

WEST CENTRAL RAILWAY**PURCHASE ORDER**

**HEAD QUARTER OFFICE
ENGG. BRANCH, 2nd FLOOR,
NEAR INDIRA MARKET,
JABALPUR.**

No.WCRTP2012213/ Curve Switch,1:12,60Kg/446

Dt.10.05.2013

M/s VAE VKN INDUSTRIES PVT.LTD

24/5 Sri Ram Road,
Civil Llnes, Delhi - 110054

Fax No : 01123965653

Dear Sirs,

Sub: Tender No.WCRTP2012213 dt.23.04.12 opened on 31.05.12 for manufacturing and supply OF O.R.Fan Shaped Curved Switches 1:12, 60 Kg. (UIC) RDSO Drg. No.T-4219 Complete with fittings on PSC T/out and as per IRS specification (T-10-2000) with latest alteration upto date of opening of Tender

Ref: - (i) E-Bid No. date 31.05.12

(ii) CO No WCRTP2012213/ Curve Switch,1:12,60Kg date 17.01.13.

For and on behalf of the President of India, the Principal Chief Engineer West Central Railway is pleased to award you this contract under Indian Railway Standard Conditions of contract as amended up to date from time to time, special conditions incorporated in the tender documents and other terms & conditions shown here under:-

- 1 **Full description of Stores** O.R. Fan shaped Curved Switch for 1 in 12 T/O (B.G.) 60kg on PSC Sleeper to RDSO Drg. No. T-4219 with Latest alteration, and Specification IRS-T-10-2000 (With latest alterations) Complete with all parts as listed in the drawing including plate screw but excluding SSD, Grooved Rubber Sole Plates, Insulating Liners, Elastic Rail Clips, Fish Plates & Fish Bolts.

2. **Quantity, Consignee, Rate & Total cost: as shown below.**

Item	Consignee SSE/ P.way /Store/...	Offered Quantity (Sets.)	Basic Rate (₹)	*ED extra % @	*CST/VAT extra % @	Freight (₹)	**All inclusive unit rate (₹).	Total Cost (₹)
1	2	3	4	5	6	7	8	9
Curved Switches- 1:12, 60 Kg. (UIC) RDSO Drg. No.T-4219	BPL	73	98500.00	12.36%	5%	13200.00	129408.33	9446808.09
	KOTA	229	98500.00	12.36%	5%	9800.00	126008.33	28855907.57
Grand Total:-								3,83,02,715.66
(Rs.Three Crore Eighty Three Lakh Two thousand Seven hundred Fifteen and Paise Sixty six only)								

3. **Bill Passing Officer** Dy. Chief Engineer (TP) WCR (HQ) JBP.
4. **Bill Paying Officer** FA & CAO WCR, JBP.
5. **Name of Work** For manufacturing and supply OF O.R.Fan Shaped Curved Switches 1:12, 60 Kg.(UIC) RDSO Drg. No.T-4219 Complete with fittings on PSC T/out and AS PER IRS SPECIFICATION (T-10-2000) with latest alteration upto date of opening of Tender.
6. **Terms of Delivery** FOT/FOR destination. The material will be delivered by road up to the depot of consignee.
7. **Delivery Period** Full ordered qty. to be supplied within the period of 10 months after issue of P.O. Supply will be made as under-
1st 50% quantity in 06 month i e up to 09.11.2013.
2nd 50% quantity in next 04 month i e up to 09.03.2014.
Predelivery will be permitted. Each installment of delivery of quantity will constitute a separate contract.
8. **Inspection** The inspection shall be done by RITES at manufacturer's works before dispatch, as per the latest RDSO Drawings and IRS Specifications with latest alterations; the firm has to arrange all facilities for inspection at their works.
9. **Taxes** (i)Excise duty: - Extra @12.36%
(ii)CST/VAT: - Extra @ 5.0%
(iii) Modvat: - All Modvat credits available on inputs on the date of opening will be fully retained by the supplier but any increase/ decrease that take place during the currency of the contract in Modvat on inputs will be on purchaser's account.
10. **Payment** 100% payment for each lot/consignment will be made after issue of R.O. on complete receipt of material against original inspection certificate along with delivery Challan duly verified by the consignee and counter signed by the Gazetted Officer of the concerned unit for each delivery subject to deduction of any amount for which the contractor is liable under this contract or any other contract.
11. **Statutory levies** Any taxes and duties other than Sales tax/VAT, Excise duty and Octroi levied as statutory duties comes under this category of taxes i. e. new impost. These taxes will be reimbursed subject to submission of documentary evidence in respect of payment made by the supplier. However, this will not be reimbursed during extended delivery period.
12. **Price Variation Clause** Applicable as per formula enclosed in annexure – H
13. **Unloading** Unloading of the materials duly inspected and passed by the inspection agency will be done by the consignee at the consignee's depot from the firm's trucks.
14. **Issue of Rails** As per clause No.5 of schedule of requirement, the new rails for the fabrication of Curved Switch, against B.G. or cash deposit of value equivalent to the cost of rails, will be issued to the contractor/firm, duly Ultrasonically tested for fabrication purpose from the nearby Flash Butt welding plant/Depot i.e. Flash Butt welding plant at Meerut (Northern

Railway), Gonda (N. E. Railway), Tatanagar (S.E. Railway), Moulali (S.C. Railway), Santragachi Depot (S.E. Railway), Arkkonam (S. Railway), Sabarmati (W. Railway) or from Bhilai steel plant, Bhilai.

The firm/contractor will have to make his own arrangements for the loading, unloading and transportation of rails, from the locations mentioned above to their workshop/ premises at their own cost.

A minimum amount of Bank Guarantee (B.G.) or Cash deposit of value equivalent to 25% of cost of the total rails required in the P.O. at the price of new rails or Rs. 50 lakhs which ever is less prevailing at the time of issue of rails should be furnished for the issue of rails at a time within 01 month from the date of issue of Purchase Order. B.G. should be made valid up to delivery period + one month, on stamp paper of **Rs. 250/-**.

15. **EMD** The firm is RDSO approved, hence exempted from remitting EMD as per clause No. 2.1.2 of additional special condition.
16. **Security Deposit for safety items** As per clause no. 2.2.3. of “Additional special condition of contract for manufacturing and supply” the security deposit/performance Guarantee of amount ₹10,00,000/- in the form of Demand draft, FDR deposit or BG in favour of FA&CAO/WCR/JBP, is to be deposited within 14 days from the receipt of Advance Acceptance letter for issuing vetted P. O.
The security deposit/performance guarantee shall be valid for a minimum period 60 days beyond the date of completion of all contractual obligation of store. (In case of BG, the BG will be on ₹250/- stamp or as per state rule whichever is more)
Firm has submitted BG No-796BGG1300324 dt.21.03.13 of Rs.10,00,000/- issued from Deutsche Bank, ECE- House, New Delhi-110001. Validity is up to 30.06.14.
17. **Octroi** Necessary Octroi exemption certificate will be issued however if any “Octroi charges are leviable that will be payable by the supplier.
18. **Transit Insurance** The purchaser will not pay separately for transit insurance and the supplier will be responsible till the entire stores contracted delivered in good condition at destination (consignee).
19. **IRS Condition of Contract** The firm has submitted tender documents through IREPS duly digital signed and hence accepted IRS condition of contract up to date.
20. **Option to vary the ordered quantity** As mentioned in Additional special condition of contract No.10.
21. **Force Majeure Clause** Railway’s Standard Force Majeure Clause, as per tender schedule shall be Applicable.
22. **Penalty clause** The penalty clause regarding supply of defective material, mentioned vides clause-27 and 28 of “Instructions to Tenderers” in the tender schedule will be applicable.
23. **Rejection at destination** Irrespective of the inspection carried out by the nominated inspection authority and passing of the inspected stores, the consignee shall have the right to verify the quality of each consignment at his end, reject the defective supplies and seek replacement within 15 days after due notice in writing. The defective goods shall be lifted by the suppliers and matching replacement arranged at their cost with maximum period of 4 weeks from the date of such notice sent by the consignee.

24. Guarantee

- 24.1** The Contractor guarantees that the stores which he supplies shall be manufactured fully in accordance with specifications. In all cases, the Contractor guarantees that its design shall strictly follow the “as made” detailed drawing with such modifications as are notified in respect of each type
- 24.2** The contractor further guarantees that the stores shall be free from defects in material and workmanship provided that the Contractor’s liability in this respect shall be limited to arranging the necessary replacement of the defective supplies free of any charge only to the extent that such replacements are attributable to or arise from faulty workmanship or material or in the manufacture of the stores. All replacements shall be made free of cost at destination. If the Contractor so desires, the replaced stores can be taken over by him for disposal as he deems fit, within a period of three months from the date of receipt of replacement of stores. At the expiry of this period no claim whatsoever shall lie on the Purchaser.
- 24.3** The guarantee herein contained shall not apply to any material which shall have been repaired or altered by the Purchaser, or on his behalf in any way so as to affect its strength, performance or reliability or any part due to misuse, negligence or accident. The guarantee herein contained shall expire in respect of each item of stores on the expiry of 18 months from the date of its delivery or 12 months from the date of its placing in service whichever is earlier, except in respect of defects notified to the Contractor prior to the expiry of such date.
- 24.4** All replacements that the Purchaser shall call upon the Contractor to deliver this guarantee shall be delivered by the Contractor promptly and satisfactorily.
- 24.5** Any approval or acceptance by the Purchaser of the stores or of the materials incorporated therein shall not in any way limit the Contractor’s liability hereunder.
- 24.6** The decision of the Purchaser in regard to Contractor’s liability under this guarantee shall be final and conclusive.

25. Special condition of contract and Railway’s Remark

SN	Quoted Conditions	Railway’s Remark
1	FOR: Destination Mode of dispatch: Road.	Accepted.
2	Inspection – as per tender document.	Accepted.
3	Delivery Period and Delivery Schedule: - delivery shall commence after receipt of technically and commercially clear order and not against receipt of letter of acceptance or counter offer. However, the delivery shall commence after two months from the date of receipt of rails from FBWP, Meerut NR and to be completed in fifteen months thereafter. In the event of non availability of rails at FBWP Meerut for which we shall give the documentary evidence, the delivery will have to be refixed without LD and Denial clause. No pro rata supplies shall be made on monthly basis and the entire supply shall be made within the quoted delivery period.	As per firm’s letter no.VAE.VKN/WCR/switch/2012-13/138 dt.06.08.2012, firm accepted Railway’s delivery period and delivery schedule for order of quantity of 315 sets. Accordingly firm’s to supply material as per Railway’s delivery period and schedule.
4	Delivery schedule- as per tender document	Noted.
5	Payment terms: - as per tender document	Accepted.

S. N.	Indents No.	Consignee	Allocation	Indent Quantity (Set)	Fund Availability	CP in original file	Mention in PB & LB
1	54410410 dt.23.06.11 (CP-4)	BPL	4022128/402232 8/4025328	33*	Av (CP-850)	363/11-12	Rev
*Out of 56 sets of indented quantity 33 sets taken in this tender.							
2	54410357 dt.02.06.10 (CP-9)	BPL	0421328, 0422328, 0425328	27	Av (CP-856)	337/G	Rev
3	02641-974 dt.17.05.11 (CP-11)	BPL (C)	LAR-SGRL New line project 0120114004	08	Av (CP-853)	75/11-12	PB 01/13-14
4	02641-0861 dt.03.05.10 (CP-10)	BPL (C)	Development of Model Freight Terminal at PRKD- 1521366204	5	Av (CP-854)	223/G	PB 34/12-13 Cancelled
5	44283061 dt.18.02.11 (CP-13)	KTT	Q31-40	17**	Av (CP-848)	148/11-12	PB 361/13- 14
**Out of 92 sets of indented quantity 17 sets taken in this tender.							
6	44283022 dt.18.06.11 (CP-15)	KTT	04-221-28	157	Av (CP-852)	43/12.13	Rev
7	KTT/RTA/3/stn/crossi ng/Stn49840907 dt 04.05.09 (CP-17)	KTT (C)	P-164305	24	Av (CP-847)	239/F	PB 28/13-14
8	RMA-JLW/49841035 dt 21.07.10 (CP-18)	KTT (C)	20114205	25	Av (CP-845)	408/G	PB 02/13-14
9	KTT/S/NKPA/4984/0 4 dt.22.07.10 (CP-19)	KTT (C)	20114305	06	Av (CP-847)	480/G	PB 32/13-14

The contract shall be governed by Indian Railway Standard Conditions of contract (latest revision) with amendments, invitation to tender, instruction to tenderer, Additional special conditions and instructions for quoting rates and other conditions incorporated in the subject tender document which will form part of the agreement. The conditions modified have been covered above.

DA: - Annexure 'H'(Price Variation Clause) & 'N'(List of fittings)

Yours faithfully

(Dinesh Chand)

Dy. CE (TP)

For and on behalf of President of India

PRICE VARIATION CLAUSE

(i) The increase/ decrease in the price of items quoted for material and wage escalation would be governed by the following formula :-

$$P1 = P0/100 (10 + 40 \times S1/S0 + 50 \times L1/L0) - Ma$$

Where,

PI = Escalated/de-escalated price.

P0 = Accepted Basic Rate

S1 = The Index No. of wholesale price in respect of items “Iron and Semis” and “Ferro Alloys” Compiled by Economic Adviser, Ministry of industry website <http://eaindustry.nic.in> for the calendar month three months prior to the call for inspection of the material. For instance, the material offered for inspection Jan11, the index No. of Oct 10 will be applicable.

S0 = The above wholesale price index for “Iron and Semis” and Ferro alloys” as per Economic Adviser, Ministry of industry website <http://eaindustry.nic.in> for the month in which tender was opened.

L1 = The All India consumer price Index for industrial workers compiled by Labour bureau. Ministry of Labour web site <http://labourbureau.nic.in> for the calendar month three months prior to the call for inspection of the material. For instance the material offered for inspection in Jan11, the index No. of Oct 10 will be applicable.

L0 = The All India consumer price Index for industrial workers compiled by Labour bureau. Ministry of Labour web site <http://labourbureau.nic.in> for the month in which tender was opened.

The component of “Iron and Semis” and “Ferro Alloys” for working out the composite index is as follows:

Iron & Semis 0.919

Ferro alloys 0.081

Ma = Variation in MODVAT to be passed on to purchaser (as per MODVAT formula).

(ii) In case of P1 is greater than P0. the difference P1 minus P0 shall constitute the amount due to the contractor towards escalation on cost of wage and material. Otherwise the difference P0 minus P1 shall constitute the amount to be recovered from the contractor as de-escalation.

(iii) If the deliveries are not made according to the Schedule and are delayed owing to any circumstances whatsoever and escalation in wage and material take place, such increase will not be admitted unless specifically agreed to at the time of granting extension in the delivery schedule.

(iv) The decision of the President of India in regard to wage and material escalation under this clause shall be final and not be subject matter of legal dispute or arbitration.

(B) MODVAT: (This is in addition to the MODVAT/ CENVAT Clause 5.5 of additional conditions of contract at Annex. G)

(i) The accepted contract rate is net of all MODVAT/CENVAT credits available to the firm on the date of opening of tender. All MODVAT/CENVAT credits available on inputs on the date of opening of tender will be fully retained by the supplier, in addition to the contract rates. Any variation in MODVAT/CENVAT after opening of tender and during the currency of the contract will be to the purchasers account. Till such time as the admissibility of the MODVAT remains confined to those inputs that were taken into account on the date of opening of tender, the variation in MODVAT that will accrue to the purchaser will be worked out as per the following formula –

$$Ma = 40 \times (P0/100) \{ (S1/S0 \times (E1/100) - (E0/100) \}$$

Where,

Ma = Variation in Modvat to be passed on to the purchaser (as per clause no 5.5 of additional special condition of contract at Annexure –G).

PO = Accepted Basic Rate.

S1 = The Index No. of wholesale price in respect of items “Iron and Semis” and “Ferro Alloys” Compiled by Economic Adviser, Ministry of industry website <http://eaindustry.nic.in> for the calendar month three months prior to the call for inspection of the material. For instance, the material offered for inspection Jan11, the index No. of Oct 10 will be applicable.

SO = The above wholesale price index for “Iron and Semis” and Ferro alloys” as per Economic Adviser, Ministry of industry website <http://eaindustry.nic.in> for the month in which tender was opened.

E1= Percentage Excise Duty rate as prevalent during the month just three the months prior to the call of inspection.

E0= Percentage Excise Duty rate at the time of opening of tender.

(ii) The suppliers will submit the following certificates with each bill.

“We certify that no additional duty set offs on the goods supplied by us have accrued under the MODVAT/CENVAT in force on the date of supply after we submitted our quotations and submitted the present bill”.

In the event of MODVAT/CENVAT credit being extended by the Government of India to more items that already covered, the contractor should advise the purchaser about the additional benefits accrued, through a letter containing the following certificate or any variation thereof as may be considered necessary by individual Railway Administration.

“We hereby declare that we can avail additional duty set offs as per latest MODVAT scheme in force now and we hereby give reduction ofper MT and agree to revise the prices indicated in the order. The current ED of% is payable on this reduced price. Therefore, we request you to amend the order accordingly.”

Yours faithfully

(Dinesh Chand)

Dy. CE (TP)

For and on behalf of President of India

Annexure-N

List of fittings for 1-12, 60Kg switches

S N.	RDSO Drg. T-	Description	Requirement
			Switch
1	1291	Insulating plate	1
2	1292	Insulating bush	3
3	2610	Reinforcing straps	2 LH & 2 RH
4	2611	Heel block	2
5	2612	Distance block	2
6	2625	MS bracket	8
7	3912	Plate screw	218
8	4359	Distance block	2
9	4360	Distance block	2
10	4596	Slide chairs	34
11	4597	Special bearing plate	2
12	4711	MS flat tie bar	2
13	10371	Insulating washer	6
14	11504	Bolt 25 x 90	24
15	11508	Bolt 25 x 130	12
16	11522	Bolt 25 x 270	2
17	11523	Bolt 25 x 280	2
18	11526	Bolt 25 x 310	2
19	11531	Bolt 25 x 360	2
20	11533	Bolt 25 x 380	2
21	11634	Turned bolt 18 x 75	4
22	11635	Turned bolt 18 x 80	16
23	11637	Turned bolt 18 x 90	16
24	11690	Black bolt	3
25	3901	M.S.Plate	1
26	083 (M)	Lugs	2
27	023 (M)	Spherical washer	10
28	3649 & 3650	leading stretcher bar insulated	1
29	3651 & 3652	1st follower strecher bar	1
30	3653 & 3654	2nd following stretcher bar	1
31	3655 & 56	3rd following stretcher bar	1
32	4347 to 4358	Slide block	1 each
33	4598 to 4609	Bearing plate	1 each
34	10773	Single coil spring washer	286
35	4018	Check rail	2
36	5204-5204/2	Tie plate	1

Note :- In case of dispute list mention in the RDSO drawing will be final.

Yours faithfully

(Dinesh Chand)

Dy. CE (TP)

For and on behalf of President of India