

## **Special Conditions of Tender for Running-Contracts**

In addition to the IRS conditions of contract and INSTRUCTIONS TO TENDERERS FOR ELECTRONIC TENDERS & GENERAL CONDITIONS OF CONTRACT Version-June 2024 issued by western Railway and NIT the following special condition will be applicable for tender for Running Contract.

Running Contract: Running Contract is a contract under which, during the period of its currency, the contractor engages to supply, and the other party to the contract to take, **a specified quantity** [with a percentage tolerance either way] of materials, as and when ordered, at fixed unit rates or prices, within a given period of receipt.

### **1. Nature of Contract:**

(a) Tenders are being invited for entering into Running Contract (RGC), **for a period of ONE YEAR** from the date of issue of Running Contract. However, the currency of the contract may be extended for further period of 06 (Six months) with mutual consent between firm and PCMM, Western Railway Churchgate, Mumbai.

After placement of Running contract, formal Purchase Orders will be placed for delivery of material to various consignees situated on the Western Railway for the tendered item. The consignees are situated over Western Railway. This Railway reserves right to place Purchase Order for any consignee and for any quantity over Western Railway at any location. The manner/mode in which, the Running Contract and Purchase Orders (SO) or Purchase Order (PO) are placed against the Running Contract shall be Governed by the IRS conditions of contract and Instructions to Tenderers for electronic Tender and General conditions of tender [Indigenous purchase], version June/2024 issued by Western Railway available at IREPS portal and also the Special Terms & Conditions set out herein. Special Terms and condition and Instructions to Tenderers for electronic Tender and General conditions of tender [Indigenous purchase], version June/2024 wherever they differ, the Special Terms and Condition of the NIT will prevail.

The formal Purchase Orders will be placed against the Running Contract Agreement (RGC) as mentioned in detail in Para-2 below.

(b) Quantity/ies indicated in the Notice Inviting Tender [NIT] is/are indicative and purchase order may be placed for lesser/higher quantity as per Railway's requirement. The successful tenderer shall note that a Purchase Order may be placed up to the last day of currency of the Running Contract. The purchaser may however, short- close the RGC even during the currency of the RGC.

(c) Quantity Splitting Clause: Purchaser reserves the right to split the procurable quantity on more than one eligible tenderers and such splitting of the NPQ will be splitted as per as per Para 2200 of Instructions to Tenderers for electronic Tender and General conditions of tender [Indigenous purchase], version June/2024 issued by Western Railway available at IREPS portal at link

<https://ireps.gov.in/ireps/upload/repository/railway/483/148/public/InstructionstoTenderersIndigenousVersionJune2024compressed.pdf>

**(d) Quantity Option Clause/Increase or Decrease of Quantities will be as per Para 3800 of IRS Conditions of contract:** The purchaser shall be entitled to vary the approximate total quantities of each description of goods shown in the said contract up to 30 percent, in one or more instalments, any time within the last date of delivery period (including extended delivery period) by giving a reasonable notice in writing of such variation.

## **2. Placement of Purchase Orders to operate the Running Contracts finalized against the tender:**

The Running Contracts to be finalized against the tender, shall be operated by placement of Purchase Orders, in which the consignees, consignee wise quantities and the delivery period for the supplies to be made against the Purchase Orders (based on the DP stipulation mentioned in the Running Contract and earlier Purchase Orders placed, if any) shall be clearly indicated. Other terms and conditions of the Purchase Orders shall be as per the Running Contract.

(a) The Purchase Orders against the Running Contracts shall be placed by PCMM, Western Railway or his authorized representative.

(b) In case, the Running Contracts are finalized on more than one firm, First Purchase Order for the quantity available will be split in the ratio, as per Para 2200 of Instructions to Tenderers for electronic Tender and General conditions of tender [Indegenous purchase], version June/2024 issued by Western Railway .

Subsequent Purchase Order will be placed based on performance of the firm. However, the Purchaser reserves the right to place Purchase Order for a particular consignee, by operating the Running Contract, for which the Total Unit Rate is not necessarily the lowest.

(c) Firm should clearly indicate their work's full address from where supply shall be made and inspection to be carried out.

(d) The Tenderers should note that Purchase Orders will be issued on severable contract basis with delivery of specific units of material to specific consignee to be completed within each month or within specified period as mentioned in the PO. The tenderer/supplier should note that failure on part of supplier to complete supplies of each installment within specified period or within specified month as indicated in the PO (which will be placed on severable contract basis with separate delivery period for each installment) shall be treated as a breach of contract on part of supplier & in such situation PCMM, W.Rly. shall have the rights to take necessary penal action (for the quantity whose DP expired but supplies not made by the supplier) against the supplier as per terms & conditions of the contract.

(e) Fixation of the delivery period for a particular Purchase Order would be done based on the DP stipulation as mentioned in the Running Contract and the Original Delivery Period of the Purchase Orders placed earlier, if any, against that particular Running Contract.

(f) In case of default on the part of the Supplier to fulfill the contractual obligations against respective Purchase Order, action will be taken by the purchaser for levy of Liquidated Damages or Forfeiture of Security Deposit from the supplier as the case may be, as per the provisions of Instructions to

Tenderers for electronic Tender and General conditions of tender [Indigenous purchase], version June/2024 issued by Western Railway available at IREPS portal at link

(g) Item details of the entire Purchase Order quantity shall be issued along with the Purchase Order. After the placement of any Purchase Order, its item details would not be changed.

(h) Delivery period – Delivery period for each Purchase Order shall be as specified in the specific NIT and Purchase Order.