

SOUTH EASTERN RAILWAY
INSTRUCTIONS TO TENDERERS
AND
GENERAL CONDITIONS OF TENDERS FOR SUPPLY CONTRACT
(FOR INDIGENOUS TENDERS)
W.E.F 18.07.2018

1.0 GENERAL INSTRUCTIONS

1.1 On behalf of the President of India, the Principal Chief Materials Manager, South Eastern Railway, Garden Reach, India (hereinafter referred to as the Purchaser), invites electronic tenders for the supply as set forth in the Notice Inviting Tender (NIT), 'Techno Commercial Bid Details' form and 'Financial Rate Page for Supply' form of the electronic tender uploaded on the Indian Railways E Procurement System website (www.ireps.gov.in), herein after referred to as IREPS website. The tenders are invited in terms of 'IRS Conditions of Contract', 'Instructions to Tenderers and General Conditions of Tender for Supply Contract', and 'Special Conditions of Contract' uploaded on the IREPS website, and other conditions incorporated in the tender documents.

1.2 Electronic tender document consists of:-

- a. Latest version of IRS conditions of contract
- b. Instructions to Tenderers and General Conditions of Tender
- c. Special Conditions of Contract
- d. NIT and Tender Document
- e. 'Submit Payment Details' form
- f. 'Techno Commercial Bid Details' form, including attached documents, if any.
- g. 'Financial Rate Page for Supply' form.

1.3 The contract, if placed, shall be governed by latest versions (along with all corrections slips) of

- a. IRS Conditions of Contract
- b. Special Conditions of Contract
- c. Instructions to Tenderers & General Conditions of Tender

All the above documents are available on the IREPS website (www.ireps.gov.in).

1.4 **Registration of Vendors on IREPS website:** In order to participate in the electronic tenders issued by South Eastern Railway, the vendors are required to obtain 'Class-III Digital Signature Certificate with Company Name' from any Certifying Authority' licensed by Controller of Certifying authorities (CCA). The details of the certifying authorities are available on CCA website www.cca.gov.in. The vendors will also have to get themselves registered on IREPS website (www.ireps.gov.in).

Vendors can submit their log in registration request on line by clicking on the New Vendors link available on Home Page of IREPS website, and after signing the same digitally using their own

Digital Signature Certificate. Log in registration to the web site is available on free of charge basis. The registration request, after due verification, will be accepted and Password will be sent to them to their registered e-mail account. Detailed instructions regarding registration processes are available in 'Users Manual for Vendors' which can be accessed through Learning Center link available on the Home page of IREPS website.

Vendors interested in participating against an electronic tender are advised in their own interest to obtain the digital signatures, and get themselves registered on IREPS website well in advance of the tender closing date. South Eastern Railway shall not provide any assistance to the vendor in this regard, and shall not be responsible for failure of the vendor to submit their offer against any electronic tender on this account.

- 1.5 Offers received in the electronic tender box available in the IREPS website (www.ireps.gov.in) will only be considered against electronic tenders.
- 1.6 Manual offers delivered by post/fax or in person, or offers sent by e-mail or telex shall not be accepted against electronic tenders, even if such offers are received in time. All such offers shall be considered as invalid offers and shall be rejected summarily, without any consideration.
- 1.7 The digital signature of the tenderer on the E-tender form will be considered as confirmation that the tenderer has read, understood and accepted all the conditions laid down in the documents referred to in Para 1.2 and 1.3 above, unless special deviation is quoted by the tenderer in the Technical deviation & Commercial Deviation templates in 'Techno-commercial Bid Details' form.
- 1.8. All mandatory fields in pre-designed templates of 'Techno Commercial Bid Details' form and 'Financial Rate Page for Supply' form marked with asterisk (*) shall be filled in by the tenderer.
- 1.9. The stores offered should be in accordance with stipulated drawings and specifications as given in the 'Techno Commercial Bid Details' form and 'Financial Rate Page for Supply' form and attachments attached with the electronic tender.
- 1.10 The details of deviations, if any, from tender specification and other conditions should be clearly indicated in the Technical Deviation and Commercial Deviation templates provided on 'Techno-commercial Offer' form.
Tenderers may note that conditions deviating from the tender conditions/description/specifications may render the offer liable to be ignored.
- 1.11 Tenderers are required to quote in the same rate unit (i.e. Number, set etc.) as given in the tender schedule. Any deviation in this aspect shall render the offer unresponsive and shall be summarily rejected.
- 1.12 **Currency of Offer:** The price should be quoted only in Indian Rupees. The offers submitted in other currencies shall not be considered.
- 1.13 **Validity of Offer:** The offer shall be kept valid for acceptance for a minimum period of 90 days (120 days for M&P items) from the date of opening of the tender. In case the tenderer stipulates

validity period of less than 90 days (120 days for M&P items), the offer is liable to be treated as unresponsive and ignored.

- 1.14 Tenderers are advised to confirm "Compliance to special tender condition/Checklist" in the template Special Conditions/Checklist for Bidders on 'Techno Commercial Bid Details' form by putting a tick mark in the check box provided against each Special Condition/Checklist, and in case of a "No" must furnish reason for non-compliance with that Special Condition/Checklist in the remark entry box provided therein. Tenderers may note that non-compliance to the Special Conditions/Checklist, without stating valid reasons in the relevant remark entry box may render the offer liable to be ignored.
- 1.15 Should a tenderer have a relative employed in Gazetted capacity in the Stores Department of the South Eastern Railway, or in the case of a partnership firm or company incorporated under the Indian Company Law should a partner or a relative of the partner be employed in Gazetted capacity in Stores Department of South Eastern Railway, the authority inviting tenders shall be informed of the fact by the tenderer at the time of submission of tenders, failing which the tender may be rejected, or if such fact subsequently comes to light the contract may be rescinded.
- 1.16 Railways have started making payments through NEFT system for quick money transfer to the tenderers account.
- i. Tenderers must give their consent in the mandate form provided at **Annexure- 6** of General Conditions of Tenders for Supply Contract, for receipt of payment through NEFT.
 - ii. In case of non-payment through NEFT or where NEFT facility is not available payment will be released through cheque.

2.0 QUALIFYING REQUIREMENTS OF TENDERERS

- 2.1 The tenderer shall clearly indicate whether he is registered with PCMM/SOUTH EASTERN Railway for supplying the quoted item, and if so, he must mention his registration number along with monetary limit, if any, under remarks column in the 'Financial Rate Page for Supply' form. If the tenderer is registered with NSIC, he must also attach in the Attach Documents template on 'Techno Commercial Bid Details' form a scanned copy in PDF format, of valid NSIC certificate showing monetary limit and the items for which registered. In case the tenderer is approved by RCF/CLW/DLW/ICF/RDSO/CORE/DMW etc for the quoted item, he must attach in the Attach Documents template on 'Techno Commercial Bid Details' form a scanned copy in PDF format of the registration/approval certificate.
- 2.2 If the tenderer is not registered with SOUTH EASTERN Railway or NSIC, or is not an approved source for the tendered item with Source RDSO/DLW/CLW/ ICF/RCF/CORE/DMW etc, he shall provide a satisfactory evidence acceptable to the Purchaser by attaching scanned copies of such documents in PDF format in the Attach Documents template on 'Techno-commercial Bid Details' form to show that:-

- a. he is an established manufacturer, who regularly manufactures the items offered and has adequate technical knowledge and practical experience;
- b. he has adequate financial stability and status to meet the obligations under the contract for which he is required to submit a copy of the report from a recognized bank or a financial institution;
- d. he has adequate plant and manufacturing capacity to manufacture the items offered and supply within the delivery schedule offered by him;
- e. he has established quality control system and organization to ensure that there is adequate quality control at all stages of the manufacturing process.

2.2.1 If the tenderer is himself not the manufacturer of the item offered by him, he shall be duly authorized by the manufacturer of such item. Such tenderers must enclose with their offer a certificate of authorization from the manufacturer, as per proforma given in **Annexure-4** of this document, to participate in the specific electronic tender being submitted.

2.2.2 The OEM/Authorized Dealers/Agents must comply the following conditions, failing which their offer(s) will be ignored:

(a) In a tender, either the authorized agent/dealer on behalf of the Principal/OEM or the Principal/OEM itself can bid but both cannot bid simultaneously for the same item in the same tender.

(b) If an authorized agent/dealer submits bid on behalf of the Principal/OEM, the same agent/dealer shall not submit a bid on behalf of another Principal/OEM in same tender for the same item/product.

2.2.3 Inspection by nominated Inspection agency at the manufacturer's premises and direct dispatch from the premises of the manufacturer after the material has been inspected and passed by nominated Inspection agency.

2.3 For the purpose of Para 2.2 the tenderer should additionally attach:-

(a) A performance statement in the Performance Statement template on 'Techno-commercial Bid Details' form by entering a list of major supplies effected in the recent past, of the items offered by him, giving details of the purchaser's name and address, order no. and date, quantity supplied and whether the supply was made within the delivery schedule. Alternatively tenderers can also create such performance statement in PDF format separately as per the format given in **Annexure-2**, which can be attached in the Attach Documents template of 'Techno-commercial Bid Details' form.

(b) A statement in PDF format indicating details of equipment, staff employed and quality control measures, as per the format given in **Annexure-3** of this document, attached in the Attach Documents template of 'Techno-commercial Bid Details' form.

2.4 Tenderers not furnishing the requisite information may note that their offer is liable to be ignored.

2.5 **Procurement of items reserved to be procured from approved sources-**

2.5.1 Sources approved by Source Approving Authority(RDSO/DLW/CLW/ICF/CORE/RCF etc):

- (i) The Railway reserves the right to order either or the bulk quantity on the approved sources, and the offers of new entrants may be considered only for developmental order of small quantity. The status of approval of tenderer shall be reckoned as on the date of tender opening and not thereafter, unless it is a case of downgrading/removal/suspension/banning. (already mentioned in General Conditions of tenders). Minimum 80% of Net Procurable quantity shall be ordered on approved vendors.
- (ii) "If the credentials/capacity/capability of tendering firm(s) has already been assessed by RDSO/DLW/CLW/ICF/RCF/DMW etc, then offers from these firms may be considered for developmental order upto maximum of 20% of the Net Procurable Qty."
- (iii) Even if, the tendering firm(s) is not approved by Source Approving Authority, then such untried/unapproved vendors must submit their credential details i.e. Machinery and plant, testing facilities, QAP, Technical Manpower, etc. as an attachment to their E-bid. Offers from these firms may be considered for developmental order up to a maximum of 20% of the net procurable quantity about whom Railway is prima facie satisfied that they are capable of executing the order and only after confirmation of their capacities/capabilities by Source Approving Authority. (already mentioned in General Conditions of tenders). Failure to furnish and attach such requisite credentials as mentioned above will make their offer liable to be ignored.

2.5.2 **Procurement of materials from Micro & Small Enterprises (MSEs):**

For items reserved from Micro & Small Enterprises (MSEs) the offers of MSEs registered with District Industries Centers or Khadi and Village Industries Commission or Khadi and Village Industries Board or Coir Board or National Small Industries Corporation or Directorate of Handicraft and Handloom or any other body specified by Ministry of MSME, for the tendered item(s) will only be considered. MSEs registered with any one of the above agencies must attach (in the template -Attach Documents on “Techno-Commercial Bid Details form, a scanned copy in PDF format) their current & valid registration certificate for the tendered item along with their offer, failing which the offer is liable to be ignored.

2.5.3 **Imported Stores offered by Indian Agents in Indian Currency:** Any authorized dealer / agent/recognized industrial distributor quoting on behalf of their foreign principal in Indian Rupees shall have to comply with the following;

A. To quote with tender specific authorization from the foreign manufacturer.

B. While quoting on behalf of foreign principal's tenderers are required to furnish the principal's invoice/ proforma invoice along with their quotation.

C. The tenderer shall have to undertake in the tender to comply with the following;

1. Consent to furnish copy of customs out passed bill of entry for the goods, relevant to each consignment, Manufacturer's Test and Guarantee certificate issued by the manufacturer, Copy of Bill of Lading/AWB relevant to the consignment; Copy of commercial invoice of the foreign manufacturer/principals relevant to each consignment.
2. Current and valid authorization/dealership certificate of foreign manufacturer/principal.
3. Compliance of sea/air worthy packing condition in manufacturer's original packing with manufacturer's tamper proof seal and compliance of the Packing condition as laid down in IRS Conditions of Contract Para 1800. Failure to comply with any of the aforesaid conditions as referred above will make the offer liable to be rejected.

D Tenderer has to indicate the following while submitting the offer;

1. The precise relationship between the foreign manufacturer/principal and their agents/associates.
2. The mutual interest which the manufacturer/principal and the Indian agent/associates have in business of each other is to be indicated.
3. Indian agent's Permanent Account Number is to be indicated.
4. Any additional expenditure incurred on account of Tax and Exchange Rate variation during pendency of the Contract will be on contractor's account.

E. For bearings manufactured in foreign countries,

Visual inspection by RITES inside India after receipt is acceptable with import documents and original manufacturer's test and Warranty/ Guarantee certificate. Firm should consent to deposit security money as per IRS conditions for due execution of the contract if asked to do so. This is irrespective of the fact whether the firm is registered with this Railway or not.

3.0 BENEFITS/PREFERENTIAL TREATMENT TO MICRO & SMALL ENTERPRISES (MSEs)

- (a) (i) Tender sets shall be provided free of cost to MSEs registered with agencies, as given at Para (b) below, for the item tendered.
- (ii) MSEs registered with the agencies, as given at Para (b) below, for the item tendered will be exempted from payment of Earnest Money.
- (iii) In tenders, participating MSEs, as given at Para (b) below, quoting a price within price band of L-1 + 15% shall be allowed to supply a portion of the requirement by bringing down their price to L-1 price in a situation where L-1 price is from someone other than MSE and such MSEs can together be ordered up to 20% value out of the net procurable quantity.

- (b) (I) MSEs, who are interested in availing themselves of these benefits, will enclose with their offer the proof of their being MSE registered with any of the agencies mentioned in the notification of Ministry of MSME indicated below:-
- (i) District Industries Centers
 - (ii) Khadi and Village Industries Commission
 - (iii) Khadi and Village Industries Board
 - (iv) Coir Board
 - (v) National Small Industries Corporation
 - (vi) Directorate of Handicraft and Handloom
 - (vii) Any other body specified by Ministry of MSME
- (II) The MSEs must also indicate the terminal validity date of their registration.
- (III) The registration certificate should also include information about the status in regard to their category i.e. the ownership of MSE pertains to SC/ST/Other category clearly. Absence of any such information in the registration certificate would be taken as MSE failing in the category as “others”.

Failing b(I)&(II) above, such offers will be not liable for consideration of benefits detailed in MSE notification of Government of India dated 23.03.2012.

4.0 TENDER DOCUMENT COST

- 4.1 For tender documents downloaded by bidders in IREPS website, no tender document cost is required to be submitted.

5.0 EARNEST MONEY

- 5.1 Tenderers are required to deposit Earnest Money online equivalent to the amount mentioned in the tender document. Tenderers not submitting Earnest Money should clearly indicate in their offer the reasons for the same, and failure to do so will be taken as unwillingness on their part to deposit the Earnest Money.
- 5.2 Tenderer not falling in the exempted categories mentioned in the subsequent para shall remit the Earnest Money online through Payment Gateway Facility available on the IREPS website. Earnest money shall be accepted via online payment gateway as available on IREPS portal. No other mode of submission of Earnest money is acceptable.
- 5.2.1 Amount of EMD to be taken in Advertised tenders, wherever applicable, will be 2% of the estimated tender value subject to an upper limit of
- a) Rs.5 Lakh for tenders valuing up to Rs. 10 Crores and
 - b) Rs.10 Lakhs for tenders valuing above Rs.10 Crores.
- 5.3. Exemption from Submission of Earnest Money: The under noted categories of tenderers need not deposit Earnest Money:-

- a. Firms registered with MSE as specified in para-3(b)(I)/NSIC upto the monetary limit of their registration for the items tendered.
- b. Firms registered with South Eastern Railway upto the monetary limit of their registration for the items tendered/trade groups of the items tendered.
- c. Firms on approved list of RDSO, DLW, CLW, ICF, RCF, DMW, RWF, CORE and South Eastern Railway etc for the tendered item.
- d. Manufacturers and their accredited agents, subject to a certificate of authorization from the manufacturer to participate in the specific electronic tender being submitted with the offer, as per proforma given in **Annexure-4**.
- e. Firms on approved list of DGS&D for the tendered item.
- f. Other Railways, Government Departments.

5.3.1 The tenderers falling under any of the above listed exempted categories and claiming exemption will have to follow all of the following steps to avail the exemption from submission of Earnest Money:

- a. Tenderers shall search for the relevant tender using the links (a) quick search or (b) advance search provided in their home page after logging into the system using their valid Username, Password& Digital Signature.

On retrieving the tender details, they shall click on the Submit Payment Details icon under Actions column to access the Submit Payment Details Page. The tenderers shall then choose the appropriate exemption category available under Submit EMD link on the Submit Payment details page.

- b. The tenderer will have to attach scanned copy of requisite document viz. the current and valid registration or approval certificate issued by NSIC/South Eastren Railway/RDSO/DLW/CLW/ICF/RCF/RWF/CORE etc for the tendered item or the tender specific authorization letter issued by the manufacturer in PDF format in the Attach Documents template on 'Techno Commercial Bid Details' form.

Offers of Tenderers who claim exemption but do not follow the above steps shall be treated as "Offers received without Earnest Money" and will be dealt with as per the existing guidelines.

The tenderers must note that if at any stage, it is found that any of the documents submitted by them are forged/incorrect, their offer shall be rejected; and in case purchase order has already been placed, the contract shall be liable to be rescinded including any other penal and legal action as deemed fit by the purchaser.

5.4 Offers of tenderers who do not submit Earnest Money, and are also not exempted from submission of Earnest Money are liable to be ignored. However, in deserving cases relaxation

from payment of Earnest Money may be considered on merits, as per guidelines issued by Government of India from time to time.

5.5 The purchaser reserves the right to forfeit the Earnest Money Deposit if the tenderer withdraws or revises his offer within the validity period or fails to deposit Security Money in terms of Clause 6 of this document.

5.6 No interest shall be payable by the purchaser on the Earnest Money.

6.0 SECURITY DEPOSIT

6.1 The successful tenderers shall, within 14 days after written notice of acceptance of tender has been posted to him, deposit a sum equal to 10% of total value of stores for which tender has been accepted, as security for satisfactory fulfillment of the contract, subject to an upper ceiling of

- a. Rs.10 lakhs for contracts valuing upto Rs.10 Crores and,
- b. Rs.20 lakhs for contracts valuing above Rs.10 Crores.

6.2 The Security money can be deposited in any of the following forms:

6.2.1 Deposit receipts, Pay orders, Demand Drafts, Guarantee Bonds issued by Nationalized or Scheduled Commercial Banks, Bonds of Indian Railway Finance Corporation and KRCL Bonds, Government Securities and deposit receipts in the post office saving banks. The Guarantee Bonds/Bank Guarantee should be submitted in the prescribed form as per **Annexure-5**.

6.2.2 Payment of Security money in the form of pay order/demand draft shall be made in favour of PFA, South Eastern Railway payable at Kolkata .

6.2.3 Security deposit shall remain valid for a minimum period of 60 days beyond the date of completion of all contractual obligations of supplier.

6.3 Security deposit for due fulfillment of contract for supply of stores will not be taken from:-

- a. Firms registered with NSIC upto the monetary limit of their registration for the items ordered
- b. Firms registered with South Eastern Railway upto the monetary limit of their registration for the items ordered/trade groups of the items ordered.
- c. Firms on approved list of RDSO, DLW, CLW, ICF, RCF, DMW, RWF, CORE and South Eastern Railway for the ordered item.
- d. Other Railways, Government Departments.

Tenderers seeking waiver of Security Deposit on this ground shall have to submit requisite valid documentary evidence.

6.3.1 However, for items categorized by South Eastern Railway as Safety Items in the tender documents (and the decision of South Eastern Railway in this regard shall be final and

binding), successful tenderers irrespective of their approval/registration with NSIC, RDSO, DLW, CLW, ICF, RCF, DMW, RWF, CORE, South Eastern Railway or other zonal railways shall be required to submit Security Money as per Clause 6.1 above.

6.4 Tenderers submitting Security Money in the form of Bank Guarantee (BG) should ensure the following, to avoid rejection/return of the BG:

1. The Bank Guarantee should be executed on non-judicial stamp paper of appropriate value as applicable at the place where the bank guarantee is executed.
2. The non judicial stamp paper used for executing the Bank Guarantee should have been purchased in the name of executants Bank.
3. The Bank Guarantee should be duly attested by notary public along with notarial stamps of appropriate value affixed thereon.
4. Every page of Bank Guarantee should be signed by the authority executing it and the Bank Guarantee should be duly numbered.
5. All corrections/alterations, if any, made in the Bank Guarantee should be duly attested by the executants Bank and the notary public as well.
6. The Bank Guarantee should be in the prescribed format (**Annexure – 5**) and completely in the typed form.

6.5 Registered firms will, however, furnish security deposit for orders beyond the monetary limit of registration and also for items for which they are not registered.

6.6 The refund of security deposit becomes due when the contract is satisfactorily completed in accordance with terms & conditions of the contract. Purchaser's decision in this regard shall be final and binding on the supplier.

6.7 If the contractor, having been called upon by the Purchaser to furnish security deposit, fails to make and to maintain a security deposit within the specified period, it shall be lawful for the Purchaser:-

- a) to recover from the Contractor the amount of such security deposit by deducting the amount from the pending bills of the contractor under the contract or any other contract with the purchaser or the Government or any person contracting through the Purchaser or otherwise however, or
- b) to cancel the contract or any part thereof and to purchase or authorize the purchase of the stores at the risk and cost of the contractor and in that event the provisions of Clauses 0702 shall apply as far as applicable.

6.8 No claim shall lie against the Purchaser in respect of interest on cash deposits or Government Securities or depreciation thereof.

6.9 The Purchaser shall be entitled and it shall be lawful on his part to forfeit the said security deposit in whole or in part in the event of any default, failure or neglect on the part of the Contractor in the fulfillment or performance in all respects of the contract under reference or any other contract with the Purchaser or any part thereof to the satisfaction of the Purchaser and the Purchaser shall also be entitled to deduct from the said deposits any loss or damage which the Purchaser may suffer or be put by reason of or due to any act or other default, recoverable by the Purchaser from the Contractor in respect of the contract under reference or any other contract and in either of the events aforesaid to call upon the contractor to maintain the security deposit at its original limit by making further deposits, provided further that the Purchaser shall be entitled to recover any such claim from any sum then due or which at any time thereafter may become due to the Contractor under this or any other contracts with the Purchaser.

7.0 SUBMISSION OF OFFERS

7.1 Procedure for submission of electronic offers

7.1.1 The tenderers should visit IREPS website at the address www.ireps.gov.in and submit online offers after logging into the website using their login ID, Password and Digital Signature. Tenderers can submit their online offers only after they have submitted tender document cost (or have chosen the exemption category for tender document cost, if applicable). Tenderers can submit online electronic offers after filling the details in the following pre-designed templates.

- 1.0 Submit Payment Details
- 2.0 Techno Commercial Bid Details (Bid Process page)
 - 1. Eligibility Criteria (Elig.*)
 - 2. Terms and Conditions (T&C*)
 - 3. Commercial Deviation (Com.Dev.)
 - 4. Technical Deviation (Tech.Dev.)
 - 5. Special Conditions & Check List (CheckList*)
 - 6. Technical Specifications (Tech.Spec.)
 - 7. Performance Statement (Perf.)
 - 8. Attach Documents (Attach Doc.)
 - 9. Financial Offer (Fin.Offer)

Templates named above superscribed with asterisk (*) will require digital signature for submission.

Tenderers shall be able to access the 'Financial Offer' link for entering into the 'Financial Rate Page for Supply' only after they fill in the details in the asterisk (*) marked templates on the 'Techno Commercial Bid Details' form and digitally sign and submit the same.

Tenderers may note that the IREPS software is continuously being upgraded and the forms referred above may be subject to changes. Tenderers are advised to keep themselves updated with the latest changes, by referring to the latest versions of user manuals available on the website, and by taking note of the messages sent by the IREPS administrator from time to time.

Tenderers should also make themselves fully acquainted with all the available templates/forms, before they submit their offer. No claim shall be entertained from a tenderer, on account of non-familiarity with the any of the templates and forms available on the IREPS website.

- 7.1.2 The electronic offers shall be digitally signed by the tenderer. To ensure confidentiality and security, the offers will be auto encrypted using highest level of digital security before transmission on internet channels. Such Electronic offers are received in a time locked electronic tender box, where they remain encrypted till stipulated tender opening date/time. All the details of the digital certificate as obtained from the CCA, showing the identity of the person who is authorized to sign and submit an electronic offer will get auto attached along with the electronic offer, and can be verified by South Eastern Railway at a later stage, to establish the identity of the person who has digitally signed and submitted his electronic offers. This is similar to an authenticated copy of the document which authorizes the signatory to commit on behalf of the firm.
- 7.1.3 Every online tender submitted duly signed with a valid Digital Signature Certificate and received before closing date & time of tender shall be acknowledged by the system and HTML receipt will be generated indicating tender ID as well as date and time of receipt of the tender.
- 7.1.4 Electronic offer once digitally signed and submitted for one or all the item/items cannot be accessed or revised later and shall remain fully secured confidentially stored into time locked E-tender box in an encrypted form till the due date and time of opening.
- 7.1.5 **Revised bids:** Vendors can submit a revised commercial offer (“Financial Rate Page for Supply” form) anytime before the stipulated closing date and time and in such case the last revised offer submitted at a later time and date shall be considered as the offer, superseding all the previously submitted offers for that item/items of the tender.
- 7.1.6 **Alternative bids:** The vendors are also allowed to submit alternative offer (for different make, specification, slab discount etc.)
- 7.1.7 **Late Offers:** The Indian Railway E-procurement application software does not permit vendors to submit their offers after the designated tender closing date and time.
- 7.1.8 The tenders are uploaded in IREPS website well in advance of closing time to give sufficient time to the vendors to participate in the tender. Vendors are advised in their own interest to submit their offers well in advance before the tender closing time. South Eastern Railway shall not be responsible for non-participation of vendors due to any technical problems such as network connectivity etc. on the tender opening day.

8.0 Goods and Service Tax (GST)

- (i) The bidders should ensure that they are GST compliant and their quoted tax structure/rates are as per GST law.
- (ii) The bidders are required to indicate the rate of GST applicable for the tendered item in their bids separately in the rate page provided in the IREPS System.

- (iii) The bidders while submitting their bids will be deemed to have given following declaration:
“We agree to pass on such additional set off / input tax credit as may become available in future under the GST provisions in respect of all the inputs used in the manufacture of the tendered item on the date of supply, by way of reduction in price and advise the purchaser accordingly.”
- (iv) In case the successful tenderer is not liable to be registered under CGST/IGST/UTGST/SGST Act, the railway shall deduct the applicable GST from his/their bills under reverse charge mechanism (RCM) and deposit the same to the concerned Authority.
- (v) The offers shall be evaluated based on the GST rate as quoted by each bidder and same will be used for determining the inter se ranking. While submitting offer, it shall be the responsibility of the bidder to ensure that they quote correct GST rate and HSN number.
- (vi) Purchaser shall not be responsible for any misclassification of HSN number or incorrect GST rate if quoted by the bidder.
- (vii) Wherever the successful bidder invoices the goods at GST rate or HSN number which is different from that incorporated in the purchase order; payment shall be made as per GST rate which is lower of the GST rate incorporated in the purchase order or billed.
- (viii) Vendor is informed that she/he would be required to adjust her/his basic price to the extent required by higher tax billed as per invoice to match the all inclusive price as mentioned in the purchase order.
- (ix) Any amendment to GST rate or HSN number in the contract shall be as per the contractual conditions and statutory amendments in the quoted GST rate and HSN number, under SVC.

8.2. Taxes and Duties (Applicable for items which are not covered under GST)

8.2.1 Excise Duty:

8.2.1.1 If purchaser is required to reimburse the Excise Duty separately, tenderers shall clearly indicate the specific percentage of Excise Duty that shall be applicable in the relevant field of ‘Financial Rate Page for Supply’ form.

8.2.1.2 Excise duty options-

A If reimbursement of Excise Duty is intended as extra over the quoted prices, the tenderers must use the drop down menu in the ‘Financial Rate Page for Supply’ form and select ‘Maximum Applicable’ option in the Excise Duty Type field on the ‘Financial Rate page’, and also quote the maximum percentage of Excise Duty that may be claimed in the E.D. Maximum Applicable (%) field. Alternatively, in case specific amount of Excise Duty is applicable per unit, the tenderer may quote specific Excise Duty by choosing the ‘Specific ED Maximum Applicable’ option.

In such cases, the offers shall be evaluated on the basis of maximum rate of ED applicable, as quoted by the tenderer in the relevant field, on the date of tender opening. However, ED will be reimbursed at actual (on production of documentary evidence of payment of ED) and within the upper ceiling of the maximum ED rate considered for evaluation purpose.

N.B.: If any concession on Excise duty is available to the tenderer at the time of submitting offers, which may be reduced or withdrawn, and the tenderers wish that actual ED at the time of supply should be reimbursed, then they should clearly quote with maximum percentage of statutory ED that can become applicable. Similarly, if the excise duty rate may increase due to increase in turnover, the tenderer shall indicate the maximum rate of excise duty which may become applicable.

- B If quoted rate is inclusive of ED, the tenderers must use the drop down menu and select 'Inclusive' option in the Excise Duty Type field on the 'Financial Rate Page for Supply' form. Alternatively, in case specific amount of Excise Duty is applicable per unit, the tenderer may choose the 'Specific ED Inclusive' option. In such cases, the tenderer shall also mention the percentage or amount of Excise Duty that has been included in the quoted rate in the 'Remarks' field on the 'Financial Rate Page for Supply' form, and If it is not done so, then, the offer will be taken as inclusive of ED at the highest rate of ED applicable for the item. Nothing extra shall be payable in such cases on account of Excise Duty, except on account of Statutory Variation, wherever permissible as per contract conditions. However, in case a lower rate of Excise Duty becomes applicable at the time of supply, the purchaser shall be entitled to recover from the supplier the difference in amount on account of such reduction in Excise Duty.

If a tenderer chooses to quote price inclusive of excise duty, it will be presumed that the excise duty so included is firm unless he has clearly indicated the rate of excise duty and quantum of excise duty included in his price and also sought adjustment on account of statutory variation in excise duty.

- C In case the tenderer selects 'Nil' or 'Not applicable' option in the Excise Duty Type field, nothing extra shall be payable in by the the purchaser on account of Excise Duty.

8.2.1.3 The tenderers should indicate in their offer whether they are registered with Excise authorities for availing CENVAT or not. If they are availing CENVAT, they should take into account the entire credit on inputs available under CENVAT Scheme while quoting the price and furnish a declaration to this effect along with a confirmation that any further benefit available in future on account of CENVAT will be passed on to the purchaser.

8.2.1.4 No claim on account of statutory variation will be accepted unless the tenderer has clearly indicated the rate of excise duty in his offer, and has also sought adjustment on account of statutory variation in excise duty. Statutory variation in Excise duty will be admissible within the original delivery period only, subject to statutory variation clause being a part of the Contract, and subject to production of documentary evidence and Govt. Notifications.

8.2.1.5 PAYMENT OF ED AND EXCISE DUTY- MODVAT RULES.

- a) The purchaser will not be responsible for payment of taxes and duties paid by the supplier under misapprehensions of law or misclassification and in such cases even if the suppliers bill contain an element of tax or duty which is not payable by the purchaser, such payment would be disallowed.
- b) The claim for ED on each bill should be supported by the following certificates.
 - i) The rate of ED is advalorem. The ED at present legally leviable in this case is Rs..... i.e on Rs.....being the unit value of the Stores assessed by the concerned authority of the Excise department.
 - ii) Certified that the ED charged on this bill is not more than that legally leviable and payable under the provision of the relevant act or rules made thereunder.
- c) Certified that the amount of Rs.....claimed as ED in this bill is in accordance with the provision of the rules in all respects and the same has been actually paid to the excise authorities in respect of the stores covered by the bills.
- d) Quarterly certificate to the effect that no refund of ED already reimbursed against this contract has been obtained during the quarter ending. In the event of any such refund being obtained by the seller, the same should be passed on to the purchaser.
- e) **MODVAT CERTIFICATE:** - The tenderers will have to give the following certificates in their offer:-

“We hereby declare that in quoting the above price, we have taken into effect, the full effect of the duty set-off on 'Central excise and counter veiling duties' .available under the existing MODVAT scheme. We further agree to pass on such additional duties and set off as may become available in future in respect of all the inputs used for the manufacture of the final product, on the date of the supply under MODVAT scheme, by way of reduction in price and advise the purchaser accordingly.”

8.2.1.6 South Eastern Railway will not reimburse any Excise duty paid by the supplier due to misclassification.

8.2.2 Sales Tax/VAT :

8.2.2.1 If reimbursement of Sales tax/VAT is intended as extra over the quoted prices, the tenderers must use the drop down menu in the relevant field and select CST Extra, LST Extra or VAT Extra options in the Sales Tax field on the 'Financial Rate Page for Supply' form, and also quote the percentage of Sales Tax/VAT that is required to be reimbursed by the purchaser. In the absence of any such stipulation, no claim on account of Sales Tax/VAT will be entertained after the opening of tender.

8.2.2.2 While quoting the rates, tenderer shall pass on (by way of reduction in prices) the set off/input tax credit that would become available to them by switching over to the system of VAT from the existing system of Sales Tax, duly stating the quantum of such credit per unit of the item quoted for, which has been availed and passed on to the purchaser in the rates submitted.

8.2.2.3 The tenderer while submitting the tenders shall be deemed to have given the following declaration.

“We agree to pass on such additional set off/input tax credit as may become available in future under the VAT scheme in respect of all the inputs used in the manufacture of the final product on the date of supply, by way of reduction in price and advise the purchaser accordingly.”

8.2.2.4 The suppliers while claiming the payment for the supplies made will furnish the following certificate to the paying authorities;

“We hereby declare that additional set offs/input tax credit to the tune of Rs.... has accrued and accordingly the same is being passed on to the purchaser and to that effect the payable amount may be adjusted.”

This certificate shall be furnished even for contracts where CST is payable.

8.2.2.5 Provincial or inter-state central sales tax where leviable and intended to be claimed from purchaser should be separately indicated along with the quoted price. As per Taxation Laws (Amendment) Act, 2007 amending the CST act, 1956, Form-D for concessional sales tax for Government purchases is not being issued w.e.f. 01.04.07.

8.2.2.6 No claim on account of statutory increase in Sales Tax/VAT will be accepted unless the tenderer has clearly indicated the rate of Sales Tax/VAT in his offer, and has also sought adjustment on account of statutory variation in Sales Tax/VAT. Statutory variation in Sales Tax/VAT will be admissible within the original delivery period only, subject to indication of the same in the Contract, and subject to production of documentary evidence and Govt. Notifications.

8.2.2.7 South Eastern Railway will not reimburse any Sales Tax/VAT paid by the supplier due to misclassification.

8.2.3 Octroi Duty:

8.2.3.1 Octroi Duty is not payable on railway material. Therefore, the purchaser shall not bear any Octroi Duty. The consignee will issue Octroi Exemption Certificate on demand to enable the supplier to avail exemptions from Octroi Duty. However, if case of refusal of the municipal authorities to accept the Octroi Exemption Certificates, the Octroi Duty shall be borne by the seller.

8.2.4 Entry Tax :

- 8.2.4.1 Unless specified otherwise in the Purchase Order, the Entry Tax shall be borne by the seller. In such cases where Entry Tax is to be borne by the seller, the road permit shall be issued only after deposition of the applicable Entry Tax amount by the seller with the concerned authority and submission of documentary evidence of the same to the Purchaser. The purchaser shall be at liberty to deduct the Entry Tax amount from the seller's pending bills, if the same has not been deposited by the seller with the concerned authority.

8.3 Statutory Variation Clause:

Statutory Variation Clause is applicable on all Statutory levies such as Duties, Taxes etc. during the Original Currency of Contract subject to production of documentary evidence.

9.0 OPENING OF ELECTRONIC TENDERS

- 9.1 The tender shall be opened electronically by railway official(s), authorized to do so by South Eastern Railway, by logging on the IREPS website with their Login ID and Password, by authenticating themselves through their Digital Signature Certificate, as well as applying secure decryption key of SOUTH EASTERN Railway for decryption of electronic offers.
- 9.2 The tender shall normally be opened on the stipulated closing date, after the stipulated opening time. In case the closing date falls on a holiday, the tender shall be opened on the next working day. However, due to unavoidable reasons, the tender may not be opened on the stipulated closing date, and may be opened on a later date. However, no revision or modification of the offer shall be allowed after the closing date and time, even if there is any delay in the tender opening.
- 9.3 Immediately after the opening of tender, financial and Techno-commercial tabulation statements are generated by the IREPS module. Vendors who have submitted valid offers against electronic tenders against 'Open' and 'Special Limited' tenders are not required to come to South Eastern Railway office to witness the tender opening process and know the offer details, as they will be able to access the tabulation statements and bids, immediately after tender opening, by visiting the IREPS website and logging in with their Login ID, Password and Digital Signature.

10.0 EVALUATION OF OFFERS

- 10.1 The commercial offer details shall be submitted by vendors using 'Financial Rate Page for Supply' form having separate entry box for each element of rate. The vendors must fill in basic rate and other rate components such as sales tax and excise duty (duty slab as applicable or can become applicable during currency of contract), unconditional discount on basic rate, if any, packing charges on basic rate, forwarding charges, freight charges, other charges, if any, in the boxes provided in the 'Financial Rate Page for Supply' form. The all inclusive rate per unit shall be calculated automatically considering all the elements of rate components, as filled by vendor before submitting the offer, and will be displayed before vendor submits his digitally signed electronic offers. Tenderers can edit any or all rate entries before submission and before digitally signing their electronic offers. Tenderers are therefore advised to check,

and revise any or all the entries in the rate page before the same is digitally signed and submitted.

All offers will be evaluated after taking into account the all inclusive destination rate per unit, which will also be displayed to the vendor before submission of his electronic offer.

- 10.2 Tenderers should quote financial terms and conditions in the nominated fields of 'Financial Rate Page for Supply' form only. Any financial terms and conditions mentioned in the fields other than the nominated fields will be ignored and will not be considered for purpose of evaluation of offer to determine the inter-se ranking of the offer. Tenderers are advised not to quote any terms and conditions having financial bearing in any other template of 'Techno Commercial Bid Details' form except the 'Financial Rate Page for Supply' form. Tenderers are advised not to mention any terms and conditions having financial implications in the Remarks field of the 'Financial Rate Page for Supply' form, as these will not be considered for evaluation of the offer. Similarly, any financial terms and conditions enclosed as attachments or received through post will be ignored and not considered for purpose of evaluation of offer to determine the inter-se ranking of the offers. However, Railways at their own discretion may avail the benefit of such conditions while placing purchase order, if the offer is considered for placement of order.

Nothing extra shall be payable over and above the all inclusive rate shown in the financial offer, except on account of Price Variation clause, and Statutory Variation, if applicable. Digital Signature of the tenderer on the E-tender form shall be construed as confirmation that the tenderer has read and accepted this condition.

- 10.3 The tenderers shall quote specific freight charges in the relevant field of financial rate page. Ambiguous remarks like 'freight extra at actuals', 'freight shall be charged extra', 'Railway freight shall be charged extra' etc., mentioned in the 'PVC and remarks' field or elsewhere in the electronic offer or attachments shall not be considered for evaluation, and may render the offer liable to be ignored. However, freight charges shall not be payable if the offer is considered.
- 10.4 Rates quoted by the tenderers with discounts, if any, linked to quantity will be considered for determining inter-se position of the offers, provided it is submitted by the Tenderer as an Alternate bids. Discounts with conditions attached to early payment, early Receipt Notes etc. will be ignored for calculating inter-se position. However, Railways may avail the discounts linked to early payment, early Receipt notes etc. if otherwise firm's offer is found to be acceptable.
- 10.5 The tenders will be evaluated by the Purchaser on free delivery to destination basis, to ascertain the best and lowest acceptable tender, as specified in the specifications and tender documents. Wherever more than one consignee/items are involved, unless specified otherwise in the tender document, tender would be evaluated and inter-se ranking of the tenderer would be made for each item and/or each consignee separately.

- 10.6 The inter-se ranking shall be determined by considering the taxes & duties applicable on the date of tender opening and the inter-se ranking arrived at in such manner shall be taken as final.

In case of reduction in taxes and duties, the taxes and duties will be paid as per rate thereof prevailing on the date of supply.

Statutory variation in taxes and duties shall be allowed only where the tenderers have specifically sought such statutory variation in their offer(s).

- 10.7 Claim for any tax or duty not stipulated in the quotation will not be admitted at any stage on any ground whatsoever.

11.0 ACCEPTANCE OF TENDER

- 11.1 The purchaser may accept a tender for a part or whole of the quantity offered, reject any tender without assigning any reason and may not accept the lowest or any offer.

12.0 DELIVERY SCHEDULE

- 12.1 The tenderers should quote the delivery period/delivery schedule carefully, because the time and date for the delivery of stores shall be the essence of the contract and delivery must be completed not later than the date so specified. The attention of the tenderers is invited to clauses 0700, 0701 and 0702 of the IRS Conditions of Contract, which shall govern the contract.
- 12.2 The delivery period and delivery schedule as per SOUTH EASTERN Railway's requirement are indicated in the respective fields in the electronic tender. Tenderers are advised to adhere to the delivery period/delivery schedule stipulated in the tender, as deviation from the same may render their offer liable to be ignored. Tenderers should invariably quote firm delivery period in their quotation. If the quoted delivery period spreads over several months, the date of commencement, monthly rate of delivery and the date of completion of delivery must be indicated.
- 12.3 In the case of "ex-stock" offers, the despatch of stores is to be effected within 7 days of the receipt of order. Wherever the stores are subject to inspection by RITES/RDSO etc. before despatch, extra time of 3 weeks will be allowed to cover time in inspection.
- 12.4 In case of delivery by Rail, the date on which stores are placed on Rail (i.e. RR/PWB date) will be date of delivery for FOR place of despatch. In case of local delivery, the date of delivery to consignee will be taken as date of delivery. For outstation despatches, if sent by lorry, the date of receipt of material by consignee will be taken as date of delivery.
- 12.5 No transit time shall be allowed beyond the delivery date stipulated in the contract.
- 12.6 Time Preference Clause: It should be noted that if a contract is placed on a higher tenderer as a result of invitation of tender, in preference to the lower acceptable offer, in consideration of

offer of earlier delivery, the contractor will be liable to pay to the Government the difference between the contract rate and of the lowest acceptable tender on the basis of final price F.O.R destination including all elements of freight, Sales Tax, Local taxes, duties and other incidentals in case of failure to complete supplies in terms of such contract within the date of delivery specified in tender and incorporated in the contract. This is in addition and without prejudice to other rights under the terms of contract.

13.0 Delivery Terms-

- 13.1 The purchaser will prefer free delivery by road at consignee's end.
- 13.2 Tenderers are required to clearly indicate the freight charges in the relevant field in the 'Financial Rate Page for Supply' form. The freight charges to be paid shall in no case exceed the freight charges quoted by the tenderer in the relevant field in the 'Financial Rate Page for Supply' form.
- 13.3 In case an offer is submitted on 'FOR-Station of despatch' basis, 'FOR- Ex-Works' basis or 'FOR- Ex-Godown basis' and 'Nil' freight charges are quoted by the tenderer in the relevant field on the 'Financial Rate Page for Supply' form, the supplier shall agree to despatch the stores by rail/road on free delivery to consignee. No freight charges shall be payable in such cases.
- 13.4 The purchaser will not pay separately for transit insurance and supplier will be responsible till the entire stores contracted for are received by the consignee in good condition at destination.

14.0 LIQUIDATED DAMAGES

- 14.1 In case of failure on the part of the supplier to arrange supplies as per the delivery schedule/installments fixed in advance, save delays attributable to purchaser, the purchaser reserves the right to levy liquidated damages which shall be levied as per Para 702 (a) of IRS Conditions of contract for delayed quantity which have remained unsupplied for that period.
- 14.2 Railway shall recover from the Contractor as agreed Liquidated Damages and not by way of penalty, a sum equivalent to 2% (Two percent) of the price of any stores (including elements of taxes, duties, freight, etc.) which the contractor has failed to deliver within the period fixed for delivery in the contract or as extended for each month or part of a month during which the delivery of such stores may be in arrears where delivery thereof is accepted after expiry of the aforesaid period, subject to a maximum of ten percent of value of the delayed supplies.

15.0 RISK PURCHASE

- 15.1 Para 0502 and Para 0702 of IRS Conditions of Contract in respect of Risk purchase are modified as under.

- a. Risk purchase clause is deleted for all orders for Safety items where levy of Security Deposit @ 10% has been made compulsory, and Security Deposit has been submitted by the firm. Whenever such contracts are cancelled, Security Deposit shall be forfeited.
- b. In respect of orders for materials other than safety items, where 10% Security Deposit has been taken from firms, Risk Purchase clause is deleted and in case of default by the firm, the Security Deposit shall be forfeited.
- c. In cases as covered under para (a) and (b) above, the quantities unsupplied may be procured separately without risk and cost of the original firm/supplier.
- d. Adverse performance of such firms shall be recorded and shall be intimated to the approving authority and shall also be taken into account in future tender cases on merit.
- e. Such cases which are not covered under Para (a) and (b) above, Risk Purchase provisions shall continue for them as per the IRS conditions of contract.
- f. Time for making Risk Purchase: Whereas this will be governed by the relevant clauses of IRS Conditions of Contract, such Risk Purchase shall be made within 9 months (instead of 6 months) from the date of breach of Contract.

15.2 Failure & Termination-

If the contractor/supplier fails to deliver the Stores or any installment thereof within the period fixed for such delivery in the contract or as extended or at any time repudiates the contract before expiry of such period, purchaser would be entitled for action as per clause 0702 of IRS conditions of contract

However where risk purchase as per clause 0702(b) could not be resorted to, due to any reason, the purchaser would be entitled to claim from the contractor general damages@10 % of the outstanding value of contract& to cancel the contract with levy of general damages.

16.0 INSPECTION

16.1 The inspection of stores at manufacturer's premises before dispatch will be conducted by an agency nominated by the purchaser viz. RITES or RDSO or DQA or the representative of consignee. Final inspection of stores will be done by the consignee on receipt at destination.

16.2 Tenderers are required to confirm acceptance of the Inspection Clause mentioned in the tender document, and non-acceptance of the same shall render the offer liable to be ignored.

- 16.3 Traders/ authorized agents are required to offer material for inspection at manufacturer's premises only.
- 16.4 In case the firm fails to offer the material for inspection against inspection call issued to the inspecting agency or if the material have to be reinspected due to rejection of the material at firms premises by the inspecting agency or due to non despatch of material within validity of Inspection Certificate, then the charges as per terms and conditions of pre-inspected agency will be paid by the supplier to the inspection agency.

16.5 **Requirement of BIS Certification for raw Materials:**

If the specification of material used to manufacture the tendered item comes under the mandatory certification of BIS,(the details of mandatory certification are indicated on the Bureau of Indian standards(BIS) website-www.bis.org.in under "Product Certification" _ Mandatory Certification" the firm will ensure the purchase of material from the sources which are having BIS License and with ISI mark. The necessary related documents will be required to be submitted by the firm if the same is asked for by inspecting agency or any third party. The firm will produce the trail of documents and test certificates to show that the said item has been sourced from BIS license and with ISI mark. This will be applicable to individual item and/ or a part in the assembly/ Fabricated item. ISI stamp should be demonstrated by the vendor/supplier/ Contractor on the item or its salvage, which should be available in vendor's Premises.

17.0 ADVICE OF DESPATACH OF STORES

- 17.1 The supplier should ensure that Railway receipts/PWB under which the material is booked to a Railway consignee are prepared in the favour of 'consignee' and not self' failing to which they will be required to take the delivery themselves and deliver the consignment to the consignee. When suppliers submit the original RR/PWB along with other documents to paying authority for claiming advance payment, a photocopy of RR/PWB should be sent simultaneously to consignee.
- 17.2 All dispatch documents i.e. RR/PWB, Challan, Inspection certificate etc. should be sent to the consignee and copies of advice of dispatch, must also be sent to the Principal Chief Materials Manager, South Eastern Railway, Kolkata .
- 17.3 The contractor shall submit monthly report concerning the progress of the contract and/or supply of stores to the purchaser and Consignee. The submission and acceptance of such reports shall not prejudice the rights of the purchaser in any manner.

18.0 PAYMENT TERMS

- 18.1 The standard payment terms subject to recoveries, if any, under the IRS conditions of Contract are as under :-
- a. 95% payment against inspection certificate and proof of despatch/delivery to consignee and balance 5% after receipt and acceptance of the goods.

- b. 100% payment against receipt and acceptance of material by the consignee after inspection and acceptance at destination.

For contracts valued upto Rs.5 Lakh, payment terms as per (b) above only will be accepted.

- 18.2 In case of despatch by rail, unqualified Railway Receipt/Parcel Way Bill will be taken as the proof of despatch. In case of despatch by other means such as road transport, receipted challan signed by the Gazetted Officer at consignee's end will be taken as proof of delivery for the purpose of para 18.1.a. above.
- 18.3 Tenderers are advised to accept the standard payment terms incorporated in the tender, as deviation from the same shall render the offer liable to be ignored.
- 18.4 In deserving cases, South Eastern Railway, at their sole discretion may accept deviation from the standard payment terms, as per existing guidelines/ instructions
- 18.5 **For Machinery & Plant items:**80% payment will be allowed after receipt of the machine in good and acceptable condition at consignee's end against inspection certificate and the supplier's challan certified by the consignee Gazetted Officer. Balance 20% payment will be made on successful installation, commissioning and testing of the machine and also furnishing of a Bank Guarantee towards warranty obligations of the contractor for 10% of the value of the machinery or plant.
- 18.6 **ELECTRONIC FUND TRANSFER:** To facilitate speedy payment to Suppliers/firms, South Eastern Railway has introduced National Electronic Fund Transfer (NEFT) scheme through State Bank of India, As the above payment mode is mandatory the suppliers are advised to furnish their bankers details in the NEFT mandate form which is enclosed as **Annexure-6** in this booklet. If the Bank data are not furnished by the firms, their payment will not be made through EFT system.

19.0 **PROCEDURE FOR SUBMISSION OF BILLS**

All payments are made only through NEFT/RTGS. Firms have to fill and attach the Mandate Form as per annexure 6 along with their offers, if not already executed. Purchase order will not be issued without mandate forms duly filled and attached scanned copy duly signed by the Authorized Representative.

20.0 **Samples, Drawings & Specifications**

20.1 **Samples -**

- 20.1.1 The offers should strictly conform to the specified description and drawing/specification in schedule of requirements and no samples need be submitted unless so mentioned in tender form. When samples are required, the same must strictly conform to description, drawing/specification as mentioned in the tender documents. Samples submitted will be considered as supplemental and not in supersession to any specification mentioned and such

samples will only be considered in relation to those points which are not defined in the specification. The onus of drawing attention to any particular item in which a tenderer wishes his samples to supersede or vary from the tender description/specification lies on tenderer. In the absence of specific acceptance in writing to any variation, the purchaser shall be entitled to reject any claim for acceptance of supply embodying such variation.

When samples are called for, they should be marked, sealed and labelled so as to correspond with the item of the tender. They should be sent "Freight Paid" to the same address as per the tender, and arrangements should be made to see that they arrive by the opening time and date of the tender; otherwise the offer will be summarily rejected.

Samples submitted by the tenderer which are of the value of Rs. 500/-or less will not be returned to them. For samples valuing above Rs. 500/-the tenderer must state on the tender form if he requires the return of unaccepted samples failing which they will be retained by the purchaser. Unaccepted samples will be returned to firms on application who may arrange collection of the same from PCMM Office.

Firms with whom orders are placed should refrain from sending advance samples unless called for and should make supplies strictly as per tenders or orders placed with them.

20.1.2 Wherever the tenders have been invited as per approved sample, such approved sample can be seen in the sample room in the Office of the Principal Chief Materials Manager, South Eastern Railway, Garden Reach, Kolkata-700043, during office hours, on any working day before the closing date and time of the tender.

20.2 **Drawings & Specifications-**

20.2.1 Where the tenders have been invited as per IRS/RDSO drawings or specifications, the tenderer shall obtain such drawings or specifications from RDSO (Research Designs and Standards Organisation, Manak Nagar, Lucknow-226011) on payment of the cost of drawings/specifications, well in advance of the closing date. Similarly, where the tender has been invited as per drawings or specifications issued by ICF (Integral Coach Factory, Perambur, Chennai,Tamilnadu)/RCF (Rail Coach Factory, Kapurthala, Punjab)/CLW(Chittaranjan Loco Works, Chittaranjan, West Bengal)/DLW (Diesel Locomotive Works, Varanasi, Uttar Pradesh)/CORE (Central Organisation for Railway Electrification, Allahabad, Uttar Pradesh), the tenderer shall obtain such drawings/specifications from the respective issuing authorities, on payment of cost of the drawing/specification. Where the tender has been invited as per BIS specifications or any other standards, it shall be the responsibility of the tenderer to arrange such documents from the respective issuing authority. South Eastern Railway shall provide no assistance to the vendors in this regard, and shall not be responsible for non-participation of vendors on account of delay in arranging such drawings/specifications.

20.2.2 Where the tenders have been invited as per South Eastern Railway drawings or specifications, scanned copies of such drawings/specifications shall normally be attached with the electronic tender. However, where it is not possible to do so, the drawings/specifications can

be seen/ obtained from the Office of the Principal Chief Materials Manager, South Eastern Railway, Garden Reach, Kolkata-700043, during office hours, on any working day before the closing date and time of the tender.

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

21.0 PRICE VARIATION CLAUSE

- 21.1 Unless otherwise specified in Tender Schedule, Tenderers are advised to quote firm prices only. Offers of Tenderers quoting with PVC in such cases shall be summarily rejected.
- 21.2 However, wherever considered desirable by the purchaser, a Price Variation Clause may be incorporated in the Tender Schedule itself. In all such cases, where PVC formula and PVC base date/base rate has been incorporated in tender, the Tenderers are advised to submit their offers as per the PVC formula and Base Date/Base Rate incorporated in the tender document and offers received with fixed prices or with a different Price Variation formula or different base date/base rate shall be summarily rejected.
- 21.3 Tenderers who quote with PVC as stated in Para 21.2 above on account of escalation in price of raw materials may please note that such escalation claims will be subject to verification by the PFA with reference to the records that may be called for from them. Successful Tenderers will be required to produce complete records for verification/examination of their claims under price escalation before acceptance of such claim. If the tenderers fail to establish their claim by producing satisfactory records before the PFA/SER, their claim will be disallowed and/or proportionately/suitably reduced.

22.0 PRICE/PURCHASE PREFERENCE

- (a) The purchaser reserves the option to give a purchase/price preference to the offers from public sector/or from small scale /cottage industries units over those from other firms, in accordance with the policies of the government from time to time. The price preference above cannot however be taken for granted and very endeavour need be made by them to bring down cost and achieve competitiveness. However, the purchase preference to Central Public Sector undertaking is not available beyond 31.03.08 as per extent instructions of Gov. of India.
- (b) Purchase Preference will be given to MSEs as per details specified in Clause-3.0

‘BENEFITS/PREFERENTIAL TREATMENT TO MICRO & SMALL ENTERPRISES (MSEs)’ of this document.

23.0 CARTEL FORMATION:

- (a) Wherever all or most of the approved firms quote equal rates and cartel formation is suspected, Railways reserve the right to place order on one or more firms with exclusion of the rest without assigning any reasons whatsoever.
- (b) Whenever tender is floated with purchase restriction from sources approved by nominated authorities and there exists a suspected cartel situation by approved sources or the rates available from approved source/sources are adjudged unreasonably high, despite fair efforts as permissible, the purchaser reserves the right to place orders on firms outside the approved vendors list, without any restrictions.
- (c) Firms are expected to quote for a quantity not less than 50% of tendered quantity. Offers for quantity less than 50% of quantity will be considered unresponsive and shall become liable to be rejected. This however will be without any prejudice to Railway's right to distribute the tendered quantity & place order on one or more firms.
- (d) firms who quote in cartel be warned that their names are likely to be deleted from list of approved sources.

24.0 OPTION CLAUSE:

- 24.1 Unless otherwise specified in the tender document, the purchaser shall be entitled to vary the order quantity by (+/-)30% anytime within the delivery period (including extended delivery period). The increase in quantity with respect to the tender quantity can be done even at the time of ordering and the tenderer shall be bound to accept the quantity so ordered on the basis of his original offer. As per extant instruction, operation of the option clause can be made any time within contractual delivery period giving reasonable time to the firm to supply the enhanced quantity. It may be noted that for invocation of the option clause, validity of the contract will be considered upto the contractual delivery period even though the supplies have been completed in advance.
- 24.2 In case of Delivery Period is extended in the contract with (+) 30% option clause either for full ordered quantity or a part quantity which remained unsupplied on the date of expiry of the original Delivery Period, then during the extended Delivery Period also, quantity variations can be made on the total ordered quantities.
- 24.3 Tenderers may please note that option clause is mandatory for Contracts valuing above Rs. 75 lakhs and where item is of continuing nature. However Railway reserves the right to put the option clause in the lower value contracts also.

25.0 Splitting of tendered quantity

- 25.1 **Case of no prior decision to split the order-**

(A) Normally full order shall be placed on L-1 firm. However, if it is discovered that the quantity to be ordered is more than what L-1 alone is capable of supplying and there was no prior decision to split the quantities, then the quantity being finally ordered will be distributed among the other tenderers in a manner that will be fair, transparent and equitable. The manner of splitting will take specific note of the following parameters-

- (i) Past Performance of tenderers
- (ii) Capacity of tenderers
- (iii) Delivery requirements in the tender
- (iv) Quantity under procurement
- (v) Vital/safety nature of the items

(B) In the absence of any differentiation on the above parameters, the manner of splitting will be based on the stipulation given in para 25.2.1 below.

25.2 Case of pre-decided split ordering –

25.2.1 Wherever pre-decided split ordering is mentioned in the tender document in advance to have more than one source of supply on account of delivery requirement in tender, past performance and capability of bidders, quantity under procurement and vital/safety nature of items, provision 25.2.1(a) to para 25.4 shall be applicable.

- (a) The purchaser reserves the right to distribute the procurable quantity on one or more than one of the eligible tenderers. Zone of consideration of such eligible tenderers will be the right of the Purchaser. The zone of consideration will be a dynamic mix of inter-se position of firms, supply performance of the firms, quantity being procured, criticality of and lead time of supply of the item, number of established suppliers, their capacity etc.
- (b) Whenever such splitting of the procurable quantity is made, the quantity distribution will depend (in an inverse manner) upon the differential of rates quoted by the tenderers (other aspects i.e. adequate capacity- cum-capability, satisfactory past performance of the tenderers, outstanding orders load for the Railway making the procurement, quoted delivery schedule vis-a-vis the delivery schedule incorporated in the tender enquiry etc being same/similar) in the manner detailed in the table below:

Price Difference Between L1 And L2	Quantity distribution ratio between L-1 and L-2
UPTO 3%	60:40
MORE THAN 3% AND UPTO 5%	65:35
MORE THAN 5%	At least 65% on the L1 tenderer. For the quantity to be ordered on the L-2 tenderer, the purchaser shall decide.

In the phrase ‘differential rates quoted by the tenderers’, the quoted rate would mean

- (i) When no price negotiation has been called for, the original rates as obtained at the time of tender opening. However the rate of the highest eligible tenderer within the zone of consideration has to be per se reasonable.
- (ii) When price negotiation has been called for, the reference L-1 rate for assessment of ratio will be the original rate of L-1 firm (suitable for bulk quantity)- say firm “A” –as obtained at the time of tender opening.
- (c) If splitting of quantity is required to be done by ordering on tenderers higher than the L2 tenderer, then the quantity distribution proportion amongst the tenderers will be decided by transparent/logical/equity based extrapolation of the model as indicated in the above para.

25.2.2 However, in exceptional circumstances Railway reserve the right not to split the order quantity in cases of pre decided splitting.

25.3 For cases where the Rlys/PUs had entered the into ToT/JV agreements the following shall be applicable.

“As the Rly has entered into TOT/JV agreement with no. of firms, they reserve the right to place orders on all such TOT/JV agreement partners. However for ratio/proportion of quantity distribution among such agreement partners, conditions as detailed in Para 26.2.1(b) shall apply with the exception that the aspect of ‘per-se reasonability’ will not be applicable.”

25.4 In the cases of inadequate capacity-cum-capability, dissatisfactory past performance large quantity of outstanding orders (liquidation of which will take very long time) etc, the Purchaser shall have the right to distribute the procurable quantity amongst tenderers with due consideration to these constraints and in such a manner that would ensure timely supply of materials in requisite quantity to meet the needs of operation, maintenance, safety etc of the Railways, regardless of inter-se ranking of the tenderers and in a fair and transparent manner with due conformity to the Principles of Natural Justice and Equity.

26.0 FALL CLAUSE

Wherever specifically mentioned in the tender schedule, Fall Clause will be applicable as per following conditions:

26.1 The price charged for the stores supplied under the contract by the contractor shall in no event exceed the lowest price at which the contractor sells the stores or offer to sell stores of identical description to any persons/organizations including the purchaser or any department of Central Government or any Railway Office or any Railway Undertaking, as the case may be, during currency of the contract. The lower price will be applicable to supplies made after the date of coming into force of such reduction or sale or offer to sell at a reduced rate.

26.2 If at any time during the said period the contractor reduces the sale price, sells or offers to sell such stores to any persons, organizations including the purchaser or any Department of Central Government or any Railway Office or any Railway Undertaking as the case

may be at a price lower than the price chargeable under the contract, they shall forthwith notify such reduction or sale or offer of sale to the purchaser and the price payable under the contract for the stores supplied after the date of coming into force of such reduction or sale or offer of sale, shall stand correspondingly reduce.

26.3 The contractor shall furnish the following certificate to the concerned accounts officer along with each bill for payment of supplies made against the contract.

“I/We certify that there has been no reduction in sale price of the stores of description identical to the stores supplied to the Government under the contract herein no such stores have not been offered/sold by me/us to any person/organization including the purchaser or any Department of Central Government or any Railway Office or any Railway Undertaking as the case may be up to the date of bill, at a price lower than the price charged to the Government under the contract”.

27.0 REJECTION OF MATERIAL

27.1 Materials peculiar to railways such as parts and fittings of rolling stock except raw materials, which have been rejected during inspection and which could not be rectified are required to be defaced by the inspecting authority to avoid recycling of such rejected materials, and to avoid ultimate failures of assets. All such rejected materials peculiar to railways should be mechanically defaced to prevent sale to railways again.

27.2 Handling of Rejection cases by Consignees:

27.2.1 A. Pre-inspected material rejected by consignee at the time of receipt-

- (i) In case of rejection of pre-inspected goods at consignee end, the material rejection advice/rejection memo should be sent by consignee to all concerned i.e. Firm, Purchaser, Pre-inspecting agency, paying authority as per contract etc. without fail.
- (ii) **Financial recovery:** In case payment has been made to the firm for the material, the concerned paying authority as per contract should note the rejection advice details in the recovery register for effecting recovery of payments made, as the case may be.
- (iii) If the firm desires to have joint inspection, Joint inspection of rejected material will be held with pre-inspecting agency and firm. In case of failure of either of the two parties to associate with joint inspection should be held by the consignee with whichever of the two parties comes for joint inspection. Irrespective of whether the party (ies) attend joint inspection or not, the modality of joint inspection etc will have to be completed within 21 days of communication of rejection advice to the supplier (in line with IRS conditions of Contract clause 703). For imported material, the time limit will be 45 days.
- (iv) Firm may be permitted to collect the rejected goods only after the firm has deposited the payments already made by Railway (if any) to the firm or equivalent amount has been recovered for this purpose.

(v) In case of replacement supply against the rejected goods, the same should be pre-inspected by same pre-inspecting agency who passed the material earlier. In line with IRS conditions of Contract clause 703, no inspection charge will be paid by Railway to the inspection agency for the replacement supply.

(vi) However in case of component level rejection in an pre-inspected item (which is an assembly), the replacement supply of the component can be accepted based on firm's internal inspection certificate and final inspection by consignee.

B. Material rejected in warranty-

I. Material are rejected in warranty in the following situations:

- (a) the material rejected was issued to the user (shop/shed etc) from its associate stores depot.
- (b) The material rejected was received by the user from a PU or from a stores depot which is not the associate depot of the user.

Cat B.I(a) The warranty claim will be lodged by the associate depot officer indicating reasons of warranty rejection. The time for joint inspection as per para 27.2.1A(iii) will be 45 days from the date of communication of rejection advice to the supplier.

Cat B.I(b): For warranty failure in shop/shed of material received from PU (either under sale issue note or as a purchase component of rolling stock manufactured at the PU) or from a stores depot (under inter depot transfer/sale issue note) which is not the associate stores depot of the end user.

- (i) The stores depot (which received the original supply) will be advised by the end user about the warranty rejection duly indicating the reason(s) of rejection with a confirmation that the rejected material is under end user's custody.
- (ii) The stores depot (which received the original supply) will raise warranty claim on the firm.

A warranty rejection advice shall be issued by the depot which has originally received the material. The time which for the completion of joint inspection as per para 27.2.1A(iii) will be 45 days from the date of communication of rejection advice to the supplier.

For imported material, the time limit in Cat.I(a) and Cat.I(b) will be 90 days.

II. Warranty quantity replacement: The warranty quantity replacement will be accounted under warranty R-note by the depot officer (which raised the warranty claim as in sub-para B.I.(a) above).

Financial recovery (if any made) against the warranty failure will be refunded to the firm on warranty quantity replacement.

III. Inspection of the replacement supply against warranty rejection:

(A) For cases of replacement supply against warranty failure falling in the category B.I.(a) above, the replacement supply should normally be inspected by the same inspection agency which inspected and passed original supply. Thus for B.I.(a), any change in inspecting authority for the warranty replacement will necessitate a formal amendment in contract.

(B) In case of warranty rejection of item of the category B.I.(b) above, it may in some cases be difficult to re-use the services of inspecting agency which passed the original supply. Similarly for some items, the end user/consignee may not have the requisite inspection facility/expertise.

Thus for warranty rejection falling in the category B.I.(b) above:-

(i) The replacement supply can be inspected by the same inspecting agency which inspected and passed the original supply. Payment of inspection charge will be borne by supplier.

OR

The replacement supply can be inspected by authorized representative of consignee.

OR

The replacement supply can be made by firms own internal inspection certificate.

(ii) The decision on the above will rest with the depot officer who raised the warranty claim and will be indicated in the warranty claim notice.

(C) However in case the warranty failure is of a component of an assembly supplied, the component can be accepted on firm's own Guarantee certificate/internal inspection certificate and consignee's final inspection for both the categories {(Cat B.I.(a) and Cat B.I.(b)} of warranty failure.

(IV) Place of warranty replacement – For warranty replacement of category B.I.(a), in order to ensure correct accountal of warranty replacement, the place of warranty replacement will be the depot which received the original supply. For warranty replacement of failure falling in category B.I.(b) above, an exemption can be made and the place of replacement supply can be indicated by the depot officer (at his option) in the warranty claim notice to the firm to be the end user's place.

(V) For warranty replacement of the category B.I.(b), due care will be taken care of by the end user to ensure that correct accountal of replacement supply etc. are properly taken care of. After settlement of warranty claim the rejected material will be handed over by the end user to the firm's representative. The end user will also inform the depot officer who raised warranty claim about the replacement.

27.2.2 At the option of the depot officer/end-user, rectification of the material rejected

{under category 27.2.1(A) and 27.2.1(B)} may be permitted within railway premises by the firm only after the firm has refunded the payment (if already made by Railway) or equivalent amount has been withheld for this purpose. However, from the date of communication of rejection advice, the rectification activity has to be completed within 21/45 days for indigenous/imported material respectively for rejection of the category 27.2.1(A) and 45/90 days for indigenous/imported material respectively for the rejection of the category 27.2.1(B). If more time is taken beyond this, applicable ground rent will be levied on the firm.

27.2.3 In order that quantity shortfall due to warranty failure of Cat. B.I.(a) is made up, the depot officer may prepare an additional demand (equal to the quantity failed in warranty) for procurement, one recovery towards warranty has been confirmed by accounts. Any warranty replacement subsequently made will automatically get reflected in stock and thus there will not be any net extra procurement. It will however ensure timely availability of materials.

28.0 MARKING OF STORE

28.1. Contractor/Manufacturer must inscribe/ engrave/ screen-print/ emboss vendor's name/identification marks as well as month and year of manufacture on item supplied to South Eastern Railway. The location of these identification should be such that they do not affect the functional utility and structural stability of the components/materials, and also do not get obliterated on wear and tear. For very small items where marking on individual item is not possible, the vendor will arrange to print Vendor's name/identification marks as well as month and year of manufacture on standard packing, after obtaining specific approval from the purchaser in each case. The decision of the purchaser on whether such approval is to be granted or not shall be final and binding.

29.0. Public Procurement (Preference to Make in India): The Public Procurement (Preference to Make in India) Order, 2017 dated 15.06.17 issued by Ministry of Commerce and Industry, Department of Industrial Policy and Promotion, Government of India shall be applicable,

29.1 (a) Local content:

The minimum local content shall ordinarily be 50% or as specified in the tender. '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 custom duties) as a proportion of the total value, in percent.

(b) Local Supplier:

'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 by the competent Ministries/Departments in pursuance of this order.

(c) Margin of Purchase Preference:

The margin of Purchase preference shall be 20%. '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.

(d) Fee for complaints:

Fee for filing a complaint under the order shall be Rs.10,000/- per case. The complaint shall be filed in the office of the PCMM/WR. The fee shall be deposited with the office of the PFA/WR.

29.2 Verification of local content:

a. The local supplier at the time of tender, bidding or solicitation shall be required to provide self-certification that the item offered meets the minimum local content and shall give details of the location(s) at which the local value addition is made.

b. In case of procurement for a value in excess of Rs.10 crores, the local supplier shall be required to provide a certificate from the statutory auditor or cost auditor of the company (in the case of companies) or from a practicing cost accountant or practicing chartered accountant (in respect of suppliers other than companies) giving the percentage of local content.

c. False declarations will be in breach of the Code of Integrity under Rule 175(1)(i)(h) of the General Financial Rules for which a bidder or its successors can be debarred for up to two years as per Rule 151 (iii) of the General Financial Rules along with such other actions as may be permissible under law.

d. A supplier who has been debarred by any procuring entity for violation of this Order shall not be eligible for preference under this Order for procurement by any other procuring entity for the duration of the debarment.

e. Debarment of bidders:

In respect of procuring entities other than the one which has carried out the debarment, the debarment takes effect prospectively from the date of uploading of CPPP so that ongoing procurements are not disrupted.

WESTERN RAILWAY PAGE 17 OF 42 MATERIALS MANAGEMENT DEPARTMENT:

29.3 Requirement of Purchase Preference:

Subject to the provisions of this Order and to any specific instructions issued by the Nodal Ministry or in pursuance of this order, purchase preference shall be given to local suppliers in all procurements undertaken by procuring entities in the manner 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 subparagraph b or c as the case may be, shall apply.

b. In procurements of goods which are not covered by paragraph 'a' above and which are divisible in nature, the following procedure shall be followed.

i. Among all qualified bids, the lowest bid will be termed as L1 if L1 is from local supplier, the contract for full quantity will be awarded to L1.

ii. 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 subject to the local supplier's 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. 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 procurement of goods not covered by sub-paragraph '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. 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.

ii. 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.

iii. 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.

29.4 Exemption of small purchases:

Notwithstanding anything contained in paragraph 15.3, procurements where the estimated value to be procured is less than Rs.5 lakhs shall be exempted from this Order. However, it shall be ensured by procuring entities that procurement is not split for the purpose of avoiding the provisions of this Order.

30.0 SPECIAL CONDITIONS OF TENDERS FOR MACHINERY & PLANT ITEMS:

i) Technical Compliance:

The tenderers should give para-wise comments on the technical specification to indicate whether the equipment offered meets the tender specifications. The offer should be accompanied with complete details of technical parameters.

ii) Authorization Letter:

In case, the tenderer is an agent of the manufacturer, they should clearly indicate the same and also enclose authorization certificate from the manufacturer to this effect and also mention the place where the equipment will be offered for pre-inspection before despatch.

iii) Validity

The offer should be kept valid for 120 days from the date of opening of the tender otherwise the offer is liable to be treated as unresponsive and ignored.

iv) After Sales Service

The tenderers should confirm that they will render quick after sales service during the warranty period of the machine and advise details of their after sales net-work/ office which will render the said service.

v) Commissioning & Proving Test:

- a) The contractor shall arrange commissioning of the equipment at the consignee's premises. He shall carry out necessary proving test to demonstrate the performance of equipment, after its successful commissioning, to entire satisfaction of the consignee.
- b) The Contractor or his agents shall commission the machine within stipulated time as shown in the contract. This time frame will be applicable from the date of intimation from the consignee in respect of readiness for commissioning of the machine in cases where the machine is to be installed by the consignee. The time schedule includes the time for installation in cases where installation is also to be undertaken by the contractor.
- c) The time allowed for commissioning of machine shall be deemed to be the essence of the contract. In case of delay in commissioning of the machine on the part of the contractor, the purchaser shall be entitled to recover and the Contractor shall be liable to pay liquidated damages at the rate of 2% of the total contract value for each and every month or part thereof for which commissioning is delayed, provided always that the entire amount of liquidated damages to be paid under the provision of this clause shall not exceed 10% of the total contract value. Failure to install/ commission the machine within stipulated time after intimation from the consignee will be taken as breach of contract and purchaser will be at liberty to forfeit the Security Money furnished by the supplier without any prejudice to other rights under the contract.
- d) Continuance of commissioning work after expiry of stipulated time will also constitute a default for the purpose of the clause (c) above. The decision of the Purchaser, whether the delay in commissioning has taken for reasons attributed to the Contractor, shall be final.

vi) Training:

The contractor during commissioning and installation of the equipment will also train Railway staff free of cost in operation and maintenance of equipment supplied.

vii) Maintenance manual & Spare Parts:

Contractor is required to supply 2 copies of operation and maintenance manual and lists of spare parts along with equipment.

viii) WARRANTY:

(a) Warranty period for M&P will be 24(twenty four) months from the date of commissioning and proving out of M&P. A Maximum period of 2 (two) weeks will be allowed for attending and recertification of faults during the warranty period.

(b) Maximum down time during the warranty period will be 2%(two percent) for on line M&P and 10% (Ten percent) for off line M&P calculated on quarterly basis.

(c) A penalty of 0.5% (zero point five percent) per week of the contract value will be levied for delay in response time for attending and rectifications of faults beyond specified time during the warranty period as detailed above.

(d) Maximum penalty to be levied on account of warranty failure will be 10% (Ten percent) of the contract value calculated during whole of warrantee period and after that if there is any delay on the part of supplier, purchaser shall be entitled for encashment of WG Bonds. In such cases the bad performance of firm during the warranty period, the same should be recorded and circulated to all Railways. The same should be given due regard in deciding future orders on the firm and when evidence to the contrary is not available, the firm's offer may be even rejected.

ix) Payment terms:

(i) Payment to foreign supplier: Payment against foreign supplies shall be made through the Letter of Credit. All charges including the confirmation charges of L.C., levied by foreign Banks, shall be borne by the supplier. The standard payment terms subject to recoveries if any, under the liquidated damages clause and general conditions of contract will be as under:

(a) 80% of the payment against irrevocable L.C. on proof of inspection certificate and shipping documents within 30 days of receipt of shipping documents as specified.

(b) Balance 20% payment within 90 days after installation/commissioning and proving out test of M&P subject to submission of bank guarantee for an amount of 10% of contract value, as warranty security valid beyond six months from the expiry of warranty period.

(ii) Payment against indigenous supply: The standard payment terms subject to recoveries if any, under the liquidated damages clause and general conditions of contract will be as under:-

(a) 80% of the payment on proof of inspection certificate and Rail/Road Challan to be made against documents as specified.

(b) Balance 20% payment after satisfactory installation/commissioning and proving test of M&P subject to submission of bank guarantee for an amount of 10% of contract value, as warranty security valid beyond six months from the expiry of warranty period.

x) Element of Freight for indigenous purchase-

(a) In case where the consignees are more (say more than four or so), tenderers are required to quote for the FOR station of dispatch prices with an average freight for all consignees, which will be added to FOR station for despatch price to get FOR destination prices.

(b) In case where the consignees are four or less, tenderers are required to quote FOR station of despatch price with actual freight for each individual consignee, which will be added to FOR station of despatch price to get FOR destination price for each individual consignee.

xi) Timely commissioning of M&P-

In the event of contractor's failure to have M&P commissioned by the time or times respectively specified in the letter of acceptance or contract, purchaser may withhold, deduct or recover from the contractor as penalty, a sum @ 2% (two percent) of the price of M&P which the contractor has failed to commission as aforesaid for each and every month (part of a month being treated as a full month) during which the M&P may not have been commissioned, subject to an upper limit of 10% (ten percent) of contract value.

xii) Annual Maintenance Contract-

(a) Tenderers are required to quote for post warranty Annual Maintenance for a period of five years after expiry of the warranty period of the M&P along with their offers.

(b) Tenderers are required to mention such AMC schedule of such Annual periodic maintenance along with offer giving the charges for AMC maintenance schedule and other details of items to be used in such preventive maintenance.

(c) The charges of Annual preventive maintenance schedule for five years alongwith the cost of items to be used in preventative maintenance schedule during these five years are payable to supplier and sum total of these charges would be included in the FOR destination price quoted for M&P for the purpose of comparative evaluation of offer.

(d) Tenderers are required to give the cost of essential spares and service charges for each items of work of repair of M&P outside preventive maintenance contract. These

charges will not be included in the price of M&P for the purpose of comparative evaluation of offers.

- (e) The terms & conditions of AMC must clearly specify the maximum down time and maximum response time.
- (f) Tenderers who are OEM, must give undertaking for supply of spare parts for a period of expected life of the machine/equipment. Other tenderers must submit undertaking from OEM for supply of spare parts for a period of expected life of the machinery/equipment.

xiii) Inspection:- Inspection of M&P items will be carried by M/s RITES.

xiv) Packing of Stores: Packing of Stores sufficiently and properly as to ensure stores being free from loss and damages in route as detailed in IRS conditions of contract are reproduced below:

- (a) **Para 1501- Risk in the Stores:** The contractor shall perform the contract in all respects in accordance with the terms and conditions thereof. The stores and every constituent part thereof, whether in the possession or control of the Contractor, his agents or servants or a carrier, or in the joint possession of the Contractor, his agents or servants and the Purchaser, his agents or servants, shall remain in every respect at the risk of the Contractor, until their actual delivery to the consignee at the stipulated place or destination or, where so provided in the acceptance of tender, until their delivery to a person specified in the contract as interim consignee for the purpose of dispatch to the consignee. The Contractor shall be responsible for all loss, destruction, damage or deterioration of or to the stores from any cause whatsoever while the stores after approval by the Inspecting Officer are awaiting dispatch or delivery or are in the course of transit from the Contractor to the consignee or, as the case may be interim consignee. The Contractor shall alone be entitled and responsible to make claims against a Railway Administration or other carrier in respect of non-delivery, short delivery, misdelivery, loss, destruction, damage or deterioration of the goods entrusted to such carrier by the Contractor for transmission to the consignee or the interim consignee as the case may be.
- (b) **Para 1801- Packing:** The Contractor shall pack at his own cost the stores sufficiently and properly for transit by rail/road, air and/or sea as provided in the contract so as to ensure their being free from loss or damage on arrival at their destination.
- (c) **Para 1806- Packing:** The Inspecting Officer may reject the stores if the stores are not packed and /or marked as aforesaid and in case where the packing material is separately prescribed, if such materials are not in accordance with the terms of the contract. Such rejection of the stores by the Inspecting Officer shall be final and binding on the Contractor.

31.0 Inclusion of mode of payment through Letter of Credit (LC) as option in Supply/Works contracts.

1. Ministry of Railways that henceforth, all Tenders invited by Zonal Railways and Production Units, both for Supplies/ Works (including all service and maintenance contracts) having estimated value of Rs.10 lakhs and above, shall include in tender conditions, an option for the supplier/contractor to take payment from Railways through a letter of credit (LC) arrangement. This would be subject to the following:-
 - (i) The bidder, at the time of bidding itself, shall exercise an option in writing, in favour of taking payment due against the said tender, through LC arrangement.
 - (ii) The option so exercised, shall be an integral part of the bidder's offer. Option once exercised shall be final and no change shall be permitted, thereafter, during the course of execution of contract.
 - (iii) The incidental cost towards issue of LC and operation thereof (LC operating charges, including bank charges for opening of LC) shall be borne by the supplier/ contractor.
 - (iv) The above arrangement should be made a part of the Tender conditions and Contract conditions.
 - (v) The LC will be a sight LC.
2. The Banker for Railways for the ensuing one year, for opening domestic letters of credit shall be State Bank of India through its branches. The arrangement would cover all such contracts finalized against tender issued in the said year and shall extend till final execution of these contracts.
3. The schedule of payment liability arising in the contract shall be established by the Railways based on the prescribed delivery schedule/stages of supply/ work, in consultation with supplier/contractor. The Railway's Banker should also be involved in the process to assess value of LC and terms and conditions of LC.
4. The LC condition of Railways shall inter-alia provide that Railways will issue a Document of Authorization (format enclosed as Ann 1) on claims preferred by supplier/ contractor, for completed Work/ Supply to enable them to claim the authorized amount from their Banker. The Document of Authorisation will be issued against each Bill submitted for payment by supplier/ contractor, after exercising laid down checks as per Railways' Codes and Manuals, in executive and accounts branches. The accounts Officer responsible for passing the claim will issue the Document of Authorization. Issue of Document of Authorization will be captured in IPAS and IREPS to ensure that there is no duplicate payment against the said Bill and also to enable the supplier/ contractor to view status of the claim. The Letter of Credit signed between the bank and Railways should specifically mention that any excess/ wrong payment made by the bank and later detected by the Railways, will be recovered from the bank.
5. The Railways will ensure that Document of Authorization is generated well within the time prescribed in para (iv) Railway Board's letter no. 2017/AC II (CC)/37/16 dated 27.10.2017 (RBA No. 15/2017). Non issue of Document of Authorization must be communicated, with reasons thereof, to concerned supplier/ contractor electronically as envisaged in para v of RBA 155/2017.
6. The supplier/ contractor will present the Document of Authorization to his/her Banker for necessary payments as per LC terms and condition. After release of payment to the supplier, the banker of the supplier/ contractor will send this Document to the Railways' Banker for release of payment to them (supplier's Banker). The Railway's Banker will reimburse, claim made by Banker of supplier/ contractor, against original Document of Authorization after verifying signatures of authorized signatory of Railways and Bill of Exchange issued by contractor / supplier.

7. The LC charges paid by the Railways for opening and operation of LC shall be charged to the relevant expenditure head:

Misc Advance (LC charges paid to bank)	Dr.	
Misc. Adv. GST (IGST/CGST/SGST)	Dr.	
Cheques & Bills		Cr.

The amount of GST paid shall be available for set off against output liability.

8. On issue of Document of Authorization, following accounting entries shall be made:-

Relevant Expenditure head	Dr.	
Misc. Adv.		Cr.

(Clearance of LC charges paid to bank from LC operating charges collected from party

—

GST on incidental charges shall be paid by the party on reverse charge basis)		
Sundry Other Earnings		Cr.
(Amount recovered over and above LC charges paid to Bank)		
Demands Payable/ Misc Advance Cap.*		Cr.

(As the case may be as per letter of authorization - *Demands Payable for Revenue and Misc. Advance Cap for capital transaction)

An invoice shall be issued against party for collecting the incidental charges at the time of issue of Document of Authorization.

9. The reimbursement procedure in case of accredited banks selected as Railways' banker will be directly debiting the amount to the government account through scrolls. In case of non-accredited banks, the Accounts Officer concerned while authorizing a non-accredited bank to open LC will send copy of their letter to RBI/ Public Accounts Department/ Mumbai and after verification/ checks regarding authorization, RBI/ PAD will forward the papers to RBI/ CAS/ Nagpur with appropriate instructions for debiting Govt. account and make reimbursement to the paying bank on demand. After making the payment, the non-accredited bank authorized to open LC wil send documents and also Accounts Officer's letter in original to RBI/ CAS /Nagpur for debiting Govt. account and getting reimbursement. After making payment to the party, the paying bank will also send a copy of the scrolls/ documents to the PAO who issued the authorization for opening of LC. (Authority: Ministry of Finance's letter no. 1(13)(6)/2000/TA/338 DATED 17.06.2004 circulated vide Board's letter no. 2003/AC-II/9/3/Pt. dated 12.8.2004). A copy of the scroll will also be sent to Focal Point Branch of the bank for settlement and reporting as per extant system in vogue. The scroll should contain LCDA no. on scroll to facilitate reconciliation. Daily MIS thereof shall also be sent to CRIS.
10. On receipt of debit scrolls/ documents, the Accounts Office will conduct necessary checks and debit Demands Payable / Misc. Advance (Cap) by credit to suspense head 8660 PSB Suspense. This suspense will be cleared by the Accounts Officer on receipt of the clearance memo from CAS/Nagpur.
11. The Railways will get confirmation from their Banker once the payment is released to supplier's/ contractor's Banker. Acknowledgement will be placed in Purchase Order/ Contract file and Contractors Ledger and Works Register/ Purchase Suspense Ledger will be updated accordingly.
12. It is expected that Railways would see reduction in rates offered in works and supply contract. The impact of release of payment through LC should, therefore, be evaluated after a year and reported to Board for appraisal.

13. Necessary modifications in General Conditions of Contract and IRS condition of contract, relevant Railway Codes will follow. Relevant applications viz IREPS, IPAS including integration with SBI software and protocol thereof are being carried out. This will apply on all Notice inviting Tenders (NIT) of stores/ works/ services for tenders having value of Rs. 10 lakh and above, w.e.f. April/2018.

Format of Document of Authorization as an annexure is below.

Annexure

LC/DA No.

Dated: _____

Document of Authorization

1. It is certified that Work Job assigned in Contract No.dated
..... under Inland Letter of Credit No.dated

Or

Goods received/ Works order completed Stage – Phase 1/2/3/4/5.

2. The beneficiary of Letter of Credit M/s. is entitled to receive payment aggregating INR Out of a total LC amount of INR against the first/ second * commercial Invoice No. dated for INR raised against the above contract on the strength of this Certificate.

3. PAYMENTS ALREADY MADE :

1. Invoice No.
2. Invoice No.
& so on
Total

4. THIS PAYMENT:

5. LC BALANCE AFTER THIS PAYMENT :

Signature & Seal of Applicant

(Railway Authority)

31.1 Instructions for tenderers on LC mode of Payments

Scheme of Letter of Credit for Domestic Supplies (including all service and maintenance contracts) tenders having estimated value of Rs. 10 lakhs and above.

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

ANNEXURE-1

PROFORMA STATEMENT OF DEVIATIONS

(1) The following are the particulars of deviations from the requirement of the tender specification-

CLAUSE	DEVIATION	REMARKS (Including-justification)

(2) The following are the particulars of deviations from the requirement of the Instructions to Tenderers. Indian Railway Standard Conditions of contract and special Conditions of Contract-

CLAUSE	DEVIATION	REMARKS (Including-justification)

Note: where there is no deviation, the statement should be returned duly signed with an endorsement indicating 'No Deviations.

**Signature and seal of the
Manufacturer/Tenderers**

**PROFORMA FOR PERFORMANCE STATEMENT
(FOR A PERIOD OF LAST 3 YEARS)**

Time.

.....

.....

.....

.....

....

Tender
No.....
Name of the
Firm.....
.....
.....
.....

Date of
opening.....

Hrs.

No	Order placed by(full address of purchaser)	Order No. & date	Description of stores	Quantity ordered	Date of completion of delivery	Have the stores been satisfactory supplied & any adverse comment from purchaser/user

Note: Copy of last three R Note should be enclosed by firm.

Signature and seal of the manufacturer/Tenderers

ANNEXURE-3

PROFORMA FOR EQUIPMENT AND QUALITY CONTROL

TENDER No. Date of opening..... Time.....Hrs.

Name of then Firm

Note: All details required only for the items tendered.

1. Name & full address of the firm.
2. Telephone & FAX No. office/factory/Works.
3. Telegraphic and E-Mail address.
4. Location of the manufacturing factory.
5. Details of industrial license. Wherever required as per statutory regulations.
6. Details of plant & machinery erected and functioning in each Deptt. (Monographs & description pamphlets be supplied if available.)
7. Details of the process of manufacture in the factory in brief.
8. Details & stocks of raw materials held.
9. Production capacity of item(s) quoted for with the existing plant & Machinery.
 - 9.1 Normal
 - 9.2 maximum
10. Details of arrangement for quality control of products such as laboratory testing equipment etc.
11. Details of staff
 - 11.1 Details of technical supervisory staff-in-charge of production & quality control
 - 11.2 Skilled labour employed
 - 11.3 Unskilled labour employed
 - 11.4 Maximum No. of workers (skilled & unskilled) employed on any day during the 18 months preceding the date of application.
12. Whether stores are tested to any standard specification, if so copies of original test certificates should be submitted in triplicate.
13. Are you registered with the Directorate General of supplies & Disposals, New Delhi? If so, furnish full particulars of registration, period of currency etc.
14. Are you a small scale unit, registered with the National Small Industries Corporation Ltd.? If so, furnish full particulars of registration, currency period etc.

**Signature and seal of the
Manufacturer/Tenderers**

ANNEXURE-4

PROFORMA FOR AUTHORITY FROM MANUFACTURERS

NO.....

DATED.....

TO.

THE PRESIDENT OF INDIA,

Acting through the Principal Chief Materials Manager,

South Eastern Railway

Kolkata- 700043

Dear Sir,

Subject:- PCMM./S.E.Rly/GRC Tender No.....Due on :-

Wean established and reputed manufacturer of.....having factories at.....do hereby authorize M/s..... (Name and address of Agents) to represent us, to bid, negotiate and conclude the contract on our behalf with you against Tender No.....dated.....

No company/firm or individual other than M/s.....is authorized to represent us in regard to this business against this Specific tender.

Yours faithfully,

(NAME).....

For & on behalf of M/s.

(Name of Manufacturers)

Note: This letter of authority should be on the Letter-Head of the manufacturing concern and should be signed by a person competent and having the power of attorney to bind the manufacturer.

ANNEXURE-5

PROFORMA FOR BANK GUARANTEE TOWARDS SECURITY DEPOSIT (SD)

TO,

THE PRESIDENT OF INDIA,
Acting through Principal Financial Advisor,
South Eastern Railway
Garden Reach Road, KOLKATA – 700043

GUARANTEE BOND

1. In consideration of the President of India (hereinafter called “the Government”) having agreed to exempt (hereinafter called “the said Contractor(s)”) from the demand under the terms and conditions of an Agreement dated ----- made between -----and ----- for ----- (hereinafter called "the said Agreement"), of security deposit for due fulfillment by the said Contractor (s) of the terms and conditions contained in the said Agreement on production of a bank Guarantee for Rs ----- (Rupees ----- only), we (Indicate name of the bank) (hereinafter referred to as "the Bank") at the request of -----contractor(s) do hereby undertake to pay to the Government an amount not exceeding Rs. ----- against any loss or damage caused to or suffered or would be caused to or suffered by the Government by reason of any breach by the said contractor(s) of any of the terms or conditions contained in the said agreement.
2. We ----- (Indicate name of the bank) do here by undertake to pay the amounts due and payable under this Guarantee without any demur, merely on a demand from the Government stating that the amount claimed is due by way of loss or damages caused to or would be caused to or suffered by the Government by reason of any breach by the said Contractor(s) of any of the terms or conditions contained in the said Agreement or by reason of the Contractor(s) failure to perform the said Agreement. Any such demand made on the Bank shall be conclusive as regards the amount due and payable by the Bank under this Guarantee. However, our liability under this Guarantee shall be restricted to an amount not exceeding Rs-----.
3. We undertake to pay to the Government any money so demanded notwithstanding any dispute or disputes raised by the Contractor(s)/Supplier(s) in any suit or proceeding pending before any Court or tribunal relating thereto our liability under this present being absolute and unequivocal. The payment so made by us under this Bond shall be a valid discharge of our liability for payment there under and the Contractor(s)/ Supplier(s) shall have no claim against us for making such payment.
4. We ----- (Indicate name of the bank) further agree that the Guarantee herein contained shall remain in full force and effect during the period that would be taken for

the performance of the said Agreement and that it shall continue to be enforceable till all the dues of the Government under or by virtue of the said Agreement have been fully paid and its claims satisfied or discharged or till ----- (DR Office/Department) Ministry of ----- certifies that the terms and conditions of the said Agreement has been fully and properly carried out by the said Contractor(s) and accordingly discharges this Guarantee. Unless a demand or claim under this guarantee is made on us in writing on or before the -----we shall be discharged from all liability under this Guarantee thereafter.

5. We ----- (Indicate name of the bank) further agree with the Government that the Government shall have the fullest liberty without our consent and without affecting in any manner our obligations hereunder to vary any of the terms and conditions of the said Agreement or to extend time of performance by the said Contractor(s) from time to time or to postpone for any time or from time to time any of the powers exercisable by the Government against the said Contractor(s) and to forbear or enforce any of the terms and conditions relating to the said Agreement and we shall not be relieved from our liability by reason of any such variation, or extension being granted to the said Contractor(s) or for any forbearance, act or omission on the part of the Government or any indulgence by the Government to the said Contractor(s) or by any such matter or thing whatsoever which under the law relating to sureties would, but for this provision, have effect of so relieving us.
6. This Guarantee will not be discharged due to the change in the constitution of the Bank or the Contractor(s)/ Supplier(s).
7. We ----- (indicate name of bank) lastly undertake not to revoke this Guarantee during its currency except with the previous consent of the Government in writing. Date the ----- day of ----- .

For(Bank's name)
(Bank's common seal)

NATIONAL ELECTRONIC FUNDS TRANSFER (NEFT) MANDATE FORM

From: M/s. Date: -----

To,
PFA/WST
South Eastern Railways
Sub : NEFT payments.

*

We refer to the NEFT being set up by Railways for remittance of our payments using RBI's NEFT scheme. Our payments may be made through the above scheme to our under noted account;

1. Name of City
2. Bank Code No.
3. Branch Code No.
4. Bank's Name
5. Branch Address
6. Branch Telephone / Fax No.
7. Supplier's Account No.
8. Type of Account
9. IFSC code for NEFT
10. IFSC code for RTGS
11. Supplier's name as per Account
12. Telephone no. of supplier
13. Supplier's E- mail ID
14. Confirmed by Bank Signature of supplier with
15. Stamp and address
16. Enclose a copy of crossed cheque

PROFORMA FOR WARRANTY GUARANTEE BOND

TO,
THE PRESIDENT OF INDIA,
Acting through Principal Financial Advisor,
South Eastern Railway
Garden Reach Road, KOLKATA – 700043

Sub: Guarantee No. ----- for ----- (Amount) Covering Machine(s) Serial No. ----- supplied to (Consignee/s) -----.

Ref: Contract No. ----- dated -----placed on M/ s. -----

- 1 WHEREAS M/s. ----- one of our constituents, hereinafter called the “Sellers” have agreed to sell to you (hereinafter referred to as the “Government”) ----Nos. of ----- (give description) as per contract No. ----- dated -----(hereinafter called “the said contract”).
- 2 AND WHEREAS according to the terms of said contract, it has been stipulated that payment of 10 per cent of the value of the stores would be made, provided that the Sellers furnish to the Purchaser a Bank Guarantee from a recognized Bank, acceptable to the Purchaser for 10 per cent of the value of the said contract, valid for a period covering in full the Guarantee Period as per the Warranty clause of the said conditions of the contract, being the conditions attached to and forming part of the said contract.
- 3 AND WHEREAS the Sellers have approached us to give the said Bank Guarantee on their behalf in your favour for an amount representing 10 per cent of the value of the contract which you have agreed to accept.
- 4 That in consideration of the promises and at the request, of the said Sellers, we hereby irrevocably undertake and guarantee to pay to the Government of India or at such other place as may be determined by you forthwith on demand and without any demur, any sum up to a maximum amount of ----- (Rs.-----) representing 10 per cent of the value of the Stores despatched under the said contract in case the Sellers make default in paying the said sum or make any default in the performance observance or discharge of the guarantee contained in the said contract.
- 5 We agree that the decision of the Government whether any default has occurred or has been committed by the Sellers in the performance, observance or discharge of the guarantee aforesaid shall be, conclusive and binding on us.
- 6 Government shall be at liberty, from time to time, to grant or allow extension of time or give other indulgence to the said Sellers or to modify the terms and conditions of the contract with the said Sellers without affecting or impairing this guarantee or our liability hereunder.

- 7 We undertake to pay to the Government any money so demanded notwithstanding any dispute or disputes raised by the Sellers in any suit or proceeding pending before any Court or Tribunal relating thereto our liability under this present being absolute and unequivocal. The payment so made by us under this bond shall be a valid discharge to our liability for payment there under and the Sellers shall have no claim against us for making such payment.
- 8 This Bank guarantee comes in to force when the balance ten percent of the value of the stores shipped per Vessel ----- vide Bill of Lading No. ----- dated ----- or R/ R No. ----- dated ----- (in the case of indigenous contracts) under the said contract, has been paid and will remain in full force and effect up to ----- i.e. for --- --- months counted from the date of placing the stores in services, and shall continue to be enforceable for further six months i.e. up to ----- (date), hereinafter called the said date.
- 9 This guarantee will not be discharged due to the change in the constitution of the Bank or the Sellers.
- 10 That no claim under this guarantee shall be entertained by us unless the same has been preferred by the Government within the said date.

Date ----- Signature -----

Place ----- Printed Name -----

Witness -----

Read and Accepted.

Signature of Tenderer -----
(Designation)
(Banks common Seal)

