



# EASTERN RAILWAY

## STORES DEPARTMENT

OFFICE OF THE  
PRINCIPAL CHIEF MATERIALS MANAGER  
17, N.S ROAD, KOLKATA – 700 001

### Instructions to Tenderers for e-Tenders and General Tender Conditions for Tenders except Global Tender Revision - X (Valid for Tender Published on or after 30<sup>th</sup> January, 2026)

## CONTENT

SEC	TOPIC	PAGE
1	Instructions to Tenderers for e-Tender	1 - 10
2	General Tender Conditions	11 – 50
3	Annexure	-
3.1	Proforma for Performance Statement	51
3.2	Proforma for Equipment and Quality Control	52
3.3	Model form of Bank Guarantee Bond for submission of “Security Deposit”	53
3.4	Proforma for Warranty / Guaranty Bond	54
3.5	Electronic Clearing Service (Credit Clearing) Model Mandate Form	55
3.6	Check Sheet for Bidders	56
3.7	Bid securing declaration to be signed and submitted by bidders (along with bid) availing exemption from submission of EMD	57
3.8	Format of Document Authorisation for LC Payment	58
3.9	Certificate of Local Content for Availing “Make in India” Preference	59

## SECTION – 1

### Instructions to Tenderers for e-Tender

#### **1.0 Before filling up the Tender form please read the -**

- (a) Instructions to Tenderers for e-Tenders.**
- (b) General Tender Conditions.**
- (c) Special Tender Conditions.**
- (d) IRS Conditions of contract (As applicable)**

**These are available on the Eastern Railway web pages and the IREPS web site [www.ireps.gov.in](http://www.ireps.gov.in). The Contracts and the Supplies against Eastern Railway Stores Tenders will be governed by these conditions. Your Digital Signature on the e-Tender form will be indicative that you have read and accepted all the conditions and undertake to abide by these conditions unless specifically denied / mentioned by you in your offer.**

- 1.1** On behalf of the President of India, the Principal Chief Materials Manager, Eastern Railway, Fairlie Place, 17, N.S. Road, Kolkata (hereinafter referred to as the Purchaser) invites electronic tenders for the supply of items as set forth in the “Notice Inviting Tender” and “Item Details” page attached with each electronic tender “Financial Rate Page screen”. The Contract, if placed, shall be governed by (i) the latest version of IRS Terms and Conditions of Contract, (ii) Instructions to tenderers for e-tenders (iii) General Tender Conditions and (iv) Special Conditions of Contract, which are available at the respective links on the Indian Railway e-procurement site [www.ireps.gov.in](http://www.ireps.gov.in).
- 1.2** It will be presumed that the firms who have submitted the e-bid have gone through all the terms and conditions of tender thoroughly and accepted IRS conditions of contract, until and unless firms specify the deviations from terms and conditions of tender and IRS Conditions of contract in their quotations.
- 1.3** 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 the bid document and tender document, are liable to be rejected.
- 1.4** 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.

- 1.5 In case of any contradiction in the terms and conditions appearing in IRS Conditions of Contract and General Conditions specified in the bid document, the latter will prevail. In case of any contradiction between the General Conditions and Special Conditions specified in the tender document, the latter will prevail.

## **2.0 E-Tender documents consist of**

- (a) Instructions to Tenderers for E-Tenders.
- (b) General Tender Conditions.
- (c) IRS Conditions of Contract.
- (d) Special Tender Conditions (if any)
- (e) Techno-commercial offer form including attachments (if any)
- (f) Financial Offer Form.

## **3.0 Filling of e-Tenders**

- 3.1 Tenders should be duly filled in (on the assigned space), duly signed with the digital signature and submitted online. All mandatory fields marked with (\*) have to be filled by the tenderers.
- 3.2 Tenderers must fill-in the techno-commercial offer form (consisting of eligibility criteria, terms and conditions, performance statement, deviation statement, checklist & special conditions etc), financial offer form and attach scanned copy of necessary documents.
- 3.3 Tenderers should clearly indicate separately ex-works basic price, packing charges, forwarding charges, applicable taxes, commissioning charges etc. and Freight charges up to destination, applicable for each unit tendered. Therefore, if the tenderer happens to quote a composite price, due break-up is to be given showing freight and forwarding charges separately.
- 3.4 Tenderers should show discount in the rate schedule only, instead of anywhere else in the offer. Discounts not shown at designated place **will be summarily ignored** for assigning inter-se ranking of offers. Conditional discount will not be considered for adjudging the inter-se position i.e. rate quoted without any conditions attached (viz. Discount / Rebates having linkages to quantity, payment, Inspection agency, destination, delivery place etc.) will only be considered for evaluation purpose. In other words, discounted rates linked to quantities, prompt payment etc. will be ignored for

determining inter-se position. Purchaser, however reserves the right to use the discounted rate / rates considered workable and appropriate, for counter offer to the successful tenderers.

- 3.5 Firm should accept all IRS conditions of contract. Any condition not in conformity with IRS conditions of Contract should be avoided.
- 3.6 Tenderers are advised to quote for minimum 50% of the Tender Quantity, failing which their offers shall be summarily rejected.
- 3.7 Delivery is required to be made at the place as stated. Any deviation from the same may be considered as commercially unresponsive and the offer is liable to be ignored.
- 3.8 Deliveries are preferably to be made by Road transport.
- 3.9 Maker's name and address and Brand of the stores offered must be stated, if required, as per drawing / specification. Otherwise offers are liable to be rejected.
- 3.10 Offers should be valid for 90 days after closing date of tender but for the tenders having reverse auction offers should be valid for 120 days after closing date of tender. Any offer having lesser validity shall be deemed as commercially unresponsive and will be liable to be ignored.
- 3.11 E-Tender form is not transferable.
- 3.12 Tenderers must clearly indicate whether they are registered with PCMM/ Eastern Railway for supplying the quoted item and if so, he must mention his registration number, Trade Group and the monetary limit (if any) in the rate page.
- 3.13 Any financial element indicated in the remarks column will not be taken for ranking / evaluation and will be summarily ignored. Tenderers are therefore advised not to enter any financial element in the remarks column available in the Financial Rate page.
- 3.14 The Tenderers are required to quote in the same rate units (Nos. /Kgs. /Sets /Mtrs /Kms etc.) as given in the tender schedule. Any deviation in this aspect will make the offer to be summarily ignored.

#### **4.0 Drawings and Specifications**

- 4.1 Unless Drawings and Specifications as mentioned in the tender schedule are provided with the tender documents or made available in IREPS website for downloading by the tenderers, these may be obtained in the manner shown below:

Specification / STR / Drawing of RDSO / ICF / DLW / CLW / CORE etc may be obtained from the concerned authority who has issued these, on payment.

## **5.0 Documents to be attached / uploaded along with e-Bid**

Scanned copy of the following documents should be uploaded along with the e-Bid:

- (a) Performance statement against Railways' orders for supply of same or similar items. Correct status / supply position of pending orders, if any, should be invariably indicated. Supporting documents are to be uploaded.
- (b) Supply/ purchase orders including inspection certificates issued by TPI Agency and Receipt Notes to substantiate their past performance.
- (c) Details of Machinery and Plant, other equipments, testing facilities, quality management / control systems and details of technical manpower available.
- (d) Letter of approval from approving agencies/TPI/Railways/Production Units etc. indicating current validity and approval of their QAP, wherever applicable.
- (e) Tenderers should also indicate their registration number with the concerned railway with monetary limit, trade groups for which registered, and validity date of registration.
- (f) Current and Valid NSIC Certificate, if registered with NSIC for the tendered item.
- (g) Proof of having paid EMD or grounds in favour of exemption/waiver, must be submitted by the tenderer in payment detail page of the e-Tender.

## **5.1 Compliance to Special Conditions / Checklist for Vendor**

Vendors are advised to complete the "Compliance to special tender condition / Checklist" with each offer specifically stating "yes" or "no" against each special condition / Checklist. In the case of a "no" they must fill reason for not agreeing with that special condition / Checklist in the appropriate box.

## **6.0 Bid Submission**

- 6.1 E-bid along with the relevant documents must be uploaded and digitally signed with the digital signature of the pre-authorized personnel of the tenderer already registered with the IREPS web site. Digital signature used must be "Class IIIB with Company Name" obtained from G.O.I. approved Certifying Authority.
- 6.2 Tenderers must look out for NIT as soon as it is available in IREPS website and upload their offer well in advance without waiting for closing date and time, to avoid last minute hassles in their own computer system or communication line. Eastern Railway is not responsible for non-participation of vendors due to any technical problems on the day or earlier of tender closing time.

- 6.3 Only bids received in the Electronic tender box available on the Web Site [www.ireps.gov.in](http://www.ireps.gov.in) will be considered.
- 6.4 The e-procurement system does not permit submission of any offer after the closing date and time of that e-Tender. Hence there is no scope of any Late / Delayed offers in the online bidding process.
- 6.5 Manual offers shall NOT be accepted against E-Tenders, even if they are submitted on the Firm's letterhead/any other form acquired or downloaded, and, submitted in time. All such manual offers shall be considered as invalid offers and shall be rejected summarily without any consideration.
- 6.6 In case, any clarification is required by the tenderers for submitting offers, same should be sought for from the Purchaser well before the tender closing date. It may be noted that no clarification will be given on date of tender closing.

## **7.0 Tender Opening**

- 7.1 Electronic tender boxes will be opened only after stipulated closing date and time of the tender as shown on the IREPS Website.
- 7.2 E-Tender boxes will be opened by two authorized Railway officials using their secured digital permissions, passwords and digital private keys obtained from GOI approved certifying agencies. The icon will indicate that the tenders have been opened.
- 7.3 Vendor shall not be required to be present in the Railways office for any e-Tender opening process. They can obtain totally transparent bid tabulation statement (in case of Open and Spl Limited tenders) by logging on to the IREPS website after tender opening.
- 7.4 All the participating vendors who have submitted valid electronic offers can view their own offer details as well as the tender tabulation statement (in case of Open and Spl. Limited tenders), after tender opening, from any remote location using internet access by visiting the web site [www.ireps.gov.in](http://www.ireps.gov.in) instantly after opening of the electronic tender box, by clicking on the icon.
- 7.5 Railway does not guarantee opening of the tenders immediately after the closing date and time due to reasons beyond its control and hence tenders can be opened after the due date and time also. It is ensured by the system that no offers are submitted after tender closing date and time. Vendors cannot submit / modify any offer or attach any file to it after the closing date and time as stipulated in the tender notice. System does not

permit any alteration, modification, deletion of any entry or condition, offered by the tenderer in the e-tender, after closure of the electronic tender box.

## **8.0 Earnest Money Deposit**

Earnest Money Deposit is taken to prove the earnestness of the offer on the part of the tenderer. An amount as indicated in the tender is required to be deposited with PFA/Eastern Railway towards earnest money.

Earnest money should be paid only through payment gateway link (on-line mode) before the closing date and time of the e-tender.

Offer will be summarily rejected in the case of non deposit of Earnest Money or it being deposited by the tenderer in any form other than the one mentioned above, unless exempted.

Cash / Bank Guarantee / FDR /CDR etc. are no more the acceptable mode of submission of Earnest Money Deposit.

### **8.1.0 Earnest Money Deposit (EMD)**

EMD amount shall be mentioned in all tenders. There shall be no exemption from submission of EMD for any tender or by any tenderer, subject to provisions under clause 9.1.7, except the following.

- (a) EMD shall normally not be called against limited tenders with estimated value up to Rs. 25 Lakhs (including single tenders, global limited tenders).
- (b) Micro and Small Enterprises (MSEs) having “Udyam Registration” as per MSME Notification No. S.O.2119 (E); Dated: 26/06/2020 and as amended from time to time. However, traders and agents are not eligible to avail the benefits extended under the Public Procurement Policy for MSEs.
- (c) Other Railways and Government Departments in terms of Railway Board’s letter No – 2004/RS(G)/779/11 dated 24/07/2007 as amended from time to time.
- (d) Indian Ordnance Factories in terms of Railway Board’s letter No – 92/RSS(G)/363/1 dated 08/04/1993 as amended from time to time.
- (e) PSUs owned by Ministry of Railways and PSUs for the group of items that are manufactured by them in terms of Railway Board’s letter No – 2003/RS(G)/779/5 dated 10/09/2004 as amended from time to time.
- (f) Vendors registered with Railways for the trade group of the item tendered.

- (g) Vendors appearing in the approved vendor lists of approving agencies viz. RDSO/PUs/CORE/Railways, subject to approval status being valid on the date of tender closing.
- (h) Vendors registered with Railways for supply of medicine, medical equipments and consumables shall be exempted from submission of EMD for these items.
- (i) 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.

8.1.1 Offers submitted without EMD from the firms not entitled for exemption shall be summarily rejected. Vendors themselves will be responsible and liable for wrong classification in claiming Exemption if any.

8.1.2 Applicable EMD amount to be deposited along with the offer shall be as specified in Tender Document.

<b>Estimated value of tender</b>	<b>EMD(rounded off to nearest higher Rs. 10(ten</b>
Above Rs. 25 Lakh and up to Rs. 50 Cr	@ 2% of the estimated value of the tender subject to Max. Rs. 20 Lakh
Above Rs. 50 Cr	Rs. 50 Lakh

## 8.2 **Debarment from exemption of submitting Earnest Money Deposit**

The bidders who withdraw or modify the bids during the period of validity, or on award of 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/Tender document 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 they 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.

8.3 If the tender is cancelled by the Railway Administration before tender opening, any EMD paid shall be refunded to the tenderer.



#### 8.4 **Bid Security/Earnest Money Deposit**

All vendors, exempted from submitting EMD, as per Para 8.1.0 above, irrespective of type of tender, i.e. single, limited or open, shall be required to sign a bid securing declaration as per annexure 3.7 and/or sign the bid security declaration in IREPS at the time of bidding, failing which their offers will be summarily rejected.

#### 9.0 **Security Deposit (SD) / Performance Security for Stores Contracts except M&P**

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

- (a) The Stores Contract cases of value up to Rs. 25 (twenty-five) Lakh or as amended from time to time.
- (b) Other Railways and Government Departments in terms of Railway Board's letter No. 2004/RS (G)/779/11 dated 24.07.2007.
- (c) Indian Ordnance Factories in terms of Railway Board's letter No. 92/RS(G)/363/1 dated 08.04.1993.
- (d) PSUs owned by Ministry of Railways and PSUs for the group of items that are manufactured by them in terms of Railway Board's letter No. 2003/RS(G)/779/5 dated 10.09.2004.
- (e) 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.
- (f) 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.
- (g) Vendors appearing on the approved vendor lists of RDSO/PUs/CORE, subject to approval status being valid on the date of tender closing.
- (h) Vendors registered with Railways for supply of medicine, medicinal equipments and consumables shall be exempted from submission of SD for these items.

9.1.2 Amount of Security Deposit (SD) ( To be read along with para 9.3.0 and 9.3.1)

<b>Contract Value</b>	<b>SD (rounded off to nearest higher Rs. 10(ten)).</b>
Above Rs. 25 Lakh and up to Rs. 50 Cr.	@ 5% of contract value subject to Max Rs. 50 Lakh
Above Rs. 50 Cr.	Rs. 1(one) Cr

**N.B.** However, Railway reserves the right to raise the upper ceiling of SD up to 10% of the contract value in high value cases.

9.1.3 Security Deposit (SD) shall remain valid for a period of minimum 60 days, beyond the date of completion of all contractual obligations. The validity of SD should be extended, wherever delivery period of the contract is extended. No interest will be allowed on SD.

9.1.4 **Return of Security Deposit:** The Security deposit will be refunded to the contractor on due fulfillment and satisfactory completion of the contract within a reasonable time and on submission of a Clearance Certificate by the Contractor to the effect that the Contractor has received all dues arising out of this contract and that he has no claim whatsoever on the President, against the contract.

9.1.5 **Time for deposit of SD**

SD from successful tenderer should be received in purchase office within 21 days from the date of communication of acceptance with respect to the purchaser.

9.1.6 In the event of successful tender(s) failing to deposit / submit SD in acceptable form within the prescribed period as aforesaid, the EMD submitted by such successful tenderer (s) shall be automatically adjusted towards SD in view of the fact that in most of the cases, EMD amount would be adequate to meet the SD amount. 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.

9.1.7 (a) **Deleted**

(b) 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.

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

9.1.8 **Deleted**

9.1.9 Wherever SD has been exempted, for any reason, and the supplier fails to supply the 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.

9.2.0 The successful Tenderers will be required to deposit Security Deposit with FA & CAO, Eastern Railway as required by the Administration for proper fulfillment of the contract. The Security Deposit may be made in any of the following manners.

- (a) Government Securities to be valued at 5% below the market value.
- (b) Deposit receipt of any Nationalized/Scheduled Bank.
- (c) Guarantee Bonds executed by any Nationalized/Scheduled Bank.
- (d) Demand Draft of any Nationalized/Scheduled Bank.
- (e) A deposit in Post Office Savings Bank.
- (f) National Savings Certificate.
- (g) Defense Deposits.
- (h) National Defense Bond.

9.3.0 In case, firm submits Security Deposit in the form of Bank Guarantee, It is mandatory to enter BG details into SFMS while issuing Bank Guarantee by vendor/Contractors in favour of Railways. The below mentioned IFSC code is only valid for BG issuance and verification in favour of Railways.

IFSC Code	SBIN000RAIL
IFSC Type	BRANCH
BANK NAME	STATE BANK OF INDIA
BRANCH NAME	RAIL
CITY NAME	NAVI MUMBAI
ADDRESS	SECTOR-11, CBD BELAPUR NAVI MUMBAI
DISTRICT	NAVI MUMBAI
STATE	MAHARASHTRA
BG ENABLED	YES

9.3.1 **Deleted**

10.0 “Applicable Terms & Conditions specific to procurement of Medicines & Medical Consumables” may be seen at Para – 32 of the General Tender Conditions.

11.0 Firms are advised to ensure that address furnished by them for getting digital signature from accredited agencies are same as that furnished to and available with the centralized source approving authorities such as RDSO/PUs/Zonal Railways etc. They are further advised that while registering themselves in the IREPS website for participation in E-procurement system, the same address as above is filled up, to avoid any vitiation of information and consequent impairment in their credentials.

\*\*\*\*\*

## **SECTION – 2**

### **GENERAL TENDER CONDITIONS**

- 1.0 Sales Tax / Value Added Tax (VAT) / CST (Applicable for items which are not covered under GST)**
- 1.1 The Sales Tax / VAT / CST, with Surcharge thereon, if any, in exact percentage should be shown clearly in the offers as applicable for different Consignees located in different States. In the absence of clear indication / no indication that these levies are payable in addition to the rates quoted, it will be assumed that rates are inclusive of all taxes / no sales tax is applicable.
- 1.1A Statutory Variation Clause:**
- Statutory Variation in taxes and duties, or fresh imposition of taxes and duties by state/central governments in respect of the items stipulated in the contract (and not the raw materials thereof), within the original delivery period stipulated in the contract, or last unconditionally extended delivery period shall be to Railway's account. Only such variation shall be admissible which takes place after the submission of bid. No claim on account of statutory variation in respect of existing tax/duty will be accepted unless the tenderer has clearly indicated in his offer the rate of tax/duty considered in his quoted rate. No claim on account of statutory variation shall be admissible on account of misclassification by the supplier/contractor. Statutory Variation Clause is applicable in all statutory levies such as duties, taxes etc. during the original currency of contract subject to production of documentary evidence.
- 1.2 The Tenderer should clearly indicate their Sales Tax/ VAT/ CST Registration Certificate Number and submit declaration that "It is certified that the Sales Tax / VAT / CST as claimed is legally payable by buyers and has been paid / will be paid by us to the Sales Tax Authorities".
- 1.3 With the Amendment of Central Sales Tax Act 1956 (Railway Board's Letter No. 2007/F (S)I/CST/1 dated 04/05/2007), the concessional tax regime with "D" form to the Government Departments has been withdrawn w.e.f. 01/04/2007. Consequence upon the withdrawal of "D" form, the rate of CST on inter-state sale to Railways shall be the rate of Value Added Tax (VAT) / State Sales Tax applicable in the State of the selling dealer. The tenderer while quoting for CST / VAT should indicate the applicable rate as per ruling VAT / State Sales Tax in their State and, quote the correct rate of VAT

accordingly. The tenderers should specially note that the Railway Administration cannot issue exemption form “C” also for availing concessional CST.

- 1.4 While quoting for VAT, tenderer should pass on (by way of reduction in prices) the set off / input tax credit that would become available to them by switching over to the system of VAT from the existing system of sales tax duly stating the quantum of such credit per unit of the item quoted for. **The tenderer while quoting their rates for tenders should give the following declaration:** “We agree to pass on such additional set off / input tax credit as may become available in future in respect of all the inputs used in the manufacture of the final product on the date of supply under the VAT scheme by way of reduction in price and advise the purchaser accordingly”.

In all cases, supplier will furnish the following certificate, while claiming payment to the payment authority.

“We hereby declare that additional set offs / input tax credits to the tune of Rs.....has accrued and accordingly, the same is being passed on to the purchaser, and, to that effect, the payable amount may be adjusted”.

However, submission of these tender documents whether digitally signed or manually signed without any deviation shall be deemed as submission of aforesaid declaration.

- 1.5 Railway will, however, not pay any Tax or Duty paid by the supplier due to misclassification.
- 1.6 Any statutory variation in Sales Tax / VAT / CST variation in future is liable to be admissible within original delivery period only subject to production of documentary evidence and Govt. notifications, and, subject to indication of the same in firm’s offer and contract.
- 1.7 Where the firm quote all-inclusive price without mentioning any taxes at present or in future, and, have also not quoted with Statutory Variation Clause, the firm shall have to bear the future variations, in all such cases. In case of Sales Tax being inclusive, exact rate of tax is to be indicated, failing which Sales Tax will be calculated as per rule.

## **2.0 Excise Duty (Applicable for items which are not covered under GST)**

- 2.1 If Excise Duty (ED) is being charged extra, then the tenderer should clearly indicate the exact rate of ED applicable in their offer.
- 2.2 Any statutory variation in ED will be applicable within original Delivery Period only subject to documentary evidence and Govt. notifications.

2.3 If concessional ED is applicable at the time of quoting of offers, the same should be quoted clearly and must also indicate the maximum rate of ED payable. Tenders will however be evaluated on the basis of maximum rate of ED, which may become applicable. However ED will be reimbursed at actual.

In no case the variation in ED due to increase in turnover and misclassification during the currency of contract will be admissible.

2.4 ED will be reimbursed subject to documentary evidence and Government Notifications only. In determining the cost of an excisable product covered by the MODVAT scheme under section 4(1) (b) of the Act, read with Rule 6 of the valuation rules, the excise duty paid on raw material also covered under MODVAT scheme is not to be included, i.e. Excise Duty paid on raw material, if modvatted, is not to be included in determining the cost of production of excisable product.

2.5 If the quoted rate is inclusive of ED, the tenderer must indicate the ED clearly. If it is not done so, the offer will be taken as inclusive of ED at the highest rate obtained in the tender batch.

## 2.6 **Payment of Excise Duty / Modvat Rules (Wherever applicable)**

2.6.1 The purchaser will not be responsible for payment of taxes and duties paid by the supplier under misapprehensions of law or misclassification.

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

2.6.2.1 The rate of ED is ad-valorem. The ED at present legally leviable in this case is Rs .....i.e. % of Rs....., being the unit value of the Stores assessed by the concerned authority of the Excise department.

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

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

## 2.7 **MODVAT CERTIFICATE (Wherever applicable)**

The tenderer will have to submit the following certificate in their offer:-

*“We hereby declare that in quoting the above price, we have taken into effect, the full effect of the duty set-off on ‘Central excise and countervailing duties’ available under the existing MODVAT scheme. We further agree to pass on such additional duties and set*

*off as may become available in future in respect of all the inputs used for the manufacture of the final product, on the date of the supply under MODVAT scheme, by way of reduction in price and advise the purchaser accordingly”.*

### **3.0 Entry Tax/Exit Tax/Octroi Duty (Wherever applicable)**

The purchaser will not bear any Octroi charges, and if required will issue Octroi exemption certificate only. In event of Octroi Exemption certificate not being honored by the concerned Municipal authority, and Octroi charges become payable, the supplier will have to bear the Octroi charges in terms of IRS Conditions of Contract.

### **4.0 Price Variation Clause**

4.1 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.

4.2 However, there may be cases of procurement of stores, which are raw-material (Steel / Non-Ferrous) intensive items, wherein the tender schedule itself will indicate the Price Variation formula, generally on the basis of following recognized formula

- (a) IEEMA PVC for the items covered by IEEMA formula.
- (b) Railway Board's/CORE's PVC for items covered by such formula.
- (c) DGS&D's PVC for the items which are covered by such formula etc.
- (d) PVC based on prices of HCL, HZL, SAIL, LME, BME etc.
- (e) PVC based on WPI.

Tenderers are advised to quote as per the specific PV formula given in the tender schedule. Offers with deviation in the PVC formula, base rate and base date of prices of input raw material than as prescribed in the tender schedule will be summarily rejected. Offers from tenderers quoting with fixed price where Rly has incorporated pre-defined PVC will be summarily rejected.

4.3 Tenderers who quote with price escalation on account of raw material in the tenders will please note that such escalation claims will be subject to verification by the Principal Financial Adviser/Eastern Railway with reference to the records that may be called for from them. Successful tenderer will be required to produce complete records, at the time of submission of bill for verification / examination of their claims under price

escalation before their claims are accepted. If the tenderer fails to establish his claim by producing unsatisfactory records before the PFA/ER, their claim will be disallowed and/or proportionately reduced.

- 4.4 In case of entire or severable contract with staggered delivery schedule, the PVC claims if any, will be restricted for that particular quantity of supply required to be completed in that period, as indicated in the original delivery schedule, irrespective of the fact, whether the supply has been made/ completed subsequently within the overall delivery schedule of the contracts.

## **5.0 Denial Clause**

In the cases where supply is made in the extended period of D.P. (with or without LD), the following Denial Clauses are applicable.

- (a) No increase in price on account of any statutory increase in or fresh imposition of tax & duty or on account of any other tax or duty leviable in respect of the stores specified in the Contract which takes place after the date of the delivery period originally stipulated in the contract shall be admissible on such of the said store as are delivered after the date of the delivery originally stipulated in the contract.
- (b) Notwithstanding any stipulation in the contract for increase in price on any other ground, no such increase which takes place after the date of the delivery originally stipulated in the Contract shall be admissible on such of the said stores as are delivered after the expiry of the delivery period originally stipulated in the Contract.
- (c) Nevertheless, the purchaser shall be entitled to the benefit of any decrease in price on account of reduction in or remission of tax & duty or on account of any other tax or duty or on any other ground as stipulated in the price variation clause, which takes place after the expiry of the date of delivery originally stipulated in the Contract.

## **6.0 Cartel Formation**

- (a) The Tenderers are expected to quote most competitive prices freely.
- (b) Wherever all or most of the approved firms quote equal rates and cartel formation is suspected, the purchaser reserves the right to place order on one or more firms with exclusion of the rest, without assigning any reasons thereof. The selection of one or more firms may be on the basis of past performance records, capability, capacity, quality performance, after sales service response etc subject to rates being considered reasonable.



- (c) Firms are expected to quote for a quantity not less than 50% of the tendered quantity. Offers for quantity less than 50% of tendered quantity will be considered unresponsive and liable to be rejected in case Cartel Formation is suspected. Railways however reserve the right to order on one or more firms for any quantity.
- (d) The firms who quote in cartel are warned that their names may be deleted from list of approved sources.
- (e) Wherever there is suspected Cartel formation from approved sources, the Railways reserves the right to place orders on developmental sources and new sources without any quantity restrictions.

## 7.0 Inspection Of Stores

- (a) Stores are to be inspected by **TPI/Consignee/RA, Berlin** (For imported consignment), etc. only at the manufacturer's works. Inspection against MTC / GC only is normally not acceptable. The tenderer's acceptance of the inspection clause indicated in tender will be presumed, unless the offer stipulates any other inspection clause. No deviation from tendered inspection clause is acceptable.
- (b) Materials peculiar to Railway such as parts & fittings of Rolling stock except raw material, which have been found rectified during inspection and which could not be rectified are required to be defaced by the inspecting authority to avoid recycling of such rejected materials and to avoid ultimate failures of assets. All such rejected materials peculiar to Railways should be mechanically defaced to prevent sale to Railways again.
- (c) In case the firms fail to offer the material for inspection against inspection call issued to inspecting agency or if the materials have to be re-inspected due to rejection of the material at firm's premises by inspecting agency or due to non-dispatch of material within validity of inspection certificate, then the inspection charges applicable for the offered quantity and actual test charges incurred will be paid by the supplier to inspecting agency.
- (d) In case, the purchase orders are placed on traders / agents for the items, which are peculiar to the Railways, traders / agents should indicate the source of supply and inspection to be carried out at their manufacturer's premises rather than traders/ agents' premises, to ensure genuineness of quality of the materials. Above conditions will not be applicable for the items where inspection is being carried out against MTC / GC or by the Consignee in view of urgency.

- (e) Final inspection and acceptance of the supplied material will be done by the Consignee after receipt of the material.
- (f) Test Certificates: In case tests are prescribed in the specification, it is obligatory for the successful tenderer to furnish the manufacturer's Test Certificate or any other Test Certificate specified in the tender along with the supply of stores. In the event of their inability to furnish the Test Certificate, the cost of the test to be carried out will be to the tenderer's account.
- (g) If purchase order is placed directly on an BIS/ISI licensed 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.

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.
- (iii) Name and capacity/designation (stamp) of the authorised signatory who has conducted such test(s) and passed the material.
- (h) For Tenders with TPI Agency etc. inspection clause, Railway reserves the right to place order with consignee inspection having contract value less than Rs.5 Lakh.

#### **7.1 Special Conditions of Contract for Handling of rejection of pre-inspected item and warranty rejections.**

The handling of rejection of pre-inspected item and warranty rejections, are incorporated in General Tender Conditions in IREPS and the same should be followed in line of Railway Board's letter No. 2000/RS(G)/379/2 Dated:07/08/2015 as available on Railway Board's website.

#### **8.0 Marking of material**

The tenderer should agree to indicate the Manufacturer's Name, Month and Year of manufacturing by casting/ stamping/ etching/ embossing, at an appropriate place of each piece supplied, without affecting the functional utility and structural stability of the components/ material. However, if the same is not possible because of component/ item

being small in size or any other reason what so ever, tenderer should indicate the same in their offer.

## **9.0 Payment Terms**

9.1 Normal payment term of Eastern Railway is 100% payment after receipt and acceptance of material by consignee. Payment for the full stores or each consignment thereof will be made to the contractor on submission of bill accompanied by the prescribed documents mentioned in the contract.

### **9.2 95% + 5% payment**

9.2.1 95% payment for the stores or each consignment thereof will be made against Inspection Certificate and proof of dispatch. For dispatch of material by road, it is the challan of the supplier duly certified by the consignee Gazetted Officer towards receipt of material at consignee's end will constitute the proof of dispatch for the purpose of payment. For rail dispatch, clear and unqualified RR / PWB may be considered as the proof of dispatch.

9.2.2 Balance 5%, payment will be made on receipt and acceptance of stores by the consignee, signified by granting of Receipt Note. In other words, balance 5% payment shall be made against Receipt Note.

9.3 However, for orders valuing up to Rs.5 Lakhs, 100% payment against receipt and acceptance of the material by the consignee i.e., against Receipt Note shall be preferred.

9.4 Payment Term 98% + 2% is **deleted**.

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

9.6 Discounts/rebates linked with early payment and/or early granting of receipt note etc. within specified days will not be considered for determination of inter-se ranking of the offers. However, the Railways reserve the rights to avail themselves of such rebates /discounts.

## **10.0 Payment through ECS / EFT**

- (a) The tenderer should give consent in a mandate form for receipt of payment through ECS / EFT (Annexure 3.5).
- (b) Tenderer should provide the details of Bank A/C in line with RBI guidelines for the same. These details will include Bank Name, Branch Name & Address, Account Type, Bank A/C No., and Bank & Branch Code as appearing on MICR cheque issued by bank.
- (c) Tenderer should attach certificate from their bank certifying the correctness of all above-mentioned information.
- (d) In case of non-payment through ECS/ EFT or where ECS / EFT facility is not available; payment may be released through cheque, depending upon merit. However, payment through ECS is preferable.
- (e) The purchase order shall contain the following details as per details furnished by the firm.
  - (i) Account no. (Type).
  - (ii) Bank Name & Code.
  - (iii) Branch name & Address.
  - (iv) Whether payment is through ECS / EFT or Cheque.

## **11.0 Force Majeure Clause:**

Force Majeure is an event beyond the control of the supplier and not involving the supplier's fault or negligence and which is not foreseeable. Such events may include, but are not restricted to acts of the purchaser either in its sovereign or contractual capacity, wars or revaluations, hostility, acts of public enemy, civil commotion, sabotage, fires, floods, explosions, epidemics, quarantine restrictions, strikes, lockouts and freight embargoes. This should not be used by a party to effectively to escape liability for bad performance.

If there is delay in performance or other failures by the supplier to perform its obligation under the contract due to event of a Force Majeure, the supplier shall not be held responsible for such delays/failures.

If a Force Majeure situation arises, the supplier shall promptly notify the purchaser in writing of such conditions and the cause thereof within 21 days of occurrence of such event with reasonable evidence thereof. Unless otherwise directed by the Purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as

reasonably practical and shall seek all reasonable alternative means for performance not prevented by the Force Majeure event.

If the performance in whole or in part or any obligation under the contract is prevented or delayed by any reason of Force Majeure for a period exceeding 60 Days, either party may at its option terminate the contract without any financial repercussion on either side.

“There may be a Force Majeure situation affecting the purchase organisation only. In such a situation the purchase organisation will take up with the supplier on similar lines as mentioned above.”

## **12.0 Time Preference Clause**

It should be noted that if a contract is placed on a higher tenderer as a result of invitation of tender, in preference to a lower acceptable offer, in consideration of offer of earlier delivery, the contractor will be liable to pay the Government the difference between the contract rate and that of the lowest acceptable tender on the basis of final price F.O.R destination including all elements of freight, Sales Tax, Local taxes, duties and other incidentals in case of failure to complete supplies in terms of such contract within the date of delivery specified in tender and incorporated in the contract. This is in addition and without prejudice to other rights under the terms of contract.

## **13.0 Delivery Schedule**

- (a) The tenderers are required to note the Railway's required delivery schedule given in the Tender schedule/ Tender document and quote accordingly. Offers with delivery schedule, not matching requirement of Railways is liable to be ignored. Vague Delivery terms like 2/ 32 weeks etc. must be avoided, and, if quoted, are liable to be taken as commercially unresponsive to railway's requirement and liable to be ignored.
- (b) Time and the date of delivery as specified in the Purchase Order are the essence of the Contract. The supply should commence as per schedule and is to be completed in required number of installments thereafter. 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.
- (c) The delivery period in Stores Procurement cases shall be reckoned from the date of issue of Advance PO/Letter of Advance Acceptance/Letter of acceptance.

## **14.0 Liquidated Damage (LD) on delayed supply**

14.1 If the Contractor fails to deliver the stores or any installment thereof within the period fixed for such delivery in the contract or as extended or at any time repudiates the contract before the expiry of such period the Railway may without prejudice to other rights, will recover from the contractor, as agreed, Liquidated Damages and not by way of penalty, a sum equivalent to ½ per cent of the price of any stores (including elements of GST, 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 value of the delayed supplies.

## **15.0 Terms of Delivery**

- (a) Mode of dispatch should be preferably by road / personal courier service, directly to the respective consignee.
- (b) Suppliers should clearly quote-FOR Conditions i.e. station of dispatch or destination. If firm's offer is FOR Destination, then applicable freight charges should be clearly indicated.
- (c) Transit Insurance for risk in transit should be arranged by the supplier, since risk in transport in all such cases rests with the supplier in terms of IRS conditions.
- (d) In case the Tenderer quote ex-works or ex-Godown price, they should invariably indicate the total freight charges i.e. from their Works / Godown to destination. In the event any Tenderer does not specifically record anything about the place of delivery in his offer it will be assumed that the Tenderer will bear the freight and that the offer is for Free delivery at the destination. This assumption will be final and binding on the Tenderer and will not be subject to any legal dispute or arbitration in future.
- (e) The firms who offer to dispatch the Stores by Road on FOR Station of despatch basis, but freight prepaid up to the destination, may seek reimbursement of such freight charges. Such reimbursement shall be made at actuals and against documentary evidence, within the upper ceiling of Freight charges as indicated by them or Rail freight by Passenger Train, whichever is lower. However, for evaluation of offers, it is the quoted freight, which will be considered.

- (f) In High Value Tender cases with individual order value of Rs. 50(Fifty)/- Lakh and above, Railway reserves the right to place order with Staggered Delivery in all orders on the successful bidders.
- (g) 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.

## **16.0 Evaluation Criteria**

### **16.1 Rates**

- (a) Rate, taxes, duties, freight, un-conditional discount etc having financial implications must be quoted on the financial rate page only (refer to instructions to tenderers for e-tenders). Remarks having financial implications indicated elsewhere will not be considered for evaluation.
- (b) In case of offers with predefined (prescribed) PVC clause, the updated rates as per PVC formula as on date and time of tender closing, will be taken to determine inter-se rankings of offers.
- (c) Inter-se ranking of offers will be decided with the statutory taxes & duties and effect of Price Variation Clause as prevailing on the date of tender closing.

### **16.2 Evaluation criteria for multi-consignee / multi-items tenders**

- (a) Unless otherwise specified, the evaluation of tender will be done item wise and consignee wise.
- (b) For multi consignee items, the rate should be quoted by firm on FOR – Destination basis for each consignee separately. The inter-se ranking of the offers will be decided for each consignee separately.
- (c) In tenders where schedule consists of several items, the inter-se ranking will be decided for each item separately. The firms are required to quote the rate for each item separately.
- (d) In tenders where several items are grouped in a “KIT” or “SET” and the tendered quantity is in sets, the firm should quote single rate for the tendered kit / set of items. In such cases, the inter-se ranking shall be decided on the rate quoted by the firm for “Kit” or “Set” of items.

- (e) One individual is not allowed to submit financial Bid of more than one firm in a particular Tender Case. In case of violation all the financial Bid of that individual should be summarily rejected.
- (f) Tenderers are advised to quote for minimum 50% of the Tender Quantity, failing which their offers shall be summarily rejected.
- (g) In case of multi-consignee items, offers for delivery of supplies meant for one or more consignee(s) to other consignee shall be treated as un-responsive offer for all those consignees where deliveries are not offered, and such offers shall be summarily rejected for those consignees where deliveries are not offered by tenderer.

**16.3 Ordering on RDSO/ PUs/ CORE/ Zonal Railways, etc. approved / registered sources**

- (a) The Railway reserves the right to order bulk quantity (80% or more of Net Procurable quantity) on the approved sources, and the offers of developmental sources may be considered only for developmental order of small quantity up to 20% only if the offers are competitive. "Developmental Vendors" are only such vendors which are listed as developmental vendors on UVAM without any condition. The status of approval of tenderer shall be reckoned as on the date of tender opening and not thereafter, unless it is a case of downgrading/ removal/ suspension/ banning.
- (b) Offers of firms who are not even under developmental list and if prima facie appears that firm is capable of manufacturing the item, then such firm may be advised to approach vendor approving authority for assessment of capacity, quality, capability etc.
- (c) **Deleted**
- (d) 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 rate 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, without any restrictions.
- (e) Where there are not more than three Indian Suppliers categorized as Approved Vendors 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.

**16.4 Materials to be procured from sources having satisfactory past performance of same/similar items**

- (a) **Bulk Order:** The Railway reserves the right to place orders for entire or bulk quantity on firms having proven satisfactory past performance of supply of same/similar items for at least 20% of tender quantity in preceding three years against single order, as per criteria at (c) below.
- (b) **Developmental Orders:**
  - (i) Firms having satisfactory past supply performance for supply of same/similar items for less than 20% of tender quantity in preceding three years against single order, as per criteria at (c) below, shall be considered for developmental order up to 20% of NPQ subject to their rates being lower than those applicable for regular and bulk order.
  - (ii) Other firms who have no past supply performance but are capable of manufacturing and supplying the item can be considered for developmental order subject to submission of their technical and financial capabilities/capacities i.e. Machinery and Plant, Testing Facilities, QAP, Technical Manpower, Balance Sheet, Turn Over etc along with their offer and subject to their rates being lower than those applicable for regular and bulk order.
- (c) Firms should upload along with the offer their supply performance (duly supported with documents like Inspection Certificate, Receipt Note, Payment Receipt Particulars), i.e. supplies made by them for same/similar items on this Railway & other Railways, in preceding three years from tender closing date, in support of their performance. Non-submission of such documents shall be taken as they are not having any such past performance and their offers shall be considered further as per extant rules and no back reference in this regard will be made to them.
- (d) However Railway reserves the right to refer to past performance of firm with Eastern Railway in preceding three years from tender closing date.
- (e) In case tenderer participates as an authorized agent, then the performance as required above shall be that of principal authorising the agent.

**16.5 Material to be procured from OEM or their authorized dealers/ distributors**

- (a) The Railway reserves the right to place orders for entire or bulk quantity on OEMs or their authorized dealers.
- (b) Any firm quoting on behalf of OEM must submit valid & tender specific authorisation certificate from their OEM along with their offer and agree for inspection by the nominated agency (as the case may be) at the premises of their principal, failing which their offer is liable to be rejected.
- (c) The following would be preferred in such cases:
  - 1) Inspection by TPI/Nominated agency at the manufacturing premises of the relevant manufacturer. TPI/Nominated agency shall categorically confirm in the Inspection Certificate, that inspection of the material has been actually made in the manufacturing premises of the manufacturers and not in the ware house/ Godown / Shop of the dealer.
  - 2) Direct dispatch from the premises of the manufacturer to the Railways consignee after inspection and acceptance by TPI/Nominated agency.
  - 3) Submission of Manufacturer's Test and Guarantee Certificate with each lot of supply.
- (d) In a tender, either the agent "**on tender specific authorization**", on behalf of the Principal/OEM or Principal/OEM itself can bid but both cannot bid simultaneously for the same item/product in the same tender. In such case, both the offers shall be considered ineligible and will be summarily rejected.
- (e) If an agent submits bid on behalf of the Principal/OEM, the same agent shall not submit a bid on behalf of another Principal/OEM in the same tender for the same item/product. In such case, both the offers shall be considered ineligible and will be summarily rejected.

#### 16.6 **Group IV item**

- (a) The Railway reserves the right to procure entire quantity from NSIC registered vendors for this item. Firm must submit their current and valid NSIC certificate for the tendered item along with their offer, failing which the offer is liable to be ignored.
- (b) In case no suitable offer is received from NSIC registered vendors for this item, Railway reserves the right to procure from non-NSIC firms also.

#### 16.7 **The following condition will be applicable, If tender condition specifically mentioned about its applicability in special condition:**

The items where it is considered essential to go for placement of development orders on a vendor whose received rates are higher than the rate applicable for approved sources for regular order/suitable for bulk supply based on eligibility criteria where there is no approved list, such offers can also be considered for placement of developmental order(s). Reasonability of rates in such cases should be thoroughly assessed.

## **17.0 Quantity to be ordered**

- (a) Railways 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 even for part quantity.
- (b) Wherever necessary by the purchaser, the quantity to be ordered can be split by the purchaser amongst two or more sources for ensuring better availability of material keeping in view the vital / critical nature of item, quantity to be procured, delivery requirements, capacity of the firms and past performance of the firms, in fair, transparent and equitable manner.
- (c) The Principal Chief Materials Manager or any officer authorized on behalf of General Manager is not bound to accept the lowest or any offer nor to assign any reason for doing so and reserves 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.

## **18.0 Splitting of tendered quantity**

### **18.1 Case of no prior decision to split the order**

- 18.1.1 Normally full order should be placed on L-1 firm. However, if after due processing, it is discovered that the quantity to be ordered is more than what L-1 alone is capable of supplying and there was no prior decision to split the quantities, then this aspect should be recorded in TC minutes/acceptance in direct acceptance cases. 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.

18.1.2 In the absence of any differentiation on the above parameters, the manner of splitting will be based on the stipulation given in para 18.2.1 below.

## 18.2 Criteria for pre-decided splitting of tender quantity

18.2.1 **Splitting clause shall be normally applicable for tender value of Rs.1 crore and above. However, the same will be incorporated as a special condition in tender.**

Following provisions (18.2.1 (A) to 18.6) shall be applicable in cases of 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 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-a-vis the delivery schedule incorporated in the tender enquiry etc. being same/similar) in the manner detailed in the table below.

<b>Price differential between L1 and L2</b>	<b>Quantity distribution ratio between L1 and L2</b>
Up to 3%	60 : 40
More than 3% and up to 5%	65 : 35
More than 5%	At least 65% on the L-1 tenderer. For the quantity to be ordered on the L-2 tenderer, TC/TAA shall decide

In the phrase “differential rates quoted by the tenderers”, the quoted rate would mean.

- (i) When no price negotiation has been called for, the original rates as obtained at the time of tender opening. However, the rate of the highest eligible tenderer within the zone of consideration has to be per se reasonable.
- (ii) When price negotiation has been called for, the reference L-1 rate for assessment of ratio will be the original rate of L-1 firm (suitable for bulk quantity) – say firm “A” – as obtained at the time of tender opening.

- B(i) If splitting of quantity is required to be done by ordering on tenderers higher than the L-2 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.
- B(ii) There could be situation when between the lowest firm considered suitable for bulk quantity (L1 firm "A") and another firm considered suitable for bulk quantity order, there are firms who are considered suitable only for part quantity. For example, say L-1 firm "A" is approved source, L4 firm also approved source (and both considered suitable for bulk quantity order) and splitting is to be done between these two approved sources. But there are two developmental firms in between who are suitable for part quantity. In such cases, L-1 should be given its proportion based on its rate differential with respect to L-4, (say by this, L1 gets 65% of NPQ). The balance quantity (say 35% of NPQ) is to be distributed among other firms. The balance quantity is to be distributed as follows.
- (a) Allocate the developmental firm L-2 and L-3 within the overall ceiling of 20% of remaining NPQ.
  - (b) Allocate the balance quantity to L-4 firm.

Since the developmental firms are being given the order in relation to its lower position w.r.t. L-4 (approved source), it will not attract the provision of 'order on developmental rates should not be at a higher rate than approved source rate' as the reference rate for comparison of L-2 and L-3 developmental rate is the L-4 approved source rate.

- 18.2.2 In cases of pre-decided splitting if the purchaser decides not to split the ordered quantity, the reason for the same should be recorded in TC minutes/acceptance in direct acceptance cases.
- 18.3 Developmental order shall not construe splitting of procurable quantity.
- 18.3.1 Considering that overall quantity limit from developmental vendor is 20% and the fact that developmental firms can fall anywhere in the inter-se position, specifying a precise situation independent distribution among developmental firms is not possible. Suffice it to say that the tender committee/TAA will bring out the rational of quantity distribution among developmental firms.
- 18.4 (i) If the lowest rate quoted by the tenderer (suitable for bulk ordering) (say firm "A") is not reasonable, purchaser may go for negotiation with the L-1 firm "A". However, counter offer in lieu of aforesaid negotiation is not permitted. After negotiation(s), if the negotiated rate is still considered unreasonable, then counter

offer may be given to the L-1 firm "A". The rate to be counter offered to the firm will be a rate which the TC/purchase officer considers reasonable. If counter offer is not accepted by the firm, the tender will normally be discharged. Only in exceptional situation, where the requirement is urgent and a re-tender for the entire requirement would delay the availability of the item, purchase officer/TC may take a view to buy the bare minimum quantity. The balance quantity should be re-tendered.

- (ii) Once the rate of L-1 firm "A" (whether original, negotiated or counter offered and subsequently accepted) is reasonable, the purchaser may (in case of splitting of quantities) simultaneously counter offer to L-2, L-3 etc. (whose rates are not per-se reasonable), the rate of L-1 firm "A". Such counter offer(s) to L-2, L-3 will not be deemed to be negotiation. In the event of rejection of such counter offer(s), the purchaser will reserve their right to decide on the quantity distribution ratio/proportion.

18.5 For cases where the Railway/PUs has entered into ToT/JV agreements, Railway reserve the right to place orders on all such ToT/JV agreement partners. However, for ratio/proportion of quantity distribution among such agreement partners, conditions as detailed in Para 18.2.1 (B) shall apply.

18.6 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. on 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.

## **19.0 Quantity Option Clause**

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

**For operation of (+) 30% option clause**, the increase in quantity with respect to the order quantity can be done by giving suitable delivery schedule for the enhanced quantity on the basis of his original offer and the tenderer/contractor shall be bound to accept the quantity so ordered.

## **20.0 Warranty/Guarantee**

- (a) Unless otherwise stated in the tender schedule/specification/drawing, the warranty/ guarantee shall be as specified in the IRS conditions of the contract i.e. 30 months after the date of delivery.

The offer of firm quoting Warranty/ Guarantee in deviation of tender schedule will be summarily rejected. Suppliers shall ensure that the materials are invariably stamped with manufacturer's name and month & year of manufacture as may be detailed in drawing/specification of material to enable correct reckoning of warranty.

In case of M & P the warranty should be 24 months from the date of Commissioning & proving out of M&P. Other special Conditions for M&P procurement shall be included against each M&P case of tender.

- (b) Bank Guarantee towards Warranty obligation.

For items like Machinery and Plant, Costly equipment, capital spares, the tenderer will have to furnish a warranty Bank Guarantee of 10% of Material value to cover their warranty obligation. The Format of the Warranty/Guarantee bond is annexed at Annexure 3.4. Bank Guarantees (BG) to be submitted by suppliers/contractors should be sent directly to the concerned authorities by the issuing Bank under registered Post AD.

## **21.0 Risk Purchase Clause is Deleted.**

## **22.0 Imported Items**

Any authorized dealer/agent/recognized industrial distributor quoting on behalf of their foreign principal in Indian rupees shall have to comply with the following.

- 1) To quote with tender specific authorization from the foreign manufacturer.
- 2) (a) While quoting on behalf of foreign principals tenderers are required to furnish the principal's invoice along with their quotation.  
  
(b) Performa invoices however, may be accepted in exceptional cases where it is not possible to obtain the invoices before the contract is placed.

- 3) The tenderer shall have to undertake in the tender to comply with the following.
- (a) Consent to furnish copy of customs out passed Bill of Entry for the goods, relevant to each consignment manufacturer's Test and Guarantee Certificate issued by the manufacturer, copy of bill of Lading/AWB relevant to the consignment, copy of Commercial Invoice of the foreign manufacturer/principals relevant to each consignment.
  - (b) Current and valid authorization/dealership certificates of foreign manufacturer/principal.
  - (c) Compliance of sea/air worthy packing with manufacturer's tamper proof seal and compliance of the packing condition as laid down in IRS conditions of contract Para – 1800.

Failure to comply with any of the aforesaid conditions as referred above will make the offer liable to be rejected.

- 4) Tenderer has to indicate the following while submitting the offer.
- (a) The precise relationship between the foreign manufacturer/principal and their agents/associates.
  - (b) The mutual interest which the manufacturer/principal and the Indian agent/associates have in business of each other is to be indicated.
  - (c) Indian agent's Permanent Account Number is to be indicated.
- 5) Any additional expenditure incurred on account of customs duty and exchange rate variation during pendency of the contract will be on contractor's account.
- 6) For bearings manufactured in foreign countries, visual inspection by TPI Agency inside India after receipt is acceptable with import documents and original manufacture's test and warranty/guarantee certificate. Firm should consent to deposit security money as per IRS conditions for due execution of the contract if asked to do so. This is irrespective of the fact whether the firm is registered with this Railway or not.

## **23.0 Public procurement policy for Goods produced and Services rendered by Micro and Small Enterprises (MSEs)**

- 23.1 (i) MSEs who are interested in availing themselves of these benefits will upload/enclose with their offer the proof of their being MSE by uploading valid Udyam Registration along with the offer.



- (ii) MSEs registered with the agencies mentioned at sub para (i) above for the item tendered will be exempted from payment of Earnest Money.
- (iii) (a) In tenders, participating MSEs quoting a price band of L1 + 15% shall be allowed to supply portion of the requirement by bringing down their price to L1 price in a situation where L1 price is from someone other than a MSE and such MSEs can be together ordered up to 25% of the total tendered value.
- (b) The sub-target for procurement from MSEs owned by SC/ST shall remain at 4% and for MSEs owned by women the sub-target shall be 3% out of the total 25%.
- (c) In case of tender item cannot be split or divided, etc. the MSE quoting a price within the band L1+15% may be awarded for full/ complete supply of total tendered value to MSE, considering the spirit of the Policy for enhancing Govt. Procurement from MSEs.
- (iv) Failing above, such offers will not be liable for consideration of benefits detailed in this clause. No back reference will be made.

However, in case of any upward change in terms of investment in plant and machinery or equipment or turnover or both, and consequent re-classification, an enterprise shall continue to avail of all non-tax benefits of the category (micro or small or medium) it was in before the re-classification, for a period of three (03) years from the date of such upward change.

23.1.A The entire Para 23.0 would be read along with Para 28.0.

23.2 Traders and agents are not eligible to avail the benefits extended under the Public Procurement Policy for MSEs.

**24.0** Deleted

## **25.0 Preference to Domestically Manufactured Electronic Products**

In furtherance to the Public Procurement (Preference to Make in India), order 2017 and in supersession of the policy for providing preference to domestically manufactured electronic Products, preference will be provided to domestically manufactured electronic products as per the aforesaid order as per the notification of Ministry of Electronics and Information Technology and the list of electronic products are notified vide Railway Board's letter No. 2020/RS(G)/779/2/Pt.1 Dated 21.12.2020 and Ministry of Electronics and Information Technology's Notification No. F. No. W/43/4-2019-IPHWMeitY Dated. 07.09.2020.

- 26.0 The GST is applicable with effect from 01.07.17 therefore Bidders may note the following conditions**
- 26.1 GSTIN of Eastern Railway is**
- (i) West Bengal: 19AAAGM0289C1ZG
  - (ii) Bihar: 10AAAGM0289C1ZY
  - (iii) Jharkhand: 20AAAGM0289C1ZX
- 26.2** 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.
- 26.3** 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.
- 26.4** 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.
- 26.5** Wherever installation and commission charges are quoted, taxes applicable on such charges have to be clearly mentioned by the tenderer.
- 26.6** 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.

- 26.7 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 Railway.
- 26.8 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 under GST scheme and submit a declaration in their offer of the same.
- 26.9 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”.
- 26.10 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.
- 26.11 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 ‘Composite Levy Scheme’ in future.
- 26.12 While making the supply, the firm shall comply with the following.
- 1) Submit the invoice/bill clearly indicating the appropriate HSN and applicable GST rate thereon duly supported with documentary evidence.
  - 2) Give a declaration that any additional Input Tax Credit benefit, if become available to supplier, the same has been passed on to Purchaser.
- 26.13 The suppliers must submit the bills as per the prescribed format along with the GST certificates. Suppliers shall refer the ‘User manual for vendors on Post contract activities’ in IREPS portal for digital bill submission procedure.
- 27.0 **Code of Integrity in Public Procurement; Misdemeanours and Penalties”**
- Para 2500 of IRS condition vide RB’s letter No: 2022/RS (G)/779/13(E 3402809) dated 21.09.22 will be followed.
- 28.0 **Public Procurement Policy for Preference to Make in India**

28.1 The Government has issued Public Procurement (Preference to Make in India), Order 2017, as amended from time to time, laying down the policy to encourage 'Make in India' and promote manufacturing and production of goods and services in India. The salient features of the aforesaid Order are as under.

28.1.1 For the purpose of this Order, the definitions are as under.

- (i) "Local content" means the amount of value added in India which shall, unless otherwise prescribed in the special conditions, be the total value of the item procured (excluding net domestic indirect taxes) minus the value of imported content in the item (including all customs duties) as a proportion of the total value, in percent. Local content can be increased through partnerships, cooperation with local companies, establishing production units in India or Joint Ventures (JV) with Indian suppliers, increasing the participation of local employees in services and training them.

**Explanatory notes for calculation of local content given above:-**

- a. Imported items sourced locally from resellers/distributors shall be excluded from calculation of local content.
- b. The license fees/royalties paid/technical charges paid out of India shall be excluded from local content calculation.
- c. Procurement/Supply of repackaged/refurbished/ rebranded imported products as understood commonly shall be treated as reselling of imported products and shall be excluded from calculation of local content. The definition of repackaged/refurbished/rebranded imported products is as follows:-

**'Refurbishing'** means repair or reconditioning of an imported product does not amount to manufacture because no new goods come into existence.

**'Repackaging'** means repacking of imported goods from bulk pack to smaller packs would not ordinarily amount to manufacture of a new item.

**'Rebranding'** means relabeling or renaming or change in symbol or logo/makes or corporate image of a company/organization/firm for an imported product would amount to rebranding.

- d. To ensure that imported items sourced locally from resellers/distributors are excluded from calculation of local content, procuring entities to obtain from bidders, the cost of such locally-sourced imported items (Inclusive of taxes) along with break-up on license/royalties paid/technical expertise cost etc. sourced from

outside India. For items sold by bidder as reseller, OEM certificate for country of origin to be submitted.

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

(ii) (a) 'Class –I local Supplier' means a supplier or service provider whose goods, services or works offered for procurement meets the minimum local content of 50%.

(b) 'Class –II local Supplier' means a supplier or service provider whose goods, services or works offered for procurement meets the minimum local content of 20%.

(c) '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'.

(d) It may be noted that the bidders offering imported products will fall under the category of Non-local suppliers. They cannot claim themselves as class-I local suppliers/ Class-II local suppliers By claiming the services such as transportation, insurance, installation, commissioning, training and after sales service support like AMC/CMC etc. as local value addition.

(iii) '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.

(iv) Margin of purchase preference' means the maximum extent to which the price quoted by a "class-I local supplier" may be above the L1 for the purpose of purchase preference which is 20%. However, it will be taken as per the status of the policy reckoned as on the date of tender closing.

28.1.2 The 'Class-I local supplier/Class-II local supplier' at the time of tender 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 locations(s) at which the local value addition is made.

28.1.3 In case of procurement for the 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 account (in respect of suppliers other than companies) giving the percentage of local content.

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

- 28.1.4 Decisions on complaints relating to implementation of this Order shall taken by the competent authority which is empowered to look into procurement-related complaints relating to the procuring entity.
- 28.1.5 False declarations will be in breach of the Code of Integrity under Rule 175(1)(i)(h) of the General Financial Rules issued by the Ministry of Finance 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.
  - 28.1.5.1 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.
  - 28.1.5.1A 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;

28.1.6 Eligibility of 'Class-I local supplier'/'Class-II local supplier'/'Non-local suppliers' for different types of procurement.

- (i) In procurement of all goods, services or works in respect of which the Railway Ministry has communicated that there is sufficient local capacity and local competition, only 'Class I local supplier', as defined in para 28.1.1 (ii) above, shall be eligible to bid irrespective of purchase value and the vendors who do not qualify to be Class-I Local Suppliers should not quote in the tender as their offers shall not be considered for any ordering. In case any vendor who does not qualify to be a Class-I Local Suppliers for the tendered item participates in the tender it does so at its own risk and cost and Railways shall not be liable for any loss or damage caused to the vendor.
- (ii) Only Class-I local supplier' and 'Class-II local supplier', as defined in para 28.1.1 (ii) above, 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 (i) above, and with estimated value of purchases less than ₹ 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.

28.1.6A **Purchase preference**

- (i) Subject to the provisions of this order and to any specific instructions issued by Indian Railways or in pursuance of this order, purchase preference shall be given to 'Class –I local supplier' in all procurements undertaken by procuring entities in the manner specified hereunder.
- (ii) In procurement of goods which are covered under para 28.1.6.(ii) 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.
  - (a) Among all qualified bids, the lowest bid will be termed as L1. If L1 is from a 'class-I local supplier', the contract for full quantity will be awarded to L1.
  - (b) If L1 bid is not a 'Class-I local supplier', participating 'Class-I local suppliers' quoting a price within price band of L1 + Margin of Preference (%) shall be allowed to supply a portion of the requirement by bringing down their price to

L1 price and such 'Class-I local suppliers' can be together ordered up to 50% value out of the net procurement quantity. In case some quantity is left uncovered on 'Class-I local suppliers', then such balance quantity will also be ordered on the L1 bidder.

- (iii) In procurement of goods or works, which are covered under para 28.1.6.(ii) 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.
  - (a) 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.
  - (b) If L1 is not from a 'Class-I local supplier', the lowest bidder among the 'class-I local suppliers' 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.
  - (c) In case 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 suppliers' within the margin of purchase preference matches the L1 price, then the contract may be awarded to the L1 bidder.
- (iv) 'Class-II local suppliers' will not get any purchase preference in any procurement undertaken by procuring entity.

#### **28.1.6B Applicability in tenders where contract is to be awarded to multiple bidders**

In tenders where contract is awarded to multiple bidders subject to matching of L1 rates or otherwise, the 'Class-I 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 Railways, only class I local suppliers shall be eligible to bid. As such, the multiple suppliers, who would be awarded the contract, should be all and only 'class I local suppliers'.



- (b) In other cases, 'Class II local suppliers' and 'Non-local suppliers' may also participate in the bidding process along with 'class I local suppliers' as per provisions of this order.
- (c) If 'Class I local suppliers' qualify for award of contract for atleast 50% of the tendered quantity in any tender, the contract may be awarded to all the qualified bidder as per award criteria stipulated in the bid documents. However, in case 'Class I local suppliers' do not qualify for award of contract for atleast 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 preference of the highest quoted bidder considered for award of contract so as to ensure that the 'class I local suppliers' taken in totality are considered for award of contract for atleast 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.

**28.1.7 Exemption of small purchase:** Notwithstanding anything contained in paragraph 28.1.6 procurement 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.

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

**28.1.7.2 Mandatory Sourcing of items, with sufficient local capacity and competition, from Class- local suppliers in SI/EPC/Trunkey Contracts/Service Tenders:-**

- a. The items, notified as having sufficient local capacity and competition, shall mandatory be sourced from Class-I local suppliers in SI/EPC/Turnkey

Contracts/Services tenders. This provision will be applicable only for those items which have been notified by the Nodal Ministry as Class I i.e. having sufficient local capacity and competition, with specific HSN codes.”

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

**28.1.7.3 Exemption in sourcing of spares and consumables of closed system:-** Procurement of spare parts, consumables for closed systems and Maintenance/ Service contracts with Original Equipment Manufacturer/Original Equipment Supplier/ Original Part Manufacturer shall be exempted from this Order.

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

**28.1.9 Reciprocity Clause**

- (i) When a Nodal Ministry/Department identifies that Indian Supplier of an item are not allowed to participate and/or complete in procurement by any foreign government, due to restrictive tender condition 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 Government 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 item ‘entity’ of a country shall have the same meaning as under the FDI Policy of DPIIT as amended from time to time.

**28.1.10 Deleted**

**29.0 Special Condition of e-Reverse Auction for those specific tenders where e-Reverse Auction is mentioned at the time of tendering as “Special Condition”.**

29.1 Following conditions and procedure shall be followed in selection of bidders for conduct of Reverse Auction (e-RA).

**(a) Selection of vendors for Reverse Auction(e-RA) for bulk ordering.**

Number of tenderers Qualified for Bulk Order	Number of tenderers to be selected for RA	Remarks
Less Than 3	Nil	The bids disallowed from participating in the Reverse Auction(e-RA) shall be the highest bidder(s) in the tabulation of Initial Price Offer. In case the highest bidders quote the same rate, the Initial Price Offer received last, as per time log of IREPS, shall be removed first, on the principle of last in first out, by IREPS system itself
3 to 6	3	
More Than 6	50% of Vendors Qualified for Bulk Order (rounded off to next higher integer)	

Note: 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).

**(b) Selection of vendors for Reverse Auction(e-RA) for developmental ordering.**

In case of Stores Tenders, selection of vendors for Reverse Auction for development ordering:

**(1)** Normally, offers Qualified for Development Order, with initial price offer lower than the highest initial price offer of a vendor Qualified for Bulk Order and selected for Reverse Auction after elimination, shall be allowed to participate in RA.

**(2) The following condition will be applicable, If tender condition specifically mentioned about its applicability in special condition:**

However, for the items where it is considered essential to also consider the offers for placement of developmental order from vendors categorized as qualified for Development Order, whose received rates are higher than the rate applicable for offers categorized as qualified for Bulk Order, all bids categorized as Qualified for Developmental Order shall be allowed to participate in Reverse Auction.

- (c) **MSE Criteria:** All MSEs (Micro & Small Enterprises) found Qualified for Bulk/Development Order/Award of Contracts but could not be selected for Reverse Auction as per criteria stipulated in Para 29.1 (a) and 29.1 (b) 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 29.1 (a), 29.1(b) 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 of 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.
- (d) **Make in India criteria:** All bidders eligible for benefits under Public Procurement (Preference to Make in India) Order – 2017, found qualified for Bulk/Developmental Order/Award of Contract and are within the specified range of price preference, under the Make in India Policy, of lowest Initial Price offer of the vendor qualified for bulk order shall be permitted to participate in the Reverse Auction, irrespective of their inter-se ranking on the basis of Initial Price offer. Such bidders shall be over and above the number of vendors selected for reverse Auction, as per para 29.1 (a) and 29.1 (b) 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.
- (e) Lowest initial price bid referred to in sub-para (c) and (d) above shall mean lowest initial price bid of vendor qualified for bulk order.

## 29.2 **Procedure for conduct and reporting of e-RA**

- (a) Purchaser shall fix the following, depending upon the nature of tendered item and complexity of case on hand.
  - (i) **Initial e-RA period (Initial Cooling off period):** This shall be the initial time interval for e-RA. e-RA shall be open for this duration.
  - (ii) **Auto extension period (Subsequent cooling off period):** In case any offer is received in the time period equal to auto extension period before close of initial e-RA period, the e-RA shall be extended for time equal to auto extension period from the time of last bid. There shall be no upper limit on number of auto extensions. When no offer is received in the last auto extension period, e-RA shall close.

- (iii) Minimum decrement in percentage of value of the last successful bid.
  - (iv) Declaration regarding e-RA participation / elimination criteria for vendors categorised as Qualified for Development order for the purpose of eRA policy and setting the matching option in e-RA application.
- (b) Date and time of start of e-RA shall be communicated to the qualified tenderers selected through system generated-mail to their registered e-mail id/ SMS to the registered mobile no after evaluation of the technical bids.
  - (c) Reverse Auction among bidders categorized as Qualified for Developmental Order and Qualified for Bulk Order shall be conducted concurrently on IREPS/Suitable Platform in Stores tenders.
  - (d) 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.
  - (e) During Reverse Auction (e-RA) period, identities of the participating tenderers will be kept hidden.
  - (f) Bidders will not be allowed to revise the taxes and other levies, after submission of initial price bid.
  - (g) Starting point for Reverse Auction (e-RA) shall be the lowest initial price bid of the tenderer eligible for award of contract. During Reverse Auction (e-RA) process, bidders shall not be allowed to bid a rate higher than the lowest Initial Price offer. Minimum admissible bid value will be last bid value minus minimum decrement as specified by the tendering authority before starting of Reverse Auction(e-RA).
  - (h) Purchaser can also view the bidding history in chronological order.
  - (i) Bidders shall not be allowed to withdraw their last offer.
  - (j) L-1 will be defined as the lowest bid obtained after the closure of e-RA.

29.3 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 29.1 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.

29.4 On submission of final price offers through Reverse Auction, it shall be construed that the tenderer has revalidated the original validity of the offer for further ninety (90) days from the date of e-RA.

### **30.0 Payment through Letter of Credit (LC) as option**

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

- (i) All Tenders 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 which will be exercised at the time of bidding itself.
- (ii) The LC will be a sight LC.
- (iii) The option for taking payment due against the said tender, through LC arrangement shall be an integral part of the bidder's offer.
- (iv) Option once exercised shall be final and no change shall be permitted, thereafter, during execution of contract.
- (v) The incidental cost @ 0.023% of LC value or as amended from time to time, towards issue of LC and operation thereof shall be borne by the supplier/contractor and shall be recovered from their bills.
- (vi) 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.
- (vii) The schedule of payment liability arising in the contract shall be established by the Railways based on the prescribed delivery schedule/stages of supply.
- (viii) The acceptable, agreed upon document for payments to be released under the LC so opened, shall be a Document of Authorization in format as an Annexure-3.8.
- (ix) Accounts Officer responsible for passing the claim will issue the Document of Authorization.
- (x) 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.
- (xi) The bank shall also recover any amount as may be advised by railway against the contractor/ supplier.
- (xii) 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.

**31.0 Deleted**

**32.0 Applicable Terms & Conditions specific to procurement of “Medicines & Medical Consumables”**

The following special conditions of contract will however govern the procurement of medicine and medicals stores/Consumables.

- 32.1 Each strip/Package/Bottle that contains the drug should have a printing/stamping with indelible ink of “FOR USE OF INDIAN RAILWAY - NOT FOR SALE”. Firms are advised to put their Holograms on their product/cartons. ACMD(MS) will have the discretion to modify this clause in cases wherever necessary.
- 32.1.1 For items procured under urgency/on local purchase basis, material can be accepted without the label for “For use of Indian Railways” and stamping may be done by the consignee before use in such cases.
- 32.2 Analysis report for each batch from manufacture’s own laboratory/Govt. recognized laboratory must accompany the consignment without fail on supply of each batch of medicine failing which bills will not be passed.
- 32.3 The materials shall be subject to inspection, which will be carried out by consignee or his authorized representative on receipt of the material in the hospital. The material may also be subject to tests in Railway/Govt./Govt. recognized Laboratory on random basis or whenever found necessary by the Concerned consignee.
- 32.4 The remaining shelf life of the offered product should not be less than 80% of total shelf life or it should not be older than 06 months from the date of manufacture (whichever is more) at the time of supply. In specific cases, ACMD(MS) may relax this condition on case to case basis with the written undertaking by the manufacturing firm that the firm will replace unused quantity free of cost before the expiry date of that item with fresh batch.
- 32.5 Payment:-100% payment against receipt, inspection and acceptance of material by the consignee at destination. After completion of supply of any installment to all consignees, the supplier will submit the consolidated Post supply bill in triplicate together with two copies of receipted challan & Inspection certificate to PCMD’s Office for acceptance & arranging payment through EFT. Consignees will arrange for necessary endorsement in the challan itself regarding the receipt of the consignment in respect of quantity, specification and as per all the terms & conditions of P.O, accountal of stock in relevant ledger & all other relevant particulars etc.
- 32.6 Proper execution & completion of the contract is the sole responsibility of the manufacturing/marketing firm participating in the tender, even if the supply is made through authorized distributor/supplier (as per firm’s authorization in the tender offer).

- 32.7 The change of manufacturing firm's name after placement of PO is normally not done. Decision of ACMD(MS) will be final in such cases. It can be done only if the new manufacturing firm is also registered with railways and is the 3rd party manufacturer of the PO holder.
- 32.8 Whenever drug samples on analysis are found to be not conforming to standards, the Principal firms/suppliers are required to replace the whole batch free of cost with another batch to all the consignees, irrespective of whether the batch has been used completely/partially or not. Repeated failure in drug analysis may lead to delisting from approved panel of suppliers. For all drugs purchased by Railways the analysis cost will be borne by respective firms if the item on analysis is found to be not conforming to standard.
- 32.9 For delayed supply, Railway will recover from the supplier as agreed Liquidated Damages (LD) and not by way of penalty, a sum equivalent to ½ % (Half percent) of the price of the delayed supply of stores (including elements of GST, 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 period thereof is accepted after expiry of the aforesaid period subject to a maximum of 10% (ten percent) of the value of the delayed supplies.
- 32.10 Product offered by the firm should be available in open retail market in West Bengal regions for sale by same brand name and one product sample or/scanned outer paper package or/label from injection vial [as applicable] must be submitted with the tender wherever called for. [For imported medicines scanned copy of product packing is sufficient if it contains detailed information]. The Railways reserve the right to verify the same. The item quoted by the firm if not available in the open market at the time of considering the offer as per market survey made by the officials nominated by PCMD, the offer will be considered as invalid and liable to be rejected.
- 32.11 The firms found to fail repeatedly to comply with the orders placed on them or if their performance is found to be poor, as assessed by ACMD(MS)/ER, they are liable to get deregistered.
- 32.12 The Registration of vender will be deemed to have been expired on the date of expiry of GMP certification. The firm shall upload/submit copy of Valid GMP certificate of the manufacturing unit (original Manufacturing Unit (MU)/Third Party(TP) / Loan License (LL), from where the medicine quoted by the firm is being manufactured.
- 32.13 The principal firm must submit Testing protocols/Reference standards of the supplied medicine whenever asked for, by the consignee or PCMD/E.Rly's office failing which the firm may be delisted / deregistered as per discretion of PCMD/E. Rly.



- 32.14 Eastern Railway reserves the right to increase/decrease the quantity by 30% by exercising option clause within the contractual delivery period.
- 32.15 Statutory Variation Clause is applicable on all statutory levies such as duties, taxes etc. during the original currency of Contract subject to production of documentary evidence.
- 32.16 (a) All the bidders/Tenderers while quoting the rates should clearly indicate HSN Code, the rate of applicable duties and taxes included in the prices quoted by them. Any variation in tax structure/rate due to introduction of GST, shall be dealt with under Statutory Variation clause.
- (b) All the bidders/Tenderers should ensure that they are GST compliant and their quoted tax structure/rates are as per GST Law.
- (c) All vendors should have GST Registration Number.
- (d) GST Act and Rules as applicable from time to time is applicable.
- (e) No bills will be accepted without GST registration.
- (f) In case the successful tenderer is not liable to be registered under CGST/GST/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.
- 32.17 Firms should quote all financial terms only in the relevant columns of the "Financial Bid". Such terms quoted anywhere else will be ignored.
- 32.18 Inspection & Test: The materials shall be subject to inspection, which will be carried out by consignees or by his authorized representative on receipt of the material in the hospital. The material shall also be subject to test in Railway/Govt. recognized laboratory on random basis or whenever found necessary. The Principal firm must submit testing protocols – Reference standards of the supplied medicines whenever asked for, by the consignee or PCMD/Eastern Railway failing which the firm may be delisted / deregistered as per discretion of Principal Chief Medical Director/Eastern Railway.
- 32.19 The following devices intended for use in human beings or animals are specified as Drugs.
- All devices including an instrument, apparatus, appliance, implant, material or other article, whether used alone or in combination, including a software or an accessory, intended by its manufacturer to be used especially for human beings or animals which does not achieve the primary intended action in or on human body or animals by any pharmacological or immunological or metabolic means, but which may assist in its intended function by such means for one or more of the specific purposes of

- (i) Diagnosis, prevention, monitoring, treatment or alleviation of any disease or disorder.
- (ii) Diagnosis, monitoring, treatment, alleviation or assistance for, any injury or disability.
- (iii) Investigation, replacement or modification or support of the anatomy or of a physiological process.
- (iv) Supporting or sustaining life.
- (v) Disinfection of medical devices; and
- (vi) Control of conception.

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

- 33.1 Any bidder from a country which shares a land border with India will be eligible to bid in any procurement whether of goods, services (including consultancy services and non-consultancy services) or works (including turn key projects) only if the bidder is registered with the Competent Authority.
- 33.2 The Competent Authority for the purpose of registration under clause 33.1 shall be the Registration Committee constituted by the Department for Promotion of Industry and Internal Trade (DPIIT), Govt. of India.
- 33.3 “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 ventures (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.
- 33.4 “Bidder from a country which shares a land border with India” for the purpose of clause 33.1 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.
- 33.5 The beneficial owner for the purpose 33.4.d above will be as under

1. In case of a company or Limited Liability Partnership, the beneficial owner is the natural person(s), who, whether acting alone or together, or through one or more juridical person, has a controlling ownership interest or who exercises control through other means, where, (a) "Controlling ownership interest "means ownership of or entitlement to more than twenty-five per cent of shares or capital or profits of the company, (b) "Control "shall include the right to appoint 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.
2. In case of a partnership firm, the beneficial owner is the natural person(s) who, whether acting alone or together, or through one or more juridical person, has ownership of or entitlement to more that fifteen percent of capital or profits of the partnership.
3. In case of an unincorporated association or body of individuals, the beneficial owner is the natural person(s) who, whether acting alone or together, or through one or more juridical person, has ownership of or entitlement to more that fifteen percent of the property or capital or profits of such association or body of individuals.
4. Where no natural person is identified under (1) or (2) or (3) above, the beneficial owner is the relevant natural person who holds the position of senior managing official.
5. 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.

33.6 An agent is a person employed to do any act or another, or to represent another in dealings with third person.

33.7 In case of tenders for Works contract, including Turnkey contracts, the Successful Bidder shall not be allowed to sub-contract works to any contractor from a country which shares a land border with India unless such contractor is registered with the Competent Authority.

33.8 Clause 33.1 shall not apply to (i) cases where orders have been placed or contract has been concluded or letter/notice of award/acceptance (LoA) has been issued on or before 23/07/2020 and also in special cases as under

- (A) Till 31<sup>st</sup> December 2020, procurement of medical supplies directly related to containment of the Covid-19 pandemic shall be exempt.

(B) Bonafide small procurements made without knowing the country of the bidder shall not be invalidated.

33.9 Bidder must submit a certificate, as mentioned hereunder, along with bid for compliance of OM of MoF dated 23/07/2020.

**Model Certificate:** “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. Non-submission of Certificate may lead to summary rejection of offer.

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

33.11 (I) A bidder is permitted to procure raw materials, components, sub-assemblies etc. from the vendors from countries which share land border with India. Such vendors will not be required to be registered with the Competent Authority, as it is not regarded as “sub-contracting”.

(II) However, in case a bidder has proposed to supply finished goods procured directly / indirectly from the vendors from the countries sharing land border with India, such vendor will be required to be registered with the Competent Authority.

33.12 Notwithstanding anything contained in Para 33.1 to 33.11 above, the terms & conditions mentioned above will not apply to bidders from those countries (even if sharing a land border with India) to which the Government of India has extended lines of credit or in which the Government of India is engaged in development projects.

#### 34.0 General Damages

This clause is deleted.

#### 35.0 Arbitration

All disputes and differences of any kind whatsoever will be dealt as per arbitration clause of IRS Conditions of Contract as amended from time to time.

#### 36.0 Other Conditions

- 36.1 Firms and their associates who are banned from business dealing with Indian Railways will not be considered for placement of order.
- 36.2 Purchaser reserves the right to discharge and/or re-tender the case, in case the L-1 tenderer withdraws/modifies their offer. In case the firm withdraw or modify their offer during the period of validity, the Earnest money deposited will be forfeited as per para 8.2 of Section-1 of bid document. In case of firms claiming exemption from payment of EMD, penal action shall be taken which shall include downgrading/delisting from vendor directory and the firms shall be debarred from exemption of submitting Earnest Money Deposit and Security Deposit for a period of 6 (six) months, from the date they 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 as per para 8.4 of section-1 of bid document.

\*\*\*\*\*

## **SECTION -3**

### **Annexures**

#### **Annexure 3.1**

##### **PROFORMA FOR PERFORMANCE STATEMENT**

(for a period of last 3 years)

Tender No. \_\_\_\_\_ date of closing \_\_\_\_\_ Time \_\_\_\_\_ hrs

Name of the firm \_\_\_\_\_

Sl	Order No. & Purchaser's address	Description & Qty	Value of order (Rs.)	Date of completion of delivery		Remarks indicating reasons for late delivery, if any	Has the equipment/ Stores been satisfactorily commissioned and is it giving trouble free service
				As per contract	Actual		
1	2	3	4	5	6	7	8

Date:

**SIGNATURE & SEAL OF THE BIDDER**

\*\*\*\*\*

**PROFORMA FOR EQUIPMENT & QUALITY CONTROL**

Tender No. \_\_\_\_\_ Date of Closing \_\_\_\_\_ Time \_\_\_\_\_ Hrs

1. Name & Full address of the firm :
2. Telephone/ Fax No. Office/ Factory/ Works :
3. Location of the Factory/ Works :
4. Location of the Factory/ Works :
5. Details of Industrial license, wherever required as per statutory :  
regulations.
6. Details of Plant & machinery erected and functioning in each :  
department (monograph & description pamphlets be supplied  
if available.
7. Details of the process of manufacture in the :  
factory in brief.
8. Details of stocks of raw material held :
9. Production capacity of the item(s) quoted for,  
with the existing plant & machinery
- 9.1 Normal :
- 9.2 Maximum :
10. Details of arrangement for quality control of :  
products such as laboratory testing  
equipments etc.
11. Details of staff
- 11.1 Details of technical supervisory staff-in- :  
charge of production & quality control
- 11.2 Skilled labour employed :
12. Maximum number of workers (skilled & :  
Unskilled) employed on any day during the 18  
months preceding the date of application
13. Are you registered with the Directorate General :  
of Supplies & Disposal, New Delhi, India or any  
of the Zonal Railways/ Production units? If so,  
furnish particulars of registration, period of  
currency, etc.
14. Are you a small scale unit registered with the :  
NSIC India? If so, furnish particulars of  
registration, period of currency, etc.
15. Is your unit an ISO certified unit? If so, furnish :  
particulars of registration, period of currency, etc.

Date:

SIGNATURE & SEAL OF BIDDER

\*\*\*\*\*

**MODEL FORM OF BANK GUARANTEE BOND FOR SUBMISSION OF**  
**"SECURITY DEPOSIT"**

To  
 The President of India  
 Acting through The Principal Chief Materials Manager,  
 Eastern Railway,  
 Fairlie Place, 17, N. S. Road,  
 Kolkata – 700 001.

**GUARANTEE BOND**

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 an Agreement dated ----- made between -----and -----for ----- (hereinafter called "the said Agreement"), of security deposit for due fulfilment by the said Contractor (s) of the terms and conditions contained in the said Agreement on production of a bank Guarantee for Rs ----- (Rupees ----- only) 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 agreement.

We ----- do here by undertake to pay the amounts due and (Indicate the name of the bank) 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 Agreement or by reason of the Contractor(s) failure to perform the said 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 -----.

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 thereunder and the Contractor(s)/ Supplier(s) shall have no claim against us for making such payment.

We ----- further agree that the Guarantee herein (Indicate the name of the bank) contained shall remain in full force and effect during the period that would be taken for the performance of the said Agreement and that it shall continue to be enforceable till all the dues of the Government under or by virtue of the said 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 Agreement has been fully and properly carried out by the said Contractor(s) and accordingly discharges this 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.

We ----- further agree with the Government (Indicate the name of the bank) 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 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 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.

This Guarantee will not be discharged due to the change in the constitution of the Bank or the Contractor(s)/ Supplier(s).

We -----lastly undertake not to revoke this Guarantee (Indicate the name of bank) During its currency except with the previous consent of the Government in writing.

Date the ----- day of ----- 20—

For -----

(Indicate the name of Bank)

\*\*\*\*\*



**PROFORMA FOR WARRANTY /GUARANTEE BOND**

To  
 The President of India  
 Acting through The Principal Chief Materials Manager,  
 Eastern Railway,  
 Fairlie Place, 17, N. S. Road,  
 Kolkata – 700 001.

Sub: Guarantee No-----for----- (Amount) Covering Machine(s) Serial No-----supplied to  
 (Consignee/s) -----

Ref: Contract No-----dated-----Placed on M/ s -----

1. WHEREAS M/s ----- one of our constituents, hereinafter called the  
 "Sellers" have agreed to sell to you (hereinafter referred to as the "Government") ----- Nos. of -----  
 --- (give description) as per contract No ----- dated ----- (hereinafter called "the said contract").
2. **AND WHEREAS according to the terms of said contract, it has been stipulated that payment of 10 per cent of the value of the stores would be made, provided that the Sellers furnish to the Purchaser a Bank Guarantee from a recognised Bank, acceptable to the Purchaser for 10 per cent of the value of the said contract, valid for a period covering in full the Guarantee Period as per the Warranty clause of the said conditions of the contract, being the conditions attached to and forming part of the said contract.**
3. AND WHEREAS the Sellers have approached us to give the said Bank Guarantee on their behalf in your favour for an amount representing 10 per cent of the value of the contract which you have agreed to accept.
4. That in consideration of the promises and at the request, of the said Sellers, we hereby irrevocably undertake and guarantee to pay to the Government of India or at such other place as may be determined by you forthwith on demand and without any demur, any sum up to a maximum amount of ----- (Rs. -----) representing 10 per cent of the value of the Stores dispatched under the said contract in case the Sellers make default in paying the said sum or make any default in the performance observance or discharge of the guarantee contained in the said contract.
5. We agree that the decision of the Government whether any default has occurred or has been committed by the Sellers in the performance, observance or discharge of the guarantee aforesaid shall be, conclusive and binding on us
6. Government shall be at liberty, from time-to-time, to grant or allow extension of time or give other indulgence to the said Sellers or to modify the terms and conditions of the contract with the said Sellers without affecting or impairing this guarantee or our liability hereunder.
7. We undertake to pay to the Government any money so demanded notwithstanding any dispute or disputes raised by the Sellers 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 to our liability for payment there under and the Sellers shall have no claim against us for making such payment.
8. This Bank guarantee comes in to force when the balance ten percent of the value of the stores shipped per Vessel ----- vide Bill of Lading No. -----dated ----- or R/ R No. -----dated -----  
 ---- (in the case of indigenous contracts) under the said contract, has been paid and will remain in full force and effect up to -----i.e. for ----- months counted from the date of placing the stores in services, and shall continue to be enforceable for further six months i e. up to ----- (date), hereinafter called the said date.
9. This guarantee will not be discharged due to the change in the constitution of the Bank or the Sellers.
10. That no claim under this guarantee shall be entertained by us unless the same has been preferred by the Government within the said date.

Date ----- Signature -----

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

Witness -----

(Designation)

(Banks common Seal)

\*\*\*\*\*

**Electronic Clearing Service (Credit Clearing)****Model Mandate Form**

(Investor / customer's option to receive payments through Credit Clearing Mechanism)

Name of Scheme and the periodicity of payment

1. Investor / customer's name :
2. Particulars of Bank Account
  - (a) Name of bank :
  - (b) Name of branch :  
Address :  
Telephone No :
  - (c) 9-Digit code number of the bank and branch :
  - (d) Type of account (SB, Current, or Cash Credit) with code (10/11/13) :
  - (e) Ledger and Ledger Folio Number :
  - (f) Account number (as appearing on the cheque book) :

(In lieu of bank certificate to be obtained as under, please attach a blank cancelled cheque or photocopy of a cheque or front page of your savings bank passbook issued by your bank for verification of the above bank particulars)

3. Date of effect :

I hereby declare that the particulars given above are correct and complete. If the transaction is delayed or not effected at all for reasons of incomplete or incorrect information, I would not hold the user institution responsible. I have read the option invitation letter and agree to discharge the responsibility expected of me as a participant under the scheme.

Date:  
Customer

(-----)  
Signature of Investor /

Certified that the particulars furnished above are correct as per our records.

Bank's Stamp

\*\*\*\*\*

**CHECK SHEET FOR BIDDERS**

The bidders are requested to check their bid before submission of the same with special reference to the following

- Have you gone through the Tender Documents consisting of Instructions to Tenderers, General tender conditions and Special Conditions of Tender, and do you agree and confirm to abide by the Instructions to Tenderers, General Tender Conditions, IRS conditions of contract and the Special Conditions of Tender?
- Have you submitted/uploaded the Performance Statement supported by copies by Purchase Orders, Receipt Notes, and Inspection Certificates, as the case may be?
- Have you submitted earnest money [Para 8.0 of Instruction to Tenderers]?
- Have you kept your offer valid for minimum 90 days after closing date of tender (and minimum 120 days after closing date of tender for reverse auction tenders)?
- Where PVC is applicable, have you quoted PVC as per tender condition, with formula, base rate and base month indicated in the tender and special conditions of tender?
- Do you agree to the guarantee/warranty as per specification and in case specification does not contain GC/WC, then do you agree GC/WC as per IRS conditions of contract?
- In case of authorized dealers, have you uploaded authorization certificate?

\*\*\*\*\*

Ref: Rly. Bd. L/No – 2004/RS(G)/779/11 PT. Dated 23.12.2019

**Bid securing declaration to be signed and submitted by bidders (along with bid) 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”.

\*\*\*\*\*

### Format of Document of Authorization

LC/DA No. \_\_\_\_\_ /1\*

Dated : \_\_\_\_\_

#### Document of Authorization

1. It is certified that Work Job assigned in Contract No. \_\_\_\_\_ dated \_\_\_\_\_  
under Inland Letter of Credit No. \_\_\_\_\_ dated \_\_\_\_\_

Or

Goods received/ Works order completed Stage – Phase 1/2/3/4//5

2. The beneficiary of Letter of Credit M/s. \_\_\_\_\_ is entitled to receive payment aggregating INR \_\_\_\_\_ Out of a total LC amount of INR \_\_\_\_\_ against the first/second\* commercial Invoice No. \_\_\_\_\_ dated \_\_\_\_\_ for INR raised against the above contract on the strength of this Certificate.

3. PAYMENTS AREADY MADE:

1. Invoice No.

2. Invoice No.

&amp; so on

Total

4. THIS PAYMENT :

5. LC BALANCE AFTER THIS PAYMENT :

\*\*\*\*\*

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

**DELETED**

.....