

## **SPECIAL CONDITIONS OF CONTRACT**

1. **The Indian Railway Standard General Conditions of Contract**, i.e., IRSGCC-2022 has been published in the month of April-2022. However, intending bidders are requested to acquaint themselves with all the conditions of IRSGCC-2022 before participation in tender. Copy of IRSGCC-2022 (with up-to-date correction slips) can be downloaded from the DOCUMENTS attached along with this tender.
2. The following Special Conditions of Contract (SCC) are supplement to the Indian Railway Standard General Conditions of Contract, PART-II of IRSGCC-2022 read along with up-to-date correction slips. Where the provisions of Special Conditions of Contract (SCC) are at variance with the IRS General Conditions of Contract (IRSGCC-2022) including Correction Slips, these Special Conditions shall prevail.

### **3. SCOPE OF WORK**

The scope of this work broadly includes,

- 3.1. Supply of hardware, software, design, arranging approvals of circuits & design and execution of all items as detailed in the schedule of work, i.e. [“Subwork-1:“Provision of Electronic Interlocking System including outdoor signalling works and Telecom arrangements in connection with the commissioning of additional loop lines and yard remodelling suitable for doubling at Haliyuru \(HLV\), Ballenahalli \(BAHI\), and Talaku \(THKU\), Chikjajur \(JRU\), Chikjajur Bypass \(JRU BYPS\) and development of freight terminal at Haliyuru \(HLV\) in the JRU–BAY section of South Western Railway.” Subwork-2: “Provision of Electronic Interlocking System including outdoor signalling works and Telecom arrangements in connection with the commissioning of additional loop lines at Harpanahalli \(HPII\) station and Amaravathi colony \(AVC\) reconnecting berthing \(FBWP Siding\) line in existing yard in AVC–VC section of South Western Railway.”.](#)
- 3.2. Provision of signaling arrangements as per approved Signaling Plans at Mid-section Interlocked LC gate in the section
- 3.3. Preparation of the Equipment layout plans, Application Logic, Interface drawings, Outdoor circuits Designs and location drawings with termination details and submission for approval before execution at site.
- 3.4. Preparation of the As Made Designs and drawings, submission for approval and handover of specified number of copies in soft and hard format after commissioning of the system.
- 3.5. Supervision and Maintenance of the signaling system provided as part of this contract for 12 months after the date of commissioning without any extra payment.
- 3.6. The work shall be carried out according to the technical specifications referred; drawings approved by the Railways and shall conform to the provision of Signal Engineering Manual and schedule of dimensions. The contractor shall be solely responsible for the proper execution of the work as per specification.

### **4. RAILWAY SHALL PROVIDE THE FOLLOWING:**

- 4.1. Approved Signal Interlocking Plan (SIP) and Table of Control (TOC)

- 4.2. Approval to Equipment layout plan, Application Logic, Interface drawings, Outdoor circuits Designs, Location drawings with termination details and other Construction drawings etc. before execution of work at site and As Made diagrams and design after commissioning of the work.
- 4.3. 220 V AC supply point in ASM, Relay and Power equipment room of the station.
- 4.4. ~~Integrated Power Supply system equipment along with spares.~~
- 4.5. ~~All QN1 and QNA1 8F/8B Relays and point machines.~~
- 4.6. Signalling cables
- 4.7. All other materials as mentioned in the Schedule will be supplied by Railways.
- 4.8. Tentative SIP drawing is uploaded for working of requirements.

## 5. COMPLETION PERIOD OF WORK: 18 Months

## 6. MAINTENANCE:

- 6.1 The contractor shall maintain the executed work in all respect including material & works for any defect & fault for a **period of 12 months** from the date of issue of **Provisional Acceptance Certificate** entirely free of cost including repairing of cards and equipment without any additional cost of spares and repairs etc. This 12-month period shall be referred as **Maintenance Period**.
- 6.2 **Provisional Acceptance Certificate** shall be issued only, when work is completed at site in all respect, station is commissioned for FIRST phase, and items recorded in the Note of Joint Inspection with Open line after commissioning of first phase work are complied.
- 6.3 The services of Maintenance Technician/ Supervisor/ Engineer shall be made available throughout day and night for the period of **12 months** and as and when required by the Railway Engineer/ Representative. The contractor shall ensure the Railway personnel are fully acquainted and familiar with the detailed procedure to follow for proper testing and satisfactory maintenance of equipment. Necessary disconnection of working signaling equipment and systems shall be arranged by the Railway Engineer.

## 7. WARRANTY

- 7.1 The contractor shall warranty that all materials and equipment to be supplied and installed as per this tender shall be free from defects and faults in design, material, workmanship and manufacture and shall be of the highest grade and consistent with the established and generally accepted standard for materials of the type ordered and in full conformity with the contract specification.
- 7.2 This warranty shall be for a period of **12 Months** from the date of completion of the work, i.e., date of issue of the Provisional Acceptance Certificate as defined in Para 6.2 above.
- 7.3 During the period of Warranty, the Contractor shall remain responsible to arrange replacement and for setting right at his own cost any equipment supplied by him which is of defective manufacture or defective design or defective material/ component becomes unworkable due to any cause whatsoever. The decision of Railway to attend to any damage or defect in work shall be final and binding on the contractor.
- 7.4 If it becomes necessary for the contractor to replace or renew any defective portions of the system under

this clause, the provision of this clause shall apply to the expiry of six months from the date of which replacement or renewal or until the end of the warranty period whichever may be later. If any defect is not remedied within reasonable time, the Railway may proceed to do the work at contractor's risk and expense, but without prejudice to any other rights, which the Railway may have against the contractor in respect of such defects.

- 7.5 All inspections, replacements or renewals carried out by the contractor during the warranty period shall be subject to the same conditions of the contract.
- 7.6 All replacement and repairs and design change that the Railway shall call upon the contractor to deliver or perform under this warranty shall be delivered and performed by the contractor within one month, promptly and satisfactorily.
- 7.7 The decision of the Railway in regard to contractor's liability and the amount, if any, payable under this warranty shall be final and conclusive.
- 7.8 Due to analysis of failures, if any design deficiency is pointed out by the Railway, the contractor shall rectify it at his own cost.
- 7.9 **For Operator and Maintenance Embedded PCs & VDU of Schedule -A SOR "Chapter-9 Electronic Interlocking" warranty of 5 year** from the date of completion of work is to be provided. After completion of the work contractor has to submit the FDR of amount of 5% of total value of these items in favour of FA&CAO/Construction/Bangalore as security deposit for the purpose. After completion of warranty period of 5 years satisfactorily, the same shall be released. The warranty period shall be reckoned as per Para 7.2 above.

## **8. VARIATION IN QUANTITIES:**

- 8.1. The drawings referred to in the list of plans, if any, are intended only to give a rough and general idea of the location and approximate details of work to be done. No claim whatsoever will be admissible in respect of any alteration/ addition/ deletion/ change in the type of works/ change in locations.
- 8.2. The quantities of various items given in the Schedule for the works to be executed are only approximate and are only for the guidance of the tenderer/ contractor. As far as possible, they have been assessed correctly but are likely to vary during the execution of the work. The contractor's attention is drawn to clause 42 of the General Conditions of Contract dealing with variation in quantities.
- 8.3. **Variations in quantities during execution of works contracts**  
The Procedure detailed below shall be adopted for dealing with variations in quantities during execution of works contracts:
  - 8.3.1. **In cases where Increase is involved during execution of contract:**
    - (i). The accepted variation in quantity of each individual item of the contract would be up to 25% of the quantity originally contracted, except in case of foundation work.(in which no variation limit shall apply).  
However, the rates for the increased quantities shall be as per sub- para (iii) below.

- (ii). The Contractor shall be bound to carry out the work at the agreed rates and shall not be entitled to any claim or any compensation whatsoever upto the limit of 25% variation in quantity of individual item of works.
- (iii). In case an increase in quantity of an individual item by more than 25% of the agreement quantity is considered unavoidable, then same shall be executed at following rates.
  - (a). Quantities operated in excess of 125% but upto 140% of the agreement quantity of the concerned item, shall be paid at 98% of the rate awarded for that item in that particular tender;
  - (b). Quantities operated in excess of 140% but upto 150% of the agreement quantity of the concerned item shall be paid at 96% of the rate awarded for that item in that particular tender;
  - (c). Variation in quantities of individual items beyond 150% will be avoided and would be permitted only in exceptional unavoidable circumstances and shall be paid at 96% of the rate awarded for that item in that particular tender.
  - (d). The limit of varying quantities for minor value items shall be 100% (as against 25% prescribed for other items). A minor value item for this purpose is defined as an item whose original agreement value is less than 1 % of the total original contract value.
    - (i) Quantities operated upto and including 100% of the agreement quantity of the concerned minor value item, shall be paid at the rate awarded for that item in that particular tender;
    - (ii) Quantities operated in excess of 100% but upto 200% of the agreement quantity of the concerned minor value item, shall be paid at 98% of the rate awarded for that item in that particular tender;
    - (iii) Variation in quantities of individual minor value item beyond 200% will be avoided and would be permitted only in exceptional unavoidable circumstances and shall be paid at 96% of the rate awarded for that item in that particular tender.
- (iv). In case of earthwork items, the variation limit of 25% shall apply to the gross quantity of earthwork items and variation in the quantities of individual classifications of soil shall not be subject to this limit.
- (v). In case of foundation work, no variation limit shall apply and the work shall be carried out by the Contractor on agreed rates irrespective of any variation.
- (vi). As far as SOR items are concerned, the limit of 25% would apply to the value of SOR schedule as a whole and not on individual SOR items. However, in case of NS items, the limit of 25% would apply on the individual items irrespective of the manner of quoting the rate (Single percentage rate or individual item rate).

**8.3.2. In cases where decrease is involved during execution of contract:**

- (i). The contract signing authority can decrease the items upto 25% of individual item without finance concurrence.

(ii). For decrease beyond 25% for individual items or 25% of contract agreement value, the approval of Competent Authority may be taken as per extant instructions issued by Railway from time to time, after obtaining "No Claim Certificate" from the contractor and with finance concurrence, giving detailed reasons for each such decrease in the quantities.

(iii). It should be certified that the work proposed to be reduced will not be required in the same work.

#### **9. VITIATION CLAUSE: Vitiating during Variation in Contract Quantities**

9.1. A contract shall be considered "vitiating" only when, the following percentage variations in contract value between tenderers are noticed to have been exceeded.

SN	Value of Contract	Percentage difference between present Contractor and new L-1 as a result of variation. (Percentage shall be calculated with base as the revised contract quantities multiplied by the rates of the present contractor)
1.	Small value contracts (Tender Value less than Rs 50 lakh)	10
2.	Other than small value contracts (Tender Value equal to or more than Rs. 50 lakh)	5

9.2. When the percentage difference between present Contractor and new L-1 is noticed as becoming beyond the values specified above, the following action shall be taken.

9.3. The Railway administration should immediately examine whether it is practicable to bring in a new agency to carry out the extra quantity of work keeping in view the progress of the work in accordance with the original contract and the nature and lay-out of the work. If it is found that there will be no serious practical difficulty in meeting the additional quantity of work done by another agency, then fresh tenders for the extra quantity may be invited otherwise negotiating the rate with the existing contractor for arriving at a reasonable rate for the additional quantities of work, may be adopted.

9.4. The above shall be regulated as under:

a) The case shall be decided by the tender accepting authority (competent for the revised quantity) and shall not be treated as a case of single tender. The provisions of Railway Board letter no 2007/CE.I/CT/18/Pt. XII dated 31.12.2010 hereby gets superseded.

b) These instructions will be similarly applicable to earning contracts with FI-1, FI-2 substituted for L-1, L-2 and so on.

- c) Executives while executing the work shall make all efforts to ensure that no vitiation takes place in normal circumstances. Vitiations should be an exception rather than a rule. Value of Contract Percentage difference between present Contractor and new L-1 as a result of variation, (percentage shall be calculated with base as the revised contract quantities multiplied by the rates of the present contractor) 1 Small value contracts (Tender Value less than Rs 50 lakh) 10 2 Other than small value contracts (Tender Value equal to or more than Rs 50 lakh) 5 routine affair. Efforts should be made to invite bids on the basis of percentage above/below/at par.
- d) Vitiations should always be computed with respect to the items, rates, quantities and conditions as available at the time of Tender Opening and subsequent changes/ additions by way of new items will not be counted for computing Vitiations.

## **10 BID SECURITY, SECURITY DEPOSIT AND PERFORMANCE GUARANTEE:**

- 10.1. The provisions regarding Bid Security shall be governed as per clause 5 of Part-I of IRSGCC – 2022 and Annexure VI of IRGCC 2022. Security Deposit & Performance Guarantee shall be governed vide clause 16 (Part-II) of IRSGCC – 2022 as amended from time to time.
- 10.2. Refund of Security Deposit: Refund of Security Deposit shall be governed by clause 16(2) i of IRSGCC 2022.

## **11 INCOME TAX:**

Income tax will be deducted at 2% (two percent) and also surcharge if any at source from each bill unless otherwise authorised by the Income-Tax department.

## **12 TAXES AND ROYALTY CHARGES:**

- 12.1. This tender falls under the category of Works contracts which attract provisions of GST under Central Goods and Services Taxes, 2017. All the bidders/ tenderers should ensure that they are GST compliant and their quoted tax structure/ rates are as per GST law. The TDS on GST @ 2% or as amended from time to time shall be recovered from the running on-account bills.
- 12.2. Provisions of “The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996” and “The Building and Other Construction Workers’ Welfare Cess Act, 1996”: The tenderers, for carrying out any construction work, shall get themselves registered with the Registering Officer under Section-7 of the Building and Other Construction Workers Act, 1996 and rules made thereto by the concerned State Govt., and submit certificate of Registration issued from the Registering Officer of the concerned State Govt. (Labour Dept.). The Cess shall be deducted from Contractor’s bills as per provisions of the Act subject to amendments, if any, in the Act from time to time.
- 12.3. **Rates, GST exemption & Format for bill of Supply:**
- 12.3.1 The rate quoted by the tenderer should take into account applicable GST and Cess on GST (if any) thereof. Railway will not pay any such charges levied upon tenderer and tenderer will only be paid at the rate accepted by the Railway administration under the Contract.
- 12.3.2 GST exemption for Railway equipment and materials moved by Indian Railways for its own consumption across various states:

- (i). As per section 31(3)(C) of the CGST Act – 2017, Bill of Supply in a prescribed format as mentioned in Rule no. 49 of Chapter VI of the CGST Rules- 2017 accompanying such consignments, has to be issued by Railways while transferring goods that are considered as exempted in case the value is more than Rs.200/-. Transfer of goods/stores from one State/UT to another State/UT is considered to be an exempted activity as per section 7(1) of the CGST Act - 2017 read with clause 1(b) of Schedule II of the CGST Act – 2017.
- (ii). While transferring Railway Materials from the Depot/Workshop/Shed/Stock holder in one State to another State, it may be ensured that the Bill of Supply accompanies such consignments. A declaration may also be given in the Bill of Supply that-  
 “This transfer of Railway Materials [*description of material to be indicated*] from the Depot/workshop/Shed/Stock holder of --- [*Name of the Zonal Railway and the State (Originating Depot), GSTIN*] to the Depot/workshop/Shed/Stock holder of ----- [*Name of the Zonal Railways and the State (Destination), GSTIN*], is without any transfer of title of the said goods, and is treated as supply of service between two distinct persons as defined in section 25(4) of the CGST Act, 2017 (CGST Act, 2017). As per Section 7(1) of the Central Goods and Services Tax Act, 2017 (CGST Act, 2017) read with Clause 1(b) of Schedule II of the CGST Act, 2017, this inter-state supply of service by the Central Government (Ministry of Railways) to Central Government (Ministry of Railways) is exempt from the levy of IGST vide Sl.No.8 of the Notification No. 9/2017 – Integrated Tax (Rate) dated 28.06.2017”.

#### 12.3.3 Format for Bill of supply:

- 1) Name, address and Goods and Services Tax Identification Number of the supplier;
- 2) A consecutive serial number not exceeding sixteen characters, in one or multiple series, containing alphabets or numerals or special characters –hyphen or dash and slash symbolized as “- “and “/” respectively, and any combination thereof, unique for a financial year;
- 3) Date of its issue;
- 4) Name, address and Goods and Services Tax Identification Number or Unique Identity Number, if registered, of the recipient;
- 5) Harmonised System of Nomenclature Code for goods or services;
- 6) Description of goods or services or both;
- 7) Value of supply of goods or services or both taking into account discount or abatement, if any; and
- 8) Signature or digital signature of the supplier or his authorized representative:

Provided further any tax invoice or any other similar document issued under any other Act for the time being in force in respect of any non-taxable supply shall be treated as a bill of supply for the purposes of the Act.

- 12.4. Tenderer should quote his/their rates taking into consideration the above complete and no claims whatsoever made by the contractor shall be entertained. This clause is an Excepted Matter as per Clause 63 of General Conditions of Contract and in case the Contractor resorts to claims and demands arbitration, the same shall be excluded from arbitration at all stages.

12.5. Tenderers may specifically take note of instructions regarding payments of contractual bills, the extract of which is available at Clause 28 of Special Condition of Contract.

**12.6. RECOVERY OF ROYALTY CHARGES:**

12.6.1 Royalty charges/seigniorage on supply of Contractor's own earth, ballast, moorum, and blanketing as fixed by the respective State Government (Karnataka, Andhra Pradesh, Tamil Nadu, Kerala, Maharashtra as the case may be) as prevailing on the date of opening of tender as per extant notification of respective State government will be recovered by the Railway from the contractors through on account and final bills and will be remitted to the State Government. The rates quoted by the tenderer shall be inclusive of these charges. However, no royalty charges/fee shall be recovered from the bills of the contractor, if the contractor produces documentary evidence e.g., transit pass issued by State Government Officials in token of having paid royalty fee in such cases, the genuineness of such documentary evidence produced along with proof of payment of royalty charges, shall be got verified by the Railway from concerned Mining and Geology Department.

Any instructions issued by Department of Mines & Geology from time to time shall become applicable automatically in addition to the conditions contained herein.

**12.6.2 Increase in Royalty charges during currency of contract:**

(a). When Royalty charges are recovered from contractor's CC/Final bills and remitted to Mining department (of the concerned State Government) by Railway: The increased amount will be recovered by the Railway from the contractor's "on account" and "final bills" and remitted to the State Government on receipt of the State Government orders to that effect. However, the Railway shall reimburse the additional liability to the contractor, provided that the work executed falls in the original completion period of the work or in the extended period granted on administrative grounds i.e., 17-A(i)(ii) or (iii) of GCC.

As such, claims regarding reimbursement due to increase in seigniorage charges shall not be payable for work executed in the extended period granted on contractors account under Clause 17(B) of GCC.

(b). When royalty is paid directly by the contractor to Mining department: In such cases, the increase in royalty charges over and above that prevailing on the date of tender opening, shall be reimbursed to the contractor on production of documentary proof of payment of royalty at such increased rate. However, no reimbursement shall be made for such cases where time extension has been granted under Clause 17(B) of GCC on contractors account.

**12.6.3 Decrease in Royalty charges during currency of the contract:**

(a). When Royalty is recovered from contractor's CC/Final bills and remitted to Mining department (of the concerned State Government) by Railways: The recovery of Royalty charges from the contracts "on account" and "final bills" will be made as per the rate prevailing as on the date of Tender Opening but not at the reduced rate. However, remittance of royalty to the Mining Department shall be made as per the reduced rate and the benefit of reduction in rates shall be passed on Railways.



- (b). When Royalty is being paid directly by the contractor to Mining department: The difference in the rate of royalty will be recovered from the contractor's CC/Final bills and shall be retained by the Railways.

**12.6.4** A register shall be maintained by Dy.CSTE/C/Executive Engineer/Construction concerned in which the entries should be made regarding the documentary evidence i.e., Serial No. of "transit passes" issued by concerned authority showing proof of payment of royalty charges, for each bill. Relevant entries shall also be made on receipt of verified document from Mines & Geology department of State Government against the particular bill and "Transit pass". The verified "Transit passes" shall be scored out with cross mark with an endorsement "Accounted against CC/Final Bill No.\_\_\_\_\_ dated \_\_\_\_\_ for Agreement No.\_\_\_\_\_". These passes shall be kept on record for subsequent verification till closure of the contract. The register should be page numbered and one page allotted to one contract. The reference where the verified, "Transit pass" is filed shall also be made on the register.

**13 EXECUTIVE IN-CHARGE OF WORKS** will be indicated at the time of Issue of Letter of Acceptance.

**14 STORES DEPOT FROM WHERE THE MATERIALS SUPPLIED BY RAILWAYS ARE TO BE COLLECTED BY THE CONTRACTOR.**

Dy.CSTE/Construction/Bangalore or Hubli or any other nominated store.

**15 CONSIGNEE'S RIGHT OF REJECTION:**

- 15.1. Notwithstanding any approval which the inspecting officer may have given in respect of the stores or any materials or the work or workmanship involved in the performance of the contract (Whether with or without any test carried out by the contractor or the Inspecting officer or under the direction of the Inspecting officer) and notwithstanding delivery of the stores where so provided to the interim consignee, it shall be lawful for the consignee, on behalf of the purchaser, to reject the stores or any part, portion of consignment thereof within a reasonable time after actual delivery thereof to him at the place or destination specified in the contract. If such stores or part, portion of consignment thereof is not in all respects in conformity with the terms and conditions of the contract whether on account of any loss, deterioration or damage before dispatch or delivery or during transit or otherwise whatsoever.
- 15.2. When any stores delivered at the consignee's depots are rejected, this shall be removed by the contractor within 15 days from the date of rejection. Such rejected stores shall lie at the contractor's risk from the date of rejection. If the stores are not removed by the contractor within this period, the purchaser or his nominee shall have the right to dispose of such stores, as deemed fit, at the contractor's risk and account.
- 15.3. The purchaser shall also be entitled to recover from the contractor, handling and ground rent/demurrage and any other charges for the period the rejected stores are not removed after the aforementioned period.
- 15.4. Stores that have been dispatched by rail and rejected after arrival at destination may be taken back by the contractor either at the station where they were rejected or at the station where they were dispatched. If the contract is placed for delivery F.O.R. station of dispatch, the contractor shall pay the carriage charges on the rejected consignment at Public Tariff Rates from the station of dispatch to station where they were rejected. If the contractor prefers to take back the goods at the station from which they were dispatched, the goods shall, in addition, be booked back to him, freight to pay at Public Tariff Rates and at owner's risk.

16 **INSPECTION AND MAINTENANCE OF SITE:**

- 16.1. The Contractor before tendering shall inspect the site of work, examine the nature of soil to be excavated, nature of work to be executed, check-up the availability of working space and other constraints if any and also acquaint himself of the available access to the site of work and make due provision in the rate for all such contingencies.
- 16.2. The contractor shall make his own arrangement for site clearance, clearance of debris, jungle, bushes etc., without any extra payment. If any heavier materials like Railway's sleepers etc., are to be shifted from the site of work, the same should be carried out by the contractor for which separate payment will be made under relevant items of SOR 2011 (Southern Railway), whichever is applicable. Contractor is also responsible to clear all construction debris, labour camps, and surplus materials from site of work without any extra payment as and when these are not required for the progress of the work.

17 **SERVICE ROADS:**

The Railway does not undertake to provide any service roads for the movement of the contractor's vehicles. The contractor can however make use of the service roads, where they exist free of charge. However, the Railway shall not undertake to maintain them and the contractor shall maintain them at his own cost. In other places, the contractor should make his own arrangements for the movement of the vehicles and no extra rate shall be paid for this. The Railway reserves the right to make use of the roads formed and maintained by the contractor, as and when necessary, without any payment to the contractor. In the event of the contractor forming the service roads where Railway land is not available or cannot be given by the Railway for this purpose, it shall be clearly noted that the contractor shall make his own arrangements for obtaining the required land and the Railway shall not take any responsibility in this respect and shall not compensate the contractor in any way.

18 **WATER AND ELECTRICITY FOR WORKS:**

- 18.1. **Water:** The Contractor shall make his own arrangements within his quoted rates for necessary water required for the performance of the contract.
- 18.2. **Electricity:** The Contractor shall make his own arrangements at his cost, for the supply of electricity for the works. He shall arrange for source, transformer protection and approval from the concerned authorities at his cost. If, however Railway's electricity is available in the vicinity and if the Contractor requests the same to be provided due to compelling circumstances, the Railways at its sole discretion may agree to provide the same as per extant policy and guide lines and rates of the Electrical department of the Railways and the Contractors shall not have any claim whatsoever in this regard.
- 18.3. The Railway may supply to the Contractor in part or whole of the electric power wherever available and possible, required for execution of works from the Railway's existing electric supply systems at or near the site of works on specified terms and conditions and such charges as shall be determined by the Railway. The charges and advance payments as required by the Railways shall be paid by the contractor to avail of the facility. The cost of arranging necessary connections to the Railways Electric Supply systems, and laying of underground/overhead conductor, circuit protection, electric power meters, transmission

structure, shall be borne by the Contractor and that the Contractor shall not be entitled to any compensation for interruption or failure of the Electric supply system. Railways do not guarantee supply of electricity to any of the Contractor's works/requirement.

## **19 MILESTONES FOR COMPLETION OF WORK:**

The Concerned Engineer-in-charge of the work will fix appropriate milestones and monitor the progress from time to time.

## **20 PROGRAMME OF WORK:**

- 20.1. A tentative programme chart and/ or the list of milestones prepared by the Railways for the contract to achieve the Railway's Milestones/needs as per the given target will be attached along with Acceptance Letter. The contractor shall accept and return a copy of the programme chart to Railways within fifteen days of issue of LOA and before commencing of Kick of meeting. The contractor may modify the programme to suit his resources, however, without any change in milestones and submit a modified programme to the Railways duly signed by him within fifteen days of issue of LOA and before commencing of kick off meeting. This is however subject to a condition that such shifting or change shall not affect the completion period of the contract in any manner whatsoever. The modified programme of the contractor shall not be conditional and will not affect the terms and conditions of the contract and if made conditional by the contractor, Railway reserves the right to reject the same and to treat such conditions as breach of contract as agreed to in the contractor's offer and in the LOA issued by the Railways. Railway reserves the right to accept or not the modified programme of the contractor. Contractor shall not have any claim whatsoever in this regard. Further programme, as per the latest progress of work, will be reviewed and prepared on similar basis from time to time.
- 20.2. If the confirmation of acceptance of programme as above is not received within fifteen days of issue of LOA, the contractor is liable to pay towards penalty up to Rs.50,000/- for delay in submission of the programme.
- 20.3. Non-acceptance of Railway Programme or submission of Modified Programme by the contractor which is not acceptable to the Railways, shall also tantamount to breach of contract by the contractor and the Railway shall be entitled to terminate the contract on account of the contractor's default under Clause 62 of the General Conditions of Contract, for this lapse alone.
- 20.4. The Railway reserves the right of determining the contract at any stage of review of the progress under Clause 20.1 above, if the above agreed programme(s) are not adhered to within the margin of 10% of the provision in the programme in terms of shifting of individual milestones or the quantum of progress at any stage, as envisaged in Clause 62(1) of the General Conditions of Contract and the **Performance Guarantee & Security Deposit** will be forfeited without prejudice to other remedies as contemplated under the Conditions of the Contract.
- 20.5. **Supply of Plans, Specifications and Special conditions:** The contractor will be supplied with necessary plans, specification, and details of Special Conditions etc. for execution of work as required by the Railway. However, Contractor shall make his own detailed plans, working arrangements, etc., to make smoother and faster construction and get the same approved by the Engineer-in-charge at his own cost.

For this purpose, he can contact the Office of CSTE/Construction, South Western Railway, Bangalore Cantonment, PIN:560046.

21. **INCENTIVE BONUS PAYMENT FOR EARLY COMPLETION OF WORK:** (For cases pertaining to doubling/traffic facility/throughput enhancement work or any other specified work.

Incentive Bonus is payable for early completion of the work in contracts where specifically provided in the detailed **tender notice uploaded in website**. The incentive bonus payable shall not be more than 1% of the initial contract value or revised contract value whichever is less for every one full month of early completion ahead of the original completion period or revised completion period whichever is less.

- 21.1 The maximum incentive payable shall not be more than 6% of the original contract value or revised contract value whichever is less. In case of contracts of value less than or equal to Rs. 15 Crores and with time period of completion less than one year, only 50% of above Bonus payments will be paid.
- 21.2 This incentive scheme shall not apply if any extension is granted beyond the original completion period or any revised completion period whichever is less, irrespective of any reasons whatsoever including FORCE MAJEURE conditions.
- 21.3 Period less than a month will not be reckoned for the incentive bonus calculation.
- 21.4 No relaxation with regard to 'holidays', 'no work days' or 'non-availability of line blocks or non-availability of materials to be supplied either by railway or by the contractor, loss of time due to FORCE MAJEURE situations of any nature will be allowed for this purpose. Date of completion shall be reckoned as per the satisfactory date of completion of the work as certified by the Chief Engineer, who shall decide the same based on the inspection notes of the Commissioner of Railway Safety authorizing opening of the section or joint inspection notes between Open Line and Construction departments or based on his own personnel assessment duly recorded.
- 21.5 The decision of the Chief Engineer shall be final and binding on the contractor. No representation from the contractor in regard to early completion of work shall be entertained from the contractor.

22. **IMPOSITION OF FINE, PENALTY AND COST OF DAMAGES FOR DELAY OF WORKS:**

- a. In the event of the contractor not adhering to the agreed programme of work and / or not achieving the milestones or quality of work etc., specified, even if no physical or actual damages have occurred to the Railways and even if the currency of the work is not affected, the Railway reserves the rights of, with a view to improve, expedite and the make the contractor realize the effects of delays, levying fine or any value as deemed fit on the contractor by the Engineer – in – charge based on the merit of the case. The amount of fine will be solely decided by the Engineer – in – Charge at his discretion and will be based on his assessment of disturbances, difficulties or losses caused by the delay or poor quality of work, etc., including that of the reputation of the Railway. The contractor shall have no claims what-so-ever in this regard. Subsequent to the imposition of the fine, if contractor makes good, the progress / quality and achieves the milestones to the satisfaction of the Railways, part or full amount of the fine imposed may be waived and the amount so worked out will be released to the contractor at the sole discretion of the Engineer –in – charge duly recording necessary certification to the effect that no damages have occurred. However, in case of actual or anticipated damages occurred or occurring to the Railways, the recovery of agreed / liquidated damages will also be imposed and recovered from contractors dues as per provisions in IRSGCC in addition to the above fine.

## 22.1 IMPOSITION OF PENALTY IN CONTRACTS:

- 22.1.1 **Penalty in contracts with incentive Bonus payment clause:** in case of non-completion of all works to the satisfaction of the Engineer-in-charge, a penalty of 1% of the value of balance works left to be completed as per contract per week of delay shall be imposed. This penalty will be applicable in all cases where currency extension is granted under clauses other than 17, 17A(i) or 17 A(iii) of GCC and / or whether any damages have occurred or likely to occur or not and the contractor shall have no claims in this regard.
- 22.1.2 Even in contracts where incentive Bonus payment clause is not operative, the Railway reserves its right to impose the penalty as specified in Para 21.2.1 above, in case of failure/delay by the contractor affecting the commissioning work/project at the discretion Engineer-in-charge.

### **Note:**

- (1) The maximum fine or penalty liable to be imposed under this clause is limited to a maximum of 20% of the value of balance works left to be completed as per contract. However, on account of the extension granted, in case of actual or anticipated damages occurring to the Railway, the recovery of agreed/Liquidated Damages will also be imposed and recovered from contractor's dues in addition to the penalty as per provisions in GCC.
- (2) No relaxation with regard to 'holidays', 'no work days' or 'non-availability of line blocks' will be allowed for the non-completion of the work as envisaged in the contract completion period. However, loss of time due to FORCE MAJUEURE situations will be allowed for this purpose.
- (3) The date of completion shall be reckoned as per the satisfactory date of completion of the work as certified by the Engineer-in-charge.
- (4) The decision of the Engineer-in-charge shall be final and binding on the contractor. No representation from the contractor in regard to delayed completion of work shall be entertained from the contractor.

## 23. **ENGAGEMENT OF TECHNICAL STAFF BY THE CONTRACTOR:**

- 23.1 The contractor shall employ proper managerial and technical personnel during the execution of this work and the personnel deployed shall have adequate experience and thorough knowledge of the works executed including the specifications and proceedings involved. The list of managerial and technical personnel along with the copy of their bio-data and Degree/ Diploma certificate proposed to be engaged by the contractor shall be submitted to the Engineer-in-charge within 15 days from the date of issue of LOA and the approval of Engineer is to be obtained for engaging them for this specified work. The period of deployment of technical staff covers from 15 days after the date of issue of letter of acceptance till completed works are handed over to the Railway.
- 23.2 **Scale or Personnel:** Minimum scale of personnel to be engaged by the Contractor shall be as under:
- (1). One Graduate Engineer and at least one diploma holder Engineer when the cost of work is more than Rs.5.00 crore.
  - (2). One Graduate Engineer when the cost of work to be executed is between Rs.1.00 cr and up to 5.00 crore.

- (3). One qualified Diploma Holder Engineer, when cost of the work to be executed is less than Rs.1.00 Crore.
  - (4). Even if the value of agreement changes due to variations or even if the currency of contract is changed, the scale of personnel will remain same as per the original agreement value.
- 23.3 The contractor shall provide the technical personnel continuously on the project and the initially approved personnel should not be changed in the mid-course of the contract, except in exceptional situations and only with the approval of the Dy. CSTE in-charge of the project. Continuous engagement of technical personnel is defined as under:
- (1). Record of engagement of technical personnel shall be maintained by the contractor at each site where his Engineers are deployed. This record will be verified by the Dy. CSTE in-charge of the project or any other Railway representative. In case of non-availability on any single occasion at site, it will be treated as absence for a week.
  - (2). Technical staff should be available at site whenever required by the Engineer-in-charge or his authorised representative to take instructions. In case, the contractor fails to employ the technical staff as aforesaid, he shall be liable to pay Rs. 40,000/- (Rupees Forty thousand only) for each month of default or part thereof in case of each Graduate Engineer and Rs. 25,000/- (Rupees Twenty-Five thousand only) for each month of default or part thereof in case of each qualified diploma holder.
  - (3). The contractor shall submit the copy of bio-data and Degree / Diploma certificate of the above technical staff employed by him for the scrutiny by Railway and for the record. Railway reserve the right to scrutinise the records of the contractor to ascertain as to whether the qualified staff has been actually employed by him and is paid for.
  - (4). While passing each "on" account bill, the ASTE/XSTE in-charge will certify the availability of technical staff as above; otherwise, the recovery as above shall be made from every bill.
  - (5). The decision of the Engineer-in-charge, whether the required Technical staff was not employed by the contractor shall be final and binding upon the contractor.
24. **SAFETY PRECAUTIONS AT WORK SITE AND MEASURES TO BE OBSERVED DURING EXECUTION OF WORKS:**
- 24.1 All precautions to ensure safety of workmen must be taken while unloading and leading the materials during execution of work. Traffic rules should be strictly followed and the contractor should indemnify the Railway against any claim due to accidents and unforeseen incidents.
  - 24.2 The contractor must ensure the safety of labourers engaged by him while crossing the track during the course of execution of work and the Railway will not be responsible for any injury sustained by the labourer or for any fatal accident. The contractor should bear all the loss and expenditure involved. Wherever necessary he should also provide necessary look out men.
  - 24.3 The work should be carried out without any interference to the normal working of the Railway track and structures. The contractor will be held responsible for any loss or damage or injury caused during the course of work to the labourer or to the public/private person or to the Railway/ Public/private property and the contractor should bear all the loss and expenditure involved.
  - 24.4 Wherever work is to be executed close to any running railway lines or roads or buildings or public passage, the Contractor shall ensure proper protection of public, railway/public property. He shall

also ensure all special precautions as provided in this tender.

- 24.5 The contractor shall be responsible for anti-larval work at his cost during progress of works as may be prescribed by the Engineer on the advice of the Railway or any Government Medical authority and where use of insecticides are involved, it shall be done in accordance with the provisions of the act and rules in this behalf at the cost of contractor, who shall also be solely responsible for any acts or omissions under the provision of the aforesaid rules.
- 24.6 The Contractor shall ensure that necessary sanitary facilities are provided by the Contractor for their labour in terms of Clause 59. (4) of the General Conditions of Contract, and where they fail to do so notice shall be given to the Contractor that the same will be provided by the Railway at their cost and recovery shall be made from their bills.
- 24.7 Where contractor avails existing sanitary arrangements of the Railways charges as decided by Railway from time to time is recoverable from the contractor.

**25. License, Permission Etc.:**

- 25.1 The contractor shall arrange to obtain permission direct from the State Government or local authorities concerned for using Forest, PWD or Panchayat roads. The rates tendered shall be inclusive of any cess, tax or any other charges payable to the authorities concerned.
- 25.2 The contractor shall make his own arrangements for obtaining the license for any explosives, as may be necessary, for procurement, transportation, storage and use of the same. All possible assistance will be given by the Railway, should there be any difficulties in obtaining the license etc. However, any failure shall not form the basis for any claim by the contractor against the Railway or for additional payment for the work.
- 25.3 In case of use of explosives for blasting the contractor shall strictly abide by the Indian Explosive Act, the Rules and Regulations framed there under in carrying out the work, shall observe all the provisions of the Indian Mine Act and the metalliferous mines regulations and rules there under as well as any other Act and Rules, as may be enacted and laid down by the State and Central Government from time to time, for such work.
- 25.4 The contractor will be held responsible for any loss/damage/injury caused during explosion to the labourers or to the public/ private persons or to Railway/Public/Private property and the contractor should bear all the loss/expenditure thereby involved.
- 25.5 The contractor shall take special precaution while carrying out works at location where there is likelihood of any underground cables/OFC etc. and the work shall not be carried out without the presence of an authorized Railway Supervisor/ staff deputed to supervise the work.
- 25.6 Before taking up any digging work, it is the responsibility of the contractor to get cable layout plan from Engineer-in-charge of the work and arrange to demarcate the same at the site.
- 25.7 The contractor shall be fully responsible for ensuring safety at all times and shall bear the cost of all damages in cases of accidents/unusual occurrences resulting in damages to Railway property and passengers. Any breach of the safety conditions for precautions and measures as specified hereunder and/or elsewhere in the tender document by the contractor and/or his agents/representatives affecting the safety of movement of trains, engines, or other rolling stock of the Railway, shall constitute a breach of contract by the contractor leading to termination of contract for default on the part of the contractor

including recovery of damages.

- 25.8** The works required to be done under traffic block shall be carried out only in the presence of Railway officials. The Railway supervisor shall certify safe conditions for passage of trains before resumption of traffic. The works to be done under traffic Block shall be carried out under the provision of banner flag and protection of engineering flagman.
- 25.9** Safe practices at all times and non-infringement to moving trains shall be ensured. Road vehicles, material trolleys, dollies etc., which may have tendency to roll off towards the running lines shall be checked by providing chains, locking arrangements, blocks etc. Site in-charge of the contractor shall be primarily responsible.
- 25.10** All equipment like cranes, lifting jack etc., shall be tested, duly calibrated and certified prior to use at construction site. They shall also have specific indications conforming that the operators handling them are trained in the safety precautions near track.
- 25.11** Construction workers at site shall be provided with personal safety gear like reflective vest, helmet, leather shoes, gloves, eye-wear etc., as approved as per construction industry standards. For persons working at pier top/girder level, temporary supports, hand railing etc., protection with help of ropes, slings and temporary railings shall be provided.
- 25.12** All locations, where construction activity is in progress adjacent to existing railway lines, should be cordoned off with proper barricades. Barricades consisting of bamboo/signalling poles and supported horizontally by similar bamboo/signalling poles should be provided. These barricades should be provided at a distance of approximately 3.5m from the centre line of track or as directed by the Engineer-in-charge. All the barricades are to be painted or struck on with red luminous paint/strips at suitable intervals on the barricades. Barricade should be available at every stage of work as directed by the Engineer-in-charge and shall be maintained in perfect condition all the time.
- 25.13** Road vehicles employed by the contractor should have the certificate for its road worthiness and each vehicle numbered and the license particulars maintained. Contractors should ensure that the drivers permitted by them to work on such road vehicles are identified, counselled, certified and are provided with photo Identity cards. Wherever the work requires the movement of road vehicle within a distance of 3.5 to 6m from the centre line of the nearest track, such work shall be done only in the presence of Railway's representative. The driver of the vehicle shall always face the track when reversing the vehicle and whenever he cannot face the track, for whatever reason, he shall be invariably assisted by a helper with a whistle who should guide him and ensure safety.
- 25.14** The contractor shall execute a Bond undertaking to ply the road vehicles in a safe and satisfactory manner and strictly in accordance with the stipulations and other conditions specified by the Engineer and to engage and retain only the permit holder to be the contractor's agent in charge of the vehicle while driving or at rest. The person in charge of the vehicles and the attendants shall, at all times, be vigilant and on the lookout for signals from the lookout men, flagmen or other personnel available at site with a view to stop or regulate the road movement so as to ensure adequate margin of safety for the timely passage of an



approaching train or a Railway engine, without any delay or detention. The contractor shall also be bound by the provisions of this agreement to ply the road vehicles only with adequate margin of safety, well clear of the fixed structure profile of infringements, as stipulated in the rules made under the Indian Railways Act and to seek and be guided by the signals and other directions of any lookout men or other personnel retained for the purpose of ensuring safety and to ensure extra care and vigilance while turning, reversing or moving the road vehicles in any other manner at an inclination to the running railway track or the siding as the case may be. The contractor shall employ necessary look out men also at his own cost, irrespective of any other arrangement that railway may make in this regard.

- 25.15** All work sites shall be supervised by the contractor's representative and also a representative of the Railway Organization. Whenever work of plying road vehicle within 6m zone is actually in progress, Lookout men should invariably be available. Lookout men will have to be provided by the contractor, from out of the list of persons who are authorized to carry out these duties. Authorization will be issued to the individuals, by the representative of the Engineer-in-charge. Railway's supervisor will monitor the availability and alertness of the lookout men. In case of non-availability of lookout men, this Railway's supervisor shall stop further activities of plying of road vehicles. Even if no work is executed in the night, look-out men shall patrol the beat as identified by the representative of the construction organization to ensure the safety of the running trains, especially from any infringement.
- 25.16** Working alongside the track during night hours is normally prohibited. Such work can be done in the night only with the written permission of the Engineer-in-charge. Where night working is permitted, lighting of the work site as required should be done.
- 25.17** For carrying out any critical activities near to existing running lines, the contractor's engineer shall furnish the construction programme in advance to railway Supervisor/Engineer. No such work should be taken up in absence of the supervising railway engineer.

## **26 UNDERGROUND SIGNALING, ELECTRICAL & TELECOMMUNICATIONS CABLE:**

- 26.1** During the course of execution of work if any underground/overhead or any other cable/OFC are damaged by the contractor or his labour etc., purely due to the default of the contractor, the cost of damage, as decided by the Railway Administration will be borne by the contractor. The default of the contractor will be decided as per the extant instructions in force.
- 26.2** The contractor shall take special precautions as per guidelines of Railway while carrying out works at location where there is likelihood of any underground cables/OFC etc., and the work shall not be carried out without the presence of an authorized Railway Supervisor/staff deputed to supervise the work.
- 26.3** Before taking up any digging work, it is the responsibility of the contractor to get cable layout plan from Engineer-in-charge of the work and arrange to demarcate the same at the site.

## **27 CONTRACTOR'S VEHICLES, PLANT & MACHINERY ETC.:**

- 27.1** Necessary permit/ interstate permits for the movements of vehicles / Plant & machinery shall be arranged by the contractor.

- 27.2 Breakdown to transport vehicles, machinery etc., if any, will be on the contractor's account.
- 27.3 Accidents, if any, to his vehicles, Plant and Machinery or to persons would be the responsibility of the contractor and the Railway will not be responsible for the damage or compensation thereof.

**28 USE OF CONTRACTORS VEHICLES, PLANT & MACHINERY ETC., FOR ACCIDENT RESTORATION WORKS:**

- 28.1 The vehicle and equipment of contractors are liable to be drafted by Railway Administration in case of accidents/ natural calamities involving human lives for speedy restoration work.
- 28.2 For payment purpose, this item will be operated as a Non-Schedule (NS) item, duly negotiating rates as per the conditions of contract.
- 28.3 Contractor/Tenderer shall furnish the details of vehicles/equipments available with them to keep a record of the same.

**29 MOBILISATION ADVANCE: shall be governed as per clauses of IRSGCC 2022**

**30 TERMS OF PAYMENT:**

- 30.1 All bills shall be submitted by prime bidder only (to whom contract has been awarded) to the concerned authority.
- 30.2 Subject to any deductions or recovery which the Railway may be entitled to make under contract, the Contractor will be entitled to be paid from time to time by way of 'on account payment' for supply of goods and 'progress payment' for works as in the opinion of the Engineer he has executed in terms of Contract.

**30.3 ON ACCOUNT PAYMENT FOR SUPPLY ITEMS:**

30.3.1 "On Account Payment" for Supply of equipments, materials will be made on receipt of equipment/ materials, as indicated in respective tender schedules at Railway's nominated depot. On Account payments made will subsequently be adjusted against payments due on Provisional Acceptance or Final Acceptance.

30.3.2 **90% (Ninety Percent)** of the value of each consignment shall be paid on receipt of materials at Railway's nominated depot duly accepted by the Purchaser's Engineer and on production of the following documents:

- 1) Acknowledgement of receipt of materials at Railway's nominated depot by the Purchaser's Store custodian.
- 2) Original Inspection certificates issued by Inspecting Officer.
- 3) Challan / Invoice in duplicate.
- 4) A Certificate to be submitted by the Contractor that the materials supplied are as per the contract and the amount claimed in the invoice is correct as per the terms of the contract.
- 5) Indemnity bond in the approved form (see Proforma 12).

30.3.3 **10% (Ten percent)** value of the supply items shall be paid after the successful completion of installation, testing & commissioning of whole system covering all materials and services as per schedule of works and issue of "Provisional Acceptance Certificate" by Purchaser's Engineer.

30.3.4 **100% payment** against Supply of Spares, Measuring Instruments, Tool Kits, and if any similar items, which is not part of installation and commissioning, will be made on receipt of materials, acceptance of the same and production of documents listed in Clause 30.3.2 above.

**30.4 PROGRESS PAYMENT FOR EXECUTION ITEMS:**

30.4.1 Progress payment shall be made separately for each pure execution item/ sub-item of work given in the respective tender schedules as follows.

30.4.2 **75% (Seventy five percent)** of the progress payment for the items in schedule of work for trenching and protective works and cable laying activities shall be made. The balance **15% (Fifteen percent)** of the progress payment for these items shall be made after terminations and end to end testing from relay room to function end are completed and jointly tested by the Engineer to his satisfaction.

30.4.3 For all other items of work, progress payment for **90% (ninety percent)** value of the work/ services will be made after the works are completed to full satisfaction of Railways.

30.4.4 **10%** value of the works/ services completed shall be made after the issue of Provisional Acceptance Certificate and submission of all 'As made' documents of the relevant schedules.

**30.5 ON ACCOUNT PAYMENT FOR SUPPLY AND INSTALLATION ITEMS:**

'On Account' payments in respect of items involving supply and installation, 75% of the accepted rate of the schedule item will be paid on complete supply of the equipment listed in the schedule after due inspection, against production of indemnity bond and other formalities as applicable to other supply items in the schedule.

- (i). Acknowledgement of receipt of materials at Railway's nominated depot by the Purchaser's Store custodian.
- (ii). Original Inspection certificates issued by Inspecting Officer.
- (iii). Challan/ Invoice in duplicate.
- (iv). A Certificate to be submitted by the Contractor that the materials supplied are as per the contract and the amount claimed in the invoice is correct as per the terms of the contract.
- (v). Indemnity bond in the approved form (see Proforma 12).

The remaining 15% payment will be released only after successful installation of the equipment under the schedule. The balance 10% will be released after the issue of Provisional Acceptance Certificate and submission of all Asmade documents of the relevant schedules.

**30.6 FINAL PAYMENT:**

On the basis of provisional acceptance certificate issued by the Engineer for all the works in all the sections covered in this contract, the final bill for the balance payment for each item/sub-item of work shall be submitted by the Contractor along with a clear "NO CLAIM CERTIFICATE". The provisional acceptance certificate shall be issued by the Engineer after compliance as defined in Para 6.2 above.

**30.7 FINAL SETTLEMENT:**

On expiry of the warranty period and issue of certificate by Engineer-in-charge regarding satisfactory completion of work and final acceptance of the entire installations in all respect, **Security Deposit** will be released to the Contractor after adjustment of any dues payable by the contractor.

### **31 CERTIFICATE FOR MODVAT BENEFITS ON BILLS:**

31.1 The Contractor should submit the following certificate along with the bills:

“We certify that no additional duty set off on the Goods issued by us have accrued under the MODVAT Scheme in force on the date of supply after we submitted our quotations and submitted the present bill.”

31.1.1 In the event of MODVAT credit being extended by the Government of India to more items that already covered, the firm should advise the purchaser about the additional benefits accrued through a letter containing the following certificate or any variation thereof as may be considered necessary by individual Railway administration:

“We hereby declare that we can avail additional duty set offs as per latest MODVAT scheme in force now and we hereby give a reduction of \_\_\_\_\_ per unit and agree to revise the prices indicated in the order. The current E.D. of \_\_\_\_\_ is payable on this reduced price. Therefore, we request you to amend the order accordingly.”

### **32 DEDUCTION FROM ON ACCOUNT PAYMENT BILLS**

32.1 All costs, damages or expenses, which Railways may have paid or incurred, which under the provisions of contract are Contractor's obligations, will be deducted by Railways from progress payment bills/invoice of Contractor, as and when it is understood that such an expense have been incurred or paid for.

32.2 All such claims of Railways shall, however, be duly supported by appropriate and certified vouchers, receipts or explanations as are available to enable the Contractor to identify such claims.

### **33 PRICE VARIATION:**

33.1 The Price variation clause shall be governed in terms of Clauses of IRSGCC 2022 as amended from time to time.

### **34 SETTLEMENT OF DISPUTES - INDIAN RAILWAY ARBITRATION AND CONCILIATION RULES:**

Settlement of Disputes in connection with the contract shall be governed in terms of Clause 63 and 64 of IRSGCC (Part – II) 2022 as amended from time to time through correction slips / modifications issued to IRSGCC by Railway Board.

### **35 STAGE /ADVANCE PAYMENTS FOR ITEMS IN SCHEDULE INVOLVING SUPPLY OF MATERIALS FOR USE IN WORK:**

35.1 Any Stage/Advance payment found to be made against the materials brought to the site in excess over the actual materials consumed in work shall be recovered from the contract or dues.

35.2 The contractor shall be bound to store the materials at site of work earmarked for the purpose by the Engineer-in- charge and shall not remove from the site nor use for any other purposes than exclusively for execution of the work for which the materials are intended for. Safeguarding of the materials is the

responsibility of the contractor even if the material is deemed to be owned by the Railway and insurance etc have been arranged by the contractor.

### **36 Assignment or Subletting of Contract:**

This is governed in terms of clause 7 of part-II of IRSGCC 2022 as amended from time to time.

### **37 Procedure for Payment of Contractual Bills:**

With GST Act in force, it will be the responsibility of service providers (i.e., contractors) to submit the invoice (bill) duly segregating the GST component from the gross amount of work executed. The procedure as mentioned below will be followed while dealing with contractual bills.

#### **37.1**

- (i). All works contracts are to be provided with goods/service code based on the type of contract. In case contract consists of both goods & service, then interpretation regarding nature of contract shall be done as per clause 8, Chapter III of CGST Act, 2017. The goods/service code is notified by Ministry of Finance and can be downloaded from the website [www.cbec.gov.in](http://www.cbec.gov.in).
- (ii). The 'on account/ final contract certificate' shall be prepared by the Railway on the basis of quantity of work executed and agreemental rates, duly segregating the GST component as detailed in para (iii) below.
- (iii). Since the agreemental rates of contracts are inclusive of all taxes as per clause 37 Part-II of GCC-2022, the calculation of 'Gross amount of work executed, 'Amount of work executed excluding 'GST amount' and 'GST amount' in the 'on account / final contract certificate' shall be done as under:

Let,

Z = Gross amount of work executed on the basis of quantum of work executed and agreemental rates.

X = Amount of work executed excluding GST amount.

Y = GST amount as per applicable GST rate for that goods/service code.

R = Percentage rate of GST for that goods/ service code

Then,

$$Z = X+Y, Y=X*R/100.$$

- (iv). Percentage rate of GST for various types of good/services as finalized by GST council can be downloaded from the website [www.cbec.gov.in](http://www.cbec.gov.in).

#### **37.2**

- (i). Once the 'on account / final contract certificate' is prepared by railway and communicated to contractor, the contractor shall submit invoice (bill) on his Letter head duly segregating the 'Amount of work executed excluding GST amount' and 'GST amount' (i.e., "X" & "Y" as mentioned in Clause 34.1.(iii) above) along with Invoice No. (Bill No.) and all other details required under GST Act.
- (ii). In case contractor is liable to be registered under GST Act, Railway shall pay to the Contractor 'Gross amount of work executed' (i.e., "Z" as mentioned in Clause 34.1.(iii) above) duly deducting all other liveable taxes like I/Tax, labour cess, royalty etc. as applicable. Contractor shall be liable to pay 'GST

amount' to respective authority himself. Whereas, railway shall deposit all other taxes deducted to concerned authority as is being done presently.

- (iii). In case contractor is not liable to be registered under GST Act, contractor shall be paid "Amount of work executed excluding GST amount" (i.e., "X" as mentioned in Clause 34.1.(iii) above) duly deducting all other liveable taxes like I/Tax, labour cess, royalty etc. as applicable. Railway shall deposit 'GST amount' as well as all other taxes deducted to concerned authority.
- (iv). In case any need arises to modify the Invoice (Bill) due to any reason, contractor shall submit amended fresh invoice for processing the payment.

### **38 Public Procurement - Preference to Make in India policy:**

Provisions of Public Procurement (Preference to Make in India) Order 2017, **herein after called 'order'** as notified by Department of Industrial Policy and Promotion of Government of India under Ministry of Commerce and Industry, shall be applicable in this tender. Bidders seeking benefits, under **this** purchase preference policy linked with Local content shall have to comply with all the provisions specified herein under and shall have to submit all undertakings/documents applicable for this policy".

#### **38.1 Scope and applicability:** Public procurement **under Preference to Make in India policy has been implemented in Zonal** Railways/Production Units of Indian Railway in pursuance to the policy of the Government of India to promote manufacturing and production of goods and services in India with a view to enhancing income and employment as procurement by the Government is substantial in amount and can contribute towards this policy objective.

- (i). The Central Government may, by notification, provide for mandatory procurement of any goods or services from any category of bidders, or provide for preference to bidders on the grounds of promotion of locally manufactured goods or locally provided services.
- (ii). This policy is applicable to all Ministries/departments/CPSUs etc. and the scope covers all contracts involving supply **of either goods or services and procurement of works.**
- (iii). The local content can be increased through partnerships, cooperation with local companies, establishing production units in India or joint Ventures (JV) with Indian suppliers, increasing the participation of local employees in services and training them.

#### **39 Definitions:** 'Local content' means the amount of value added in India which shall, unless otherwise prescribed by the Nodal Ministry be the total value of the item procured (Excluding net domestic indirect taxes) minus the value of imported content in the item (including all customs duties) as a proportion of the total value, in percent.

- (i). 'Local Supplier' means a supplier or service provider whose product or service offered for procurement meets the minimum local content as prescribed under this order or by the competent Ministries/Departments in pursuance of this order.
- (ii). 'L1' means the lowest tender or lowest bid or the lowest quotation received in a tender, bidding process or the procurement solicitation as adjudged in the evaluation process as per the tender or other procurement solicitation.

- (iii). 'Margin of purchase preference' means the maximum extent to which the price quoted by a local supplier may be above the L1 for the purpose of purchase preference.
- (iv). 'Nodal Ministry' means the Ministry or Department identified pursuant to this order in respect of a particular item of goods or services **and for subject tender the Nodal Ministry is 'Ministry of Railways'**.
- (v). 'Procuring entity' means **department/subordinate offices of South Western Railway, Construction Organization.**

**40 Requirement of Purchase Preference:** Subject to the provisions of this Order and to any specific instructions issued by the Railway Ministry or in pursuance of this Order, purchase preference shall be given to local suppliers in all procurements undertaken by procuring entities in the matter specified hereunder:

- (a). In procurement of goods in respect of which the Nodal Ministry has communicated that there is sufficient local capacity and local competition, and where the estimated value of procurement is Rs.50 Lakhs or less, only local suppliers shall be eligible. If the estimated value of procurement of such goods is more than Rs.50 lakhs, the provisions of sub-paragraph (b) or (c) as the case may be shall apply.
- (b). In the procurements of goods which are not covered by Clause 39.3 (a) and which are divisible in nature; the following procedure shall be followed.
  - (i). At the bidding stage the bidder shall provide Break-up of "Local Content" and "Imported Content" as defined in Clause 39.2 and shall be uploaded by the bidders along with their price bid in the e-procurement portal.
  - (ii). Among all qualified bids, the lowest bid will be termed as L1. If L1 is from a local supplier, the contract for full quantity will be awarded to L1.
  - (iii). If L1 bid is not from a local supplier, 50% of the order quantity shall be awarded to L1. Thereafter, the lowest bidder among the local suppliers, will be invited to match the L1 price for the remaining 50% quantity to the local suppliers quoted price falling within the margin of purchase preference, and contract for that quantity shall be awarded to such local supplier subject to matching the L1 price.
  - (iv). In case such lowest eligible local supplier fails to match the L1 price or accepts less than the offered quantity, the next higher local supplier within the margin of purchase preference shall be invited to match the L1 price for remaining quantity and so on, and contract shall be awarded accordingly. In case some quantity is still left uncovered on local suppliers, then such balance quantity may also be ordered on the L1 bidder.
- (c). In procurements of goods not covered by Clause. 39.3(a) above and which are not divisible, and in procurement of services where the bid is evaluated on price alone, the following procedure shall be followed:

- (i). At the bidding stage the bidder shall provide Break-up of "Local Content" and "Imported Content" as defined in Clause 39.2 and shall be uploaded by the bidders along with their price bid in the e-procurement portal.
- (ii). Among all qualified bids, the lowest bid will be termed as L1. If L1 is from a local supplier, the contract will be awarded to L1.
- (iii). If L1 is not from a local supplier, the lowest bidder among the local suppliers, will be invited to match the L1 price subject to local supplier's quoted price falling within the margin of purchase preference and the contract shall be awarded to such local supplier subject to matching the L1 price.
- (iv). In case such lowest eligible local supplier fails to match the L1 price, the local supplier with the next higher bid within the margin of purchase preference shall be invited to match the L1 price and so on and contract shall be awarded accordingly. In case none of the local suppliers within the margin of purchase preference matches the L1 price, then the contract may be awarded to the L1 bidder.

**41 Exemption of small purchases:** Notwithstanding anything contained in Clause 39.3 above, procurements where the estimated value to be procured is less than Rs.5 lakhs shall be exempt from this Order.

**42 Minimum local content:** shall be governed as per Railway Board letter no. 2020/RS(G)/779/2 dt. 12/06/2020 or latest policy as issued by Railway Board from time to time. Proforma 9 and 10 required to be filled by supplier, as applicable.

**43 Letter of Credit as Mode of Payment in Works Tender:**

**43.1** For all the tenders having advertised value of Rs 10 lakh or above, the contractor shall have the option to take payment from Railways through a letter of credit (LC) arrangement.

**43.2** This option of taking payment through LC arrangement has to be exercised in IREPS (Indian Railway Electronic Procurement System - the e-application on which tenders are called by Railways) by the tenderer at the time of bidding itself, and the tenderer shall affirm having read over and agreed to the terms and conditions of the LC option.

**43.3** The option so exercised, shall be an integral part of the bidder's offer.

**43.4** The above option of taking payment through LC arrangement, once exercised by tenderer at the time of bidding, shall be final and no change shall be permitted, thereafter, during execution of contract.

**43.5** In case tenderer opts for payment through LC, following shall be the procedure to deal release of payment through LC:

- (a). The LC shall be a sight LC.



- (b). The contractor shall select his Advising/Negotiating bank for LC. The incidental cost towards issue of LC and its operation thereof shall be borne by the contractor.
- (c). SBI, New Delhi, Main Branch will be the nodal branch for issue of LCs based on online requests received from Railway Accounts Units for tenders opened in financial year 2019-20. SBI branches where the respective Railway Accounts Office has its Account (local SBI branch) will be the issuance/reimbursing branch for LC issued under this arrangement. The Bank shall remain same for this tender till completion of contract. The incidental cost @ 0.15% per annum of LC value, towards issue of LC and operation thereof shall be borne by the contractor and shall be recovered from his bills.
- (d). The LC shall be opened initially for duration of 180 to 365 days in consultation with contractor. The LC shall be extended time to time as per the progress of the contract, on the request of the contractor. The value of LC to be opened initially as well as extended thereafter shall be finalised by the engineer in consultation with the contractor on the basis of expected progress of work.
- (e). The LC terms and conditions shall inter-alia indemnify and save harmless the Railway from and against all losses, claims and demands of every nature and description brought or recovered against the Railways by reason of any act or omission of the contractor, 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.
- (f). The LC terms and conditions shall inter-alia provide that Railways will issue a Document of Authorisation after passing the bill for completed work, to enable contractor to claim the authorized amount from their bank.
- (g). The acceptable, agreed upon document for payments to be released under the LC shall be the Document of Authorisation.
- (h). The Document of Authorisation shall be issued by Railway Accounts Office against each bill passed by Railways.
- (i). On issuance of Document of Authorisation, a copy of Document of Authorisation shall be posted on IREPS for download by the contractor. A digitally signed copy of Document of Authorisation shall also be sent by Railway Accounts Office to Railway's bank (Local SBI Branch).
- (j). The contractor shall take print out of the Document of Authorisation available on IREPS and present his claim to his bank (advising Bank) for necessary payments as per LC terms and conditions. The claim shall comprise of copy of Document of Authorisation, Bill of Exchange and Bill.
- (k). The payment against LC shall be subject to verification from Railway's Bank (Local SBI Branch).
- (l). The contractor's bank (advising bank) shall submit the documents to the Railway's Bank (Local SBI Branch).
- (m). The railway's bank (issuing bank) shall, after verifying the claim so received w.r.t. the digitally signed Document of Authorisation received from Railway Accounts Office, release the payment to contractor's bank (advising bank) for crediting the same to contractor's account.
- (n). Any number of bills can be dealt within one LC, provided the sum total of payments to contractor is within the amount for which LC has been opened.
- (o). The LC shall be closed after the release of final payment including PVC amount, if any, to the contractor.

- (p). The release of performance guarantee or security deposit shall be dealt directly by railway with the contractor i.e., not through LC.

**44 Transparency in payment of Contract Labour Wages and other payments:**

- 44.1** This Clause shall be governed in terms of clause 55-C of IRSGCC 2022.
- 44.2** In order to increase transparency in payment of Contract Labour wages and other payments, a web-based e-application has been developed and hosted on website [www.shramikkalyan.indianrailways.gov.in](http://www.shramikkalyan.indianrailways.gov.in).
- 44.3** All contractors are required to upload details of their LOAs, engaged workmen, wage payment details, PF/ESI details, bonus details etc., on monthly basis. The details so uploaded shall be available in public domain.

**45** Clauses for Tenderer's of countries which shares a land border with India

i. **Permission to Bid for a bidder from a country which shares Land boundary with India:** Any bidder from the countries sharing a land border with India will be eligible to bid in any procurement of works (including turnkey projects) only if the bidder is registered with the Competent Authority. The Competent Authority for registration will be the Registration Committee constituted by the Department for Promotion of Industry and Internal Trade (DPIIT), Government of India. For interpretation of this para, Department of Expenditure, Ministry of Finance, Government of India letter F.No.6/18/2019-PPD dated 23/07/2020 shall be referred.

ii. "Bidder" (including the term tenderer', 'consultant or service provider in certain contexts) means any person or firm or company, including any member of a consortium or joint venture (that is an association of several persons, or firms or companies), every artificial juridical person not falling in any of the descriptions of bidders stated hereinbefore, including any agency branch or office controlled by such person, participating in a procurement process.

iii. "Bidder from a country which shares a land border with India" for the purpose of this Order means:

- a. An entity incorporated, established or registered in such a country; or
- b. A subsidiary of an entity incorporated, established or registered in such a country; or
- c. An entity substantially controlled through entities incorporated, established or registered in such a country; or
- d. An entity whose beneficial owner is situated in such a country; or
- e. An Indian (or other) agent of such an entity; or
- f. A natural person who is a citizen of such a country; or
- g. A consortium or joint venture where any member of the consortium or joint venture falls under any of the above

iv. The beneficial owner for the purpose of (iii) above will be as under:

1. In case of a company or Limited Liability Partnership, the beneficial owner is the natural person(s), who, whether acting alone or together, or through one or more juridical person, has a controlling ownership interest or who exercises control through other means.

Explanation

(a). "Controlling ownership interest" means ownership of or entitlement to more than twenty-five per cent. of shares or capital or profits of the company;

(b). "Control" shall include the right to appoint majority of the directors or to control the management or policy decisions including by virtue of their shareholding or management rights or shareholders agreements or voting agreements;

2. In case of a partnership firm, the beneficial owner is the natural person(s) who, whether acting alone or together, or through one or more juridical person, has ownership of entitlement to more than fifteen percent of capital or profits of the partnership;

3. In case of an unincorporated association or body of individuals, the beneficial owner is the natural person(s), who, whether acting alone or together, or through one or more juridical person, has ownership of or entitlement to more than fifteen percent of the property or capital or profits of such association or body of individuals;

4. Where no natural person is identified under (1) or (2) or (3) above, the beneficial owner is the relevant natural person who holds the position of senior managing official:

5. In case of a trust, the identification of beneficial owner(s) shall include identification of the author of the trust, the trustee, the beneficiaries with fifteen percent or more interest in the trust and any other natural person exercising ultimate effective control over the trust through a chain of control or ownership.

6. The successful bidder shall not be allowed to sub-contract works to any contractor from a country which shares a land border with India unless such contractor is registered with the Competent Authority

v. An Agent is a person employed to do any act for another, or to represent another in dealings with third person.

Model Certificate for Tenders

"I have read the clause regarding restrictions on procurement from a bidder of a country which shares a land border with India: I certify that this bidder is not from such a country or, if from such a country, has been registered with the Competent Authority. I hereby certify that this bidder fulfills all requirements in this regard and is eligible to be considered. Where applicable evidence of valid registration by the Competent Authority shall be attached"

Model Certificate for Tenders for works involving possibility of sub-contracting.

"I have read the clause regarding restrictions on procurement from a bidder of a country which shares a land border with India and on sub-contracting to contractors from such countries; I certify that this bidder is not from such a country or, if from such a country, has been registered with the Competent Authority and

will not sub-contract any work to a contractor from such countries unless such contractor is registered with the Competent Authority. I hereby certify that this bidder fulfills all requirement in this regard and is eligible to be considered. [Where applicable, evidence of valid registration by the Competent Authority shall be attached.]"

#### **46 Supply of Materials:**

The materials towards the supply items in the Schedule are to be supplied as per the progress of work and as directed by the officer incharge for execution of the work.

#### **47. Special condition for Disposal of Construction and Demolition Waste:**

In exercise of the powers conferred by sections 6, 25 of the Environment (Protection) Act, 1986 (29 of 1986), and in supersession of the Municipal Solid Wastes (Management and Handling) Rules, 2000, except as respect things done or omitted to be done before such supersession, the Central Government notified the rules for Management of Construction and Demolition Waste by publishing in the Gazette of India Part-II Section 3 Sub-section-ii dt.29.03.2016. Being waste generator, rules indicated under Para 4 and as a service provider rules under Para 5 are to be followed by Indian Railways through agencies and same are reproduced as follows and any subsequent amendment thereof through notification by Government of India will be applicable in terms of Law of Governing of Contract.

- (a). The tenderer shall remove all construction and demolition waste and clean the area every day, if possible, or depending upon the duration of the work, the quantity and type of waste generated, appropriate storage and collection, a reasonable timeframe shall be worked out in consultation with the concerned local authority.
- (b). The tender shall prima-facie be responsible for collection, segregation of concrete, soil and others and storage of construction and demolition waste generated, as directed or notified by the concerned local authority in consonance with rules.
- (c). The tenderer shall ensure that other waste (such as solid waste) does not get mixed with this waste and is stored and disposed separately.
- (d). The tenderer who generate more than 20 tons or more in one day or 300 tons per project in a month shall segregate the waste into four streams such as concrete, soil, steel, wood and plastics, bricks and mortar and shall submit waste management plan and get appropriate approvals from the local authority before starting construction or demolition or remodeling work and keep the concerned authorities informed regarding the relevant activities from the planning stage to the implementation stage and this should be on project to project basis.
- (e). The tenderer shall keep the construction and demolition waste within the premise or get the waste deposited at collection centre so made by the local body or handover it to the authorized processing facilities of construction and demolition waste; and ensure that there is no littering or deposition of construction and demolition waste so as to prevent obstruction to the traffic or the public or drains.
- (f). The tenderer shall pay relevant charges for collection, transportation, processing and disposal as notified by the concerned authorities; Waste generators who generate more than 20 tons or more in one day or 300 tons per project in a month shall have to pay for the processing and disposal of construction and demolition waste generated by them, apart from the payment for storage, collection and transportation. The rate shall be fixed by the concerned local authority or any other

authority designated by the State Government.

- (g). In case of the tender have no logistics support to carry out the work, they shall tie up with the authorized agencies for removal of construction and demolition waste and pay the relevant charges as notified by the local authority.

**Note: Tenderer is responsible for penal action imposed by responsible authority towards non implementation of above provisions.**

#### **48. PROVISION OF MULTI UTILITY ROAD VEHICLE:**

The contractor at his own cost shall provide one Multi Utility Road Vehicle in good condition with Driver, fuel etc., for the use of Railway officials during the currency of the work including extended completion period.

**49.** System of measurement of works by Contractors and release of provisional payment in works contract: The system of measurement of work by Contractors shall be applicable for contracts of value of Rs.5.0 Cr. And above and subject to the following stipulations. (i) The Tender documents, wherein, measurement of work by contractor is allowed shall contain special condition to this effect, duly incorporating the provisions of para E.1316A; (ii) Measurement recorded by the contractor shall be test checked by Railway within 45 days of submission of measurements; (iii) While processing 75% provisional payment bill, concerned executives shall ensure that supply items given by contractor are commensurate with requirement for execution of works.

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