

1. Placement of Supply Orders to operate the Running Contracts finalized against this tender:

- a) After finalization of Running Contract, within the currency of Running Contract, the Contract shall be operated by placement of Supply Orders, in which the consignees (situated any where in different Divisions of South Western Railway Viz. Hubli, Bangalore and Mysore), Consignee wise quantities and the delivery period for the supplies to be made against the Supply orders (based on the DP stipulation mentioned in the Running Contract) shall be clearly indicated. Other terms and conditions of the supply Orders shall be as per the Running Contract.
- b) The Supply Orders against the Running Contracts shall be placed by authorized representative of PCMM/SWR/UBL based in S.W.Railway Headquarter.
- c) First supply orders on various Running Contract holders will be released in the same ratio in which quantity distributed amongst Running Contract holding firm's while deciding the tender. However, at the time of distributing quantities amongst various Running Contract holders against specific demand, economy of scale shall also be considered in a fair manner.
- d) Subsequent supply orders against Running Contract may be released to a Supplier on the basis of their performance in previous supply orders execution. In case of satisfactory performance by all Running Contract holders, subsequent supply orders will be released in the same manner as is done in the case of release of initial supply orders.
- e) No fresh supply order may be placed on a firm if a previous supply order (s) is pending and DP has expired or the firm is lagging behind the delivery schedule given in the supply order. In case of unsatisfactory performance of any Running Contract holder the quantity distribution for subsequent supply orders among the balance Running Contract holders will be in the same ratio in which quantity distributed amongst Running Contract holding firm's while deciding the tender
- f) The defaulted quantity by any Running Contract holding supplier will also be distributed as per Para 8(e) above.
- g) However, Purchaser reserves the right to place supply order on any Supplier for any quantity without assigning any reason thereof and no claim will be entertained from them in this regard.
- h) The poor performance will also be noted for future tenders and the matter may be reported to the vendor approving authority / registering agency for delisting/cancellation of the registration of the default firm.
- i) The tenderer should note that the Supply Orders will be issued with delivery of specific units of material to be completed within specified period as indicated in the Supply Orders. The tenderer /supplier should note that failure on part of supplier to complete supplies within specified period as indicated in Supply Order or within DP fixed/amended suitably by the Purchaser shall be treated as a breach of contract on part of supplier and in such situations, purchaser shall have all rights to take all necessary penal actions (for the quantity whose delivery period expired but supplies not made by the supplier) against the supplier as per terms and conditions of the contract.

j) Supply Orders placed within Currency of Running Contract are legal binding Contract, even in cases, where terminal Delivery date in Supply orders is beyond the Currency of Running Contract.

2. Revocation / Short closing of Contract during currency of the Running Contract :

Running Contract is in nature of Standing Offers. These standing offers mature into legally binding contracts, when a supply order is placed in pursuance thereof. Being a standing offer, Purchaser may revoke it at any time during the currency of contract giving notice of minimum 45 days.

3. Jurisdiction of Courts:

The Courts of the place from where the acceptance of tender has been issued shall alone have jurisdiction to decide any dispute arising out of or in respect of the contract.