

**GOVERNMENT OF INDIA
(MINISTRY OF RAILWAYS)
INTEGRAL COACH FACTORY, CHENNAI 600 038
INDIA**

Website www.icf.indianrailways.gov.in

GLOBAL TENDER No : 08/12/2251/6

PRE-BID MEETING ON : 20th DECEMBER 2012

TENDER DUE ON : 14th FEBRUARY 2013

**DESCRIPTION : Design, Development, Manufacture,
Supply, Testing & Commissioning of
25 KV AC Three Phase
Propulsion System and Equipments for
AC EMUs and MEMUs**

BID DOCUMENT

ORDINARY PURCHASE

CHIEF MATERIALS MANAGER/FURNISHING
INTEGRAL COACH FACTORY/CHENNAI-38
Email : cmmf@icf.railnet.gov.in
FAX : (044) 26262180
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ORDINARY PURCHASE

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PREAMBLE

Design, Development, Manufacture, Supply, Testing And Commissioning of 25kv, AC IGBT based Propulsion System and Equipments Complete as per respective Specification for Broad Gauge AC EMU and MEMU Rolling Stock for Indian Railways.

1.0 The Electrical Multiple Units (EMUs) are running in all the four metros Mumbai, Kolkata, Chennai and Delhi and at MMTS, Hyderabad for commuter services. Except in Mumbai, these EMUs are operating at 25 kV AC single phase 50 Hertz OHE system. In Mumbai suburban area on Central & Western Railways, 130 rakes of Dual voltage EMUs are presently operated at 1500V DC and 25 kV AC OHE voltages. These EMU stocks are equipped with three phase propulsion equipments having self ventilated, nose suspended, axle hung 3-phase asynchronous induction motors with associated IGBT based, micro-processor controlled converter-inverter, auxiliary converter and filters etc. working on dual voltage. However, 1500 V DC Traction is being gradually converted to 25 KV AC traction on the suburban section of Central and Western Railway. Hence, the future EMUs will be operated only at 25KV single phase 50Hz supply from OHE. The EMU and MEMU coaches are also run in other parts of the country in electrified routes as commuter trains. The EMU /MEMU Coaches shall be manufactured at ICF/Chennai, RCF/Kapurthala or any other assigned manufacturing unit as decided by Indian Railways as per the existing mechanical design with electrics, associated equipments and other accessories supplied by the supplier at the works of coach manufacturer i.e. ICF, /Chennai, RCF/Kapurthala or any other assigned manufacturing unit as decided by Indian Railways.

2.0 Integral Coach Factory, Chennai, India, now invites GLOBAL COMPETITIVE bids from eligible bidders for

Design, Development, Manufacture, Supply, Testing and Commissioning of Complete electrics, associated equipments and other accessories as per their respective specifications for the new motor coaches and trailer coaches, for the ACEMU [to be built at Integral Coach Factory, Chennai, India] MEMU (to be built at Rail Coach Factory, Kapurthala, India) with modified mechanical design. Supplier's responsibilities have been embodied in the Bid documents. Bidding will be conducted through the Global Competitive Bidding procedures as specified and is open to all eligible bidders.

3.0 A set of bidding document in English may be purchased by the bidders in CD format on payment of a non-refundable fee of Rs. 3000/- . The method of payment will be by demand draft or banker's cheque drawn in favour of FA&CAO, ICF, Chennai, payable at Chennai. The CD can be obtained from the office of the Chief Materials Manager, Furnishing Division, Integral Coach Factory, Chennai 600 038 in person on working days. If the bidder requires these to be sent by Courier services there will be additional courier charges of Rs.500/- for inland and Rs.10,000/- for overseas. Payment as detailed above shall be in Indian Currency only.

4.0 **Clarification of Bidding Documents: Pre-Bid Conference:**

4.1 A Pre bid conference will be held on 20th December 2012 at 11.00 Hrs. in the meeting room at the Design & Development Building or Shell Conference Hall, Integral Coach Factory, Chennai.

4.2 It is mandatory for all the prospective tenderers to attend the pre-bid conference positively with a presentation, if required. Soft copy as well as hard copy of the presentation shall be handed over to ICF.

4.3 The bidder who have paid the tender cost only will be admitted for pre-bid meeting. Those who have not paid tender cost earlier can pay the same (by Demand Draft only) on the date of pre-bid meeting. This tender cost shall be in Indian currency only.

4.4 A prospective Bidder requiring any clarification of the bidding documents may notify the Purchaser in writing or by cable (hereinafter, the term cable is deemed to include telex and facsimile) 15 days in advance of pre-bid meeting addressing to Chief Design Engineer/Electrical, Integral Coach Factory, Chennai 600 038. (Telefax No.044 26262795 e-mail id: cdee@icf.railnet.gov.in)

4.5 The tenderers who wish to attend pre-bid meeting must report at least 30 minutes in advance of the time of actual pre-bid meeting.

4.6 Not more than two persons per tenderer will be permitted for the pre-bid meeting. In case of consortium, a maximum of three persons will be permitted.

4.7 As a result of pre-bid conference, modifications to the tender, if any, shall be made in the form of an addendum or addenda.

4.8 No query will be entertained after pre-bid meeting.

5.0 **Submission of bids:** A single bid system shall be followed in this tender. Tenderers should submit clause-wise comments on the Technical Specification and also for the clauses in volume I of the tender document. Two complete set of documents shall be submitted duly marking "ORIGINAL" and "COPY". In case of discrepancy between "ORIGINAL" and "COPY", the details in "ORIGINAL" shall prevail.

6.0 **OPENING OF BIDS:** The offers received within the prescribed date and time will be opened at 14.30 hrs on date of opening i.e., 14th February 2013. In case of date of bid opening falls on a gazetted holiday or is subsequently declared as such, the bids will be opened on the next working day at the appointed time.

7.0 **Amendment to Bidding Documents:** At any time prior to the deadline for submission of bids, the Purchaser, for any reason, whether at its own initiative or in response to a clarification requested by a prospective Bidder, may modify the bidding documents by issuing

amendment. In order to allow prospective bidders reasonable time to take the amendment into account in preparing their bids, the Purchaser, at its discretion, may extend the deadline for the submission of bids.

8.0. Preparation of Bids:

8.1. Documents Constituting the Bid

The bids prepared by the Bidder shall comprise the following components:

- a) Clause wise compliance to the tender specification
- b) documentary evidence established in accordance with Clause 9 that the Bidder is eligible to bid and is qualified to perform the contract if its bid is accepted;
- c) a Price Schedule completed in all respects
- d) bid security furnished in accordance with Clause 10
- e) The clause wise compliance to commercial and other condition as per tender document

8.2. Bid Prices: The Bidder shall indicate on the appropriate Price Schedule the unit prices (where applicable) and total bid price of the goods for one or more schedules of Annexure 4 it proposes to supply under the contract. The bidder also shall furnish summary of prices for equipments for each rake, prices for special tools, prices for spares and prices for training and special instrumentation separately. The evaluation of bids will be done according to the inter-se ranking of eligible bidders for each of the schedules. (Refer SCC clause 3).

9.0. Documents Establishing Bidder's Eligibility and Qualification:

9.1. The Bidder shall furnish, as part of its bid, documents establishing the Bidder's eligibility to bid and its qualifications to perform the contract if its bid is accepted. (Refer section II for eligibility/qualification criteria).

9.2. The documentary evidence of the Bidder's qualifications to perform the contract if its bid is accepted shall establish to the Purchaser's satisfaction:

- (i) that, in the case of a Bidder offering to supply goods under the contract which the Bidder did not manufacture or otherwise produce, the Bidder has been duly authorized by the goods' Manufacturer or producer to supply the goods in the Purchaser's country;
- (ii) that the Bidder has the financial, technical and production capacity-cum-capability necessary to perform the contract
- (iii) that the Bidder meets the qualification criteria

10.0 Earnest Money Deposit:

10.1. The Bidder shall furnish, as part of its bid, an amount of Indian Rupees 10,00,000/- or equivalent in EURO or equivalent in US \$ as earnest money deposit.

10.2 . The EMD shall be in one of the following forms:

- (i) Cashier's certified cheque.
- (ii) Demand draft
- (iii) Fixed deposit receipt In favour of FA&CAO/ICF
- (iv) Deposit in cash

Please note that EMD in the form of Bank Guarantee is “NOT ACCEPTABLE”

10.3. EMD may be forfeited, if a Bidder:

- (i) withdraws or changes any part of the bid unacceptable to Indian Railways during the period of bid validity specified by the Bidder on the Bid Form, or
- (ii) does not accept the correction of errors in the Bid Document
- (iii) in the case of a successful Bidder, if the Bidder fails:
 - to sign the contract;
 - or
 - to furnish performance security.

11.0. **Period of validity of bids:** Bids shall remain valid for a period of 180 days after the date of bid submission prescribed by the Purchaser. A bid valid for a shorter period shall be rejected by the Purchaser as nonresponsive.

12.0 **Quantity to be ordered:** The purchaser reserves the right to accept or reject any bid, and to annul the bidding process and reject all bids at any time prior to contract award, without incurring any liability to Bidders. Wherever necessary, the purchaser may split the quantity to be ordered amongst two or more sources for ensuring better availability of materials keeping in view the vital/critical nature of items, quantity to be procured, delivery requirements etc. The purchaser will have the right to split the procurable quantity amongst the tenderers with due regard to capacity cum capability, past performance of the tenderers etc. The purchaser also reserves the right to place developmental orders on eligible bidders.

13.0 The technical evaluation of the bids received , shall be undertaken by RDSO.

Section – I

Instruction to Tenderers

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0100. GENERAL INSTRUCTIONS:

0101. On behalf of the President of India, the Controller of Stores, Integral Coach Factory, Chennai 600 038, India (hereinafter referred to as the Purchaser), Invites tenders from established and reliable manufacturers or their authorized agents for the supply as set forth in the "Schedule of Requirements".

0102. All offers in the prescribed form (as applicable) should be submitted before the time and date fixed for the receipt of offers as set forth in the tender in the tender papers. Offers received after the stipulated time and date, shall be summarily rejected.

0103. 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.

0104. All correspondences on technical issues, should be made only with the Chief Design Engineer/Electrical, Integral Coach Factory, Chennai 600 038 with a copy addressed to Controller of Stores, Shell, Integral Coach Factory, Chennai 600 038. All other correspondences should be made only to Controller of Stores, Shell, Integral Coach Factory, Chennai 600 038. In case these instructions are not followed, it may be likely that no action may be taken. Even in other cases, all correspondence relating to the tender should be invariably copied to Controller of Stores ICF.

0200. SPECIFICATIONS:

0201. Specifications indicated in the Bid Documents may be obtained on payment of the Tender Fee:

(i) Indian Railway Standard Specification (IRS) from

(a) The Controller of Publications, Civil Lines, Delhi-110 054, INDIA

(b) Office of the High Commissioner for Indian, Publication Branch, India House, Aldwych, London-WC2B4NA.

(ii) Indian Standards Specification (IS) from The Director General, Indian Standards Institution. Manak Bhawan, 9 Bhadur Shah Zafar Marg, New Delhi-110001, INDIA.

(iii) Technical Clarifications, if any may be obtained from The Chief Design Engineer/Electrical, Integral Coach Factory, Chennai-600 038, India.

0300. COMPLIANCE WITH TECHNICAL SPECIFICATIONS:

0301. The item offered should be in accordance with the stipulated drawings and specifications in "Schedule of Requirements". Details of variations from the drawings and specifications, if any, should be clearly indicated and in such an event, a certificate from the users must be furnished to the effect that the product offered is an alternative acceptable to the users in the country of origin and in one or more other countries. The names of those foreign countries should also be indicated.

0302. The Purchaser will accept internationally accepted alternatives specifications which ensure equal or higher quality than the specifications mentioned in the Technical specification. However, the decision of the Purchaser in this regard shall be final. Two copies of the alternative specifications offered should be sent along with the offer. The Tenderer should also furnish "Statement of Deviations" from tender specifications (Refer Annexure) along with the offer.

0303. 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 of deviations (Refer Annexure) indicating compliance or otherwise of each clause and sub clause of specification, which should invariably, be filled in and submitted along with the offer. Whenever the tenderer deviates from the provisions of a clause/sub-clause, he shall furnish his detailed justification for the same in the 'Remarks' column.

0304. If the tenderer shall have any doubt as to the meaning of any portion of the conditions or of the specifications, drawings or plans, he shall (during the pre-bid meeting) obtain clarification from Purchaser, duly forwarding the details required 15 days in advance of the pre-bid meeting. (Refer Clause 4.8 of Preamble).

0400. AGENTS AND SERVICE FACILITIES IN INDIA-AGENCY COMMISSION:

0401. The foreign tenderer shall include in his offer the name of the person or the firm who will be acting as his representative/agent in India in respect of his offer. He shall also indicate the after sales service facilities which he or his representative/agent has in India. If the foreign tenderer has no representative in India, he shall indicate in his offer the after sales service facility he intends to provide.

0402. Foreign firms quoting direct against the enquiry and who have Indian Agents/Associates and/or servicing facility in India should indicate in their offer the name of their Indian Agents/Associates or the representative they have for servicing in India. They should quote net FOB/FAS price, exclusive of the amount of remuneration or commission provided for the Indian Agents/Associates. It should be understood that the Purchaser will indemnify the supplier against payment of such commission to the Indian Agents/ Associates in rupees in India in respect of a contract arising out of invitation to tender, where the Indian Agents/Associates remuneration/or commission covers a part of the price against the tender.

0403. Tenderers or foreign firms should furnish following particulars. Offers which do not comply are liable to be ignored. They are also required to complete the Check-List as per Annexure.

- (i) The name and address of the local agent.
- (ii) The amount of remuneration for the agent included in the offer.
- (iii) The precise relationship between the foreign manufacturer/principals and their Indian Agents/ Associates.
- (iv) The mutual interest which the manufacturer/principal and the Indian Agents/Associates have in the business of each other.
- (v) Any payment which the Agent/Associate received in India or abroad from the manufacturer/principal whether as a commission for the contract or as a general retainer fee.
- (vi) Indian Agent's Income Tax permanent Account number.
- (vii) All services to be rendered by the Agent/Associate whether of general nature or in relation to the particular contract and the facilities/infrastructure available with them for the same.
- (vii) Past performance

0404. In the case of indigenous offer, the tenderer is not entitled to any agency commission. In the case of foreign offers, the agency commission payable by the tenderer to his Indian Agents shall be indicated in the space provided in the offer form in Indian currency. However, agency commission finally payable to the tenderer's agents in India under the contract will be converted to Indian Rupees at the T. T. Official rate of exchange ruling on date of placement of Order and shall not be subject to any further exchange variation. The agency commission shall be paid in non-convertible Indian Rupees only after successful commissioning to the satisfaction of the Railways.

0500. QUALIFYING REQUIREMENTS OF TENDERERS:

0501. The tenderer shall provide satisfactory evidence acceptable to the Purchaser to show that—

- (a) he is a licensed manufacturer, who regularly manufactures the items offered and has adequate technical knowledge and practical experience.
- (b) he has adequate financial stability and status to meet the obligations under the contract for which he is required to submit a report from a recognized bank or a financial institution :
- (c) he has adequate plant and manufacturing capacity to manufacture and supply the items offered within the delivery schedule offered by him :

(d) he has established quality control system and organization to ensure adequate control at all stages of the manufacturing process.

0502. For purposes of clause 0501, the tenderers should additionally submit:

(a) a performance statement as in Annexure, giving a list of major supplies effected in last 3 years of the items offered by him, giving details of the Purchaser's name and address, order No. and date and the quantity supplied and whether the supply was made within the delivery schedule.

(b) a statement indicating details of equipment employed and quality control measures adopted by the manufacturer as in Annexure.

0503. In addition to the above, further information regarding his capacity, capability if required by the Purchaser, shall be promptly furnished by the tenderer and would offer all facilities to representative of Purchaser for assessing capacity, capability by actual visit to his works/office.

0504. Tenderer not submitting the requisite information may note that his offer is liable to be ignored.

0505. FINANCIAL CAPABILITY:

The bidder should have an annual turnover of at least five time of the total value quoted in the tender during one of the last two years. Audited balance sheet should be enclosed along with the bid.

0506. AFTER SALES SERVICE NETWORK:

The bidder shall have after sales service and support facilities within a radius of approximately 1000 KM of the consignees mentioned in the schedule of requirements. The address of the service centers shall be furnished with the bid.

0600. EARNEST MONEY/BID GUARANTEE:

0601. Earnest Money/Bid Guarantee for an amount as stipulated in the "Bid Invitation" or an equivalent amount in the currency of the country of the tenderer shall accompany each tender. The Earnest Money/Bid Guarantee shall be in any one of the forms as mentioned in the Preamble Clause 10.

0603. No interest will be payable by the Purchaser on the Earnest Money/Bid Guarantee.

0604. The Earnest Money/Bid Guarantee deposited is liable to be forfeited if the tenderer withdraws or amends, impairs or derogates from the tender in any respect within the period of validity of his offer. In addition, the conditions stipulated at Clause 10.3 of Preamble, shall also be applicable for forfeiture of EMD.

0605. The Earnest Money of the successful tenderer will be returned after the Contract Performance Guarantee as required is furnished.

0606. If the successful tenderer fails to furnish a Contract Performance Guarantee then the Earnest Money shall be liable to be forfeited by the Purchaser.

0607. The Earnest Money of all unsuccessful tenderers will be returned by the purchaser.

0608. Any tender not accompanied by the Earnest Money in one of the approved forms given in clause 10 of the Preamble, shall be summarily rejected.

0609. The Small Scale Industries units recognized by NSIC are exempted from depositing the Earnest Money subject to submission of necessary proof. Exemption from NSIC units is however, subject to the monetary limit shown in the certificate and their being registered for the item/items tendered for.

0700. SUBMISSION OF OFFERS:

0701. All offers shall be either type-written or written neatly in indelible ink.

0702. Any individual(s) signing the tender or other documents connected therewith should specify whether he is signing—

(i) as sole proprietor of the concern or as attorney of the sole proprietor ;

(ii) as a partner or partners of the firm ;

(iii) as a Director, Manager or Secretary in the case of a limited company duly authorized by a resolution passed by the Board of Directors or in pursuance of the authority conferred by Memorandum of Association.

0703. In the case of firm not registered under the Indian Partnership Act, all the partners or the attorney duly authorized by all of them should sign the tender and all other connected documents. The original power of attorney or other documents empowering the individual or individuals to sign, should be furnished to the Purchaser for verification, if required.

0704. All prices and other information like discounts etc., having a bearing on the price shall be written both in figures and words in prescribed offer form.

0705. Offer in the prescribed form (Annexure as applicable) should be addressed to the President of India through the CONTROLLER OF STORES, FURNISHING DIVISION, INTEGRAL COACH FACTORY, CHENNAI 600 038, India and submitted in double envelope in duplicate marked original, duplicate and the outer envelope should indicate the Tender No. and due date of its opening and should also indicate the tenderer's complete address. The inner envelope containing the offer should be sealed and marked "OFFER FOR TENDER No.....OPENING DATE..... TIME.....HRS.....".

The inner envelope should be placed in outer envelope and both the envelopes should be addressed to the CHIEF MATERIALS MANAGER/FURNISHING DIVISION, Integral Coach Factory, Chennai- 600 038, India. Offers sent by post should be sent by Registered Post, Acknowledgement Due, addressed to the CHIEF MATERIALS MANAGER/FURNISHING DIVISION, Integral Coach Factory, Chennai 600 038, India. Apart from the offer to be submitted as detailed above, no copy of the offer should be sent to other offices either at New Delhi or elsewhere. Please refer "Submission of Bids" in Special Conditions to the Contract in Part II of Bid Documents.

0706. Offers shall be as per the instructions to Tenderers and General Conditions of Contract given in the Bid Documents. However, the tenderer shall indicate his acceptance or otherwise against each clause and sub-clause of the instructions to Tenderers and General Conditions of Contract. For this purpose, the tenderer shall enclose a separate statement (refer annexure) indicating the deviations from any clause or sub-clause of the instructions to Tenderers and General Conditions of Contract, which he proposes with full justification for such deviations. The Purchaser, however, reserves the right to accept or reject these deviations and his decision thereon shall be final.

0707. Offers are required from the actual manufacturers of the stores or their authorized agents, who should submit a letter of authority from their Principals as in Annexure. Offers from other agents, brokers and middleman will not be accepted.

0708. Each page of the offer must be numbered consecutively, should bear the tender number and should be signed by the tenderer at the bottom. A reference to the total number of pages comprising the offer must be made at the top right hand corner of the first page.

0709. The tenderer should avoid ambiguity in his offer e. g., if his offer is to his standard sizes, lengths dimensions, he should specifically state them in details without any ambiguity. Brief descriptions such as standard lengths etc., should be avoided in the offer.

Refer Para 2.0 of Additional Special Conditions of Contract also.

0800. **LOCAL CONDITIONS:** It will be imperative on each tenderer to fully acquaint himself of all local conditions and factors which would have any effect on the performance of the contract and cost of the stores. In his own interest, the foreign tenderer should familiarize himself with the Income Tax Act 1961, the Companies Act 1956, the Customs Act 1962 and related Laws in force in India. 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 offer is accepted by the Purchaser.

0900. **SOURCE OF FINANCING:** Foreign Exchange required in case of import will be financed from free source or from a bilateral credit. In case of orders placed for financing from bilateral credit organizations, necessary documentation & certain terms & conditions will be negotiated before placement of order.

1000. **PRICE BASIS AND INDEMNITY:**

Include Para 3.0 of Additional Special Conditions of Contract.

1001. Foreign tenderer shall quote his prices on the basis of FOB nearest port of shipment having facilities to handle the same and also C &F price Indian Port.

1002. Under the C & F price the FOB price and the ocean freight charges shall be indicated separately.

1003. The terms FOB, FCA, CFR and CIF shall be as defined in the 1990 edition of International Rules for interpretation of the 'Trade Terms published by the International Chamber of Commerce, Paris and commonly referred to as INCOTERMS.

1004. These prices should not include agency commission payable to Indian Agents which shall be exhibited as already indicated in clauses-0402 and 0403. The Indian Agent's commission shall be shown in foreign currency as definite amount and not as a percentage.

1005. The prices should be stated only in one currency and should be either in the Indian Currency or in U. S. Dollars or in EURO. Even if the goods offered are manufactured in more than one country, the tenderer must quote the bid price in the currency as detailed above. The portion of the bid price relating to components of Indian origin to be incorporated in the item shall be invariably stated in Indian Rupees. Firms belonging to Countries with which Government of India have Rupee Payment Agreements should quote the entire bid price in Indian Rupees.

1006. Apart from furnishing the quotations on the basis mentioned above, the Tenderers are also required to quote on turnkey basis indicating the following items of cost :—

A. Foreign Tenderers

1) F.O.B. Cost excluding agency commission. 2) Agency Commission 3) Freight and insurance Charges : The insurance shall be arranged by the foreign supplier or his Indian Agent against the Open Insurance Cover taken by the Purchaser from the Indian Insurance Company. 4) Charges for clearance at the Indian Port including Custom Duty which will be paid in Indian Rupees and claimed from Purchaser at actuals. 5) Charges in Indian Currency for transportation from the Indian Port to the site and the supplier shall be entirely responsible for the receipt of the ordered item/s at the destination in good condition. 6) Charges in Indian Currency for making the foundation for the machine at site. 7) Charges in Indian Currency for installation and commissioning of the machine at site.

B. Indian Tenderers

Indian Tenderers are required to quote prices on "CIF destination" basis. They shall furnish break up of prices as per Annexure. They shall also quote charges for making the foundation for the machine at site. In case of quotation on turnkey basis delivery should be quoted indicating the final date of commissioning of the machine. The provisions of clause 1002 (a) of the General

Conditions of the Contract shall be applicable only for the period of delay to be counted after expiry of the time for commissioning of machine.

1007. Currency of Payment: The contract price will be normally paid in the currency or currencies in which the price is stated in the successful tender. However, Purchaser reserves the right to effect payment of equivalent amount in the currency or currencies of the country of origin of the goods in case the price is stated in other currencies. The equivalent amount will be calculated on the basis of rates of exchange prevalent on the date of payment.

1008. In the case of foreign offers, the Purchaser reserves the right to consider either F.O.R. or C&F quotations. In the event of an order being placed on C&F basis, the Purchaser will have the right to change over the contract to F.O.R. basis, if considered, necessary after giving one month's notice to the Contractor.

1009. The prices quoted shall be firm and not subject to any variation. In the case of C&F delivery, ocean freight charges included must also be firm and no variation will be allowed on this account after the opening of tenders.

1010. The tenderers should quote their lowest possible price. Quotations should be made only for quantity specified in the 'Schedule of Requirements'.

1011. Tenderers submitting indigenous offer shall indicate the price F.O.R. (Free on Rail) destination station. The F.O.R. destination price shall include all State and Central Taxes and Excise Duties leviable on the final finished supplies tendered for. In addition, a complete break-up showing the ex-factory price, excise duty, other levies, sales tax, packing charges, forwarding charges, freight and insurance charges and other charges, if any, shall also be given. Purchaser reserves the right to place contract on the basis of F.O.R. station of despatch or F.O.R. destination station as considered fit by him.

1012. The price to be quoted by the Tenderers should take into account the credit availed on inputs under the MODVAT Scheme introduced with effect from 1st March, 1986 and further extended on more items from time-to-time.

1013. The Tenderers who intend to quote on F.O.R. destination station basis, while quoting for such of the goods as attract excise duty on advalorem basis will take note of Section 4 (2) of the Central Excise and Sale Act, 1944 as amended and indicate the element of transportation and insurance, if any, included in their F.O.R. destination price.

1014. Higher Price for Earlier Delivery: It should be noted that if a contract is placed on a higher tenderer as a result of this invitation to tender, the preference to the lowest acceptable offer in consideration of offer of earlier delivery, the Contractor will be liable to pay to the Government, the difference between the contract rate and that of the lowest acceptable tender on the basis of final price F.O.R. destination including all elements of freight, sales tax, local taxes, duties and other incidentals in case of failure to complete supplies in terms of such contract within the date of delivery specified in the tender and incorporated in the contract. This is in addition and without prejudice to other rights under the terms of contract.

1103. In case of import of the item, although the insurance shall be paid by the Purchaser and loss or damage shall be made good by the Contractor free of cost, without waiting for the settlement of insurance claim. The payment after settlement of insurance claim shall be reimbursed by the Purchaser to the Contractor. It will be entirely the responsibility of Contractor to make good loss/damage without waiting for settlement of insurance claim so that item is supplied within the time specified in the contract.

1200. EVALUATION OF THE OFFERS:

1201. The tenders received will be evaluated by the Purchaser to ascertain the lowest acceptable tender in the interest of the Purchaser, as specified in the specifications and tender documents. Evaluation criteria not mentioned herein, but mentioned specifically in the technical specifications will be taken into consideration in the evaluation of offers.

1202. Purchaser will convert all Bid prices expressed in the amounts in various currencies in the Bid prices as payable, to the local currency of the Purchaser's country at the B.C. selling market exchange rate established by State Bank of India in the Purchaser's country for similar transactions, as on the date of Bid opening. Also if a foreign Tenderer requests for a variation in the payment terms stipulated in the General Conditions of Contract and if such variation is acceptable to the Purchaser, the same would be evaluated at an interest rate of 12 % per annum for all earlier payments for the purpose of comparison with other tenders.

Add Para 3.3 from Additional Special Conditions of Contract.

1203. Generally, the quotations are required for delivery on F.O.R. destination indicating the break-up of freight & other levies. In case, the Purchaser agrees or opts for delivery with F.O.R. station of despatch, the supplier shall agree to book the goods freight pre-paid and recover the freight element through the bill. Where, however, the supplier does not agree in his quotation to book the goods freight pre-paid and claim freight element subsequently, the quotations shall be loaded with the additional freight element i.e. the surcharge payable, for comparative evaluation.

1204. The Purchaser reserves the option to give a purchase/price preference to the offer from Public Sector Units and/or from Small Scale/Cottage Industries Units, over those from other-firms, in accordance with the policies of the Government from time-to-time. The price preference above cannot however be taken for granted and every endeavour need be made by them to bring down cost and achieve competitiveness.

1205. The offers received from indigenous Tenderers should indicate clearly the rates of ED, VAT/CST/ST etc. as leviable on particular item. In case concessional duty or taxes are applicable, the Tenderer should quote accordingly, However, if the Tenderers state in their offer that ED, VAT/CST/ST etc. will be charged as prevailing at the time of supply, then while working out F.O.R. destination rates for comparison, the highest rate applicable will be loaded on the offer. Similarly, if concessional rate of ED, VAT/CST/ST or any other levy is applicable due to lower turnover, the highest applicable rate will be taken for the evaluation of F.O.R. destination rates unless the Tenderer confirms in the offer that any increase in the

ED/VAT/CST/ST or other levy due to increase in the turn-over will be absorbed by the Tenderer himself.

1300. SHIPPING ARRANGEMENT FOR FOREIGN CONTRACTS: In the case of FOB/FAS contracts, shipping arrangements shall be made by the Ministry of Shipping & Transport (Chartering Wing), New Delhi, INDIA, in accordance with details given in Annexure. The Contractor shall give adequate, notice to the Forwarding Agents/Nominees about the readiness of the cargo from time-to-time and atleast six weeks' notice in advance of the required position for finalizing the shipping arrangements. In the case of C & F contracts, the Contractor shall arrange shipment in accordance with the requirements of the Ministry of Shipping & Transport, New Delhi, INDIA, indicated in Annexure (as applicable).

1400 PACKING:

1401. The items tendered will have to undergo arduous transportation before reaching the destination and will have to be stored and handled in tropical climate conditions (including monsoons) before they are put to actual use. It is, therefore, imperative that packing for every item is decided by taking into consideration, inter-alia, the above vital factors, so as to eliminate damage/deterioration of items in transit/transshipment/handling or during storage.

1402. The specifications of the packing proposed shall be indicated. The size and weight of each package shall also be indicated.

1403. The packing advices should bring out the weight, dimensions and size of each bundle/package. Where it is not possible to give weight of the bundles/packages, the Contractors must indicate the volume of the bundles/packages, the details of contents of each bundle/package, number of bundles/packages and total weight of the items supplied.

Add Para 18 from Additional Special Conditions of Contract.

1500. IMPORT:

1501. The foreign exchange needed for the Import of the components and Import license where necessary, should be arranged by the Tenderer themselves.

1502. The successful tenderer will have to apply to the proper Government Authority for grant of requisite Import license/foreign exchange for such items as required, within 14 days of the advance letter of acceptance/telegram acceptance and the Purchaser will only render assistance, where necessary, However, Purchaser will have no responsibility whatsoever in this regard.

1600. ACCEPTANCE OF TENDER:

1601. The Purchaser may accept a tender for a part or whole of the quantity offered, reject any tender without assigning any reason and may not accept lowest or any tender.

1602. The Purchaser reserves the right to increase or decrease the quantity up to 30% of the quantity offered by the successful tenderers at the rates & other terms and conditions offered by them. The tenderers are bound to accept the increase or decrease in the quantity under this clause at the time of placement of contract or during the currency of the contract. The quantity may be further be increased/decreased at the mutual consent of the purchaser and contractor. While operating this clause the quantity shall be rounded off to the nearest whole number. Less than 0.5 shall be ignored and 0.5 or more shall be rounded off to the next whole number. If the tendered quantity is 1 No., Purchaser reserves the right to increase the quantity under this clause to 2 Nos.

1603. Acceptance of tender will be communicated by Cable, Telex, Telegram, Express Letter or formal acceptance of tender. In case where acceptance is indicated by Cable, Telex, Telegram, or Express Letter, the formal acceptance of tender will be forwarded to the Contractor as soon as possible, but the Cable, Telex, Telegram or Express Letter should be deemed to conclude the contract.

Add Para 12 from Additional Special Conditions of Contract.

1700. EFFECT AND VALIDITY OF OFFER:

1701. The submission of any offer connected with these specifications and documents shall constitute an agreement that the tenderer shall have no cause of action or claim, against the Purchaser for rejection of his offer. The Purchaser shall always be at liberty to reject or accept any offer at his sole discretion and any such action will not be called into question and the tenderer shall have no claim in that regard against the Purchaser.

1702. The offer shall be kept valid for acceptance for a minimum period of 180 (One hundred & eighty) calendar days from the date set for opening of tenders. A bid valid for a shorter period shall be rejected by the Purchaser as nonresponsive.

1703. Offers shall be deemed to be under consideration immediately after they are opened and until such time the official intimation of award of contract is made by the Purchaser to the tenderer. While the offers are under consideration, tenderers and or their representatives or other interested parties are advised to refrain from contacting the Purchaser by any means. If necessary, the Purchaser will obtain clarifications on the offers by requesting for such information from any or all the tenderers, either in writing or through personal contacts, as may be considered necessary. Tenderers will not be permitted to change the substance of their offers after the offers have been opened.

Add Para 19 from Additional Special Conditions of Contract.

1800. SPARE PARTS: Where required, the tenderer should quote, apart from main equipment, separately for the mandatory spares as well as for recommended spares required for two year's operation. The rates for spares should be indicated both on FOB and C & F basis in the case of foreign offers and FOR destination in the case of indigenous offers with complete break up as per offer form. The Purchaser reserves' the right to order any or all the spares as quoted in

quantity considered reasonable by him at the prices quoted by the tenderer and on the terms and conditions quoted for the main equipment. The responsibility of the tenderer under the Warranty Clause will not be diluted in any way on this account.

1900. **GENERAL:** The tenderers must ensure that the conditions laid down for submission of offers detailed in the preceding paras, are completely and correctly fulfilled. Tenders, which are not complete in all respects as stipulated above, may be summarily rejected. For tenderers' guidance in submitting complete offers, a Check list has been enclosed with the Bid Document which must be filled in and furnished with the Bid.

2000. LAST DATE OF RECEIPT OF THE TENDERS:

2001. The offers complete in all respects should reach to the CHIEF MATERIALS MANAGER/FURNISHING, FURNISHING DIVISION, Integral Coach Factory, Chennai-600 038, India not later than 14.15 hrs. (IST) on the date specified in the "Bid Invitation".

2002. The tender received shall be opened, in the presence of such of the tenderers or their representatives who may like to be present, at 14.30 hrs. (IST) on the date specified in the " Bid Invitations " Please refer ' Opening of Bids ' in Special Conditions of Contract in Part II of Bid Document.

2003. All tenderers or their representatives must bring with them an authority letter on the letter head of the tenderer or their Indian agent (as the case may be) duly signed by competent authority to attend the tender opening, failing which, they will not be allowed to attend the opening of the tenders at the office of the CHIEF MATERIALS MANAGER/FURNISHING, ICF, Chennai-600 038.

2100. **CHECK LIST:** A Check List has been included at Annexure of this document. This has been designed to help the tenderers in submitting complete offers. An incomplete offer is liable to be rejected. The tenderers must fill this Check List & submit along with their offer in their own interest.

Section – II

GENERAL CONDITIONS OF CONTRACT

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GENERAL CONDITIONS OF CONTRACT

0100. **DEFINITIONS AND INTERPRETATION:** In the contract, unless the context otherwise requires:

0101. "Acceptance of Tender" means the letter or memorandum communicating to the Contractor the acceptance of his tender and includes an advance acceptance of his tender;

0102 "Consignee" means where the stores are required by the acceptance of tender to be despatched by rail, road, air or steamer, the person specified in the Acceptance of Tender to whom they are to be delivered at the destination; where the stores are required by the acceptance of tender to be delivered at the destination; where the stores are required by the acceptance of tender to be delivered to a person as an interim consignee for the purpose of despatch to another person, such other person; and in any other case the person to whom the stores are required by the acceptance of tender to be delivered in the manner therein specified;

0103. "Interim consignee" means the servant of the Purchaser to whom the item is delivered for onward despatch to the consignee and does not include a carrier for the purpose of transmission of the stores to the consignee;

0104. "Contract" means and includes Bid Invitation. Instructions to Tenderers, Tender, Acceptance of Tender, General Conditions of Contract, Schedule of Requirements, particulars and the other conditions specified in the acceptance of tender and includes a repeat order which has been accepted or acted upon by the Contractor and a formal agreement, if executed;

0105. The "Contractor" means the person, firm or company with whom the order for the supply is placed and shall be deemed to include the contractor's successors (approved by the Purchaser), representatives, heirs, executors and administrators, as the case may be, unless excluded by the terms of the contract;

0106. The "Sub-Contractor" means any person, firm or company from whom the Contractor may obtain any material of fittings to be used in the supply or manufacture of the stores;

0107. "Drawing" means the drawing or drawings specified in or annexed to the Specifications;

0108. "Government" means the Central Government or a State Government as the case may be

0109. The “Inspecting Officer” means the person, or Organization specified in the contract for the purpose of inspection of stores of work under the contract and includes his/their authorized representative;

0110. “Material” means anything used in the manufacture or fabrication of the stores,

0111. “Particulars” mean and include:

(a) Specifications;

(b) Drawings;

(c) “Proprietary mark” or “brand” means the mark or brand of a product which is owned by an industrial firm,

(d) Any other details governing the construction, manufacture or supply of stores as may be prescribed by the contract;

0112. “Proving Test” means such test or tests as are prescribed by the specification(s) to be made by the Purchaser, or his nominee, after erection at site, before the plant is taken over by the Purchaser;

0113. “Purchase Officer” means the officer signing the acceptance of tender and includes any officer who has authority to execute that relevant contract on behalf of the Purchaser;

0114. “Purchaser” means the President of India acting through the Controller of Stores, Integral Coach Factory, Chennai 600 038, India and includes his successors and assignees.

0115. “Signed” includes stamped, except in the case of an acceptance of tender or any amendment thereof;

0116. “Site” means the place specified in the contract at which any work is required to be executed by the Contractor under the contract or any other place approved by the Purchaser for the purpose;

0117. “Stores” means the goods specified in the contract which the Contractor has agreed to supply under the contract;

0118. “Test” means such test as is prescribed by the particulars or considered necessary by the Inspecting Officer whether performed or made by the Inspecting Officer or any agency acting under the direction of the Inspecting Officer;

0119. “Work” means all the work specified or set forth and required in and by the said specifications, drawings and “Schedule of Requirements”, hereto annexed or to be implied there from or incidental thereto, or to be hereafter specified or required in such explanatory instructions and drawings (being in conformity with the said original specification(s), drawing(s))

and “Schedule of Requirements”) and also in such additional instructions and drawings not being in conformity as aforesaid, as shall from time to time, during the progress of the work hereby contracted for, be supplied by the Purchaser;

0120. The delivery of the stores shall be deemed to take place on delivery of the stores in accordance with the terms of the contract, after approval by the Inspecting Officer if so provided in the contract:

- (a) the consignee at his premises; or
- (b) where so provided, the interim consignee at his premises; or
- (c) a carrier or other person named in the contract for the purpose of transmission to the consignee; or
- (d) the consignee at the destination station in case of contract stipulating for delivery of stores at destination station.

0121. “Writing” or “Written” includes matter either in whole or in part, in manuscript, typewritten, lithographed, cyclostyled, photographed or printed under or over signature or seal, as the case may be.

0122. Words in the singular include the plural and vice-versa.

0123. Words importing the masculine gender shall be taken to include the feminine gender and words importing persons shall include any company or association or body of individuals, whether incorporated or not.

0124. The heading of these conditions shall not affect the interpretation or construction thereof. (Refer Para 1.1 of Additional Special Conditions of Contract).

0125. Terms and expression not herein defined shall have the meanings assigned to them in the Indian Sale of Goods Act, 1930 (as amended) or the Indian Contract Act, 1872 (as amended) or the General Clauses Act, 1897 (as amended) as the case may be.

Add Para 1.0 of Additional Special Conditions of Contract.

0200. **PARTIES:** The parties to the contract are the Contractor and the Purchaser, as defined in clauses 0105 and 0114.

0201. Authority of Person Signing the Contract on behalf of the Contractor: A person signing the tender or any other document in respect of the contract on behalf of the contractor without disclosing his authority to do so shall be deemed to warrant that he has authority to bind the Contractor. If it is discovered at any time that the person so signing has no authority to do so, the Purchaser may without prejudice to any other right or remedy of the Purchaser, cancel the contract and make or authorize the making of a purchase of the stores at the risk and cost of such person and hold such person liable to the Purchase for all costs and damages arising from the cancellation of the contract including any loss which the Purchaser may sustain on account of

such purchase. The provisions of clause 1000 shall apply to every such purchase as far as applicable.

0202. Address of the Contractor and notices and communications on behalf of the Purchaser;

(a) For all purposes of the contract, including arbitration hereunder, the address of the Contractor mentioned in the tender shall be the address to which all communications addressed to the contractor shall be sent, unless the Contractor has notified change by a separate letter containing no other communication and sent by registered post acknowledgement due to the Purchaser. The Contractor shall be solely responsible for the consequence of an omission to notify a change of address in the manner aforesaid.

(b) Any communication or notice on behalf of the Purchaser in relation to the contract may be issued to the Contractor by the Purchase Officer and all such communications and notices may be served on the Contractor either by registered post or under certificate of posting or by ordinary post or by hand delivery at the option of such officer.

For further conditions, refer Para 1.2 to 1.5 of Additional Special Conditions of Contract.

0300. QUOTATIONS OF RATES BY CONTRACTORS:

0301. The price quoted by the Contractor shall not be higher than the controlled price fixed by law for the stores or where there is no controlled price, it shall not exceed the prices or contravene the norms for fixation of prices laid down by Government or where no such prices or norms have been fixed by the Government, it shall not exceed the price appearing in any agreement relating to prices regulation by any industry in consultation with the Government. In any case, save for special reasons stated in the tender, the price quoted shall not be higher than the lowest price charged by the contractor for stores of the same nature, class or description to a Private Purchaser, domestic or foreign as well as Purchaser Governments.

0302. If the price quoted is higher than the controlled price or where there is no controlled price, the price usually charged by the Contractor from a private Purchaser, domestic or foreign as well as purchaser Government for the stores of the same nature, class or description, the Contractor will specifically mention this fact in his tender giving reasons for quoting higher price(s). If he fail to do so or makes any misstatement it shall be lawful for the Purchaser, (i) to revise the price at any stage so as to bring it in conformity with the sub-clause 0301 above or (ii) to terminate the contract and forfeit the amount of the Performance Guarantee Bond.

0400. PENALTY FOR DELAY IN SUPPLY: The Contractor or his agents shall supply the item within the stipulated time as shown in the contract. This time frame will be applicable from the date of intimation from the consignee in respect of readiness and supply of the item in cases where the item is to be installed by the consignee. The time schedule includes the time for installation in cases where installation is also to be undertaken by the supplier. The time allowed for supply of item by the contractor or his agent shall be deemed to be the essence of the contract. In case of delay in supply of the item on the part of the Contractor, the purchaser shall be entitled to recover and the Contractor shall be liable to pay liquidated damage at the rate of 2% of the total contract value for each and every month or part thereof for which supply is

delayed. Provided always that the entire amount of liquidated damages to be paid under the provision of this clause shall not exceed 8% of the total contract value. After expiry of 4 months period from the date of default i.e., from the date of call for supply by consignee, purchaser will be entitled to invoke the Performance Guarantee bond submitted by the supplier. Continuance of supply of item after expiry of stipulated time will also not absolve the Contractor from the penalty as stated above. The decision of the purchaser, whether the delay in supply has taken place on account of reasons attributed to the Contractor shall be final.

Replace the above Para 0400 with Para 9.1 to 9.4 of Additional Special Conditions of Contract.

0500. DRAWINGS/SPECIFICATIONS:

0501. When tenderers are called for in accordance with the drawing/specification, the Contractor's tender to supply in accordance with such drawing specification shall be deemed to be an admission on his part that he had fully acquainted himself with the details thereof and, in no circumstances, will any claim on his part which may arise on account of his insufficient examination of the said drawing/specification be considered.

0502. The Contractor shall be responsible for and shall pay for any alternations for the works due to any discrepancies, errors or omissions in the drawings or other particulars supplied by him whether such drawings or particulars have been approved by the Purchaser or not provided that such discrepancies, errors or omissions be not due to inaccurate information or particulars furnished to the Contractor on behalf of the Purchaser. If any dimensions figuring upon a drawing differ from those obtained by scaling drawing, the dimensions as figured upon the drawing shall be taken as correct.

0503. Any drawings, tracings or descriptions specified shall, unless otherwise directed be furnished by the Contractor with the first consignment of the work to which they relate and no payment whatsoever will be made until such drawings, tracings or descriptions have been furnished to the satisfaction of the purchaser.

0600. CONTRACT:

0601. This contract is for the supply of the stores of the description, specifications and drawings and in the quantities set forth in the contract on the date or dates specified therein. Unless otherwise specified, the stores shall be entirely brand new and of the best quality and workmanship to the satisfaction of the Inspecting Officer.

0602. The whole contract is to be executed in the most approved, substantial and workmanlike manner, to the entire satisfaction of the Purchaser or his nominee, who, both personally and by his deputies, shall have full power, at every stage of progress, to Inspect the stores at such times as he may deem fit and to reject any of the stores, which he may disapprove and his decision thereon and on any question of the true intent and meaning of the specifications shall be final and conclusive.

0603. Any variation or amendment of the contract shall not be binding on the Purchaser unless and until the same is duly endorsed on the contract or Incorporated in a formal instrument or in exchange of letters and signed by the parties.

0604. The Purchaser or his nominee may require such alteration to be made on the work, during its progress as he deems necessary. Should these alterations be such that either party to the contract considers an alteration in price justified, such alteration shall not be carried out until amended prices have been submitted by the Contractor and accepted by the Purchaser. Should the Contractor proceed to manufacture such stores without obtaining the consent in writing of the Purchaser to an amended price, he shall be deemed to have agreed to supply the stores at such price as may be considered reasonable by the Purchaser.

0700. PERFORMANCE GUARANTEE BOND:

0701. After an advance acceptance to tender is issued by the Purchaser, the contractor shall furnish a Performance Guarantee Bond in the pro-forma attached (Refer Annexure) from a Nationalized Indian Bank within 15 days from the receipt of the advance acceptance of the tender by the Contractor for an amount equivalent to 10% of the value of the contract. In the case of foreign contracts, the performance Guarantee Bond from a commercial bank of the Contractor's country can be accepted only if the Board is furnished after getting it fully counter-signed by the Reserve Bank of India/State Bank of India, New Delhi or by any Nationalized Indian Bank. The expenses to be incurred for the counter signature shall be borne by the Contractor.

0702. In case furnishing of an acceptable Performance Guarantee is delayed by the Contractor beyond the period provided in clause 0701, and the bond is accepted by the Purchaser, liquidated damages, as provided in clause-1002 for the period of delay in submission of the bond, shall be levied. Alternatively, the Purchaser may declare the contract as at an end and enforce clause-1002.

0703. If the Contractor, having been called upon by the Purchaser to furnish Performance Guarantee Bond fails to furnish the same, it shall be lawful for the Purchaser:

(a) to recover from the Contractor the amount of Performance Guarantee Bond by deducting the amount from the pending bills of the Contractor under any contract with the Purchaser or the Government or any person contracting through the Purchaser or otherwise howsoever, or

(b) to cancel the contract or any part thereof and to purchase or authorize the purchase of the stores at the risk and cost of the Contractor and in that event the provisions of clause 1002 shall apply as far as applicable.

0704. On the performance and completion of the contract in all respects the Performance Guarantee Bond will be returned to the Contractor without any interest.

0705. The Purchaser shall be entitled and it shall be lawful on his part to forfeit the amount of the Performance Guarantee Bond in whole or in part in the event of any default, failure or neglect on

the part of the Contractor in the fulfillment or performance in all respects of the contract under reference or any other contract with the Purchaser or any part thereof to the satisfaction of the Purchaser and the Purchaser shall also be entitled to deduct from the amount of the Performance Guarantee Bond 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 amount of Performance Guarantee Bond at its original limit by furnishing fresh Bank Guarantee of additional amount, 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.

0706. The performance Guarantee Bond shall remain in full force and effect during the period that would be taken for satisfactory performance and fulfillment in all respects of the contract and shall in the first instance be valid up to twelve months after the date of last shipment delivery of the goods contracted to be purchased provided that before the expiry of the date of validity of the Performance Guarantee Bond, the Contractor on being called upon by the Purchaser from time-to-time, shall obtain from the Guarantor Bank, extension of time for validity thereof for a period of six months, on each occasion. The extension or extensions aforesaid, executed on non-judicial stamp paper of appropriate value must reach the Purchaser atleast thirty days before the date of expiry of the Performance Guarantee Bond on each occasion.

0707. As and when an amendment is issued to the contract, the Contractor shall, within fifteen days of the receipt of such an amendment furnish to the Purchaser an amendment to the Performance Guarantee Bond rendering the same valid for the contract as amended and up to twelve months beyond the extended delivery date.

0708. The Performance Guarantee Bond and or any amendment thereto shall be executed on a stamped paper of requisite money value in accordance with the laws of the country in which the same is/are executed by the party competent to do so. The Performance Guarantee Bonds executed in India shall also be got endorsed by the Collector under Section 32 of the Indian Stamp Act, 1899 for adequacy of the Stamp Duty, by the Contractor.

0709. In the contract financed under KFW Loan, the Performance Bond shall be furnished as per Annexure.

Replace the above Para 0701 with Para 11.1 to 11.6 of Additional Special Conditions of Contract.

0800. DELIVERY:

0801. The Contractor shall as may be required by the Purchaser either deliver F.O.R., F.O.B. or C.I.F. at the place/places detailed in the contract, the quantities of the stores detailed therein and the stores shall be delivered or despatched not later than the dates specified in the contract. The delivery will not be deemed to be complete until and unless the stores are inspected and accepted by the Inspecting Officer as provided in the contract.

0802. Notwithstanding any inspection and approval by the Inspecting Officer on the Contractor's premises, the property in the stores shall not pass on to the Purchaser until the stores have been received, inspected and accepted by the consignee.

0803. In the case of Indigenous supplies, the Purchaser shall not be liable to render assistance to the Contractor in securing or to arrange for or provide transport to the Contractor, notwithstanding that transport of the stores, is controlled by or under the orders of the Government.

0804. In the case of foreign contracts:

(a) The stores shall be delivered by the Contractor free on board such vessels in such port or ports named in the quotation, as the Purchaser or his nominee may require.

(b) Such number of inspection certificates, advice notices, packing accounts and invoices, as may be required by the Purchaser or his nominee, shall be furnished by the Contractor at his own cost.

(c) Freight for the conveyance of his stores or any part thereof will be engaged by the Purchaser or his nominee, who will give, due notice to the Contractor when and on board, what vessels they or such part therefore, are to be delivered. Should the stores, or any part thereof, be not delivered within 7 days of the receipt of such notice by the Contractor, the Contractor will be liable for all payments and expenses that the Purchaser may incur, or be put to, by reason of such non-delivery including dead and extra freight, demurrage of vessels and any other charges incurred by the Purchaser whatsoever.

Include Para 4.0, 4.1, 4.2, & 4.3 of Additional Special Conditions of Contract.

0900. **NOTIFICATION OF DELIVERY:** Notification of delivery or despatch in regard to each and every installment shall be made to the Purchaser, Consignee and Port Consignee if (applicable) immediately on despatch or delivery. The Contractor shall further supply to the consignee, or the interim consignee, as the case may be, a packing account quoting number and date of the acceptance of tender and date of despatch of the stores. All packages shall be fully described in the packing account and full details of the contents of the packages and quantity of materials shall be given to enable the consignee to check the stores on arrival at destination. The copy of Railway Receipt/Consignment Note or Bill of Lading with other shipping documents, if any, shall be forwarded to the consignee and or the port consignee named in the contract, as applicable, by registered post immediately on the despatch of stores. The Contractor shall bear and reimburse to the Purchaser demurrage charges, if any, paid by reason of delay on the part of the Contractor in forwarding the copy of the Railway Receipt, Consignment Note or Bill of Lading and other shipping documents.

1000. **TIME FOR AND DATE OF DELIVERY; THE ESSENCE OF THE CONTRACT:** The time and the date specified in the contract or as extended for the delivery of the stores shall be deemed to be the essence of the contract and delivery must be completed not later than the date(s) so specified or extended.

Include Para 7.1 to 7.3 of Additional Special Conditions of Contract.

1001. Progressing of Deliveries: The Contractor shall allow reasonable facilities and free access to his works and records to the Inspecting Officer, Progress Officer or such other Officer as may be nominated by the Purchaser for the purpose of ascertaining the progress of the deliveries under the contract.

1002. Failure and Termination: If the Contractor fails to deliver the stores or any installment thereof within the period fixed for such delivery in the contract or as extended or at any time repudiates the contract before the expiry of such period, the Purchaser may without prejudice to his other rights:

(a) recover from the Contractor agreed liquidated damages and not by way of penalty a sum equivalent to 2 per cent of the price of any stores (including elements of taxes, duties, freight etc.) which the Contractor has failed to deliver within the period fixed for delivery in the contract or as extended for each month or part of a month during which the delivery of such stores may be in arrears where delivery thereof is accepted after expiry of the aforesaid period subject to maximum, of 10% or

(b) cancel the contract or a portion thereof and if so desired or authorize the purchase of the stores not so delivered or others of a similar description (where stores exactly complying with particulars are not, in the opinion the Purchaser, which shall be final, readily procurable) at the risk and cost of the Contractor. It shall, however, be in the discretion of the Purchaser to obtain or not, the Performance Guarantee Bond from the Firm/firms on whom the contract is placed at the risk and expense of the defaulting firm.

Where action is taken under sub-clause (b) 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 deliver the stores within the period fixed for such delivery in the contract or as extended, within nine 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 nine months from the date of cancellation of the contract. The Contractor shall not be entitled to any gain on such purchase and the manner and 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.

1003. Extension of Time for Delivery: If such failure as in the aforesaid clause 1002 shall have arisen from any cause which the Purchaser may admit as reasonable ground for extension of time, the Purchaser shall allow such additional time as he considers to be justified by the circumstances of the case, and shall forgo the whole or such part, as he may consider reasonable, of his claim for such loss or damage as aforesaid. Any failure or delay on the part of sub Contractor, though their employment may have been sanctioned under condition 2100 hereof, shall not be admitted as a reasonable ground for any extension of time or for exempting the Contractor from liability for any such loss or damage as aforesaid.

1004. Consequence of Rejection: If on the stores being rejected by the Inspecting Officer or Interim Consignee or Consignees at the destination, the Contractor fails to make satisfactory supplies within the stipulated period of delivery; the Purchaser shall be at liberty to:

(i) require the Contractor to replace the rejected stores forthwith but in any event not later than a period of 21 days from the date of rejection and the Contractor shall bear all cost of such replacement including freight, if any, on such replacing and replaced stores but without being entitled to any extra payment on that or any other account; or

(ii) purchase or authorize the purchase of quantity of the stores rejected or others of a similar description (when stores exactly complying with particulars are not in the opinion of the Purchaser, which shall be final, readily available) without notice to the Contractor at his risk and cost and without affecting the Contractor's liability as regards the supply of any further installments due under the contract or

(iii) cancel the contract and purchase or authorize the purchase of the stores or others of a similar description (when stores exactly complying with particulars are not, in the opinion of the Purchaser, which shall be final, readily available) at the risk and cost of the contractor. In the event of action being taken under sub-clause (ii) above or under this sub-clause, the provisions of clause 1002 above will apply as far applicable.

(iv) where under the contract the price payable is fixed F. O. B. port of export or F. O. R. despatching station, the Contractor shall, if the stores are rejected at destination by the consignee, be liable, in addition to his other liabilities, including refund or price recoverable in respect of the stores so rejected, to reimburse to the Purchaser the freight and all other expenses incurred by the Purchaser in this regard.

1100. FORCE MAJEURE: 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 acts of the Purchaser either in its sovereign or contractual capacity, wars or revolutions, hostility, acts of public enemy, civil commotion, sabotage, fires, floods, explosions, epidemics, quarantine restrictions, strikes, lockouts 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. If a Force Majeure situation arises, the supplier shall promptly notify the purchaser in writing of such conditions and the cause thereof within 21 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 for 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 purchase organization only. In such a situation the purchase organization is to take up with the supplier on similar lines as above for further necessary action

1200. ACCEPTANCE OF STORES DESPATCHED AFTER THE EXPIRY OF DELIVERY PERIOD:

1201. In case where only a portion of the stores ordered is tendered for inspection at the fag end of the delivery period and also in cases where inspection is not completed in respect of the portion of the stores tendered for inspection during the delivery period because of the reason that adequate notice for inspection in accordance with clause 1501 was not given by the Contractor, the Purchaser reserves the right to cancel the order for the balance quantity, at the risk and expenses of the contractor without any further reference to him. If the stores tendered for inspection during or at the fag end of the delivery period are not found acceptable after carrying out the inspection, Purchaser is entitled to cancel the contract in respect of the same at the risk and expense of the contractor. If, however, the stores tendered for inspection are found acceptable, the Purchaser may grant an extension of the delivery period subject to the following condition:

(a) The Purchaser has the right to recover from the Contractor the liquidated damages on the stores, which the Contractor has failed to deliver within the period fixed for delivery.

(b) That no increase in price on a account of any statutory increase in or fresh imposition of Custom Duty, Excise Duty, Sales Tax, Freight Charges or on any account of any other tax or duty leviable in respect of the stores specified in the contract, which takes place after the date of delivery period stipulated in the said Acceptance of Tender, shall be admissible on such of the said stores as are delivered after said date.

(c) That notwithstanding any stipulation in the contract for increase in price on any other ground, no such increase which takes place after the delivery date stipulated in the contract shall be admissible on such of the said stores as are delivered after said date.

(d) But nevertheless the Purchaser shall be entitled to the benefit of any decrease in price on account of reduction in or remission of Customs Duty, Excise Duty, Sales Tax or on account of any other ground which takes place after the expiry of the delivery date stipulated in the contract. The Contractor shall allow the said benefit in his bills or in the absence thereof shall certify that no decrease in price on account of any of these factors has taken place.

1202. The Contractor shall not despatch the stores till such time an extension in terms of clause 1201 (a) to (d) above is granted by the Purchaser and accepted by the Contractor. If the stores are despatched by the Contractor before an extension letter as aforesaid is issued by the Purchaser and the same are accepted by the consignee, the acceptance of the stores shall be deemed to be subject to the conditions (a) to (d) mentioned in clause 1201 above.

1203. In case where the entire quantity has not been tendered for inspection within the delivery period stipulated in the contract and the Purchaser chooses to grant an extension of the delivery period the same would be subject to conditions (a) to (d) mentioned in clause 1202 above.

1302. The Contractor shall not despatch the stores, till such time an extension in terms of the above is granted by the Purchaser. If the stores are despatched by the Contractor before an extension letter as aforesaid is issued by the Purchaser, the supply of the stores shall be deemed to be subject to conditions set above.

1400. PROGRESS REPORTS:

1401. The Contractor shall, from time- to time, tender such reports concerning the progress of the contract and/or supply of the stores in such form as may be required by the Purchaser.

1402. The submission, receipt and acceptance of such reports shall not prejudice the rights of the Purchaser under the contract, nor shall operate as an estoppel against Purchaser merely by reason of the fact that he has not taken notice of/or subject to test any information contained in such report.

1500. INSPECTION BY INSPECTING OFFICER:

1501. When Inspection during manufacture or before delivery or despatch is required, notice in writing shall be sent by Contractor to the Inspecting Officer when the stores or material to be supplied are ready for inspection and test, and no stores shall be delivered or despatched until the Inspecting Officer has certified in writing that such stores have been inspected and approved by him. At least four weeks' notice must be given to the Inspecting Officer to enable him to arrange the necessary inspection. The examination of stores will be made as soon as practicable after the same have been submitted for inspection and the result of the examination will be notified to the Contractor.

1502. In cases where the Inspecting Authority specified in the contract requires on behalf of the Purchaser that inspection of the raw materials to be used and/or stage inspection during the manufacturing, process of the component/stores etc. is also to be done, notice in writing shall be sent by the Contractor to the inspecting Officer to visit his premises/works to test the raw materials and/or conduct necessary inspection during the manufacturing process of the component/stores etc. as deemed essential.

Include Para 6.1 of Additional Special Conditions of Contract.

1503. **Marking of Stores:** The Contractor shall, if so required, at his own expense, mark all the approved stores with a recognized Government of Purchasers mark. The stores which cannot be so marked shall, if so required by the Inspecting Officer, be packed at the Contractor's expenses in suitable packages or cases, each of which shall be sealed and marked with such mark.

1504. **Facilities for Test and Examination:** The Contractor shall, at his own expense afford to the Inspecting Officer all reasonable facilities and such accommodations as may be necessary for satisfying himself, that the stores are being and/or have been manufactured in accordance with the Particulars. The Inspecting Officer shall have full and free access at any time during the execution of the contract to the Contractor's work for the purpose aforesaid, and he may require the Contractor to make arrangements for inspection of the stores or any part thereof or any require the Contractor to make arrangements for inspection of the stores or any part thereof or

any material at his premises or at any other place specified by the Inspecting Officer and if the Contractor has been permitted to employ the services of a Sub-Contractor, he shall in his contract with the Sub-Contractor, reserve to the Inspecting Officer a similar right.

Include Para 6.3 of Additional Special Conditions of Contract.

1505. Cost of Test: The Contractor shall provide, without any extra charge, all materials, tools, labour and assistance of every kind which the inspecting Officer may demand of him for any test and examination, other than special or independent test, which he shall require to be made on the Contractor's premises and the Contractor shall bear and pay all costs attendant thereon. If Contractor fails to comply with the conditions aforesaid, the Inspecting Officer, shall, in his sole judgment, be entitled to remove for test and examination all or any of the stores manufactured by the Contractor to any premises other than his (Contractor's) and in all such cases the Contractor shall bear the cost of transport and/or carrying out such tests elsewhere. A certificate in writing of the Inspecting Officer, that the Contractor has failed to provide the facilities and the means for test and examination, shall be final.

1506. Delivery of Stores for Test: The Contractor shall provide and deliver free of charge, at such places as the Inspecting Officer may nominate, such materials as he may require for test by chemical analysis or independent testing machines.

1507. Liability for Cost of Special or Independent Test: The cost of any special or independent tests to be carried out by the Inspecting Officer at a place other than the Contractor's premises, will be defrayed by the Purchaser unless it is stated in the specification that it is to be paid by the Contractor. However, in the event of rejection of stores or any part thereof by the inspecting Officer in the consequence of the sample thereof which is removed to the laboratory or other places of test, being found on test, to be not conforming with the Contract, or, in the event of the failure of the Contractor for any reason to deliver the stores passed on test within the stipulated period, the Contractor shall, on demand, pay to the Purchaser all costs incurred in the inspection and/or test. Cost of test shall be assessed at the rate charged by the laboratory to private person for similar work.

1508. Method of Testing; The Inspecting Officer shall have the right to put all the stores or materials forming part of the same or any part thereof such tests as he may think fit and proper. The Contractor shall not be entitled to object on any ground whatsoever to the method of testing adopted by the Inspecting Officer.

1509. The Contractor shall satisfy the Inspector that adequate provision has been made:

(i) to carry out his instructions fully and with promptitude;

(ii) to ensure that parts required to be inspected before use are not used before inspections; and

(iii) to prevent rejected parts being used in error. Where, parts rejected by the inspector have been rectified or altered, such parts shall be segregated for separate inspection and approval before being used in the work.

1510. Powers of Inspecting Officer: The Inspecting Officer shall have the power:

- (i) before any stores or part thereof are submitted for inspection to certify that they cannot be in accordance with the contract owing to the adoption of any unsatisfactory method of manufacture;
- (ii) to reject any stores submitted as not being in accordance with the particulars;
- (iii) to reject the whole of the installment tendered for inspection, if after inspection of such portion thereof as he may in his discretion think fit, he is satisfied that the same is unsatisfactory;
- (iv) to mark the rejected stores with a rejection mark, so that they may be easily identified if re-submitted for inspection.

The Inspecting Officer's decision as regards the rejection shall be final and binding on the Contractor.

Include Para 6.4 of Additional Special Conditions of Contract.

1511. Inspection Certificates: On the stores being found acceptable by the Inspecting Officer, he shall furnish the Contractor with necessary copies of the Inspection certificates duly completed for being attached to the Contractor's bill in support thereof.

Include Para 6.5 of Additional Special Conditions of Contract.

1512. Certification of Inspection and Approval in case of Foreign Contracts

- (i) No Stores will be considered ready for delivery until the Purchaser or the Inspecting Officer nominated by him shall have certified in writing that they have been inspected and approved by him.
- (ii) It shall be the responsibility of the contractor to ensure that only such goods as have been duly inspected and approved by the inspecting Authority, are offered for arranging shipment to the Government of India's Forwarding Agents and to furnish to them a certificate as under:

“Certified that the goods offered for arranging shipment have been duly inspected and approved by the prescribed authority in accordance with the terms of the contract and a copy of the Inspection Certificate issued in this regard is enclosed”.

1600. Packing and Marking:

1601. Packing: The Contractor shall pack at his own cost the stores sufficiently and properly for transit by rail/road, air and/or sea as provided in the contract so as to ensure their being free from loss or damage on arrival at their destination. He shall decide the packing for the stores by taking into account the fact that the stores will have to undergo arduous transportation before reaching the destination and will have to be stored and handled in tropical climatic conditions (Including Monsoons) before being put to actual use.

1602. Unless otherwise provided in the contract, all containers (including packing cases, boxes, tins, drums and wrappings) in which the stores are supplied by the Contractor, shall be considered as nonreturnable and their cost as having been included in the contract price.

1603. Each package shall contain a packing note specifying the name & address of the Contractor, the number and date of the acceptance of tender and the designation of the Purchase Officer issuing the supply orders, the description of the stores and the quantity contained therein.

1604. **Marking:** The marking of all goods supplied shall comply with the requirement of the Indian Acts relating to merchandise marks or any amendment thereof and of the rules made there under. The following marking of the materials is required:

(a) The following particulars should be stenciled with indelible paint on all the materials/packages :—

(i) Contract No.

(ii) Specification No.

(iii) Item No.

(iv) Port consignee (wherever applicable)

(v) Abbreviated Consignee marks

(b) In addition to the marking as specified above, distinguishing colour marks should be given so as to distinguish the ultimate consignee in India.

1700. **Freight:** The stores shall be despatched at public tariff rates. In the case of F.O.R. station of despatch contract, the stores shall be booked by the most economical route and or at the most economical tariff available at the time of despatch as the case may be. Failure to do so will render the Contractor liable for any avoidable expenditure caused to the Purchaser. Where alternative routes exist the Purchaser shall, if called upon to do so, indicate the most economical route available or name the authority whose advice in the matter shall be taken and acted upon. If any advice of any such authority is sought his decision or advice in the matter shall be final and binding on the Contractor.

1701. In respect of road deliveries where Octroi Duty is applicable and where the Municipal/Local authorities do not accept Octroi Duty Exemption Certificate, Octroi Duty shall be borne by the seller.

1800. **PAYMENT:** Payments to the contractor will be made in the agreed currency as per the contract through bank transfer. The Bank Account particulars and other details shall be advised by contractor to the Paying Authority. Paying Authority for EMUs shall be FA & CAO/ICF and for MEMUs, FA & CAO/RCF.

(A) For Equipments:

(i) 10% of the FOR destination value of the equipment shall be released after approval of complete designs/drawing, within thirty (30) days of the approval of the drawings subject to submission of the following document:

- (a) Bank Guarantee equivalent to 10% of the value of the equipment.
- (b) One (1) original & three copies of Contractor's invoice, duly signed.
- (c) A copy of the letter containing approval of design/drawing from the competent authority.

(B) For the equipment for the first 4 (four), (2 EMUs and 2 MEMUs) prototype rakes.

(i) 70% of the total value of the equipment shall be paid against submission of the following documents. The payment is to be released for complete rake set and not for part supplies. The documents required for claiming 70% payment are as under:-

- (a) Proof of dispatch i.e. clear RR/ Receipted Challan duly signed by a nominated gazetted officer.
- (b) Inspection Certificate (in Original) issued by Inspecting Officer.
- (c) One (1) original & three copies of Contractor's invoice.
- (d) Contractor's certificate that the materials in the invoice are for full rake set &
- (e) Contractor's Certificate that Complementary imported materials have already been despatched.

(ii) 10% of the value of the equipment shall be paid after successful installation and on furnishing Warranty Bank Guarantee for 10% value of the equipments against following document:-

- (a) One (1) original & three copies of Contractor's invoice,
- (b) Warranty Bank Guarantee equivalent to 10% value of the equipment
- (c) Contactor's certificate that the amounts in the invoice are correct in terms of the contract, Certificate regarding installation issued by Engineer/ ICF or RCF as the case may be.

(iii) Balance 10% of the total value of the equipments shall be paid after successful commissioning. The commissioning Certificate shall be issued by CEE/ICF, Chennai for EMUs & CEE/RCF/Kapurthala for MEMUs The payment shall be subject to submission of the following documents:-

- (a) One (1) original & three copies of Contractor's invoice.
- (b) Commissioning Certificate issued after successful commissioning. Commissioning Certificate shall be issued by CEE/ICF for EMUs and CEE/RCF for MEMUs.
- (c) Contractor's certificate that the amounts in the invoice are correct in terms of the contract. Acceptance Note/Receipt Note issued by Consignee.

(C) For the equipment for the balance rakes:

(i) 80% of the total value of the equipment shall be released against proof of inspection and dispatch against following document:-

- (a) Proof of dispatch i.e. clear RR/Received Challan duly signed by a nominated gazetted officer.
- (b) Inspection Certificate (in Original) issued by Inspecting Officer.
- (c) Contractor's certificate that the amounts in the invoice are correct in terms of the contract.
- (d) One (I) original & three copies of Contractor's invoice.
- (e) Contractor's certificate that the materials in the invoice are for full rake set and
- (f) Contractor's Certificate that Complementary imported materials have already been dispatched.

(ii) Balance 10% of the total value of equipment shall be released after successful commissioning. Commissioning Certificate shall be issued by CEE/ICF for EMUs and CEE/RCF for MEMUs and against submission of following document:-

- (a) One (I) original & three copies of Contractor's invoice.
- (b) Warranty Bank Guarantee as per Annexure II for 10% value of the equipments.
- (c) Contractor's certificate that the amounts in the invoice are correct in terms of the contract.
- (d) Certificate regarding receipt of equipment by Consignee.
- (e) Commissioning Certificate issued by CEE as above.

NOTE: All payments are to be released for Complete Rake sets and not for part supplies.

(D) For items of Spares & Tools and Special Tools & Instruments and other items not forming part of Rake Set:

(i) 90% Payment for items of Spares & Tools shall be made against proof of Inspection and despatch against following documents:-

- (a) Delivery Challan duly signed by a nominated gazetted officer.
- (b) Inspection Certificate (in Original) issued by Inspecting Officer.
- (c) One (1) original & three copies of Contractor's invoice.

(ii) Balance 10% payment shall be made on receipt of the items and on submission of Warranty Bank Guarantee for 10% value of the payment claimed.

(E) Payment for Training:

Payment for the cost of training shall be released after successful completion of every 50 man days training. The following documents are required for claiming payment:

- (i) Certificate issued by CEE, Integral Coach Factory for EMUs and CEE/RCF for MEMUs, certifying that firm had imparted mandatory 50 man days Training to IR personnel.
- (ii) One (1) Original and three (3) copies of Contractor's invoice, duly signed.

Replace the following clause up to Clause 1802 with Clause 10 of Additional Special Conditions of Contract

Liquidated Damages as per clause 1002 will be as under :—

(a) 90% payment will be made on proof of inspection and shipment within 30 days of receipt of shipping documents as specified. In case of C & F contract, this payment will be subject to furnishing of a Bank Guarantee in a form to be approved by the Purchaser, for the amount to safeguard the Purchaser against any loss. The guarantee will be operative from the date of shipment to the date of delivery at port in India.

(b) In case where despatch is permitted by road, 90% payment will be made against consignee's receipt and inspection note.

(c) Balance 10% payment will be made on furnishing a Bank guarantee for an amount equal to 10% of the contract value, as per Annexure-13 fully indemnifying the Purchaser against all losses incurred by the Purchaser during the guarantee period stipulated in the Warranty Clause No. 3400 after receipt and acceptance of material by consignee on issue of receipt note

The Bank Guarantee as mentioned above should be from a Nationalised Indian Bank. The Bank Guarantee from a Commercial bank of the Contractor's country can be accepted only if the Guarantee is furnished after getting it countersigned by the Reserve Bank of India, State Bank of India, New Delhi or by any Nationalised Indian Bank. The expenses to be incurred for counter-signature shall be borne by the Contractor.

(d) Payment of agency commission, if any, will be made to the Indian Agent within 30 days of the receipt of the bill after successful completion of the proving test in which machine performance would have been demonstrated by the supplier or his agent after its commissioning at the consignee's premises.

(e) For special purpose machine being procured for the first time or for other developmental/trial order the payment term will be 80% on completion of performance trials at the firm's premises and receipt of machine at consignee's end in good condition, 10% on successful commissioning of machine at the consignee's premises and balance 10% on successful completion of the warranty period. For procurement of such M&P item for production units, a representative of the concerned production unit will also be included as a joint inspection authority.

1802. Indigenous Supplies

The standard payment terms subject to recoveries, if any, by way of Liquidated Damages as per clause 1002 will be as under :

(a) 90% payment will be made on receipt of the material duly pre-inspected and receipted at site by the consignee in good condition.

(b) Balance 10% payment will be made on furnishing a Bank Guarantee for an amount equal to 10% of the contract value, as per Annexure-13 fully indemnifying the Purchaser against all losses incurred by the Purchaser during the guarantee period stipulated in the Warranty

1900. Payment Procedure:

1901. Payment for indigenous suppliers will be made in Indian Rupees against bills preferred by the Contractor. Any payment in the foreign exchange that the Contractor may have to make for imported components forming part of the tender will be arranged by him direct.

1902. Payments against foreign contractors will be arranged through normal banking channels except where payment through letter of credit has been stipulated in the contract. In the case of payment through letter of credit, all charges levied by the foreign bank(s) shall be borne by the Contractor.

1903. Format as per Annexure may invariably be used for submission of bills.

2000. Withholding and Lien in respect of sums claimed:

2001. Whenever any claim or claims for payment of a sum of money arises out of or under the contract against the Contractor, the Purchaser shall be entitled to withhold and also have a lien to retain such sum or sums in whole or in part from the amount of Performance Guarantee Bond and any other Guarantee furnished by the Contractor and for the purpose aforesaid, the Purchaser shall be entitled to encash the Performance Guarantee Bond etc. and also have a lien over the amount of the Performance Guarantee Bond etc. pending finalization or adjudication of any such claim. In the event of the said amount being insufficient to cover the claimed amount or amounts or no Performance Guarantee Bond etc. has been taken from the Contractor, the Purchaser shall be entitled to have lien to retain to the extent of the such claimed amount or amounts referred to supra, from any sum or sums found payable or which at any time thereafter may become payable to the Contractor under the same contract or any other contract with the Purchaser or the Government pending finalization or adjudication of any such claim. It is an agreed term of the contract that the sum of money or moneys so withheld or retained under the lien referred to above, by the Purchaser will be kept withheld or retained as such by the Purchaser till the claim arising out of or under the contract is determined by the Arbitrator (if the contract is governed by the arbitration clause) or by the competent court as prescribed under clause 3103 hereinafter provided, as the case may be, and that the Contractor will have no claim for interest or damages whatsoever on any account in respect of such withholding or retention under the lien referred to supra and duly notified as such to the Contractor.

2002. For the purpose of clause 2001, where the Contractor is partnership firm or a limited company, the Purchaser shall be entitled to withhold and also have a lien to retain towards such claimed amount or amounts in whole or in part from any sum found payable to any partner/limited company, as the case may be, whether in his individual capacity or otherwise.

2003. Lien in respect of Claims in other Contractors: Any sum of money due and payable to the Contractor (including the amount of Performance Guarantee Bond and/or any other Guarantee) under the contract may be withheld by way of lien by the Purchaser or Government against any claim of the Purchaser or Government in respect of payment of a sum of money arising out or' under any other contract made by the Contractor with the Purchaser or Government. It is an agreed term of the contract that the sum of money so withheld or retained

under this clause by the Purchaser or Government will be kept withheld or retained as such by the Purchaser or Government till his claim arising out of in the same contract or any other contracts is either mutually settled or determined by the Arbitrator, if the contract is governed by the arbitration clause or by the competent court under clause 3103 hereinafter provided, as the case may be and that the Contractor shall have no claim for interest or damages whatsoever on this account or any other ground in respect of any sum of money withheld or retained under this clause and duly notified as such to the Contract.

2004. In addition to this other remedies under the law and these conditions, the Purchaser shall have a lien on each item in respect of which the 80% or 90% (as the case may be) has been paid to secure payment of this amount and recovery of any sum due from the Contractor, should the item not be successfully commissioned within the time specified as per clause installation, Commissioning & Proving Tests forming the Technical Specifications in Bid Documents.

2100. Responsibility of the Contractor for executing the contract:

2101. **Risk in the Stores:** The Contractor shall perform the contract in all respects in accordance with the terms and conditions thereof. The stores and every constituent part thereof, whether in the possession or control of the Contractor, his agents or servants or a carrier, or in the joint possession of the Contractor, his agents or servants and the Purchaser, his agents or servants, shall remain in every respect at the risk of the Contractor, until their actual delivery to the consignee at the stipulated place or destination or, where so provided in the acceptance of tender, until their delivery to a person specified in the contract as interim consignee for the purpose of despatch to the consignee. The Contractor shall be responsible for all loss, destruction, damage or deterioration of or to the stores from any cause whatsoever while the stores after approval by the Inspecting Officer are awaiting despatch or delivery or are in the course of transit from the contractor to the consignee or the interim consignee as the case may be. The Contractor shall alone be entitled and responsible to make claims against a Railway Administration or any other carrier in respect of non-delivery, short delivery, mis-delivery, loss, destruction, damage or deterioration of the goods entrusted to such carrier by the Contractor for transmission to the consignee or the interim consignee, as the case may be.

Include Para 13 & 14.4 of Additional Special Conditions of Contract.

2102. **Consignee's Right of Rejection:** Notwithstanding any approval which the inspecting Officer may have given in respect of the stores or any materials or other particulars or the work or workmanship, involved in the performance of the contract (whether with or without any test carried out by the Contractor or the Inspecting Officer or under the direction of the Inspecting officer) and notwithstanding delivery of the stores where so provided to the interim consignee, it shall be lawful for the consignee, on behalf of the Purchaser, to reject the stores or any part, portion of consignment thereof within 45 days after actual delivery thereof to him at the place or destination specified in the contract if such stores or part, portion of consignment thereof is not in all respects in conformity with the terms and conditions of the contract whether on account of any loss, deterioration or damage before despatch or delivery or during transit or otherwise howsoever.

2103. Provided that where, under the terms of the contract, the stores are required to be delivered to an interim consignee for the purpose of despatch to the consignee, the stores shall be at the Purchaser's risk after delivery to the interim consignee, but nevertheless it shall be lawful for the consignee on behalf of the Purchaser to reject the stores or any part, portion of consignment thereof upon their actual delivery to him at the destination if they are not in all respects in conformity with the terms and conditions of contract except where they have been damaged or have deteriorated in the course of transit or otherwise after their delivery to the interim consignee.

2104. The provisions contained in clause 2800 relating to the removal of stores rejected by the Inspecting Officer shall, mutatis mutandis apply to stores rejected by the consignee as herein provided.

2105. The Contractor shall refund any advance/part payment received by him in respect of the rejected stores within 21 days of the receipt of intimation from the consignee about the rejection of the stores. In default, the Purchaser may take steps against Contractor for recovery of such price. This is strictly without prejudice and in addition to the rights provided in clause 1004.

2106. **Subletting and Assignment:** The Contractor shall not subject (otherwise than that which may be customary in the trade concerned), transfer, assign or otherwise part with directly or indirectly to any person or persons, whatever is in this contract, or any part thereof without the previous written permission of the Purchaser or his nominee. In the event of the Contractor's failure to obtain such permission, the Purchaser shall be entitled to cancel the contract and to purchase the stores elsewhere on the Contractor's account and risk and the Contractor shall be liable for any loss or damage which the Purchaser may sustain in consequence or arising out of such purchase.

2107. Changes in a Firm:

(a) Where the Contractor is partnership firm, a new partner shall not be introduced in the firm except with the previous consent in writing of the Purchaser, which may be granted only upon execution of a written undertaking by the new partner to perform the contract and accept all liabilities incurred by the firm under the contract prior to the date of such undertaking. In the event of the Contractor's failure to be comply with the requirement, it shall be lawful for the Purchaser to cancel the contract and purchase or authorize the purchase of the stores at the risk and cost of the Contractor and in that event the provisions of clause 1002 as far as applicable shall apply.

(b) On the death or retirement of any partner of the Contractor firm before complete performance of the contract, the Purchaser may, at his option cancel the contract and in such case the Contractor shall have no claim whatsoever to compensate against the Purchaser.

(c) If the contract is not determined as provided in sub-clause (b) above notwithstanding the retirement of a partner from the firm he shall continue to be liable under the contract for acts of the firm until a copy of the public notice given by him under section 32 of the Partnership Act, has been sent by him to the Purchaser by registered post acknowledgement due.

(d) The decision of the Purchaser as to any matter or thing concerning or arising out of this sub-clause or on any question whether the Contractor or any partner of the Contractor firm has committed a breach of any of the conditions in this sub-clause shall be final and binding on the Contractor.

Include Para 16 of Additional Special Conditions of Contract.

2200. Responsibility for Completeness:

2201. Any fittings or accessories which may not be specifically mentioned in the specifications but which are usual or necessary, are to be provided by the Contractor without extra charge, and the plant must be complete in all details.

2202. The work shall be performed at the place or places specified in the contract or at such other place or places as may be approved by the Purchaser.

2203. In all cases where the contract provides for tests on site, the Purchaser, except where otherwise specified, shall provide, free of charge, such labour, materials, fuels, stores, apparatus and instruments as may be required from time to time and as may reasonably be demanded, efficiently to carry out such tests of the plants, materials or workmanship etc. in accordance with the contract.

2204. In the case of contracts requiring electricity for the completion of the work and for test on site, such electricity, when available, shall be supplied free to the Contractor at the pressure of the ordinary supply. Unless otherwise specified, the Purchaser will supply free of charge to the Contractor:

(a) unskilled labour :

(b) timber, stores and lifting tackle necessary for the erection of the plant and all consumable stores including fuel and lubricating oils required during erection, setting to work and testing of the plant.

The Contractor shall provide:

(i) Skilled labour ;

(ii) Tools, and any other equipment which may be necessary.

2300. Charges for work necessary for completion of the Contract: The Contractor shall pay all charges for handling, stamping, painting, marking, protecting or preserving patent rights, drawings, templates, model and gauges and for all such measures as the Purchaser or the Inspecting Officer may deem necessary for the proper completion of the contract though special provision thereof may not be made in the specification or drawings. The Contractor shall also

pay for Dock and Harbour dues, port's rates, export taxes and other fees or charges, if any, levied because of exportation.

2400. Indemnity:

2401. The prices stated are to include all rights (if any) of patent, registered design or trade mark and the Contractor shall at all times indemnify the Purchaser against all claims which may be made in respect of the stores for infringement of any right protected by patent, registration of designs or trade mark ; provided always that in the event of any claim in respect of alleged breach of a patent, registered designs or trade mark being made against the Purchaser, the Purchaser shall notify the Contractor of the same and the Contractor shall, at his own expense, either settle any such dispute or conduct any litigation that may arise there from.

Include Para 5.1, 5.2, & 12.1 of Additional Special Conditions of Contract.

2500. Risk of Loss or Damage to Government or Purchaser's Property:

2501. All the property of the Government or Purchaser, loaned, whether with or without deposit on terms and conditions to be separately agreed upon in respect of each particular contract, to the Contractor in connection with contract shall remain the property of the Government or the Purchaser, as the case may be. The Contractor shall use such property for the purpose of the execution of the contract and for no other purpose whatsoever.

2502. All such property shall be deemed to be in good condition when received by the Contractor unless he shall have within twenty four hours of the receipt thereof notify the Purchase Officer or the concerned authority to the contrary. If the Contractor fails to notify any defect in the condition or quality of such property, he shall be deemed to have lost the right to do so at any subsequent stage.

2503. The Contractor shall return all such property and shall be responsible for the full value thereof to be assessed by the Purchaser/loaning authority whose decision shall be final and binding on the Contractor. The Contractor shall be liable for loss or damage to such property from whatever cause happening while such property is in the possession of or under the control of the Contractor, his servants, workmen or agents.

2504. Where such property is insured by the Contractor against loss or fire at the request of the Government or Purchaser, such insurance shall be deemed to be effected by way of additional precaution and shall not prejudice the liability of the Contractor as aforesaid.

2550. Safety Measures:

2551. The Contractor should take all precautionary measures in order to ensure the protection of his own personnel moving about or working on the railway premises, and should conform to the rules and regulations of the Railway.

2552. The Contractor should abide by all railway regulations in force from time-to-time and ensure that the same are followed by his representative, Agents or sub-contractor or workmen.

2553. The Contractor should ensure that unauthorized, careless or inadvertent operation of installed equipment which may result in accident to staff and/or damage to equipment does not occur.

2554. The Contractor should indemnify and keep the Purchaser indemnified and harmless against all actions, suits, claims, demands, costs, charges or expenses arising in connection with any accident, death or injury sustained by any person or persons within the railway premises and any loss or damage to railway property sustained due to the acts or omissions of the Contractor irrespective of whether such liability arises under the workman's compensation act or the Fatal Accidents Act or any other statute in force from time-to-time.

2600. Customs Drawback: If, by reason of a customs notification published after the placing of the contract, the stores to be supplied shall become, on exportation, subject to customs drawback in respect of duty paid on them or on the materials used in their manufacture, the Contractor shall recover the amount of the drawback and the contract price of the stores shall be reduced by the amount so recovered.

2700. Book Examination Clause: The Purchaser shall have the right for "Book Examination" as follows:

2701. The Contractor shall whenever called upon and requiring to produce or cause to be produced for examination by any Government Officer duly authorized in that behalf, any 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 relating to such transaction and procedure before the duly authorized Government Officer and returns verified in such manner as may be required relating in any way to the execution of this contract or relevant for verifying or ascertaining the cost of execution of this contract. The decision of such Government Officers on the question of relevancy of any documents, information or return shall be 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 orders and it shall be binding on the Contractor.

2702. The Contractor shall, if the authorized 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 examination 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 authorized Government Officer shall have the power to examine all the relevant books of such Sub-contractor of any subsidiary or allied firm or company which shall be open to his inspection as mentioned in clause 2701.

2703. 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.

2704. Where a Contract provides for book examination clause, the Contractor or its agency is bound to allow examination of its books within a period of 60 days from the date the notice is received by the Contractor, or its agencies calling for the production of documents as under clause 2701 above. In the event of Contractor's or his agencies failure to do so, the contract price would be reduced and determined according to the best judgment of the Purchaser which would be final and binding on the Contractor and his agencies.

2800. Removal of rejected Stores:

2801. On rejection of any stores submitted for inspection at a place other than the premises of the Contractor, such stores shall be removed by the Contractor at his own cost subject as herein after stipulated, within 21 days of the date of intimation of such rejection. If the concerned communication is addressed and posted to the Contractor at the address mentioned in the contract, it will be deemed to have been served on him at the time when such communication would in the course of ordinary post reach the Contractor, provided that where the price or part thereof has been paid, the consignee is entitled without prejudice to his other rights to retain the rejected stores till the price paid for such stores is refunded by the Contractor save that such retention shall not in any circumstances be deemed to be acceptance of the stores or waiver of rejection thereof.

2802. All rejected stores shall in any event and circumstances remain and always be at the risk of the Contractor immediately on such rejection. If such stores are not removed by the Contractor within the periods aforementioned, the Inspecting Officer may remove the rejected stores and either return the same to the Contractor at his risk and cost by such mode of transport as the Purchaser or Inspecting Officer may decide, or dispose of such stores at the Contractor's risk and on his account and retain such portion of the proceeds, if any, from such disposals as may be necessary to recover the expense incurred in connection with such disposals (or any price refundable as a consequence of such rejection). The Purchaser shall, in addition, be entitled to recover from the Contractor handling and storage charges on the rejected store after the expiry of the time-limit mentioned above.

2803. The stores that have been despatched by rail and rejected on arrival at destination may be taken back by the Contractor either at the station where they were rejected or at the station from which they were sent, after refunding the price paid for such stores and other charges refundable as a consequence of such rejection, if the contract is placed for delivery F.O.R. station of despatch, the Contractor shall pay the carriage charges on the rejected consignment at public tariff rates from the station of despatch to the station where they are rejected. If the Contractor elects to take back the goods at the station from which they were despatched, the goods shall in addition, be booked back to him freight to-pay at public tariff rates and at Contractor's risk, the Contractor shall be liable to reimburse packing and incidental costs and charges incurred in such return of rejected stores in addition to other charges refundable as a consequence of rejection.

The goods shall remain the property of the Contractor unless and until accepted by the Purchaser after inspection.

2900. CORRUPT PRACTICES :

2901. The Contractor shall not offer or 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 reward for doing or forbearing to do or 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 Chapter 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 clause 1002.

Add Para 16.5 of Additional Special Conditions of Contract.

2902. Any dispute or difference in respect of the interpretation, effect or application of the above cause or of the amount recoverable hereunder by the Purchaser from the Contractor, shall be decided by the Purchaser, whose decision thereon shall be final and binding on the Contractor.

3000. INSOLVENCY AND BREACH OF CONTRACT:

3001. The Purchaser may at any time, be notified in writing summarily to determine the contract without compensation to the Contractor in any of the following events, that is:

(a) if the Contractor being an individual or if a firm, any partner thereof, shall at any time, be adjudged insolvent or shall have a receiving order or order for administration of his estate made against him or shall take any proceeding composition under any insolvency Act for time being in force or make any conveyance or assignment of his effects or enter into any assignment or composition with his creditors or suspend payment or if the firm be dissolved under the Partnership Act, or

(b) if the Contractor being a company is wound up voluntarily or by the order of a Court or a Receiver, Liquidator, or Manager on behalf of the debenture holders is appointed, or circumstances shall have arisen which entitle the Court or Debenture holders to appoint a Receiver, Liquidator or Manager, or

(c) if the Contractor commits any breach of the contract not herein specifically provided for.

Provided always that such determination shall not prejudice any right of action remedy which shall have accrued or shall accrue thereafter to the Purchaser and provided also the Contractor shall be liable to pay to the Purchaser any extra expenditure he is thereby put to and the Contractor shall, under no circumstances, be entitled to any gain on re-purchase.

3102. Irrespective of the place of delivery and the place of payment under the contract, the contract shall be deemed to have been made at the place in India from where the acceptance of tender has been issued.

3103. **Jurisdiction of Courts:** The Courts of the place from where the acceptance of tender has been issued shall alone have Jurisdiction to decide any dispute arising out of or in respect of the contract.

3104. **Compliance with provisions of Contract Labour (Regulation and Abolition Act, 1970:**

For Indigenous Supplies:

(1) The Contractor shall comply with the provisions of the Contract Labour (Regulation and Abolition) Act, 1970 and the Contract Labour (Regulation and Abolition) Central Rules, 1971, as modified from time-to time, wherever applicable and shall also indemnify the Purchaser from and against any claims under the aforesaid Act and the Rules.

(2) The Contractor shall obtain a valid license under the aforesaid Act as modified from time-to time before the commencement of the contract and continue to have a valid license until the completion of the contract. Any failure to fulfill this requirement shall attract the penal provisions of the contract arising out of the resultant non-execution of the contract.

(3) The Contractor shall pay to labour employed by him directly or through Sub-Contractors the wages as per provisions of the aforesaid Act and the Rules wherever applicable. The Contractor shall notwithstanding the provisions of the contract of the contrary, cause to be paid the wages to labour indirectly engaged on the contract including any engaged by his Sub-Contractors in connection with the said contract, as if the labour has been immediately employed by him.

(4) In respect of all labour directly or indirectly employed in the contract for performance of the Contractor's part of the contract, the Contractor shall comply with or cause to be complied with the provisions of the aforesaid Act and the Rules wherever applicable.

(5) In every case in which, by virtue of the provisions of the aforesaid Act or Rules, the Purchaser is obliged to pay any amount of wages to a workman employed by the Contractor or his Sub-Contractor in execution of the contract or to incur any expenditure in providing welfare and health amenities required to be provided under the aforesaid Act and the Rules or to incur any expenditure on account of the contingent liability of the Purchaser due to the Contractor's failure to fulfill his statutory obligations under the afore said Act or the Rules the Purchaser will recover from the Contractor, the amount of wages so paid or the amount of expenditure so incurred, and without prejudice to the rights of the Purchaser under section 20, sub-section (2)

and section 21, sub-section (4) of the aforesaid Act, the Purchaser shall be at liberty to recover such amount or part thereof by deducting it from the amount of the Performance Guarantee Bond and/or from any sum due by the Purchaser to the Contractor whether under the contract or otherwise. The Purchaser shall not be bound to contest any claim made against it under sub-section (1) of section 20 and sub-section (4) of section 21 of the aforesaid Act except on the written request of the Contractor and upon his giving to the Purchaser full security for all costs for which the Purchaser might become liable in contesting such claim. The decision of the Purchaser regarding the amount actually recoverable from the Contractor as stated above, shall be final and binding on the Contractor.

3200. ARBITRATION:

3201. In the event of any question, dispute or difference arising under these conditions or Instructions to Tenderers or in connection with this contract (except as to any matters the decision of which is specifically provided for by these Conditions or Instructions to Tenderers') the same shall be referred to the sole arbitration of a Gazetted Railway Officer appointed to be the Arbitrator, by the General Manager, Integral Coach Factory, Chennai 600 038, India. The Gazetted Railway Officer to be 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 servants had expressed views on all or any of the matters under dispute or difference. The award of the Arbitrator shall be final and binding on the parties to this contract.

3202. 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.

3203. 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.

3204. The arbitrator may from time-to-time with the consent of all the parties to the contract enlarge the time for making the award.

3205. Upon every and any such reference, the assessment of the cost incidental to the reference and award respectively shall be in the discretion of the Arbitrator.

3206. Subject as aforesaid, the Arbitration and conciliation Act 1996, 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.

3207. The venue of arbitration shall be the place from which the Acceptance of Tender is issued or such other place as the Arbitrator at his discretion may determine.

3208. 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 functions of that authority, whether in addition to other functions or otherwise.

Add Para 20 to 24 of Additional Special Conditions of Contract.

3200. Secrecy:

3201. The Contractor shall take all reasonable steps necessary to ensure that all persons employed in any work in connection with the contract, have full knowledge of the Official Secrets Act and any regulations framed there under.

3302. Any information obtained in the course of the execution of the contract by the Contractor, his servants or agents or any person so employed, as to any matter whatsoever, which would or might be directly or indirectly, of use to any enemy of India, must be treated secret and shall not at any time be communicated to any person.

3303. Any breach of the aforesaid conditions shall entitle the Purchaser to cancel the contract and to purchase or authorize the purchase of the stores at the risk and cost of the Contractor in accordance with the clause - 1002 of the General Conditions of Contract. In the event of such cancellation, the stores or parts manufactured in the execution of the contract shall be taken by the Purchaser at such price as he considers fair and reasonable and the decision of the Purchaser as to such price shall be final and binding on the Contractor.

3400. WARRANTY : The bidder shall warrant that every equipment supplied is free from defects and faults in design, material, workmanship and manufacture and shall be of highest grade and consistent with the established and generally accepted standards for goods of the type ordered. The bidder shall provide Comprehensive warranty of 36 months from the date of delivery or 24 months from the date of commissioning of the EMU/MEMU rakes whichever is earlier.

Replace the above Para 3400 with Clause 8.1 to 8.6 of Additional Special Conditions of Contract.

3402. Please refer para 10 of schedule of Requirement part III of Bid Document

3500. OPERATION AND INSTRUCTION MANUALS & SERVICE TROUBLE SHOOTING GUIDES:

3501. The supplier shall furnish per machine ordered 4 copies each of the relevant operating manual, maintenance manual, instruction for both electrical and mechanical equipments, Trouble Shooting guide, spare parts catalogue with price list detailed electrical wiring diagram, Hydraulic circuit diagram, lubrication diagram with schedule of lubrication and lubricants to be used. In case of imported machines equivalent indigenously available brands of lubricants, hydraulic oils should be indicated. All Technical documents will be in English language.

3502. In addition, 3 copies each of the above mentioned literature shall be supplied to the Chief Design Engineer/Electrical, Design & Development Department, Integral Coach Factory, Chennai 600 038, India. All the drawings/diagrams shall be on reproducible tracing film.

3503. Dimensions Specifications for rubber spare parts and electronic spare parts should be given.

3600. The conditions of the RDSO and Schedule of Requirement , wherever differs from the General Conditions of the contract, Instruction to the Tenderers and Special Conditions shall override the later.

Section – III

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