

SECUNDERABAD DIVISION

Name of work: Repairs and reclamation of suspension bearings of WDM2 and WDG3 A locos at Diesel Loco shed, Kazipet.	
Similar Nature of work:	Similar nature of work shall be repair and reclamation of suspension bearing in any Diesel Shed of Indian Railways or Supply of new suspension bearings to PU's/Sheds. Tenderer must be an RDSO approved source for suspension bearings.
Cost of tender Form	Rs.5000+600(ST)= 5600 by hand Rs.5500+660(ST)= 6160 by post
Completion Period:	18 Months
Maintenance Period	12 Months

For Attention of Tenderer

Modification of EMD, Performance Guarantee, Security deposit, Introduction of PVC			
S.No.	Details	Reference	
1	Modification of EMD	Item No.7	Conditions of Tender
2	Modification of Performance Guarantee	Item No.8.5	Special conditions of Contract
3	Modification of Security Deposit	Item No.8	
4	Token Penalty	Item 4.15	

ISSUED TO

M.R. / DD No.

Date:

M/s. / Shri.....

.....

.....

Not Transferable.

Sr.DME.DSL.KZJ

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SOUTH CENTRAL RAILWAY

WORKS CONTRACT

REGULATIONS OF TENDERS AND CONTRACTS CONDITIONS OF TENDER

TENDER AGREEMENT FORM

Open Tender Notice No. SCR.MECH.DSL.KZJ.S.B.09-10 DT.10.06.2009.

Approximate Tender Value	Rs.70,46,600	Last date for issue of tender forms by post	02.07.2009
EMD	Rs. 1,41,000	Last date for issue of tender forms in person	17.07.2009 up to 17.00 hours
The EMD & Cost of tender form should be drawn in favor of Sr. Divisional Finance Manager, Secunderabad Division, South Central Railway, Secunderabad.		Date and time of submission of the tender	20.07.2009 up to 15.00 hours
		Date and time of opening of the tender	20.07.2009 at 15.30 hours

CHECK LIST OF DOUCEMENTS TO BE SUBMITTED ALONG WITH TENDERS.

(Tenderers are requested to give certificates and or put(✓) mark where ever applicable)

1	Particulars to DD/ MR submitted To wards cost of tender form	
2.	Particulars of DD/FDR submitted towards EMD	
3	Attested copy of Experience Certificate in Annexure 'C'	
4	Attested copy of certificate showing contractual amount received during the last three financial years and current financial year	
5	List of works on hand with tenders in Annexure "D"	
6	Engineering Organization in Annexure "A"	
7	List of plants and machinery in Annexure "B"	
8	Taxpayer's identification Number (Tin)	
9	Registration number of APGST/ APVAT	
10	Total number of annexure submitted (Number of pages)	

Note: The items indicated under item Nos. 1,2,3,4 & 5 thus are mandatory in absence of which the tender **will be summarily rejected**.

Signature of tenderer(S)

Address:

Phone No:

NOTE TO TENDERERS

- 1) Tender forms in the prescribed form may be obtained from the office of the Senior Divisional mechanical Engineer DSL Kazipet, S.C. Railway, Secunderabad, on production of cash receipt for each tender form at the rates mentioned on the cover page and in the Tender Notice. The amount towards the cost of tender form may be remitted to the Divisional Cashier (Pay) S.C.Railway, Secunderabad, Vijayawada, Guntur, Hyderabad, Guntakal and Nanded, Chief Cashier (Pay), S.C.Railway, Secunderabad or any Station Master/Station Superintendent on S.C. Railway and the receipt obtained thereof should be submitted to this office with a requisition for issue of tender form. Money Orders, Postal Orders, etc, will not be considered for issue of tender forms. The tender forms are not transferable and the cost of the tender form is not refundable. This office will not entertain direct payment. **Tender Number, Description of the work, etc. should be written on the sealed cover addressed to the Senior Divisional mechanical Engineer DSL Kazipet, S.C.Railway, Secunderabad, while submitting the Tender document.**
- 2) The Tender forms are available for sale in the office of Senior Divisional mechanical Engineer DSL Kazipet, Secunderabad Division, S.C.Railway, Secunderabad and also in S.C.Railway Web site.
- 3) Tender conditions / other particulars are available in the Tender documents on our website at "**www.tenders.gov.in**" which can be downloaded.
- 4) The Railway reserves the right to cancel the tender without assigning any reason thereto.
- 5) **Venue:** Tender documents, duly completed in all respects shall be dropped in the **Secunderabad Division Senior Divisinal Mechanical Engineer Diesel Shed Office Kazipet. Tender Box** kept for the purpose, **(or) may be sent by post to Senior Divisional mechanical Engineer DSL Kazipet, Diesel Loco Shed. KAZIPET Waragal district. Andrapradesh State** Railway is not responsible for any delay in transit (or) loss of Tender form sent/received by Post.
- 6) If the date of opening happens to be a holiday, the tenders will be opened on the next working day.

Visit our site at "www.tenders.gov.in."

Annexure-I

1.0 TENDER FORM (FIRST SHEET)

To

The President of India
Acting through the Principal Chief Engineer,
Divisional Railway Manager,
Senior Divisional Engineer/Divisional Engineer
Diesel Loco Shed, Kazipet.
South Central Railway

- 1.1. I/We----- have read the various conditions to tender attached hereto and hereby agree to abide by the said conditions. I/We also agree to keep this tender open for acceptance for a period of 90 days from the date fixed for opening the same and in default thereof, I/We will be liable for forfeiture of my / our Earnest Money". I/ We offer to do the work for South Central Railway, at the rates quoted in the attached schedule and hereby bind myself /ourselves to complete the work in all respects within the time period stipulated in the enclosed Schedule from the date of issue of letter of acceptance of the tender.
- 1.2. I/We also hereby agree to abide by the Works hand book part I and II (Regulations for Tenders and Contracts) corrected upto printed / advance correction slip No_____ dated_____ and to carry out the work according to the special conditions of contract and specifications of materials and works as laid down by Railway in the annexed Special Conditions / Specifications and the South Central Railway Works Hand Book Part III corrected upto printed/advance correction slip No_____ dated_____ sanitary works Hand Book corrected upto printed/advance correction slip No_____ dated_____ schedule of Rates Part II corrected upto Printed/advance correction slip No_____ dated_____ for the present contract.
- 1.3. A sum of rupees as notified in the Tender Notice and on the cover page of this Tender booklet is herewith forwarded as earnest money deposit. The full value of earnest money shall stand forfeited without prejudice to any other rights or remedies in case my/our Tender is accepted and if :-
- a) I/ we do not execute the contract documents within **(15) Fifteen days** after receipt of notice issued by the Railway that such documents are ready, and
 - b) I /We do not commence the work within **(15) fifteen days** after receipt of orders to that effect.
- 1.4. Until a formal agreement is prepared and executed, acceptance of this tender shall constitute a binding contract between us subject to modifications, as may be mutually agreed to between us and indicated in the letter of acceptance of my/our offer for this work.

SIGNATURE OF TENDERER(S)

SIGNATURE OF WITNESSES

1.

2.

Date:

Address of the Tenderer (s):

2.0 Instructions for submission of Tender documents by downloading from Website

- 2.1 Tender schedules are also available on web site as an attachment to the Tender Notice and the same can be down loaded and used as tender document for submitting the offer. However, the cost of tender document as indicated on the cover page and in the Tender Notice has to be deposited by the Tenderer in the form of a bank draft payable in favour of Senior Divisional Finance Manager, Secunderabad Division, S.C. Railway or original money receipt obtained from Divisional Cashier (Pay) S.C.Railway, Secunderabad, Vijayawada, Guntur, Hyderabad, Guntakal, Chief Cashier (Pay), S.C.Railway, Secunderabad or any Station Master/Station Superintendent on S.C. Railway along with the Tender document. This should be paid separately and not clubbed with the Earnest Money deposit. **If tenderers down load tender documents from Website and do not enclose proper value towards the cost of tender form, their tender shall be considered as invalid.**
- 2.2 Tenderers are free to down load the tender document from the website at their own risk and cost for the purpose of perusal and to use the same as tender document, if so desired for submitting their offer. **If the offer of any tenderer who has submitted the Tender document down loaded from the website is accepted, the contract agreement will be prepared based on the master copy of the document and will be binding on the contractor.** The Railway does not own any responsibility for any alteration/omission in the contents of the Tender form uploaded on the web site. No claim on this account will be entertained.
- 2.3 The administration will not own any responsibility, if website is not opened for downloading / uploading the tender documents due to any technical snag.
- 2.4 The prospective tenderers are advised to visit website **www.tenders.gov.in**. One week prior to the date of tender opening to note any changes/corrigenda for any tender.
- 2.5 **Warning: It is hereby brought to the notice of all prospective tenderers that if any change/additions/deletions/ alterations are found to be made by them and the same is subsequently detected / noticed at any stage even after award of the contract, all necessary action including banning of business would be taken. In addition, the tenderers are liable to be prosecuted under law.**

3.0 Eligibility Criteria:

For the works whose advertised Tender value is costing above **Rs.20 lakhs** shall satisfy the eligibility criteria as detailed below by submitting documents in support of their claims along with the tender document itself.

01.	Should have physically completed in the last three financial years i.e. current year and three previous financial years.	At least one similar single work, for a minimum value of 35% of Advertised Tender Value of Work. (i) Similar nature of work physically completed within the qualifying period, i.e. the last 3 financial years and current financial year (even though the work might have commenced before the qualifying period) shall only be considered in evaluating the eligibility criteria. (ii) The total value of similar nature of work completed during the qualifying period, and not the payments received within qualifying period alone, shall be considered. In case, the final bill of similar nature of work has not been passed and final measurements have not been recorded, the paid amount including statutory deduction is to be considered. If final measurements have been recorded and work has been completed with negative variation, then also the paid amount including statutory deduction is to be considered. However, if final measurements have been recorded and work has been completed with positive variation but variation has not been sanctioned, original agreement value or last sanctioned agreement value whichever is lower shall be considered for judging eligibility.
02.	Total contract amount received during the last three financial years and in the current financial year:	Should be a minimum of 150% of Advertised Tender Value (An attested certificate from the employer/client or audited balance sheet duly certified by a Chartered Accountant etc. to be submitted.
03	List of works on hand indicating name of work, contract value, bill amount paid so far, due date of completion etc to be furnished by the contractor in ANNEXURE 'D' and this certificate to be signed by the contractor.	Tender should submit a NIL certificate if there are no works on hand.

Current year is reckoned as the Financial year in which the date of opening falls.

- 3.1 Tenderer must be an RDSO approved source for suspension bearings.
- 3.2 Tenderer should submit an attested copy of certificate obtained from Jr. Administrative Grade Officer and above grade officer of Railways/Superintendent Engineer of State Government or equivalent grade officer in Quasi Government department/Public Sector Undertakings in Central Government to establish the eligibility criteria. Description of work, organization for whom executed, value of contract at the time of award, date of award; date of scheduled completion of work; date of actual start, actual completion; final value of contract. If the work is completed but final bill not paid, details as required in Annexure - 'C' shall be made available. **Certificate from private Individuals for whom such works are executed shall not be considered.**
- 3.3 Attested copy of Certificate from Jr. Administrative Grade Officer and above grade officer of Railways/Superintendent Engineer of State Government or equivalent grade officer in Quasi Government department / Public Sector Undertakings in Central Government showing agreement wise contract bill amount received during the last 3 financial years and in the current financial year. Audited balance sheet indicating agreement wise contract bills received during the last 3 financial years, duly signed and certified by the Chartered Accountant also can be enclosed.
- 3.4 List of works on hand indicating description of work, contract value and approximate value of balance work yet to be done and date of award as per **ANNEXURE 'D'** duly signed by the contractor. Tenderer should submit a **NIL** certificate duly signed if there are no works on hand. **In case of Non-submission of this list of works on hand tenderer's offer shall not be considered.**

- 3.5 The onus of establishing credentials lies with the Tenderer and hence Railway shall evaluate the offer only from the certificates/documents submitted along with the tender offer.
- 3.6 Any certificate, documents submitted after tender opening shall not be given any credit and shall not be considered.
- 3.7 **The offer of tenderer(s) who do not enclose Experience Certificate, Turnover Certificate and List of works on hand as in 3.1 to 3.3 along with their tender to establish their credentials shall be summarily rejected though they are working contractors or Contractors of Approved list.**
- 3.8 Post Tender correspondence shall not be entertained. Railway shall not call for any clarification regarding the credentials from the contractor(s) after the tender is opened.
- 3.9 The following further documents may be submitted along with the Tender:-
- (a) List of personnel organization available on hand and proposed to be engaged for the subject work. These two lists should be given separately and signed by tenderer. To be submitted in the proforma given in the **Annexure-‘A’**.
 - (b) List of Plant & Machinery available on hand (own) and proposed to be inducted (own and hired to be given separately) for the subject work and this list shall be signed by tenderer. To be submitted in the proforma given in the **Annexure-‘B’**.
 - (c) List of works completed in the last three Financial years giving description of the work, Organization for whom executed, approximate value of contract at the time of award, date of award and date of scheduled completion of work, date of actual start, actual completion and final value of contract should also be given.
- 3.10 If any certificates or details enclosed by tenderers are found to be fake/bogus/tampered, such of those agencies shall not be awarded any work in S.C. Railway for a period of 5 years from the date of opening of tender. Joint ventures or partnership firms or any other nature of firms in which such agencies are a party shall also not be awarded any work for this period of 5(five) years.

ANNEXURE –‘A’

PROFORMA
ENGINEERING ORGINATION

1. ENGINEERING ORGINATION AVAILABLE ON HAND :

Sl.No	Name and Designation of the employee	Qualification	Previous Experience	Working	
				From	To
1	2	3	4	5	
A					
B					
C					
D					
Z					

2. ENGINEERING ORGINATION PROPOSED TO BE ENGAGED FOR THIS WORK FROM ABOVE.

Sl.No	Name and Designation of the employee	Qualification	Previous Experience	Remarks
1	2	3	4	5
A				
B				
C				
D				
Z				

3. ENGINEERING ORGINATION PROPOSED TO BE ENGAGED FOR THIS WORK FROM OUT SIDE.
(A suitably worded consent letter from such a person should be obtained and enclosed)

Sl.No	Name and Designation of the employer	Qualification	Previous Experience	REMARKS
1	2	3	4	5
A				
B				
C				
D				
Z				

Signature of the Tenderer (S):
name of the Tenderer:

ANNEXURE – B

**PROFORMA
PLANT & MACHINERY**

1. PLANT & MACHINERY AVAILABLE ON HAND

Sl.No	Particulars of machinery , plant & equipment	No of units	Kind and make	Capacity	Age and condition	Approx cost (Rs. in lakhs)	Purchase bill No & Date and registration particulars
1	2	3	4	5	6	7	8
A							
B							
C							
D							
Z							

1. PLANTS & MACHINERY PROPOSED TO BE INDICATED FROM ABOVE

Sl.No	Particulars of machinery, plant & equipment	No of units	Kind and make	Capacity	Age and condition	Approx cost (Rs. in lakhs)	Purchase bill No & Date and registration particulars
1	2	3	4	5	6	7	8
A							
B							
C							
D							
Z							

2. PLANTS & MACHINERY PROPOSED TO BE INDICATED FROM OUT SIDE.

Sl.No	Particulars of machinery , plant & equipment	No of units	Kind and make	Capacity	Age and condition	Approx cost (Rs. in lakhs)	If to be purchased give likely date of receipt and supplier's name.
1	2	3	4	5	6	7	8
A							
B							
C							
D							
Z							

Signature of the Tenderer (S):

Name of the Tenderer:

Signature of tenderer (s)

ANNEXURE 'C'

PROFORMA

EXPERIENCE CERTIFICATE

Sl.No	Work Details	Details
1	Name of Work	
2	Agreement Number, date and <i>Name of the agency</i>	
3	Agreement value in Rupees (in words and figures)	
4	Due date of completion	
5	Number of extensions granted	
6	Actual date of completion of work	
7	Value of final bill passed (in words)	
8	Work completed but final measurement not recorded (a) Amount paid so far in CC bill No	
9	Work completed but final measurements recorded with negative variation (a) Amount so far paid as in CC bill No.	
10	Work completed, if final measurements recorded with positive variation which is not sanctioned yet (a) Original agreement value or last sanctioned agreement value which ever is lower	

NOTE:

1. This certificate in this proforma is to be issued only for **completed work**.
2. This certificate to be issued only by a level of an authority not below JAG in charge of the work in open line and by an authority not below JAG in charge of the work in construction. This type of certificate may be obtained from an authority not below the level of Supdt. Engineer, In charge of the work on State Govt./Public sector under takings.

Signature
Name of the officer
Designation
Address:
Office Seal.

ANNEXURE –‘D’

PROFORMA
LIST OF WORKS ON HAND WITH THE TENDERER

Sl.No	Name of work	Agt. No and Date	Designation and address of the agreement signing authority	Agt value in Lakhs	Bill amount paid so far in lakhs	Due date of completion	No of extensions taken
01.	02.	03	04	05	06	07	08
Railway works							
A							
B							
C							
D							
E							
Z							
State Govt. works							
A							
B							
C							
D							
E							
Z							
Public sector under taking works							
A							
B							
C							
D							
E							
Z							

Signature of the Tenderer (S):

Name of the Tenderer:

4.0 SCOPE OF WORK:

- 4.1 The contractor should collect the old removed suspension bearings which require repairs/reclamation/remanufacture from Diesel Loco Shed, Kazipet at his own cost. The suspension bearings will be repaired and reclaimed/remanufactured as per the material specifications laid down in the RDSO DRG No SKDP-3011 (alt c)
- 4.2 The repair and reclamation/remanufacture of suspension bearings white metal lining shall be by centrifugal process and machined to the required sizes as mentioned in the above drawing as per requirement of the diesel loco shed Kazipet.
- 4.3 The repaired and reclaimed/remanufactured suspension bearings should be provided with PTFE seal rings as per the RDSO DRG No SKDP-3011 (alt c).
- 4.4 The suspension bearings shall be serially numbered on both the shells of the set indicating the name of the contractor, month, year, and sizes. The repaired and reclaimed/remanufactured suspension bearings shall be subjected for ultrasonic testing for proper bonding between the white material lining and the bronze shells as per the RDSO M&C report No.K294.
- 4.5 The suspension bearings repaired and reclaimed/remanufactured shall be inspected at the contractor premises by the representative of Sr.DME/Diesel/Kazipet and it is the responsibility of the contractor to supply all the tools and measuring instruments for carrying out the testing at the firm premises. The inspection shall be carried out as per the RDSO DRG No SKDP-3011 (alt c) and RDSO Specn M&C No.K294.
- 4.6 The suspension bearings that are repaired and reclaimed/remanufactured and meeting the requirements and passed in the only to be dispatched to the Diesel Loco Shed, Kazipet. The suspension bearings which are rejected during the course of inspection by the representative of Sr.DME/DSL/Kazipet shall be repaired and reclaimed/remanufactured again at his own cost for which no extra additional payment will be made.
- 4.7 The repaired and reclaimed/remanufactured suspension bearings which are inspected as above at firm premises by the representative of Sr.DME/DSL/Kazipet only shall be dispatched to Diesel Loco Shed, Kazipet at the cost of the contractor. The final acceptance of the suspension bearings will be after physical receipt of good suspension bearings at Diesel Loco Shed, Kazipet.
- 4.8 The repaired and reclaimed/remanufactured suspension bearings which were inspected at firm's premises will be once again inspected at the premises of Diesel Loco Shed, Kazipet at random or as per the requirement for proper dimensions and physical fitment on the locomotives. If any suspension bearing repaired and reclaimed/remanufactured found defective during the above check shall be replaced by the contractor at his own cost.
- 4.9 The contractor shall submit inspection certificate with respect to the following parameters while supplying the repaired and reclaimed/remanufactured suspension bearings to diesel loco shed Kazipet.
- 4.10 Chemical analysis report of suspension bearing shell and white metal used for the reclamation.
- 4.11 Results of the dimensional check conducted with two diameters 'Diagonally' for ovality each at two different locations along the length.
- 4.12 Ultrasonic test report on white metal bond.
- 4.13 100% check to be carried out with respect to 4.10, 4.11 and 4.12.

- 4.14 Payment: The contractor should submit bills for those suspension bearings which were finally accepted by Sr.DME/Diesel/Kazipet or his representative to the office of Sr.DME/Diesel/Kazipet. The same after verification and passing will be sent to Sr.DFM/SC division for arranging payment through cheque/E. payment.
- 4.15 The contractor should collect the repaired and reclaimed/remanufactured suspension bearings at Diesel Loco Shed, Kazipet and deliver the same after repairs within maximum of 90 days to Diesel Loco Shed, Kazipet at his cost. In case the repaired and reclaimed/remanufactured suspension bearings which were collected are not returned within 60 days from the date of collection, 0.5% of the cost for each suspension bearing will be levied/recovered from the bills as penalty.
- 4.16 Warrantee clause: The suspension bearings which were repaired and reclaimed/remanufactured and supplied to Diesel Loco Shed, Kazipet shall be under warranty for a period of 12 months from the date of commission or for a period of 18 months from the date of supply which ever is earlier. The contractor shall replace the repaired and reclaimed/remanufactured suspension bearings found defective during the above period at his own cost.

SOUTH CENTRAL RAILWAY
DIESEL LOCO SHED / KAZIPET

PRICE SCHEDULE

Name of Work: Repairs and reclamation of suspension bearings of WDM2 and WDG3A locos at Diesel Loco Shed, Kazipet

Name of the tenderer/Contractor:-

SCHEDULE

Description	Period of contract	Estimated Quantity	Estimated rate	Estimated Total value
Repairs and reclamation of suspension bearings of WDM2 and WDG3A locos at Diesel Loco Shed, Kazipet	18 Months	550 Nos.	Rs. 12812	Rs.70,46,600

The contractor has to quote the Percentage rate quoted **below / at par / above** on the estimated rate

(i) In Figures Rs:.....

(ii) In words Rupees:.....

(iii) BELOW / AT PAR / ABOVE

The Tenderers are required to quote the percentage rate both in figures and in words in the SCHEDULE. In case of any discrepancy between the rates quoted in figures and in words, the rates quoted in words will be taken for evaluation and payment. Rate quoted shall be inclusive of all taxes.

SIGNATURE OF TENDERER (S)

Annexure-II

5.0 AGREEMENT OF WORKS

- 5.1. Contract agreement No _____ dt. _____ articles of agreement made this _____ day of _____ between. The President of India acting through the _____ South Central Railway Administration [herein after called the Railway which expression shall unless the context does not so admit include his successors and assignees in office of the one part and _____ [herein after called the contractor which expression shall unless excluded by the context includes his heirs, executors, administrators, successors and assignees] of the other part.
- 5.2. Where as the contractor has agreed with the Railways for the work _____ set forth in the schedule hereto annexed up on the General Conditions of contract and the specifications of the South Central Railway and the Special Conditions and Special Specifications, if any, and in conformity with the drawings here to annexed, if any, and whereas the performance of the said work is an act in which the public are interested.
- 5.3. Whereas the balance in the security deposit after adjustment of earnest money of Rs. _____ originally paid by the contractor is recovered at 10 percent of the gross bill value of the running bills till the amount of security deposit of Rs. _____ is fully recovered.
- 5.4. Whereas the contractor has furnished an irrevocable Bank Guarantee for Rs. _____ (5% of Contract value) towards Performance Guarantee valid upto _____ (physical completion of the work plus 60 days)
- 5.5. Now this indenture witness that in consideration of the payments to be made by the Railway the contractor will duly perform the said works in the said schedules set forth and shall execute the same with great promptness, care and accuracy in a workman like manner to the satisfaction of the Railway and will complete the same in accordance with the said specifications and said drawings and said conditions of contract on or before the _____ date of _____ year and will maintain the said works for a period of _____ calendar months from the certified date of the completion and will observe, fulfill and keep all the conditions therein mentioned (which shall be deemed and taken to be part of this contract as if the same has been fully set forth herein), and the Railway both hereby agree that if the contractor shall duly perform the said work in the manner aforesaid and observe and keep said terms and conditions. The Railway will pay or cause to be paid to the contractor for the said works on the final completion thereof, the amount due in respect thereof, at the rates set forth in the Standard Schedule of Rates, 2002 as corrected by and up to correction slip No _____ for Secunderabad division, enhanced/diminished/at par _____ percent of Schedule (items covered by SSR) and the rates shown in the schedule _____ for items not covered by SSR.
- 5.6. It is hereby agreed and declared that all the provisions of the said specifications, conditions of contract which have been carefully read and understood by the contractor and schedule of rates, including the general instructions contained in page _____ thereof shall be as binding up on the contractor and up on the Railway Administration as if the same has been repeated herein and shall be read as part of these presents.

Signature of the contractor
Name of the Contractor
Address
Signature of witness with address to
Date:

Signature
Designation
For and on behalf of the President of India
South Central Railway

TO BE SIGNED AT THE TIME OF EXECUTION OF AGREEMENT ONLY

6.0 REGULATIONS FOR TENDERS AND CONTRACTS FOR GUIDANCE OF CONTRACTORS (FOR WORKS) MEANING OF TERMS.

Definitions:

- 6.1 In these regulations for tenders and contracts the following terms shall have the meaning assigned hereunder except where the context otherwise requires.
- (a) Railway shall mean the President of the Republic of India or the Administrative officer of South Central Railway or the successor Railway authorized to invite tenders and enter into contracts for works on his behalf.
 - (b) General Manger shall mean the officer in Administrative charge of the whole of South Central Railway and shall mean and include the General Manger of the successor Railway.
 - (c) "Principal Chief Mechanical Engineer" shall mean the officer in charge of the Mechanical Department, South Central Railway.
 - (d) "Divisional Railway Manager" shall mean the administrative officer in charge of the division of South Central Railway for the time being.
 - (e) "Divisional/Sr. Divisional Mechanical Engineer" shall mean the officer in charge of the division or district of South Central Railway.
 - (f) Tenderer shall mean the person/ the firm or the company who tenders for the works with a view to secure the work on contract with the Railway and shall include their personal representatives, successors and permitted assignees.
 - (g) Limited tenders shall mean tender invited from all or some contractors from the approved list of contractors with the Railway.
 - (h) Open tenders shall mean tenders invited in open and public manner and with adequate notice.
 - (i) The work shall mean the works contemplated in the drawings and schedules set forth in the tender forms and description of contract and required to be executed according to specifications.
 - (j) Specification shall mean the specifications, materials and works, South Central Railway issued under the authority of the Principal Chief Mechanical Engineer or as amplified, added to or superceded by special specifications, if any, appended to the tender forms.
 - (k) Schedule of rates, South Central Railway shall mean the schedule of rates issued under the authority of the Principal Chief Mechanical Engineer from time to time.
 - (l) Drawings shall mean the drawings, plans and tracing or prints thereof annexed to the tender forms.

Singular and plural:

- 6.2 Words imparting the singular number shall also include the plural and vice versa where the context requires.

Interpretations:

- 6.3 These regulations for tenders and contracts shall be read in conjunction with the General Conditions of the Contract which are referred to herein and shall be subject to modifications, additions, super cessions by special conditions of contract and/ or special specifications, if any, annexed to the tender forms.

Contractors

- 6.4 A contractor who has not carried out any work so far on this Railway should furnish credentials particulars regarding.
- a. his position as an independent contractor.
 - b. His capacity to undertake and carry out works satisfactorily, as vouched for by a responsible official or firm.
 - c. His previous experience on works similar to that to be contracted for, in proof of which original certificates or testimonials may be called for and their genuineness verified, if need be, by reference to the signatories thereof.
 - d. His knowledge, from, actual personal investigation, of the resources of the zone or zones in which he offers to work
 - e. His ability to supervise the work personally or by competent and duly authorized agents.
 - f. His financial position.

Omissions/Discrepancies:

- 6.5 Should a tenderer find discrepancies in, or omissions from the drawing or any of the discrepancies tender forms or should he be in doubt to their meanings he should at once notify the authority inviting who may send a written instruction to all tenderers. It shall be understood that every endeavor has been made to avoid any error which can materially affect the basis of the tender and the successful tenderer shall take upon himself and provide for the risk of any error which may subsequently be discovered and shall make no subsequent claim on account thereof.

Earnest Money:

- 6.6 a The tenderer shall be required to deposit a sum as advertised with tender as Earnest money deposit for the due performance of the stipulation to keep the offer open till such date as might be specified in the tender. It shall be understood that the tender documents have been sold/issued to the tenderer and the tenderer is permitted to tender in consideration of the stipulation on his part, that after submitting his tender he will not resile from his offer or modify the terms and conditions thereof in a manner not acceptable to the Chief Mechanical Engineer, Divisional Railway Manager, Divisional Mechanical Engineer, Sr. Divisional Mechanical Engineer of South Central Railway. Should a tenderer fail to observe or comply with the said stipulation, the aforesaid amount shall be liable to be forfeited to the Railway.
- (b) The sum mentioned in (a) above constitutes the earnest money. If his tender is accepted this earnest money will be retained as part of security for due and faithful fulfillment of the contract in terms of clause 16 of the General Conditions of the Contract. The earnest money deposit of the other tenderers shall, save as herein before provided, be returned to them, but the Railway shall not be responsible for any loss or depreciation that may happen thereto while in their possession nor be liable to pay interest thereon.

Care in sub mission of Tender:

- 6.7 a Before submitting a tender, the tenderer will be deemed to have satisfied himself by actual inspection of the site and locality of the works, that all conditions liable to be encountered during the execution of the works, are taken into account and that the percentage/rates he enters in the tender forms is/are adequate and all inclusive to accord with the provisions in **Clause 37 of the General conditions of Contract** for the completion of works to the entire satisfaction of the Engineer.

- b When work is tendered for by a firm or company of contractors, the tender shall be signed by the individual legally authorized to enter into commitments on their behalf. The Railways will not be bound by any power of attorney granted by the tenderer or by changes in the composition of the firm made subsequent to the execution of the contract. It may, however, recognize such power of attorney and changes after obtaining proper legal advice, the cost of which will be chargeable to the contractor.

Right of Railway to deal with tenders:

- 6.8 The Railway reserves the right of not to invite tenders for any work or works, to invite open or limited tenders, and when tenders are to deal with Tenders called, to accept a tender in whole or in part or reject any tenders or all tenders without assigning reasons for any such action.

Execution of Contract Documents:

- 6.9 The tenderer whose tender is accepted shall be required to appear at the office of the General Manager, Principal Chief Mechanical Engineer, Senior Divisional Mechanical Engineer or Divisional Mechanical Engineer, as the case may be in person, or if a firm or corporation through a duly authorized representative shall so appear and to execute the contract documents within **15 (Fifteen)** days after notice issued by Railway that such documents are ready. Failure to do so shall constitute a breach of the agreement affected by the acceptance of the tender in which case the full value of earnest money accompanying the tender shall stand forfeited without prejudice to any other rights or remedies.

In the event of any tenderer whose tender is accepted shall refuse to execute the contract documents as herein-before provided the Railway may determine that such tenderer has abandoned the contract and there upon his tender and the acceptance thereof shall be treated as cancelled and the Railway shall be entitled to forfeit the full amount of the earnest money and to recover the performance guarantee as per clause No.8 of Special Conditions of contract.

Form of Contract Document:

- 6.10 Every contract shall be completed in respect of the documents it shall so constitute. Not less than **six (6)** copies of the contract documents shall be signed by the competent authority and the contractor and one copy given to the contractor. The contract documents required to be executed by the tenderer. Whose tender is accepted shall be the agreement at **Annexure-II**.

7.0 CONDITIONS OF TENDER

- 7.1 The drawings for the Works can be seen in the office of the Senior Divisional Mechanical Engineer/ DSL /Kazipet, Secunderabad Division, South Central Railway, Secunderabad at any time during office Hours.
- 7.2 General Conditions of Contract and Specifications for Materials and works of South Central Railway can be seen at the Office of Senior Divisional Mechanical Engineer DSL Kazipet, Secunderabad Division, South Central Railway, Secunderabad or had on payment at the rates fixed for each book from time to time.
- 7.3 The Tenderer/Tenderers shall quote percentage rates for items covered by Schedules (items covered by S.S.R and items not covered by S.S.R). The quantities shown in the attached Schedules are given as a guide and are approximate only and are subject to variation according to the needs of the Railway. The Railway accepts no responsibility for their accuracy, the Railway does not guarantee work under each item of the Schedule.

- 7.4 Tenders containing erasures and alterations of the tender documents are liable to be rejected. Any corrections made by the tenderer/tenderers in his/their entries must be attested by him/them.
- 7.5 The works are required to be completed within a period **as advertised in the tender** from the date of issue of the acceptance of tender.
- 7.6 The tender must be accompanied by a sum **as advertised in the tender** as earnest money deposited in cash or in any of the forms mentioned below failing which the tender will not be considered and will be summarily rejected.

The earnest money shall be as below on the estimated tender value as indicated in the Tender Notice. The Earnest money shall be rounded to the nearest Rs.10 (Rupees ten only). This earnest money shall be applicable for all modes of tendering.

Sl. No	Value of work	EMD
a	For works with advertised Tender Value costing up to Rs.1 Crore	2 % of the advertised Tender Value
b	For works with advertised Tender Value to cost more than Rs.1 Crore	Rs.2 lakhs plus 1/2 % (half percent) of the excess of advertised Tender value of work beyond Rs.1 Crore subject to a maximum of Rs.1 Crore

The Earnest Money should be in any of the following forms:-

“The Earnest Money should be in cash or in the form of Deposit receipts, Pay Orders or Demand Drafts executed by State Bank of India or any of the Nationalized Banks or by a Scheduled Bank.”

- i) Earnest Money Deposit in the form of cash paid to Divisional Cashier (Pay) S.C.Railway, Secunderabad and the cash receipt in original should be submitted along with the offer. Demand Draft drawn in favour of Senior Divisional Finance Manager, Secunderabad Division, S.C. Railway, Secunderabad or FDR drawn in favour of Senior Divisional Finance Manager, Secunderabad Division, S.C.Railway, Secunderabad with the on account name of the Tenderer should be submitted along with the offer.
- ii) The Tenderers should furnish the Postal address, E-Mail address, FAX No. and Phone No. of the Bank issuing the FDR towards EMD.
- iii) Any other form of EMD including Guarantee Bonds etc., other than Cash/DD/FDR/Pay Orders/MR is not acceptable.

If the tender is accepted, the amount of earnest deposit will be held as security deposit for the due and faithful fulfillment of the contract. The earnest money of the unsuccessful tenderer will save as herein before provided, be returned to the unsuccessful tenderers but the Railway shall not be responsible for any loss or depreciation that may happen to the security for the due performance of the stipulation to keep the offer open for the period specified in the tender documents or to the earnest money while in their possession nor be liable to pay interest thereon.

- 7.7 The Standing Earnest Money Deposit, if any with the Railway will not be considered for the purpose of this Tender.
- 7.8. It shall not be obligatory on the said authority to accept the lowest tender and no tenderer/ tenderers shall demand any explanation for the cause of rejection of his / their tender.

- 7.9. If the tenderer deliberately gives/tenderers deliberately give wrong information in his/their tender or creates/ create circumstances for the acceptance of his/their tender, the railway reserves the right to reject such tender at any stage.
- 7.10. If a tenderer expires after the submission of his tender or after the acceptance of his tender, the railway shall deem such tender as cancelled. If a partner of a firm expires after the submission of their tender or after the acceptance of their tender, the railway shall deem such tender as cancelled, unless the firm retains its character.
- 7.11. The earnest money for the due performance of the stipulation to keep the offer open till the date specified in the tender will be refunded to the unsuccessful tenderer/ tenderers within a reasonable time. The earnest money deposited by the successful tenderer/tenderers will be retained towards the security deposit for the due and faithful fulfillment of the contract but shall be forfeited if the contractor fails/contractors fail to execute the Agreement Bond or start the work within 15 (fifteen days) (to be determined by the Engineer-in-charge) after notification of the acceptance of his/their tender.
- 7.12. Tenders must be enclosed in sealed covers, super scribed "The Tender number" and must be sent by Registered Post to the address of Senior Divisional Mechanical Engineer DSL Kazipet, Secunderabad Division, South Central Railway, so as to reach his office not later than 15.00 hours on the prescribed date of opening or deposited in the Tender box available at Senior Divisional Mechanical Engineer Diesel Shed Office Kazipet, Secunderabad Division. This will be sealed at 15.00 hours on the prescribed date of opening.
- 7.13. Non-compliance with any of the conditions set forth herein above is liable to result in the tender being rejected.
- 7.14. The authority for acceptance of the tender does not bind himself to accept the lowest or any other tender nor does he undertake to assign reasons for declining to consider any particular tenderer / tenderers.
- 7.15. The Successful Tenderer/Tenderers shall be required to execute an agreement with the President of India acting through the Chief Mechanical Engineer/Engineer-in-chief/Deputy Chief Mechanical Engineer (Constructions), Divisional Railway Manager/ Divisional Engineer/ Senior Divisional Mechanical Engineer of the Railway for carrying out the work according to the General Conditions of the Contract and specifications for works and material of South Central Railway including correction slips issued from time to time.
- 7.16. The Tenderer shall keep the offer open for a minimum period of 90 days from the date of opening of tender, within which period the tenderer cannot withdraw his offer subject to the period being extended further if required by mutual agreement from time to time. Any contravention of the above condition will make the tenderer liable for forfeiture of Earnest Money Deposit for due performance of the foregoing stipulations.
- 7.17. The Administration does not agree to pay Sales Tax in addition to the price quoted.
- 7.18. Should the Railway decide to negotiate with a view to bring down the rates, the tenderer called for negotiations should furnish the following form of declaration before commencement of negotiations.

"I/we, _____ do declare that in the event of failure of the contemplated negotiations relating to Tender No. _____ opened on _____ my/our original tender shall remain open for acceptance on its original terms and conditions.

I/we also declare that I/we am/are aware that during this negotiation, I/we cannot increase the originally quoted rates against any of the individual items and that in the event of my/our doing so, the same would not be considered at all i.e., reduction in rates during negotiation alone would be considered and for some items if I/we increase the rates, the same would not be considered and in lieu my/our originally quoted rates alone would be considered and my/our offer would be evaluated accordingly. "

- 7.19. Should a tenderer be a retired engineer of the Gazetted rank or any other Gazetted officer working before his retirement, whether in the executive or administrative capacity or whether holding a pensionable post or not, in the Engineering Department of any of the Railways owned and administered by the President of India for the time being, or should a tenderer being partnership firm have as one of its partners a retired engineer or a retired Gazetted Officer as aforesaid, the full information as to the date of retirement of such engineer or Gazetted officer from the said service and in cases where such engineer or officer has not retired from Government Service at least two years prior to the date of the submission of the tender as to whether permission for taking such contract, or if the contractor be a partnership Firm or an incorporated company, to become a partner or director as the case may be or to make employment under the contractor has been obtained by the tenderer or the engineer or the officer as the case may be from the President of India or any Officer duly authorized by him in this behalf, shall be clearly stated in writing at the time of submitting the tender/s without information above referred to or a statement to the effect that no such retired engineer or retired Gazetted officer is so associated with the tenderer, as the case may be, shall be rejected.
- 7.20. Should a tenderer or contractor being an individual on the list of approved contractors, have a relative employed in Gazetted capacity in the Engineering department of the South Central 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 or a SHARE HOLDER or a relative of a SHARE HOLDER be employed in Gazetted capacity in the Engineering Department of the South Central Railway, the authority inviting tenders shall be informed of the fact 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 in accordance with the provisions in Clause 62 of the General conditions of the contract.
- 7.21. CONSORTIUM AGREEMENTS, JOINT VENTURE AND MOUs SHALL NOT BE CONSIDERED.
- 7.22. Partnership Firm:-
- i. Partnership deed is eligible if entered into and registered prior to Tender Notice. Tenderer should enclose/submit experience certificate in the same name and style as the tenderer and their credentials shall be considered fully to the extent of work executed by the partnership firm. (EXPERIENCE OF INDIVIDUAL PARTNERS WILL NOT BE CONSIDERED).
 - ii. Any change or modification in the constitution of tendering firms for whatever purpose or intimation of any disputes by any of the partners in the firm making tendering firm ineligible, during consideration of Tender after opening of the Tender, shall be deemed to be backing out of the offer by the Tenderer.

7.23 PARTNERSHIP FIRM:-
PARTNERSHIP DEEDS, POWER OF ATTORNEY ETC

In the case of Partnership firms, an attested copy (attested either by Notary or by Gazetted officer) of the partnership deed with latest modification of the deed should be submitted along with the Tender documents without fail.

The Tenderer shall clearly specify whether the Tender is submitted on his own or on behalf of Partnership concern. If the tender is submitted on behalf of a Partnership concern, he should submit the certified copy of Partnership deed along with the Tender and authorization to sign the Tender documents on behalf of the Partnership firm. If these documents are not enclosed along with the Tender documents, the Tender will be treated as having been submitted by individual signing the Tender document. The Railway will not be bound by any Power of Attorney granted by the Tenderer or by changes in the composition of firm subsequent to the execution of the contract. It may, however, recognize such power of attorney and the changes after obtaining proper legal advice, the cost of which will be chargeable to the contract.

SIGNATURE OF TENDERER(S)

8.0 SPECIAL CONDITIONS OF CONTRACT

8.1 The rates include all lead and if the materials obtained by rail all freight charges including loading charges will be charged.

8.2 Sales tax, Royalties and Octroi duties, if any, that may be payable under Provincial Government Sales Tax Act or Local Bodies Act or rules on any of the material that may be used or supplied by the contractor will be payable by the contractor. The Railway will neither pay the taxes or duties nor be bound to compensate the contractor for any amounts paid by him by way of these taxes or duties.

8.3 SEIGNIORAGE CHARGES RECOVERABLE FROM BILLS:-

Seigniorage charges / fee for supply of earth, moorum, sand and other minerals as fixed by the State Govt. and payable to them as revised from time to time during the currency of the contract will be recovered by Railway from the contractors, in "on account" and "final bill" and remitted to the State Govt. The rates quoted by the tenderer shall be inclusive of these charges. Claims regarding revision of seigniorage charges and consequent enhancement of the accepted rate will not be entertained. However, no seigniorage charges / fee shall be recovered from the bills of the contractor, if the contractor produces documentary evidence e.g. "Transit pass" issued by the state Govt. officials in token of having paid seigniorage fee. In such cases, the genuiness of such documentary evidence produced along with proof of payment of seigniorage charges, shall be got verified by the Railway from the concerned mining and Geology Dept.' (CTE/SC Lr No.W/44/B.Vol.VI dt 03-11-08)

8.4 The Special conditions supplemented to the conditions of Tender and contracts the General conditions of contract and the notes appearing under the relevant chapter and sub chapters of the Standard Schedule of Rates 2002 or SSR P.Way 2004 should be considered as part of the contract papers where the provisions of these conditions are at variance with General Conditions of Contract these special conditions will prevail.

8.5 PERFORMANCE GUARANTEE (P.G.): (Railway Board Lr.Nos.2007/CE.1/CT/18, dt.28.9.07 and No.2003/CE.I/CT/4.Pt. I dt.23-5-2007).

The successful bidder shall submit a Performance Guarantee (PG) in the form of an irrevocable bank guarantee amounting to 5% of the contract value in any of the following forms:-

- (i) A deposit of Cash,
- (ii) Irrevocable Bank Guarantee,
- (iii) Government Securities including State Loan Bonds at 5 percent below the market value,
- (iv) Deposit receipts, Pay orders, Demand Drafts and Guarantee Bonds. These forms of Performance Guarantee could be either of the State Bank of India or of any of the Nationalized Banks.
- (v) Guarantee Bonds executed or Deposits Receipts tendered by all Scheduled Banks;
- (vi) A Deposit in the Post Office Saving Bank;
- (vii) A Deposit in the National Savings Certificates;
- (viii) Twelve years National Defence Certificates;
- (ix) Ten years Defence Deposits;
- (x) National Defence Bonds; and
- (xi) Unit Trust Certificates at 5 percent below market value or at the face value whichever is less.

Also FDR in favour of Senior Divisional Finance Manager, Secunderabad Division, S.C.Railway, Secunderabad (free from any encumbrance) may be accepted.

1. The prescribed format for Bank Guarantees (BGs) to be accepted from the Contractor is enclosed with the tender documents and it will be verified verbatim on receipt with original document.
2. Bank Guarantees (BGs) to be submitted by Suppliers / Contractors should be sent directly to the concerned authorities by the issuing bank under registered post A.D.

A Performance Guarantee shall be submitted by the successful bidder after the letter of acceptance has been issued, but before signing of the agreement. The agreement should normally be signed within 15 days after the issue of LOA and the Performance Guarantee shall also be submitted within this time limit. This guarantee shall be initially valid up to the stipulated date of completion plus 60 days beyond that. In case, the time for completion of work gets extended, the contractor shall get the validity of Performance Guarantee extended to cover such extended time for completion of work plus 60 days.

The Performance Guarantee (PG) shall be released after physical completion of the work based on the 'Completion Certificate' issued by the competent authority stating that the contractor has completed the work in all respects satisfactorily. The security deposit, however, shall be released only after the expiry of the maintenance period and after passing the final bill based on '**No Claim Certificate**'.

Wherever the contract is rescinded, the security deposit shall be forfeited and the Performance Guarantee shall be en-cashed and the balance work shall be got done independently without risk and cost of the failed contractor. The failed contractor shall be debarred from participating in the tender for executing the balance work. If the failed contractor is a JV or a partnership firm, then every member/partner of such a firm shall be debarred from participating in the tender for the balance work either in his / her individual capacity or as a partner of any other JV / partnership firm.

The Engineer shall not make a claim under the Performance Guarantee except for amounts to which the President of India is entitled under the contract (not withstanding and / or without prejudice to any other provisions in the contract agreement) in the event of:

- i) Failure by the contractor to extend the validity of the Performance Guarantee as described herein above, in which event the Engineer may claim the full amount of the Performance Guarantee.
- ii) Failure by the contractor to pay President of India any amount due, either as agreed by the contractor or determined under any of the Clauses / Conditions of the agreement, within 30 days of the service of notice to this effect by Engineer.
- iii) The contract being determined or rescinded under provision of the GCC the Performance Guarantee shall be forfeited in full and shall be absolutely at the disposal of the President of India.

8.6 SECURITY DEPOSIT:

The scale of Security Deposit that is to be recovered from the contractor shall be as follows as per the extent instructions of the Railway Board vide Ir.No.2003/CEI/CT/4/PT-1, dt.12.05.2006 and Rly. Bd. Lr.No.2007/CE-I/CT/18 dt.07-03-2008.

- (i) Security Deposit should be 5% of the contract value.
- (ii) The rate of recovery will be at the rate of 10% of the gross bill amount till the full Security Deposit is recovered.
- (iii) Security Deposit will be recovered only from the running bills of the contractor and **no other mode of collecting SD** such as SD in the form of instruments like Bank Guarantee, Fixed Deposit Receipt etc., **shall be accepted towards Security deposit.**

The security deposit shall be released only after the expiry of the maintenance period and after passing the final bill based on 'No Claim Certificate'.

After the work is physically completed, security deposit recovered from the running bills of a contractor can be returned to him if he so desires, in lieu of FDR/irrevocable bank guarantee for equivalent amount to be submitted by him. In case of contracts of value Rs.50 crores and above, irrevocable bank guarantee can also be accepted as a mode of obtaining security deposit.

8.7 DEDUCTION OF INCOME TAX AT SOURCE:

In terms of new Section 194-C inserted by the Finance Act 1972 , in the income tax Act 1961 the Railway shall at the time of arranging payments to the contractor and/or sub contractor(in the case of sub contractor only when the Railway is responsible for payment of consideration to him under the contract) for carrying out any work (including supply of labour for carrying out any work) under the contract be entitled to deduct income tax at source on Income comprised in the sum of such payments.

The deduction towards income tax to be made at source from the payments due to non-residents shall continue to be governed by Section 195 of the Income Tax Act 1961.

No Income Tax will be deducted by the Railway on payments made for supply of materials where such value of supply portion is distinct and ascertainable such as supply of Timber, tiles, bricks, ballast including track/ballast etc. The deductions towards Income Tax to be made at source from the payment due to non/residents shall continue to be governed by Section 195 of the Income Tax Act 1961.

8.8 LIABILITY OF CONTRACTOR(S) - ANY DAMAGE SUSTAINED BY RAILWAYS DURING ACCIDENTS ETC., CAUSED DUE TO CONTRACTOR(S) FAILURES, FAULT OR NEGLIGENCE.

Railway will post an Engineer-in-charge who may be SSE/SE/JE or Supervisor of any grade at site for Technical Supervision of the work. This Engineer-in-charge will be responsible for safety of the traffic. The work shall be executed by the contractor in a workman like manner to the satisfaction of the Engineer-in-charge. The Contractor and his labour shall be guided by the instructions of the Engineer-in-Charge. In the event of any accident occurring at the work site and it is established during the departmental enquiry by the Railway or by Statutory enquiry of CRS, that the accident occurred wholly or partly due to any act Tanta mounting to negligence on the part of the contractor or his labour in not

adhering to the instructions of the engineer-in-charge, the contractor shall render himself liable for damages and also legal prosecution if loss of life is involved.

8.8 IMPLEMENTATION OF – THE BUILDING AND OTHER CONSTRUCTION WORKERS (RECS) ACT, 1996 AND THE BUILDING AND OTHER CONSTRUCTION WORKERS WELFARE CESS ACT, 1996 IN RAILWAY CONTRACTS.

“The Tenderer for carrying out any construction work in Andhra Pradesh (name of State) must get themselves registered from the Registering Officer under Section-7 of the Building and other Construction Workers Act, 1996 and rules made thereto by the Andhra Pradesh (name of State) Government and submit certificate of registration issued from the Registering Officer of the Andhra Pradesh(name of the State) Government (Labour Department). For enactment of this act, the Tenderer shall be required to pay cess @ 1% of cost of construction work to be deducted from each bill Cost of material shall be outside the purview of cess, when supplied under a separate schedule item.”

9.0 WORKS CONTRACT CLAUSE-13

- 9.1 In case cement, Steel, AC sheet with or without accessories, GI sheets with or without accessories, glasses or any other materials/items are issued to the contractor(s) either free of cost or on cost to be recovered for use on the work as stipulated in the agreement the supply thereof shall be made in stages depending on the progress of the work, limited to the quantity /quantities computed by the Railway, according to the prescribed specification and approved drawings as per agreement. The materials supplied should conform to Railway's Specification in all respects should be in accordance with approved sample.

All such materials supplied to the contractor(s) for the work either free of charge or on payment as the case may be will be issued to contractor(s) at the Railway depot/godown/goods shed and will have to be transported by the contractor to the site of work at his cost. All such materials shall be used by the Contractor for the work in such quantities as are indicated in the schedule or in the relevant specifications or drawings or as approved by the Engineer, whose decision thereon shall be final. Wastage or damages of such materials in any manner shall be totally avoided. The contractor(s) shall be liable to the account for all such materials issued by Railway either free of cost or on payment excluding the permissible wastage which in case of steel materials should not in any case exceed 1% of the total quantity required for the work as per the approved drawings. No wastage under other items is permissible. Short lengths of rods should also be utilized to the extent possible by overlapping joints.

The Cement, Steel, A.C.Sheets with or without accessories, G.I sheets with or without accessories glasses or any other materials issued in excess of the requirement(s) as above, shall be returned in perfectly good condition by the contractor(s) to the Railway at the Railway depot/Godown/Goods shed at _____ immediately after completion or termination of the contract. If the contractor fails to return the said materials then the cost of such materials issued in excess of the requirement as computed by Railway according to the specification and approved drawings will be recovered from the contractor(s) at twice the prevailing procurement cost at the time of last issue viz., 2 x (purchases price +5% freight only). This will be without prejudice to the right of Railway to take action against the contractors under the condition of the contract for not doing/completing the work according to the prescribed specification and approved drawings. If it is discovered that the quantity of cement, steel or any other material used is less than the quantity computed by the Railway, according to specifications and approved drawings the cost of materials not returned will be recovered at the same rates as applicable to excess issue of materials, indicated in the preceding Para.

- 9.2 It shall be the responsibility of the contractor to keep in safe custody any Railway material plant or equipment issued for the work. The contractor shall at his own expense provide suitable temporary shed/sheds for this purpose on the Railway land made available by the Railway free of rent and shall remove the shed/sheds when no longer required in terms of clause 30 of General conditions of contract.
- 9.3 If due to any reason the Railway is not in a position to make available the Railway land the Railway Engineer-in-charge of the work may permit the contractor to erect at his own cost shed/sheds or secure private accommodation outside the Railway premises. In such a case the contractor may be permitted to take the Railway material required for the works outside the railway premises and to store

- in the Shed so erected or private accommodation so secured. It shall be the responsibility of the contractor to keep the railway material in safe custody and the same should be kept entire separate from the contractor's material and the Railway shall have liberty to inspect the same from time to time.
- 9.4 The code Nos. description and rates given in the schedule are based on the printed standard schedule of rates 2002. Any discrepancy noticed during the execution of the work, in the working rates quantity of cement etc. should be rectified by reference to the printed schedule, which shall be treated as authoritative and binding on the contract. The relevant notes applicable to the respective sub chapters will apply to the items of the Tender schedule and should be considered as having been incorporated in the contract agreement and binding on the Contractor.
- 9.5 For any other items not specially shown in the schedule of rates appended to the tender document, the Divisional/Executive Engineer will offer rates as shown for the Secunderabad Division / zone in the South central railway printed standard schedule of rates 2002 subject to the same percentage adjustment accepted in the contract being applicable to the additional items.
- 9.6 Railway shall not supply from its own quota to the contractors controlled or imported commodities. Assistance will, however given by recommending to appropriate authorities. Contractor applications for issue of import licenses and release of controlled commodities if the Engineer is satisfied that this material is actually required by contractor for carrying out the work and is not available in the country.

10.0 PERIOD OF COMPLETION:

- 10.1 The Railway expects that a resourceful and experienced contractor should be able to complete the work in all respects **within the period as specified in the Tender Notice and in the Schedule where items of work are furnished** from the date of letter of acceptance of the Tender.
- 10.2 **Extension of time of completion will be governed by clause 17 of General Conditions of Contract. However, while granting the extension of time under clause 17(B) of GCC, a token penalty as deemed fit based on the circumstances of the case can be imposed on the contractor without prejudice to other rights of Railway Administration as provided under GCC.**

- 11.0 **MAINTENANCE PERIOD:** The work shall be maintained after completion for a period **as specified in the Schedule where items of work are furnished** by the contractor and he shall make good any defects, imperfections, shrinkages or faults which may appear at his own cost.

It is HEREBY AGREED that it shall be the duty of the contractor to keep himself informed of all corrections, and amendments of the said General conditions of contract made up to the date of the execution of these presents and no objection shall be taken by the contractor on the ground that he was not aware of such amendments and corrections of the said General Conditions of Contract or to any of them.

12.0. SPECIAL CONDITIONS OF CONTRACT VARIATIONS IN QUANTITIES:

- The quantities of each item of work furnished in the schedule are approximate and are intended for the guidance of Tender/Contractor .in actual execution of work there may be some increase in the quantities specified. Such variation up to 25% shall in no degree affect the validity of the contract and it shall be performed by the contractor as provided there in and be subjected to the same conditions, stipulations and obligations originally and expressly included and provided for in specification and drawings and the amount to be paid therefore shall be calculated in accordance with the following rates.
- 12.1. Individual NS items in contracts shall be operated with variation of plus or minus 25% payment would be made as per agreement rate.
- 12.2. In case of increase in quantity of any individual item by more than 25% of the agreement quantity is considered as unavoidable, the same shall be got executed by floating a fresh tender .IF floating a fresh tender is considered not practicable negotiations may be held with the existing contractor for arriving at reasonable rates for additional quantities in excess of 125% of the agreement quantity.

- 12.3. The limit for varying quantities for minor value items shall be 100% (as against 25% prescribed for other items) A minor value items for this purpose is defined as an item whose original agreement value is less than 1% of the total original agreement value .
- 12.4. No such quantity variation limit shall apply for foundation items.
- 12.5. As far SOR items are considered the limit of 25%. Would apply to the value of SOR schedule as whole and not on individual SOR items. However, in case of NS items, the limit of 25% would apply on the individual items in respective of the manner of quoting the rate (single percentage rate or individual item rate).
- 12.6. The aspect of vitiation of tender with respect to variation in quantities should be checked and avoided. In the event of any reduction in the quantity to be executed for any reasons what so ever, the contractor shall not be entitled to any compensation but shall be paid only for the actual amount of work done. The contractor is bound to notify the Engineer at least seven days before the necessity arises for the execution of any item in excess of 25% of the quantity provided in the agreement. In case the contractor fails to attend the meeting after being notified to do so or in the event of no settlement being arrived at the Railway shall be entitled to execute the extra work by other means and the contractor shall no claim for loss or damage that may result from such procedure

13.0 EMPLOYMENT OF CIVIL ENGINEERING GRADUATES/DIPLOMA-HOLDERS:

The contractor shall employ the following technical staff during the execution of this work.
One graduate engineer when the cost of the work to be executed is Rs.15 lakhs and above.
One qualified diploma holder (over-seer) when the cost of the work to be executed is more than Rs.5 lakhs but less than Rs.15 lakhs. These Engineers shall be available through out the period when the work is progress and not merely available for taking the instructions. In case the contractor fails to employ the technical staff as aforesaid, he shall be liable to pay a reasonable amount not exceeding a sum of Rs.5000/- (five thousand only) for each month of default in case of graduate engineer and Rs.3000/- (three thousand only)for each month of default in case of diploma holder (overseer).
The decision of the Engineer-in-charge as to the period for which the required technical staff was not employed by the contractor and as to the reasonableness of the amount to be deducted on this account shall be final and binding on the contractor.
(The above clause is not applicable for contracts exclusively for Welding of Rail joints in terms of CTE/SC letter No.W.509/P/Vol.X dt.6-4-2006).

14.0 RAILWAY CONTRACTORS / EXTENSION OF PROVIDENT FUND ACT TO THE EMPLOYEES WORKING UNDER RAILWAY CONTRACTORS:

The Contractor shall comply with the provisions of EPF & MP Act, 1952 and obtain code number from the concerned authorities whenever workmen employed by him are 20 or more. He shall also indemnify Railways from and against any claim, penalties, recoveries under the above Act and Rules. Contractors to get the code number under the EPF so as to enable the PF Commissioners to extend the social security benefits to the workmen engaged by the Railway contractors. The first month's bill will be released only after code number is taken from the PF Office and a copy of coverage intimation produced. Subsequently for each month, bills will be released only on submission of challans & 12 A monthly return copy in proof of remittance of PF dues for previous month."(Authority: CGE/SC letter No.W.148/P.Vol.IV dt.04-8-2004).

15.0 Conservancy charges as applicable and as modified from time to time will be recovered from Contractor's running bills.

16.0. DISASTER MANAGEMENT

In case of accidents/natural calamities involving human lives, the Railway administration can draft vehicles and equipments of the contractor however, for payment purpose; the item will be operated as additional NS item duly negotiating the rates.

17.0 MODIFICATION TO CLAUSE 63 & 64 OF GENERAL CONDITIONS OF CONTRACT

- 17.1. The Provision of Clause 63 and 64 of the General Conditions of Contract will be applicable only for settlement of claims /disputes, for values less than or equal to 20% of the original value (excluding the cost of materials supplied free by Railway) of the contract or 20% of the actual value of the work done (excluding the value of the work rejected) under the contract whichever is less. When claims/disputes are of value more than 20% of the value of the original contract or 20% of the value of the actual work done under the contract, whichever is less, the contractor will not be entitled to seek such disputes/claims for reference to arbitration and the provisions of Clause No; 63 &64 of the General Conditions of Contract will not be applicable for referring the disputes to be settled through arbitration.
- 17.2. The Contractor shall furnish his monthly statement of claims as per Clause 43(1) of General Conditions of Contract. But the Contractor should seek reference to arbitration to settle the disputes only once, subject to the conditions as per Para 1.
- 17.3. The Special conditions shall prevail over the existing Clause 63 & 64 of General Conditions of contract.

18.0 REVISED MODEL FORM OF BANK GUARANTEE BOND FOR PERFORMANCE GUARANTEE

- 18.1. 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 the 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 the 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 / damage caused to or suffered or would be caused to or suffered by the Government by reasons of any breach by the said contractor(s) of any of the terms or conditions contained in the said Agreement.
- 18.2. We ----- (indicate the name of the Bank) do hereby 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 damage caused to or would be caused to or suffered by the Government by reason of 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 shall be restricted to an amount not exceeding Rs.-----.
- 18.3. 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 suite 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 thereunder and the contractor(s) / supplier(s) shall have no claim against us for making such payment.

*Tender notice no.SCR.MECH.DSL.KZJ.S.B.09-10 DT.10.06.2009.
Repairs and reclamation of suspension bearings.*

- 18.4. We, -----(indicate the name of 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 ----- Office/Department) Ministry of ----- certifies that the terms and conditions of the said Agreement have 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.
- 18.5. We, -----(indicate the 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 any such matter or thing whatsoever which under the law relating to the sureties would, but for this provision, have effect of so relieving us.
- 18.6. This guarantee will not be discharged due to the change in the constitution of the bank or the Contractor(s) / Supplier(s).
- 18.7. We, -----(indicate the name of the bank) lastly under take not to revoke this guarantee during its currency except with the previous consent of the Government in writing.

Dated: the----- day of ----- 200
For -----
(indicate the name of the bank)