

SPECIAL CONDITIONS OF CONTRACT

1. USE OF LADDER TROLLEY/CRANES:

No ladder trolleys will be arranged for erection of OHE arrangements. The contractor shall make his own arrangements for carrying out installation of traction overhead equipment. The contractor shall arrange road cranes with jib of required length for transporting and loading of the catenary wires and expenses of crane shall be borne by the contractor.

In case the contractor fails to bring his own Ladder, Trolley Railway will loan Ladder Trolley. Hiring charges for ladder trolley and tower car will be advised as per the extant instructions. The hire charges will be levied on hourly basis from the time of starting of work at site to completion of work at site. Any damage to ladder trolley, tower car or other tools and plants so supplied by Railways, contractor has to be made good at the contractor's cost at the time of return.

In case the contractor desires to utilize the tower car for erection purpose, Railways will loan the same for which hire charges will be deducted in the bills as follows:

If a Tower Wagon is utilized during operations at the worksite, the contractor is obligated to bare the associated Tower Wagon Charges outlined below:

S.no	Description	Unit	Rate
1	Tower Wagon Charges	Per hour	Rs.1320/-

These Tower Wagon Charges are including fuel costs.

The aforementioned charges will be recovered from the contractor's billing.

Any damage to tools and plant so supplied by Railways, the contractor has to be made good at the contractor's cost at the time of return.

2. RAILWAY SUPPLY:

Normally no material will be supplied by the Railway to the Contractor against Schedule items except mentioned in this para.

In order to speed up the work within the target, the required material for the work will be loaned to the contractor if available for execution of work. The loaned material shall be return back to the purchaser within six months from the date of material issue (or) before taking final bill, whichever is less, recovery will be made from contractor's bill as per standard procedure adopted by the purchaser. The loaned materials will be supplied at concerned OHE depot. Necessary transport required for movement of materials to the work site shall have to be arranged by the contractor. The necessary Contact and Catenary wire will be supplied by the Railways at the nearest OHE depot,

the contractor should make his own arrangement for transportation to the site for execution of the work.

If any material not included in the schedule/supply in contractual portion/quantum of work which is required for execution will be supplied by Railways at the nearest depot.

The tenderer should make his own arrangements for erection of OHE masts, stringing of OHE etc., if any. No wiring/material train/crane will be supplied by Railways.

3. POWER BLOCK WORKING – PROTECTION OF MEN WORKING:

Railway will arrange only power block for the works related to power block depending on the traffic and other conditions. The contractor shall ensure the removal of men and material before cancellation of power block. The contractor shall have to take full advantage of available power block by employing adequate staff for getting the maximum possible work done during the available block period.

For adhering to target date of completion, the contractor may have to work during night time under power block for which the contractor is not entitled for any additional payments other than those to be paid under Item No. 32 of the price schedule-A on SOR Items

The contractor shall take all precautions necessary to protect staff working under him or his sub-contractor. The contractor shall treat all other lines live except the line under Power block. He should ensure execution of work under the supervision of a competent person to carry out the work in electrified areas. Unless the adjacent lines are also under power block, voltage and currents will be induced in the line under power block. To protect against these induced voltages and currents, earth discharge rods are to be provided. Care should be taken by the contractor that these discharge rods are intact and not disturbed by his staff. He shall also ensure that none of the staff working under him shall work/reach beyond safe working limits

Under all conditions the contractor shall have to arrange protection of his staff against traffic. He shall have to also take all necessary precautions to guard against any possible obstructions to traffic during working by providing necessary guy while erection/dismantling of structures, coverage of excavated foundation pits with sand filled bags to keep free of stacked materials from obstructions to traffic etc.,

At the end of each power block work the contractor shall ensure removal of all men and material and no work inclusive of OHE should be left out in a state of obstruction to running of trains and the OHE should be made fit for electric traffic, failing which Railway will remove such obstructions and the Contractor will be liable to pay cost of such removal.

If the contractor fails to execute and to work within the time of power block granted, Railway shall be at liberty to act and recover penalty for availing additional power block in accordance with standard practice of the Railway. The contractor shall in consultation with the -Railway submit a weekly power block programmed for work, 7 days in advance of the commencement of work.

The Engineer reserves the right to alter the scope of work and special conditions as well to drop portion of the work within the time of tendering and awarding the contract.

The contractor shall be prepared to carry out the work at any other specified locations depending up on the requirement, as directed by the Railway officials at site.

If there is any conflict between special conditions and the general conditions of the contract, the conditions laid down in special conditions will be sustained.

Where power block availability is a constraint contractor should employ more staff to get more output. {as per CEDE/SC Lr.No. E.162/TRD/DOM/Vol.VI, dt:08.07.2022}

PENALTY FOR BURSTING OF POWER BLOCK:

Penalty will be levied at the rate of Rs. 10,000/- for the first thirty minutes or part thereof and at the rate of Rs. 5,000/- for every 15 minutes thereof, if the power block is busted by the contractor and the train services are affected. If the train services are not affected, the purchaser at his discretion may waive such penalty. Bursting of power block means the extra time taken over and above the granted power block period.

4. APPROVED SUPPLIERS AND THEIR ADDRESSES

Before ordering the equipment, the successful tenderer shall seek approval from Divisional Railway Manager, Traction Distribution, Secunderabad regarding the latest list of approved suppliers for the equipments.

5. ELECTRICAL SUPPLY:

If any power is required during the process of execution, the contractor has to make his own arrangements and no power supply will be arranged by the Railways at the site of work.

6. QUALITY OF MATERIALS AND QUALITY CONTROL:

All materials used in the execution of the contract shall be of the best quality and of the class most suited for the purpose specified, components, assemblies and equipments to be procured/purchased from proven source, chosen from the approved list based on **RDSO/CORE approved suppliers**. The work shall also confirm to the following acts, rules and standard codes of practice.

I. I.S.S.

II. RDSO specification.

All the equipments/ materials covered by this contract shall comply with the technical specifications (can be pursued in the office of **Senior Divisional Electrical Engineer/ Traction Distribution / Secunderabad, S.C. Railway** during office working hours) to tender documents and relevant I.S.S. as referred to therein in all respects and shall be adequate to perform the duties for which they are designed.

All the equipments/ materials covered by this contract shall comply with the Technical specifications and relevant I.S.S. as referred to therein in all respects and shall be adequate to perform the duties for which they are designed.

Contractor shall not supply any material and equipment more than 15% of agreement quantity from PART- II (Development sources). Minimum 85% of the agreement quantity shall be supplied from PART- I source only.

All erection work shall be of the best quality to the entire satisfaction of the Railways the contractor shall ensure that the equipments and services under the scope of this contract, whether manufactured or assembled within the contractor's premises or at his sub-contractor's premises or at the Railway's site or at any other place, or satisfactorily in accordance with the provisions of this contract. For this purpose, the contractor shall adopt necessary quality assurance Programme to control such activities at all sites.

The contractor has to procure all the materials from the vendors given in the latest approved list of RDSO/CORE.

The contractor shall have to take all precautions to prevent possible electrical accidents due to proximity of adjacent live OHE always in live condition, unless otherwise a power block is granted on the adjacent line. The contractor shall also take all precautions to protect his staff working on the line against traffic (running of trains) on the working lines/adjacent lines.

7. INSPECTION:

- I. All the equipment's, materials, fittings etc., shall be subjected to inspection by RITES/Railways. The inspection Officer(s) for this contract shall be nominated by the Railway. Insulators have to be tested by the Railway's representative before erection. The consignee can further check the items after receipt at his depot in spite of RITES/RDSO inspection. RITES inspection charges will be borne by the Railways.
- II. The contractor shall provide, without any extra cost to the Railway all materials, equipment's, tools, labour and maintenance of every kind with necessary testing facilities which the Railway or the inspecting officer may consider necessary for any test an examination to be made at the contractor's or sub-contractor's premises and at site.
- III. In instances where the supply and installation of an asset, including its accessories, are grouped as a single item in the schedule, inspection clause for supply portion shall be applicable for the item as a whole including accessories,

sub-parts etc by default and shall be inspected by RITES/RDSO/Third Party Inspection agency/Consignee based on Railway Board's specified limit (at present Rs.5 Lakh on par with Stores supply items) as instructed vide PCEE/SCR office letter No. E.207/6/P/HQ Dt. 02.05.2024. However, if in any schedule, item has accessories/parts which are not manufactured/supplied by one agency and requires inspection separately, then the same shall also have to be inspected by RITES/RDSO /Third party inspection agency/Consignee based on Railway Board's specified limit as mentioned above.

- IV. All items installed (labour schedule) as part of Supply and installation contract shall be inspected and accepted as per tender specification/conditions by supervisor in charge for the particular work. Bills should be passed on the basis of inspection done by supervisor in charge of the work only duly test checked by an officer of ADEE/DEE level.
- V. The consignee inspection certificate proforma is enclosed as Form 18. (Authority: PCEE/SC's Lr.No.E.207/6/P/HQ, Dated 02.05.2024).

In all matters of dispute the decision of the Sr.DEE/Traction Distribution, Secunderabad division shall be final and binding.

2.3 CERTIFICATE OF INSPECTION AND APPROVAL:

No equipment/ stores will be considered ready for erection until the Railway or the Inspecting Officer nominated by it, shall have certified in writing that they have been inspected and approved by him. Proof loading of all the components coming under tension will be done before erection by the inspecting official.

The Inspecting Officer or his authorized representative shall have, at all reasonable time, access to the contractor's premises and shall have power to:

Inspect and examine the materials and workmanship of the work, at any time during the manufacture at the manufacture's premises or in the premises of the contractor or sub-contractor or at the site of erection.

Certify before any equipments is submitted for inspection that it cannot be in accordance with the contract owing to unsatisfactory method employed.

Reject any part of the work submitted by the contractor as not being in accordance with the contract.

Reject the whole of the work including equipment tendered for inspection, if after the inspection of such portion as he may, in his discretion, think fit, he is satisfied that the same is unsatisfactory.

Mark rejected equipment with rejection mark so that the same may be easily identified.

Re-inspect at the time of erection, at site any equipment both previously inspected and approved by the inspecting officer at the contractor's or Sub-contractor's premises not with-standing any approval given earlier, the contractor shall make good such rejections made, based on such re-inspection at site to the satisfaction of the Engineer. The ultimate responsibility for correct supply/execution of work shall rest with the contractor unless the Railway insists an option of his designs inspite of the contractor not being agreeable to it.

2.4 Warranty:

The warranty/Maintenance period should be covered for a minimum period of three years (36 months) from date of commissioning / acceptance. (Vide PCEE/SC's letter No. E.77/2/SIM dt: 04-12-2018, warranty clause was modified for improvement in quality of works).

During the period of guarantee the contractor shall replace free of cost any parts which may be found defective in the equipment whether such equipments be of his own manufacture or of his contractors, whether arising from faulty design, material and workmanship. The contractor shall bear the cost of repairs carried out on his behalf by the purchaser at site. In such case, the contractor will be informed in advance of the works proposed to be carried out by the purchaser.

- 2.5** In all the matters of dispute the decision of the **Senior Divisional Electrical Engineer/ Traction Distribution/Secunderabad Division** shall be final and binding.

2.6 OBSTRUCTION TO RAILWAY STAFF:

The Contractor(s) shall not obstruct directly or indirectly the Railway staff on duty and the staff working, with the Railways system in any form.

2.7 MEMORANDUM OF DESCRIPTIVE MATTER:

The Tenderer may, if he deems fit, if necessary, shall submit a short and concise memorandum or descriptive matter, which cannot be incorporated in other parts of the tender. In the event of the tenderer quoting rates based on the assumptions which are contrary to the principles laid down in the tender papers, the basis for such assumption of rates to which they are connected should be incorporated in the memorandum. If no mention is made in the memorandum it would be presumed that the same basis has been laid down in the tender papers has been followed by the tenderer.

2.8 SPECIFIED RAILWAY STORES.

- a) The various equipments, components and materials to be supplied by the Railways to the contractor will be handed over to the contractor as far as possible in the State of ready for installation. The contractor has to endeavor to bring the equipments into successful operation. In the event of failure of any item supplied by Railways due to inherent defects/deficiencies in the item the contractor shall not be responsible,

should be defects be repairable at site without requiring dismantlement of the equipment then the repair shall be done by the contractor free of cost.

b) RECONCILIATION OF MATERIALS SUPPLIED BY THE PURCHASER.

The following procedure shall be adopted for the final reconciliation of various equipments, materials, fittings and conductors supplied by the purchaser. All the materials supplied by the Purchaser shall be correctly accounted. On completion of the work all surplus materials supplied by the purchaser together with ones found defective or broken on account of defective materials or workmanship shall be returned to by the Contractor. For the purpose of measurement of OHE, the length of the conductor will be as per tolerance given in Annexure-H.

2.19 : PROVISIONAL ACCEPTANCE:

- (a) Immediately after completion of works, the Contractor shall certify and advise the Purchaser in writing that the section is (i) complete (ii) ready for satisfactory commercial service and (iii) ready to be handed over. He will also place at the disposal of the Purchaser the required staff for checking it and putting it into operation.
- (b) The test or tests, as per the specification excluding power collection tests which would be carried out subsequently in connection with the taking over by the Purchaser of the equipment and installations shall be carried out jointly by the Purchaser and the Contractor within a month after the receipt of the Contractor's notifications, as stated in sub para above.
- (c) After inspection and satisfactory conclusion of tests and when the Purchaser is satisfied with the satisfactory working of the installations he will issue a provisional acceptance certificate which would be signed by both the parties. The provisional acceptance certificate will not be withheld for any minor defects.
- (d) Should the result/s of inspection and the test/s be not satisfactory, and extension of one month will be granted to the Contractor to make good the defects and deficiencies, pointed out by the Purchaser, fresh inspection and test will then be carried out after the Contractor has attended to the defects and deficiencies. If these tests are also not satisfactory, the Purchaser may proceed at the Contractor's expenses by all means deemed expedient, to have the installation made satisfactory until they comply with the specifications, and approved drawings and designs.
- (e) In such a case, or in case of delay in completing the work under this contract within the time limit the Purchaser reserves the right if he deems it possible to use in a reasonable manner any section or any part of the section even if some installations of the sections are not completely erected, the Purchaser will give to the Contractor for this purpose seven days previous notice. The Contractor shall then take at his own expense all necessary steps to complete the works in accordance with the provisions of the contract. In case it becomes impossible to proceed with the above mentioned taking over tests, for reasons other than for which the Contractor is responsible, the "Provisional Acceptance Certificate" shall be issued at or within a mutually agreed reasonable period

not exceeding three months after completion of the relevant section as indicated in sub para/s above.

NOTE:

1. Provincial Acceptance Certificate for the work will be issued immediately after all tests (excluding power collection tests) are completed to the satisfaction of the Purchaser. Should the Purchaser be unable to complete the tests and energisation of the line / equipment within a reasonable time which shall not exceed 1 month from the date of Contractor's notification, the issue of provisional acceptance certificate shall not be delayed and shall be issued within a maximum time of two months after notification under above para (a) has been given. The power collection tests shall normally be carried out for the entire Section within two months of the date of energisation of the siding.
2. The issue of Provisional Acceptance Certificate shall not be withheld for rectification of minor defects, which may reasonably be considered not essential for Energisation, and operation of installation. In such cases, only the value of materials and cost of rectification of minor defects shall be withheld from the security deposit until rectification is completed.
3. Break down maintenance shall continue to be done by OHE contractor even after issue of PAC till CRS inspection and its clearance. Payments for materials [contractor supply] used during break-down maintenance done after issue of PAC shall be made as per rates of the contract. Railway supply materials shall be given by Railway. For this purpose, payments shall continue to be made even after issue of PAC. Damaged materials during break-down shall be handed over by the contractor to Railway.

2.20 : **FINAL ACCEPTANCE:**

- (a) The final acceptance of the entire equipment installed on the group shall take effect from the date of expiry of the period of guarantee above of the expiry of the last of the respective periods of guarantee of various sections for which provisional acceptance certificates are issued or brought into commercial operation, provided in any case that the Contractor has complied fully with his obligations in respect of the Section.
- (b) If on the other hand the Contractor has not so completed with his obligation in respect of the section, the Purchaser may either extend the period of guarantee in respect of the section until the necessary works are carried out by the Contractor or carry out those works or being them carried out suomoto on behalf of the Contractor at the Contractor's expenses. After expiry of the period of guarantee for each section, a certificate of final acceptance for the section shall be issued by the Purchaser and the last of such certificate will be called the last and final acceptance certificate. The contract shall not be considered as completed until the issue of final acceptance certificate by the Purchaser.
- (c) The Purchaser shall not be liable to the Contractor for any matter arising out of or in connection with the contract or execution of the work unless the Contractor shall have made a claim in writing the respect there of before the issue of final acceptance certificate under this clause.
- (d) Notwithstanding the issue of final acceptance certificate, the Contractor and the Purchaser (subject to sub-clause as above) shall remain liable for fulfilment of any obligation incurred under the provision of the contract prior to the issue of final acceptance certificate which remains unperformed at the time such certificate is issued and for determining the nature

and extent of such obligation the contract shall be deemed to remain in force between the parties here to.

- 2.21 The contractor shall arrange at his own cost all tools, plants and facilities as necessary for erection and transfer of equipments from existing location to proposed locations etc.
- 2.22 The contractor or his representatives will accompany the purchaser and Engineers for inspection or attend their offices whenever called upon to do so. Contractor shall take instruction through site order book.
- 2.23 The contractor shall not be entitled to any extra payment due to hindrance resulting from normal Railway operations, such as delay on account of adequate number and duration of blocks not being granted, but the purchaser shall grant a reasonable extension of time to the contractor for delays beyond his control.
- 2.24 The contractor should insure at his cost the Stores brought to site against risks in consequences of damage, war and invasion as required under the emergency risk.
- 2.25 If any material is supplied by the purchaser on loan to speed up the work, the material has to be returned by the contractor to the within six months from the date of material issue (or) before taking final bill, whichever is less of obtaining materials on loan from Railways. Otherwise, all or some of the materials at the discretion of Sr.DEE/TRD/SC will be treated as sold. For materials treated as sold, the cost will be recovered by the purchaser from the contractor at double the cost of the book rate or the last purchase rate or the prevailing market rate whichever is higher plus 5% on account of initial freight, 2% on account of incidental charges together with supervision charges of 12.5% on the total cost inclusive of material freight and incidental charges. Freight between the purchaser's source of supply and the contractor's depot or railway siding shall be the contractor's account. In case of materials not treated as sold contractor has necessarily to return the materials.
- 2.26 **Precautions to be taken while working in the vicinity of the running trains.**
 - 2.26.1 When the work is required to be carried out on the track itself or as close to the track as may pose a hazard to rail traffic, the work shall be carried out under the supervision of an authorized Railway Representative only.
 - 2.26.2 During the execution of the works, the contractor or his representative shall not leave the site where the works are being carried out. At the site of work, the contractor shall always make available one representative who shall be approved by the Railway Administration who shall be invested with adequate powers by the contractor so that orders or instructions given to the said representative by the Railway Administration in writing could be considered as duly given or conveyed to the contractor himself. Representative of the Railway will check up the work from time to time.
 - 2.26.3 The contractor shall not allow any road vehicle belonging to him or his suppliers etc. to ply in Railway land next to the running line. If permitted by Railway Administration for execution of certain works such as supply of ballast, sand, etc. the following precautions must be taken by the Contractor in the presence of Railway representative.
 - i) The road vehicles will play only between sunrise and sunset.

- ii) Nominated vehicles and drivers will be utilized for work in the presence of at least one flagman and one supervisor certified for such work.
- iii) The vehicles shall ply 6 m. clear of the track. Any movement/work at less than 6 m. and up to minimum of 3 m. clear of track center shall be done only in the presence of Railway employee authorized Engineer-in-Charge. No part of the road vehicle will be allowed at less than 3.5 m from the track center. Cost of such Railway employee shall be borne by the Railway.
- iv) The contractor shall remain fully responsible for ensuring safety and in case of any accident, shall bear the cost of all damages to his equipment and men and also damages to Railway and its passengers.

2.27 Works Contract procedure for settling of disputes of contractors.

i) The provision of clause 63 and 64 of the general conditions of contract will be applicable only for settlement of claims /disputes for values less than or equal to 20% of the original value (excluding the cost of materials supplied free by railway) of the contractor or 20% of the actual value of the work done (excluding the value of the work rejected) under the contract, whichever is less. When claims/disputes are of value more than 20% of the value of the original contract or 20% of the value of the actual work done under the contract whichever is less. The contractor will not be entitled to seek such disputes/claims for reference to arbitration and the provisions of clause 63 and 64 of the G.C.C. of the contract will not be applicable for referring the disputed to be settled through arbitration.

ii) The contractor shall furnish his monthly statement of claims as per clause 43(1) of G.C.C. of the contract. But the contractor should seek reference to arbitration to settle the disputed only once, subject to the condition as per para-1

iii) In case of failure of any agency to carry out work in time, Railway Reserves the right to get the work done through any other alternative agency with similar works in the section / railway.

2.28 Deduction of TAX (TGVAT) at source:

In terms of RC No.47/B4-2005 dt. 15.04.05 issued by Govt. of Andhra Pradesh /Telangana Commercial TAX department, the Railway shall at the time of arranging payment to the contractor be entitled to deduct VAT at source as applicable from time to time on the total value of agreement.

All the Contractors/Service Providers/Suppliers should have Register with GSTN as per Goods and Services Tax ACT 2017.

2.29 Conservancy charges: As applicable from time to time to be levied.

2.30 The contractor shall not start any work without the presence of Railway supervisor or his representative and contractor's supervisor at site. The Engineer-in-charge shall approve the methodology proposed to be adopted by the contractor with a view to ensure safety of trains, passengers and workers and he shall also ensure that the methods and arrangements are actually available at site before start of the work and the contractor's supervisors and the workers have clearly understood the safety aspects and requirements to be adopted /followed while executing the work. There shall be an assurance register kept at each site, which will have to be signed by both, ie., Railway

Supervisor or his representatives as well as the contractor's supervisors as a token of their having understood the safety precautions to be observed.

- 2.31 **PROVISION OF EPF & MP Act 1952:** The contractor shall comply with the provision of EPF & MP Act 1952 and obtain code number from the concerned authorities whenever workmen employed by him are 20 or more. He shall also indemnify Railways from and against any claim, penalties, recoveries under the above Act and Rules. Contractors to get the code number under the EPF so as to enable the PF Commissioners to extend the social security benefits to the workmen engaged by the Railway Contractors. The first month's bill will be released only after code number is taken from the PF Office and a copy of coverage intimation produced. Subsequently for each month, bills will be released only on submission of challans & 12A. Monthly return copy in proof of remittance of PF dues for every month.

- 2.32 **PROVISIONS OF APPRENTICES ACT, 1961** :

(a) The Contractor shall be responsible to ensure compliance with the provisions of the Apprentices Act, 1961 and the rules and order issued there under from time to time in respect of Apprentices directly or through petty Contractors or Sub-Contractor's employed by him for the purpose of carrying out the Contract. If the Contractor directly or through petty Contractor's or sub-Contractors fails to do so, his failures will be a breach of the contract and the Railway may, in its discretion, rescind the contract. The Contractor shall also be liable for any pecuniary liability arising on account of any violation of the provisions of the Act.

***NOTE:** The Contractors are required to engage Apprentices when the works undertaken by them last for a period of one year or more and/or the cost of work is Rs. one lakh or more.*

- 2.33 **EMPLOYMENT OF ENGINEERING GRADUATE/DIPLOMA HOLDERS**

2.33.1 In terms of provisions of new clause 26A to the GCC, the contractor shall also employ following qualified engineers during the execution of the allotted work.

a) One qualified graduate engineer when cost of work to be executed is Rs. 200 lakhs and above, and

b) One qualified diploma holder engineer when cost of work to be executed is more than Rs. 25 lakhs, but less than Rs. 200 lakhs.

2.33.2 In case contractor fails to employ the qualified engineers as per above para, the contractor, in terms of provision of clause 26.A-2 to GCC, shall be liable to pay an amount of Rs. 40,000/- and Rs. 25,000/- for each month or part thereof for the default period for the provisions as contained in above para (a) & (b) respectively.

2.33.3 The decision of the Engineer-in-charge as to the period for which the required technical staff was not employed by the contractor and as to the reasonableness of the amount to be deducted on this account shall be final and binding on the contractor.

- 2.34 **DISASTER MANAGEMENT:** In case of accidents / natural calamities involving human lives, the Railway administration can draft vehicles and equipments of the

contractor however, for payment purpose, the item will be operated as additional NS item duly negotiating the rates.

- 2.35 THE BUILDING AND OTHER CONSTRUCTION WORKERS (RECS) Act, 1996 AND BUILDING AND OTHER CONSTRUCTION WORKERS WELFARE CESS Act, 1996 IN RAILWAY CONTRACTS : The tenderer for carrying out any construction work in Andhra Pradesh/ Telangana/Maharashtra/Karnataka must get themselves registered from the Registering Officer under Section – 7 of the Building and Other Construction Workers Act, 1996 and rules made there to by the concerned state governments and submit certificate of Registration issued from the Registering Officer of the respective State Government (Labour Department). For enactment of this act, the tenderer shall be required to pay cess @ 1% of cost of construction work to be deducted from each bill. Cost of materials shall be outside the preview of cess when supplied under a separate schedule item.
- 2.36 The contractor should exhibit a display board at the work site of their agreement with proper information on a steel board of size not less than 1mX1m for better appreciation of their work/project to Railway officials and to the public as well

Name of the Organization/Railway

(i) Name of Project:

(ii) Approx. cost of Project:

(iii) Expected Date of completion:

(iv) Name and Address of the Contractor:

(v) Address of Engineer-in-Charge:

2.37 Goods and Service Tax:

- I. GST would replace taxes currently levied and collected by Centre like Central Excise Duty, Service tax, cess and surcharge so far as they are related to supply of Goods and Services. GST would also replace State Taxes that is within GST like state VAT, Central Sales Tax, Entry tax and State cess and surcharge so far as they are related to supply of Goods and Services. However, seignories charges, building and another worker welfare cess, IT and IT related cess etc., will continue.
- II. All the bidders/ tenderers should ensure that they are GST complaint and their quoted tax structure/rates as per GST Law.
- III. The responsibility for remitting the service tax/ GST lies with the contractor/ service provider. In Exceptional cases for certain cases for certain service under reverse charge mechanism may have to be dealt separately by railways.
- IV. Procedure for payment of contractual bills in Railways is as follows (Railway board Lr. No.2016/CE- I/ CT/12/GST/Pt.I, dt: 29.06.17)
 - (i) With GST act in force, it will be the responsibility of service providers (i.e. contractors) to submit the invoice (bill) on his letter head duly segregating the “Amount of work executed excluding GST amount” and “GST amount” along

with Invoice No. (bill No.) and all other details required under GST act. The sample GST complaint invoice is given at Annexure.

- (ii) In case contractor is registered under GST Act, Railway shall pay to the contractor 'Gross amount of work executed duly deducting all other leviable taxes like I/Tax, labour cess, royalty etc., as applicable. Contractor shall be liable to pay 'GST amount' to respective authority himself.
- (iii) In case contractor is not liable to be registered under GST Act, contractor shall be paid "Amount of work executed excluding GST amount" duly deducting all other leviable taxes like I/Tax, labour cess, royalty etc., as applicable. Railway shall deposit "GST amount" as well as all other taxes deducted to concerned authorities.

2. TAXES (Ref: PCE's Lr. No.W.44/B/ Vol. VII dt. 06.12.2017)

- (i) The tenderer shall quote the rate by considering all the statutory duties/taxes/ GST applicable to the work up to the date of opening of tender.
- (ii) Any new impost or revision in the duties/ taxes/ cess during the original currency of the contract will be to the Railway's account subject to production of Govt. notification and documentary evidence. This will also be applicable for the work done during the extended period, if such extension is on Railway's account.
- (iii) However, if the extension of contract period is on account of failure of contractor, no compensation shall be made towards upward revision or imposition of any new taxes.
- (iv) Any benefit on account of downward revision of duty either in original contract period or during the extended contract period shall be passed on by the contractor to the Railways.

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PRICES AND PAYMENTS

5.1 SCOPE:

This chapter deals with prices to be paid for supply and/or erection of various items of works or for supplies and other amounts payable in accordance with accepted schedules of prices and rates and terms and conditions of payment mentioned herein.

This is a works contract. The total prices for the completed items of work are the actual prices for the completed items of work are the actual prices payable to the contractors as per the terms and conditions of contract.

5.2 SCHEDULE OF PRICES:

- 5.2.1 Prices for the items covered in schedule of prices are based on "Schedule of Rates (SOR) consists of different schedules viz Schedule -A1, A2, B1, B2, B3, B4, C &D. and Non-schedule of rates (Non-SOR). The tenderers have to quote a percentage below/at par/above for each schedules SOR and a percentage against each schedule of Non-SOR.
- 5.2.2 All prices shall be valid irrespective of minor variations in basic quantities and use of alternative types approved by the purchaser. Minor changes in basic designs shall not affect unit prices as long as such changes are mutually agreed to by purchaser and the contractor. The contractor shall carefully note the items of materials, equipments, fittings and components which will be supplied by Railways.
- 5.2.3 The prices shall include provision for wastage in transit and erection. The prices shall include all incidental charges for transport, loading, un-loading and handling of materials. The prices shall include insurance premia under the emergency risks, all taxes, duties, levies etc.

5.3 QUANTITIES:

It is considered that the items of work included in schedule may not cover all works involved in putting the installation into commission. Additional items of work which are considered necessary and unit prices of such items if any shall be quoted separately and brought out clearly in a separate letter.

5.4 EXPLANATORY NOTES:

Explanatory Notes for various items of work included in Schedule of Prices are given separately.

5.5 NEW ITEMS OF WORK:

If during the execution of the work, the contractor is called upon to carry out any new item of work not included in schedule, the contractor shall execute such works at such prices as may be mutually agreed with the purchaser before commencement.

5.6 PAYMENTS AND RECOVERIES:

The rates to be paid for erection of various items of works shall be in accordance with the accepted schedule of rates as governed by the terms and conditions as mentioned herein.

The total rates for the completed items of work are the actual rates payable to the contractors. The rates in schedule shall include provision of loss and wastage in transit and erection. The rate shall include all incidental charges for transport, loading, unloading and handling of materials. The rate shall include all taxes. No adjustment of unit rates and rates

of fittings, materials, equipment or components on account of price fluctuation will be permitted. If during the execution of the work, any new items of work are carried out, not included in schedule, the rates for such items as per accepted schedule should be taken into consideration.

Subject to any deduction or recoveries, which the purchaser may be entitled to make under the contract, the contractor shall unless otherwise agreed to, be entitled to get the following payments subject to conditions stipulated in subsequent paragraph.

ON ACCOUNT PAYMENTS:

- a) 80% payment will be made on supply portion of materials against **Schedule-B1 (STEEL SUPPLY)**, **Schedule-B2 (COPPER SUPPLY)**, **Schedule-B3 (INSUALTOR SUPPLY)**, **Schedule-B4 (GENERAL SUPPLY)** "schedules only.
- b) Balance 20% will be released after erection of the above schedule items or if the item is taken over as supply item by Railways.

PROGRESS PAYMENTS:

- c) 100% payment will be made for each **Schedule -A1 (OHE & PSI ITEMS)**, **Schedule-A2 (Foundation Items (supply & erection) & Schedule -C (GENERAL ITEMS)** items after supply and erection of the items or if the item is taken over as supply item by Railways.
- d) For the **Schedule-B1 (STEEL SUPPLY)**, **Schedule-B2 (COPPER SUPPLY)**, **Schedule-B3 (INSUALTOR SUPPLY)**, **Schedule-B4 (GENERAL SUPPLY)** items 100% payment will be made if On-Account payment of 80% is not claimed by the contractor. If 80% payment is claimed then balance 20% will be paid after erection of the above schedules or if the item is taken over as supply item by Railways.

5.8 INVOICING PROCEDURE:

- 5.8.1 The contractor shall submit the following documents on supply portion of materials for obtaining Schedule "B" payments.
 - a) Suppliers challans/invoices.
 - b) Certificate of receipt of materials at consignee depot/s duly accepted by the purchaser's engineers.
 - c) Inspection certificate granted by the purchaser's representative i.e., RITES/ RDSO/ Consignee and submission of quality assurance documents i.e., manufactures routine test reports, warranty certificate, etc., in 3 copies.
 - d) Insurance of materials
- 5.8.2 All invoices shall be submitted with original supporting documents or certified copies of supporting documents.
- 5.8.3 Quantities and measurement of works completed shall be approved by the field supervisor, prior to the submission of quantity schedule to Sr.DEE office. After approval of quantity schedule, invoice/bill to be submitted by contractor after measurements are accepted by contractors in measurement book.

5.8.4 INDEMNITY BOND:

Schedule-B1 (STEEL SUPPLY), Schedule-B2 (COPPER SUPPLY), Schedule-B3 (INSULATOR SUPPLY), Schedule-B4 (GENERAL SUPPLY) items for which On-Account payment is received by the contractor, such materials shall be issued to contractor only after submission Indemnity Bond of value such items.

5.8.5 For material under **Schedule -A1 (OHE & PSI ITEMS), Schedule-A2 (Foundation Items (supply & erection) & Schedule -C (GENERAL ITEMS)**, the following documents shall be submitted,

- a) Suppliers challans/invoices/test reports/packing list and other relevant documents.
- b) Inspection certificate granted by the Purchaser's representative (RITRS/RDSO/CONSIGNEE).
- c) Final measurements shall not be recorded unless above documents are submitted.

5.8.6 Final bill shall be passed after submission of 'Reconciliation of materials' statement and there is no short fall of materials to be handed over to Railways.

5.9 **Variation in quantities during the execution of works contracts: As per latest IRSGCC 2022, up to latest correction slips. —**

Note: ALL Schedules A1, A2, B1, B2, B3, B4, C & D, are taken as part of the SOR, similar to Engineering. Accordingly, a variation of $\pm 25\%$ is applicable on the entire schedule as a whole, rather than on individual items.

5.10.3 **Price variation: As per latest IRSGCC 2022 up to latest correction slips.**