

BY SPEED POST

WEST CENTRAL RAILWAY

PURCHASE ORDER

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

No. WCR/TP/2013295/M. S. Liner, 60 kg/546

Dt. 08.12.2014

**M/s. Stelco Engineers,
Plot no. d- 51,
Industrial area, Phase- V,
MOHALI - 160055 (Punjab)
FAX No. 01722652520**

Dear Sir,

Sub: Tender no. WCRTTP2013295 dated 09.12.2013, opened on 24.01.2014 for manufacture and supply of MS Liner, 60 Kg. Drg. No.T-3740 as per IRS Specification (Provisional-2010) with latest amendment issued up to date of opening of tender.

**Ref: - (i) A.A.L.No. WCR/TP/2013295/M. S. Liner, 60 kg dated 08.08.2014
(ii) Your letter No. SE/WCRTTP2013295 dated 12.08.2014**

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** Tender for manufacture and supply of MS Liner, 60 Kg. Drg. No.T-3740 as per IRS Specification (Provisional-2010) with latest amendment issued up to date of opening of tender.

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

Item	Qty. in Nos.	Consignee SSE/ P.way /Store.	Basic Rate (₹/Nos.)	*ED Extra	*CST/ VAT Extra	Freight (₹/Nos.)	All Inclusive Rate (₹/No..)	Total Cost (₹)
1	2	3	4	5	6	7	8	9
MS Liner 60 Kg. Drg. No.T-3740	6,57,805	BPL	25.83	inclusive	inclusive	1.70	27.53	1,81,09,371.65
Total cost ₹ 1,81,09,371.65 only								
(₹ One Crore Eighty One Lakh Nine Thousand Three Hundred Seventy One & Paise Sixty Five only)								

*CST/VAT will be reimbursed subject to submission of documentary evidence.

3. **Bill Passing Officer** Dy. Chief Engineer (TP) WCR (HQ) JBP.
4. **Bill Paying Officer** FA & CAO WCR, JBP.
5. **Name of Work** Manufacturing and supply of MS Liner, 60 Kg. Drg. No.T-3740 as per IRS Specification (Provisional-2010) with latest amendment issued up to date of opening of tender.
6. **Terms of Delivery** FOT destination. The material will be delivered by road up to the depot of consignee.
7. **Delivery Period** Full ordered qty. to be supplied with the period of 11 months after issue of P.O. Predelivery will be permitted. Each installment of delivery of quantity will constitute a separate contract.
Ist 50% quantity in 06 month i e up to 07.06.2015
IInd 50% quantity in next 05 month i e up to 07.11.2015
8. **Inspection** Inspection of finished material will be done by RITES as per the extant instructions in vogue as conveyed by Railway at manufacturer's works before dispatch of tendered items as per the latest RDSO Drawings and IRS Specifications with latest alterations.
9. **Taxes** (i)Excise duty: - Inclusive
(ii)Sales Tax: - Inclusive
(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. **Guarantee**

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.
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.
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 which ever is earlier, except in respect of defects notified to the Contractor prior to the expiry of such date.
4. All replacements that the Purchaser shall call upon the Contractor to deliver, this guarantee shall be delivered by the Contractor promptly and satisfactorily.
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.
6. The decision of the Purchaser in regard to Contractor’s liability under this guarantee shall be final and conclusive.

15. **EMD**

The firm is on RDSO’s approved list of manufacturers for MS Liner 60 Kg. Drg. No.T-3740, hence exempted from remitting EMD as per clause No. 2.1.2 (A) (iii) of additional special condition.

16 **Security Deposit for safety items**

You have submitted Bank Guarantee No. 0506214BG0000438 dated 21.08.2014 for Rs.10,00,000/- valid upto 31.10.2015 issued by State Bank of India, Trade Finance Central Proc. Centre, SCO 107-108, 3rd Floor, Sector-17-B, Chandigarh-160017 towards security deposit/performance Guarantee.

As per clause no. 2.2.1, 2.2.3. & 2.2.4 of “Additional special condition of contract for manufacturing and supply” 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.

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 special condition 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 vide 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.
23. Allocation Chargeable Head mentioned in Indent.

S. N.	Indents No.	Date	Indent Qty. (in Nos.)	Allocation	Remarks	PB/LB 2014-15	Outlay provided in PB/LB 2014-15 (figures in thousands)
BPL							
1	54410526	10.10.12	*657805	DRF-21314204	*Out of 1443372 nos., 42657 nos. has been proposed for 30% option clause in T-249, 657805 nos. has been considered for P.O. to M/s. Pragati Steels, Mohali and 657805 nos. has been considered for this P.O. =	P.B. 383/14-15	12,14,47

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.

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

(Part of Annexure-‘G’ clause 8 of additional special conditions)

TENDER NO. WC RTP2013295 dated 09.12.2013

(A) Price Variation Clause:

The accepted rate will vary with variation in the monthly price index (Index Nos. of wholesale prices) as published by Reserve Bank of India in its Bulletin for (i) Iron and Semis (ii) Fuel and Power : and (iii) Variation in the All India Consumer Price Index Number for Industrial Workers, in accordance with the following ratio and formula thereof:-

RATIO

i) Iron and Semis	: 55%
ii) Fuel and Power	: 15%
iii) Labour	: 15%

Price Variation Formula:

$$P1 = P0/100 (15+ 55 X C1/C0 + 15 X L1/L0 + 15 X F1/F0) – Ma$$

Where

P0 = Contract unit rate as accepted.

P1 = Escalated/de-escalated rate.

C1 = Index Number of wholesale price index for Iron and Semis as per RBI Bulletin as Prevalent during the month just preceding the month of inspection.

C0 = Wholesale price index for Iron and Semis as per RBI Bulletin as prevalent during the month in which tender was opened.

F1 = Wholesale price index for Fuel and Power as per RBI Bulletin as prevalent during the month just preceding the month of inspection.

F0 = Wholesale price index for 'Fuel and Power as per RBI Bulletin as prevalent during the months in which tender was opened.

L1 = "Consumer price Index for Industrial Workers – All India's during the month just preceding the month of inspection as per RBI Bulletin..

L0 = 'Consumer price index for Industrial Workers – All India's as per RBI Bulletin during the month in which tender was opened.

(B) MODVAT FORMULA: (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 credits available to the firm on the date of opening of tender. ALL MODVAT credits available on inputs on the date of opening of tender will be fully retained by the supplier, in addition to the contract rate. Any variation in MODVAT after opening of tender and during the currency of the Contract will be to the Purchasers account. Till such time as the admissibility of 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:

$$Ma = 55/100 \times Po \{ (C1/Co) \times (E1/100) - Eo/100 \}$$

Where

Ma = Variation in MODVAT to be passed on to the purchaser (as per clause no. 5.5 of additional special condition of contract and Annexure-H).

Po = Contract Unit Rate as accepted.

C1 = Index number of Wholesale Price, Index for iron & Semis as per RBI Bulletin as prevalent during the month just preceding the month of inspection.

Co = Index number of Wholesale Price, Index for iron & Semis as per RBI Bulletin as prevalent during the month in which tender was opened.

E1 = Percentage excise duty rate as prevalent during the month just preceding the month of inspection.

Eo = Percentage excise duty rate prevalent at the time of opening of tender.

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 scheme in force on the date of supply after we submitted our quotations and submitted the present bill.”

(ii) In the event of MODVAT credit being extended by the Government of India to more items then already covered the contractor should advise the purchaser about the additional benefits accrued, through a letter containing a 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 a reduction of _____ per 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.”

(K. K. Pali)

Dy. CE (TP)

For and on behalf of President of India