities of the participating tenderers will be kept hidden.
- v. Minimum admissible bid value will be last bid value minus minimum decrement as specified by the tendering authority 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.

- vi. 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.
- vii. Railway users can also view the bidding history in chronological order.
- viii. Bidders not be allowed to withdraw their last offer.
- ix. L-1 will be defined as the lowest bid obtained after the closure of RA session for Goods, Works and Services tenders.

11.0 Splitting Criteria:

11.1 In case of no prior decision to split the order:

11.1.1 Normally full order would be placed on L-1 firm. However, if after due processing, it is discovered that the quantity to be ordered is more than what L1 alone is capable of supplying and there is no prior decision to split the quantities, then the quantity being finally ordered will be distributed among the other bidders 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 bidders
- (ii) Capacity of bidders
- (iii) Delivery requirements in the tender
- (iv) Quantity under procurement
- (v) Vital/safety nature of the items

11.1.2 In the absence of any differentiation on the above parameters, the manner of splitting will be based on the stipulation given in para 11.2.2 below.

11.2 In case of pre-decided split ordering:

11.2.1 Purchaser will specify in the special conditions 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.

11.2.2 Following provisions shall be applicable in all such cases of pre-decided split ordering:-

- (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 order load for the Railway making the procurement, quoted delivery schedule vis-à-vis the delivery schedule incorporated in the tender enquiry, etc. being same/similar) in the manner detailed in the table below:

Price differential between L1 and L2	Quantity distribution ratio between L1 and L2
Upto 3%	60:40
More than 3% and upto 5%	65:35
More than 5%	At least 65% on the L1 tenderer. For the quantity to be ordered on the L2 tenderer, 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.
- (ii) When price negotiation has been called for, the reference L1 rate for assessment of ratio will be the original rate of L1 firm (suitable for bulk quantity), as obtained at the time of tender opening.

(C) 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.

11.2.3 Under exceptional circumstances, Purchaser reserves the right not to split the ordered quantity even in cases of where pre-decided splitting criteria is specified in the tender document.

11.2.4 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 material 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.

11.3 For cases where the Rlys/PUs had entered into ToT/JV agreements, Railway reserves 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 11.2.2 (B) shall apply.

12.0 Communication of Acceptance:

Acceptance of tender will be communicated by digitally signed email, FAX or formal acceptance of tender direct to the tenderer or through his authorised agents. In case where acceptance is indicated by email or FAX, the formal acceptance of tender will be forwarded to the contractor as soon as possible, but the communication of email or FAX shall be deemed to conclude the contract.

13.0 Security Deposit:

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

- i) The contracts of value upto Rs. 25 (twenty five) lakhs.
- ii) Other Railways, Indian Ordinance Factories and Govt. Departments on their specific requests.

- iii) PSUs owned by Ministry of Railways and PSUs for the group of items that are manufactured by them.
- iv) In tenders issued against PAC, OEM in whose favour PAC has been issued shall be exempted from submitting SD. KVIC and ACASH shall be exempted from SD for items supplied by them.
- v) Vendors registered with Railways for the trade group of the item tendered shall be exempted from SD for orders valued upto their monetary limit of registration.
- vi) Vendors appearing on the approved vendor lists of RDSO/PUs/CORE, subject to approval status being valid on the date of tender closing.
- vii) Vendors registered with Railways for supply of medicine, medical equipments and consumables shall be exempted from submission of SD 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.

- 13.2 In exceptional cases exemption from seeking SD shall be decided prior to issue of tender (including Global tenders) and suitably incorporated in the tender conditions.

13.3

Contract value	SD (rounded off to nearest higher Rs.10 (ten))
Above Rs.25 Lakhs and upto Rs.50 Crore	@5% of contract value subject to maximum of Rs.50 Lakhs
Above Rs.50 Crore	Rs.1 Crore

- 13.3.1 Railways are permitted to raise the upper ceiling of SD, upto 10% of the contract value in high value cases.

- 13.4 Security Deposit (SD) shall be furnished in any one of the following forms:

- i) By depositing cash with the Chief Cashier, East Coast Railway, Bhubaneswar.
- ii) Fixed Deposit Receipts (FDR), Pay Orders, and Demand Drafts, in favour of Principal Financial Advisor/ECOR. The FDR must be issued with auto renewal facility.
- iii) Guarantee Bonds issued by Nationalised or Scheduled Commercial Banks as per format at Annexure-IV.
- iv) Bonds of Indian Railway Finance Corporation or KRCL Bonds. (In case of Bonds issued under non-cumulative interest scheme, postdated interest warrants should be submitted along with the bonds and the interest warrants could be given back as and when the interest becomes due).
- v) Government Securities and
- vi) A deposit in the Post Office Saving Bank.

- 13.5 Bank Guarantees(BGs) to be submitted by tenderer shall be sent to this office directly by the issuing bank under Registered Post AD/Speed Post/Courier. In exceptional cases, where the BGs are received through the tenderers, the issuing bank shall be requested to immediately send by

Registered Post AD/Speed Post/Courier an unstamped duplicate copy of the Bank Guarantee directly to this office with a covering letter to compare with the original BG and to confirm that it is in order.

- 13.6 Security deposit shall remain valid for a minimum period of 60 days beyond the date of completion of all contractual obligations, unless otherwise specified in the tender documents.
- 13.7 No claim shall lie against the Purchaser in respect of interest on cash deposits or Government Securities or depreciation thereof.
- 13.8.1 Security Deposit from successful tenderer should be received in purchase office within 21 days from the date of communication of acceptance with respect to the Purchaser. In the event of successful tenderer(s) failing to deposit/submit SD in acceptable form within the prescribed period as aforesaid, it shall be lawful for the Purchaser:
- i) to automatically adjust the EMD submitted by such successful tenderer(s) towards SD.
 - ii) In cases where available EMD amount is less than required SD and the successful tenderer does not deposit the balance SD amount within stipulated time, then EMD shall be forfeited and case be dealt with as that of withdrawal of offer by the tenderer.
 - iii) Vendors claiming exemption from submitting EMD, as per para 6.1 (Section-I) above, shall be required to sign a bid securing declaration as per Annexure VI.
 - iv) 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.
 - v) This para shall not be applicable for Govt. Departments/Ordinance factories/other Railways/Railway PSUs/KVIC/ACASH and matter shall be taken up with them departmentally/administratively.
- 13.8.2 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.
- 13.8.3. Wherever the supplies are to be delivered in more than one installment, each such installment forms a severable contract. In case of failure by contractor to meet deliveries for any installment, purchaser may cancel the contract for defaulted part by forfeiting SD commensurate to that installment.
- 13.9 Security deposit will be returned to the successful supplier after completion of all contractual obligations and submission of following proforma:

No Claim Certificate

PO/Contract No. Date

For supply of(Brief description of material)

Quantity

The above contract has been completed and I/We have no claim on East Coast Railway in respect of the said contract. The security deposit amount of Rs.....(Rupees) lodged by us with East Coast Railway may therefore please be refunded to me/us.

Place:

Date:

Signature and full address of the Contractor

- 13.10 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.

14.0 Inspection:

- 14.1 The inspection will be conducted by the agency nominated by the Purchaser, such as, M/s RITES/RDSO/DQA or the representative of the ECoR or any other agency as specified in the contract at the manufacturer's premises and/or on receipt of the stores at the destination. The tenderer's acceptance of the same will be implied unless his offer stipulates inspection clause to the contrary. The tenderers shall indicate the place of manufacture and inspection in their offers.
- 14.2 In case the purchase order is placed on the traders/agents for items which are peculiar to the railways, the Purchaser reserves the right to carry out the inspection at the manufacturer's premises. Authorised dealers/agents of manufacturers should indicate the details of manufacturer in their quotation and confirm inspection of stores at the manufacturer's premises.
- 14.3 Stores shall be despatched directly from the premises of the manufacturer to the consignee after inspection and acceptance by the nominated inspection agency, if any. Manufacturer's Test and Guarantee Certificate, wherever applicable, will be submitted with each lot of supplies.
- 14.4 The inspection agency will not inspect the material where the material does not have the date of

manufacture and name of manufacturer on material. All manufactured stores must carry identification mark of the manufacturer and month/year of manufacture in embossed form at the location specified in drawing/specification. In case this is not mentioned in drawing or specification, the location should not be subject to wear and should not affect the functionality, utility, operation and structural stability of the item. Inspecting agency and consignee will be entitled to reject the supplies not conforming to this clause.

14.5 Wherever the inspecting authority is specified in the tender documents, tenderers are requested to quote accordingly. At a later date any request for change in inspection clause will not be considered, except in exceptional circumstances to be decided by the Purchaser.

14.6 Material peculiar to railways, such as, parts and fittings of rolling stock except raw materials, which have been found rejected by the inspecting agency and could not be rectified during inspection, are required to be defaced by the inspection authority to avoid recycling of such rejected material. All such rejected materials peculiar to railways will be mechanically defaced to prevent sale to railways again.

14.7 In case material needs to be re-inspected the following re-inspection charges will be paid by the supplier to the inspecting agency:

- i) Failure to offer material for inspection:
 - a. Before the visit of Inspecting Engineer (IE): 50% of inspection charges upto maximum of Rs. 11000/-.
 - b. After the visit of IE: Twice the charge payable in 'a' above.
- ii) Material has to be re-inspected due to rejection of material at firm's premises: 100% inspection charges + actual test charge
- iii) Material has to be re-inspected due to non-despatch: 100% inspection charges + actual test charge
- iv) Whenever testing is required to be done by the inspecting agency (eg. RITES) outside the manufacturer's premises as per IRS Conditions of Contract 1303 & 1304, all testing will be done by inspecting agency either in its own lab/labs approved by it or in NABL accredited lab.

14.8 If purchase order is placed directly on an ISI licenced manufacturer for ISI marked product, then the material can 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.'

14.8.1 The WTC should contain the following details:

- i) Details and types of tests that are prescribed to be conducted for the material.
- ii) Certification to the effect that all relevant tests have been carried out and that the material supplied qualifies and satisfies the relevant parameters and values assigned for such tests.
- i) Name and capacity / designation (stamp) of the authorised signatory who has conducted such test(s) and passed the material.

14.9 Rejection of pre-inspected item by consignee on receipt-

- (i) In case of rejection of pre-inspected goods at consignee end, the material rejection advice/rejection memo will be sent by consignee to all concerned i.e., firm, purchaser, pre-inspecting agency, paying authority as per the contract etc.
- (ii) Financial recovery: In case payment has been made to the firm for the material, the concerned paying authority as per contract will be advised to note the rejection advice details in its recovery register for effecting recovery of payments made, as the case may be.
- (iii) If the firm desires to have joint inspection, joint inspection of the rejected material will be held with pre-inspecting agency and the firm. In case of failure of either of the two parties to associate with the joint inspection, the joint inspection will be held by the consignee with whichever of the two parties comes for joint inspection. Irrespective of whether the party(ies) attend the joint inspection or not, the modality of joint inspection etc. shall be completed within 21 days of communication of rejected advice to the supplier (in line with IRS Conditions of Contract clause 703). 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 will need to be pre-inspected by the same pre-inspecting agency who passed the material earlier. In line with IRS Conditions of Contract clause 703, no inspection charge will be paid by Railway to the inspection agency for the replacement supply.
- (vi) However, in case of component level rejection in an pre-inspected item (which is an assembly) the replacement supply of that component can be accepted based on firm's internal inspection certificate/guarantee certificate and final inspection by consignee.

14.9.1 At the option of the depot officer/end-user, rectification of the material may be permitted within railway premises by the firm only after the firm has refunded the payment (if already made by Railway) or equivalent amount has been withheld for this purpose. However, from the date of communication of rejection, the rectification activity has to be completed within 21/45 days for indigenous/imported material respectively. If more time is taken beyond this, applicable ground rent will be levied on the firm.

14.10 In case of rejection of items, railways reserves the right to recover any such amount due to railways from the supplier, on account of inspections conducted on the items, from any pending bills or supplier's deposits available with ECoR or with any other zonal railways/PUs/units under Ministry of Railways. The inspection charges levied by railways shall be final and no claim of the supplier will be entertained on any grounds whatsoever.

15.0 Advice of despatch of stores:

15.1 The supplier should ensure that Lorry Receipt under which the material is sent to the Railway consignee are prepared in the favour of "consignee" and on door delivery basis only" failing which they will be required to take the delivery themselves and deliver the consignment to the

consignee.

15.2 All despatch documents i.e. Lorry Receipt (LR), Invoice cum Challan, Inspection certificate etc. must be sent to the consignee and copies of advice of despatch should also be sent to the Principal Chief Materials Manager, East Coast Railway, Bhubaneswar-751017.

15.3 In case of pre-despatch inspection by third party (e.g RITES/RDSO), wherever testing of material is involved, relevant test certificate/test reports/lab reports should be submitted, duly endorsed by the authority nominated to conduct inspection, along with supply apart from inspection certificate. This shall also be applicable in cases of inspection by nominated third party against Manufacturer's test certificate.

16.0 Payment Terms:

16.1 Unless otherwise agreed upon, 100% payment shall be made after receipt and acceptance of stores by the consignee. Payment will be made on submission of bills in the prescribed format, which may be downloaded from ECoR's website, accompanied with the required documents and in accordance with the instructions given in the purchase order.

16.2 In deserving cases, payment upto 95% against Provisional Physical Receipt Certificate (PPRC) duly signed/counter signed by a Gazetted Officer physically or digitally, and original copy of the Inspection Certificate may be considered as per IRS Conditions of Contract. In such cases, balance payment will be made after receipt and acceptance of stores by the consignee. The purchaser's decision as to whether a tenderer is of repute and of sound financial standing will be the final.

16.2.1 In exceptional cases, 98% and 2% payment can also be considered within the framework of extant rules and procedures.

16.3 Payment through EFT/RTGS:

Payments are made by ECoR electronically through NEFT/RTGS, and therefore, tenderers must comply with para 4.8 of the 'Instructions to the Tenderers'.

16.3.1. For tenders valued more than Rs. 10 lakhs, payment is also made through a letter of credit (LC), provided such an option is exercised by the tenderers. Further, option once exercised, shall be final and no change shall be permitted, thereafter, during execution of contract. Tenderers should read "Instructions for tenderers on LC mode of payment" (Annexure-V) and confirm compliance.

16.4 Payment terms for Machinery & Plant (M&P) items shall be as provided in the Special Conditions for procurement of M&P items specified separately under subsequent para.

16.5 The payment shall be subject to recoveries, if any, under the liquidated damages clause of the IRS Conditions of Contract or deduction of any amounts for which the Contractor may be liable under the contract against this tender or any other contract in respect of which the President of India is the Purchaser.

16.6 Request for making early payment within 30 days etc. will not be accepted.

16.7 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.

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

- a. "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 East Coast Railway, Bhubaneswar-751017 against any loss on this account."
- b. "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."
- c. 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.
- d. 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.

17.0 Option Clause:

- 17.1** Purchaser reserves the right to increase/decrease the ordered quantities of each description of stores shown in the contract up to 30 percent at the same price, terms and conditions anytime during the currency of the contract i.e., any time within the stipulated or extended delivery period, such that the contractor has reasonable time/notice for executing such increase/decrease.
- 17.2** The increase in quantity with respect to the tender quantity can be done even at the time of ordering and the tenderer shall be bound to accept the quantity so ordered on the basis of his original offer. The purchaser shall be entitled to exercise plus 30 percent option in one or more than one installment as long as the total variation in quantity does not exceed the limit of 30 percent of ordered quantity. Any increase of quantity under option clause after expiry of delivery period can be considered with the consent of the firm/contractor.
- 17.3** 'Reasonable notice' 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. A reasonable delivery schedule for the enhanced quantity will be stipulated in the relevant amendment to the contract.
- 17.4** The purpose of reasonable notice for exercise of (-) 30% Option Clause consequent to decrease in prices subsequent to the placement of contract is to give a reasonable opportunity to the Contractor to unconditionally agree to accept such lower rates for the quantity unsupplied on the date of reduction/decrease of prices or the (-) 30% quantity, whichever is less. Where the Contractor does not unconditionally agree to accept such lower rate, no further consent from the Contractor shall be necessary for exercise of (-) 30% option clause.

18.0 Warranty:

18.1 Unless otherwise specified in the tender documents, the warranty clause shall be as specified in the IRS Conditions of Contract.

18.2 Suppliers are advised to ensure that the materials are invariably stamped with manufacturer's, name, month and year of manufacture as may be detailed in the drawing/specification of material, so that warranty can be correctly acted upon.

18.3 Warranty rejections:

Material are rejected in warranty in the following situations:

- (a) The material rejected was issued to the user (shop/shed, etc.) from its associate stores depot.
- (b) The material rejected was received by the user from a PU or from a stores depot which is not the associate stores depot of the user.

18.3.1 For warranty failure in shop/shed of material issued from its associate stores depot: All warranty claims will be lodged by the associate depot officer after getting the warranty rejected material from user with reasons of warranty rejection indicated therein. The warranty claim will be processed following procedure indicated in para 14.9 (i), (ii), (iii) and (iv) above except that 'rejection advice' will become 'warranty rejection advice'. The time which can be taken for the completion of modality of joint inspection will be 45 days in case of warranty rejection from the date of communication of rejection advice to the supplier. More time is given for joint inspection because this is a case wherein supplies have already been taken into the usage system of Railways and either the pre-inspection agency or the firm or the railways may like to have a more detailed understanding of the failure.

18.3.2 For Warranty failure in shop/shed of material received from a Production Unit (PU) of the railway, including as a purchased component of rolling stock manufactured at the PU, etc.:

- (i) In cases where it may not be convenient for the end user to return the material to the stores depot to which the original supply was made by the vendor, the warranty rejected material will be kept in safe custody by the end user and the stores depot which received the original supply will be advised by the end user about the warranty rejection duly indicating the reason(s) of rejection with a confirmation that the rejected material is under end user's custody.
- (ii) The stores depot which received the original supply will raise warranty claim on the firm. The warranty claim will be processed following procedure indicated in para 14.9 (i), (ii), (iii) and (iv) above except that 'rejection advice' will become 'warranty rejection advice' and the time which can be taken for the completion of modality of joint inspection in case of warranty rejection will be 45 days from the date of communication of rejection advice to the supplier. More time is being given for joint inspection because this is a case wherein supplies have already been taken into the usage system of Railways and either the pre-inspection agency or the firm or the railways may like to have a more detailed understanding of the failure. For imported material, the time limit will be 90 days. Financial recovery (if any made) against the warranty failure will be refunded to the firm on warranty quantity replacement.

18.3.3 Inspection of the replacement supply against warranty rejection:

- (A) For cases of replacement supply against warranty failure falling in the category 18.3.1, the replacement supply should normally be inspected by the same inspection agency which

inspected and passed original supply. Thus for clause 18.3.1, any change in inspecting authority for the warranty replacement will necessitate a formal amendment in contract.

(B) For warranty rejection falling under the clause 18.3.2:

(i) The replacement supply can be inspected by the same inspecting agency which inspected and passed the original supply. Payment of inspection charges will be borne by supplier.

OR

The replacement supply can be inspected by authorized representative of consignee.

OR

The replacement supply can be made by firm's own internal inspection certificate.

(ii) The decision on the above will rest with the depot officer who raised the warranty claim and will be indicated in the warranty claim notice.

(C) However, in case the warranty failure is of a component of an assembly supplied, the component can be accepted on firm's own Guarantee Certificate/internal inspection certificate and consignee's final inspection under both the clauses 18.3.1 and 18.3.2 of warranty failure.

18.3.4 Place of warranty replacement- For warranty replacement of cases under clause 18.3.1, in order to ensure correct account of warranty replacement, the place of warranty replacement will be the depot which received the original supply. For warranty replacement of failure falling under clause 18.3.2, an exemption can be made and the place of replacement supply can be indicated by the depot officer (at his option) in the warranty claim notice to the firm to be the end-user's place.

18.3.5 After settlement of warranty claim the rejected material will be handed over by the end user to the firm's representative. The end user will also inform the depot officer who raised warranty claim about the replacement.

18.3.5 At the option of the depot officer/end-user, rectification of the material rejected may be permitted within railway premises by the firm only after the firm has refunded the payment (if already made by Railway) or equivalent amount has been withheld for this purpose. However, from the date of communication of rejection, the rectification activity has to be completed within 45/90 days for indigenous/imported material respectively. If more time is taken beyond this, applicable ground rent will be levied on the firm.

19.0 Procurement of Stores with ISI marking:

In case items which are to be purchased to IS specification and where ISI certified manufacturers exist, the purchase of such items will be made for ISI marked product only if their offers are technically suitable and licence acceptable. In the case of placement of purchase order directly on an ISI licenced manufacturer for ISI marked product, the material can be accepted on firm's WTC, without any third party inspection. In such cases, the tenderers shall submit copy of valid ISI/BIS licence along with the offers, failing which their offers are liable to be passed over.

20.0 Purchase according to Samples:

20.1 When samples are required, this fact shall be indicated in the tender documents. Samples must strictly conform to the tendered specification, drawing and description. Any sample submitted will be considered as supplement and not to supersede the tendered specification unless

otherwise specifically indicated. In the absence of a specified acceptance in writing of any variation, the Purchaser shall be entitled to reject a claim for acceptance of supply embodying such variation.

20.2 Samples where called for, should be sent duly sealed to the Stores Department of ECoR before the date and time of opening of tender failing which offer shall be summarily rejected. Samples should be supplied without any charge and on freight paid basis.

20.3 The tenderers are required to collect their samples within 15 days from the date of intimation to do so. If the samples are not collected within the specified period, they will be disposed off and no claims whatsoever will be entertained thereafter.

21.0 Risk Purchase:

21.1 Risk Purchase clauses shall not be applicable.

22.0 Force Majeure Clause:

22.1 If at any time during the continuance of the contract, the performance in whole or in part by either party of any obligation under this contract shall be prevented or delayed by the reasons beyond the control of the supplier, such as, but not restricted to, reasons of any war, hostility, acts of the public enemy, civil commotion, sabotage, fires, floods, explosion, epidemics, quarantine restrictions, strikes, lockouts and freight embargoes (hereinafter referred to as such acts) provided notice in writing of happening of any such event is given by either party to the other within 21 days from the date of occurrence with reasonable evidence thereof, neither party shall by reasons of such event, be entitled to terminate this contract nor shall either party have any claim for damages against the other in respect of such non-performance or the delay in performance, and deliveries under the contract shall be resumed as soon as practicable after such event has come to an end or ceased to exist, and the decision of the Purchaser as to whether the deliveries have been so resumed or not, shall be final and conclusive.

Provided further that if the performance in whole or part of any obligation under this contract is prevented or delayed by reason of any such act or event for a period exceeding 60 days, either party may at its option terminate the contract provided also that the Purchaser shall be at liberty to take over from the Contractor at a price to be fixed by Purchaser, which shall be final, all unused, undamaged and accepted material, bought out components and stores in course of manufacture in the possession of the Contractor at the time of such termination or such portion thereof as the Purchaser may deem fit excepting such materials, bought out components and stores as the contractor may with the concurrence of the Purchaser elect to retain.

22.2 Force Majeure Clause will not be used by any party to effectively escape liability for bad performance and Contractor shall seek all reasonable alternative means for performance not prevented by Force Majeure events.

22.3 There may be a Force Majeure situation affecting the Purchaser's Organization and in such a situation, Force Majeure Clause shall be available and applicable to the Purchaser also and Purchaser shall be entitled to cancel the contract without any financial repercussion on either

side.

23.0 Fall Clause: In case special condition specifically exist in the tender document that Fall Clause is applicable, then following provisions will apply for that particular tender only:

- i) 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. Such 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.
- ii) If at any time during the said period the contractor reduces 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 reduced.
- iii) The Contractor shall furnish the following certificate to the concerned Accounts Officer along with each bill for payment of supplies made against the contract.
“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 and 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.

24.0 Special Tender Conditions pertaining to procurement of Machinery and Plant (M&P) Items :

24.1 Elements of freight for indigenous purchase:

- (a) In case where the consignee are more (say more than 4 or so), the tenderers are required to quote for FOR station of despatch prices with an average freight for all consignees, which will be added to FOR station for despatch price to get FOR destination price.
- (b) In case where the consignees are four or less, tenderers are required to quote FOR station of despatch price with an actual freight for each individual consignee, which will be added for FOR station for despatch price to get FOR destination prices for each individual consignee.

24.2 Timely Commissioning of M&P:

- i) The supplier has to conduct joint inspection along with the consignee’s representative at the time of opening the cases after receipt of the cases at consignee’s site.
- iii) The installation, commissioning & demonstration will have to be done by the supplier immediately after the joint inspection at the consignee’s site.

- iii) In the event of Contractors' 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.

24.3 Warranty:

- i) Warranty period for M&P items 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 rectification of faults during the warranty period.
- ii) 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.
- iii) 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 rectification of faults beyond specified time during the warranty period as detailed above.
- iv) Maximum penalty to be levied on account of warranty failures will be 5% (five 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 warrantee/guaranty Bonds. Such cases the bad performance of firm during the warranty period will be recorded and circulated to all Railways for deciding future orders on the firm and when evidence to the contrary is not available, the firm's offer may even be rejected.

24.4 Annual Maintenance Contract:

- i) Tenderers are required to quote for post warranty Annual Maintenance Contract (AMC) for a period of five years after expiry of the warranty period of the M&P along with their offers. The scope of AMC will include preventive and break down maintenance. AMC charges will include all costs of personnel, spares etc., except the cost of consumables required for day-to-day operation and daily maintenance checks.
- ii) The maximum downtime and maximum response time as also penalties for failure to adhere to the same will be as specified in the tender documents. AMC payment terms would be linked to the performance parameters.
- iii) The tenderers should quote AMC rates for each of the five years. The AMC price for each year will be firm. The AMC charges shall be separately payable in Indian Rupees only. The AMC charges would be added to the FOR destination price quoted for M&P for the purpose of comparative evaluation of offer, if so specified in the tender documents. In order to equitably compare different AMC charges for different years. The concept of NPV (Net Present Value) will be used at a predetermined rate of discounting to bring the AMC charges at the same footing in the assessment of FOR destination price. The rate of discounting and the NPV calculation shall be pre-disclosed in the tender document

/Tender Schedule.

- iv) The post-AMC maintenance of machines will be dealt with by the end users. In order to facilitate the same, tenderers are required to give the current cost of spares required for maintenance of machine after AMC period and the current service charges for each items of work of repair of M&P beyond the AMC period. These charges will not be included in the price of M&P for the purpose of comparative evaluation of offers
- v) 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 machine/equipment.
- viii) The actual contract agreement will show the AMC charges as a separate Schedule/Annexure to distinguish it from the transaction value of M&P, to avoid undue custom duty/taxes, or levies.

24.5 **Validity:**

The tenderers must keep the offer for M&P items valid for a minimum period of 120 calendar days from the date of opening of tender.

24.6 **Payment Terms for M&P items:**

i). **Payment to foreign supplier:** Payment against foreign supplies shall be made through letter of credit. All charges, including the confirmation charges or 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 Condition of Contract will be as under: -

- a). 80% of the payment on proof of inspection certificate and receipted 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 per Annexure-IV towards warranty performance/warranty security.

ii). **Payment against indigenous supply:** The standard payment terms subject to recoveries if any, under the liquidated damages clause and General Condition of Contract will be as under: -

- a). 80% of the payment on proof of inspection certificate and receipted 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 per Annexure-IV towards warranty performance/warranty security.

24.7 Training:

The Contractor during commissioning of the equipment will also train the Railway staff in operation and maintenance of equipment supplied.

24.8 Maintenance manual, consumables and spare parts:

- i) Contractor is required to supply 2 copies of operation and maintenance manual to enable the railway staff in operation and maintenance to be conversant with the machine.
- ii) Consumables that may be required during the warranty period and are not covered in the warranty, same needs to be listed out including the quantity required along with the price.

24.9 Site preparations and installation:

- i) The successful tenderer whose offer is accepted and on whom purchase order is placed, will promptly provide all the requisite details relating to the site preparations, including the lay out drawings and details of the foundations/superstructure/shed/roof as may be required, but not later than 6 weeks unless otherwise specified, to avoid delay in site preparation and installation and commissioning.
- ii) If the circumstances so warrant, the supplier will be permitted to work in more than one shift for commissioning the machine, provided a request is made by the contractor. This may be permitted if the same leads to reduction of commissioning time.

24.10 Performance/Warranty Bank Guarantee:

For Machinery and Plant items, costly equipment, and capital spares, the Security deposit submitted by the supplier for 10% value of the contract value can be used to cover their warranty obligations, if same is valid for warranty period plus six (6) months claim period.

25.0 Green Transport Policy:

- i) Suppliers shall not engage trucks/vehicles of more than 15 years old for transport of goods to ECoR.
- ii) All vehicles entering into factory premises should carry valid PUC (Pollution under Control) certificate and valid insurance policy.
- iii) Vehicles may undergo surprise check by ECoR for general conditions such as tyres, pressure tanks etc. and report submitted to concerned CMMs.
- iv) Suppliers should ensure speed controllers are installed in all new heavy vehicles.
- v) RTA norms should be strictly maintained for drivers competence.

26.0 Wages to Labour and Provision of Payments of Wages Act:

Special conditions for all Supply and Installation contracts.

- A. Contractor is to abide by the provisions of Payment of Wages act and Minimum Wages act in terms of clause 54 and 55 of Indian Railways General Condition of Contract. (Annexure VII). In

order to ensure the same, an application has been developed and hosted on website www.shramikkalyan.indianrailways.gov.in. Contractor shall register their firm/company etc. and upload requisite details of labour and their payment in this portal. These details shall be available in public domain. The Registration/Updation of Portal shall be done as under:

- a) Contractor shall apply for onetime registration of their company/firm etc. in the Shramikkalyan portal with requisite details subsequent to issue of Purchase Order. The Gazetted officer of consignee shall approve the contractor's registration on the portal within 7 days of receipt of such request.
 - b) Contractor once approved by the Gazetted officer of consignee can create password with login ID (PAN No.) for subsequent use of portal for all Purchase Orders issued in their favour.
 - c) The contractor once registered on the portal, shall provide details of their Purchase Order on shramikkalyan portal within 15 days of issue of any Purchase Order for approval of concerned Gazetted officer of consignee. The Gazetted officer of consignee shall update (if required) and approve the details of Purchase Order filled by contractor within 7 days of receipt of such request.
 - d) After approval of details of Purchase Order by the Gazetted officer of consignee, Contractor shall fill the salient details of contract labours engaged in the contract and ensure updating of each wage payment to them on shramikkalyan portal on monthly basis.
 - e) It shall be mandatory upon the contractor to ensure correct and prompt uploading of all salient details of engaged contractual labour and payments made thereof after each wage period.
- B. While processing payment of any 'Final bill' or release of 'Performance Guarantee/Security deposit', contractor shall submit a certificate to the Gazetted officer of consignee or their representative that I have uploaded the contract details of contract labours engaged in connection with this contract and payments made to them during the wage period in Railway's shramikkalyan Portal at "www.shramikkalyan.indianrailways.gov.in" till ____Month____Year.

Xxxxxxx

SECTION - III**ANNEXURE – I****ELECTRONIC FUND TRANSFER (EFT) MANDATE**

<p>I/We _____ am/are expressing my/our consent for getting my/our payment directly credited to my/our Bank Account/s towards supply of stores to East Coast Railway, Bhubaneswar-751017,</p> <p style="text-align: right;"><u>Company's Seal & Signature of Authorised Signatory</u> ----- ----- Date -----</p>	
Name of the Company/Supplier	
Vendor/Supplier's Code	
Postal Address	
Name of the Bank & Branch Address (with Telephone No.)	
09 Digits MICR Code of the Bank :	
IFSC (IFS Code) of Bank	
Account No. (15 Digits only)	
Type of Account	
Income Tax P A N No.	
Please attach following:	1. Copy of Cancelled cheque leaf. 2. Copy of PAN Card
	Signature of Tenderer's Authorised Signatory & Date
<p>The above Account No. has been verified and details furnished above are found correct.</p> <p style="text-align: right;">Bank Seal & Signature -----</p>	

Form - 1

Format for Affidavit of Self Certification regarding Domestic Value Addition in an Electronic Product 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 conditions of the policy of Government of India issued vide Notification No. 8(78)/2010-IPHW, dt: 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, Govt. of India 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 electronic products in Government procurement is provided and the procuring authority is hereby authorize 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 8 years and shall make this available for verification to any statutory authorities. Further I am submitting the following details -

- 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. Electronic Product for which the certificate is produced.
- iv. Procuring agency to whom the certificate is furnished.
- v. Percentage of domestic value addition 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 electronic product.
- xii. List and total cost of inputs which are domestically sourced. Please attach certificates from suppliers, if the input is not in-house.
- xiii. List of 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 Directors)

<Insert Name, Designation and Contact No.>

ANNEXURE III

FORMAT FOR AFFICAVIT 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 as under:

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. List and total cost value of input steel (imported) used to manufacture the iron & steel products
- 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.>

MODEL FORM OF BANK GUARANTEE BOND

GUARANTEE BOND FOR (Mention purpose of BG)

In consideration of the President of India (hereinafter called "the Government") having agreed to exempt (hereinafter called "the said Contractor(s)") from the demand under the terms and conditions of Letter of Acceptance/ Agreement No. ----- dated ----- made between ----- and ----- for ----- (hereinafter called "the said Letter of Acceptance/ Agreement"), of security deposit for due fulfilment by the said Contractor (s) of the terms and conditions contained in the said Letter of Acceptance/ Agreement on production of a bank Guarantee for Rs ----- (Rupees ----- only)

1. We ----- (*Indicate the name of the bank*)----- (hereinafter referred to as "The Bank") at the request of-----contractor(s) do hereby undertake to pay to the Government an amount not exceeding Rs ----- against any loss or damage caused to or suffered or would be caused to or suffered by the Government by reason of any breach by the said contractor(s) of any of the terms or conditions contained in the said Letter of Acceptance/ Agreement.
2. We -----(*Indicate the name of the bank*)-----do here by undertake to pay the amounts due and payable under this Guarantee without any demur, merely on a demand from the Government stating that the amount claimed is due by way of loss or damages caused to or would be caused to or suffered by the Government by reason of any breach by the said Contractor(s) of any of the terms or conditions contained in the said Letter of Acceptance/ Agreement or by reason of the Contractor(s) failure to perform the said Letter of Acceptance/ Agreement. Any such demand made on the Bank shall be conclusive as regards the amount due and payable by the Bank under this Guarantee. However, our liability under this Guarantee shall be restricted to an amount not exceeding Rs. -----.
3. We undertake to pay to the Government any money so demanded notwithstanding any dispute or disputes raised by the Contractor(s)/Supplier(s) in any suit or proceeding pending before any Court or Tribunal relating thereto our liability under this present being absolute and unequivocal.

The payment so made by us under this Bond shall be a valid discharge of our liability for payment there-under and the Contractor(s)/ Supplier(s) shall have no claim against us for making such payment.

4. We ----- (*Indicate the name of the bank*) further agree that the Guarantee herein contained shall remain in full force and effect during the period that would be taken for the performance of the said Letter of Acceptance/ Agreement and that it shall continue to be enforceable till all the dues of the Government under or by virtue of the said Letter of Acceptance/ Agreement have been fully paid and its claims satisfied or discharged or till (Office/Department) Ministry of----- certifies that the terms and conditions of the said Letter of Acceptance/ Agreement has been fully and properly carried out by the said Contractor(s) and accordingly

discharges the Guarantee. Unless a demand or claim under this guarantee is made on us in writing on or before the ----- we shall be discharged from all liability under this Guarantee thereafter.

5. We ---(Indicate the name of the bank) further agree with the Government that the Government shall have the fullest liberty without our consent and without affecting in any manner our obligations hereunder to vary any of the terms and conditions of the said Letter of Acceptance/ Agreement or to extend time of performance by the said Contractor(s) from time to time or to postpone for any time or from time to time any of the powers exercisable by the Government against the said Contractor(s) and to forbear or enforce any of the terms and conditions relating to the said Letter of Acceptance/ Agreement and we shall not be relieved from our liability by reason of any such variation, or extension being granted to the said Contractor(s) or for any forbearance, act or omission on the part of the Government or any indulgence by the Government to the said Contractor(s) or by any such matter or thing whatsoever which under the law relating to sureties would, but for this provision, have effect of so relieving us.
6. This Guarantee will not be discharged due to the change in the constitution of the Bank or the Contractor(s)/ Supplier(s).
7. We ---(Indicate the name of bank) lastly undertake not to revoke this Guarantee during its currency except with the previous consent of the Government in writing.

Dated the ----- day of ----- 20---

For ---(Indicate the name of Bank)-----

Instructions for tenderers on LC mode of Payments

Scheme of Letter of Credit for Domestic Supplies (including all service and maintenance contracts) tenders, having estimated value of Rs.10 lakhs and above:

- a. All Tenders invited by Zonal Railways and Production Units, 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 option for taking payment due against the said tender, through LC arrangement 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 @ 0.15% 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 Authorisation 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 Authorisation 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 Authorisation, 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.

Annexure-VI

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 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/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”.

Signature of the tenderer

Certificate of Local Content for Availing “ Make in India” Preference

Tender No.:_____ Opening Date: _____ Item Description:_____

I/We have examined the information, records and books of Accounts presented before me/us by our client(s)

(Name and complete address of the company) and certify that the local content, which is the amount of value added in India (i.e. the total value of the item procured excluding net domestic indirect taxes, minus the value of the imported content, if any, of the above mentioned item including all custom duties), as a proportion of the total value, in percent is (percentage of local content)

We understand that this certificate is being produced by our client named above, for the purpose of availing purchase preference under Public Procurement (Preference to Make in India), Order 2017-Revision dated 16.09.2020, in the above mentioned tender. We are aware that any false declarations in this respect will be in breach of the Code of integrity under Rule 175(1) (i) (h) of the General Financial Rule for which our client or its successors can be debarred for up to two years as per 151 (iii) of the General Financial Rules along with such other actions as may be permissible under law.

I/We are also aware that I/We am/are liable to be taken up under Section 22 of the Chartered Accountants Act, 1949 along with such other actions as may be permissible under the Company and other relevant laws, in case of any false/incorrect certification of local content mentioned as above, by us.

Date:

(Seal & Signature of the Auditor/Cost Accountant)

Annexure-VIII

Sl. No.	Information required for Accounting of GST payments on Goods and Services received.	Remarks
1	Name, address and GSTIN of the supplier;	
2	A consecutive serial number, in one or multiple series, containing alphabets or numerals or special characters hyphen or dash and slash symbolized as "-" and "/" respectively, and any combination thereof, unique for a financial year;	
3	Date of its issues;	
4	Name, address of GSTIN or UIN, if registered, of the recipient;	
5	Name and address of the recipient and the address of delivery, along with the name of State and its code, if such recipient is un- registered and where the value of taxable supply is fifty thousand rupees or more;	
6	HSN code of goods or Accounting Code of services;	
7	Description of goods or services;	
8	Quantity in case of goods and unit or Unique Quantity Code thereof;	
9	Total value of supply of goods or services or both;	
10	Taxable value of supply of goods or services or both taking into account discount or abatement , if any;	
11	Rate of tax (central tax, State tax, integrated tax, Union territory tax or cess);	
12	Amount of tax charged in respect of taxable goods or services (central tax, State tax, integrated tax, Union territory tax or cess);	
13	Place of supply along with the name of State, in case of a supply in the course of inter-state trade or commerce;	
14	Address of delivery where the same is different from the place of supply;	
15	Whether the tax is payable on reverse charge basis; and	
16	Signature or digital signature of the supplier or his authorized representative;	

Signature & Seal

Annexure-IX
Check List for Passing of Stock Bill

(If the answer is "No" to any of the item then remarks of the competent authority pointing out such efficiency should be furnished)

Sl.	Description	Remarks
1	Is the bill marked ORIGINAL / signed in ink.	Yes/No
2	Is the name and address of vendor noted on the bill	Yes/No
3	Has the bill been signed by competent official of the firm	Yes/No
4	Is the PO No. Mentioned in the bill	Yes/No
5	Is the bill free from corrections and erasures ? (Corrections are to be attested by competent Authority)	Yes/No
6	Are the extra charges like freight, Insurance, P&F Charges etc. Has been in accordance with terms and conditions of purchase Order?	Yes/No
7	Is the Receipt Note duly signed by the Gaz. Officer?	Yes/No
8	Whether the material has been delivered within DP? If not extension has been sanctioned by the CA and MA submitted & BG extended suitably?	Yes/No
9	If SD is deposited as BG, then whether BG validity exists upto DP+60 days in accordance with Rly. Bds Orders?	Yes/No
10	Whether BG/Extended BG validity is supported with confirmation letter from concerned Bank?	Yes/No
11	Is the bill accompanied by proper Inspection Certificates ?	Yes/No
12	Does the description in Inspection Certificate tally with that of the PO and that of bill?	Yes/No
13	Are the corrections made in the inspection Certificate and other documents attested?	Yes/No
14	Is the Inspecting Authority authorized to inspect?	Yes/No
15	Is the Inspection Certificate marked copy for payment?	Yes/No
16	Is HSN/SAC Code mentioned in the bill and supporting documents submitted along with the bill ?	Yes/No
17	Whether ITC (Input Tax Credit) declaration submitted by the firm?	Yes/No
18	Are the rates & quantity in bill (Invoice) is in accordance with PO?	Yes/No
19	Are Guaranty/Warranty/Test Certificates attached with the bill?	Yes/No
20	Is the rate written in figures and words?	Yes/No
21	Is GST registration certificates attached with the bill?	Yes/No
22	Is the quantity now claimed part or whole ?	Yes/No
23	Whether price variation has been claimed?	Yes/No
24	In case of price variation bills, whether the bill submitted with all relevant calculation sheets, price circular, Index etc.?	Yes/No
25	Whether NEFT/Bank details has been submitted with the bill?.	Yes/No
26	In case of release of SD, whether No claim /No due certificate attached with the bill and copy of sanction attached?	Yes/No

Signature & Seal

*****.