



**Indian Railways**  
**RAIL WHEEL FACTORY**

**OFFICE OF THE PRINCIPAL CHIEF MATERIALS MANAGER**  
**YELAHANKA, BENGALURU-560064,**  
**KARNATAKA, INDIA.**

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**GSTIN: 29AAAGM0289C1ZF**

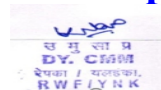
**BID DOCUMENT FOR ELECTRONIC OPEN TENDERS FOR SUPPLY**  
**OF INDIGENOUS ITEMS**

(To be read with IRS Conditions of Contract, General Conditions of Tender, Special Conditions and Instructions to tenderer for e-Open Tender)

*(Effective from April 2018)*

Closing Time: 14:15 Hrs. and Opening Time: 14:30 Hrs.

**Principal Chief Materials Manager**



Signature Not  
Verified

Digitally signed by  
HARIHARAN  
NARAYANAN  
Date: 2018.05.02  
14:58:37 IST  
Reason: IREPS-CRIS  
Location: New Delhi

## **Quality Policy**

To achieve and maintain excellence in quality in the manufacture of wheels, axles and wheelsets conforming to the requirement of our customers and to strive for continuous improvement .

## **Environmental Policy**

This Plant has secured ISO:14001 certification for its Environment Management System. We request our esteemed suppliers to kindly make all endeavours to adopt eco-friendly processes and packing material with regard to the products manufactured in general and in particular for the items manufactured for us by RWF.

## **Special Note:**

As RWF is ISO 9001, ISO 14001-2004 AND OHSAS 18001-1999 certified organization, tenderers shall comply with the requirements of these standards while dealing with RWF.

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OFFICE OF THE PRINCIPAL CHIEF MATERIALS MANAGER  
Yelahanka, Bengaluru - 560 064, INDIA.

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FOR SUPPLY OF INDIGENOUS ITEMS:

Schedule of Requirements	Attached to e-Open tender enquiry.
Special Conditions of Tender	Additional special conditions, If any, will be specified in the e-tender enquiry/uploaded with e-tender enquiry.

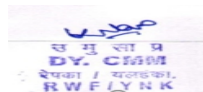
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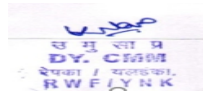
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Indian Railway Standard Conditions of Contract	Available on RWF portal in IREPS & also on RWF website <a href="http://www.rwf.indianrailways.gov.in">www.rwf.indianrailways.gov.in</a> in downloadable form	



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## **SECTION- I**

### **INSTRUCTIONS FOR ELECTRONIC OPEN TENDERS**

(This tender/contract is also bound by the instructions for Electronic Open Tender)

**1.0 General:**

**1.1** The **Principal Chief Materials Manager**, Rail Wheel Factory, **Bengaluru-560064** on behalf of the President of India, duly authorised, invites e-bids from established and reliable manufacturers or their authorised dealers/authorised agents for the supply of the items as set forth in the “Schedule of Requirements”. The price should be quoted in Indian Rupees.

**1.2** Tenderers are advised to carefully read all the Instructions, the General and Special Conditions of tender, and Indian Railway Standard (IRS) Conditions of Contract, before submitting their e-bids. By submission of e-bids along with declaration signed digitally, it will be presumed that the tenderer has read, understood and accepted all the conditions of the tender document and those referred therein and undertake to abide by the same. Railways shall not be responsible for any kind of technical obstructions that might occur during online bidding.

**1.3** Tenderers must ensure that the conditions laid down for submission of e-bids detailed in subsequent paras, are completely and correctly fulfilled. Tenders, which are not complete in all respect as stipulated in the subsequent paras, are liable to be ignored.

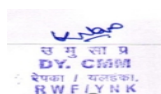
**1.4** The **Principal Chief Materials Manager** or any other officer authorised on behalf of the President of India is not bound to accept the lowest or any tender and reserves himself the right to cancel the tender, to reduce or divide the contract or to accept any tender in respect of the whole or any portion of the items specified in the tender schedule and the successful tenderer shall be required to supply the same at the rate quoted.

**1.5** All information in the offer must be in English. Information in any other language must be accompanied by its authenticated translation in English. Failure to comply with this may render the offer liable to be rejected. In the event of any discrepancy between an offer in a language other than English and its English translation, the English translation will prevail.

**1.6** In case of any contradiction in the terms and conditions appearing in IRS Conditions of Contract and General/Special conditions specified in the tender documents, the latter will prevail.

**2.0 LOCAL CONDITIONS:**

**2.1** It will be imperative on each tenderer to fully acquaint himself of all the local conditions and factors, which would have any effect on the performance of the contract and cost of the stores. The Purchaser shall not entertain any request for clarifications from the tenderer regarding such local conditions. No request for the change of price or time schedule of delivery of stores shall be entertained after the Purchaser accepts the bid.



**Section-I**

**3.0 SUBMISSION OF TENDER: ELECTRONIC BID(e-Bid):**

- 3.1** The e-bid should be submitted in the prescribed Offer Form as available under “bid process” and the “rate page” under IREPS portal only. Bids/offers received in any other form i.e., manual offers/e-mail offers/scanned copy of offers on firm’s letter heads/ any other form received shall be considered as invalid and rejected summarily.
- 3.2** Every on-line tender submitted duly signed with a valid Digital Signature Certificate and received before the closing date and 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.
- 3.3** Firms are advised to ensure that for address furnished by them for getting Digital Signature Certificate from accredited agencies are same as that furnished to and available with the centralized source approving authorities such as **RDSO/RCF/ICF/CLW/DMW/DLW/CORE**. They are further advised that for registering them in the IREPS for participation in e-procurement system the same address as above is filled up, to avoid any vitiation of any information and consequent impairment in their credentials.
- 3.4** Electronic offers once digitally signed and submitted for one or all the item/items, shall remain fully secured confidentially stored into the e-tender box in an encrypted form till the due date and closing time of tender/ opening time of tender.
- 3.5 REVISED BIDS:** Vendors can submit a revised commercial bid any time before the stipulated closing date and time and in such case the last revised bid submitted shall be considered as the bid for the tender, superseding all the previously submitted bids for that item/items of the tender.
- 3.6** The purchaser shall bear no responsibility for incorrect evaluation of total unit rate and / or ranking of a tender if the offer form is not filled in completely / filled ambiguously. No claim or clarification of the tenderer regarding applicability, inclusion or exclusion of any element of tax or any other change in the offer shall be entertained after opening of the tender.
- 3.7** In case the due date of the tender closing/opening day happens to be a holiday for RWF, the e-tender shall be opened on the next working day. However bidders cannot submit/revise offer or attach document beyond the closing time and date of the e-tender.
- 3.8** Tenderers must look out for NIT as soon as it is available in IREPS website and upload their offer well in advance without waiting for closing date and time, to avoid last minute hassle in their own computer system for communication line. RWF is not responsible for non-participation of vendors due to any technical problems on the day of tender closing time.
- 3.9** Only e-bids received in the electronic box available on the website [www.ireps.gov.in](http://www.ireps.gov.in) will be considered.
- 3.10** The electronic procurement system does not permit submission of any offer after the closing date and time of tenders. Hence, there is no scope for late/delayed offers in the on-line bidding process.

**Section-I**

**4.0 COST OF TENDER DOCUMENT:**

**4.1 Tender document cost is not applicable for e-tenders, where the bid is offered through IREPS web portal.**

**5.0 EARNEST MONEY DEPOSIT (EMD):**

**5.1** All the tenderers are required to pay the amount towards Earnest Money Deposit, subject to following exemptions:

i)	Vendors registered with NSIC upto the monetary limit of their registration for the items tendered.
ii)	Micro and Small Enterprises registered with any of the agencies listed at Para 6.1(i) below, for the item tendered are exempted from payment of earnest money, subject to complying with conditions laid down under Para 6.2 and 6.3 below.
iii)	Vendors registered with RWF, Other Railways and Government Departments upto the monetary limit of their registration for the items tendered/trade groups of the items tendered.
iv)	Vendors on the approved list of <b>RDSO/RCF/ICF/CLW/DMW/DLW/CORE</b> for those specific items for which they are on the approved list.
v)	Manufacturers and their accredited agents.
vi)	<b>EMD shall be paid via “Online” through IREPS web portal only.</b>

**5.2** Tenderers seeking waiver of / exemption from payment of EMD must submit requisite documentary evidence in support of their claim. The documentary evidence should be attached to their e-bid as attached document.

**5.3** The amount of EMD to be furnished, will be 2% (two percent) of the estimated tender value subject to an upper limit of:

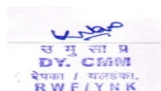
i)	Rs.5 lakhs(Rupees five lakhs only) for tenders valuing upto Rs.10 Crores (Rupees ten crores only) and
ii)	Rs.10 lakhs(Rupees ten lakhs only) for tenders valuing above Rs.10 Crores (Rupees ten crores only).

**5.4** Railway reserves the right to enhance the upper limit amount of EMD for high value tender cases and such upper limit will be specified in the tender documents, if any.

**5.5** Tenderers other than those who are exempt from payment of earnest money, shall be required to make remittances via Online only as available on IREPS web portal, failing which their bids are liable to be rejected. Earnest Money amount as stipulated in the notice for invitation of tenders (NIT) will have to be paid online through payment gateway link.

**5.6** Neither the standing deposit, if any lodged with this Railways nor any other deposit against any other tender will be accepted as EMD for the purpose of this e-tender.

**5.7** No interest will be payable by the Purchaser on the Earnest Money Deposit/Bid Guarantee submitted.





**Section-I**

**5.8** Earnest Money Deposit of all unsuccessful tenderers will be returned by the Purchaser after expiry of the final bid validity or after placement of contract on successful bidder. The Earnest Money of the successful tenderer may be adjusted towards part of the Security Deposit and in case where such tenderer furnishes full Security Deposit as per the tender conditions, EMD will be refunded after receipt of full Security Deposit.

**5.9** Any e-bid not accompanied by EMD **via online mode** may be rejected by the purchaser as un-responsive, unless the tenderer is entitled for the exemption from payment of EMD.

**5.10 FORFEITURE OF EARNEST MONEY:** The Earnest Money deposited is liable to be forfeited if the tenderer withdraws or amends, impairs or derogates from the offer in any respect within the period of validity of his bid or if the successful tenderer fail to submit the Security Deposit as per tender conditions.

**6.0 BENEFITS AND PREFERENTIAL TREATMENT TO MICRO AND SMALL ENTERPRISES:**

**The definition of Micro and Small Enterprises as per the Extraordinary Gazette of India No. 1152 dated:30.09.2006 and Notification No. S.O 1642(E) of Ministry of Small Scale Industries is as follows(to be read with other parameters mentioned therein):**

a.	<b>Micro Enterprise: where the investment in plant and machinery does not exceed twenty five lakh rupees</b>
b.	<b>Small Enterprise: where the investment in plant and machinery is more than twenty five lakh rupees but does not exceed five crore rupees</b>

**6.1 (i)** Micro and Small Enterprises registered with any of the following are exempted from payment of Earnest Money for the item tendered:

a.	District Industries Centres
b.	Khadi and Village Industries Commission
c.	Khadi and Village Industries Board
d.	Coir Board
e.	National Small Industries Corporation
f.	Directorate of Handicraft and Handloom
g.	Any other body specified by Ministry of MSME.
h.	<b>Possessing Udyog Aadhaar</b>

**(ii)** In tenders, participating MSEs quoting a price within price band of L1 + 15% shall be allowed to supply a portion of the requirement by bringing down their price to L1 in a situation where L1 price is from someone other than a MSE and such MSE/MSEs can be together ordered upto 20%(twenty percent) of the value out of the net procurable quantity with proportionate distribution of quantity for supply.

**Section-I**

(iii) Out of 20% target of annual procurement of MSEs, a sub-target of 4%(four percent) is earmarked for procurement from MSEs owned by Scheduled Caste (SC) / Scheduled Tribe (ST) entrepreneurs. However, in event of failure of such MSEs to participate in tender process or meet tender requirements and L1 price, above earmarked sub-target of 4%(four percent) procurement will be met from other MSEs.

**(iv) Definition of MSEs owned by SC/ST enterprises:**

a.	In case of proprietary MSE, proprietor(s) shall be SC/ST.
b.	In case of partnership MSE, the SC/ST partners shall be holding at least 51(fifty one percent) shares in the unit.
c.	In case of Private Limited Companies, at least 51% (fifty one percent) shares shall be held by SC/ST promoters.

**6.2** MSEs who are interested in availing themselves of the above benefits should attach with their e-bid the proof of their being MSE registered with any of the agencies mentioned in the notification of Ministry of MSE indicated above at 6.1(i) above.

**6.3** The MSEs must also indicate the terminal validity date of their registration.

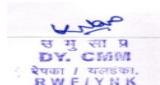
**6.4** Failing 6.2 and 6.3 above, such bids will not be liable for consideration of benefits detailed in MSE notification No.503 dated 23.3.2012 of Government of India.

**6.5 RELAXATION OF NORMS FOR STARTUPS, MICRO AND SMALL ENTERPRISES:**

As per the Extraordinary Gazette of India No. 402 dated:23.05.2017 and Notification No. GSR 501(E) issued by Ministry of Commerce and Industry, an entity shall be considered as Startup, if its turnover for any one of the financial years since incorporation/ registration has not exceeded Rupees 25(twenty five) Crores, apart from the other parameters mentioned therein.

Government of India has announced ‘Startup India’ initiative for creating a conducive environment for Startups in India. The Startups are normally Micro and Small Enterprises which may not have a track record. These will have technical capability to deliver the goods and services as per prescribed technical and quality specifications, and may not be able to meet the qualification criterion relating to prior experience–prior turnover. Accordingly, there is no requirement of prior-experience and prior-turnover for Startup MSEs, subject to meeting of quality and technical specifications. However they shall be able to prove that they are Startup units.

However, there may be circumstances (like procurement of items related to public safety, health, critical security operations and equipments etc) where procuring entities(RWF) may prefer the vendors to have prior experience rather than giving order to new entities. For such procurements, where adequate justification exists, the criteria of Prior experience / turnover for the Startups may not be relaxed (Ref: Office Memorandum No. F.20/2/2014-PPD(Pt.) dated:20.09.2016 issued by Department of Expenditure).



**Section-I**

**7.0 SPECIFICATIONS AND DRAWINGS:**

**7.1** RWF's specifications and drawings will be made available along with the e-tender, wherever applicable. The **Principal Chief Materials Manager** will not supply RCF/IRS/BIS/RDSO/CLW/DLW/ICF/CORE/DGS&D/Railway specifications or drawings, IRS Conditions of Contract, etc. Such drawings, specifications and conditions must be obtained from the appropriate authorities concerned who issue them, on payment.

**7.2** If any tenderer happens 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 tendered drawing/specification. Further, copies of such drawings/ specifications/ catalogues are also to be enclosed as ATTACHED DOCUMENTS, failing which the offer will be summarily rejected.

**8.0 COMPLIANCE OF GENERAL, SPECIAL AND COMMERCIAL CONDITIONS:**

**8.1** e-bids submitted shall be as per the IRS Conditions of Contract, General condition of tender, Special Conditions and including the instructions to tenderer given in the tender documents. Tenderers must confirm acceptance to IRS terms and conditions of contract in all respects.

**8.2** The tenderer shall indicate his acceptance or otherwise against each mandatory clauses like terms and conditions, performance statement, technical specification, technical deviation statement, commercial deviation statement and Special Conditions of tender (if available) and list of documents attached. In case the tenderer wishes to deviate from any clause mentioned in the tender, such deviations shall be indicated in the "deviation statement" during the "bid process".  
The Purchaser, however, reserves the right to accept or reject these deviations and his decision thereon shall be final.

**9.0 COMPLIANCE OF TECHNICAL REQUIREMENTS:**

**9.1** The stores/equipments offered should be in accordance with the stipulated item description, drawings and specifications in "Schedule of Requirements". Details of variations from the drawings and specifications, if any, should be clearly indicated under technical deviation statement.

**9.2** The tenderer shall indicate his compliance or otherwise against each clause and sub-clause of the technical specifications. The tenderer shall, for this purpose, enclose a separate statement indicating compliance or otherwise of each clause and sub-clause of specifications. Whenever the tenderers deviate from the provisions of a clause/sub-clause, they shall furnish their detailed justification for the same in the Technical Deviation Statement.

**9.3** The Purchaser may accept internationally accepted alternative specifications which ensure equal or higher quality than the specifications mentioned in the tender specifications. However, the decision of the Purchaser in this regard shall be final.

**Section-I**

- 9.4** Remarks such as "Best Make" etc. will be assumed to indicate 'Best Make' not conforming to the tendered specification, unless it is specifically mentioned by the tenderer that the material offered is to the tendered specification.
- 9.5** The tenderer should avoid ambiguity in their bid, *e.g.*, if the bid is to their standard sizes/length/ dimensions, they should specifically state them in details without any ambiguity. Brief descriptions such as "standard lengths" etc. should not be used in the bids.
- 10.0 DOCUMENTARY REQUIREMENTS IN SUPPORT OF BIDS FROM MANUFACTURERS / AUTHORISED DEALERS / AGENTS:**
- 10.1** Offers directly from the manufacturers of the stores are desirable. If the manufacturer intends to quote through their authorised agents such manufacturers shall issue authorization letters to their authorized agents on their behalf on case-to-case basis, i.e., authorization letter shall be tender specific, as per the prescribed proforma at Annexure-IV. Inspection will be carried out at manufacturer's premises only and inspected and accepted material shall be dispatched directly from the manufacturer's premises and the manufacturer shall stand guarantee for the materials to be supplied. The authorized agents shall necessarily furnish their income tax Permanent Account Number at the time of submission of bid.
- 10.2** Non submission/uploading of tender specific authorisation letter will make their offer invalid and offer will be accordingly rejected.
- 10.3** In a tender, the authorised dealer / authorised agent on behalf of the Principal /OEM or Principal /OEM itself can bid, but both cannot bid simultaneously for the same item/product in the same tender.
- 10.4** If an authorised dealer / authorised agent bid on behalf of the Principal / OEM, the same dealer / agent shall not submit a bid on behalf of another Principal/OEM in the same tender for the same item/product.
- 10.5** Offers from brokers and middlemen will not be accepted.
- 10.6** The tenderer shall provide satisfactory evidence acceptable to the Purchaser to show that:

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

**Section-I**

**10.7** For the purpose of above para, the tenderers shall submit:

i)	a performance statement, of supplies made by them against contracts received from other Railways, DGS&D and other public sector organizations for same or similar stores in the past 3(Three) years, duly filling the details in the columns provided in the performance statement as available in the “bid process” page.
ii)	The tenderers shall attach a statement as an attached document indicating details of equipment employed, quality control measures adopted, including the following:
a)	Quality assurance plan proposed for manufacture of the tendered material.
b)	Details of major machinery and equipments available and proposed to be used for manufacturing the tendered item.
c)	Process chart.
d)	Inspection stages and inspection plan.
e)	Details of competent technical personnel employed at firm’s premises and in the field.
f)	Name and full address of their Bankers.

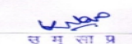
**10.8** Where authorised dealers/authorised agents are quoting on behalf of the manufacturers, they shall submit the following as attached documents :

i)	Indicate the manufacturers name in their bid
ii)	Authorised Agent / dealer should submit tender specific authorisation letter from their manufacturer as per the prescribed proforma given in Annexure-IV.
iii)	Furnish the details as mentioned in para 10.6 and 10.7 above for their manufacturer.
iv)	Furnish their own past performance particulars in the similar manner as for their manufacturer with documentary evidence, for same/similar items in the past 3(Three) years.
v)	Furnish their own credentials, such as balance sheet of latest or previous three years duly certified by Chartered Accountant, Banker's Certificate, IT PAN, <b>Personal Aadhaar No. and Udyog Aadhaar No.</b> etc.

**10.9** In addition to the above, further information regarding their capacity/capability, if required by the Purchaser, shall be promptly furnished by the tenderer.


**10.10** Any individual(s) signing the tender or other documents connected therewith, should attach a document/ declaration to their e-bid, specifying whether he is signing:

i)	as sole proprietor of the concern or as attorney of the sole proprietor, or
ii)	as a partner or partners of a registered firm, or
iii)	as a Director, Manager or Secretary in the case of a Limited Company duly authorised by a resolution passed by the Board of Directors or in pursuance of the Authority conferred by Memorandum of Association.
iv)	as a Director, Manager or Secretary in the case of a Limited Company duly authorised by a resolution passed by the Board of Directors or in pursuance of the Authority conferred by Memorandum of Association.

  
**D.Y. Chaudhary**  
 RWF LYNK

**Section-I**

- 10.11** Tenderer not submitting the requisite information may note that their bid is liable to be ignored.
- 10.12** Participation in this tender is open to all manufacturers including unapproved, unregistered and/or untried firms. However, such tenderers along with their bids will have to submit supporting documents prescribed in the tender documents, to establish their capacity and capability, including those brought out in para 10.6, 10.7 & 10.8 above. If the tenderer fails to furnish the required particulars, their bid will be rejected.
- 11.0 PRICE BASIS:**
- 11.1** The tenderers should quote their lowest possible price. Tenderers are required to quote in the same rate units (numbers/sets/pairs/kilograms/metres/litres/kilo litres etc) as specified in the “schedule of requirement” as available in the e-tender enquiry. Any deviation in this aspect will make the offer to be summarily rejected.
- 11.2** Prices quoted in the financial bid should be on ‘firm price basis’ and not subject to any variation, unless specified in the e-bid document / tender condition/special condition of tender. Any deviation in this aspect may make the offer liable to be rejected.
- 11.3** Tenderers should show the **unconditional discount**, in the rate schedule /financial bid only, instead of anywhere else in the offer. **Unconditional Discount** not shown at designated place will be summarily ignored for assigning inter-se ranking of offers. However, the same shall be availed while placing order(s). Purchaser, however, reserves the right to use the **unconditionally discounted** rate/rates considered workable and appropriate for counter offer to the successful tenderer (s).
- 11.4** All **e-tenders** are invited on “F.O.R RWF” basis and hence tenderers shall quote on the same basis i.e., the rates quoted shall be for free delivery (door delivery) at RWF/YNK. In case, the tenderer does not specifically state about the place of delivery in his tender, it shall be assumed that the tenderer shall bear the freight charges and offer is for free delivery at the destination i.e., F.O.R door delivery at RWF/YNK. This assumption shall be final and binding on the tenderer and will not be subject to any legal dispute or arbitration in future.
- 11.5** Tenderers shall indicate the manufacturer’s name and address and brand of the stores offered, wherever necessary as per drawing/specification. Otherwise offers are liable to be rejected.
- 11.6** The **Principal Chief Materials Manager** or any officer authorized on behalf of General Manager does not bind himself to accept the lowest or any other offer and reserves the right to cancel, reduce or divide the contracts on more than one source without assigning any reason for such action.

  
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**12.0 VALIDITY OF THE OFFER:**

**12.1** The bid shall be kept valid for acceptance for a minimum period of 90(Ninety) calendar days from the date of opening of tenders (inclusive of tender opening date), within which period, the tenderer shall not withdraw the bid. In case the final validity date of the bid happens to be a holiday for RWF, the bid shall be valid till the next working day. No separate notice shall be issued in this behalf. Bids with shorter validity are liable to be considered as unresponsive to Railway's requirements and liable to be rejected.

**12.2** The purchaser may ask for the tenderer's consent to an extension of the period of validity of the bid. If the tenderer agrees to the extension of the period of validity of the bid, the validity of Earnest Money Deposit (EMD) submitted shall also be suitably extended. A tenderer granting the request will not be required or permitted to modify their bid.

**12.3** Bids shall be deemed to be under consideration immediately after they are opened and until such time the official intimation of award is made by the Purchaser to the tenderer. While the bids are under consideration, tenderers and/or their representatives or other interested parties are advised to refrain from contacting the Purchaser by any means.

**12.4** If necessary, the purchaser may seek clarifications on the bids by requesting for such information which will not change the substance or price of the offer, from any or all the tenderers in writing. Tenderers will not be permitted to change the substance or price of their original bid, after the tenders have been opened.

**13.0 PREFERENCE TO DOMESTICALLY MANUFACTURED PRODUCTS:**

(Railway Board's letter No.2011/RS(G)/779/9 dated:4.7.14, 19.8.14, 13.2.2015, 15.9.2015 & 06.12.2017)

**13.1 (a) DMEP: Domestically Manufactured Electronic Products:**

**13.1.1** This is a policy for providing preference to Domestically Manufactured Electronic products(DMEP) in Government procurement.

**13.1.2** As per this policy, Purchase preference will be given to domestically manufactured electronic products as per the various provisions under the policy issued by the Ministry of Communications and Information Technology, Department of Electronic and Information Technology(DEITY) letter No:33(3)/2013-IPHW dated:23.12.2013 and 12.6.2013, 16.3.2015 and 22.5.2015, and No. 33(3)/2017-IPHW dated: 14.09.2017, and as amended from time to time, and as prevailing on the date of tender opening for procurement of such of electronic products as notified by the Ministry of Railways from time to time. The purchaser reserves the right for providing preference to domestically manufactured electronic products in terms of the above notifications. Purchase preference for domestic manufacturer, methodology of its implementation, value addition to be achieved by domestic manufacturer/s, self-certification and compliance and monitoring shall be as per the aforesaid guidelines/notifications and shall be an integral part of this tender document.

**Section-I**


In terms of letter No.33(3)/2013-IPHW dated:22.05.2015 issued by Ministry of Communication and Information Technology, Department of Electronic and Information Technology(DEITY), DMEP is defined as:

(I) Domestically Manufactured Electronic Products are : products manufactured by companies registered in India and engaged in manufacture in India and including contract Manufacturers, but excluding traders. The term 'TRADERS' indicated herein essentially refers to 'importers' supplying imported products. The bidders who are sole selling agents / authorised distributors / authorised dealers /authorised supply houses of the domestic manufacturers of electronic products are eligible to bid on behalf of domestic manufacturers under the policy. However, this shall be subject to the following conditions:

i)	The bidder shall furnish the authorisation certificate by the domestic manufacturer for selling domestically manufactured electronic products (DMEPs).
ii)	The bidder shall furnish the Affidavit of self-certification issued by the domestic manufacturer to the procuring agency declaring that the electronic product is domestically manufactured in terms of domestic value addition prescribed.
iii)	It shall be the responsibility of the bidder to furnish other requisite documents required to be issued by the domestic manufacturer to the procuring agency as per the policy.

(II) Self-Certification Proforma is as per Annexure-V annexed to this document. The tenderers are advised to scan and upload this format, alongwith their bid, after completely filling the details called for therein.

13.1.3 As per Railway Board letter No. 2011/RS(G)/779/9 dated:06.12.2017 and Office Memorandum dated: 26.10.2017 of Ministry of Electronic and Information Technology and Notification No. No:33(1)/2017-IPHW dated:14.09.2017 (which is in furtherance of Public Procurement(Preference to Make in India) Order 2017 and in supersession of the policy for providing preference to domestically manufactured electronic products in Government procurement notified vide Notification No:33(3)/2013-IPHW dated:23.12.2013 and the Electronic Product Notifications issued thereunder, the Ministry of Electronics and Information Technology(Meity) hereby notifies that the following Electronic Products are notified under the Public Procurement (Preference to Make in India) Order 2017:

  
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SI No	Electronic Products enlisted under the above order:	Percentage of procurement for which preference to domestically manufactured item is to be provided (in value terms) :	Percentage local content or domestic value addition in terms of Bill of Material (BOM) required for the item to qualify as domestically manufactured:
1	Desktop Personal Computers (PCs)	50%	45%
2	Laptop Personal Computers (PCs)	50%	40%
3	Tablet Personal Computers (PCs)	50%	45%
4	Dot Matrix Printers	50%	55%
5	Contact Smart Cards Contactless Smart Cards	50% 50%	65% 70%
6	LED Products	50%	65%
7	Biometric Access Control/ Authentication Devices	50%	45%
8	Biometric Finger Print Sensors & Iris Sensors	50%	45%
9	Servers	50%	40%

All other associated details with respect to the above are available under [www.meity.gov.in](http://www.meity.gov.in)

Preferential Market Access(PMA) policy for preference to domestically Manufactured electronic products, as detailed in Railway Board's letter No. 2011/RS(G)/779/9 dated:13.02.2015 is applicable.

### 13.1.4 PROCEDURE FOR AWARD OF CONTRACTS INVOLVING PROCUREMENT FROM DOMESTIC MANUFACTURERS: Rly Bd Ltr No. 2011/RS(G)/779/9 dated: 19.8.2014 : enclosed DEITY Template.

For each electronic product proposed to be procured, among all technically qualified bids, the lowest quoted price will be termed as L1 and the rest of the bids shall be ranked in ascending order of price quoted, as L2, L3, L4 and so on. If L1 bid is of a domestic manufacturer, the said bidder will be awarded full value of the order. If L1 bid is not from a domestic manufacturer, the value of the order awarded to L1 bidder will be the balance of procurement value after reserving specified percentage of the total value of the order for the eligible domestic manufacturer. Thereafter, the lowest bidder among the domestic manufacturers, whether L2, L3, L4 or higher, will be invited to match the L1 bid in order to secure the procurement value of the order earmarked for the domestic manufacturer.

  
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In case first eligible bidder (i.e., domestic manufacturer) fails to match L1 bid, the bidder (i.e., domestic manufacturer) with next higher bid will be invited to match L1 bid and so on. However, the procuring agency may choose to divide the order amongst more than one successful bidder as long as all such bidders match L1 and the criteria for allocating the tender quantity amongst a number of successful bidders is clearly articulated in the tender document itself. In case all eligible domestic manufacturers fail to match the L1 bid, the actual bidder holding L1 bid will secure the orders for full procurement value". *Only those domestic Manufacturers whose bids are within 20% of the L1 bid would be allowed an opportunity to match L1 bid.*

**13.1.4 (a)The Domestic Value Addition in terms of the above guidelines/ notifications issued for procurement of notified electronic products by Government shall be furnished by the bidder in the following format(Template as per RB Ltr No. 2011/RS(G)/779/9 dated:19.08.2014) and uploaded on to IREPS web portal while quoting:**

Item No.	Item Description	Manufacturer / Supplier	Country of Origin	Value	Domestic Value Addition in percentage
1.					
2.					

#### **13.1.5 COMPLAINT FEE:**

As per Deity letter No. No:33(3)/2013-IPHW dated:16.3.2015, there would be a complaint fee of Rs. 2(two) lakhs or 1%(one percent) of the value of DMEP being procured (subject to a maximum of Rs.5(five Lakhs)), whichever is higher, to be paid by the Demand Draft to be deposited with Standardisation Testing and Quality Certification(STQC)/Telecommunication Engineering Centre(TEC) of DOT, as the case may be, or any other third party testing laboratories or technical auditors accredited by the DeitY / DOT along with the complaint by the complainant. In case the complaint is found to be incorrect, the complaint fee shall be forfeited. In case the complaint is upheld and found to be substantially correct, deposited fee of the complainant would be refunded without any interest.

#### **13.1 (b) DOMESTICALLY MANUFACTURED TELECOM PRODUCTS:**

This has reference to the Extraordinary Gazette of India No.11 dated: 12.01.2017, Notification of the Ministry of Telecommunication dated: 11.01.2017 and Railway Board letter No.2011/RS(G)/779/9 dated:01.02.2017 regarding Value addition criterion for Preference to domestically manufactured Telecom products in Government procurement with respect to Telecom Products notified under the Preferential Market Access (PMA) policy dated:5<sup>th</sup> October 2012.

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The main inputs/stages for the Telecom Products in the Bill of Material(BOM) for calculating the domestic value addition are mentioned in Table-A:

TABLE-A	
Main Inputs in BOM/ Stages for manufacture of Telecom Products*	Condition for the inputs to be classified as Domestic BOM
(1) Design a) Hardware design b) Software Design & Development	The maximum Value Addition (VA) percentage for design which can be claimed by domestic manufacturer for the 23 Telecom products are as per Table-B subject to the condition that: a) The Intellectual Property Right (IPR) resides in India for Hardware design b) The copyright is in India for the software Design and Development
(2) Components a) Integrated chips(ICs)–Processor, Memory etc b) Active components – Transistors, Diodes etc c) Passive Components – Resistors, Capacitors, Inductors etc	If manufactured domestically
(3) PCBs a) PCB Fabrication b) PCB Population using components	If manufactured domestically
(4) Cables/Chassis etc a) Chassis b) Cables c) Racks d) Heat sinks e) Enclosures	If manufactured domestically
(5) RF Components / Subsystem a) Duplexers/Filters b) Antenna	If manufactured domestically
(6) Assembly / Integration Testing#	The upper ceiling limit of Domestic Value Addition(VA) for Assembly / Integration Testing in respect of the telecom products listed in Table-B would be 10% of the Total Product BOM, except SI No.23
(7)Any other Input (Taxes and Duties paid, Domestic support, Repair and upgrade capability, Warranty cost, Freight Insurance and other handling costs, Royalty etc)	As per applicable rules / taxes in force.

\*The products may include some/all of the input/stage as mentioned in the Table-A. The procurement agency shall include only those inputs/stages which are involved in the manufacturing of these telecom products.

#In case a system of its subsystem is merely assembled / integrated / tested, then actual value addition subject to a maximum of 10% of the cost of system / subsystem shall be taken as domestic BOM.

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Sl No	Telecom Equipments Description	Maximum ceiling of Design value addition in %
1	Encryption / UTM platforms (TDM and IP)	60
2	Core / Edge / Enterprise Routers	60
3	Managed Leased line Network equipment	35
4	Ethernet Switches (L2 and L3), Hubs etc	45
5	IP Based Soft Switches, Media gateways	60
6	Wireless / Wireline PABXs	45
7	CPE (including WiFi Access points and Routers, Media Converters), 2G/3G Modems, Leased-line Modems etc	35
8	Set-top Boxes	35
9	SDH/Carrier-Ethernet / Packet Optical Transport equipments	35
10	DWDM/CWDM Systems	35
11	GPON equipments	35
12	Digital Cross Connects / MUX	35
13	Small Size 2G/3G GSM based Base Station Systems	45
14	LTE based broadband wireless access system (Access Point, Aggregation Block, Core Block etc)	45
15	Wi-Fi based broadband wireless access system (Access Point, Aggregation Block, Core Block etc)	35
16	Microwave Radio systems (IP / Hybrid)	35
17	Software Defined Radio, Cognitive Radio Systems	45
18	Repeaters (RF/RF-over-optical), IBS and Distributed Antenna system	35
19	Satellite based systems-Hubs VSAT etc	35
20	Copper access systems (DSL/DSLAM)	35
21	Network Management Systems	60
22	Security and Surveillance communication systems (video and sensors based)	45
23	Optical Fiber Cable	Nil

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**13.2 DMI&SP: Domestically Manufactured Iron & Steel Products:**  
(RB Ltr No. 2008/RS(G)/779/1 dated:05.09.2017)

**13.2.1 This is a policy for providing preference to Domestically Manufactured Iron and Steel products (DMI&SP) in Government procurement.**

Preference will be given to domestically manufactured Iron & Steel Products as per the various provisions under the National Steel policy 2017 issued by the Ministry of Steel, vide Extraordinary Gazette of India Notification No.GSR 452(E) dated:08.5.2017, and as amended from time to time, and as prevailing on the date of tender opening for procurement of such of Iron & Steel products as notified by the Ministry of Railways from time to time.

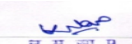
**13.2.2 This policy is applicable to Iron & Steel Products as given in Appendix-A, produced in compliance to prescribed quality standards, as applicable:**

APPENDIX -A		
SI No.	List of Iron & Steel Products as per National Steel Policy 2017	Inputs: Imported or Domestic
1	Ductile Iron Pipe	Pig Iron / Liquid Iron
2	Wire rod and TMT bar	Billets
3	Structural / Sections	Bloom
4	HR Coils, strips, sheets and plates	Slab
5	HR universal/Quarto Plates	Slab
6	CR Coils / strips	HR Coils
7	Coated flat steel products / GP/ GC Sheets/ Al-Zn Coated	Slab/HR Coils / Cold rolled coils / Strips
8	Colour coated, painted sheets	Slab/HR Coils / Cold rolled coils / Strips
9	All kinds of steel pipes & tubes	Slabs/Plates/HR Coils
10	Seamless tubes & pipes	Bloom
11	Rails	Bloom

**13.2.3 Domestically Manufactured Iron & Steel Products (DMI&SP) are those iron and steel products which are manufactured by entities that are registered and established in India, including in Special Economic Zones(SEZs). In addition, such products shall meet the criteria of domestic minimum value addition as mentioned in Appendix-A.**

**13.2.4 The domestic value addition should be minimum 15%(fifteen percent). Only procurement of Iron & Steel Products having aggregated estimate value of Rs.50 Crores(Rupees fifty Crores only) or more, shall be covered under the policy.**

**13.2.5 The bidders who are sole selling agents / authorized dealers / authorised supply houses of the domestic manufacturers of iron & steel products are eligible to bid on behalf of the domestic manufacturers under the policy. However, this shall be subject to the following conditions:**

  
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i)	The bidder shall furnish the authorisation certificate issued by the domestic manufacturer for selling domestically manufactured iron & steel products.
ii)	The bidder shall furnish the Affidavit of self-certification issued by the domestic manufacturer to the procuring agency declaring that the iron & steel products is domestically manufactured in terms of the domestic value addition prescribed.
iii)	It shall be the responsibility of the bidder to furnish other requisite documents required to be issued by the domestic manufacturer to the procuring agency as per the policy.

**13.2.6 VALUE ADDITION:**

Value Addition shall be the difference between the net selling price and the landed cost of imported input steel (of immediate prior process) at a manufacturing plant in India.

**13.2.7 IN CASE, THE IRON & STEEL PRODUCTS ARE MADE:-**

i)	Using domestic input steel (semi finished / finished steel), invoices of purchases from the actual domestic producers along with quantities purchased and the other related documents must be furnished to procuring Government agency.
ii)	Using a mix of imported and domestic input steel, the invoices of purchases from the actual producers alongwith the quantities purchased and the other related documents must be furnished separately. To derive the extent of domestic value addition, the weighted average of both (imported & domestic) input steel shall be considered to ensure that the minimum stipulated domestic value addition requirement of the policy is complied with.
iii)	Using only imported input steel, the following formula shall apply to calculate the percentage of domestic value-addition.

Domestic value addition(%)= (Net selling Price - Landed cost of imported input steel at the plant) x 100/(Landed cost of imported input steel at the plant).

It is recommended that each bidder participating in the tender process should calculate the domestic value addition using the above formulae so as to ensure the domestic value addition claimed is consistent with the minimum stipulated domestic value addition requirement of the policy.

**13.2.8 SELF CERTIFICATION:**

(a) Each domestic manufacturer shall furnish the Affidavit of self-certification to the purchaser declaring that the Iron & steel products are domestically manufactured in terms of the domestic value addition prescribed. The bidders who are sole selling agents / authorised distributors / authorised dealers / authorised supply houses of domestic manufacturers of iron & steel products are eligible to bid on behalf of domestic manufacturers under the policy. The bidder shall furnish the Affidavit of Self-certification issued by the domestic manufacturer to the purchaser declaring that the iron & steel products are domestically manufactured in terms of the domestic value addition prescribed. The Affidavit of self certification shall be furnished in Form-1 attached to these guidelines(Annexure-VI enclosed).

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(b) It shall be the responsibility of the domestic manufacturer to ensure that the product so claimed are DMI&SP in terms of the domestic value addition prescribed for the product. The bidder shall also be required to provide a value addition certificate on half-yearly basis (Sep 30 and March 31), duly certified by the Statutory Auditors of the domestic manufacturer, that the claims of value-addition made for the product during the preceding 6(six) months are in accordance with the policy. Such certificate shall be filed within 60(sixty) days of commencement of each half year, to the concerned Government agencies and shall continue to be filed till the completion of supply of the said products.

(c) The procuring agency shall accept the Affidavit of self-certification regarding domestic value addition in a steel product submitted by a bidder. It shall not normally be the responsibility of procuring agency to verify the correctness of the claim. The onus of demonstrating the correctness of the same shall be on the bidder when asked to do so.

(d) In case a complaint is received by the procuring agency or the concerned Government Agency against the claim of a bidder regarding domestic value addition in iron and steel products, the procuring agency shall have full rights to inspect and examine all the related documents and take a decision. In case any clarification is needed, matter may be referred to MoS(Ministry of Steel) with a request for technical assistance.

(e) Any complaint referred to the Government Agency shall be disposed off within 4(four) weeks of the reference along with submission of all necessary documents. The bidder shall be required to furnish the necessary documentation in support of the domestic value addition claimed in iron & steel products to the Government Agency within 2(two) weeks for filing the complaint.

(f) In case, the matter is referred to the Ministry of Steel, the grievance redressal committee setup under the MoS shall dispose off the complaint within 4(four) weeks of its reference and receipt of all documents from the bidder after taking in consideration, the view of the Government Agency. The bidder shall be required to furnish the necessary documentation in support of the domestic value addition claimed in iron & steel products to the grievance redressal committee under MoS within 2(two) weeks of the reference for the matter. If no information is furnished by the bidder, the grievance redressal committee may take further necessary action, in consultation with Government Agency to establish the bonafides of the claim.

(g) The cost of assessing the prescribed extent of domestic value addition shall be borne by the procuring agency if the domestic value addition is found to be correct as per the certificate. However, if it is found that the domestic value addition as claimed is incorrect, the cost of assessment will be payable by the bidder who has furnished an incorrect certificate. The manner of enforcing the same shall be defined in the tender document.

## **Section-I**

(h) In case of reference of any complaint to MoS by the concerned bidder, there would be a complaint fee of Rs. 10 Lakhs(Rupees ten lakhs) or 0.2% of the value of DMI&SP being procured (subject to a maximum of Rs.20 Lakhs(Rupees twenty lakhs)), whichever is higher, to be paid by Demand Draft deposited with the grievance redressal committee under MoS along with the complaint by the complainant. In case, the complaint is found to be incorrect, the Government Agency reserves the right to forfeit the said amount. In case, the complaint is found to be substantially correct, deposited fee of the complainant would be refunded without any interest.

### **14.0 PURCHASE OF STORES ACCORDING TO SAMPLES:**

**14.1** When samples are required, this fact will be indicated in the tender form. Samples must strictly conform to the tendered specification, drawing and description. Any sample submitted will be considered as supplement and not to supersede the tendered specification unless otherwise specifically indicated. In the absence of a specified acceptance in writing of any variation, the purchaser shall be entitled to reject a claim for acceptance of a supply embodying such variation.

**14.2** Samples where called for, should be sent duly sealed to the Office of the Principal Chief Materials Manager, Rail Wheel Factory before the date and time of closing of tender, failing which offer is liable to be rejected. Samples should be supplied without any charge and on freight paid basis.

**14.3** The tenderers are required to collect their samples within 15(fifteen) days from the date of intimation to do so. If the samples are not collected within the specified period, they will be disposed off and no claims whatsoever will be entertained thereafter.

### **15.0 COMMUNICATION:**

#### **15.1 SUBMISSION OF FALSE INFORMATION:**

In case a tenderer is found submitting false information or suppressing the facts or supplying spurious items, suitable penal action as deemed fit shall be taken against such tenderers, which will include banning of business dealings with the Railways.

#### **15.2 e-Way Bill(EWB) and Lorry Way Bill(LWB):**

If the materials are despatched through lorries, (the e-Way Bill shall be transacted as per GST Act, 2017, wherever applicable) the consignee copy of Lorry Way Bill shall be faxed/mailed immediately to the consignee indicated in the purchase order, followed by despatching by speed post within 48 Hours. Failure to do so may lead to delay in accountal of the material and issue of Receipt Note.



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**15.3 COMMUNICATION BY POST TO THE FIRM:**

In case of communication by RWF is sent under registered post acknowledgement due/speed post or other means of recorded delivery through Department of Posts, such shall be deemed to have been delivered on the same date of recorded delivery.

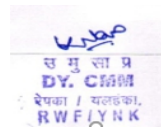
**15.4 COMMUNICATION BY FAX/E-MAIL:**

All communication of letters/replies by the contractor through fax/e-mail and bid acceptance/purchase orders/ amendments to purchase orders/letters sent by RWF, on any date shall be deemed to have been delivered on the same date of communication. Such fax/e-mail communications shall necessarily be followed by signed original copy by speed post.

**15.5 DOCUMENTS FOR VERIFICATION:**

RWF reserves the right to call from the tenderers, to produce original copy of any of the scanned documents attached to the **e-bids** by the tenderers, for scrutiny.

***End of Section-I***




INDIAN RAILWAYS  
RAIL WHEEL FACTORY  
OFFICE OF THE PRINCIPAL CHIEF MATERIALS MANAGER  
YELAHANKA, BENGALURU-560064, KARNATAKA, INDIA

**SECTION-II**  
**GENERAL CONDITIONS FOR ELECTRONIC OPEN TENDER**

**1.0 PRICE:**

- 1.1** The rate of **GST(Goods and Service Tax)**, must be spelt out separately in the break-up to be furnished in the prescribed form. Even where the rate or amount of **GST** included in the rate is Nil, this should be specifically stated in the bid.
- 1.2.** Packing charges and forwarding charges, wherever applicable, should be indicated separately under the respective column during the bid process. The rate of **GST applicable** on the packing charges, forwarding charges and freight charges, wherever applicable must be clearly stated
- 1.3** All e-tenders are invited on “F.O.R RWF” basis and hence tenders shall quote on the same basis i.e., the rates quoted shall be for free delivery (door delivery) at RWF/YNK. Break up such price must be clearly specified in the e-bid. In case the tenderers quote prices on Ex-Works or Ex-Godown basis specific amount of freight charges must be quoted instead of vague freight charges such as “extra at actuals”. Freight charges will be reimbursed at actuals against documentary evidence, subject to the maximum quoted by the firm.
- 1.4** In case, the tenderer does not specifically state about the place of delivery in his tender, it shall be assumed that the tenderer shall bear the freight charges and offer is for free delivery at the destination i.e., F.O.R door delivery at RWF/YNK. This assumption shall be final and binding on the tenderer and will not be subject to any legal dispute or arbitration in future.
- 1.5** If there is any ambiguity in respect of applicable rate of **GST or HSN classification**, the purchaser shall evaluate the offers by taking into account the maximum rate of GST as known to the purchaser for determining the inter-se ranking of the offers. Purchaser’s decision in this regard will be final and no claim regarding applicability of **GST** or otherwise will be entertained after opening of the tenders. The purchasers will, however, reserve the right not to pay such **GST**, not specifically claimed or not indicated clearly by the tenderers.
- 1.6** The purchaser will not be responsible for any incorrect evaluation and consequent impact on inter-se ranking, If the tenderer does not the fill the bid form correctly or submits incomplete, ambiguous or misleading rates of **GST** and other charges.

  
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RWF / YNK

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**2.0 PRICE VARIATION CLAUSE:**

**2.1** Normally, tenderers must submit their bids on fixed price basis only, that is, the quoted prices should be firm and not subject to any variation, unless specified in the e-bid document / tender condition/special condition of tender. Where e-bids are submitted with PVC when PVC is not part of e-bid document / tender condition/special condition of tender OR where e-bids are submitted on fixed / firm price basis when PVC is stipulated in the e-bid document/tender condition/special condition, such e-bids will be summarily rejected.

**2.2** In case a tender has been invited with PVC formula and base month, and offers are received with different PVC formula and base month **or on “Firm Price Basis”**, such offers will be summarily rejected.

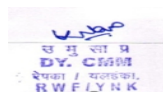
**2.3 THE RAILWAYS GENERALLY RECOGNISE FOLLOWING STANDARD PVCs:**

i)	<b>Indian Electrical and Electronics Manufacturers Association (IEEMA) formulae.</b>
ii)	Railway Board’s PVC for items covered by such formulae.
iii)	DGS&D’s PVC for the items which are covered by such formulae.

Tenderers whose offers are with IEEMA, Railway Board’s or DGS&D’s PVC, must quote with the prices with base date as stipulated in the relevant PVC. For example, in case of IEEMA PVC, if the tender opening date falls in May of a year, the applicable prices of input raw materials should be those prevailing on the 1<sup>st</sup> April of that year. If any tenderer quotes with prices of input raw materials ruling on a base date other than 1<sup>st</sup> April of that particular year, quoted rates shall be updated to the base date of 1<sup>st</sup> April of that particular year for the purpose of evaluation of offers and determination of inter-se ranking of the offers.

**2.4** However, in all such cases, the contract prices upward/downward will be regulated with reference to the date of inspection of stores and price variation will be calculated on the price of input material by the specified agencies, like SAIL, HZL, HCL etc., prevailing one month prior to date on which the stores are tendered for inspection. The date on which stores are offered for inspection will be treated as the date of supply for the purpose of price variation clause. Furthermore, the base month for such input materials will be one month prior to that of tender opening. Admission of any claim in this regard will be subject to the suppliers furnishing all the supporting documentary evidence for price variation.

**2.5** Tenderers who quote with price escalation on account of raw material in the tenders must note that any escalation claims will be subject to verification by the Principal Financial Adviser of RWF with reference to the records that may be called for from them, such as, records of position of ground stocks available at the time of submission of tender for verification/examination of their claims under price variation clause before their claims are accepted. If the tenderer fails to establish his claim by producing satisfactory records before the **Principal Financial Adviser** of this Railway, their claim will be disallowed and/ or proportionately reduced.



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- 2.6** Ambiguous conditions, such as, “Price Variation Clause applicable” will not be acceptable and such offers may be rejected.
- 2.7** The tenderers are required to quote PVC as per the formula given in the tender documents. In case, the tenderer deviates from this and quotes their own PV formula or quotes firm prices, the offers will be summarily rejected.
- 3.0** **GOODS AND SERVICE TAX (GST): TENDERS ARE GOVERNED BY GST ACT, 2017.**
- 3.1** Purchaser may incorporate HSN number in the Tender document (NIT). However, it shall be the responsibility of the bidder to quote correct HSN number and corresponding GST rate.
- 3.2** 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 the offer, it shall be the responsibility of the bidder to ensure that they quote correct GST rate & HSN number for the item tendered.
- 3.3** Purchaser shall not be responsible for any misclassification of HSN number or incorrect GST rate if quoted by the bidder.
- 3.4** Whenever 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.
- 3.5** 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.
- 3.6** Wherever GST is to be charged extra, the exact amount/percentage of GST to be charged must be specified under the relevant column during the bid process. Whenever GST is included in the basic rate/unit, the exact percentage of GST included must be specified. If it is not done so, then the bid will be considered as inclusive of GST at the maximum rate obtained in the tenders or at the prevailing rate known to the purchaser. The purchaser's decision in this regard will be final.
- 3.7** Tenderers must note that the GST is applicable on the freight (transportation) charges from the place of despatch to the place of delivery.
- 3.8** If the amount of GST being charged extra or included in the basic rate is at a concessional rate, reasons for the same should be clarified without any ambiguity. In the absence of clear reason regarding amount of GST being charged by the tenderers, or the tenderers wish that actual GST at the time of supply should be paid, evaluation of tender will be carried out on the basis of maximum rate / amount of GST applicable/chargeable for the item, as known to the purchaser.

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- 3.9** In case the successful tenderer is not liable to be registered under CGST/ UGST/ IGST/ SGST Act 2017, the Railway shall deduct the applicable GST from his/their bills under Reverse Charge Mechanism(RCM) and deposit the same to the concerned tax authority.
- 3.10** **Statutory Variation Clause (SVC):** Statutory Variation towards GST is applicable within the original Delivery Period(DP) and against documentary evidence. However, in case of mis-classification of HSN or mis-apprehensions of law/s, the same shall not be allowed.
- 3.11** In case of any reduction in the rate of GST at the time of supply, actual amount of GST only shall be payable, wherever GST has been claimed in the tender and included in the purchase order.
- 3.12** If GST is not claimed in the offer and no mention is made about GST, then no GST will be payable.
- 3.13** Whenever the basic rate is quoted inclusive/exclusive of **GST**, the tenderer shall quote the price after taking into account the credit available on inputs under **GST Act**, 2017 as amended time to time. The tenderers must give the following declaration in their tender:
- “We hereby declare that in quoting the above price, we have taken into account the entire credit on **GST** set-offs available under the **GST Act**,2017 amended from time to time. We further agree to pass on such additional **GST** as set offs as may become available in future in respect of all the inputs used in the manufacture of the final product on the date of the supply under the **GST** by way of reduction of price and advice the purchaser accordingly.
- 3.14** In case tenderer has failed to declare as above, it will be deemed that the tenderer has taken into consideration that full effect of the Input Tax Credit(ITC)on **GST** and quoted the rate.
- 3.15** **The supplier shall comply with the following on supply:**
- Give a declaration alongwith the Invoice/Bill, stating that “additional input tax credit benefit to the tune of Rs.\_\_\_\_\_ (Rupees\_\_\_\_\_) has accrued and accordingly the same is being passed on to the purchaser and to that effect the payable amount may be adjusted.
- 3.16** **The firm shall comply with the following:**
- |     |  |
|-----|--|
| i)  | Submit the Invoice/Bill clearly indicating the appropriate HSN Code and applicable GST rate thereon duly supported with documentary evidence.                        |
| ii) | Give a declaration that any additional Input Tax Credit benefit, if becomes available to supplier, the same shall be passed on to Purchaser without any undue delay. |

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**4.0 DELIVERY PERIOD:**

- 4.1** Tenderers must refer to the delivery schedule specified in the Schedule of Requirements. Delivery period quoted must conform to the delivery requirement specified in the Schedule of Requirements and should not be vague such as “as per your requirement” or “2 to 12 months”.
- 4.2** The delivery terms and the delivery schedule shall be specified under the relevant columns during the bid process. Against each delivery schedule, the total time required for delivery of entire tendered quantity shall be indicated. In the delivery schedule column, the lot wise delivery proposed shall be indicated clearly stating the starting date and the ending date and quantity proposed against each consignment.
- 4.3** In case, a monthly rate of delivery is quoted, the purchaser will have the right to define the delivery period of each instalment.
- 4.4** Delivery schedules like 2 to 10 months, without indication of rate of supply may be treated as unresponsive.
- 4.5** The time and the date specified in the contract for the delivery of the stores shall be the essence of the contract and the delivery must be completed not later than the date so specified. However, extension of delivery date may be considered in deserving cases where genuine reasons exist. Such extensions of delivery date may be considered with liquidated damages and denial clauses as per IRS Conditions of Contract by which the contract shall be governed.

**5.0 TERMS OF DELIVERY:**

- 5.1** Material should be delivered by road transport or personal courier service, direct to the consignee on freight prepaid and door delivery basis.

**6.0 RISK IN TRANSIT AND INSURANCE:**

- 6.1** Risk in transit will be to the supplier's account.
- 6.2** The Purchaser will not pay separately for transit insurance and the supplier will be responsible till the entire stores contracted for, arrive in good condition at destination. Where the tenderer intends to insure the goods, the insurance charges should be clearly indicated, separately in the e-bid under other charges.
- 6.3** The consignee, will advise the tenderer within 45(forty five) days of the arrival of goods at the destination, any loss/damage etc. of the goods and it shall be the responsibility of the tenderer to lodge the necessary claim on the carrier and/or insurer and pursue the same. The tenderer shall, however, at his own cost replace/rectify immediately, to the entire satisfaction of the consignee, the goods lost/damaged, without waiting for the settlement of the claim.

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**7.0 WEIGHMENT CLAUSE:**

**7.1** In case of stores ordered on weight basis, the gross weight as per RWF weighbridge shall be recorded and net weight will be arrived at by deducting the weight of packing. This net weight will be compared with the net weight indicated in the supplier's invoice. The net weight recorded at RWF or the net weight indicated in the supplier's invoice, whichever is less shall be considered for accountal and payment.

**8.0 UNLOADING:**

**8.1** Unloading will be done by RWF unless otherwise specified in the Special Conditions of Tender or in the contract.

**9.0 EVALUATION OF THE OFFERS:**

**9.1** To facilitate evaluation and comparison, all inclusive rate will be worked out comprising the basic rate, discount, packing /forwarding/freight charges upto destination, insurance and other charges, if any and quoted **GST rate, which is applicable on all the above rates/charges.**

**9.2** Tenderers should show the discounts, in the rate schedule /financial bid only, instead of anywhere else in the offer. Discounts not shown at designated place will be summarily ignored for assigning inter-se ranking of offers. However, the same shall be availed while placing order(s). Purchaser, however, reserves the right to use the discount rate/rates considered workable and appropriate for counter offer to the successful tenderer (s).

**9.3** In case of tender for multiple items, the inter-se position of the bidders will be decided item wise and not on the basis of total value of tender as a whole, unless and otherwise specified separately.

**9.4** All offers will be evaluated as per the **GST tax regime** as applicable on the date of opening of tender.

**9.5** All offers will be arranged in the ascending order of the all-inclusive rate.

**10.0 CONSIDERATION OF OFFERS:**

**10.1** The **Principal Chief Materials Manager** is not bound to accept the lowest or any offer and reserves himself the right to accept any offer in respect of the whole or any portion of the item specified in the tender and contractor shall be required to supply at the rate quoted. In case of items of critical nature, the purchaser reserves the right to order the entire or bulk quantity on sources with proven past performance.

**10.2** Railways reserves the right to cancel the tender for full or part quantity tendered without assigning any reason. The rates quoted by the tenderers for the full quantity would be taken as valid for acceptance of part quantity.

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- 10.3** Offers from Indian manufacturers/their Indian authorised dealers/authorised agents shall be considered in accordance with Para 10 of Section-I, Instructions to Tenderers.
- 10.4** Railways reserves the right to make bulk procurement from the established and regular suppliers of RWF who comply with the eligibility criteria and tender conditions, and whose offers are found technically suitable and otherwise acceptable.
- 10.5** In case proven suppliers of RWF do not respond in the tender or the performance of such suppliers not satisfactory or exorbitant rates are quoted by them or cartel formation is suspected, then offers of the untried/new firms or the RWF past suppliers for similar items may be considered for regular order for bulk or entire quantity or part quantity where prima-facie the purchaser feels and is satisfied about their capability to supply tendered items based on the information submitted by the tenderers along with the offer. Otherwise, RWF reserves the right to re-tender the tender finally depending upon the merit of the subject tender.
- 10.6** Bids not conforming to the schedule of requirements for the tendered item and not complying to tender conditions may be rejected without further reference.
- 11.0 SPLITTING OF QUANTITY:**
- 11.1** The purchaser reserves the right to distribute the procurable quantity on one or more than one of the eligible tenderers. The Zone of consideration of such eligible tenderers will be the right of the purchaser.
- 11.2** In the case of pre-decided split ordering, Railway may decide 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.
- 11.3** Following provisions shall be applicable in all such cases of pre-decided split ordering:
- (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 order 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 :



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Price differential between L1 and L2	Quantity distribution ratio between L1 and L2
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 L2 tenderer, TC/TAA shall decide.

In the phrase 'differential rates quoted by the tenderers', the quoted rate would mean:

- |    |   |
|----|---|
| 1) | Where 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. |
| 2) | When the price negotiation has been called for, the reference, L1 rate of assessment of ratio will be the original rate of L1 firm (suitable for bulk quantity) – say firm “A” - as obtained at the time of tender opening.   |

(C)(i) 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.

**11.4** For cases where Rlys/PUs had entered into ToT/JV agreements, Railway 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 11.3 (B) above shall apply with the exception that the aspect of “per-se reasonability ” will not be applicable.

**11.5** In the cases of inadequate capacity-cum-capability, dissatisfactory past performance, large quantity of outstanding orders (liquidation of which will take a 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 principle of natural justice and equity.

**12.0 CARTEL FORMATION:**

**12.1** Wherever all or most of the approved firms quote equal rates and cartel formation is suspected, Railway reserves the right to place order on one or more firms with exclusion of the rest without assigning any reasons thereof.

**12.2** Firms are expected to quote for quantity not less than 50%(fifty percent) of tendered quantity. Offers for a quantity less than 50% (fifty percent) of tendered quantity will be considered unresponsive and liable to be rejected in case cartel formation is suspected. Purchasers, however, reserve the right to place order on one or more firms for any quantity.

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**12.3** Wherever cartel formation is suspected, the Purchaser reserves the right to place orders on any firm/firms for any quantity without assigning any reasons thereof.

**12.4** The firms who quote in cartel are warned that their names may be deleted from list of approved sources. In addition, Railways will refer such cases to the Competition Commission of India for necessary penal action as it is considered necessary by the commission.

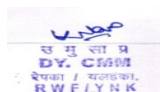
**13.0 ELIGIBILITY CRITERIA:**

**13.1** Railways reserve the right to place bulk orders on sources having proven satisfactory past performance.

**13.2** Wherever the proven/regular sources are not adequate to meet RWF requirement or when RWF needs to develop more sources to generate more competition or bring in improvement in quality of the stores, **Developmental orders** may be considered for placement upto **5% (Five percent) of the Tendered/ Net Procurable Quantity (NPQ) either within or outside the requirement, on other / new sources**, subject to the following:

i)	the rates received from such new source(s) are lower than those applicable to proven/regular sources.
ii)	such offers are technically suitable.
iii)	credentials of the firms i.e., firms who have submitted adequate evidence towards their capacity-cum-capability, past performance etc., and prima-facie the Railways are satisfied that the tenderer is capable of executing the orders but whose capacity to supply bulk quantity has not been established in the past.
iv)	the capacity-cum-capability claimed/exhibited in their offers submitted, will be verified by the Railways wherever considered necessary before placement of purchase order on unregistered /untried/unapproved firms, either by deputing their representative or by engaging agencies of RDSO/RITES etc., at the discretion of RWF.
v)	Failure to furnish requisite credentials, details i.e, machinery and plant, testing facilities, QAP, technical manpower etc, (Clause 10.6 & 10.7 of Section-I above), will make the offer liable to be ignored.

**13.3 (i)** In case, there is a situation to order again on the new/other source on which the Developmental Order has been given as per criteria given in Para 13.2 above, **then such new source shall be eligible for Extended Developmental Order, upto 20% of the tendered/net procurable quantity, depending on the quantity executed by such new tenderer on the first Developmental order, but not less than 5%.**



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**The period to be reckoned to consider the above performance will be current financial year upto the tender opening date of the tender under consideration and preceding three financial years.**

(ii) If the same tenderer who has executed an **Extended Developmental Order** satisfactorily against earlier round of ordering participates and his offer is competitive and technically suitable, then it may be considered for bulk order and may be treated as regular supplier.

(iii) A Developmental Order or an Extended Developmental Order will be considered as executed/ completed only after **successful completion of the supply of ordered quantity, full physical utilisation of materials with satisfactory performance report of the supplied quantity from shop floor after actual use and finalising the Performance Report.** The reference date for evaluating such status/ performance of a supplier in a tender will be the tender opening date of subject tender.

**In case a firm with Developmental Order /Extended Developmental Order participates in next cycle of tenders and the Developmental Order /Extended Developmental Order is successfully completed, such quantity supplied against successfully completed order is not fully utilised, and/or the performance is not satisfactory and/or if supply is not completed against the said Developmental Order/Extended Developmental Order, then it will not be eligible for any further ordering in such tenders.**

The period to be reckoned to consider **the above** performance will be current financial year upto the tender opening date of the tender under consideration and preceding three financial years. **The date of Purchase Order of Developmental Order/ Extended Developmental Purchase Order, shall be the reference parameter.**

**13.4** In case **proven /regular** suppliers of RWF do not respond in the tender or performance of RWF suppliers are not satisfactory/cartel formation is suspected/exorbitant rates are quoted by **past proven/regular suppliers** of RWF, then untried/new sources/RWF experienced sources for similar items can be considered for regular order for full quantity or part quantity where prima-facie RWF feel satisfied about their capability to supply tendered items based on the information submitted by the tenderers alongwith the offer. Otherwise RWF reserves the right to re-tender the tender finally depending upon the merit of the subject tender.

**13.5** The above guidelines will not be applicable for developmental tenders specially floated for developing new vendors.

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**14.0 COMMUNICATION OF ACCEPTANCE:**

**14.1** Acceptance of tender / Letter of Acceptance will be communicated by FAX /e-mail, direct to the tenderer or through his authorised dealer/agent. In case where acceptance of tender/Letter of Acceptance is sent by FAX/e-mail, the formal purchase order will be forwarded to the contractor as soon as possible by registered post/speed post, but communication of acceptance of tender/ Letter of Acceptance sent through FAX /e-mail would deem to conclude the contract.

**14.2 COMMUNICATION BY POST:** In case of communication by RWF is sent under Registered Post Acknowledgement Due/Speed Post or other means of recorded delivery through Department of Post and Telegraph, such communication shall be deemed have been delivered on the same date of recorded delivery.

**14.3 COMMUNICATION BY FAX/E-MAIL:** All communication of letters/replied by the contractor through Fax/e-mail and bid acceptance/Purchase Orders/Amendments to Purchase Orders/Letter sent by RWF, on any date shall be deemed to have been delivered on the same date of communication. Such Fax/e-mail communications shall necessarily be followed by signed original copy by Post/Speed Post.

**15.0 SECURITY DEPOSIT:**

**15.1** Unless otherwise agreed between the Purchaser and the contractor, the successful tenderer shall be required to submit within 14(fourteen) days from the date of issue of the acceptance, Security Deposit with the Railway concerned as detailed in the subsequent para.

**15.2** All the successful tenderers shall be required to submit Security Deposit (SD)/Performance Guarantee, for due fulfilment of the contract before placement of the contract.

**15.3** The Security Deposit(SD) shall be submitted by all successful tenderers, for contracts above Rs.1(one) Lakh subject to the following exemptions:

a)	Vendors registered with Railways upto the monetary limit of their registration for the items tendered/trade groups of the items tendered OR vendors on approved list of RDSO/PUs/CORE/Railways etc for those specific items for which they are on the approved list or other Railways, Govt. Departments on their specific request.
b)	on merits of the case as considered by Tender Committee / Tender Accepting Authority.

**15.4** The Security Deposit should be submitted for all contracts above Rs.1 Lakh (Rupees ONE LAKH). The Security Deposit, wherever applicable, will be 10% (ten percent) of the total value of contract subject to upper ceiling of Rs.50 Lakhs (Rupees fifty lakhs).

**15.5** The Railways reserves right to enhance the upper limit on amount of SD for high value tender cases and such upper limit will be specified in the tender documents, if any.

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**15.6** Security Deposit(SD) should be furnished in any one of the following forms:

i)	Deposit Receipts, Pay Orders, and Demand Drafts, in favour of “ <b>Principal Financial Adviser</b> , Rail Wheel Factory, Bengaluru – 560064”.
ii)	Guarantee Bonds issued by Nationalised or Scheduled Commercial Banks.
iii)	Bonds of Indian Railway Finance Corporation or KRCL Bonds.
iv)	Government Securities and
v)	A deposit in the Post Office Saving Bank.

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

**15.8** 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.

**15.9** Security deposit shall remain valid for a minimum period of 60(sixty) days beyond the date of completion of all contractual obligations of supplier.

**15.10** Security Deposit is to be submitted by the successful tenderer within 14(fourteen) days from issue of the Letter of Acceptance. If the contractor, having been called upon by the Purchaser to furnish security fails to make and to maintain a security deposit within the specified period, it shall be lawful for the Purchaser:

i)	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
ii)	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 applicable.

**15.11** Security deposit will be returned to the successful supplier after completion of all contractual obligations.

**15.12** 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 fulfilment 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.

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**15.13** Risk purchase (Refer Clause 21(a)below) clause shall not be made applicable for contracts where the contractor has submitted Security Deposit of 10%(ten percent) of the contract value. Whenever such contracts are rescinded due to the default by such contractors, security deposit shall be forfeited and such failure shall be recorded and will be considered by railway on merit in future cases.

**16.0 INSPECTION:**

**16.1** The inspection will be conducted by the agency nominated by the purchaser, such as, M/s.RITES/RDSO/DQA or the representative of the RWF or any other agency as specified in the contract at the manufacturer's premises(**change of inspection place to warehouse or godown is not desirable**) and/or on receipt of the stores at the destination. The tenderer's acceptance of the same will be implied unless his offer stipulates inspection clause to the contrary.

**16.2** Stores shall be despatched directly from the premises of the manufacturer to the consignee after inspection and acceptance by the nominated inspection agency. Manufacturer's Test and Guarantee Certificate, wherever applicable, will be submitted with each lot of supplies.

**16.3** The inspection agency will not inspect the material where the material does not have the date of manufacture and name of manufacturer on material.

**16.4** Material peculiar to Railways, such as Parts and fittings of rolling stock except raw materials, which have been found rejected by the inspecting agency and could not be rectified during inspection, will be mechanically defaced by the inspection authority to avoid recycling of such rejected material and to avoid ultimate failure of assets.

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### 16.5 CHARGES FOR RE-INSPECTION, CALL CANCELLATION, REVALIDATION OF INSPECTION CERTIFICATE etc:

[(a)Railway Board's letter No. 99/RS(G)/709/4 dated:12.02.2016, (b) Letter No.41/RITES/QA/Policy dated:15.02.2015 and Letter No.11/RITES/QA/AZ dated:16.10.2017)]:

In case the firm fails to offer the materials for inspection against inspection call issued to inspection agency or if the materials have to be re-inspected due to rejection of the material at firm premises by inspection agency or due to non-despatch of material within validity of inspection certificate, then the following charges shall be payable by the supplier to the inspecting agency:

SI No.	Activity	Railway Purchase orders / Contracts
1.	Failure to offer material for inspection / Call Cancellation	a) Before visit of Inspecting Engineer at firm's premises upto max. of Rs.11,000/- (Rupees eleven thousand only)
		b) After visit of Inspecting Engineer at firm's premises upto max. of Rs.22,000/- (Rupees twenty two thousand only).
2.	Material has to be re-inspected due to rejection of material at firm's premises	100% inspection charges + actual test charges, subject to minimum Rs.5,000/- (Rupees five thousand only).
3.	Material has to be re-inspected due to non-despatch	100% inspection charges + actual test charges, subject to minimum Rs.5,000/- (Rupees five thousand only).
4.	Revalidation / issuance of duplicate inspection certificate	Rs. 10,000/- (Rupees ten thousand only) per inspection certificate.
Applicable taxes, if any, shall be charged extra.		

**16.6** Wherever testing is required to be done by the inspecting agency (eg. RITES) outside the manufacturer's premises (as per IRS conditions of contract 1303 & 1304), all testing will be done by inspecting agency (e.g.RITES) either in its own lab/ labs approved by it or in NABL(National Accreditation Board for Testing and Calibration Laboratories) accredited lab.

**16.7** Wherever the inspecting authority is specified in the tender documents, tenderers are requested to quote accordingly. At a later date any request for change in inspection clause will not be considered, except in exceptional circumstances to be decided by the purchaser.

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**16.8 Inspection of material under mandatory certification of BIS: Steel & Steel Products (Quality Control) (Amendment) Order 2016:**

(a) In terms of Extraordinary Gazette of India S.O. No.1149(E) dated: 17.03.2016: –

“ (1) No person shall by himself or through any person on his behalf manufacture or store for sale, sell or distribute any steel products specified in column (3) covered under the relevant Indian Standard specified in Column(2) of the Schedule(details available at [www.bis.org.in](http://www.bis.org.in)) with effect from such dates as specified in Column(6) thereof, which do not conform to the specified standards and do not bear Standard Mark of the Bureau of Indian Standards, on obtaining certification marks licence”. For the complete schedule referred above, please refer Ministry of Steel Order dated:17.03.2016 at website [www.bis.org.in](http://www.bis.org.in)

The details of mandatory certification are available on Bureau of Indian Standard (BIS) website [www.bis.org.in](http://www.bis.org.in) under the link “Product Certification”=> Mandatory Certification.

(b)In case the vendor/supplier/contractor is not able to produce the trail of document & test certificate that the said item has been sourced from BIS Licensee & with ISI mark, the inspection of the same will not be under taken by RITES and material rejected. The rules applies to individual item &/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 his premises”.

Compliance of this clause by the tenderer, wherever applicable, is mandatory.

**16.9 The minimum value limit of a purchase order to be inspected by third party i.e., RITES/RDSO is Rs.5(five) Lakhs. Purchase orders below this value limit will not be inspected by RITES/RDSO and shall invariably be inspected by consignee at RWF premises.**

**16.10 The Inspection Charges payable to RITES will be @0.90(Zero point nine zero percent) of the value of Purchase order or part thereof (whenever part quantity is inspected).**

**16.11 If a material involves stage inspection as per specification and the same is incorporated in the inspection clause of contract, then inspection charge will be payable for inspection as well (The quantum of stage inspection will be same as that of normal inspection).**

That is for a contract of material value “A”, if the material involves stage inspection as per specification and the same is incorporated in the inspection clause of the contract, then the inspection charge will be payable for inspection as well. Thus the inspection charges will be {Y( for stage inspection) + x( for the end product)}xA, where Y=% rate of inspection charges (currently 0.90%(zero point ninety%) Thus the inspection charges will be equal to 2YxA.



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### 16.12 ON-LINE VENDOR REGISTRATION FOR THIRD PARTY INSPECTION BY RITES:

1) All vendors who are availing the RITES services for Third Party Inspection have to do Online Call Booking. The following guidelines shall be followed:

i) User/vendor has to obtain user Id and password for accessing RITES Portal. For this purpose, the following information may be mailed to RITES at mail Id:

1.	Eastern Region	<a href="mailto:erinspn@rites.com">erinspn@rites.com</a>
2.	Northern Region	<a href="mailto:nrinspn@rites.com">nrinspn@rites.com</a>
3.	Southern Region	<a href="mailto:srinspn@rites.com">srinspn@rites.com</a>
4.	Western Region	<a href="mailto:wrinspn@rites.com">wrinspn@rites.com</a>

Region-wise jurisdiction can be accessed under General Guidelines for Vendors:

a.	Name of Vendor
b.	Address of Vendor (Address mentioned in the Purchase Order)
c.	Name of Contact person of Vendor
d.	Mobile No. of contact person
e.	Official mail Id of firm

If the vendor is going to get his material inspected by RITES Ltd for the first time, then he has also has to attach a copy of Purchase Order along with the above information.

ii) Vendor will be provided ID and Password based on the above request. In case ID and password are not mailed within 72 Hrs, user may contact Help Desk for further assistance.

2) After obtaining ID and Password, following procedure should be adopted:

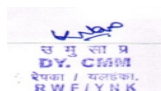
(i)	Based on ID and Password issued by RITES, Vendor to access site: <a href="http://www.ritesinsp.com">www.ritesinsp.com</a> for booking 'Online Calls'
ii)	Click update Vendor data/ PO Registration/Call for inspection for booking of call.

3) In case of any difficulty, users are advised to contact respective regions call centres (given in general guidelines) between 10:00Hrs to 17:00Hrs on weekdays.

16.13 Purchaser's designated representative / inspecting officials shall bear all of their own cost and expenses incurred in connection with inspections which include, but not limited to, all travelling, boarding and lodging expenses.

### 16.14 PRE-DESPATCH INSPECTION ASSOCIATED WITH ADVANCE PAYMENT CASES:

a) Wherever Advance payment against Proforma Invoice and Pre-despatch Inspection at firm's works/place is part of contract terms and conditions, the RWF's Technical Inspector deputed for inspection shall affix/emboss unique facsimile seal on the product/package so inspected and accepted. Same unique facsimile seal shall also be affixed on the inspection certificate prepared and jointly signed by RWF technical representative and the supplier.



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**b)** On receipt of such inspected material, the consignee shall verify the unique facsimile seal available on the product/package and compare with that on inspection certificate issued against the said material and satisfy themselves before final acceptance of the supply.

**c)** In case there is an apparent damage to the product/package and when the terms of delivery is free to consignee at RWF, the consignment will be opened in the presence of the supplier and the inspected official of RWF.

**d)** In case the unique facsimile seal on the product/package differs from that on the inspection certificate, the supply will be rejected.

### **17.0 PAYMENT TERMS:**

**17.1** Unless otherwise agreed upon, 100% payment shall be made after receipt and acceptance of stores by the consignee. Payment will be made on submission of bills in the prescribed format, which may be obtained from the Purchaser's Office or downloaded from RWF's website, accompanied with the required documents and in accordance with the instructions given in the letter of acceptance/purchase order.

**17.2** Only in cases of tenderers of repute and of sound financial standing, payment upto 95% against proof of receipt, i.e., receipted delivery challan, and original copy of the Inspection Certificate issued by nominated inspecting agency, may be considered as per IRS conditions of contract. In such cases, balance payment will be made after receipt and acceptance of stores by the consignee. The purchaser's decision as to whether a tenderer is of repute and of sound financial standing will be final.

**17.3** In deserving cases, 98%(ninety eight percent) against proof of railway receipt (i.e., despatch by rail) and 2%(two percent) after receipt and acceptance of the stores by the consignee, may also be considered within the framework of extant rules and procedures.

### **17.4 Payment through NEFT/RTGS:**

<b>a.</b>	<b>Tenderers are required to update the fields under Bank Account Screen available on IREPS webportal, for receipt of on-line payment through NEFT/RTGS and also upload the updated NEFT mandate(Annexure-I) on to ireps webportal, while bidding. Payment shall not be made in any other form ie., cheque, cash etc. at all, under any circumstance.</b>
<b>b.</b>	Tenderers must provide the details of Bank A/c in line with RBI guidelines for the same. These details will include Bank Name, Branch Name & address, Account type, Bank A/c No., and Bank/Branch Code, MICR Code, and IFSC Code.
<b>c.</b>	Tenderers shall attach certificate from their bank certifying the correctness of all above mentioned information (as mentioned in (b) above).
<b>d.</b>	<b>Railways shall not be responsible for non-receipt of payment by the tenderer/s due to improper/ wrong entry of Bank details in IREPS webportal/Annexure-I.</b>

**Section-II**

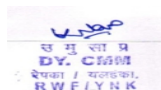
- 17.5** The payment shall be subject to recoveries, if any, under the Liquidated Damages clause in the IRS Conditions of Contract or deduction of any amounts for which the contractor may be liable under the contract against this tender or any other contract in respect of which the President of India is the Purchaser.
- 17.6** Request for making payment before 30(thirty) days will not be accepted.
- 17.7** Payment for the stores or each consignment thereof will be made to the contractor on submission of bill accompanied by the prescribed documents mentioned in the contract. In cases where Price Variation Clause (PVC) is part of the contract, a working sheet supported with documents in support of the PVC must be submitted at the time of claiming any payment. The latest instructions for submission of bills are available on RWF's website [www.rwf.indianrailways.gov.in](http://www.rwf.indianrailways.gov.in).
- 17.8** For PVC payment in the cases where supply is made in the extended period of delivery period (DP) (with or without LD), price variation as applicable on the terminal date of the original DP is payable unless the price variation has decreased after terminal date of the original DP, in which case, the decreased rate will be applicable”.
- 17.9** **Payment through Letter of Credit (L/C): for contracts having an estimated value of Rs.10(ten) Lakhs (w.e.f April/2018):**

**(a) Payment through LC is subject to the following:**

i)	The bidders, 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 LC will be a sight LC.

**(b) RWF shall open LC with State Bank of India and its Branches.**

**(c) 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 the supplier/contractor. The Railway's Banker should also be involved in the process to assess value of LC and terms and conditions of LC.**



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(d) The Railways will issue a Document of Authorisation on claims preferred by supplier/contractor, for completed Work/Supply to enable them to claim the authorised 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 Railway's Code and Manuals, in executive and accounts branches. The Letter of Credit signed between the bank and Railway should specifically mention that any excess / wrong payment made by the bank and later detected by the Railways, will be recovered from the Bank.

(e) The supplier/contractor will present the Document of Authorisation 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 Railway's Banker for release of payment to them (Supplier's Bank). The Railway's Banker will reimburse, claim made by Banker of supplier/contractor, against original Document of Authorisation after verifying signatures of authorised signatory of Railways and Bill of Exchange issued by contractor/supplier.

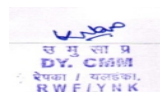
(f) The Accounts Officer responsible for passing the claim will issue the Document of Authorisation.

**18.0 IDENTIFICATION MARK:**

**18.1** All manufactured stores must carry identification mark of the manufacturer and month/year of manufacture in embossed form at the location specified in drawing/specification. In case this is not mentioned in drawing or specification, the location should not be subject to wear and should not affect the functionality, utility, operation and structural stability of the item. Inspecting agency and consignee will be entitled to reject the supplies not conforming to this clause.

**19.0 PROCUREMENT OF STORES WITH ISI MARKING:**

**19.1** In case of tenders for procurement of goods as per BIS specifications, the purchaser intends to purchase only ISI marked stores against the tender. However, the purchaser reserves the right to purchase stores strictly conforming to BIS specifications. In the event of placement of order for ISI marked stores, it shall be the responsibility of the contractor to ensure that only such stores are supplied against the contract. Failure to do so will entitle the purchaser for action in terms of governing IRS terms and conditions of contract. Firms offering stores with ISI marking should indicate details of ISI License held by them and its validity period. A copy of the ISI License should also be submitted with the offer.



**20.1** Unless otherwise specified in the tender documents, the warranty clause shall be as specified in the IRS conditions of contract, which is given below:

**(ii)** The contractor also guarantees that the said goods/stores/articles would continue to conform to the description and quality of aforesaid, for a period of 30 months after their delivery or 24 months from the date of placement in service whichever shall be sooner, and this warranty shall survive notwithstanding the fact that the goods /stores/articles may have been inspected, accepted and payment therefore made by the Purchaser.

**(iii)** If during the aforesaid period, the said goods /stores/articles be discovered not to conform to the description and quality aforesaid or have deteriorated, otherwise than by fair wear and tear the decision of the Purchaser in that behalf being final and conclusive that the Purchaser will be entitled to reject the said goods/stores/articles or such portions thereof as may be discovered not to conform to the said description and quality. On such rejection, the goods/stores/articles will be at the Seller's risk.

**(vi)** If the contractor / seller so desires, the rejected goods may be taken over by his or his authorised dealer for disposal in such manner as he may deem fit within a period of 3(three) months from the date of such rejection. At the expiry of the period, no claim whatsoever shall lie against the Purchaser in respect of the said goods/stores/articles, which may be disposed of by the Purchaser in such manner as he thinks fit. Without prejudice to the generality of the foregoing, all the provisions in the Indian Railways Standard Conditions of Contract relating to the 'rejection of stores' and 'failure' and 'termination' and clause 3100-02 of IRS conditions of contract shall apply.

(v) The contractor / seller shall, if required, replace the goods or such portion thereof as have been rejected by the purchaser, free of cost, at the ultimate destination, or at the option of the Purchaser, the contractor / Seller shall pay to the Purchaser, the value thereof at the contract price and such other expenditure and damage as may arise by reason of the breach of the conditions herein before specified. Nothing herein contained shall prejudice any other right of the Purchaser in that behalf under the contract or otherwise.

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**21.0 RISK PURCHASE and GENERAL DAMAGES:**

**(a) RISK PURCHASE:**

If the contractor fails to deliver the stores or any instalment thereof within the period fixed for such delivery in contract or as extended or at any time repudiates the contract before the expiry of such period the Purchaser may without prejudice to his other rights cancel the contract or a portion thereof and if so desired purchase or authorise the purchase of the stores not so delivered or other of a similar description (where stores exactly complying with particulars are not in the opinion of the Purchaser, which shall be final, readily procurable) at the risk and cost of the contractor.

Where action is taken as above, the contractor shall be liable for any loss which the purchaser may sustain on that account provided the purchase, or, if there is an agreement to purchase, such agreement is made, in case of failure to delivery the stores within the period fixed for such delivery in the contract or as extended within 6 (six) months from the date of such failure and in case of repudiation of the contract before the expiry of the aforesaid period of delivery, within six months (or nine months\*) from the date of cancellation of contract. The contractor shall not be entitled to any gain on such purchase and the manner and the method of such purchase shall be in the entire discretion of the Purchaser. It shall not be necessary for the Purchaser to serve a notice of such purchase on the contractor.

**\*NOTE:** In respect of stores which are not easily available in the market and where procurement difficulties are experienced, the period for making risk purchase shall be 9(nine) months instead of 6(six) months provided above.

**(b) GENERAL DAMAGES:**

Purchaser is entitled to cancel the contract under clause 0702(b) of IRS conditions of contract where actual or potential loss has been incurred due to the Contractor's failure to deliver the stores within the contracted delivery period. The cancellation of the contract is resorted to by the Purchaser at the risk and cost of the Contractor. If clause 0702(b) of IRS conditions to contract is found for any reason to be otherwise inoperative or where risk purchase could not be resorted to, due to any reason, the purchaser is entitled to claim against the Contractor General Damages at law for the Contractor's failure to deliver the stores within the period fixed for such delivery. If General Damages are claimed, the Purchaser shall be entitled to recover from the contractor, as compensation to the Purchaser, a sum to the extent of 10%(ten percent) of the cancelled contract value for the stores, which the contractor has failed to deliver.

**22.0 NEGOTIATIONS:**

**22.1** Selection of contractors by negotiation is an exception rather than a rule and will be resorted to only in exceptional circumstances as per instructions of the Ministry of Railways issued time to time. Therefore, tenderers in their own interest should quote the most competitive rates at the first instance itself while responding to the tenders.

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**22.2** In the event of conducting negotiation, the tenderer with whom the negotiation is to be conducted, shall be informed of the parameters of their original offer on which revision(s) is/are solicited. It shall be noted by the tenderer that at the time of submission of negotiated offer, any variation in the negotiated offer, by the tenderer on such aspects of offer on which revision was not solicited during negotiation, will render the negotiated offer unfit for consideration.

**23.0 CORRUPT PRACTICES:**

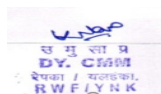
**23.1** The contractor shall not offer to give or agree to give to any person in the employment of the Purchaser or working under the orders of the Purchaser any gift or consideration of any kind as an inducement or regard for doing or for bearing to do or for having done or for borne to do any act in relation to the obtaining or execution of the contract or any other contract with the Purchaser or Government or for showing any favour or for bearing to show disfavour to any person in relation to the contract or any other contract with the Purchaser or Government. Any breach of the aforesaid condition by the Contractor, or any one employed by him or acting on his behalf (whether with or without the knowledge of the Contractor) or the commission of any offence by the contractor or by any one employed by him or acting on his behalf under IX of the Indian Penal Code, 1860 or the Prevention of Corruption Act, 1947 or any other act enacted for the prevention of corruption by public servants shall entitle the purchaser to cancel the contract and all or any other contracts with the contractor and to recover from the contractor the amount of any loss arising from such cancellation in accordance with the provisions of Clauses 0600 to 0700.

**24.0 ARBITRATION (PARA 2900 OF IRS CONDITIONS OF CONTRACT):**

- (a) (i) In the event of any question, dispute or difference arising under these conditions or any special conditions of contract, or in connection with this contract [except as to any matters the decision of which is specially provided for by these or the special conditions, i.e., accepted matters(non-arbitrable)], the same shall be referred to the sole arbitration of an Arbitrator in terms of the Arbitration and Conciliation Act, 1996 as amended by Arbitration and Conciliation(Amendment)Act, 2015. Arbitrator shall be a person possessing qualifications laid down in Para 2900(a)(ii) and shall be appointed by the General Manager in the case of contracts entered into by the Zonal Railways and Production Units, by any Member of the Railway Board / Director General (Railway Stores), in the case of contracts entered into by the Railway Board and by the Head of the Organisation in respect of contracts entered into by the other Organisations under the Ministry of Railways.

**(ii) Qualification for appointment as Sole Arbitrator:**

(1)	Retired Railway Officer not below SAG level 3 years after his date of retirement.
(2)	Age of Arbitrator at the time of appointment shall not exceed 70 years.



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(iii) An Arbitrator may be appointed notwithstanding the total no. of the arbitration cases in which he has been appointed in the past. Retired Railway officer being appointed as arbitrator, however, will not be one of those who had an opportunity to deal with the matters to which the contract relates or who in the course of their duties as Railway servant have expressed views on all or any of the matters under dispute or difference.

(iv) The award of the arbitrator shall be final and binding on the parties to this contract.

- (b) In the event of the arbitrator dying, neglecting or refusing to act or resigning or being unable to act for any reason, or his award being set aside by the court for any reason, it shall be lawful for the authority appointing the arbitrator to appoint another arbitrator in place of the outgoing arbitrator in the manner aforesaid.
- (c) It is further a term of this contract that no person other than the person appointed by the authority as aforesaid should act as arbitrator and that if for any reason that is not possible, the matter is not to be referred to arbitration at all.
- (d) (i) The cost of arbitration shall be borne by the concerned parties in terms of section 31(A) of Arbitration and Conciliation Act, 1996 as amended by Arbitration and Conciliation (Amendment) Act, 2015. the cost shall inter-alia include fee of the Arbitrator, as per the rates fixed by Railway Board from time to time. Further, the fee payable to the Arbitrator would be governed by instructions issued on the subject by Railway Board from time to time irrespective of the fact whether the Arbitrator is appointed by the Railway administration under this clause or by any court of law unless specially directed by Hon'ble court otherwise on the matter.
- (ii) Arbitrator shall be entitled to 50(fifty) percent extra fee, if award is made within 6 months in terms of provisions contained in section 29(A) (2) of the Arbitration and Conciliation Act, 1996 as amended by Arbitration and Conciliation (Amendment) Act, 2015.

Besides the above, Arbitrator shall also be entitled for this extra fee, in cases, where Fast Track Procedure in terms of section 29(B) of the Arbitration and Conciliation Act, 1996 as amended by Arbitration and Conciliation (Amendment) Act 2015, is followed.

- (e) Subject as aforesaid, the Arbitration and Conciliation Act, 1996 as amended by Arbitration and Conciliation (Amendment) Act, 2015 and the rules there under and any statutory modifications thereof for the time being in force shall be deemed to apply to the arbitration proceedings under this clause.
- (f) The venue of arbitration shall be the place from which the acceptance note is issued or such other place as the arbitrator at his discretion may determine in terms of Section-20 of the Arbitration and Conciliation Act, 1996 as amended by Arbitration and Conciliation (Amendment) Act, 2015.



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- (g) In this clause the authority to appoint the arbitrator includes, if there be no such authority, the officer who is for the time being discharging the function of that authority, whether in addition to other functions or otherwise.
- (h) It is further a term of this contract that where the arbitral award is for the payment of money, no interest shall be payable on whole or any part of the money for any period till the date on which the awards is made in terms of Section 31(7)(a) of the Arbitration and Conciliation Act, 1996 as amended by Arbitration and Conciliation (Amendment) Act, 2015.

**25.0 VENDOR RATING:**

**25.1** Vendor Rating formula: Vendor Rating is based on Quality Rating and Delivery Rating in the ratio 60:40 respectively, in line with Railway Board's letter dated:30.06.1997. The formula adopted is as under:

**Vendor Rating = (0.6 x Quality Rating) + (0.4 x Delivery Rating)**

(i) Quality Rating = Quantity Accepted/(Quantity Accepted +Quantity Rejected)

(ii) Delivery rating shall be worked out for each contract as under:

$$DR = \frac{Q_t + \sum \{Q_d (1-k \times T_d/T)\}}{Q}$$

Where Q = Quantity ordered

T = Promised delivery time

Q<sub>t</sub> = Quantity supplied in time

Q<sub>d</sub> =Quantity delayed

T<sub>d</sub> = Time delay for quantity delayed

K = Constant = 2

In the above Delivery Rating, 100 percent weightage is given for the supplies made within the delivery period and proportionate weightage as per the above formula is arrived at, for the supplies made after the delivery period.

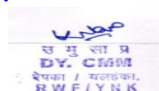
**25.2** Evaluation of a vendor with a view to find out overall rating shall be done based on their performance on quality and delivery against individual purchase orders and then the overall rating shall be calculated by taking the weighted average of these individual ratings for purchase orders placed during last three years subject to the condition that total number of purchase orders is not less than three.

**25.3** Based on the cumulative vendor rating finally arrived at for each vendor as per formula given above, the vendor shall be classified into following 3 classes:

Class "A" vendor rating above 70

Class "B" Vendor rating above 40 and upto 70

Class "C" Vendor rating upto 40.



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**25.4** All vendors in a particular class stand at par with each other irrespective of their having obtained the points in the rating. While vendor evaluation and rating is to help the purchase officers and tender committees in selecting a proper vendor for placement of order, no price preference is admissible to the vendor on account of his being placed higher in the rating or classified as “A” or class “B” and so on. Class “C” Vendors shall be ignored in general, for placement of an order by recording reason specifically. Generally the cases of Class “C” Vendors will be examined by the Railways for deleting them from the approved list of suppliers, after giving them suitable show cause notice, etc., regarding their poor performance.

**25.5** As regards Class “A” and “B” Vendors are concerned, it is for purchase officer or tender committee whether to place order for full quantity on Class B vendor (whose rates happens to be lower) or place order for part quantity and balance on Class “A” vendor however, keeping in view the price difference and certifying the reasonability of rates etc.,

**26.0 IMPORTED STORES OFFERED BY INDIAN AGENTS IN INDIAN CURRENCY:**  
Any authorised dealer / agent / recognised industrial distributor quoting on behalf of other foreign principal in Indian Rupees shall have to comply with following:

**26.1** To quote with tender specific authorisation from the foreign manufacturer, in the format given at Annexure-IV.

- |             |   |
|-------------|---|
| <b>(i)</b>  | While quoting on behalf of foreign principals, tenderers are required to furnish the Principal’s invoice/proforma invoice along with their quotation. |
| <b>(ii)</b> | Proforma invoices however, may be accepted in exceptional cases where, it is not possible to obtain the invoices before the contract is placed.       |

**26.2** The tenderer shall have to undertake in the tender to comply with the following:

- |            |   |
|------------|---|
| <b>(a)</b> | 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. |
| <b>(b)</b> | Current and valid authorisation /dealership certificate of foreign manufacturer/ principal.   |
| <b>(c)</b> | 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. |

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**26.3** Tenderer has to indicate the following while submitting the offer:

(i)	The precise relationship between the foreign manufacturer/principal and their agents/ associates.
(ii)	The mutual interest which the manufacturer/principal and the Indian agent / associates have in business of each other is to be indicated.
(iii)	Indian agent's PAN is to be indicated.

**26.4** Any additional expenditure incurred on account of customs duty and exchange rate variation during pendency of the contract will be on contractor's account.

**26.5** 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.

**27.0 ORDERING ON SOURCES APPROVED AND REGISTERED BY RDSO/ DLW/ DMW/ CLW/ ICF/ RCF/CORE.**

(i) Railways reserve the right to place bulk orders on **vendors approved with RDSO/ DLW/ DMW/ CLW/ ICF/ RCF/CORE**. Wherever necessary, as per procurement policy of the Government, bulk purchases will be made only from those vendors who have been approved by **RDSO/ DLW/ DMW/ CLW/ ICF/ RCF/CORE for such ordering before opening of the tender to manufacture and supply the tendered item**. The tenderers shall upload scanned copies of such **valid approval status** along with their offers. **Such approval status** of the tenderers will be reckoned as on the date of opening of the tender and not thereafter. However in case of downgrading/ removal/suspension/ banning etc., after opening of tender, such changes shall be taken into account while considering the offers. **Minimum 80% of Net Procurable Quantity (NPQ) shall be ordered on approved Vendors.**

(ii) If the tendering firm(s) is not approved by **RDSO/ DLW/ DMW/ CLW/ ICF/ RCF/CORE as mentioned above**, they must submit their credentials details i.e, machinery and plant, testing facilities, QAP, technical manpower etc. In deserving cases, their offers may be considered for **Developmental Orders upto 20% of NPQ after assessment** of their capacities/capabilities **by source approving authority**. Failure to furnish requisite credentials as mentioned above, will make their offer liable to be ignored. **RWF also reserves the right to order this 20% quantity outside the NPQ.**

(iii) If there exists a suspected Cartel situation by approved sources or the rates available from approved source/s are adjudged unreasonably high, despite fair efforts as permissible, the purchaser reserves the right to place orders on firms outside the approved vendor list, without any restriction.

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**28.0 HANDLING REJECTION OF PRE-INSPECTED ITEM AND WARRANTY REJECTION:**  
Two kinds of rejections occur in case of pre-inspected supplies made by the suppliers:

i)	Pre-inspected material rejected by consignee at the time of receipt.
ii)	Material rejected in warranty.

The methodology of handling the above rejections are detailed below:

### **28.1 PRE-INSPECTED MATERIAL REJECTED BY CONSIGNEE AT THE TIME OF RECEIPT:**

- (a) **REJECTION ADVICE:** In case of rejection of pre-inspected goods at consignee end, the material Rejection Advice/Rejection Memo shall be sent by the consignee to all concerned i.e., the supplier, Purchase Officer, pre-inspecting agency, paying authority etc.
- (b) **FINANCIAL RECOVERY:** In case payment has been made to the supplier for the material, the paying authority concerned should note the Rejection Advice details in its recovery register for effecting recovery of payments made, as the case may be.
- (c) **JOINT INSPECTION:** If the supplier desires to have Joint Inspection, joint inspection of rejected material will be held with pre-inspecting agency and the supplier. In case of failure of either of the two parties to associate with joint inspection, the joint inspection shall 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 be completed within 21(twenty one) days of communication of Rejection Advice to the supplier (in line with IRS conditions of contract Clause 703). For imported material, this time limit will be 45(forty five) days.
- (d) Supplier may be permitted to collect the rejected goods only after the supplier has deposited the payments already made by Railway(if any) to the supplier or equivalent amount has been recovered for this purpose.
- (e) In case of replacement supply against the rejected goods, the same shall 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.
- (f) However, in case of component level rejection in an pre-inspected item (which is an assembly) the replacement supply of that component will be accepted based on supplier's internal inspection certificate /guarantee certificate and final inspection by consignee.

**Section-II**

(g) On-line submission of Rejection Advices to RITES, for Joint Inspection(JI): The consignee shall register the Rejection Advices Online under [www.ritesinsp.com](http://www.ritesinsp.com) to avoid over delays in processing the Rejection Advices and holding Joint Investigations. The following details are required to be entered ie.,:

1.	Consignee details
2.	Book No.
3.	Set No.
4.	Inspection Region

Apart from submitting the details, copy of Rejection Advice shall also have to be uploaded.

**28.2 MATERIAL REJECTED IN WARRANTY:**

Materials are rejected in warranty in the following situations:

a)	the material rejected was issued by General Stores Depot/RWF (for stock items).
b)	the material rejected was received by the user directly (Consignee/RWF for the Non- stock item in RWF).

**28.2.1 THE METHODOLOGY OF LODGING WARRANTY CLAIMS FOR THE ABOVE IS GIVEN BELOW:**

**(a) WARRANTY CLAIMS FOR SL No. 28.2 (a) : for warranty failure in shop for material (stock items) issued from General Stores Depot/RWF:**

All warranty claims will be lodged by the Depot Officer after getting the warranty rejected material from user, under advice note or return stores with reasons of warranty rejection indicated therein. Before lodging the warranty claim the Depot Officer will satisfy himself about the correctness of PO and ensure that other details including reasons(s) of warranty rejections are available with the advice note of return stores. The warranty claim will be processed following the procedure indicated in sub para 28.1(a), (b), (c) & (d) above except for the following changes:

i)	The rejection advice mentioned in Para 28.1(a) will be replaced by 'Warranty Rejection Advice'.
ii)	The time for completion of the modality of joint inspection as per Para 28.1(c) will be 45(forty five) days for indigenous items from the date of communication of Warranty Rejection Advice to the supplier and this time limit for imported materials is 90(ninety) days.

**Section-II**

**(b) WARRANTY CLAIMS FOR SL No.SI No.28.2(b) above: for warranty failure in shop for material (non-stock items) received by the Consignee:**

All warranty claims will be lodged by the Consignee, with copy of the claim marked to the Purchase Officer. The Purchase Officer shall withhold Performance Warranty amount wherever submitted by the contractor either in the form of Cash/Bank Guarantee. The warranty rejected material will be kept in safe custody by the consignee/end user. Before lodging the warranty claim the Consignee will satisfy himself about the correctness of PO and ensure that other details including reasons(s) of warranty rejections are available on record. The warranty claim will be processed following the procedure indicated in sub para 28.1 (a), (b), (c) & (d) above except for the following changes:

i)	The rejection advice mentioned in Para 28.1(a) will be replaced by 'Warranty Rejection Advice'.
ii)	The time for completion of the modality of joint inspection as per Para 28.1(c) will be 45(forty five) days for indigenous items from the date of communication of Warranty Rejection Advice to the supplier and this time limit for imported materials is 90(ninety) days.

**28.2.2 WARRANTY QUANTITY REPLACEMENT:**

The warranty quantity replacement will be accounted under Warranty Receipt Note issued by General Stores Depot/RWF for stock items or the respective Consignee/RWF for non-stock items.

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

**28.2.3 INSPECTION AND REPLACEMENT SUPPLY AGAINST WARRANTY REJECTION:**

**(a)** For cases of replacement supply against warranty failure falling in the category of SI No.28.2.1(a): The replacement supply shall be normally inspected by the same inspecting agency, which inspected and passed original supply. Payment of inspection charges will be borne by the supplier.

Any change in inspecting authority for the warranty replacement will necessitate a formal amendment in contract.

**(b)** For cases of replacement supply against warranty failure falling in the category of SI No.28.2.1(b):

i)	The replacement supply shall be normally inspected by the same inspecting agency, which inspected and passed original supply. Payment of inspection charges will be borne by the supplier.
ii)	In some cases, where it may be difficult to re-use the services of inspecting agency which passed the original supply and where the consignee is not having requisite inspection facility/expertise, the replacement supply can be made by firm's own internal inspection certificate. The decision on the above will rest with the authority which raised the warranty claim as indicated in the warranty claim notice.

**Section-II**

(c) In case of 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 above categories under 28.2.1 (a) and 28.2.1(b).

**28.2.4 PLACE OF WARRANTY REPLACEMENT:**

For warranty replacement under category of SI No. 28.2.1(a) and 28.2.1(b) above, in order to ensure correct accountal of warranty replacement, the place of warranty replacement will be General Stores Depot/RWF for stock items **OR** Consignee/RWF for non-stock items, which received the original supply.

**28.2.5** For warranty replacement under category of SI No. 28.2.1(a) above, due care will be taken by the end user that accountal of replacement supply of the rejected material etc, are properly taken care of. After settlement of warranty claim, the rejected material shall be handed over to General Stores Depot for returning to the supplier.

**28.3** The rectification wherever required by the supplier, of the pre-inspected material rejected by the consignee at the time of receipt and the materiel rejected in warranty shall be permitted within railway premises only, after the supplier has refunded the payment (if already made by Railway) or equivalent amount has been withheld for this purpose.

a)	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 pre-inspected material at the time of receipt.
b)	For rejection of material in warranty, the rectification activity has to be completed within 45/90 days for indigenous / imported material respectively.
c)	If more time is taken beyond the above stipulations, applicable ground rent will be levied on the supplier.

**29.0 MAKE IN INDIA POLICY :**

**29.1 PREFERENCE TO MAKE IN INDIA:**

**29.2** The Following provisions will be applicable for items to be procured under **Public Procurement (Preference to Make in India) :**  
**Order No. P-45021/2/2017-B.E.-II dated: 15.6.2017 of Ministry of Commerce and Industry refers.**



**29.3 OTHER FACTORS:**

(a)	Minimum Local Content shall be 50% (fifty percent) or as indicated in the tender enquiry.
(b)	Margin of Purchase Preference: The margin of purchase preference is 20% (twenty percent).
(c)	Fee for Complaints: Fee for filing complaints relating to implementation of this order shall be Rs.10,000/-(Rupees ten thousand only) per case. The complaint shall be filed in the office of the PCMM/RWF. The fee shall be deposited with the office of Principal Financial Advisor/RWF.

**29.4 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 cases of procurement for a value in excess of Rs.10 Crores(Rupees ten 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 practising cost accountant or practising chartered accountant (in respect of suppliers other than companies) giving the percentage of local content.

(c) False declaration will be in breach of the Code of Integrity under Rule 175I1)(i)(h) of the General Financial Rules for which a bidder or his successor/s 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 order dated: 15.6.2017 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 on CPPP website in such a manner that the ongoing procurements are not disrupted.

**29.5 REQUIREMENT OF PURCHASE PREFERENCE:**

Subject to the provisions of this order and to any specific instructions issued by the Nodal Ministry (i.e., Ministry of Railways) or in pursuance of this Order dated: 15.6.2017, 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 (Rupees fifty lakhs) or less, only local suppliers shall be eligible. If the estimated value of procurement of such goods is more than Rs.50 Lakhs(Rupees fifty lakhs), the provisions of Sub-paragraph(b) or (c) as the case may be, shall apply.



**Section-II**

- (b) In the procurement 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 a local supplier, the contract for full quantity will be awarded to L1.
(ii)	If L1 bid is not from a local supplier, 50%(fifty percent) 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%(fifty percent) 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 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, the 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.

**29.6 EXEMPTION OF SMALL PURCHASES:**

Notwithstanding anything contained in Para 29.5, procurements where the estimated value to be procured is less than Rs.5 Lakhs(Rupees five lakhs) shall be exempted.

**29.7 PREFERENCE TO MAKE IN INDIA POLICY CERTIFICATION:**

Railway Board letter No. 2015/RS(G)/779/5 dated: 16.03.2018

*“This tender complies with Public Procurement Policy Order 2017 dated:15.06.2017”.*



**Section-II**

**30.0 BOOK EXAMINATION CLAUSE (Para 3300 of IRS Conditions of Contract):**

**30.1 THE GOVERNMENT RESERVES THE RIGHT FOR “BOOK EXAMINATION” AS FOLLOWS:**

(i) The Contractor shall whenever called upon and requiring to produce or cause to be produced for examination by any Government Officer duly authorised in that behalf, cost or other account book of account, voucher, receipt, letter, memorandum, paper or writing or any copy of or extract from any such document and also furnish information any way relating to such transaction and procedure before the duly authorised Government Officer returns verified in such manner as may be required relating in any way to the execution of this contract (the decision of such Government Officer on the question of relevancy of any document, information of return being final and binding on the parties).

The obligation imposed by this clause is without prejudice to the obligation of the contractor under any statute rules or order shall be binding on the contractor.

(ii) The contractor shall, if the authorised Government Officer so requires (whether before or after the prices have been finally fixed), afford facilities to the Government Officer concerned to visit the contractor's works for the purpose of examining the processes of manufacture and estimating or ascertaining the cost of production of the articles. If any portion of the work be entrusted or carried out by a sub-contractor or any of its subsidiary or allied firm or company, the authorised Government Officer shall have power to examine all the relevant books of such sub-contractor or any subsidiary or allied firm or company shall be open to his inspection as mentioned in clause (i)..

(iii) If on such examination, it is established that the contracted price is in excess of the actual cost plus reasonable margin of profit, the Purchaser shall have the right to reduce the price and determine the amount to a reasonable level.

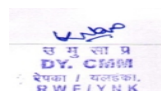
(iv) As per the Book Examination clause, the contractor or its agency is bound to allow examination of its books within a period of 60(sixty) days from the date of notice is received by the contractor, or its agencies called for the production of documents as under clause (i) above. In the event of contractor's or his agency's failure to do so, the contract price would be reduced and determined according to the best judgement of the purchaser which would be final and binding on the contractor and his agencies.

NOTE: Above Book Examination clause is applicable to all the supply contracts concluded by RWF (referring to IRS Conditions of Contract).

**31.0 APPLICABILITY OF THE LAW OF THE LAND:**

**31.1 This tender is governed by the law of the land i.e., prevailing in the Republic of India, including the statute and case-made law, wherever warranted shall be applicable.**

*End of Section-II*



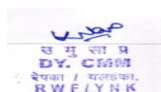
**RAIL WHEEL FACTORY  
INDIAN RAILWAYS  
SECTION-III  
SPECIAL CONDITIONS FOR ELECTRONIC OPEN TENDER**

**1.0 OPTION CLAUSE:**

- i) The purchaser reserves the right to increase/decrease the ordered quantities of each description of stores shown in the contract by not more than 30%(thirty percent) at the same price, terms & conditions during the currency of the contract, i.e., at any time before expiry of the stipulated or extended delivery period.
- ii) The purchaser also reserves the right to vary the ordered quantity by (+)30% (thirty percent) at any time, till the final delivery date of the contract, by giving reasonable notice, even though the quantity ordered initially has been supplied in full before the last date of delivery period.
- iii) Reasonable notice' mentioned above is only for the purpose of allowing the contractor suitable time to make necessary arrangements for the supplies and not for seeking any consent from the contractor towards exercise of the contractual option clause. A reasonable delivery schedule for the enhanced quantity will be stipulated in the relevant amendment to the contract.
- iv) The option clause is normally applicable to the tenders valued above Rs.75(seventy five) lakhs, unless and otherwise specified.

**2.0 FALL CLAUSE:**

- i) 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.
- ii) 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 reduced.



**Section -III**

iii) 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 and 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.”

**3.0 LIQUIDATED DAMAGES:**

i) If the contractor fails to deliver the stores or any instalment thereof within the period fixed for such delivery in contract or as extended or at any time repudiates the contract before the expiry of such period the Purchaser may without prejudice to his other rights recover from 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 tax, packing, forwarding, freight charges and insurance 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 (not 2% each calendar month or part thereof) 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 10% of value of delayed supplies, irrespective of delays, unless otherwise provided, specifically in the contract.

ii) There is no system of waiver of liquidated damages and imposition of 2%(two percent) token liquidate damages for each of the delayed supplies. Waiver of liquidated damages and imposition of token liquidate damages for delayed supplies will strictly be an exception rather than a rule and only in situation where the circumstances leading to delay in supplies were beyond the control of the supplier.

iii) However, RWF reserves the right for waivers of liquidated damages or imposition of token liquidated damages instead of full liquidated damages.

**4.0 FORCE MAJEURE CLAUSE:**

Force Majeure means an event beyond the control of the supplier and not involving the supplier's fault or negligence and which is not foreseeable. Such events may include, but are not restricted to the acts of the purchaser either in its sovereign or contractual capacity, wars or revolution, hostility, acts of the public enemy, civil commotion, sabotage, fires, floods, explosions, epidemics, quarantine restrictions, strikes, lock-outs, and freight embargoes. However it should not be used by a party to effectively to escape liability for bad performance.

If there is delay in performance or other failures by the supplier to perform its obligation under its contract due to event of a Force Majeure, the supplier shall not be held responsible for such delays/failures.

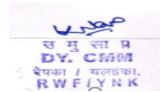
**Section-III**

If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such conditions and the cause thereof within 21(twenty one) days of occurrence of such event with reasonable evidence thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as reasonably practical, and shall seek all reasonable alternative means of performance not prevented by the force majeure event.

If the performance in whole or in part or any obligation under this contract is prevented or delayed by any reason of force majeure for a period exceeding 60 days, either party may at its option terminate the contract without any financial repercussion on either side.

There may be a Force Majeure situation affecting the Railways only, under which the Railways shall have equal rights to claim relief under such Force Majeure situations.

***End of Section - III***



RAIL WHEEL FACTORY  
INDIAN RAILWAYS  
**SECTION – IV**

**SPECIAL CONDITIONS FOR PROCUREMENT OF  
M&P (MACHINERY & PLANT) ITEMS THROUGH ELECTRONIC OPEN TENDER**

**1.0 VALIDITY OF THE OFFER:**

The bid shall be kept valid for acceptance for a minimum period of 120 (One hundred twenty only) calendar days from the date of opening of tenders (inclusive of tender opening date), within which period, the tenderer shall not withdraw the bid. Bids with shorter validity are liable to be considered as unresponsive to Railway's requirements and liable to be rejected.

**2.0 TIMELY COMMISSIONING OF M&P:**

**In the event of contractors' 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.**

**3.0 WARRANTY:**

i) 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 rectification of faults during the warranty period.

ii) 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.

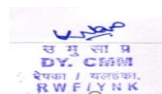
iii) A penalty of 0.5% (Zero point five percent) per week of the contract value will be levied for delay in response time for attending **and rectification of faults beyond specified time during the warranty period as detailed above.**

iv) Maximum penalty to be levied on account of warranty failure will be 5% (Five 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 Warrantee Guarantee Bonds. In such cases the bad performance of firm during the warranty period, the same would be recorded and circulated to all Railways. The same would 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.

**4.0 ANNUAL MAINTENANCE CONTRACT:**

i) Tenderers are required to quote for post warranty Annual Maintenance Contract (AMC) for a period of five years after expiry of the warranty period of the M&P along with their offers. The scope of AMC will include preventive and breakdown maintenance. AMC charges include all cost of personnel, spares etc. except the cost of consumables required for day-to-day operation and daily maintenance checks.

ii) The AMC payment terms will be linked to the performance parameters viz., maximum downtime and maximum response time as also penalties for failure to adhere to the same. The maximum downtime and maximum response time and also penalties for failure to adhere to the above are specified in the technical specification.



## Section-IV

iii) The tenderers should quote AMC rates for each of five years. The AMC prices for each year shall be firm. The AMC charges will be separately payable in Indian Rupees only. The AMC charges would be added to the FOR destination price quoted for M&P for the purpose of comparative evaluation of offer.

In order to equitably compare different AMC charges for different years, the concept of NPV (Net Present Value) is used at a pre-determined rate of discounting to bring the AMC charges at the same footing in the assessment of FOR destination price.

**The rate of discounting and NPV calculation is furnished below:**

Calculation of NPV (Net Present Value) at rate of 10% discounting for five years for comparative evaluation of AMC offer in order to equitably compare different AMC charges for different years at the same footing in the assessment of FOR destination price.

NET PRESENT VALUE – PRESENT VALUE OF CASH FLOWS MINUS INITIAL INVESTMENTS.

FORMULA:  $P = NPV \{1 + r/100\}^n$

Where  $r$  = rate of inflation

N = number of years

P = present value

If offered value of P for 1<sup>st</sup> year is say Rs.100/- and if rate of inflation is 10%

$$\text{Then } 100 = \text{NPV} \{1 + 10/100\}^1$$
$$= \text{NPV} \{1+0.1\}$$
$$= \text{NPV} \times 1.1$$
$$\text{NPV} = 100/1.1 = 90.90$$

NPV factor for Rs.100/- = 90.90

Then NPV factor =  $90.90/100 = 0.9091$

Similarly NPV factor for second, third, fourth and fifth year is calculated & shown below:

Sl No.	Year	Cost in Rs.	PV factor @ 10% per annum	Total cost of AMC after discounting factor in Rs.
1	First year AMC cost	P1	0.9091	P1 x 0.9091
2	Second year AMC cost	P2	0.8264	P2 x 0.8264
3	Third year AMC cost	P3	0.7513	P3 x 0.7513
4	Fourth year AMC cost	P4	0.6830	P4 x 0.6830
5	Fifth year AMC cost	P5	0.6209	P5 x 0.6209
	TOTAL COST			P

NB: 1) The total AMC cost will be calculated after multiplying the quoted rates with PV factor i.e., after discounting annual cost @ 10% per annum.

2) In above table total cost “P” after calculation shall be taken for evaluation of financial ranking.

**Section-IV**

i)The post-AMC maintenance of machines will be dealt with by the end user. In order to facilitate the same, tenderers are required to give the current cost of spares required for maintenance of machine after AMC period and the current service charges for each items of work of repair of M&P beyond the AMC period. These charges will not be included in the price of M&P for the purpose of comparative evaluation of offers.

ii)Tenderers who are OEM must give undertaking for supply of spare parts for a period of expected life of the machine/ equipment. Other tenderers shall submit undertaking from OEM for supply of spare parts for a period of expected life of the machine/equipment.

**5.0 PAYMENT TERMS:** The standard payment terms subject to recoveries if any, under the liquidated damages clause and general condition of contract will be as under:

<b>a)</b>	80% of the payment on proof of inspection certificate and Rail/Road Challan to be made within 30 days of receipt of documents as specified.
<b>b)</b>	Balance 20% payment within 90(ninety) days after satisfactory installation/ commissioning and proving test of M&P subject to submission of bank guarantee for an amount of 10% of contract value, value as warranty security.

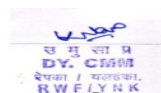
**6.0 INSPECTION:** Inspection of the M&P items will be carried out by RITES or any agency as specified in the contract, including stage inspection wherever specified in the contract/specification.

**7.0. INSURANCE:** Insurance upto ultimate consignee's place shall be supplier's responsibility.

**8.0. SUBMISSION OF PERFORMANCE / WARRANTY BANK GUARANTEE:**

**8.1** For machinery and Plant items, costly equipment, and capital Spares, the contractor will have to furnish a Performance/warranty Bank Guarantee of 10% of the contract value to cover their warranty obligations under the contract, valid for warranty period plus 6 (six) months claim period.

***End of Section - III***





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***RWF e-OT Bid doc. April-2018: Version 1.0***

RAIL WHEEL FACTORY  
INDIAN RAILWAYS  
**SECTION-V: FORMATS**  
**ANNEXURE – I**

**ELECTRONIC FUND TRANSFER (EFT) MANDATE**

I/We \_\_\_\_\_ am/are  
expressing my/our consent for getting my/our payment directly credited to my/our Bank  
Account/s towards supply of stores to RAIL WHEEL FACTORY (Ministry of Railways),  
Yelahanka, **Bengaluru** -560 064,

Company's Seal & Signature of  
Authorised Signatory

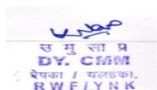
Date \_\_\_\_\_

Name of the Company/Supplier	
<b>GSTIN :</b>	
<b>Personal Aadhaar No.</b>	
<b>Udyog Aadhaar No., if any</b>	
Vendor/Supplier's Code	
Postal Address	
Name of the Bank & Branch Address (with Telephone No.)	
09 Digits MICR Code of the Bank :	
Account No. (15 Digits only)	
Type of Account	
Income Tax P A N No.	
Please attach following:	1. Copy of Cancelled cheque leaf. 2. Copy of PAN Card
	Signature of Authorised Signatory & Date _____

The above Account No. has been verified and found correct.

Bank Seal & Signature  
\_\_\_\_\_

***End of Annexure - I***



RAIL WHEEL FACTORY  
INDIAN RAILWAYS  
**SECTION-V: FORMATS**

**ANNEXURE-II**

**PROFORMA OF BANK GUARANTEE FOR SECURITY DEPOSIT**

**To:**

The President of India

Acting through

**The Principal Chief Materials Manager,**

Rail Wheel Factory, Yelahanka, Bengaluru-560064.

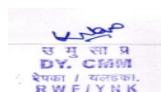
**GUARANTEE BOND**

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 fulfilment 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 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 the 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 under take 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 thereunder and the Contractor(s)/ Supplier(s) shall have no claim against us for making such payment.



**Annexure-II**

4. We \_\_\_\_\_ (*Indicate the 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 ----- (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 ----- further agree with the Government that the Government shall (*Indicate the name of the bank*) 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.

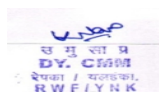
6. This Guarantee will not be discharged due to the change in the constitution of the Bank or the Contractor(s)/ Supplier(s).

7. We ----- (*Indicate the name of bank*) lastly undertake not to revoke this Guarantee during its currency except with the previous consent of the Government in writing.

Dated the -----day of ----- of year

For -----  
(Full address of the Bank with contact /  
fax numbers/ & mail ID)

***End of Annexure - II***



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RAIL WHEEL FACTORY  
INDIAN RAILWAYS  
SECTION-V: FORMATS

**ANNEXURE-III**  
**PROFORMA FOR WARRANTY GUARANTEE BOND**

To  
THE PRESIDENT OF INDIA  
Acting through **The Principal Chief Materials Manager**,  
Rail Wheel Factory, Yelahanka, Bengaluru-560064.

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”).

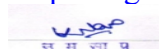
2. AND WHEREAS according to the terms of said contract, it has been stipulated that payment of 10 per cent of the value of the stores would be made, provided that the Sellers furnish to the Purchaser a Bank Guarantee from a recognised Bank, acceptable to the Purchaser for 10 per cent of the value of 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 upto 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.

  
स म सा प्र  
DY. COMM  
रेलवार्क / येलहंका,  
RWF Y N K

### Annexure-III

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 there to 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 thereunder 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. upto ----- (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.

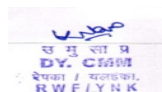
Signature -----

Printed Name -----

---

(Banks common Seal)

***End of Annexure - III***



RAIL WHEEL FACTORY  
INDIAN RAILWAYS  
**SECTION-V: FORMATS**  
**ANNEXURE-IV**

**PROFORMA FOR AUTHORITY FROM MANUFACTURERS**

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

Ref No. \_\_\_\_\_

Date \_\_\_\_\_

To,  
The President of India, acting through the  
**The Principal Chief Materials Manager,**  
RAIL WHEEL FACTORY  
MINISTRY OF RAILWAYS  
YELAHANKA, BENGALURU – 560 064.

Dear Sir,

Subject: Rail Wheel Factory e-tender no. \_\_\_\_\_ opened on \_\_\_\_\_  
For supply of \_\_\_\_\_.

We \_\_\_\_\_ (full address with PAN number) established manufacturer of \_\_\_\_\_ having factory / factories at \_\_\_\_\_ do hereby authorise M/s \_\_\_\_\_ (company's name, full address with PAN number) to represent us, to bid, negotiate and conclude the contract on our behalf with you against your e-tender No. \_\_\_\_\_.

It is also certified that::

- a) No Company / firm or individual other than M/s \_\_\_\_\_ is authorised to represent us in regard to this business against this specific tender.
- b) Inspection by RITES/RDSO/Consignees representative will be allowed at our manufacturing premises and not in the ware house /godown shop of the dealer.
- b)** Inspected and accepted material will be directly despatched from our manufacturing premises to RWF/Yelahanka.

We stand guarantee for the material supplied and Manufacturer's Test and Guarantee Certificate will be submitted against each lot of supply. We stand guarantee for successful execution of the contract.

Yours faithfully

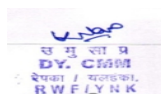
(Signature, Name & designation)

For and on behalf of M/s \_\_\_\_\_

(Name and address of the manufacturer)

(NOTE: NO CHANGE IN WORDING OF THE ABOVE PROFORMA IS PERMITTED)

***End of Annexure - IV***



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RAIL WHEEL FACTORY  
INDIAN RAILWAYS  
**SECTION-V: FORMATS**  
**ANNEXURE – V**

**Form-I**

Format for Affidavit of Self Certification regarding Domestic Value addition in an Electronic Product to be provided on Rs.100/-  
Stamp paper

Date:

I \_\_\_\_\_ S/o, \_\_\_\_\_ D/o, \_\_\_\_\_ W/o, \_\_\_\_\_ Resident of \_\_\_\_\_  
hereby solemnly affirm and declare as under:

That I will agree to abide by the terms and conditions of the policy of Government of India issued vide Notification No.:33(3)/2013-IPHW dated:23.12.2013.

That the information furnished hereinafter is correct to the best of my knowledge and belief and I undertake to produce relevant records before the procuring authority or any authority so nominated by the Department of Electronics and Information Technology, Government of India for the purpose of assessing the domestic value addition.

That the domestic value addition for all inputs which constitute the said electronic product has been verified by me and I am responsible for the correctness of the claims made therein.

That in the event of the domestic value addition of the product mentioned herein is found to be incorrect and not meeting the value addition norms, based on the assessment of an authority so nominated by the Department of Electronics and Information Technology, Government of India for the purpose of assessing the domestic value-addition, I will be disqualified from any Government tender for a period of 36(thirty six) months. In addition, I will bear all costs of such an assessment.

That I have complied with all conditions referred to in the Notification No., wherein preference to domestically manufactured electronic products in Government procurement is provided and that the procuring authority is hereby authorised to forfeit and my EMD and other security amount towards such assessment cost and I undertake to pay the balance, if any, forthwith.

I agree to maintain the following information in the Company's record for a period of 8(eight) years and shall make this available for verification to any statutory authorities:

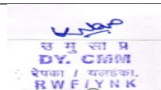
- i. Name and details of the Domestic Manufacturer  
(Registered Office, Manufacturing unit location, nature of legal entity)
- ii. Date on which this certificate is issued
- iii. Electronic Product for which the certificate is produced
- iv. Procuring agency to whom the certificate is furnished
- v. Percentage of domestic value addition claimed
- vi. Name and contact details of the unit of manufacturer
- vii. Sale price of the product
- viii. Ex-Factory Price of the product
- ix. Freight, insurance and handling
- x. Total Bill of Material
- xi. List and total cost of value of inputs used for manufacture of the electronic product.
- xii. List and total cost of inputs which are domestically sourced. Please attach certificates from suppliers, if the input is not in-house.
- xiii. List and cost of inputs which are imported, directly or indirectly.

For and on behalf of \_\_\_\_\_ (Name of firm/entity)

Authorised signatory (To be duly authorised by the Board of Directors)  
<Insert Name, Designation and Contact No.>

(Bidders should scan & upload updated format of Annexure-V on to ireps website while bidding)

***End of Annexure - V***



RAIL WHEEL FACTORY  
INDIAN RAILWAYS  
**SECTION-V: FORMATS**  
**ANNEXURE – VI**

**Form-I**

**Format for Affidavit of Self Certification regarding Domestic Value addition in Iron & Steel Products to be provided on Rs.100/-Stamp paper**  
**Date:**

I \_\_\_\_\_ S/o, \_\_\_\_\_ D/o, \_\_\_\_\_ W/o, \_\_\_\_\_ Resident of \_\_\_\_\_ hereby solemnly affirm and declare as under:

That I will agree to abide by the terms and conditions of the policy of Government of India issued vide Notification No.: \_\_\_\_\_.

That the information furnished hereinafter is correct to the best of my knowledge and belief and I undertake to produce relevant records before the procuring agency(ies) for the purpose of assessing the domestic value addition.

That the domestic value addition for all inputs which constitute the said iron & steel products has been verified by me and I am responsible for the correctness of the claims made therein.

That in the event of the domestic value addition of the product mentioned herein is found to be incorrect and not meeting the prescribed value-addition criteria, based on the assessment of procuring agency(ies) for the purpose of assessing the domestic value-addition, I will be disqualified from any Government tender for a period of 36 months. In addition, I will bear all costs of such an assessment.

That I have complied with all conditions referred to in the Notification No. \_\_\_\_\_ wherein preference to domestically manufactured iron & steel products in Government procurement is provided and that the procuring agency(ies) is hereby authorised to forfeit and my EMD. I also undertake to pay the assessment cost and pay all penalties as specified in the tender document.

I agree to maintain the following information in the Company's record for a period of 8 years and shall make this available for verification to any statutory authority:

- i. Name and details of the Bidder:  
(Registered Office, Manufacturing unit location, nature of legal entity)
- ii. Date on which this certificate is issued
- iii. Iron & Steel Products for which the certificate is produced
- iv. Procuring agency to whom the certificate is furnished
- v. Percentage of domestic value addition claimed and whether it meets the threshold value of domestic value addition prescribed.
- vi. Name and contact details of the unit of manufacturer(s)
- vii. Net Selling Price of the iron & steel products.
- viii. Freight, insurance and handling till plant
- ix. List and total cost value of input steel (imported) used to manufacture the iron & steel products
- x. List and total cost of input steel which are domestically sourced
- xi. Attach value addition certificates from suppliers, if the input is not in-house.
- xii. For imported input steel, landed cost at Indian port with break-up of CIF value, duties and taxes, port handling charges and inland freight cost.

For and on behalf of \_\_\_\_\_ (Name of firm/entity)

Authorised signatory (To be duly authorised by the Board of Directors)

<Insert Name, Designation and Contact No.>

(Bidders should scan & upload updated format of Annexure-VI on to ireps website while bidding)

**End of Annexure - VI**

