

General condition of contract for Engineering items

1. Drawings and Specifications:

Unless Drawings and Specifications as mentioned in the tender schedule/enquiry / offer form are provided with the tender documents or made available on Railway's website for downloading by the tenderers, these may be obtained in the manner shown below:

- (i) Specification/STR/Drawing of RDSO/ICF/DLW/CLW/ CORE etc may be obtained from the concerned authorities who have issued these, on payment.
- (ii) Drawings and Specifications framed by Railways may be obtained from the office of the purchaser such as Principal Chief Engineer, North Western Railway, Jaipur (Rajasthan)-302017

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

2. Sample Submission:

The offers should strictly conform to the tendered description and drawing/ Specification as given in schedule of requirements and no samples need be submitted unless so mentioned in tender form.

When samples are required, the same must strictly conform to description, drawing / specification as mentioned. Samples submitted will be considered as supplemental and not in supersession to any specification mentioned and such samples will only be considered in relation to those points / parameters which are not defined in the specification. The onus of drawing attention to any particular item in which a tenderer wishes his samples to supersede or vary specification lies on tenderer. In the absence of specific acceptance in writing to any variation, the purchaser shall be entitled to reject any claim for acceptance of supply embodying such variation. When samples are called for they should be marked, sealed and labeled so as to correspond with the item of the tender. They should be sent "Freight Paid" to the same address as per the tender and arrangements should be made to see that they arrive by the opening time and date of the tender, otherwise, offers are liable to be rejected.

Samples submitted by the tenderers which are of the value of Rs. 100/- or less will not be returned to them. For samples valuing above Rs. 100/- the tenderer must state on the tender form if he requires the return of unaccepted samples failing which they will be retained by the purchaser. Unaccepted sample will be returned to firms on application who may arrange collection of the same from PCE Office. Firms on whom orders are placed should refrain from sending advance samples unless called for and should make supplies strictly as per terms & conditions of Purchase Order placed on them.

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3. Offer Validity:

The tenderer shall keep its offer valid for minimum 120 days from the date of opening of tender. Any offer submitted with lesser validity period than specified in the tender, will be summarily rejected.

4. Price Variation Clause:

Tenderers should quote firm price. **No PVC shall be accepted unless otherwise mentioned in the tender document for the items.** For items where PVC clause is mentioned in the E-tender documents, tenderer should quote strictly as per price indices according to the specified price variation formula. **Any offer with different PVC formula or quoting different base month or linkage with different indices or fixed rate etc. as compared to the PVC formula provided in the tender, will be summarily rejected.** The present EPS designed system does not have a provision to make tabulation statement with different types of Price Variation Clauses automatically. Therefore, a standard Price Variation Clause **wherever applicable** is attached with bid conditions. In such cases where price variation clause is attached with bid conditions vendors shall quote exactly as per PVC formula as given in the tender document. Where PVC is not attached with tender by the purchaser, tenderer should quote firm price.

5. Alteration of Specifications, Patterns and Drawings:

The purchaser reserves the right to alter from time to time, the specifications, patterns and drawings and from the date that may be specified by him the articles shall be, in accordance with the specifications, patterns and drawings, so altered. In the event of any such alteration involving an increase or decrease in the cost or in the period required for production, a revision of the contract price and of the time fixed for delivery shall be made in relation to the articles the subject of the alterations. The decision of the purchaser on the question, whether the alteration involves an increase or decreasing the cost or in the period required for production shall be final and conclusive.

6. Special Condition only for Tenders with Price Variation Clause:

Tenderers to quote variable prices for this item as per Price Variation formula attached. Tenderer should note that no other PVC formula will be accepted by NWR against this tender except Price Variation Clause attached. Any offer with different PVC formula or quoting different base month or linkage with different indices or fixed rate etc. as compared to the PVC formula provided in the tender, will be summarily rejected.

7. For items reserved for procurement from approved sources:

In case item is reserved to be procured from RDSO/Production Units / CORE approved sources, then Categorization of Vendors shall be as under: For the purpose of these instructions, the vendors shall be categorized into following two categories.

- (i) **Developmental Vendors:** - Such vendors shall include vendors found by RDSO as capable to develop the item under consideration. Erstwhile Part-II sources of RDSO (as on 31.12.2016, but not yet approved by RDSO), shall also be considered as developmental

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vendors, till they complete the pre-defined requirement as to be qualified as approved source. Such vendors shall be listed as developmental vendors by RDSO in RDSO vendor directory.

(ii) Approved vendors: Sources categorized as approved vendors by RDSO.

Based on the functional requirement and basic material, the track items have been clubbed together in tone single item (Group item) and variants as mentioned in the table below:

Table-1

Sr. No.	Track Item	Variants
1.	Fabricated crossings	All drawings of Fabricated Crossings
2.	Fabricated switches	All drawings of Fabricated switches
3.	Glued Insulated Rail Joints assembly	All drawings of Glued Insulated Rail Joints assembly
4.	Elastic Rail Clips	All drawings of Elastic Rail Clips i.e. MK-III, J and ERCMK-V, and Respective Anti-theft ERC (with Springs steel circlip)
5.	Glass filled Nylon-66 Insulating Liners	All drawings of Glass filled Nylon- 66 Insulating Liners
6.	Polyethylene Dowel	All drawings of Polythene dowel
7.	Spheroidal Graphite Cast Iron (SGCI) Insert	All drawings of SGCI Insert
8.	Springs Steel rounds to material grade 55Si7	Different diameter Spring steel Round to material grade 55Si7
9.	Improved Switch Expansion Joint (ISEJ) for 65 mm gap (max)	All drawings of ISEJ for 65mm gap (max)
10.	Improved Switch Expansion Joint (ISEJ) for 80 mm gap (max)	All drawings of ISEJ for 80mm gap (max)
11.	Rubber pad GRSP	All drawings of 6mm/10mm thick GRSP
12.	Rubber pad CGRSP	All drawings of 6.2mm/10mm thick CGRSP

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13.	Rubber pad Nylon Cord Reinforced GRSP (being introduced)	All drawings of Nylon Cord Reinforced GRSP(6mmthick)
14.	CMS Crossing	All drawings of Cast Manganese Steel Crossing
15.	WCMS Crossing	All drawings of Weldable Cast Manganese Steel Crossing
16.	Thick Web Switch Expansion Joints (TW-SEJ)	All drawings of Thick Web Switch Expansion Joints

- (i) In above mentioned track items, approved or developmental vendors for a track item with any one drawing/variant will be automatically eligible as approved or developmental vendor as the case may be, to participate in the tenders called for any of the other drawing/variant of the same item.
- (ii) However, if a vendor falls in “approved” and in “developmental” category both for different drawings/variant, he will be considered in **approved category** in all drawings/variants.
- (iii) In case of delisting on account of any one drawing/ variant, vendor will be considered delisted for that track item.
- (iv) Further, supply of track item with specified drawing number as per contract agreement shall be started only after fulfilling some specified conditions as given below.
 - a. *Passing of Gauges & samples/prototype manufactured in compliance of specifications of the product.*
 - b. *Initial inspection of stipulated quantity by RDSO for that particular variant/drawing of track item.*
 - c. *Compliance of additional changes of STR requirements, if any.*

8. Quantity Allocation:

- a. Developmental Vendors shall be eligible for developmental order of 20% of NPQ in regular tenders. Total quantity to be ordered on developmental sources shall be limited up to 20% of NPQ in regular tenders.
- b. Approved vendors shall be eligible for bulk order, as per predefined tender conditions.
- c. Where there are not more than three Indian Suppliers categorized as Approved vendor for a particular item, developmental vendors can be considered for placement of bulk order without any quantity restrictions. However, while considering such vendors, factors including past performance, capacity, delivery requirements, quantity under procurement, Nature of item, outstanding order load etc. shall be considered in a transparent manner, subject to rates being reasonable. Quantity allocation among eligible vendors shall be based on pre-decided tender criteria. Such orders shall be treated as bulk orders.

Whenever tender is floated with purchase restriction from sources approved by

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nominated authorities and there exists a suspected cartel situation by approved sources or the rates available from approved source/sources are adjudged unreasonably high, despite fair efforts as permissible, the purchaser reserves the right to place orders on firms outside the approved vendors list, without any restrictions.

All tenderer must submit attested photocopies of the P.O's, inspection certificates and receipt notes/certificates related to the maximum quantity of the material under procurement, successfully supplied by them in any single order placed on them over the preceding three years by any Zonal Railway/Railways Production Unit/North Western Railways along with existing workload and production capacity as on date of tender opening. Such tenderers are to note that non-submission of such documents shall be taken to as they not having 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.

RDSO shall continue to do prototype inspection of the items supplied by developmental

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vendors. The balance supplies executed by the developmental vendors after clearance of prototype by RDSO can be inspected by any agency as decided by the purchaser.

9.1 For items decontrolled by RDSO: (Earlier reserved for procurement from approved sources):

The vendor approval for all decontrolled items shall be discontinued by RDSO and these items shall be purchased from market based on specifications. However, RDSO shall continue to frame functional specifications, STR etc. for all the civil Engineering items as per present practice.

9.2 Eligibility criteria for decontrolled items like Metal Liners, Single coil spring washer:

Firms participating in the tenders should have appropriate infrastructure/ equipment and manpower to ensure production of tendered item as per STR issued by RDSO, functional requirement and other guidelines issued by RDSO & Railway Board from time to time (if any). In this connection notarized undertaking duly signed by authorized representative of tenderer at all pages of concerned STR of the tendered item should be uploaded without which offer will be summarily rejected.

9.3 Approval of Gauge for Metal liners: If required, participating firm has to carry out gauge approval of Metal liners at post contract stage.

10. Court Jurisdiction:

For any disputes related to contract or inspection/action by RDSO in pursuance of “General Guidelines for Vendor Approval”, the court jurisdiction would be the HQrs of the Zonal Railway, where the contract agreement has been signed.

11. Eligibility of „Class-I local supplier’/ Class-II local supplier’/non-local suppliers” for different types of procurement:

- a. In procurement of all goods, services or works in respect of which the Nodal Ministry/Department has communicated that there is sufficient local capacity and local competition, „only Class-I local supplier’ as defined under the order, shall be eligible to bid irrespective of purchase value. As per Ministry of Railways, following track fittings and sleeper items shall be procured, irrespective of the purchase value, from Class I Local Suppliers only:

Item
1. Spheroidal Graphite Cast Iron Insert
2. Elastic Rail Clips MK –III & ERC -J
3. Elastic Rail Clips MK –V
4. Glass Filled Nylon -66 Insulating Liners
5. Polyethylene Dowel
6. Nylon Cord Reinforced Elastomeric Pad
7. Metal liners
8. Glued Insulated Rail Joints
9. Fibre Glass Cloth Woven Roving-360

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10. High Tensile Fish Bolts & Nuts
11. Glue
12. Fabricated Switches
13. Fabricated Crossings
14. Cast Manganese Steel Crossings
15. Switch Expansion Joints (SEJs)
16. Single Coil Spring Washer
17. Fish Plates
18. Fish Plates Bars
19. SSD for Curved Switches
20. Improved Switches Expansion Joint for 65 mm gap (max)
21. Improved Switches Expansion Joint for 80 mm gap (max)
22. Composite Grooved Rubber Sole Plates (6.2 mm & 10 mm thick)
23. Grooved Rubber Sole Plates (6mm & 10 mm thick)
24. Fusion welding of Rails by Alumino-thermic Process
25. Thick Web Switch
26. Zero Toe Load fastening (ZTLF) System
27. PSC Sleepers
28. H Beam Sleepers
29. Steel channel Sleepers

Note: Items for which Ministry of Railway is not the nominated nodal Ministry, procurement shall be done as per guideline of nodal Ministry for respective items.

Therefore, vendor's attention is drawn for the following condition that in keeping with the Public Procurement (Preference to Make in India) Order 2017, as amended, it has been found that there is a sufficient local capacity and competition in supply in the above item of required quality and therefore public procurement of these items is restricted to class I local supplier only. **Hence, the vendors who do not qualify to be class I local suppliers should not quote in the tender as their offer shall not be considered for any ordering.** In case any vendor who does not qualify to be a class I local supplier 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.

(b) In procurement of all goods, services or works, not covered by sub para 11 (a) above, and with estimated value of purchases less than Rs. 200 crore, Class I & Class II will be eligible with reference to Make In India Policy.

- 12. Purchase of sub assembly of main item:** When an item tendered includes sub items in addition to main item, for which approved source is not mentioned in NIT, such contract will be awarded as per approved source of the main item mentioned in NIT. All such sub items shall be procured from approved sources only as per relevant Railway specifications & drawings of each sub assembly.

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PRICE VARIATION FORMULA FOR VARIOUS TRACK FITTINGS

13. Summary of PVC Formulae:

S.N	Item Description	PV formula (Base year 2011-12)
1	All type of CMS Crossings	$P1 = [(P0/100) \times \{10 + (16.32 \times A1/A0) + (7.70 \times B1/B0) + (15.02 \times C1/C0) + (0.96 \times D1/D0) + (50 \times L1/L0)\}]$ as per para 13.1 below para
2	All types of ERCs	$P1 = [(P0/100) \times \{10 + (27.48 \times A1/A0) + (12.72 \times B1/B0) + (24.80 \times C1/C0) + (17 \times L1/L0) + (8 \times F1/F0)\}]$ as per para 13.2 below
3	All types of Metal Liners, Fish Plate, Bolts, Plate screws	$P1 = [(P0/100) \times \{15 + (23.25 \times A1/A0) + (10.76 \times B1/B0) + (20.99 \times C1/C0) + (15 \times L1/L0) + (15 \times F1/F0)\}]$ as per para 13.3 below
4	All types of GRSP, CGRSP	$P1 = [(P0/100) \times \{20 + (46 \times C1/C0) + (14 \times I1/I0) + (10 \times L1/L0) + (10 \times F1/F0)\}]$ as per para 13.4 below
5	All types of GFN Liners	$P1 = [(P0/100) \times \{20 + (52 \times C1/C0) + (14 \times L1/L0) + (14 \times F1/F0)\}]$ as per para 13.5 below
6	All type of Thick Web Switches, Ordinary Switches, Weldable Crossings, SEJs, Glued Joints, TWSEJs	$P_T = P_p + P_R$ $P_p = [(P0/100) \times \{10 + \{16.32 \times (A1/A0) + 7.70 \times (B1/B0) + 15.02 \times (C1/C0) + 0.96 \times (D1/D0) + 50 \times (L1/L0)\}\}]$ $P_R = R_o \times TQ \times M1/M0$, as per Para 13.6 below

13.1 The PV formula as per WPI indices of base year 2011-12 is as under:

$$P1 = [(P0/100) \times \{10 + (16.32 \times A1/A0) + (7.70 \times B1/B0) + (15.02 \times C1/C0) + (0.96 \times D1/D0) + (50 \times L1/L0)\}]$$

Where, P1= Escalated/de-escalated basic unit rate.

P0= Accepted Basic unit rate.

A1= Wholesale price index for “Inputs in to Steel Making” as prevalent during one month prior to the month of issue of Call letter for Inspection as per Economic Advisor, Ministry of Industry website [http:// eaindstry.nic.in](http://eaindstry.nic.in) as per series 2011-12

A0= Wholesale price index for “Inputs in to Steel Making” as prevalent during the month just preceding the month in which tender was opened, as per Economic Advisor, Ministry of Industry website [http:// eaindstry.nic.in](http://eaindstry.nic.in) as per series 2011-12

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B1= Wholesale price index for “Metallic Iron” as prevalent during one month prior to the month of issue of Call letter for Inspection as per Economic Advisor, Ministry of Industry website [http:// eaindustry.nic.in](http://eaindustry.nic.in) as per series 2011-12

B0= Wholesale price index for “Metallic Iron” as prevalent during the month just preceding the month in which tender was opened, as per Economic Advisor, Ministry of Industry website [http:// eaindustry.nic.in](http://eaindustry.nic.in) as per series 2011-12

C1= Wholesale price index for “Mild Steel- Semi Finished Steel” as prevalent during one month prior to the month of issue of Call letter for Inspection as per Economic Advisor, Ministry of Industry website [http:// eaindustry.nic.in](http://eaindustry.nic.in) as per series 2011-12

C0= Wholesale price index for “Mild Steel- Semi Finished Steel” as prevalent during the month just preceding the month in which tender was opened, as per Economic Advisor, Ministry of Industry website [http:// eaindustry.nic.in](http://eaindustry.nic.in) as per series 2011-12

D1= Wholesale price index for “Other Ferro Alloys” as prevalent during one month prior to the month of issue of Call letter for Inspection as per Economic Advisor, Ministry of Industry website [http:// eaindustry.nic.in](http://eaindustry.nic.in) as per series 2011-12

D0= Wholesale price index for “Other Ferro Alloys” as prevalent during the month just preceding the month in which tender was opened, as per Economic Advisor, Ministry website [http:// eaindustry.nic.in](http://eaindustry.nic.in) as per series 2011-12

L1= All India consumer Price Index for Industrial Workers as prevalent during one month prior to the month of issue of Call letter for Inspection as per Labour Bureau, Ministry of Labour website [http://labour bureau.nic.in](http://labourbureau.nic.in)

L0= All India consumer Price Index for Industrial Workers as prevalent during the month just preceding the month in which tender was opened, as per Labour Bureau, Ministry of Labour website [http://labour bureau.nic.in](http://labourbureau.nic.in)

13.2 The PV formula as per WPI indices of base year 2011-12 is as under:

$$P1=[(P0/100) \times \{10+(27.48 \times A1/A0)+(12.72 \times B1/B0)+(24.80 \times C1/C0)+(17 \times L1/L0)+(8 \times F1/F0)\}]$$

Where, P1= Escalated/de-escalated basic unit rate.

P0= Accepted Basic unit rate.

A1= Wholesale price index for “Inputs in to Steel Making” as prevalent at the time of 10 days prior to Call of Inspection of ERCs (Finished goods) as per Economic Advisor, Ministry of Industry website [http:// eaindustry.nic.in](http://eaindustry.nic.in) as per series 2011-12

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A0= Wholesale price index for “Inputs in to Steel Making” as prevalent during the month just preceding the month in which tender was opened, as per Economic Advisor, Ministry of Industry website [http:// eaindustry.nic.in](http://eaindustry.nic.in) as per series 2011-12

B1= Wholesale price index for “Metallic Iron” as prevalent at the time of 10 days prior to Call of Inspection of ERCs (Finished goods) as per Economic Advisor, Ministry of Industry website [http:// eaindustry.nic.in](http://eaindustry.nic.in) as per series 2011-12

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Ministry of Industry website [http:// eaindustry.nic.in](http://eaindustry.nic.in) as per series 2011-12

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F1= Wholesale price index for “Fuel & Power” as prevalent at the time of 10 days prior to Call of Inspection of ERCs (Finished goods) as per Economic Advisor, Ministry of Industry website [http:// eaindustry.nic.in](http://eaindustry.nic.in) as per series 2011-12

F0= Wholesale price index for “Fuel & Power” as prevalent during the month just preceding the month in which tender was opened, as per Economic Advisor, Ministry of Industry website [http:// eaindustry.nic.in](http://eaindustry.nic.in) as per series 2011-12

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L0= All India consumer Price Index for Industrial Workers as prevalent during the month just preceding the month in which tender was opened, as per Labour Bureau, Ministry of Labour website [http://labour bureau.nic.in](http://labour.bureau.nic.in)

13.3 The PV formula as per WPI indices of base year 2011-12 is as under:

$$P1=[(P0/100) \times \{15 + (23.25 \times A1/A0) + (10.76 \times B1/B0) + (20.99 \times C1/C0) + (15 \times L1/L0) + (15 \times F1/F0)\}]$$

] Where, P1= Escalated/de-escalated basic unit rate.

P0= Accepted Basic unit rate.

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A1= Wholesale price index for “Inputs in to Steel Making” as prevalent during the month just preceding the month of issue of call letter for inspection as per Economic Advisor, Ministry of Industry website [http:// eaindustry.nic.in](http://eaindustry.nic.in) as per series 2011-12

A0= Wholesale price index for “Inputs in to Steel Making” as prevalent during the month just preceding the month in which tender was opened, as per Economic Advisor, Ministry of Industry website [http:// eaindustry.nic.in](http://eaindustry.nic.in) as per series 2011-12

B1= Wholesale price index for “Metallic Iron” as prevalent during the month just preceding the month of issue of call letter for inspection as per Economic Advisor, Ministry of Industry website [http:// eaindustry.nic.in](http://eaindustry.nic.in) as per series 2011-12

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L1= All India consumer Price Index for Industrial Workers as prevalent during the month just preceding the month of issue of call letter for inspection as per Labour Bureau, Ministry of Labour website [http://labour bureau.nic.in](http://labour.bureau.nic.in)

L0= All India consumer Price Index for Industrial Workers as prevalent during the month just preceding the month in which tender was opened, as per Labour Bureau, Ministry of Labour website [http://labour bureau.nic.in](http://labour.bureau.nic.in)

F1= Wholesale price index for “Fuel & Power” as prevalent during the month just preceding the month of issue of call letter for inspection as per Economic Advisor, Ministry of Industry website [http:// eaindustry.nic.in](http://eaindustry.nic.in) as per series 2011-12

F0= Wholesale price index for “Fuel & Power” as prevalent during the month just preceding the month in which tender was opened, as per Economic Advisor, Ministry of Industry website [http:// eaindustry.nic.in](http://eaindustry.nic.in) as per series 2011-12

13.4 The PV formula as per WPI indices of base year 2011-12 is as under:

$$P1 = [(P0/100) \times \{20 + (46 \times C1/C0) + (14 \times I1/I0) + (10 \times L1/L0) + (10 \times F1/F0)\}]$$

Where, P1= Escalated/de-escalated price.

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P0= Accepted unit rate.

C1= Average Monthly Price of Natural Rubber (RSS-4) as circulated by Indian Rubber Board as prevalent during the month just preceding the month of call of inspection of finished goods by the agency.

C0= Average Monthly Price of Natural Rubber (RSS-4) as circulated by Indian Rubber Board as prevalent during the month just preceding the month in which tender was opened.

I1= WPI for “Manufacture of Basic Chemicals” prevalent during the month just preceding the month of inspection, as per Economic Advisor, Ministry of Industries website <http://eaindustry.nic.in> as per series 2011-12

I0= WPI for “Manufacture of Basic Chemicals” prevalent during the month just preceding the month of the date of opening of tender, as per Economic Advisor, Ministry of Industries website <http://eaindustry.nic.in> as per series 2011-12

L1= All India consumer Price Index for Industrial Workers as Published by Labour Bureau, Ministry of Labour on their website (<http://labourbureau.nic.in>) prevalent during the month just preceding the month of issue of call letter for inspection.

L0= All India consumer Price Index for Industrial Workers as Published by Labour Bureau, Ministry of Labour on their website (<http://labourbureau.nic.in>). Base month for PVC formula shall be taken as the month just preceding the month of the date of the opening of the tender.

F1= Wholesale price index (Base Year 2011-12) for “Fuel & Power” as published by Economic Advisor, Ministry of Industry on their website (<http://eaindustry.nic.in>) prevalent during the month just preceding the month of issue of call letter for inspection.

F0= Wholesale price index (Base Year 2011-12) for “Fuel & Power” as published by Economic Advisor, Ministry of Industry on their website (<http://eaindustry.nic.in>) Base month for the PVC formula shall be taken as the month just preceding the month of the date of the opening of the tender.

13.5 The PV formula as per WPI indices of base year 2011-12 is as under:

$$P1 = [(P0/100) \times \{20 + (52 \times C1/C0) + (14 \times L1/L0) + (14 \times F1/F0)\}]$$

Where, P1= Escalated/de-escalated price.

P0= Accepted unit rate.

C1= Wholesale price index (Base Year 2011-12) for “Manufacture of Plastics Products” as published by Economic Advisor, Ministry of Industry on their website (<http://eaindustry.nic.in>)

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eaindustry.nic.in) as prevalent during the month just preceding the month of issue of call letter for inspection.

C0= Wholesale price index of (Base Year 2011-12) for “Manufacture of Plastics Products” as published by Economic Advisor, Ministry of Industry on their website (<http://eaindustry.nic.in>) as prevalent during the month just preceding the month of the date of the opening of the tender.

L1= All India consumer Price Index for Industrial Workers as Published by Labour Bureau, Ministry of Labour on their website (<http://labourbureau.nic.in>) for the month just preceding the month of issue of call letter for inspection.

L0= All India consumer Price Index for Industrial Workers as Published by Labour Bureau, Ministry of Labour on their website (<http://labourbureau.nic.in>) for the month just preceding the month of the date of the opening of the tender.

F1= Wholesale price index (Base Year 2011-12) for “Fuel & Power” as published by Economic Advisor, Ministry of Industry on their website (<http://eaindustry.nic.in>) as prevalent during the month just preceding the month of issue of call letter for inspection.

F0= Wholesale price index (Base Year 2011-12) for “Fuel & Power” as published by Economic Advisor, Ministry of Industry on their website (<http://eaindustry.nic.in>) as prevalent during the month just preceding the month of the date of opening of the tender.

Note: Any offer with different PVC formula as compared to the PVC formula provided in the tender, will be summarily rejected.

13.6 The PV formula as per WPI indices of base year 2011-12 for Thick Web Switches, Ordinary Switches, Weld able CMS Crossings, SEJs, TWSEJs and Glued Joints will be paid in twoparts which is as under:

$$P_T = P_p + P_R$$

P_T =Total escalated/ de-escalated basic unit rate of the component.

P_p = Escalated/ de-escalated basic unit rate of the component without Rail. P_R =Escalated/ de-escalated basic unit rate of the Rail

P_p =Will be worked out as per formula on the component, **without** cost of Rail. (On the basis of cost of Rail published in the NIT R₀).

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13.6(A) PV Formula for the component (without Rails): Pp

$$P_p = [(P_0/100) \times \{10 + \{16.32 \times (A_1/A_0) + 7.70 \times (B_1/B_0) + 15.02 \times (C_1/C_0) + 0.96 \times (D_1/D_0) + 50 \times (L_1/L_0)\} \}]$$

Pp	Escalated/De-escalated basic unit rate of the component without Rail.
P0	Accepted Basic rate of the component after deducting cost of Rail on the basis of Theoretical Quantity (TQ) and rate of Rails (R0) published in the NIT based on Railway board rates. =Accepted Basic Rate of the component – TQ x R0
A1	Wholesale Price Index for “Inputs into Steel Making” as prevalent during one month prior to the month of issue of Call letter for inspection as per Economic Advisor, Ministry of Industry website http://eaindustry.nic.in as per series 2011-12.
A0	Wholesale Price Index for “Inputs into Steel Making” as prevalent during the month just preceding the month in which tender was opened, as per Economic Advisor, Ministry of Industry website http://eaindustry.nic.in as per series 2011-12.
B1	Wholesale Price Index for “Metallic Iron” as prevalent during one month prior to the month of issue of Call letter for inspection as per Economic Advisor, Ministry of Industry website http://eaindustry.nic.in as per series 2011-12.
B0	Wholesale Price Index for “Metallic Iron” as prevalent during the month just preceding the month in which tender was opened, as per Economic Advisor, Ministry of Industry website http://eaindustry.nic.in as per series 2011-12.
C1	Wholesale Price Index for “Mild Steel-Semi Finished Steel” as prevalent during one month prior to the month of issue of Call letter for inspection as per Economic Advisor, Ministry of Industry website http://eaindustry.nic.in as per series 2011-12.
C0	Wholesale Price Index for “Mild Steel-Semi Finished Steel” as prevalent during the month just preceding the month in which tender was opened, as per Economic Advisor, Ministry of Industry website http://eaindustry.nic.in as per series 2011-12.
D1	Wholesale Price Index for “Other Ferro Alloys” as prevalent during one month prior to the month of issue of Call letter for inspection as per Economic Advisor, Ministry of Industry website http://eaindustry.nic.in as per series 2011-12.
D0	Wholesale Price Index for “Other Ferro Alloys” as prevalent during the month just preceding the month in which tender was opened, as per Economic Advisor, Ministry of Industry website http://eaindustry.nic.in as per series 2011-12.

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L1	All India Consumer Price Index for Industrial workers as prevalent during one month prior to month of issue of Call letter for inspection as per Labour Bureau, Ministry of Labour web site http://Labourbureau.nic.in .
L0	All India Consumer Price Index for Industrial workers as prevalent during the month just preceding the month in which tender was opened, as per Labour Bureau, Ministry of Labour web site http://Labourbureau.nic.in

13.6(B) P_R - will be worked out on the cost of rail, involved for the component, which will be as under:

PR	Escalated/de-escalated basic unit rate of rails.
R ₀	Basic rate of Rails published in the NIT based on Railway board rates.
M ₀	Wholesale Price Index for “Rails” as prevalent during the month just preceding the month in which tender was opened, as per Economic Advisor, Ministry of Industry website http://eaindustry.nic.in as per series 2011-12
M ₁	Wholesale Price Index for “Rails” as prevalent during one month prior to the month of issue of Call letter for inspection as per Economic Advisor, Ministry of Industry website http://eaindustry.nic.in as per series 2011-12.
TQ	Theoretical quantity of rails required in the component in MT as mentioned in Para 13.6.2 below.

PV Formula for the component – Rails $P_R = R_0 \times TQ \times M_1/M_0$

13.6.1 The basic rate of Rail (R₀):

The basic rate of Rail, based on Railway board rates shall be made available in NIT of the tender concerned. Therefore, tenderers are advised to refer NIT of the item concerned for applicability of rate of rails for concerned tender.

13.6.2 Theoretical quantity of rails (TQ) required for each component is tabulated as under:

SN	Item	Rail Section	RDSO Drg No	Rail required for each item in terms of following units	
				RMT	M T
1	Glued Joints	60 Kg	T-2572	6.50	0.392210
2	Glued Joints	52 Kg	T-0671	6.50	0.33728S
3	OR switches 1 in 16 60 Kg,	60 Kg	T-5692	60.67	3.660627
4	OR switches 1 in 12 60 Kg,	60 Kg	T-4219	60.67	3.660627
5	OR switches 1 in 12 52 Kg	52 Kg	T-4733	60.67	3.147993
6	OR switches 1 in 8.5 60 Kg	60 Kg	T-4966	58.67	3.539947
7	OR switches 1 in 8.5 52 Kg	52 Kg	T-4866	58.67	3.044213
8	Derailing switch 60 Kg	60 Kg	T-6068	38.00	2.292920

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9	Derailing switch 52 Kg	52 Kg	T 5836	38.00	1.971820
10	Derailing Switch 60 Kg SS Layout	60 Kg	T 8077		2.288
11	Thick Web Switch 1 in 12 (12.48M T/R)	60 Kg	T 6155	34.67 M (2091.987 kg)	3.916987
		73 Kg		25.00 M (1825 kg)	
12	Thick Web Switch 1 in 12	60 Kg	T-8780		3.9082098
13	Thick Web Switch 1 in 16 12.935M T/R)	60 Kg	T 7076	34.67 M (2091.987 kg)	3.989987
		73 Kg		26.00 M (1898 kg)	
14	Thick Web Switch 1 in 8.5 (7.62M T/R)	60 Kg	T-6280	34.67 M (2091.987 kg)	3.208887
		73 Kg		15.30 M (1116.90 kg)	
15	Thick Web Switch 1 in 8.5	60 Kg	T-9775		3.174858
16	ISEJ 80mm 60 Kg (52 Kg Check rails)	60 Kg	T 6902	31.00	1.870540
		52 Kg		5.50	0.285395 (Total 2.155935)
17	ISEJ 80mm 52 Kg (52 Kg Checkrails)	52 Kg	T-6914	36.50	1.893985
18	ISEJ 6Smm 60 Kg	60 Kg	T 6922	52.00	3.137680
19	ISEJ 65mm 52 Kg	52 Kg	T 6930	52.00	2.698280
20	Weldable CMS Crossing 1 in 12 BG 60 Kg	60 Kg	T-6412		0.411
21	Weldable CMS Crossing 1 in 8.5 BG 60 Kg	60 Kg	T-6441		0.290
22	Thick Web Switch Expansion Joint	60 Kg	T-8822		1.63310
23	Combination SEJ	60/52 Kg	T-6782		1.4169

14. Input Tax credit:

Input Tax credit as available on the date of tender opening is to be taken into account and passed on to the purchaser while quoting the prices.

In the event of any additional Input Tax credit benefit, if becomes available to the supplier or Input Tax Credit is being available for more items than those already covered, the same shall be passed on to the purchaser without any undue delay. The firm should advise the purchaser about the additional benefits accrued or any variation thereof, through a letter containing the following certificate:

“We hereby declare that we can avail additional Input Tax credit due toand we hereby give a reduction of.....per unit and agree to revise the prices indicated in the order”.

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The increase /decrease on account of above inputs will be advised every quarter by the supplier to the Paying Authority, who after due verification of the same shall arrange payment towards Price Variations as found due.

The decision of the President of India in regard to wage and material escalation under this clause shall be final and not to subject matter of legal dispute or arbitration.

Any offer with different PVC formula as compared to the PVC formula provided in the tender, will be summarily rejected.

15. PVC payment for the contract with or without LD:

When supply is made in the extended period of delivery period (with or without LD), unless otherwise specified, PVC payment shall be made as under:

In case of delayed supply, PV as applicable on the terminal date of the original DP is payable, unless the PV price has decreased after terminal date of original DP, in which case, the decreased rate shall be applicable.

SPECIAL CONDITIONS FOR ARRANGEMENT OF RAILS AND GUARANTEE OF STORES

16. Arrangement of Rails for fabrication of track items by contractor:

All contracts for SEJ, Glued Joints, Ordinary Switch, Thick Web Switch , WCMSCs and TWSEJs are called with the firm's responsibility of procurement /purchase of rails duly inspected and passed by IR's inspected agency. Hence, all such contracts will contain price of rails also.

Rails as per IRS Specification No. IRS T-12 2009 with latest alteration (if any) shall be arranged by tenderer at their cost for fabrication of tendered item. Hence, tenderer should note that the cost of such rails including their transportation, processing and fabrication etc. are included in their quoted rates.

Free supply of rails (both 60 Kg & 52 Kg) by Railway to various manufacturers is therefore stopped for fabrication Contracts. The manufacturers will be free to purchase inspected & certified rails directly from the Manufacturer against PO on commercial terms. The responsibility to procure Rails will solely lie with the tenderer.

Domestic manufacturers of rails will supply approved grade of (inspected and certified by IR's inspecting agency) rails to all approved firms on production of purchase order, directly. The rail manufacturer will be free to negotiate commercial terms with purchaser.

Tenderer should submit inspection certificates of rails as issued by Indian Railways inspecting agency along with supply of material.

The price shown in the contract is the fabrication cost, including cost of rails and consumables. The scope of work includes manufacture and supply of tendered material according to relevant RDSO Drg. of tendered items with all parts as listed in RDSO Drgs. for tendered items. The contract will be subject to the IRS conditions of contract as amended from time to time except as provided in the following clauses:

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Immediately on receipt of purchase orders for tendered material the contractor should draw up and furnish to the order placing authority, a schedule of his production programme within the ceiling of quantities estimated in the contract.

The purchaser, render assistance in respect of the following to the extent of making necessary recommendations without undertaking any financial or other liabilities thereof.

- (a) For allotment of required quantity of any inputs raw materials which are under statutory control of the Govt. of India.
- (b) For allotment of quota for light diesel oil, furnace oil, if under statutory control of the Govt. of India.
- (c) For allotment of quota for electricity required for manufacture of goods.

The supplier shall be responsible for safe custody of raw materials procured with the assistance of this Railway and the latter will have the right to inspect, verify and satisfy that the quantities of raw materials procured with this railway have been solely used for the tendered material and left over quantity, if any has to be accounted for the disposal of as directed by this railway.

17. Guarantee of Stores:

The contractor guarantees that the stores which he supplies shall be manufactured fully in accordance with the specifications. In all cases, the contractor guarantees that its design shall strictly follow the “as made” detailed drawing with such modifications as are notified in respect of each type.

The contractor further guarantees that the stores shall be free from defects in material and workmanship provided that the contractor's liability in this respect shall be limited to arranging the necessary replacement of the defective supplies free of any charge only to the extent that such replacements are attributable to or arise from faulty workmanship or material or in the manufacture of the stores. All replacements shall be made free of the cost at destination. If the contractor so desires, the replaced stores can be taken over by him for disposal as he deems fit, within a period of three months from the date of receipt of replacement of stores. At the expiry of this period no claim whatsoever shall lie on the purchaser.

The guarantee herein contained shall not apply to any material, which shall have been repaired or altered by the Purchaser, or on his behalf in any way so as to affect its strength, performance or reliability or any defect to any part due to misuse, negligence or accident.

All replacements that the Purchaser shall call upon the Contractor to deliver under this guarantee shall be delivered by the Contractor within three months from the date on which the purchaser calls upon him for the replacements of the defective stores. If the contractor fails to replace defective stores within the said period, the cost of the said stores at the rate stipulated in the contract shall be recovered from payment due to the contractor including the amount of security deposit made and maintain against this contract.

Any approval or acceptance by the Purchaser of the stores or of the materials incorporated therein shall not in any way limit the contractor's liability hereunder.

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The decision of the purchase in regard to contractor's liability under this guarantee shall be final and Conclusive.

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18. Instructions for tenderers on LC mode of Payments (Authority Railway Board Letter No 2018/RS(G)/779/4 Dated 04.06.2018)

Scheme of Letter of Credit for Domestic Supplies (including all service and maintenance contracts) tenders, having estimated value of Rs10 lakhs and above:

- a. All Tenders invited by Zonal Railways and Production Units, having estimated value of Rs 10 lakhs and above, shall have an option for the supplier/contractor to take payment from Railways through a letter of credit(LC) arrangement.
- b. The LC will be a right LC.
- c. The bidder, at the time of bidding itself, shall exercise an option, in favour of taking payment due against the said tender, through LC arrangement. The option so exercised, shall be an integral part of the bidder's offer.
- d. Option once exercised shall be final and no change shall be permitted, thereafter, during execution of contract.
- e. The incidental cost @ 0.15% of LC value, towards issue of LC and operation thereof shall be borne by the supplier/contractor and shall be recovered from their bills.
- f. State Bank of India through its branches shall be the Banker for Railways for opening domestic letters of credit for ensuing year. The arrangement would cover all such contracts finalized against tender issued during the said period and shall extend till final execution of these contracts.
- g. The schedule of payment liability arising in the contract shall be established by the Railways based on the prescribed delivery schedule/stages of supply.
- h. The acceptable, agreed upon document for payments to be released under the LC so opened, shall be a Document of Authorization.
- i. The supplier/ contractor shall submit their bills for completed supply to the bill processing authority mentioned in supply/ contract agreement to issue Document of Authorization to enable supplier/contractor to claim the authorized amount from their Banker.
- j. Accounts Officer responsible for passing the claim will issue the Document of Authorization.
- k. The supplier/ contractor shall take print out of the Document of Authorization available on IREPS portal and present his claim to his banker (advising bank) for necessary payments as per LC terms and condition. The claim shall comprise LC Document of Authorization, bill of exchange and Invoice.
- l. The bank shall also recover any amount as may be advised by railway against the contractor/supplier.
- m. The Contractor/Vendor shall indemnify and save harmless the Railway from and against all losses,

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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.

Format of letter from Executive branch to Accounts Office for opening of LC

Office of -----Railway_____

No. _____ Dated _____

The PFA/Sr.DFM/Dy.FA
HQ/Division/Workshop/Construction

Sub: Opening of LC

Ref: Supply Order/Contract Agreement No.

It is requested to open a sight LC against the above referred Supply Order/ Contract Agreement in favour of The details of beneficiary are as under:

- | | |
|--------|--|
| (i) | Name of Contractor/Supplier |
| (ii) | Vendor Code |
| (iii) | Address |
| (iv) | Tender No. |
| (v) | Contract Agreement No. |
| (vi) | Description of Goods/Service |
| (vii) | Value of Contract |
| (viii) | Stages of payment |
| (ix) | Validity Period of LC |
| (x) | Expected payment within 6 months (LC Amount) |
| (xi) | Beneficiary bank details: |
| a) | Bank name |
| b) | Address |
| c) | Account No. |
| d) | IFSC code |

It is certified that the supplier/contractor has exercised the option of taking payment due against the tender, through LC arrangement in IREPS portal at the time of bidding itself and the option has been flagged in the IREPS. This has the approval of _____

(Signature) Name:

Designation:

(Official Seal)