

ARBITRATION

MOST URGENT

SOUTHERN RAILWAY

Headquarters Office,
General Branch,
Chennai – 600 003.

No.G.16/DGM/ARB/Policy (48250)

Date: As signed.

**PCE, PCCM, PCMM, PCEE, PCME, PCMD, PCOM,
PCSC, PCSTE, PFA, CAO/CN & MTP/MS, CAO/CN/ERS,
DRMs/MAS, TPJ, MDU, PGT, TVC & SA, Sr.LO/HQ.**

Sub: Advance Correction Slip No. 10 to Indian Railways Standard General Conditions of Contract, April 2022.

Please find enclosed herewith the Advance Correction Slip No. 10 to the Indian Railways Standard General Conditions of Contract, April 2022, issued by the Railway Board

A copy of the Railway Board's letter dated 04.03.2025 is forwarded herewith for your reference and necessary action.

Please acknowledge receipt.

Encl.: as above.

**(S. AJAY KAUSHIK)
DGM/G
for General Manager**

भारत सरकार / Government of India
रेल मंत्रालय / Ministry of Railways
(रेलवे बोर्ड / Railway Board)

No. 2022/CE-I/CT/GCC-2022/POLICY

New Delhi, Dated 04.03.2025

To,
As per list attached.

Sub: Indian Railways Standard General Conditions of Contract, April 2022 (Advance Correction Slip No. 10)

Please find enclosed herewith Advance Correction Slip No.10 to Indian Railways Standard General Conditions of Contract, April-2022.

2. This shall be applicable to Works Contract of Indian Railways with prospective effect.
3. This issues with the concurrence of the Finance Directorate and approval of Board (MI, MF).

DA: As above.


04/03/25
(किशन रावत)

निदेशक सिविल इंजी.(जी)/रेलवे बोर्ड

[Rly No. 030-47598, MTNL No. 011-23047598]

e-mail address: padcegrb@gmail.com, dceg@rb.railnet.gov.in

No. 2022/CE-I/CT/GCC-2022/POLICY

New Delhi, Dated 04.03.2025

Copy forwarded for information to:


- (i) The PFAs, All Indian Railways.
- (ii) Dy. Comptroller and Auditor General of India (Railways), Room No. 224, Rail Bhawan, New Delhi.

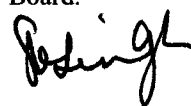


For Member Finance

LIST FOR DISTRIBUTION (No. 2022/CE-I/CT/GCC-2022/POLICY dated 04.03.2025)

1. General Managers, All Indian Railways & Production Units
 2. General Manager (Con), N.F. Railway, Guwahati
 3. General Manager /CORE, Allahabad
 4. Chief Administrative Officers (Con), All Indian Railways (Except N.F. Railway)
 5. Principal Chief Engineers, All Indian Railways
- (A)**
1. CAO, COFMOW, Tilak Bridge, New Delhi
 2. Principal CAO, Diesel Loco Modernization Works, Patiala (Punjab)
 3. CAO (Workshop Projects), Chamber Bhawan, Judge's Court Road, Anta Ghat, Patna-800001, Bihar
- (B)**
1. Director General, RDSO, Manak Nagar, Lucknow
 2. Director General, NAIR, Vadodara
 3. Director General, IRICEN, Pune - 411 001 (Maharashtra)
 4. Director General, IRIEEN, PB No.-233, Nasik Road-422101 (Maharashtra)
 5. Director General, IRISSET, Taa Naka Road, Lalla Guda, Secunderabad-500017
 6. Director, IRIMEE, Jamalpur Distt-Jamalpur, PIN-811214 (Bihar)
 7. Director General, IRITM, Sarswati Residential Estate, IRITM Campus, Manak Nagar, Lucknow
- (C)**
1. CMD, CONCOR, Concor Bhawan, C-3, Mathura Road, Opp. Apollo Hospital, New Delhi- 110076
 2. CMD, IRCON International Limited, C-4, District Centre, Saket, New Delhi- 110017
 3. CMD, RITES Ltd., RITES Bhawan, Plot No.1, Sector-29, Gurgaon
 4. CMD, RVNL, August Kranti Bhawan, Plot No.25, 1st Floor, Bhikaji Cama Place, New Delhi
 5. CMD, MRVC Ltd., Churchgate Station Bldg, Mumbai- 400020
 6. CMD, KONKAN Railway Corporation Ltd, Rail Bhawan, New Delhi-110001
 7. MD, DFCCIL, 5th Floor, Pragati Maidan Metro Station Building Complex, New Delhi-110001
 8. Chairman, RLDA, Near Safdarjung Railway Station, Moti Bagh, Phase-I, New Delhi- 110021
 9. MD, CRIS, Chanakyapur, New Delhi
 10. CMD, RailTel Corporation of India Ltd. Plot No. 143, Institutional Area, Sector-44, Gurgaon - 122003
 11. CME, IROAF, 12th Floor, Core-1, Scope Minar, Distt. Centre, Laxmi Nagar, Delhi- 110092
 12. CMD, IRFC Limited, UG Floor, EastTower, NBCC Place, Bhisham Pitamah Marg, LodhiRoad, Pragati Vihar, New Delhi
 13. CMD, IRCTC Ltd., B-148, 11th Floor, Statesman House, Barakhamba Road, New Delhi 110001
 14. CMD, Braithwaite & Co. limited, 5 Hide Road Kolkata 700043
- Copy to:**
- (A)**
1. General Secretary, IRCA, DRM Office, New Delhi
 2. General Secretary, AIRF, Rail Bhawan, New Delhi
 3. General Secretary, NFIR, Rail Bhawan, New Delhi
 4. General Secretary, IRPOF, Rail Bhawan, New Delhi
 5. General Secretary, FROA, Rail Bhawan, New Delhi
 6. General Secretary, AIRPA, Rail Bhawan, New Delhi
 7. General Secretary, AISC & STREA, Rail Bhawan, New Delhi
 8. The Secretary, RBSS, Group (A) Offices Association, Rail Bhawan
 9. The Secretary, RBSS, Group (B) Offices Association, Rail Bhawan
 10. General Secretary, RBSSS Association, Rail Bhawan
 11. The Secretary, RBMSA, Rail Bhawan
 12. The Secretary, Railway, Group (D) Employees Association, Rail Bhawan
- (B)**
1. Concerned PSO for kind information of Chairman cum CEO, M/Infra, M/T&RS M/O&BD, M/Finance, Railway Board
 2. Adv./MR, EDPG/MR, OSD/MR, OSR(Co-ord)/MR
 3. Chief Vigilance Officers, All Indian Railways
 4. DG(RHS), DG(RPF), AM(CE), AM(Works), AM(B), AM(Elec.), AM(RS), AM(ME), AM/Tele, AM/C&IS, AM/Sig., AM(Plg.), PED(B&S), PED(Vigilance), EDCE(P), PED/Safety, PED/Gati Shakti, EDCE(G), EDTK(M&MC), EDCE(B&S), EDF(X), ED/GS(Civil-I), ED/GS(Civil-II), ED/GS(Elect.), ED/GS(S&T), ED/GS/SD, EDW(Plg.), ED(L&A), ED(PSU), EDVE, ED(Safety), ED(Sig. Dev.), ED(Tele), EDRS(G), EDEE(G), EDFE, EDE(N), ED(Accounts), ED/T&MPP, EDME(Chg.), EDME(Frt.), ED/Plg., JS(conf), JS(P), JS(G), JS(D), Vigilance-III, Vig(Conf) of Railway Board.


04/03/25



Advance Correction Slip No.10 to Indian Railways Standard General Conditions of Contract, April 2022

New Clause 64.(1)(i)(a), Part-II of GCC shall be read as under:-

64.(1)(i)(a): In the event of any dispute or difference between the parties hereto as to the construction or operation of this contract, or the respective rights and liabilities of the parties on any matter in question, dispute or difference on any account or as to the withholding by the Railway of any certificate to which the Contractor may claim to be entitled to, or if the Railway fails to make a decision within 120 days, then and in any such case, but except in any of the "excepted matters" referred to in Clause 63.1 of these Conditions, the Contractor, after 120 days but within 180 days of his presenting his final claim on disputed matters shall demand in writing that the dispute or difference be referred to arbitration.

New Clause 64.(1)(i)(b), Part-II of GCC shall be read as under:-

64.(1)(i)(b): Arbitration as a method of dispute resolution should not be routinely or automatically included in procurement contracts/tenders, especially in large contracts.

New Clause 64.(1)(i)(c), Part-II of GCC shall be read as under:-

64.(1)(i)(c): As a norm, arbitration as a method of dispute resolution may be restricted to disputes with a value less than Rs. 10 crore. This figure is with reference to the value of the dispute (not the value of the contract, which may be much higher).

New Clause 64.(1)(i)(d), Part-II of GCC shall be read as under:-

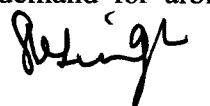
64.(1)(i)(d): Inclusion of arbitration clauses covering disputes with a value exceeding Rs. 10 crore, should be based on careful application of mind and recording of reasons and with the approval of an officer not below the rank of Senior Administrative Grade (SAG) or the Accepting Authority of the tender whichever is higher.

Clause 64.(3)(a), Part-II of GCC shall be read as under:-

64.(3)(a): The Arbitral Tribunal shall consist of a panel of three arbitrators. General Manager/Additional General Manager will appoint two arbitrators, one railway nominee and other from among the contractor's nominee. Contractor can recommend his nominee either from approved panel of Railways or from approved panel of Indian Council of Arbitration (ICA) within 30 days from the date of dispatch of approval of written and valid acceptance of demand for arbitration by the General Manager/Additional General Manager.

64.(3)(a)(i): If contractor wants to choose his nominee from Railway panel, the Railway will send a panel of at least four (4) names of retired Railway Officers empanelled to work as Arbitrator within 30 days from the day when a written and valid demand for arbitration is


04/03/25



received by the General Manager/Additional General Manager. Contractor will be asked to suggest to General Manager/Additional General Manager at least 2 names out of the panel for appointment as Contractor's nominee within 30 days from the date of dispatch of the request by Railway. The General Manager/Additional General Manager shall appoint at least one out of them as the Contractor's nominee within 30 days from the receipt of the names of Contractor's nominees. The railway panel shall be provided free of cost to the contractor.

64.(3)(a)(ii): If contractor wants to choose his nominee from Indian Council of Arbitration panel, Contractor will send at least 2 names of Arbitrators from the ICA panel for appointment as Contractor's nominee within 30 days from the date of dispatch of the request by Railway. The General Manager/Additional General Manager shall appoint at least one out of them as the Contractor's nominee within 30 days from the receipt of the names of Contractor's nominees. Nomination and appointment of arbitrators from ICA panel shall be as per the ICA Rules for Domestic Commercial Arbitration and amended from time to time.

Some general guidelines of ICA Rules for Domestic Commercial Arbitration are as under:-

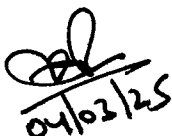
- i. Contractor may access the ICA's panel of arbitration through ICA's official webpage: <https://icaindia.co.in/pdf/Engineers.pdf>.
- ii. A formal request for nomination shall be submitted to ICA, accompanied by:-
 - a. A brief Statement of Claim outlining the nature and quantum of the disputes.
 - b. A copy of the relevant contract and any supporting documents.
 - c. A copy of the notice intimating the other party of the initiation of arbitration proceedings, with proof of delivery (if any).
- iii. Ad-hoc appointment fees for the nomination and appointment of arbitrators shall be as per the ICA Rules for Domestic Commercial Arbitration and revised from time to time and shall be submitted along with the request.


Clause 64.(3)(b), Part-II of GCC shall be read as under:-

64.(3)(b): Two selected arbitrators are free to select presiding arbitrator (3rd arbitrator) within thirty (30) days from the date of their appointment. The presiding arbitrator may be selected from approved panel of Railways or approved panel of Indian Council of Arbitration (as per mutual agreement), which will be approved by General Manager/Additional General Manager. General Manager/Additional General Manager shall complete this exercise of appointing the Arbitral Tribunal within 30 days from the receipt of the names of all the three arbitrators.

Clause 64.(3)(c)(i), Part-II of GCC shall be read as under:-

64.(3)(c)(i): If one or more of the arbitrators appointed as above refuses to act as arbitrator, withdraws from his office as arbitrator, or vacates his/their office/offices or is/are unable or unwilling to perform his functions as arbitrator for any reason whatsoever or dies or in the opinion of the General Manager/Additional General Manager fails to act without undue delay, the General Manager/Additional General Manager shall appoint new arbitrator/arbitrators to act in his/their place in the same manner in which the earlier arbitrator/arbitrators had been


04/03/25



appointed. Such re-constituted Tribunal may, at its discretion, proceed with the reference from the stage at which it was left by the previous arbitrator (s).

Clause 64.(3)(c)(iii), Part-II of GCC shall be read as under:-

64.3(c)(iii): (i) Qualification of Railway Empanelled Arbitrator (s):

- (a) Retired Railway Officers not below SA Grade level, one year after his date of retirement.
- (b) Age of arbitrator at the time of appointment shall be below 70 years.
- (c) Persons not involved in any current vigilance/CBI cases or against whom disciplinary or prosecution proceedings are not in process.
- (d) Persons who had not been imposed a major penalty or two or more minor penalties or against whom administrative action has not been taken three times or more or
- (e) Persons who have not been imposed one minor Penalty and against whom two administrative actions have not been taken as a result of vigilance/CBI action while in service on Railways.

(ii) An arbitrator may be appointed notwithstanding the total number of arbitration cases in which he has been appointed in the past.

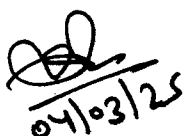
(iii) While appointing arbitrator(s) under Sub-Clause 64.(3)(a), 64.(3)(a)(i), 64.(3)(a)(ii) & 64.(3)(b) above, due care shall be taken that he/they is/are not the one/those who had an opportunity to deal with the matters to which the contract relates or who in the course of his/their duties as Railway servant(s) expressed views on all or any of the matters under dispute or differences. A certification to this effect as per annexure- XVI shall be taken from Arbitrators also. The proceedings of the Arbitral tribunal or the award made by such Tribunal will, however, not be invalid merely for the reason that one or more arbitrator had, in the course of his service, opportunity to deal with the matters to which the contract relates or who in the course of his/their duties expressed views on all or any of the matters under dispute.

Clause 64.(4), Part-II of GCC shall be read as under:-

64.(4): Any ruling on award shall be made by a majority of members of Tribunal. In the absence of such a majority, the views of the Presiding Arbitrator shall prevail.


Clause 64.(6), Part-II of GCC shall be read as under:-

64.(6): The cost of arbitration shall be borne by the respective parties. If all the three arbitrators are selected from the Railway Panel, the fee of the arbitrators shall be determined as per the rates fixed/revised by Railway Board from time to time and the fee shall be borne equally by both the parties, provided parties sign an agreement in the format given at Annexure XV to these conditions after/ while referring these disputes to Arbitration. However, if any of the three arbitrators is selected from the Panel of Indian Council of Arbitration (ICA), the fee of the arbitrators shall be determined as per the rates fixed/revised by the Indian Council of Arbitration


04/03/25



from time to time and the fee shall be borne equally by both the parties, provided parties sign an agreement in the format given at Annexure XV to these conditions after/ while referring these disputes to Arbitration.


04/03/25

