

WEST CENTRAL RAILWAY

BY SPEED POST

Purchase Order

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

No. WC RTP2013288/Shallow Depth PSC/512

Dated-11.03.14

M/s Vishal Nirmiti Pvt. Ltd.,
Plot No.22, Suyash 301, Tilak Nagar,
Nagpur -440-010
Fax-0712-2549520
Ph. No.0712-2521248
Mobile No.9752771701

Dear Sirs,

Sub: Tender No. WC RTP2013288 Dated 17.06.13 opened on 07.08.13 for Manufacture and Supply of Shallow Depth PSC Sleeper to RDSO Drg. No T-4852. As per IRS Specification No. T-39-1996 (with latest amendment) & with latest RDSO Drawings.

Ref: - (1) Your offer received through E-Tender (IREPS Website) on dt. 07.08.13.
(2) Your negotiation quotation No. VNPL/WCR/13-14 dt. 28.01.14
(3) This office counter offer No. WC RTP2013288 dt. 30.01.14
(4) Your acceptance letter No. VNPL/WCR/2013-14/390 dt. 04.02.14

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

Manufacture and supply of Shallow Depth Prestressed Mono block concrete sleeper (60Kg) to RDSO Drg. No. T-4852 (pre-tensioned type) for Broad Gauge (1673 mm) as per IRS Specification No. T-39-96 duly amended in accordance duly loaded into wagons/Road vehicles.

2. Rate & Total cost: as shown below.

S. N.	Description of item	Qty	Unit	Basic rate (₹)	ED extra at the time of dispatch present rate 12.36%*	CST extra at the time of dispatch present rate 13%*	All inclusive rate without freight. (₹)	Value (₹)
1	Shallow Depth PSC sleeper to RDSO Drg. No. T-4852	3000	Nos	1921.38	237.48	280.65	2439.51	7318530.00
Total Cost								₹ Seventy Three Lakh Eighteen Thousand Five Hundred Thirty Only

*To be reimbursed based on documentary proof

3. **Bill Passing Officer** Dy. Chief Engineer (TP) WCR (HQ) JBP.
4. **Bill Paying Officer** FA & CAO WCR, JBP.
5. **Place of Manufacture** M/s Vishal Nirmitti Pvt. Ltd. Bankhedi West Central Railway.
6. **Name of Work** Manufacture & supply of Shallow Depth PSC Sleeper to RDSO Drg. No. T-4852 as per IRS Specification T-39-1996 (with latest amendment) & with latest RDSO Drawing
7. **Terms of Delivery** FOR/FOT Works.
8. **Delivery Period** As defined in Note (i) of “Schedule of requirement” of tender documents.
The quantity on order shall be supplied within the currency of **03 months** from the date of issue of purchase order. Pre-delivery will be permitted. i.e. upto **10.06.2014**.
9. **Inspection** Applicable as per Clause No.4 of “Additional special condition of contract” of tender documents.
10. **Taxes**
(i) Excise duty: - Extra as applicable at the time of dispatch present rate (12.36%)
(ii) CST : Extra @ 13%
(iii) Modvat:- As per tender condition 5.5 of “Additional special condition of contract” and annexure H of tender documents.
The tenderer needs to give declaration
“We hereby declare that we can avail additional duty set offs as per latest MODVAT/CENVAT scheme in force now and we hereby give a reduction of per unit 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.”
11. **Payment** Applicable as per Clause No.7 of “Additional special condition of contract” of tender documents.
12. **New Impost** Any taxes and duties other than Sales Tax/VAT, Excise duty & 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.
13. **Price Variation Clause** PVC will be applicable as per Clause 8 of “Additional special condition of contract of tender document” annexure H.
14. **EMD/SD** The firm is on RDSO’s/Railway board approved list of manufacturers for PSC sleeper, hence exempted from remitting EMD.
As per clause No. 2.2.3 & 2.2.4 of additional special condition of contract, you are requested to submit the Security deposit (SD)/ Performance Guarantee in the form of Demand Draft, FDR deposit or BG in favor of FA & CAO, West Central Railway Jabalpur for **Rs. 7, 31,900/- (Seven Lakh Thirty One Thousand Nine Hundred only)** valid up to 60 days, beyond the date of completion, before issue of PO. Firm has submitted **BG.No. 2053914 BG 00000114 dt. 06.02.14 for Rs.7, 31,900/- valid upto 05.02.15**
15. **Octroi** Not applicable as per Clause 5.3 of “Additional special condition of contract of tender document”

16. **IRS Condition of Contract** The firm has submitted tender documents duly signed and hence accepted IRS condition of contract up to date.
17. **Option to vary the ordered quantity** Accepted as per tender documents clause No. 10 of additional special condition of contract “The Principal Chief Engineer West Central Railway reserves the right to enhance or reduce the contracted quantity up to 30% at the acceptance rate, terms and conditions of the order at the sole discretion. The discretion of the Principal Chief Engineer West Central Railway in this regard can be exercised any time before the expiry of D. P. /extended D. P. If quantity is increased by or up to 30% suitable extension in Delivery period will be granted by the purchaser”
18. **Force Majeure Clause** Railway’s Standard Force Majeure Clause, as per tender schedule shall be Applicable.
19. **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.
20. **Guarantee:** **Guarantee:**
- 1 The contractor guarantees that the PSC Sleepers 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.
 - 2 The contractor further guarantees that the PSC sleepers shall be free from defects in material and workmanship. The contractor shall be liable to arrange the necessary replacements of the defective sleepers free of any charge only to the extent that such replacements are attributable to or arise from faulty workmanship or material or design in the manufacture of the sleepers. All replacements shall be made free of cost at destination. If the contractor so desires, the replaced sleepers can be taken over by him for disposal as he deems fit, within a period of three months from the date of receipt of the replacement of defective sleepers by the purchaser. At the expiry of this period, no claim in this respect shall lie on the purchaser.
 - 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 effect its strength, performance or reliability, or to any defect to any part due to misuse, negligence or accident.
 - 4 The guarantee herein contained shall expire in respect of each sleeper on the expiry of 5 years from the date of the delivery or 3 years 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.

- 5 All replacements that the purchaser shall call upon the contractor to deliver under this guarantee shall be delivered by the contractor within three months from the date of intimation of such rejection of defective sleepers. If the contractor fails to replace the defective sleepers within the said period, the cost of the said sleepers at the rate stipulated in the contract shall be recovered from the payments due to the contractor.
- 6 Any approval of acceptance by the purchaser of the sleepers or of the materials, incorporated therein shall not in any way limit the contractor's liability hereunder.
- 7 The decision of the purchaser in regard to contractor's liability under this guarantee shall be final and conclusive.

21. Conditions quoted by M/s Vishal Nirmiti Pvt. Ltd. Nagpur, CSP at Bankhedi and Railway's remarks thereon are as under:

S N	Conditions Quoted by the Tenderer	Railway's remarks
1	As per tender conditions	Accepted.

All terms and conditions as per tender document

Material schedule:

Shallow Depth PSC Sleeper to RDSO Drg. No T-4852

Sr. No.	Indents no.	Date	Indent Qty. (in nos)	Allocation	P. B. no. as per indent	Current P. B no.	Outlay in thousand proposed for 13-14
JBP							
1	M.S. No.35 (CP-09)	27.02.13	3000	21314104/21314204/91314304	257/08-09	248/13-14	6000
Total			3000				

The contract shall be governed by Indian Railway Standard Conditions of contract (latest revision) with amendments, instruction to tenderer, 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.

(K.K.Pali)
Dy. CE (TP)
For and on behalf of President of India

Tender No- WC RTP2013288 Dated 17.06.13.

1. Price Variation Clause:

1.1. The accepted rate will vary in accordance with the price variation formula as detailed below in clause 1.2 to take into consideration variation in prices during execution of contract. Price variation will be worked out by taking into consideration the Indices/basic rate for the month of production.

1.2. Price Variation Formula

$$P_1 = P_0 / 100 (5 + 31 I_1 / I_0 + 23 L_1 / L_0 + 25 F_1 / F_0 + 16 W_1 / W_0) + H_1 + C_1$$

Where,

P_1 = Updated cost of sleeper

P_0 = Accepted Cost Net of CENVAT- ($H_0 + C_0$)

I_1 = WPI for Pig Iron during Production Month as per Economic Advisor, Ministry of Industry web site <http://eaindustry.nic.in/> (1+Excise Duty Rate of Pig Iron during Production Month)

I_0 = WPI for Pig Iron during the Tender Opening Month as per Economic Advisor, ministry of Industry website <http://eaindustry.nic.in/> (1+Excise Duty Rate of Pig Iron during the Tender Opening Month)

L_1 = All India Consumer Price Index of Industrial Labour during Production Month as per Labour Bureau, Ministry of Labour web site <http://labourbureau.nic.in>.

L_0 = All India Consumer Price Index of Industrial Labour during the Tender Opening Month as per Labour Bureau, Ministry of Labour web site <http://labourbureau.nic.in>.

F_1 = WPI for FUEL & POWER for Production Month as per Economic Advisor, Ministry of Industry web site <http://eaindustry.nic.in>.

F_0 = WPI for FUEL & POWER for during the Tender Opening Month as per Economic Advisor, Ministry of Industry web site <http://eaindustry.nic.in>.

W_1 = WPI for All Commodities during Production Month as per Economic Advisor, Ministry of Industry web site <http://eaindustry.nic.in>.

W_0 = WPI for All Commodities during the Tender Opening Month as per Economic Advisor, Ministry of Industry web site <http://eaindustry.nic.in>.

$H_0 = 15.66 \times$ Basic price per Kg of Rashtriya Ispat Nigam Limited, Visakhapatnam, ex-Visakhapatnam for High Carbon Wire Rod (7.0 mm grade PC 115) + CST chargeable by RINL, during the Tender Opening Month

$H_1 = 15.66 \times$ Basic price per Kg of Rashtriya Ispat Nigam Limited, Visakhapatnam, ex-Visakhapatnam for High Carbon Wire Rod (7.0 mm grade PC 115) + CST chargeable by RINL, during Production Month

$C_1 = 60.99 \times$ Basic Cement Cost Per Kg + CST during Production Month (irrespective of source of procurement)

$C_0 = 60.99 \times$ Basic Cement Cost Per Kg + CST during the Tender Opening Month

1.3 CENVAT

In the event of 'CENVAT' credit being extended by the Government of India to more items than those already covered, the firm should advise the purchaser about the additional benefits accrued or any variation thereof, through a letter containing the following certificate, as may be considered necessary by the purchaser. "We hereby declare that we can avail additional duty set-offs as per latest CENVAT Scheme in force now and we hereby give a reduction of per unit and agree to revise the prices indicated in the order. The current excise duty of% is payable on the reduced price. Therefore, we request you to amend the order accordingly."

1.4 VAT Credit to be passed on to the purchaser:

Total VAT Credit to be passed on to the purchaser will be

$$V = N_1 \times V_C + N_2 \times V_H + N_3 \times V_I + N_4 \times V_O$$

Where

N_1 = Number of Sleeper produced by procuring cement from within the State during the month.

N_2 = Number of Sleeper produced by procuring HTS Wire from within the State during the month

N_3 = Number of Sleeper produced by procuring SGCI Inserts from within the State during the month

N_4 = Number of Sleeper produced by procuring Aggregate from within the State during the month

$$\begin{aligned} \text{VAT Credit for Cement Per Sleeper} &= V_C \\ &= (C_1 + \text{ED on } C_1) \times \text{CST Rate on Cement during} \\ &\quad \text{Production Month} \end{aligned}$$

(to be passed to purchaser if the approved source is within the State in which plant is situated. In case approved source of cement is outside the State V_C will be Zero).

$$\begin{aligned} \text{VAT Credit for HTS Wire Per Sleeper of Sleeper} &= V_H \\ &= (H_1 + \text{ED on } H_1) \times \text{CST Rate on HTS during} \end{aligned}$$

Production Month

$$\begin{aligned} \text{VAT Credit for Inserts Per Sleeper of Sleeper} &= VI \\ &= 0.51 \times Po/100 (5 + 31 I1/ Io + 23 L1/ Lo + 25 F1/ Fo \\ &\quad + 16 W1/ Wo) \times (1 + \text{ED Rate on Inserts}) \times \text{CST} \\ &\quad \text{rate on Inserts, during Production Month} \end{aligned}$$

VAT Credit for Aggregate Per set/Sleeper of Sleeper = $Vo = 0.07 \times Po \times W1/Wo \times \text{VAT on Aggregate during Production Month}$

VAT benefit shall be calculated on monthly basis and should be accounted for in PV claim.

Documentary proof of the rates of VAT payable, will be verified before such payments are made.

1.5 In order to avoid blockage of funds till final escalation is worked out and paid on the basis of indices for the month of production, the accepted price will be updated every six months as per the above formula for escalation. First updating shall be done on the basis of indices for the month of acceptance of tender as soon as confirmed indices for the month of acceptance are available. Payment for the supplies made shall be done at the latest updated price. The updated price will also include the payment towards reimbursement of freight in transportation of various input materials as per the formula in **Clause 2.0** below.

2.0 Payment of Freight on Input Materials:

2.1 In addition to the accepted rate, the cost of transportation of Inserts, HTS Wire and Cement shall be reimbursed extra as under:

Freight = Freight (Cement) + Freight (Inserts) + Freight (HTS)

Freight (Inserts) = Irrespective of location or number of sources from where this item is procured, Railway freight for wagon load classification during the month of production from the nearest live source (which is in production and capable of supplying the required quantity) of SGCI Inserts if the material is drawn from the nearest source and if not from the nearest source, the actual freight or the Average freight of the nearest two sources whichever is lower through the shortest possible rail route, irrespective of actual size of the consignment. If Railway feels that it is necessary to procure the material from the 3rd nearest source then the freight reimbursement shall be the actual freight or the average freight of the nearest source and 3rd nearest source, whichever is lower. In case the material is transported by Road then the method of lead calculation will be as outlined above, but reimbursement shall be made maximum upto 150% of relevant rail tariff or actual Road freight, whichever is lower.

Freight (HTS Wire) = Irrespective of location or number of sources from where this item is procured, Railway freight for wagon load classification during the month of production from the nearest live source (which is in production and capable of supplying the required quantity) of HTS Wire if the material is drawn from the

nearest source and if not from the nearest source, the actual freight or the Average freight of the nearest two sources whichever is lower through the shortest possible rail route, irrespective of actual size of the consignment. If Railway feels that it is necessary to procure the material from the 3rd nearest source then the freight reimbursement shall be the actual freight or the average freight of the nearest source and 3rd nearest source, whichever is lower. In case the material is transported by Road then the method of lead calculation will be as outlined above, but reimbursement shall be made maximum upto 150% of relevant rail tariff or actual Road freight, whichever is lower.

Freight (Cement) = Railway freight for rake/wagon load classification during the month of production from the nearest approved source of Cement as fixed by the Railway through the shortest possible rail route. For reimbursement of freight, in case special cement is transported by road, Railway Board's instructions circulated under letter No. 90/Track-II/22/15/1 dated 12.2.1991 and 89/Track-II/22/15/1 (Pt. B) dated 22.7.1991 will hold good except that the road freight will be reimbursed at actuals subject to a ceiling of "150%" in place of "120%" of the corresponding rail freight.

- 2.2 For calculating freight under clause 2.1 above & clause 1.2, weight of input materials shall be considered as per RDSO Drg No.T-4852 (Shallow Depth PSC Sleeper)
- 2.3 Total freight as calculated above shall be added to the accepted rate immediately after the acceptance of tender on the basis of freight applicable **for the month of opening of tender**. Further change in freight shall be accounted for at the time of updating/ escalation.
- 2.4 HTS Wire & SGCI Inserts can also be procured from any of the RDSO approved sources, however, freight reimbursement shall be only for the nearest source.

(K.K.Pali)

Dy. CE (TP)

For and on behalf of President of India