



KONKAN RAILWAY CORPORATION LIMITED
MATERIALS MANAGEMENT DEPARTMENT

**Instructions to Tenderers for E-Tenders and
Manual Tenders
AND
General Tender Conditions
for Open Tenders**

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KONKAN RAILWAY CORPORATION LIMITED

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Office of the
Controller of Stores,
4th floor, Belapur Bhavan, Sector-11
CBD Belapur, Navi Mumbai - 400614

INSTRUCTIONS TO TENDERERS FOR E-TENDERS

1.0 BEFORE FILLING UP THE TENDER FORM, PLEASE READ THE

- (A) INSTRUCTION TO TENDERERS FOR E-TENDERS,
- (B) GENERAL TENDER CONDITIONS,
- (C) SPECIAL TENDER CONDITIONS,
- (D) IRS-KR CONDITIONS OF CONTRACT (AS APPLICABLE).

THESE ARE AVAILABLE ON THE KONKAN RAILWAY WEB PAGES AND THE IREPS WEB SITE www.ireps.gov.in. THE CONTRACTS AND THE SUPPLY WILL BE GOVERNED BY THESE CONDITIONS. YOUR DIGITAL SIGNATURE ON THE E-TENDER FORM WILL BE INDICATIVE THAT YOU HAVE READ AND ACCEPTED ALL THE CONDITIONS AND UNDERTAKE TO ABIDE BY THESE CONDITIONS UNLESS SPECIFICALLY DENIED / MENTIONED BY YOU IN YOUR OFFER.

- 1.1 On behalf of the Konkan Railway Corporation Limited, the Controller of Stores, Konkan Railway, Controller of Stores, 4th floor, Belapur Bhavan, Sector-11, CBD Belapur, Navi Mumbai - 400614 (hereinafter referred to as the Purchaser) invites electronic tenders for the supply of items as set forth in the "Notice Inviting Tender" and "Item Details" page attached with each electronic tender "Financial Rate Page screen". The Contract, if placed, shall be governed by (i) the latest version of IRS-KR Terms and Conditions of Contract, (ii) Instructions to tenderers for e-tenders (iii) General Tender Conditions and (iv) Special Conditions of Contract, which are available at the respective links on the Indian Railway e-procurement site www.ireps.gov.in.
- 1.2 It will be presumed that the firms who have submitted the e-bid along with tender cost, have gone through all the terms and conditions of tender thoroughly and accept IRS-KR conditions of contract, until and unless firms specify the deviations from terms and conditions of tender and IRS-KR Conditions of contract in their quotations.

2.0 Tender Documents and Tender Cost:

- 2.1 Tenderers are expected to upload their bids after depositing the requisite cost towards tender document. It is therefore advised that evidence of payment of tender document cost is kept handy, before attempting submission of e bid.

Tender cost can be paid by the following method:

- (I) Physical Form:



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By submitting a Bank Draft drawn on a nationalized bank in favour of the FA&CAO, Konkan Railway payable at CBD Belapur.

Scanned copy of Bank Draft / Cash receipt may be uploaded with the e-Bid if tender cost is paid by above method. The Bank Draft / Cash Receipt should be sent under Registered Post / Speed Post to the following address: , Office of the Controller of Stores, 4th floor, Belapur Bhavan, Sector-11, CBD Belapur, Navi Mumbai – 400614 duly indicating the Name of Tenderer, Tender No, Tender Type and Due date on the reverse of the instruments / documents. They should also superscribe “**Cost of Tender Document and Earnest Money Deposit for Electronic Tender No:_____ Type:_____ and Closing Date: _____**” on the envelope.

Alternatively the above documents can be dropped in the box specified for this purpose and kept in COS office, KRCL, till the closing date and time of the e-tender.

(II) Electronic Form:

Payment through IREPS gateway will not be accepted. Tenderer can remit cost of tender document through RTGS/NEFT in favour of FA&CAO / KRCL / BELAPUR KRCL's account no.54000000065, State Bank of Mysore, Belapur Bhavan, Sector-11, CBD Belapur, Navi Mumbai – 400 614. IFSC Code: SBMY0040524

(III) In any case, the successful tenderer will have to submit the tender cost prior to placement of order. Or else, tender cost will be recovered from firm's first bill.

(IV) Exemption from Payment of Tender Cost:

- (a) Firms registered with NSIC for the tendered item are exempted from payment of tender cost. However, such firms must upload legible scanned copy of current & valid NSIC certificate for the tendered item in support of their claim failing which the cost of tender document will be recovered from the first bill, if P.O is placed on the firm.
- (b) PSUs like M/s IOCL, HPCL, BPCL, IBP, Balmer Lawrie, BHEL, BEML & other Govt. Department such as Ministry of Defence etc. are also exempted from paying the tender cost.

2.2 Any manual offers found enclosed in the envelopes containing instruments / documents towards payment of Tender Cost will be treated as invalid offers and will not be considered.

2.3 E-Tender documents consist of:

- (a) Instructions to Tenderers for E-Tenders,
- (b) General Tender Conditions
- (c) IRS-KR Conditions of Contract
- (d) Special Tender Conditions (if any)
- (e) Techno-commercial offer form including attachments (if any)
- (f) Financial Offer Form



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- 2.4 Manual offers shall NOT be accepted against E-Tenders, even if they are submitted on the Firm's letterhead/any other form acquired or downloaded, and, submitted in time. All such manual offers shall be considered as invalid offers and shall be rejected summarily without any consideration.

3.0 Filling of e-Tenders

- 3.1 Tenders should be duly filled in (on the assigned space), duly signed with the digital signature and submitted online. All mandatory fields marked with (*) have to be filled by the tenderers.
- 3.2 Tenderers must fill-in the techno-commercial offer form (consisting of eligibility criteria, terms and conditions, performance statement, deviation statement, checklist & special conditions etc), financial offer form and attach scanned copy of necessary documents.
- 3.3 All the mandatory fields of the Techno-commercial offer form and Financial offer form (i.e. Rate page) including basic rate, all taxes and duties (including maximum percentage of Sales Tax / VAT, and Excise Duty), or any other taxes / duties which may become applicable during the currency of the contract, freight upto destination and any other charges have to be filled up by the vendor. The unit of rate shall be as indicated in the tender schedule and cannot be altered by the vendor. All-inclusive rates on FOR destination basis shall be automatically calculated by the system and shown to the vendor before submission of offer. (Screenshot / print-screen will not be taken as proof of having submitted the same rate.)
- 3.4 Tenderers should clearly indicate separately ex-works basic price, packing charges, forwarding charges, Excise Duty, Educational Cess, Sales Tax / VAT and Freight charges up to destination, applicable for each unit tendered. Duties and Taxes are not payable on freight charges and forwarding charges. Therefore, if the tenderer happens to quote a composite price, due break-up is to be given showing freight and forwarding charges separately.
- 3.5 Tenderers should show discount in the rate schedule only, instead of anywhere else in the offer. Discounts not shown at designated place **will be summarily ignored** for assigning inter-se ranking of offers. Conditional discount will not be considered for adjudging the inter-se position i.e. rate quoted without any conditions attached (viz. Discount / Rebates having linkages to quantity, payment, Inspection agency, destination, delivery place etc.) will only be considered for evaluation purpose. In other words, discounted rates linked to quantities, prompt payment etc. will be ignored for determining inter-se position. Purchaser, however reserves the right to use the discounted rate / rates considered workable and appropriate, for counter offer to the successful tenderers.
- 3.6 Firm should accept all IRS-KR conditions of contract. Any condition not in conformity with IRS-KR conditions of Contract should be avoided.



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- 3.7 Tenderers are advised to quote for minimum 50% of the Tender Quantity, failing which their offers shall be liable to be ignored.
- 3.8 Delivery is required to be made at the place as stated. Any deviation from the same may be considered as commercially unresponsive and the offer is liable to be ignored.
- 3.9 Deliveries are preferably to be made by Road transport.
- 3.10 Maker's name and address and Brand of the stores offered must be stated, if required, as per drawing / specification. Otherwise offers are liable to be rejected.
- 3.11 Offers should be valid for 90 days after closing date of tender. Any offer having lesser validity shall be deemed as commercially unresponsive and will be liable to be ignored.
- 3.12 E-Tender form is not transferable.
- 3.13 Tenderers must clearly indicate whether they are registered with COS/ Konkan Railway for supplying the quoted item, and if so, he must mention his registration number and the monetary limit (if any) in the rate page.
- 3.14 Any financial element indicated in the remarks column will not be taken for ranking / evaluation and will be summarily ignored. Tenderers are therefore advised not to enter any financial element in the remarks column available in the Financial Rate page.
- 3.15 The Tenderers are required to quote in the same rate units (Nos./Kgs./Sets/ mtrs/ kmtrs etc.) as given in the tender schedule. Any deviation in this aspect will make the offer to be summarily ignored.

4.0 Drawings and Specifications:

- 4.1 Unless Drawings and Specifications as mentioned in the tender schedule are provided with the tender documents or made available in IREPS website for downloading by the tenderers, these may be obtained in the manner shown below:
 - (a) Specification / STR / Drawing of RDSO / ICF / DLW / CLW / CORE etc may be obtained from the concerned authority who has issued these, on payment.
 - (b) Drawings and Specifications framed by the concerned authority of Konkan Railway may be obtained from the office indicated in the tender.
- 4.2 If any tenderer happens to quote with his own Drawing No / Part No / Specification, then, he shall have to necessarily submit all the requisite documents and information in support of his offer being in conformity with the tendered Drawing / Specification. Furthermore, such drawings / specifications / catalogue are also to be uploaded, failing which the offer will be liable to be rejected.



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5.0 Documents to be attached / uploaded along with e-Bid

Scanned copy of the following documents should be uploaded along with the e-Bid:

- (a) Performance statement against Railways' orders for supply of same or similar items. Correct status / supply position of pending orders, if any, should be invariably indicated. Supporting documents are to be uploaded.
- (b) Supply/ purchase orders including inspection certificates issued by RDSO/ RITES and Receipt notes to substantiate their past performance,
- (c) Details of Machinery and Plant, other equipments, testing facilities, quality management / control systems and details of technical manpower available,
- (d) Letter of approval from RDSO / Railways indicating current validity and approval of their QAP by RDSO, wherever applicable,
- (e) Tenderers should also indicate their registration number with the concerned railway with monetary limit, trade groups for which registered, and validity date of registration,
- (f) Current and Valid NSIC Certificate, if registered with NSIC for the tendered item,
- (g) Proof of having paid EMD and tender cost or grounds in favour of exemption / waiver, details of which has been submitted by the tenderer in payment detail page of the e-Tender (in case payment details have been filled manually).

5.1 **Compliance to Special Conditions / Checklist for Vendor:**

Vendors are advised to complete the "Compliance to special tender condition / Checklist" with each offer specifically stating "yes" or "no" against each special condition / Checklist. In the case of a "no" they must fill reason for not agreeing with that special condition / Checklist in the appropriate box.

6.0 **Bid Submission**

- 6.1 E-bid along with the relevant documents must be uploaded and digitally signed with the digital signature of the pre-authorized personnel of the tenderer already registered with the IREPS web site. Digital signature used must be "Class IIIB with Company Name" obtained from G.O.I. approved Certifying Authority.
- 6.2 Tenderers must look out for NIT as soon as it is available in IREPS website and upload their offer well in advance without waiting for closing date and time, to avoid last minute hassles in their own computer system or communication line. Konkan Railway is not responsible for non-participation of vendors due to any technical problems on the day of tender closing time.
- 6.3 Only bids received in the Electronic tender box available on the Web Site www.ireps.gov.in will be considered.
- 6.4 The e-procurement system does not permit submission of any offer after the closing date and time of that e-Tender. Hence there is no scope of any Late / Delayed offers in the online bidding process.

7.0 **Tender Opening**

- 7.1 Electronic tender boxes will be opened only after stipulated closing date and time of the tender as shown on the IREPS Website.



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- 7.2 E-Tender boxes will be opened by minimum two authorized Railway officials using their secured digital permissions, passwords and digital private keys obtained from GOI approved certifying agencies. The icon will indicate that the tenders have been opened.
- 7.3 Vendor shall not be required to be present in the Railways office for any e-Tender opening process. They can obtain totally transparent bid tabulation statement (in case of Open and Spl Limited tenders) by logging on to the IREPS website after tender opening.
- 7.4 All the participating vendors who have submitted valid electronic offers can view their own offer details as well as the tender tabulation statement (in case of Open and Spl. Limited tenders), after tender opening, from any remote location using internet access by visiting the web site www.ireps.gov.in instantly after opening of the virtual tender box, by clicking on the icon.
- 7.5 Railway does not guarantee opening of the tenders immediately after the closing date and time due to reasons beyond its control and hence tenders can be opened after the due date and time also. It will however, be ensured that no offers are submitted after tender closing date and time. Vendors cannot submit / modify any offer or attach any file to it after the closing date and time as stipulated in the tender notice. System does not permit any alteration, modification, deletion of any entry or condition, offered by the tenderer in the e-tender, after closure of the virtual tender box.
- 7.6 The Controller of Stores or any officer authorized on behalf of the KRCL does not bind himself to accept the lowest or any other offer and reserves the right to cancel, reduce or divide the contract on more than one source without assigning any reason for such action.

8.0 Earnest Money Deposit:-

An amount as indicated in the tender is required to be deposited with FA & CAO, Konkan Railway towards Earnest Money, in the form of

- (a) Bank Guarantee executed by a Nationalized bank / scheduled commercial bank of India, or
- (b) Fixed Deposit Receipts or Call Deposit Receipts of the Schedule Bank of India approved by Reserve Bank of India or
- (c) Pay orders or Demand Drafts or Guarantee Bond executed by the state Bank of India or by a schedule Bank duly stamped and approved by the Reserve Bank of India in terms of Government of India Bank Guarantee scheme.

Earnest Money may be paid manually (i.e. offline) as indicated under para (2.0) for tender cost before the closing date and time of the e-tender.

8.1 Exemption: The under-mentioned categories of Tenderers are exempted from depositing earnest money:-

- (a) Vendors registered with NSIC up to the monetary limit of their registration for the items tendered.
- (b) Vendors registered with Konkan Railway or other Zonal Railways up to



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the monetary limit of their registration for the items tendered / trade groups of the items tendered.

- (c) Vendors on approved list of RDSO/ PUs/ CORE/ Railways etc. for those specific items for which they are on approved list.
- (d) Manufacturers and their accredited agents.
- (e) Other Railways, Govt. Departments.
- (f) All the Startups recognized by DIPP (Department of Industrial Policy & Promotion)

Tenderer(s) exempted from payment of Earnest money shall have to upload with their offer, a scanned copy of requisite documentary evidence in support of their claim.

- 8.2 EMD should remain valid for a period of 45 days beyond the final offer validity period. EMD will be refunded to the successful tenderers on receipt of security money. EMD will also be refunded to unsuccessful tenderers after finalization of tenders.

8.3 Forfeiture of Earnest Money:

Railways shall have the right to forfeit the Earnest Money Deposit if the tenderer withdraws or revises his offer within its validity period.

- 8.4 If the tender is cancelled by the Railway Administration before tender opening, any EMD paid shall be refunded to the tenderer.

9.0 Security Deposit:

- 9.1 "Security Deposit (SD) / Performance Guarantee shall be taken from all firms for all ITEMS with contract valued above Rs. 10 Lacs with exemption only to PSUs which are owned by Ministry of Railways, registered with Production Units of Railways, Zonal Railways, CORE/ALD, RDSO or NSIC, for supply of those specific items for which they are registered with them".

- 9.2 The Security Deposit (SD) shall be taken from all firms for contracts for items placed against advertised tenders and Global tenders subject to following exemptions:

- (a) Vendors registered with NSIC up to the monetary limit of their registration for the items ordered.
- (b) Vendors registered with KRCL / Other Railways up to the monetary limit of their registration for the items ordered / trade groups for items ordered or vendors on approved list of RDSO / Pus / CORE/ Railways etc. for those specific items for which they are on approved list or other Railways, Govt. Departments on their specific request and on merits of the case as considered by tender committee.

- 9.3 The usual security deposit, shall, however be taken in case the contracts are placed on unregistered / unapproved firms or for items for which a particular firm is not registered / approved. Tenderers are required to upload scanned copies of



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necessary documents as above in support of claim for SD waiver, in case of such claim / request.

- 9.4 The amount of SD to be taken, wherever considered, shall be 10% of the total value of contract subject to upper ceiling of Rs. 50 lakh. (As per Railway Board's letter dt.21.02.2018 'Security Deposit for Stores Tenders' – link give below)
<http://www.indianrailways.gov.in/railwayboard/uploads/directorate/stores/downloads/circular/RS%20G/EMDSD.pdf>
- 9.5 Security deposit should remain valid for a minimum period of 60 days beyond the date of completion of all contractual obligations of supplier. After completion of all contractual obligations, SD will be returned to the successful supplier.
- 9.6 The successful Tenderers will be required to deposit Security Deposit with FA & CAO, Konkan Railway as required by the Administration for proper fulfillment of the contract. The Security Deposit may be made in any of the following manners:-
a. Government Securities to be valued at 5% below the market value.
b. Deposit receipt of any nationalized Bank.
c. Guarantee Bonds executed by any nationalized Bank.
d. Demand Draft of any nationalized Bank.
e. A deposit in Post Office Savings Bank.
f. National Savings Certificate.
g. Defence Deposits.
h. National Defence Bond.
- 9.7 **Firms are advised to ensure that address furnished by them for getting digital signature from accredited agencies are same as that furnished to and available with the centralized source approving authorities such as RDSO/CLW/DLW/ICF etc. They are further advised that while registering themselves in the IREPS website for participation in E-procurement system, the same address as above is filled up, to avoid any vitiation of information and consequent impairment in their credentials.**
- 9.8 **Integrity Pact -**
This tender is covered under Integrity Pact programme of KRCL and prospective bidders are required to sign the Integrity Pact document and submit the same before or along with the bids for Stores contracts as per value given in Annexure – II of Integrity Pact.



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Instructions to Tenderers for Manual-Tenders

Note: Bidders are advised to read Instructions to Tenderers for e-Tenders attached herewith. Instructions to manual tenders and general conditions for manual and E-tenders are same except following changes applicable for manual tenders only.

Para	To read with following changes
where ever appearing	tender in place of e-tender or electronic tender Bid in place of e-Bid Enclosed in place of uploaded Tender schedule form used for submitting manual bids is enclosed
1.0	<u>BEFORE FILLING UP THE TENDER FORM.</u> PLEASE READ THE (A) INSTRUCTION TO TENDERERS FOR MANUAL-TENDERS, (B) GENERAL TENDER CONDITIONS, (C) SPECIAL TENDER CONDITIONS, (D) IRS-KR CONDITIONS OF CONTRACT (AS APPLICABLE). THESE ARE AVAILABLE ON THE KONKAN RAILWAY WEBSITE www.konkanrailway.gov.in THE CONTRACTS AND THE SUPPLY WILL BE GOVERNED BY THE SAID CONDITIONS. YOUR SIGNATURE ON THE TENDER FORM WILL BE INDICATIVE THAT YOU HAVE READ AND ACCEPTED ALL THE CONDITIONS AND UNDER TAKE TO ABIDE BY THE SECOND CONDITIONS UNLESS SPECIFICALLY DENIED/MENTIONED BY YOU IN YOUR OFFER
1.1	On behalf of the Konkan Railway Corporation Limited, the Controller of Stores, 4th floor, Belapur Bhavan, Sector-11, CBD Belapur, Navi Mumbai - 400614 (here in after referred to as the Purchaser) invites the tenders for the supply of items asset forth in the "Notice Inviting Tender" and "Item Details" attached with each tender. The Contract, if placed, shall be governed by) the latest version of IRS-KR- Terms and Conditions of Contract, (ii) Instructions to tenderers for manual tenders (iii) General Tender Conditions and (iv) Special Conditions of Contract.
1.2	Bid in place of e-bid
2.0	<u>2.0 Tender Documents and Tender Cost:-</u>
2.1	Tender Forms can be obtained from COS Office 4 th floor, Belapur Bhavan, Sector-11, CBD Belapur, Navi Mumbai - 400614 against cash receipt issued by KRCL Or Tender Forms can also be downloaded from website www.konkanrailway.gov.in Tender cost can be paid by the following methods:- (I) <u>Physical Form:-</u>



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	<p>(a) No change</p> <p>(b) No change</p> <p>Bank Draft/Cash receipt to be enclosed with the Bid if tender cost is paid by methods (a) and (b).</p> <p>(II) <u>Electronic Form:-</u></p> <p>No change</p> <p>(III) No change</p> <p>(IV) <u>Exemption from Payment of Tender Cost:-</u></p> <p>(a) "enclose legible" in place of "upload legible scanned"</p> <p>(b) no change</p>
2.2	not applicable
2.3	not applicable
2.4	not applicable
3.0	(heading replaced with) Submission of offers and filling of Tenders-
3.1	<u>Sealed Tenders should be dropped in the tender box kept in COS's office, KRCL by the tenderer or his representative before 15.00 hours on scheduled date of opening.</u> The tender box will be closed and sealed at 15.00 Hrs. sharp. The tenders will be opened at 15.30 hours on the same date. Tenderers or their representative may attend the opening of the advertised tenders and special limited if they so desire.
3.2	Tenders should be submitted in sealed covers addressed to the Controller of Stores, Konkan Railway Corporation Limited, 4 th floor, Belapur Bhavan, Sector-11, CBD Belapur, Navi Mumbai - 400614 and legibly super scribed with the words " Tender No. _____ to be opened on _____ at _____ hrs, for supply of _____ from M/s. _____ ".
3.3	<u>Not applicable:-</u>
3.4	No change
3.5	Conditional discount will not be considered for adjudging the inter-se position i.e. rate quoted without any conditions attached (viz. Discount/Rebates having linkages to quantity, payment, Inspection agency, destination delivery place etc.) will only be considered for evaluation purpose. In other words, discounted rates linked to quantities, prompt payment etc. will be ignored for determining inter-se position. Purchaser, however reserves the right to use the discounted rate/rates considered workable and appropriate, for counter offer to the successful tenderers.
3.6	no change
3.7	no change
3.8	no change
3.9	no change
3.10	no change
3.11	no change
3.12	Tender form is not transferable
3.13	Offer (in place of rate page)
3.14	not applicable



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3.15	no change
4.0	<u>Drawings and Specifications:</u>
4.1	www.konkanrailway.gov.in (in place of IREPS) (a) no change (b) no change
4.2	To be enclosed (in place of uploaded).
5.0	<u>enclosed (in place of uploaded)and bid in place of e-bid</u> Following documents should be to be enclosed (in place of to be uploaded.)along with the-Bid: to be enclosed (in place of to be uploaded.) a) no change b) no change c) no change , d) no change e) no change , f) Proof of having paid EMD and tender cost or grounds in favour of exemption/waiver ,to be enclosed.
5.1	Compliance to Special Conditions/Check list for Vendor: Bidders are requested to check the tender form before submission to comply with tender conditions. A check list for this purpose is given in annexures.
6.0	BID Submission
6.1	The rates quoted should be written both in words and figures. Offer with rates not given in words are liable to be rejected. In case of difference, in rate written in words and rate written in figures, rate written in words will be considered for ranking purpose. However, Railway reserves the right to avail lowest rate of the two, at the time of ordering. Firms quoting two rates at different places in their offer form, the offer of the firm will be treated as commercially unresponsive and will be summarily rejected.
6.2	Tenders received with erased/over written rate without proper authentication and without proper attestation by the tenderer at every correction are liable to be rejected
6.3	Unsigned offers will be treated unresponsive and summarily rejected.
6.4	<u>Late & Delayed Tenders:</u> Late and delayed tenders will normally not be accepted as a general rule and same will be summarily rejected.
7.0	<u>Tender Opening</u>
7.1	Not applicable
7.2	Tender box will be opened by two authorized representatives of railways as per procedure after closing time.
7.3	One authorized representative of firms who have submitted offer timely may be allowed to be present during tender opening. For Open and special limited tenders.
7.4	Not applicable



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7.5	Railway does not guarantee opening of the tenders immediately after the closing date and time due to reasons beyond its control and hence tenders can be opened after the due date and time also. It will however be ensured that no offers are submitted after tender closing date and time.
7.6	No change
8.0	<u>Earnes Money Deposit:</u> Tender in place of e-tender in last line .
8.1	<u>Exemption:</u> Enclosed in place of uploaded and legible in place of scanned
8.2	no change
8.3	<u>For forfeiture of Earnest Money</u> no change
8.4	no change
9.0	<u>Security Deposit:</u>
9.1	no change
9.2	no change.
9.3	no change.
9.4	no change.
9.5	no change.
9.6	no change.
9.7	not applicable
9.8	no change



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Office of the Controller of Stores,
4th floor, Belapur Bhavan, Sector-11
CBD Belapur, Navi Mumbai – 400614

Tender Schedule for Manual Tenders

TENDER NO. _____ Due on _____

Tenderer are requested to fill up the columns properly, failing which their offer is liable To be ignored.

TO BE FILLED IN BY THE TENDERER

1	Consignee			
2	Tendered Quantity			
3	Quantity offered			
4	a) Basic Rate per unit (in Rs) b) Discount (In % & in Rs.)			
5	*Packing Charge/unit			
6	Forwarding Charges/unit			
7	Total rate/unit including Packing & Forwarding Charges			
8	Excise Duty (In % & in Rs.)			
9	Total rate including ED			
10	Sales Tax: CST/State (In % & in Rs.)			
11	Freight per unit (in Rs.)	(In Fig.)		
		(In words)		
12	Any other charges : (please specify)			
13	Total unit Rate (in Rs.)			
14	Delivery period			
15	Inspection			
16	Payment terms			

*If this charge is not subject to ED & ST, this is to be indicated separately in SL. No.12.

I / We engage to supply to the Konkan Railway the articles specified above as per (1) Instruction to Tenderer (2) General Conditions (3) Special Conditions and (4) IRS-KR- Conditions of Contract. Offer is valid for 90 days from the date of opening of Tender.

The acceptance of this tender by the COS, when communicated, within the validity, shall constitute a binding contract between me/us and the KRCL.



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Name & Signature of Tenderer

Complete Address :

Ph. No./ Fax No.

Date:

GENERAL TENDER CONDITIONS:

1.0 Sales Tax / Value Added Tax (VAT) / CST

- 1.1 The Sales Tax / VAT / CST, with Surcharge thereon, if any, in exact percentage should be shown clearly in the offers as applicable for different Consignees located in different States. In the absence of clear indication / no indication that these levies are payable in addition to the rates quoted, it will be assumed that rates are inclusive of all taxes / no sales tax is applicable.
- 1.2 The Tenderer should clearly indicate their Sales Tax/ VAT/ CST Registration Certificate Number and submit declaration that "It is certified that the Sales Tax / VAT / CST as claimed is legally payable by buyers and has been paid / will be paid by us to the Sales Tax Authorities".
- 1.3
 - a) With the Amendment of Central Sales Tax Act 1956 (Railway Board's Letter No. 2007/F (S)I/CST/1 dated 04/05/2007), the concessional tax regime with "D" form to the Government Departments has been withdrawn w.e.f. 01/04/2007. Consequence upon the withdrawal of "D" form, the rate of CST on inter-state sale to Railways shall be the rate of Value Added Tax (VAT) / State Sales Tax applicable in the State of the selling dealer. The tenderer while quoting for CST / VAT should indicate the applicable rate as per ruling VAT / State Sales Tax in their State and, quote the correct rate of VAT accordingly. The tenderers should specially note that the Railway Administration can not issue exemption form "C" also for availing concessional CST.
 - b) As per Entry notification no CST.2006/CR.10/Taxation-2 dt 26/04/2006 issued by Finance department, Government of Maharashtra under sub-section (5) of section 8 of CST act, 1956, the CST payable by any dealer in respect of sales to KRCL shall be calculated @ 4% against "form of certificate", when the supply is from the State of Maharashtra.
 - c) For dispatches from the State of Maharashtra, a declaration is to be given in the invoice as: "We hereby certify that our registration certificate under the Maharashtra Value Added Tax Act 2002 is in force on the date on which the sale of the goods specified in this Bill/Cash memo is made by us and that the transaction of sale covered by this Bill/Cash memo has been effected by us and it shall be accounted for in the turnover of sales while filling return".
- 1.4 While quoting for VAT, tenderer should pass on (by way of reduction in prices) the set off / input tax credit that would become available to them by switching over to the system of VAT from the existing system of sales tax duly stating the quantum of such credit per unit of the item quoted for. **The tenderer while quoting their rates for tenders should give the following declaration:** "We agree to pass on such additional set off / input tax credit as may become available in future in respect of all the inputs used in the manufacture of the final product on the date of supply under



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the VAT scheme by way of reduction in price and advise the purchaser accordingly”.

In all cases, supplier will furnish the following certificate, while claiming payment, to the payment authority:

“We hereby declare that additional set offs / input tax credits to the tune of Rs.....has accrued and accordingly, the same is being passed on to the purchaser, and, to that effect, the payable amount may be adjusted.”

However, submission of these tender documents whether digitally signed or manually signed without any deviation shall be deemed as submission of aforesaid declaration

- 1.5 Railway will, however, not pay any Tax or Duty paid by the supplier due to misclassification.
- 1.6 Any statutory variation in Sales Tax / VAT / CST variation in future is liable to be admissible within original delivery period only subject to production of documentary evidence and Govt. notifications, and, subject to indication of the same in firm's offer and contract.
- 1.7 Where the firm quote all-inclusive price without mentioning any taxes at present or in future, and, have also not quoted with Statutory Variation Clause, the firm shall have to bear the future variations, in all such cases. In case of Sales Tax being inclusive, exact rate of tax is to be indicated, failing which Sales Tax will be calculated as per rule.

2.0 Excise Duty

- 2.1 If Excise Duty (ED) is being charged extra, then the tenderer should clearly indicate the exact rate of ED applicable in their offer.
- 2.2 Any statutory variation in ED will be applicable within original Delivery Period only subject to documentary evidence and Govt. notifications.
- 2.3 If concessional ED is applicable at the time of quoting of offers, the same should be quoted clearly and must also indicate the maximum rate of ED payable. Tenders will however be evaluated on the basis of maximum rate of ED, which may become applicable. However ED will be reimbursed at actual.
In no case the variation in ED due to increase in turnover and misclassification during the currency of contract will be admissible.
- 2.4 ED will be reimbursed subject to documentary evidence and Government Notifications only. In determining the cost of an excisable product covered by the MODVAT scheme under section 4(1) (b) of the Act, read with Rule 6 of the valuation rules, the excise duty paid on raw material also covered under MODVAT scheme is not to be included, i.e. Excise Duty paid on raw material, if modvatted, is not to be included in determining the cost of production of excisable product.
- 2.5 If the quoted rate is inclusive of ED, the tenderer must indicate the ED clearly. If it is not done so, the offer will be taken as inclusive of ED at the highest rate obtained in the tender batch.



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2.6 Payment of Excise Duty / Modvat Rules

- 2.6.1 The purchaser will not be responsible for payment of taxes and duties paid by the supplier under misapprehensions of law or misclassification.
- 2.6.2 The claim for ED on each bill should be supported by the following certificates.
- 2.6.2.1 The rate of ED is ad-valorem. The ED at present legally leviable in this case is Rsi.e. % of Rs....., being the unit value of the Stores assessed by the concerned authority of the Excise department.
- 2.6.2.2 Certified that the ED charged on this bill is not more than that legally leviable and payable under the provision of the relevant act or rules made there under.
- 2.6.2.3 Certified that the amount of Rsclaimed as ED in this bill is in accordance with the provision of the rules in all respects and the same has been actually paid to the excise authorities in respect of the stores covered by the bills.

2.7 MODVAT CERTIFICATE:

The tenderer will have to submit the following certificate in their offer:-

"We hereby declare that in quoting the above price, we have taken into effect, the full effect of the duty set-off on 'Central excise and countervailing duties' available under the existing MODVAT scheme. We further agree to pass on such additional duties and set off as may become available in future in respect of all the inputs used for the manufacture of the final product, on the date of the supply under MODVAT scheme, by way of reduction in price and advise the purchaser accordingly."

3.0 Entry Tax/Exit Tax/Octroi Duty:

The purchaser will not bear any Octroi charges, and if required will issue Octroi exemption certificate only. In event of Octroi Exemption certificate not being honored by the concerned Municipal authority, and Octroi charges become payable, the supplier will have to bear the Octroi charges in terms of IRS-KR Conditions of Contract.

4.0 Price Variation Clause

- 4.1 Railways normally enter into firm price contracts.
- 4.2 However, there may be cases of procurement of stores, which are raw-material (Steel / Non-Ferrous) intensive items, wherein the tender schedule itself will indicate the Price Variation formula, generally on the basis of following recognized formula.
- IEEMA PVC for the items covered by IEEMA formula.
 - Railway Board's/CORE's PVC for items covered by such formula.
 - DGS&D's PVC for the items which are covered by such formula etc.
 - PVC based on prices of HCL, HZL, SAIL, LME, BME etc.
 - PVC based on WPI
- Tenderers are advised to quote as per the specific PV formula given in the tender



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schedule. Offers with deviation in the PVC formula and base date of prices of input raw material than as prescribed in the tender schedule will be summarily rejected. Offers from tenderers quoting with fixed price where Rly has incorporated pre-defined PVC will be summarily rejected.

- 4.3 In case where no price variation clause has been incorporated by Rlys in the tender schedule, tenderers must quote on fixed price basis only. Offers from tenderers quoting with PVC clause in such cases will be summarily ignored.
- 4.4 For those items, which are not covered by any of the aforesaid PVC, other PVC specific for such stores (e.g. Import items subject to variation in Customs Duty / Foreign Exchange) may be considered and accepted if found to be in order.
- 4.5 Tenderers who quote with price escalation on account of raw material in the tenders will please note that such escalation claims will be subject to verification by the Financial Adviser and Chief Accounts Officer of the Railway with reference to the records that may be called for from them. Successful tenderer will be required to produce complete records, at the time of submission of bill for verification / examination of their claims under price escalation before their claims are accepted. If the tenderer fails to establish his claim by producing unsatisfactory records before the FA & CAO of this Railway, their claim will be disallowed and / or proportionately reduced.
- 4.6 In case of entire or severable contract with staggered delivery schedule, the PVC claims if any, will be restricted for that particular quantity of supply required to be completed in that period, as indicated in the original delivery schedule, irrespective of the fact, whether the supply has been made / completed subsequently within the over all delivery schedule of the contracts.

5.0 Denial Clause

Supplier will not be entitled to any benefit of statutory variations in ED & taxes announced after expiry of the original Delivery Period as per Purchase Order.

6.0 Cartel Formation

- (a) The Tenderers are expected to quote most competitive prices freely.
- (b) Wherever all or most of the approved firms quote equal rates and cartel formation is suspected, the purchaser reserves the right to place order on one or more firms with exclusion of the rest, without assigning any reasons thereof. The selection of one or more firms may be on the basis of past performance records, capability, capacity, quality performance, after sales service response etc subject to rates being considered reasonable.
- (c) Firms are expected to quote for a quantity not less than 50% of the tendered quantity. Offers for quantity less than 50% of tendered quantity will be considered unresponsive and liable to be rejected in case Cartel Formation is suspected. Railways however reserve the right to order on one or more firms



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- for any quantity.
- (d) The firms who quote in cartel are warned that their names may be deleted from list of approved sources.
 - (e) Wherever there is suspected Cartel formation from approved sources, the Railways reserves the right to place orders on Part -II sources and new sources beyond limits of 25% / 15% and 5% respectively.

7.0 Inspection Of Stores

- (a) Stores are to be inspected by RITES/RDSO/DQA/Consignee/RA, Berlin (For imported consignment) only at the manufacturer's works. Inspection against MTC / GC only is normally not acceptable. The tenderer's acceptance of the inspection clause indicated in tender will be presumed, unless the offer stipulates any other inspection clause. No deviation from tendered inspection clause is acceptable.
- (b) Materials peculiar to Railway such as parts & fittings of Rolling stock except raw material, which have been found rectified during inspection and which could not be rectified are required to be defaced by the inspecting authority to avoid recycling of such rejected materials and to avoid ultimate failures of assets. All such rejected materials peculiar to Railways should be mechanically defaced to prevent sale to Railways again.
- (c) In case the firms fail to offer the material for inspection against inspection call issued to inspecting agency or if the material have to be re-inspected due to rejection of the material at firm's premises by inspecting agency or due to non dispatch of material within validity of inspection certificate, then the inspection charges applicable for the offered quantity and actual test charges incurred will be paid by the supplier to inspecting agency.
- (d) In case, the purchase orders are placed on traders / agents for the items, which are peculiar to the Railways, traders / agents should indicate the source of supply and inspection to be carried out at their manufacturer's premises rather than traders/ agents' premises, to ensure genuineness of quality of the materials. Above conditions will not be applicable for the items where inspection is being carried out against MTC / GC or by the Consignee in view of urgency.
- (e) Final inspection and acceptance of the supplied material will be done by the Consignee after receipt of the material.
- (f) Test Certificates: In case tests are prescribed in the specification, it is obligatory for the successful tenderer to furnish the manufacturer's Test Certificate or any other Test Certificate specified in the tender along with the supply of stores. In the event of their inability to furnish the Test Certificate, the cost of the test to be carried out will be to the tenderer's account.

8.0 Marking of material

The tenderer should agree to indicate the Manufacturers Name, Month and Year of



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manufacturing by casting/ stamping/ etching/ embossing, at an appropriate place of each piece supplied, without affecting the functional utility and structural stability of the components/ material. However, if the same is not possible because of component/ item being small in size or any other reason what so ever, tenderer should indicate the same in their offer.

9.0 Payment Terms

9.1 Normal payment term of Konkan Railway is 100% payment after receipt and acceptance of material by consignee. Payment for the full stores or each consignment thereof will be made to the contractor on submission of bill accompanied by the prescribed documents mentioned in the contract.

9.2 95% + 5% payment

9.2.1 95% payment for the stores or each consignment thereof will be made against Inspection Certificate and proof of dispatch. For dispatch of material by road, it is the challan of the supplier duly certified by the consignee Gazetted Officer towards receipt of material at consignee's end will constitute the proof of dispatch for the purpose of payment. For rail dispatch, clear and unqualified RR / PWB may be considered as the proof of dispatch.

9.2.2 Balance 5%, payment will be made on receipt and acceptance of stores by the consignee, signified by granting of Receipt Note. In other words, balance 5% payment shall be made against Receipt Note.

9.3 However, for orders valuing up to Rs.5 Lakhs, 100% payment against receipt and acceptance of the material by the consignee i.e., against Receipt Note shall be preferred.

9.4 In deserving cases, 98% / 2% payment can also be considered within the framework of extant rules and procedures.

9.5 For Machinery & Plant items: 80% payment will be allowed after receipt of the machine in good and acceptable condition at consignee's end against inspection certificate and the supplier's challan certified by the consignee Gazetted Officer. Balance 20% payment will be made on successful installation, commissioning and testing of the machine and also furnishing of a Bank Guarantee towards warranty obligations of the contractor for 10% of the value of the machinery or plant.

9.6 Discounts/rebates linked with early payment and/or early granting of receipt note etc. within specified days will not be considered for determination of inter-se ranking of the offers. However, the Railways reserve the rights to avail themselves of such rebates /discounts.

10.0 Payment through ECS / EFT

(a) The tenderer should give consent in a mandate form for receipt of payment through ECS / EFT (Annexure 3.6).

(b) Tenderer should provide the details of Bank A/C in line with RBI guidelines for



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the same. These details will include Bank Name, Branch Name & Address, Account Type, Bank A/C No., and Bank & Branch Code as appearing on MICR cheque issued by bank.

- (c) Tenderer should attach certificate from their bank certifying the correctness of all above-mentioned information.
- (d) In case of non-payment through ECS/ EFT or where ECS / EFT facility is not available; payment may be released through cheque, depending upon merit. However, payment through ECS is preferable.
- (e) The purchase order shall contain the following details as per details furnished by the firm;
 - (i) Account no. (Type)
 - (ii) Bank Name & Code.
 - (iii) Branch name & Address.
 - (iv) Whether payment is through ECS / EFT or Cheque.

11 **Price Preference**

The purchaser reserves the right to give price preference to the offers from Small Scale / Cottage Industries Units, over those from other firms, in accordance with the policies of the Govt. from time-to-time. The price preference cannot however, be taken for granted and every endeavor need be made by the tenderer to bring down cost and achieve competitiveness.

12.0 **Time Preference Clause**

It should be noted that if a contract is placed on a higher tenderer as a result of invitation of tender, in preference to a lower acceptable offer, in consideration of offer of earlier delivery, the contractor will be liable to pay 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 tender and incorporated in the contract. This is in addition and without prejudice to other rights under the terms of contract.

Preference to ISI marked goods: Goods bearing the ISI mark will be given preference over non-ISI marked goods. Firms to upload/submit copy of BIS certification along with the tender.

13.0 **Delivery Schedule:**

- (a) The tenderers are required to note the Railway's required delivery schedule given in the Tender schedule/ Offer Form and quote accordingly. Offers with delivery schedule, not matching requirement of Railways is liable to be ignored. Vague Delivery terms like 2/ 32 weeks etc. must be avoided, and, if quoted, are liable to be taken as commercially unresponsive to railway's requirement and liable to be ignored.
- (b) Time and the date of delivery as specified in the Purchase Order are the essence of the Contract. The supply should commence early and is to be



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completed in required number of installments thereafter.

- (c) Unless otherwise agreed, the delivery period will be counted from the date of receipt of Purchase Order issued by the purchaser. Date of receipt of order will be determined as date of order plus seven days.

14.0 Liquidated Damages:-

Railway reserves the right to recover from the Contractor as agreed Liquidated Damages and not by way of penalty, a sum equivalent to 2% 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 a maximum of 10% (ten percent) of value of the delayed supplies. This is in addition and without prejudice to other rights under the terms of contract.

15.0 Terms of Delivery:

- (a) Mode of dispatch should be preferably by road / personal courier service, directly to the respective consignee.
- (b) Suppliers should clearly quote-FOR Conditions i.e. station of dispatch or destination. If firm's offer is FOR Destination, then applicable freight charges should be clearly indicated.
- (c) Transit Insurance for risk in transit should be arranged by the supplier, since risk in transport in all such cases rests with the supplier in terms of IRS-KR conditions.
- (d) In case the Tenderer quote ex-works or ex-Godown price, they should invariably indicate the total freight charges i.e. from their Works / Godown to destination. In the event any Tenderer does not specifically record anything about the place of delivery in his offer it will be assumed that the Tenderer will bear the freight and that the offer is for Free delivery at the destination. This assumption will be final and binding on the Tenderer and will not be subject to any legal dispute or arbitration in future.
- (e) The firms who offer to dispatch the Stores by Road on FOR Station of Despatch basis, but freight prepaid up to the destination, may seek reimbursement of such freight charges. Such reimbursement shall be made at actuals and against documentary evidence, within the upper ceiling of Freight charges as indicated by them or Rail freight by Passenger Train, whichever is lower. However, for evaluation of offers, it is the quoted freight, which will be considered.
- (f) If no freight is quoted for delivery by Rail, Rail freight charges at actuals will be considered for evaluation purpose.

16.0 Evaluation Criteria

16.1 Rates:

- (a) Rate, taxes, duties, freight, un-conditional discount etc having financial
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implications must be quoted on the financial rate page only (refer to instructions to tenderers for e-tenders). Remarks having financial implications indicated elsewhere will not be considered for evaluation.

- (b) In case of offers with predefined (prescribed) PVC clause, the updated rates as per PVC formula as on date and time of tender closing, will be taken to determine inter-se rankings of offers.
- (c) In case of different rates offered by different tenderers for part quantities of a particular tender, Railways reserves the right to decide the most economic course of ordering.
- (d) Inter-se ranking of offers will be decided with the statutory taxes & duties and effect of Price Variation Clause as prevailing on the date of tender closing.

16.2 Evaluation criteria for multi-consignee / multi-items tenders

- (a) Unless otherwise specified, the evaluation of tender will be done item wise and consignee wise.
- (b) For multi consignee items, the rate should be quoted by firm on FOR – Destination basis for each consignee separately. The inter-se ranking of the offers will be decided for each consignee separately.
- (c) In tenders where schedule consists of several items, the inter-se ranking will be decided for each item separately. The firms are required to quote the rate for each item separately.
- (d) In tenders where several items are grouped in a “KIT” or “SET” and the tendered quantity is in sets, the firm should quote single rate for the tendered kit / set of items. In such cases, the inter-se ranking shall be decided on the rate quoted by the firm for “Kit” or “Set” of items.

16.3 CLW/ DLW/ DCW/ ICF/ RCF/ RDSO/ CORE Restricted Items:

- (a) Wherever necessary as per policy of procurement, bulk purchase will be made only from those firm who have been approved by CLW/ DLW/ DCW/ ICF/ RCF/ RDSO/ CORE etc. for such ordering i.e. part I vendors before opening of tender to manufacture and supply the item. The tenderers are to enclose copies of such approval letters along with their offers . The status of the firm will be reckoned as on the date of tender opening and not thereafter except but in case of downgrading/removal/suspension/banning etc. after opening of tender, when changes shall be taken into account while considering the offer.
- (b) Orders on firms approved by CLW/ DLW/ DCW/ ICF/ RCF/ RDSO/ CORE as Pt. II vendors shall be limited upto 15% quantity normally In addition, instructions issued vide Board's letter no. 99/RS(G)/709/1 dtd. 06-09-1999, 05-05-2008 and subsequent letter on the subject issued thereafter need to be followed.
- (c) If the tenderer firm(s) is not approved by CLW/ DLW/ DCW/ ICF/ RCF/ RDSO/ CORE as mentioned above, as part I & II then they must submit their



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credentials details i.e. Machinery and Plant , Testing Facilities, QAP, Technical Manpower etc.

In deserving cases, the offers from new suppliers may be considered for educational orders only after confirmation of their capacities/capabilities by CLW/ DLW/ DCW/ ICF/ RCF/ RDSO/ CORE. Failure to furnish requisite credentials as mentioned above will make their offer liable to be ignored.

- (d) The Part-II and Part-I approved sources, who are borne on the list of approved vendor list circulated / issued by authorized nodal agencies like RDSO/CLW/DLW/ICF/RCF/CORE/ etc., are required to submit details of the orders (duly supported with documents like Inspection Certificate, Receipt Note, Payment--Received Particulars) received and executed by them for the subject item on this Railway & other Railways, in preceding three years, in support of their performance.
- (e) All Part-II approved tenderers must submit attested photocopies of POs, inspection certificates and receipt notes /certificates related to the maximum quantity of the material under procurement, successfully supplied by them in any single order placed on them over the preceding three years by any zonal railway / PU. Such tenderers are to note that non submission of such documents shall be taken as their not having any such past performance and their offers shall be considered further as per extant rules and no back reference in this regard will be made to them.
- (f) However Railway reserves the right to refer to past performance of firm with Konkan Railway in preceding three year.

16.5 Material to be procured from OEM or their authorized dealers / distributors

- (a) The Railways reserve the right to place orders for either entire or bulk quantity on OEMs or their authorized dealers.
- (b) Any firm quoting on behalf of OEM must submit valid & current dealership certificate along with their offer and agree for inspection by the nominated agency (as the case may be) at the premises of their principal, failing which their offer is liable to be rejected. The authorized agents/distributors price will not exceed that which the manufacturer would have quoted.
- (c) The following would be preferred in such cases:
 1. Inspection by RITES/RDSO/Nominated agency at the manufacturing premises of the relevant manufacturer. RITES/RDSO/Nominated agency shall categorically confirm in the Inspection Certificate, that inspection of the material has been actually made in the manufacturing premises of the manufacturers and not in the ware house/ Godown / Shop of the dealer.
 2. Direct dispatch from the premises of the manufacturer to the Railways consignee after inspection and acceptance by RITES/RDSO.
 3. Submission of Manufacturer's Test and Guarantee Certificate with each lot



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of supply.

- (d) One agent cannot represent two suppliers or quote on their behalf in a particular tender.

16.6 Group IV item

- (a) The Railway reserves the right to procure entire quantity from NSIC registered vendors for this item. Firm must submit their current and valid NSIC certificate for the tendered item along with their offer, failing which the offer is liable to be ignored.
- (b) In case no suitable offer is received from NSIC registered vendors for this item, Railway reserves the right to procure from non-NSIC firms also.

17.0 Quantity to be ordered:

- (a) Railways reserves the right to cancel the tender for full or part quantity tendered without assigning any reason. The rates quoted by the tenderers for the full quantity would be taken as valid even for part quantity.
- (b) Wherever necessary by the purchaser, the quantity to be ordered can be split by the purchaser amongst two or more sources for ensuring better availability of material keeping in view the vital / critical nature of item, quantity to be procured, delivery requirements, capacity of the firms and past performance of the firms, in fair, transparent and equitable manner.
- (c) The Controller of Stores or any officer authorized on behalf of KRCL is not bound to accept the lowest or any offer nor to assign any reason for doing so and reserves to himself the right to accept any offer in respect of the whole or any portion of the item specified in the tender and contractor shall be required to supply at the rate quoted.

18.0 Criteria for Splitting Of Tender Quantity (In case of pre-decided split ordering)

- 18.1 The purchaser reserves the right to distribute the procurable quantity on one or more of the eligible tenderers, Zone of consideration of such eligible tenderers will be the right of purchaser.
- 18.2 Whenever such distribution / splitting of tendered / procurable quantity is made, the quantity distribution will depend (in an inverse manner) upon the differential of rates quoted by the tenderers (other aspects i.e. adequate capacity-cum-capability, satisfactory past performance of the tenderers, outstanding orders load for the Railway making the procurement, quoted delivery schedule vis-à-vis the delivery schedule incorporated in the tender enquiry etc, being same / similar) in the manner detailed in the table below :

Price differential between L1 and L2	Quantity distribution ratio between L1 and L2
Up to 3%	60:40
More than 3% and up to 5%	65:35
More than 5%	At least 65% on the L1 tenderer. For the quantity to be ordered on the



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	L2 tenderer, the same will be decided as per Para 18.5 and 18.6 below.
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- 18.3 If splitting of quantity is required to be done by ordering on tenderers higher than the L2 tenderer, then the quantity distribution proportion amongst the tenderers will be decided by transparent/logical/equity based extrapolation of the as indicated in para 18.2 above.
- 18.4 The purchaser reserves the right to counter offer the lowest acceptable rate for bulk ordering to the higher tenderer(s). In the event of rejection of such counter offer(s), the purchaser will reserve their right to decide on the quantity distribution ratio/proportion.
- 18.5 The rate of highest eligible tenderer within the zone of consideration has to be per-se, reasonable to the purchaser.
- 18.6 In the cases of inadequate capacity-cum-capability, dissatisfactory past performance, large quantity of outstanding orders (liquidation of which will take very long time) etc., the purchaser shall have the right to distribute the procurable quantity amongst tenderers with due consideration to these constraints and in such a manner as would ensure timely supply of materials in requisite quantity to meet the needs of operation, maintenance, safety etc. of the Railways, regardless of inter-se ranking of the tenders and in a fair and transparent manner with due conformity to the Principle of natural justice and Equity. _____
- 18.7 Counter offer to L1, in order to arrive at an acceptable price, shall amount to negotiation. However, any counter offer thereafter to L2, L3 etc. (at the rates accepted by L1) in case of splitting of quantities, as pre-disclosed in the tender, shall not be deemed to be a negotiation. However, in the cases, where the rate of highest tenderer within the zone of consideration, per-se, is reasonable and a counter offer is made only to economize the purchase, then the same will be done simultaneously to all the tenderers within the zone of consideration.
- 18.8 For the cases where the Rlys/PUs had entered into ToT/JV agreement etc. with the tenderers and it may be necessary for the purchaser in the interest of such ToT/JV agreement to place orders on such ToT/JV partners of the purchaser, the following will be applicable:

“As the Railways has entered into ToT/JV agreement with nos. of firms, they reserve the right to place orders on all such ToT/JV agreement partners. However, for ratio/proportion of quantity distribution among such ToT/JV agreement partners, conditions as detailed in para 18.2, 18.3 and 18.4 with the exception of conforming to the condition “the rate of the highest eligible tenderer within the zone of consideration has to be, per-se, reasonable to the Purchaser” shall apply.

19.0 Quantity Option Clause:

- a) For tenders valuing Rs. 75 lakhs and above, the purchaser shall have the right to increase or decrease the ordered quantity by a quantity not exceeding 30% of the ordered quantity on the same price and terms and conditions during the currency of the contract, with suitable delivery schedule for the enhanced quantity.



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The purchaser can vary the order quantity by exercising the option clause during the currency of the contract giving reasonable time / notice for executing such increase or decrease. Option clause can be exercised up to last date of scheduled DP mentioned in purchase order, even if the supply of original ordered quantity is completed before the last date of scheduled delivery.

b) For tenders valuing upto Rs. 75 lakhs consent from the firm is required.

20.0 Warranty/Guarantee:

(a) Unless otherwise stated in the tender schedule, the warranty/guarantee shall be as specified in the IRS-KR conditions of the contract i.e. 30 months from the date of supply or 24 months from the date of commissioning whichever is earlier. The offer of firm quoting Warranty/ Guarantee in deviation of tender schedule will be summarily rejected. Suppliers shall ensure that the materials are invariably stamped with manufacturers name and month & year of manufacture as may be detailed in drawing/specification of material to enable correct reckoning of warranty.

In case of M & P the warranty should be 24 months from the date of Commissioning & proving out of M&P. Other special Conditions for M & P procurement shall be included against each M & P case of tender.

(b) Bank Guarantee towards Warranty obligation:

For items like machinery and Plant, Costly equipment, capital spares, the tenderer will have to furnish a warranty Bank Guarantee of 10% of Material value to cover their warranty obligation. The Format of the Warranty/Guarantee bond is annexed. Bank Guarantees (BG) to be submitted by suppliers/contractors should be sent directly to the concerned authorities by the issuing Bank under registered Post AD.

21.0 Risk Purchase Clause:

Railway reserves the right to delete "Risk Purchase Clause", in supply contracts, where 10% SD money has been taken. Whenever such contracts are defaulted, security deposit shall be forfeited. However, cases not coming within the purview of aforesaid stipulations, Risk Purchase provisions will continue as per existing provisions.

22.0 Imported Items:

Any authorized dealer/agent/recognized industrial distributor quoting on behalf of their foreign principal in Indian rupees shall have to comply with the following:-

1. To quote with tender specific authorization from the foreign manufacturer.

2. (a) While quoting on behalf of foreign principals tenderers are required to furnish the principal's invoice along with their quotation.

(b) Proforma invoices however, may be accepted in exceptional cases where it is not possible to obtain the invoices before the contract is placed.



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3. The tenderer shall have to undertake in the tender to comply with the following :-

(a) Consent to furnish copy of customs out passed Bill of Entry for the goods, relevant to each consignment manufacturer's Test and Guarantee Certificate issued by the manufacturer, copy of bill of Lading/AWB relevant to the consignment, copy of Commercial Invoice of the foreign manufacturer/principals relevant to each consignment.

(b) Current and valid authorization/dealership certificates of foreign manufacturer/principal.

(c) Compliance of sea/air worthy packing with manufacturer's tamper proof seal and compliance of the packing condition as laid down in IRS-KR conditions of contract para – 1800.

Failure to comply with any of the aforesaid conditions as referred above will make the offer liable to be rejected.

4. Tenderer has to indicate the following while submitting the offer:-

(a) The precise relationship between the foreign manufacturer/principal and their agents/associates.

(b) The mutual interest which the manufacturer/principal and the Indian agent/associates have in business of each other is to be indicated.

(c) Indian agent's Permanent Account Number is to be indicated.

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

6. For bearings manufactured in foreign countries, visual inspection by RITES inside India after receipt is acceptable with import documents and original manufacturer's test and warranty/guarantee certificate. Firm should consent to deposit security money as per IRS-KR conditions for due execution of the contract if asked to do so. This is irrespective of the fact whether the firm is registered with this Railway or not.

23 Public procurement policy for goods produced and services rendered by Micro and small Enterprises (MSEs) :(As per Annexure – 3.6 attached at)

i) Tender sets shall be provided free of cost to MSEs registered with the following agencies for the item tendered :

- (a) District Industries Centers.
- (b) Khadi and Village Industries Commission
- (c) Khadi and Village Industries Board
- (d) Coir Board
- (e) National Small Industries Corporation
- (f) Directorate of Handicraft and Handloom
- (g) Any other body specified by Ministry of MSME.



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- ii) MSEs registered with the above agencies for the item tendered will be exempted from payment of Earnest Money.
- iii) In tenders, participating MSEs quoting a price band of L1 + 15% shall be allowed to supply portion of the requirement by bringing down their price to L1 price in a situation where L1 price is from someone other than a MSE and such MSEs can be together ordered up to 20% of the total tendered value.
- iv) MSEs who are interested in availing themselves of these benefits will upload/enclose with their offer the proof of their being MSE registered with any of the agencies mentioned in the notification of Ministry of MSME indicated below :
 - (a) District Industries Centers.
 - (b) Khadi and Village Industries Commission
 - (c) Khadi and Village Industries Board
 - (d) Coir Board
 - (e) National Small Industries Corporation
 - (f) Directorate of Handicraft and Handloom
 - (g) Any other body specified by Ministry of MSME.
- v) The MSEs must also indicate the terminal validity date of their registration.

Failing (iv) & (v) above, such offers will not be liable for consideration of benefits detailed in MSE notification of Government of India dated 23.03.2012. No back reference will be made.

- vi) Registration of Udyog Aadhar Memorandum (UAM)

Railway Board Letter No.F.5/4/2018-PPD dt.28.02.2018 and
Railway Board Letter No.2016/PL/56/1 dt.19.03.2018

Sub: Registration of Udyog Aadhar Memorandum (UAM) by Ministry of Micro Small and Medium Enterprises (MSME) vendors on Central Public Procurement Portal (CPPP).

Above letters available under – Section 3 – Annexure – 3.7 at Sr. No.14

- 24** All firms to upload copies of ICs or R/Note/Certificate related to the maximum quantity of the material under procurement, successfully supplied by them in any single order placed on them over the preceding three years by any Zonal Railway/ PU. Such tenderers are to note that non-submission of such documents shall be taken as they are not having any such past performance and their offers shall be considered further as per extant rules and on back reference in this regard will be made to them.” However Railway reserves the right to refer to past performance of firm with Konkan Railway in preceding three years.



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Railway Board Letter No.RS(M)/2011/EPS/01 Pt. dt.23.01.2018

Sub: Guidelines for Electronic Reverse Auction

- 1.0 Railway Board, vide letter No.RS(M)2011/EPS/01 dated 03.01.2013 had advised all Zonal Railways and Production Units to procure suitable items through Revers Auction method. Procedure required to be followed for reverse auction, formulated in consultation with IT Directorate and concurred by Finance. Directorate, was also provided as an annexure to that letter.
- 2.0 Hon'ble MR has desired that Indian Railway should adopt e-Reverse Auction (e-RA) as a method for procurement of all goods. In this regard, system of Reverse Auction adopted in allocation of Coal Mines for Power Sector has been studied and proposed for adoption, with minor changes as required to suit Railway requirements.
- 3.0 Accordingly, procedure shall be adopted for procurement through e-RA on Indian Railways for eligible cases:

This is available in link -

<http://www.indianrailways.gov.in/railwayboard/uploads/directorate/stores/downloads/circular/2018/Electronic%20Reverse%20Auction.pdf>

Railway Board Letter No.2017/Trans/01/Policy/Pt-S dt.28.03.2018

Sub: Guidelines for Electronic Reverse Auction for Works, Stores and Service Contracts.

Railway Board had issued detailed guidelines / procedures to be followed for Reverse Auction for procurement of Stores. With the approval of Board (ME, FC, CRB) it has been decided to follow similar practice of Auction / Reverse Auction for Works, Services and Earnigs tenders also. In supersession of all earlier guidelines for procurement of Stores through RA, following revised guidelines are accordingly issued for implementation.

- A. Tenders for Works, Services and Stores Contracts.
- B. Tenders for Earnings Contracts.
- C. For PSUs and Other Bodies/Organisations of Railways.
- D. Other Instructions.

This is available in link -

http://www.indianrailways.gov.in/railwayboard/uploads/directorate/Transformation_Cell/Circulars/RB_RA_Letter_dt_28_3_18_with_annex.pdf



PROFORMA FOR PERFORMANCE STATEMENT

Tender No._____ **date of closing**_____ **Time**_____ **hrs**

Sl	Order No. & Purchaser's address	Description & Qty.	Value of order (Rs.)	Date of completion of delivery		Remarks indicating reasons for late delivery, if any	Has the equipment/ Stores been satisfactorily commissioned and is it giving trouble free service.
				As per contract	Actual		

SIGNATURE & SEAL OF THE BIDDER



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Annexure 3.2

PROFORMA FOR EQUIPMENT & QUALITY CONTROL

Tender No. _____ Date of Closing _____ Time _____ Hrs

1. Name & Full address of the firm:
2. Telephone/ Fax No. Office/ Factory/ Works
3. Location of the Factory/ Works
4. Location of the Factory/ Works
5. Details of Industrial license, wherever required as per statutory regulations
6. Details of Plant & machinery erected and functioning in each department (monograph & description pamphlets be supplied, if available)
7. Details of the process of manufacture in the factory in brief
8. Details of stocks of raw material held
9. Production capacity of the item(s) quoted for, with the existing plant & machinery
 - 9.1. Normal
 - 9.2. Maximum
10. Details of arrangement for quality control of products such as laboratory testing equipments etc.
11. Details of staff
 - 11.1. Details of technical supervisory staff-in-charge of production & quality control
 - 11.2. Skilled labour employed
12. Maximum number of workers (skilled & Unskilled) employed on any day during the 18 months preceding the date of application
13. Are you registered with the Directorate General of Supplies & Disposal, New Delhi, India or any of the Zonal Railways/ Production units? If so, furnish particulars of registration, period of currency, etc.
14. Are you a small scale unit registered with the NSIC, India? If so, furnish particulars of registration, period of currency, etc.
15. Is your unit an ISO certified unit? If so, furnish particulars of registration, period of currency, etc.

Date:

SIGNATURE & SEAL OF BIDDER



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Annexure 3.3

Electronic Clearing Service (Credit Clearing)

Model Mandate Form

(Investor / customer's option to receive payments through Credit Clearing Mechanism)

Name of Scheme and the periodicity of payment.

- 1) Investor / customer's name :
- 2) Particulars of Bank Account
 - A. Name of bank :
 - B. Name of branch :
Address :
Telephone No. :
 - C. 9-Digit code number of the bank and branch
 - D. Type of account (SB, Current, or Cash Credit) with code (10/11/13)
 - E. Ledger and Ledger Folio Number:
 - F. Account number (as appearing on the cheque book)

(In lieu of bank certificate to be obtained as under, please attach a blank cancelled cheque or photocopy of a cheque or front page of your savings bank passbook issued by your bank for verification of the above bank particulars)

- 3) Date of effect :

I hereby declare that the particulars given above are correct and complete. If the transaction is delayed or not effected at all for reasons of incomplete or incorrect information, I would not hold the user institution responsible. I have read the option invitation letter and agree to discharge the responsibility expected of me as a participant under the scheme.

(-----)
Signature of Investor / Customer

Date:

Certified that the particulars furnished above are correct as per our records.

Bank's Stamp



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Annexure 3.4

CHECK SHEET FOR BIDDERS

The bidders are requested to check their bid before submission of the same with special reference to the following:

- Have you gone through the Tender Documents consisting of Instructions to Tenderers, General tender conditions and Special Conditions of Tender, and do you agree and confirm to abide by the Instructions to Tenderers, General Tender Conditions, IRS-KR conditions of contract and the Special Conditions of Tender?
- Have you submitted/uploaded the evidence of Tender Cost deposited by you against this tender?
- Have you submitted/uploaded the Performance Statement supported by copies by Purchase Orders, Receipt Notes, and Inspection Certificates, as the case may be?
- Have you submitted earnest money [Para 8.0 of Instruction to Tenderers]?
- Have you submitted/uploaded valid NSICs, specifically for Tendered Item with a view to claim exemption from depositing Tender Cost?
- Have you kept your offer valid for 90 days?
- Where PVC is applicable, have you quoted PVC as per tender condition, with base prices indicated in the tender and special conditions of tender?
- Do you agree to the guarantee/warranty as per specification and in case specification does not contain GC/WC, then do you agree GC/WC as per IRS-KR conditions of contract?
- While quoting the rate have you taken into effect, the full effect of the duty set-off on Central Excise and Countervailing Duties and agree to pass on all additional benefit under MODVAT scheme as per Clause 2.7 of the "General Tender Conditions" ?
- In case of authorized dealers, have you uploaded "authorization certificate" ?
- Have you signed Integrity Pact for Stores Tenders as per value given in Annexure-II of Integrity Pact?.



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Annexure –II

Integrity Pact Programme

In respect of tenders covered under Integrity Pact Programme, the following clauses are included in NIT and Tenders.

“This tender is covered under Integrity Pact Programme of KRCL and prospective bidders are required to sign the Integrity Pact Document and submit the same to KRCL before or along with the bids”. For further details, the Section “Integrity Pact Programme” mentioned in the Tender Document may be seen.

The present threshold value is as follows:

- a) For Project Division: Works contract above ` 15 crore
- b) For Open Line: Stores contract above ` 30 lakh and
all other works contracts above ` 1 crore

I. Even in case of tenders with the estimated value less than the threshold value, the vendors would be required to sign the IP document if the total value of the Purchase Orders (POs) exceeds the threshold value in respect of :

- Multiple / repeat Purchase Orders on single vendor against a tender
- Purchase Orders placed on multiple vendors against a tender

II. Only those vendors who signed the IP document can send their grievances, if any, to the Independent External Monitors (IEMs) through the nodal officer, i.e. Chief Vigilance Officer (CVO), KRCL in the prescribed proforma.

III. If the order, with total value equal to or more than the threshold value, is split between more than one vendor and even if the value of PO placed on any/ each vendor(s) is less than the threshold value, IP document having been signed by the vendors at bid stage itself, the Pact shall continue to be applicable.

IV. In respect of tenders for Pre-bid tie up/Expression of Interest (EoI): In case of KRCL getting the Order from the client, before placement of Purchase Order/Work Order on technically & commercially qualified vendor, the selected vendor is required to sign the IP document.

Instructions to KRCL Employees

- It is clarified that complete IP document including Proforma (enclosed in IP) may be made as a part of the tender document irrespective of its value & type. Also, the acceptance/ compliance for the clauses mentioned in Integrity Pact Programme Section in tender document are to be obtained from all participating vendors during bidding stage itself.



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- For the tenders covered under Integrity Pact Programme, the IP document has to be signed by all bidders before or at the time of submission of bids.
- IP document shall be in plain white sheet and is to be signed by the vendor and KRCL with two witnesses from each party. The name, designation, company etc. of the persons signing the IP document and the project / tender name shall be clearly mentioned. All pages of the IP document shall be initiated by both parties along with company seal.



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ANNEXURE-10

GUIDELINES FOR INDIAN AGENTS OF FOREIGN SUPPLIERS

- 1.0 There shall be compulsory registration of agents for all Global (Open) Tender and Limited Tender. An agent who is not registered with KRCL shall apply for registration in the prescribed **Application –Form**.
- 1.1 Registered agents will file an authenticated Photostat copy duly attested by a Notary Public/Original certificate of the principal confirming the agency agreement and giving the status being enjoyed by the agent and the commission/remuneration/salary/ retainer ship being paid by the principal to the agent before the placement of order by KRCL.
- 1.2 Wherever the Indian representatives have communicated on behalf of their principals and the foreign parties have stated that they are not paying any commission to the Indian agents, and the Indian representative is working on the basis of salary or as retainer, a written declaration to this effect should be submitted by the party (i.e. Principal) before finalizing the order
- 2.0 **DISCLOSURE OF PARTICULARS OF AGENTS/ REPRESENTATIVES IN INDIA. IF ANY.**
- 2.1 Tenderers of Foreign nationality shall furnish the following details in their offer:
 - 2.1.1 The name and address of the agents/representatives in India, if any and the extent of authorization and authority given to commit the Principals. In case the agent/representative is a foreign Company, it shall be confirmed whether it is real substantial Company and details of the same shall be furnished.
 - 2.1.2 The amount of commission/remuneration included in the quoted price(s) for such agents/representatives in India.
 - 2.1.3 Confirmation of the Tenderer that the commission/ remuneration if any, payable to his agents/representatives in India, may be paid by KRCL in Indian Rupees only.
- 2.2 Tenderers of Indian Nationality shall furnish the following details in their offers:
 - 2.2.1 The name and address of the foreign principals indicating their nationality as well as their status, i.e, whether manufacturer or agents of manufacturer holding the Letter of Authority of the Principal specifically authorizing the agent to make an offer in India in response to tender either directly or through the agents/representatives.



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- 2.2.2 The amount of commission/remuneration included in the price (s) quoted by the Tenderer for himself.
- 2.2.3 Confirmation of the foreign principals of the Tenderer that the commission/remuneration, if any, reserved for the Tenderer in the quoted price (s), may be paid by KRCL in India in equivalent Indian Rupees on satisfactory completion of the Project or supplies of Stores and Spares in case of operation items .
- 2.3 In either case, in the event of contract materializing, the terms of payment will provide for payment of the commission /remuneration, if any payable to the agents/representatives in India in Indian Rupees on expiry of 90 days after the discharge of the obligations under the contract.
- 2.4 Failure to furnish correct and detailed information as called for in paragraph-2.0 above will render the concerned tender liable to rejection or in the event of a contract materializing, the same would be liable to termination by KRCL. Besides this, there would be a penalty of banning business dealings with KRCL or damage or payment of a named sum.

1. Introduction

- 1.1 Konkarn Railway Corporation Limited (KRCL), being a Public Sector Enterprise and ‘State’, within the meaning of Article 12 of Constitution of India, has to ensure preservation of rights enshrined in Chapter III of the Constitution. KRCL has also to safeguard its commercial interests. KRCL deals with *Agencies*, who have a very high degree of integrity, commitments and sincerity towards the work undertaken. It is not in the interest of KRCL to deal with Agencies who commit deception, fraud or other misconduct in the execution of contracts awarded / orders issued to them. In order to ensure compliance with the constitutional mandate, it is incumbent on KRCL to observe principles of natural justice before banning the business dealings with any Agency.
- 1.2 Since banning of business dealings involves civil consequences for an Agency concerned, it is incumbent that adequate opportunity of hearing is provided and the explanation, if tendered, is considered before passing any order in this regard keeping in view the facts and circumstances of the case.

2. Scope

- 2.1 The General Conditions of Contract (GCC) of KRCL generally provide that KRCL reserves its rights to remove from its list of approved suppliers /contractors or to ban business dealings if any Agency has been found to have committed misconduct and also to suspend business dealings pending investigation. If such provision does not exist in any GCC, the same will be incorporated.
- 2.2 Similarly, in case of sale of material there is a clause to deal with the Agencies/customers/buyers, who indulge in lifting of material in unauthorized manner. If such a stipulation does not exist in any Sale Order, the same will be incorporated.
- 2.3 However, absence of such a clause does not in any way restrict the right of Company (KRCL) to take action/ decision under these guidelines in appropriate cases.
- 2.4 The procedure of (i) Removal of Agency from the List of approved suppliers / contractors; (ii) Suspension and (iii) Banning of Business Dealing with Agencies, has been laid down in these guidelines.
- 2.5 These guidelines apply to KRCL including its projects.
- 2.6 It is clarified that these guidelines do not deal with the decision of the Management not to entertain any particular Agency due to its poor / inadequate performance or for any other reason.
- 2.7 The banning shall be with prospective effect, i. e., future business dealings.

3. Definitions

In these Guidelines, unless the context otherwise requires:

- i) *Party / Contractor / Supplier / Purchaser / Customer/Bidder/Tenderer* shall mean and include a public limited company or a private limited company, a firm whether registered or not, an individual, a cooperative society or an association or a group of persons engaged in any commerce, trade, industry, etc. *'Party / Contractor / Supplier / Purchaser / Customer/ Bidder / Tenderer'* in the context of these guidelines is indicated as *'Agency'*.
- ii) *'Inter-connected Agency'* shall mean two or more companies having any of the following features:
 - a) If one is a subsidiary of the other.
 - b) If the Director(s), Partner(s), Manager(s) or Representative(s) are common;
 - c) If management is common;
 - d) If one owns or controls the other in any manner;
- iii) *'Competent Authority'* and *'Appellate Authority'* shall mean the following:
 - a) For Company (entire KRCL) wide Banning, KRCL's Directors' Committee (KDC) shall be the *'Competent Authority'* for the purpose of these guidelines. Chairman and Managing Director, KRCL shall be the *'Appellate Authority'* in respect of such cases except banning of business dealings with Foreign Suppliers.
 - b) For banning of business dealings with Foreign Suppliers, KRCL's Directors' Committee (KDC) shall be the *'Competent Authority'*. The Appeal against the Order passed by KDC, shall lie with Chairman and Managing Director, as First Appellate Authority.
 - c) In case the foreign supplier is not satisfied by the decision of the First Appellate Authority, it may approach KRCL Board as Second Appellate Authority.
 - d) Chairman and Managing Director, KRCL shall have overall power to take suo-moto action on any information available or received by him and pass such order(s) as he may think appropriate, including modifying the order(s) passed by any authority under these guidelines.
- iv) *'Investigating Department'* shall mean any Department investigating into the conduct of the Agency and shall include the Vigilance Department, Central Bureau of Investigation, the State Police or any other department set up by the Central or State Government having powers to investigate.

- v) 'List of approved Agencies - Parties / Contractors / Suppliers / Purchasers / Customers / Bidders / Tenderers shall mean and include list of approved / registered Agencies- Parties / Contractors / Suppliers / Purchasers / Customers / Bidders / Tenderers, etc.

4. Initiation of Banning / Suspension

Action for banning / suspension of business dealings with any Agency should be initiated by the department having business dealings with them after noticing the irregularities or misconduct on their part. Besides the concerned department, Vigilance Department would also be competent to advise such action.

5. Suspension of Business Dealings

- 5.1 If the conduct of any Agency dealing with KRCL is under investigation by any department (except Foreign Suppliers), the Competent Authority may consider whether the allegations under investigation are of a serious nature and whether pending investigation, it would be advisable to continue business dealings with the Agency. If the Competent Authority, after consideration of the matter including the recommendation of the Investigating Department, if any, decides that it would not be in the interest of KRCL to continue business dealings pending investigation, it may suspend business dealings with the Agency. The order to this effect may indicate a brief of the charges under investigation. If it is decided that inter-connected Agencies would also come within the ambit of the order of suspension, the same should be specifically stated in the order. The order of suspension would operate for a period not more than six months and may be communicated to the Agency as also to the Investigating Department. The Investigating Department may ensure that their investigation is completed and whole process of final order is over within such period.
- 5.2 The order of suspension shall be communicated to all Departmental Heads within the KRCL. During the period of suspension, no business dealing may be held with the Agency.
- 5.3 As far as possible, the existing contract(s) with the Agency may continue unless the Competent Authority, having regard to the circumstances of the case, decides otherwise.
- 5.4 If the gravity of the misconduct under investigation is very serious and it would not be in the interest of KRCL, as a whole, to deal with such an Agency pending investigation, the Competent Authority may pass an order suspending business dealings, copy of which may be endorsed to the Agency concerned. Such an order would operate for a period of six months from the date of issue.
- 5.5 For suspension of business dealings with Foreign Suppliers, following shall be the procedure:-
 - i) Suspension of the foreign suppliers shall apply throughout the Company.

- ii) Based on the complaint forwarded by KDC or received directly by Vigilance Department, if gravity of the misconduct under investigation is found to be serious and it is felt that it would not be in the interest of KRCL to continue dealing with such agency, pending investigation, Vigilance Department may send such recommendation on the matter to Chairman and Managing Director to place it before a KRCL Directors' Committee (KDC) consisting of the following:
 - 1. Director (Finance)
 - 2. Director (Operations and Commercial)

The committee shall expeditiously examine the report, give its comments / recommendations within twenty one days of receipt of the reference.

- iii) If KDC opines that it is a fit case for suspension, KDC may pass necessary orders which shall be communicated to the foreign supplier by Director (Operations and Commercial).
- 5.6 If the Agency concerned asks for detailed reasons of suspension, the Agency may be informed that its conduct is under investigation. It is not necessary to enter into correspondence or argument with the Agency at this stage.
- 5.7 It is not necessary to give any show-cause notice or personal hearing to the Agency before issuing the order of suspension. However, if investigations are not completed in six months' time, the Competent Authority may extend the period of suspension by another three months, during which period the investigations must be completed.

6. Ground on which Banning of Business Dealings can be initiated

- 6.1 If the security consideration, including questions of loyalty of the Agency to the State, so warrants;
- 6.2 If the Director / Owner of the Agency, proprietor or partner of the firm, is convicted by a Court of Law for offences involving moral turpitude in relation to its business dealings with the Government or any other public sector enterprise or KRCL, during the last five years;
- 6.3 If there is strong justification for believing that the Directors, Proprietors, Partners, owner of the Agency have been guilty of malpractices such as bribery, corruption, fraud, substitution of tenders, interpolations, etc.;
- 6.4 If the Agency continuously refuses to return / refund the dues of KRCL without showing adequate reason and this is not due to any reasonable dispute which would attract proceedings in arbitration or Court of Law;

- 6.5 If the Agency employs a public servant dismissed / removed or employs a person convicted for an offence involving corruption or abetment of such offence;
- 6.6 If business dealings with the Agency have been banned by the Govt. or any other public sector enterprise;
- 6.7 If the Agency has resorted to corrupt, fraudulent practices including misrepresentation of facts and / or fudging /forging /tampering of documents;
- 6.8 If the Agency uses intimidation / threatening or brings undue outside pressure on the Company (KRCL) or its official in acceptance / performance of the job under the contract;
- 6.9 If the Agency indulges in repeated and / or deliberate use of delay tactics in complying with contractual stipulations;
- 6.10 Wilful indulgence by the Agency in supplying sub-standard material irrespective of whether pre-dispatch inspection was carried out by Company (KRCL) or not;
- 6.11 Based on the findings of the investigation report of CBI / Police against the Agency for malafide / unlawful acts or improper conduct on his part in matters relating to the Company (KRCL) or even otherwise;
- 6.12 Established litigant nature of the Agency to derive undue benefit;
- 6.13 Continued poor performance of the Agency in several contracts;
- 6.14 If the Agency misuses the premises or facilities of the Company (KRCL), forcefully occupies, tampers or damages the Company's properties including land, water resources, forests / trees, etc.

(Note: The examples given above are only illustrative and not exhaustive. The Competent Authority may decide to ban business dealing for any good and sufficient reason).

7 Banning of Business Dealings

- 7.1 Normally, a decision to ban business dealings with any Agency should apply throughout the Company.
However, the Competent Authority can impose such ban project wise only if in the particular case banning of business dealings by respective projects will serve the purpose and achieve its objective and banning throughout the Company is not required in view of the local conditions and impact of the misconduct / default not expected to go beyond the project.
- 7.2 There will be a Standing Committee in each project to be appointed by Chairman and Managing Director for processing the cases of "Banning of Business Dealings" except for banning of business dealings with foreign

suppliers. However, for procurement of items / award of contracts, the committee shall be consisting of members out of PCE, FA&CAO, COM, CEE, CSTE, CME and COS. The Convener of the respective Committee would be appointed by Chairman and Managing Director. The functions of the committee shall, inter-alia include:

- i) To study the report of the Investigating Agency and decide if a prima-facie case for Company-wide / Local unit wise banning exists, if not, send back the case to the Competent Authority.
- ii) To recommend for issue of show-cause notice to the Agency by the concerned department.
- iii) To examine the reply to show-cause notice and call the Agency for personal hearing, if required.
- iv) To submit final recommendation to the Competent Authority for banning or otherwise.

- 7.3 If companywide banning is contemplated by the standing Committee of any project, the proposal should be sent by the committee to KDC setting out the facts of the case and the justification of the action proposed along with all the relevant papers and documents. KDC shall get feedback about that agency from all other sources of KRCL and based on this feedback, a prima-facie decision for banning / or otherwise shall be taken by the Competent Authority. At this stage if it is felt by the Competent Authority that there is no sufficient ground for companywide banning, then the case shall be sent back to the Committee of the project for further action at their level.

If the prima-facie decision for Company-wide banning has been taken, KDC shall issue a show-cause notice to the agency conveying why it should not be banned throughout KRCL.

After considering the reply of the Agency and other circumstances and facts of the case, KDC will submit the case to the Chairman and Managing Director to take a final decision for Company-wide banning or otherwise.

- 7.4 If the Competent Authority is prima-facie of the view that action for banning business dealings with the Agency is called for, a show-cause notice may be issued to the Agency as per paragraph 9.1 and an enquiry held accordingly.

- 7.5 Procedure for Banning of Business Dealings with Foreign Suppliers.

- i) Banning of the agencies shall apply throughout the Company.
- ii) Based on the complaint forwarded by KDC or received directly by Vigilance Department, an investigation shall be carried out by Vigilance Department.

After investigation depending upon the gravity of the misconduct, Vigilance Department may send their report to KDC to KRCL Directors Committee consisting of the following :-

1. Director (Operations and Commercial)
2. Director (Finance)

The Committee shall examine the report and give its comments / recommendations within 21 days of receipt of the reference by Vigilance Department.

- iii) If the Competent Authority opines that it is a fit case for initiating banning action, it will issue show-cause notice to the agency for replying within a reasonable period.
- iv) On receipt of the reply or on expiry of the stipulated period, the case shall be submitted by Director (Operations and Commercial) to KDC for consideration & decision.
- v) The decision of the KDC shall be communicated to the agency by Director (Operations and Commercial).

8 Removal from List of Approved Agencies - Suppliers / Contractors, etc.

- 8.1 If the Competent Authority decides that the charge against the Agency is of a minor nature, it may issue a show-cause notice as to why the name of the Agency should not be removed from the list of approved Agencies - Suppliers / Contractors, etc.
- 8.2 The effect of such an order would be that the Agency would not be disqualified from competing in Open Tender Enquiries but Limited Tender Enquiries may not be given to the Agency concerned.
- 8.3 Past performance of the Agency may be taken into account while processing for approval of the Competent Authority for awarding the contract.

9 Show-cause Notice

- 9.1 In case where the Competent Authority decides that action against an Agency is called for, a show-cause notice has to be issued to the Agency. Statement containing the imputation of misconduct or mis-behaviour may be appended to the show-cause notice and the Agency should be asked to submit within 15 days a written statement in its defence.
- 9.2 If the Agency requests for inspection of any relevant document in possession of KRCL, necessary facility for inspection of documents may be provided.
- 9.3 The Competent Authority may consider and pass an appropriate speaking order:

- a) For exonerating the Agency if the charges are not established;
- b) For removing the Agency from the list of approved Suppliers / Contractors, etc.
- c) For banning the business dealing with the Agency.

9.4 If it decides to ban business dealings, the period for which the ban would be operative may be mentioned. The order may also mention that the ban would extend to the interconnected entities of the Agency.

10 Appeal against the Decision of the Competent Authority

10.1 The Agency may file an appeal against the order of the Competent Authority banning business dealing, etc. The appeal shall lie to Appellate Authority. Such an appeal shall be preferred within one month from the date of receipt of the order banning business dealing, etc.

10.2 Appellate Authority would consider the appeal and pass appropriate order which shall be communicated to the Agency as well as the Competent Authority.

11 Review of the Decision by the Competent Authority

Any petition / application filed by the Agency concerning review of the banning order passed originally by the Competent Authority of KRCL under the existing guidelines either before or after filing of appeal before the Appellate Authority or after disposal of appeal by the Appellate Authority, the review petition can be decided by the KRCL Directors' Committee (KDC) upon disclosure of new facts / circumstances or subsequent development necessitating such review. The KDC may refer the same petition to the Standing Committee for examination and recommendation.

12 Circulation of the names of Agencies with whom Business Dealings have been banned

12.1 Depending upon the gravity of misconduct established, KRCL may circulate the names of Agency with whom business dealings have been banned, to the Government Departments, other Public Sector Enterprises, etc. for such action as they deem appropriate.

12.2 If Government Departments or Public Sector Enterprises request for more information about the Agency with whom business dealings have been banned, a copy of the report of Inquiring Authority together with a copy of the order of the Competent Authority / Appellate Authority may be supplied.

12.3 If business dealings with any Agency has been banned by the Central or State Government or any other Public Sector Enterprise, KRCL may, without any further enquiry or investigation, issue an order banning business dealing with the Agency and its inter-connected entities.

12.4 Based on the above, KRCL may formulate their own procedure for implementation of the Guidelines and the same be made a part of the tender documents.

INTEGRITY PACT

KONKAN RAILWAY CORPORATION LTD. (KRCL) hereinafter referred to as “**The Principal**”,

and

_____ hereinafter referred to as
“**The Bidder/Contractor**”.

Preamble

The Principal intends to award, under laid down organizational procedures, contract/s for

The Principal values full compliance with all relevant laws of the land, rules, regulations, economic use of resources and of fairness / transparency in its relations with its Bidder(s) and / or Contractor(s).

In order to achieve these goals, the Principal will appoint an Independent External Monitor (IEM), who will monitor the tender process and the execution of the contract for compliance with the principles mentioned above.

Section 1 – Commitments of the Principal

- The Principal commits itself to take all measures necessary to prevent corruption and to observe the following principles.
 - a. No employee of the Principal, personally or through family members, will in connection with the tender for, or the execution of a contract, demand, take a promise for or accept, for self or third person, any material or immaterial benefit which the person is not legally entitled to.
 - b. The Principal will, during the tender process treat all Bidders(s) with equity and reason. The Principal will in particular, before and during the tender process, provide to all Bidder(s) the same information and will not provide to any Bidder(s) confidential/additional information through which the Bidder(s) could obtain an advantage in relation to the tender process or the contract execution.
- The Principal will exclude from the process all known prejudiced persons.
- c) If the Principal obtains information on the conduct of any of its employees which is a criminal offence under the IPC/PC Act, or if there be a substantive suspicion in this regard, the Principal will inform the Chief Vigilance Officer and in addition can initiate disciplinary actions.

Section 2 – Commitments of the Bidder(s)/contractor(s)

- (1) The Bidder(s)/Contractor(s) commit himself to take all measures necessary to prevent corruption. He commits himself to observe the following principles during his participation in the tender process and during the contract execution.

- a. The Bidder(s)/Contractor(s) will not, directly or through any other person or firm, offer, promise or give to any of the Principal's employees involved in the tender process or the execution of the contract or to any third person any material or other benefit which he/she is not legally entitled to, in order to obtain in exchange any advantage of any kind whatsoever during the tender process or during the execution of the contract.
 - b. The Bidder(s)/Contractor(s) will not enter with other Bidders into any undisclosed agreement or understanding, whether formal or informal. This applies in particular to prices, specifications, certifications, subsidiary contracts, submission or non-submission of bids or any other actions to restrict competitiveness or to introduce cartelisation in the bidding process.
 - c. The Bidder(s)/Contractor(s) will not commit any offence under the relevant IPC/PC Act; further the Bidder(s)/Contractor(s) will not use improperly, for purposes of competition or personal gain, or pass on to others, any information or document provided by the Principal as part of the business relationship, regarding plans, technical proposals and business details, including information contained or transmitted electronically.
 - d. The Bidder(s)/Contractor(s) of foreign origin shall disclose the name and address of the Agents/representatives in India, if any. Similarly the bidder(s)/Contractor(s) of Indian Nationality shall furnish the name and address of the foreign principals, if any. Further details as mentioned in the "Guidelines on Indian Agents of Foreign Suppliers" shall be disclosed by the Bidder(s)/Contractor(s). Further, as mentioned in the Guidelines all the payments made to the Indian agent/representative have to be in Indian Rupees only. Copy of the "Guidelines on Indian Agents of Foreign Suppliers" is annexed and marked as Annexure-10.
 - e. The Bidder(s)/Contractor(s) will, when presenting his bid, disclose any and all payments he has made, is committed to or intends to make to agents, brokers or any other intermediaries in connection with the award of the contract.
- (2) The Bidder(s)/Contractor(s) will not instigate third persons to commit offences outlined above or be an accessory to such offences.

II. Section 3 – Disqualification from tender process and exclusion from future contracts

If the Bidder(s)/Contractor(s), before award or during execution has committed a transgression through a violation of Section 2, above or in any other form such as to put his reliability or credibility in question, the Principal is entitled to disqualify the Bidder(s)/Contractor(s) from the tender process or take action as per the procedure mentioned in the "Guidelines on Banning of business dealings". Copy of the "Guidelines on Banning of business dealings" is annexed and marked as Annex.-"B".

III. Section 4 – Compensation for Damages

- (1) If the Principal has disqualified the Bidder(s) from the tender process prior to the award according to Section 3, the Principal is entitled to demand and recover the damages equivalent to Earnest Money Deposit / Bid Security.
- (2) If the Principal has terminated the contract according to Section 3, or if the Principal is entitled to terminate the contract according to Section 3, the Principal shall be entitled to demand and recover from the Contractor liquidated damages of the Contract value or the amount equivalent to Performance Bank Guarantee.

IV. Section 5 – Previous transgression

- (1) The Bidder declares that no previous transgressions occurred in the last 3 years with any other Company in any country conforming to the anti corruption approach or with any other Public Sector Enterprises in India that could justify his exclusion from the tender process.
- (2) If the Bidder makes incorrect statement on this subject, he can be disqualified from the tender process or action can be taken as per the procedure mentioned in "Guidelines on Banning of business dealings".

Section 6- Equal treatment of all Bidders/Contractors/Subcontractors

- (1) The Bidder(s)/Contractor(s) undertake(s) to demand from all subcontractors a commitment in conformity with this Integrity Pact, and to submit it to the Principal before contract signing.
- (2) The Principal will enter into agreements with identical conditions as this one with all Bidders, Contractors and Subcontractors.
- (3) The Principal will disqualify from the tender process all bidders who do not sign this Pact or violate its provisions.

Section 7 – Criminal charges against violating Bidder(s) / Contractor(s) / Subcontractor(s)

If the Principal obtains knowledge of conduct of a Bidder, Contractor or Subcontractor, or of an employee or a representative or an associate of a Bidder, Contractor or Subcontractor which constitutes corruption, or if the Principal has substantive suspicion in this regard, the Principal will inform the same to the Chief Vigilance Officer.

Section 8 – Independent External Monitor / Monitors

- (1) The Principal appoints competent and credible Independent External Monitor for this Pact. The task of the Monitor is to review independently and objectively, whether and to what extent the parties comply with the obligations under this agreement.
- (2) The Monitor is not subject to instruction by the representatives of the parties and performs his functions neutrally and independently. He reports to the Chairman and Managing Director, KRCL.
- (3) The Bidder(s)/Contractor(s) accepts that the Monitor has the right to access without restriction to all Project documentation of the Principal including that provided by the Contractor. The contractor will also grant the Monitor, upon his request and demonstration of a valid interest, unrestricted and unconditional access to his project documentation. The same is applicable to Subcontractors. The Monitor is under contractual obligation to treat the information and documents of the Bidders(s)/Contractor(s)/Subcontractor(s) with confidentiality.
- (4) The Principal will provide to the Monitor sufficient information about all meetings among the parties related to the Project provided such meetings could have an impact on the contractual relations between the Principal and the Contractor. The parties offer to the Monitor the option to participate in such meetings.
- (5) As soon as the *Monitor* notices, or believes to notice, a violation of this agreement, he will so inform the Management of the Principal and request the Management to discontinue or take corrective action, or to take other relevant action. The monitor can in this regard submit non-binding recommendations. Beyond this, the Monitor has no right to demand from the parties that they act in a specific manner, refrain from action or tolerate action.
- (6) The monitor will submit a written report to the Chairman and Managing Director, KRCL within 8 to 10 weeks from the date of reference or intimation to him by the *Principal* and, should the occasion arise, submit proposals for correcting problematic situations.
- (7) Monitor shall be entitled to compensation on the same terms as being extended to / provided to Independent Directors on the KRCL Board.
- (8) If the Monitor has reported to the Chairman and Managing Director, KRCL, a substantiated suspicion of an offence under relevant IPC/PC Act, and the Chairman and Managing Director KRCL has not, within the reasonable time taken visible action to proceed against such offence or reported it to the Chief Vigilance Officer, the Monitor may also transmit this information directly to the Central Vigilance Commissioner.
- (9) The word “**Monitor**” would include both singular and plural.

Section 9 – Pact Duration

This Pact begins when both parties have legally signed it. It expires for the Contractor 12 months after the last payment under the contract, and for all other Bidders 6 months after the contract has been awarded.

If any claim is made / lodged during this time, the same shall be binding and continue to be valid despite the lapse of this pact as specified above, unless it is discharged / determined by Chairman and Managing Director, KRCL.

Section 10 – Other provisions

- (1) This agreement is subject to Indian Law. Place of performance and jurisdiction is the Registered Office of the Principal, i.e. Mumbai/ Navi Mumbai.
- (2) Changes and supplements as well as termination notice need to be made in writing. Side agreements have not been made.
- (3) If the Contractor is a partnership or a consortium, this agreement must be signed by all partners or consortium members.
- (4) Should one or several provisions of this agreement turn out to be invalid, the remainder of this agreement remains valid. In this case, the parties will strive to come to an agreement to their original intentions.

(For & On behalf of the Principal) (For & On behalf of Bidder/Contractor)

Office Seal

Office Seal

Place _____

Date _____

Witness 1 :

Name & Address _____

Witness 2 :

Name & Address _____



KONKAN RAILWAY CORPORATION LIMITED

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Annexure -I

Bidder/Contractor is required to sign the Integrity Pact with KRCL as per format & terms and conditions enclosed with tender. In case a bidder / Contractor does not sign the Integrity Pact, his bid/contract shall be liable for rejection.

I COMMITMENTS AND OBLIGATIONS OF THE “BIDDER OR CONTRACTOR

- a) The Counterparty, directly or indirectly (through agent, consultant, advisor, etc.), shall not pay any bribe/ influence or give undue/ unlawful benefit to anyone to gain undue advantage in dealing with KRCL.
- b) The Counterparty will not engage in collusion of any kind including price fixation etc. with other Counterparties.
- c) The counterparty will not pass on KRCL's confidential information to any third party unless specifically authorized by KRCL in writing.
- d) The Counterparties shall promote and observe best ethical practices within their respective organizations.
- e) The Counterparty shall inform the Independent External Monitor.
 - i) If it received any demand, directly or indirectly, for a bribe/ favour or any illegal gratification/ payment / benefit;
 - ii) If it comes to know of any unethical or illegal payment / benefit;
 - iii) If it makes any payment to any KRCL associate.
- f) The Counterparty shall not make any false or misleading allegations against KRCL or its associates.

II VIOLATIONS & CONSEQUENCES:

- a) If a Counterparty commits a violation of its Commitments and Obligations under the Integrity Pact Programme during bidding process, their entire Earnest Money Deposit/ Bid Security, would be forfeited and in addition, they may be blacklisted from the KRCL business in future.
- b) In case of violation of the Integrity pact by Counterparty after award of the Contract, KRCL shall be entitled to terminate the Contract. KRCL would forfeit the security deposits, encash the bank guarantee (s) and other payments payable to Counterparty in such cases,
- c) Subject to satisfaction of the Independent External Monitor, KRCL may ban/ blacklist/put on holiday and exclude the Counterparty from future dealings until KRCL is satisfied that the Counterparty shall not commit any such violation in future.



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- d) In addition to above, KRCL reserves its right to initiate criminal proceedings against the violating Counterparty, if the allegations by Counterparty are found frivolous, untrue and misleading and may also impose exemplary cost for the same.
- e) The Counterparty will be entitled to claim as determined by the Independent External Monitor, if the above (d) is found incorrect.

INDEPENDENT EXTERNAL MONITORS (IEMS)

- ci. The following Independent External Monitors (IEMs) have been appointed by KRCL, in terms of Integrity Pact (IP) which forms part of KRCL Tenders / Contracts.
 - i) Dr.P.C.Sehgal (email id: dr_pcsehgal@yahoo.com)
 - ii) Shri S.B.Kulkarni (email id: specilityadvisory@gmail.com)

This panel is authorised to examine / consider all references made to it under this tender. The bidder(s) , in case of any dispute(s) / complaint(s) pertaining to this tender may raise the issue either with the designated tender issuing officer in KRCL C/o **Konkan Railway Corporation Limited**, Registered and Corporate office at Plot No. 6, Sector 11, Belapur Bhavan, CBD Belapur, Navi Mumbai – 400 614 or directly with the IEMs on the panel.



KONKAN RAILWAY CORPORATION LIMITED
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(REFERENCE TO INDEPENDENT EXTERNAL MONITOR)

Date:

To

Sub: Tender No. / Contract No. _____

1. No reference can be made to Independent External Monitor if the time to submit the tender / bid is less than 7 days. It may also be noted that no time extension will be allowed for submission of tender.
2. Reference of only those bidders who have purchased the tender document and signed the Integrity Pact will be entertained.
3. Application be made in triplicate - one shall be sent to KRCL and two copies of the same shall be sent to IEM.

A) PRE-TENDER STAGE

I) Please provide the following information: -

- a) Whether tender document has been purchased.
Yes / No (If Yes, indicate the Receipt No.)
- b) If downloaded from website, whether fee for the same has been deposited. Yes / No
- c) Whether the query has been given to KRCL before submission to IEM Yes / No (If Yes, please state the date of submission of query).
- d) If reply has been received, please attach a copy of the reply.

II) Please state the query in clear terms giving reference to the clause in the tender.

B) ISSUES RELATING TO EVALUATION OF TENDERS:

- I) Whether any reference has been made to KRCL Yes / No
(If yes, reply received from KRCL be attached.)
- II) Issue on which reference is being made.



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- III) Documentary proof with reference to query be attached.
- C) IN CASE CONTRACT HAS BEEN SIGNED/EXECUTION STAGE
- I) Date of signing of the contract.
- II) Please state whether the Performance Guarantee has been submitted in terms of the contract. Yes / No
- III) Agreement Clause No. against which the complaint is being made.
- IV) Integrity Pact clause under which reference is being made.
- D) ISSUES REFERENCE: (Please State the query)
- I) Please state whether any reference was made to KRCL. Yes
/ No. (If yes, reply of KRCL be attached)
- II) In case no reference is made, please note that first reference is required to be made to KRCL unless the issue relates to any corrupt practice.

Signature_____

Name of the Company _____

Address _____

Tel. No. _____

Mob. No. _____

Fax No. _____

E-MAIL _____

(Please attach separate sheets for detailing the issues, if need be)

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KONKAN RAILWAY CORPORATION LIMITED

MATERIALS MANAGEMENT DEPARTMENT

भारत सरकार Government of India
रेल मंत्रालय Ministry of Railways
(रेलवे बोर्ड Railway Board)

88/05
2/2/12

No: 2010/RS(G)/363/1

New Delhi, dated: 5.7.2012

The General Manager, All Indian Railways & PUs including NF(C).
The General Manager, CORE, Allahabad.
The General Manager, Metro Railway, Kolkata.
The Director General, RDSO, Lucknow & Railway Staff College, Vadodara.
CAO/Workshop Projects organization, 1st Floor, Chamber Bhawan, JC Road, Patna-800001.
CAO/DMW, Patiala and COFMOW, New Delhi.
CAO/RCF/RBL, Old TA Building, Kishanganj, Delhi,
MD/All Railway PSUs, KRCL, MRVC
CAO/All autonomous entity under Ministry of Railways

Sub: Public Procurement Policy for goods produced and services rendered by Micro and Small Enterprises (MSEs) by Central Ministries/Departments/Public Sector Undertakings (PSUs).

In exercise of the powers conferred on it in Section 11 of the Micro, Small and Medium Enterprises Development (MSMED) Act 2006, the Central Government, by Order, notified the Public Procurement Policy in respect of procurement of goods and services, produced and provided by micro and small enterprises, by its Ministries, Departments and Public Sector Undertakings. The copy of notification No.503 dated 23.3.2012, as printed in the Gazette of India, is enclosed for guidance and compliance.

- 1.1 The Public Procurement Policy rests upon the core principles of competitiveness, adhering to sound procurement practices and execution of orders for supply of goods or services in accordance with a system which is fair, equitable, transparent, competitive and cost effective.
- 1.2 The Policy envisages extending certain benefits/preferential treatment to MSEs and making efforts for development of appropriate vendors and enhancement of their participation in government procurements. In order to avail themselves of such benefits and preferential treatment, the MSEs must be registered with any of the following:-

- (i) District Industries Centers
- (ii) Khadi and Village Industries Commission
- (iii) Khadi and Village Industries Board
- (iv) Coir Board
- (v) National Small Industries Corporation
- (vi) Directorate of Handicraft and Handloom
- (vii) Any other body specified by Ministry of MSME

प्रति कार्यालय / MD Cell
4
27 JUL 2012



KONKAN RAILWAY CORPORATION LIMITED

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2. In pursuance of the Public Procurement Policy on MSE, it has been decided that :-

- (i) Tender sets shall be provided free of cost to MSEs registered with the above agencies for the item tendered.
- (ii) MSEs registered with the above agencies for the item tendered will be exempted from payment of Earnest Money.
- (iii) In tenders, participating MSEs quoting a price within price band of L1+15% shall be allowed to supply a portion of the requirement by bringing down their price to L1 price in a situation where L1 price is from someone other than a MSE and such MSEs can be together ordered upto 20% of the total tendered value.
- (iv) Every central Ministry or Department or Public Sector Undertaking shall set an annual goal of procurement from Micro and Small Enterprises from the financial year 2012-13 and onwards, with the objective of achieving an overall procurement of minimum of 20 %, of total annual purchases of products produced and services rendered by Micro and Small Enterprises in a period of three years. After a period of three years i.e. from 01-04-2015, overall procurement goal of minimum 20 % shall be mandatory. Annual goal of procurement also include subcontracts to Micro and Small Enterprises and consortia of Micro and Small Enterprises formed by National Small Industries Corporation. 20% out of this 20% (i.e., overall 4%) of procurement of goods and services will be from MSEs owned by Scheduled Castes or Scheduled Tribes (SC/ST) entrepreneurs. In the event of failure of such MSEs to participate in the tender process or meet tender requirements and L1 price, 4% sub-target of procurement earmarked from MSEs owned by SC/ST entrepreneurs shall be met from other MSEs .
- (v) Ministries or Departments or PSUs shall continue to procure 358 items (Appendix to the Notification) from Micro and Small enterprises, which have been reserved for exclusive purchase from them.

2.1 While computing the overall achievement against the 20% goal, the computation shall also include the procurement and sub-contract made from MSEs by

- (a) large scale vendors of Railway units and
- (b) consortia of MSEs (as vendors to Rly. Units) formed by NSIC.

3. In order to extend the benefit/preferential treatment to eligible MSEs, suitable conditions may be included in the bid document as indicated below:-

- (a) "Para 2(i) to 2(iii) above".
- (b) (I) "MSEs who are interested in availing themselves of these benefits will enclose with their offer the proof of their being MSE

(Last Updated : April 2015)



KONKAN RAILWAY CORPORATION LIMITED

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registered with any of the agencies mentioned in the notification of Ministry of MSME indicated below:

- (i) District Industries Centers
- (ii) Khadi and Village Industries Commission
- (iii) Khadi and Village Industries Board
- (iv) Coir Board
- (v) National Small Industries Corporation
- (vi) Directorate of Handicraft and Handloom
- (vii) Any other body specified by Ministry of MSME.

(II) The MSEs must also indicate the terminal validity date of their registration.

Failing (I) & (II) above, such offers will not be liable for consideration of benefits detailed in MSE notification of Government of India dated 23.3.12".

4. Further, in order that the required information as desired by the MSE policy is effectively tapped, all vendor approving/registering units are hereby directed to immediately seek the following information from the vendors approved/registered by them and incorporate in their database-

- (a) Category of vendors as below:-
 - (i) Micro Enterprises
 - (ii) Small Enterprises
- (b) Each of the above categories must further be sub-classified under the following categories:-
 - (i) Enterprises owned by Scheduled Castes.
 - (ii) Enterprises owned by Scheduled Tribes.
 - (iii) Enterprise owned by other than above two categories.
- (c) For a vendor to get classified as a Micro Enterprise and Small Enterprise, the vendor must submit documentary proof of being registered with any of the agencies indicated in para 1.2 and also the terminal date of validity of the registration:

5. Railways shall capture and report the data of procurement from MSEs (indicating separately the value of procurement from MSEs owned by SC/ST) to Railway Board at the end of each financial year along with the annual figures. The value of procurement from MSEs will include the direct procurement from MSEs plus the sub-contracting given by large scale vendors/consortia of MSEs to their MSE sub-contractors (as indicated in Para 2.1 above).

6. This supersedes the existing policy of price preference and benefits to Small Scale Industries being followed till now.



KONKAN RAILWAY CORPORATION LIMITED
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This issues with the concurrence of Finance Directorate of Railway Board.

Please acknowledge receipt.

Santosh Mittal
(Santosh Mittal)
Dy. Dir. Rly. Stores(G)-I
Railway Board

No: 2010/RS(G)/363/1

New Delhi, dated: 5.7.2012

Copy to:

1. FA&CAOs, All Indian Railways & Production Units.
2. PCEs, All Indian Railways & Production Units, WPO/Patna, RCF/RBL, COFMOW, DMW
3. CMEs, CEEs, CSTE's, All Indian Railways & Production Unit, WPO/Patna, RCF/RBL.
4. The ADAL(Railways), New Delhi (with 10 spares copies)
5. The Director of Audit, All Indian Railways.

AM

for Financial Commissioner / Railways

No: 2010/RS(G)/363/1

New Delhi, dated: 5.7.2012

Copy to:

1. The COSs, All Indian Railways & PUs including NF(C).
2. The COS, Metro Railway, Kolkata.
3. The COS, COFMOW, New Delhi.
4. The COS, CORE, Allahabad.
5. The COS, Konkan Railway Corporation Ltd., Belapur Bhavan, 4th Floor, Sector-11, CBD, Belapur, Navi Mumbai-400614.
6. The COS, Mumbai Rail Vikas Corporation, 2nd Floor, Church Gate station Building, Mumbai-400020.
7. CMM/RCF/RBL, Kishanganj, Delhi,
8. COS, Workshops Project Organisation, Patna
9. The Directors-
 - a. Indian Railway Institute of Sig. Engg. & Telecom, Secunderabad.
 - b. Indian Railway Institute of Mech. & Elec. Engg., Jamalpur.
 - c. Indian Railway Institute of Elect. Engg., Nasik.
 - d. Sr.Prof. (Material Management), Railway Staff College, Vadodara.
 - e. Indian Railway Institute of Civil Engg., Pune.
 - f. Indian Railway Institute of Logistics & Materials Management, IDA House, Sector IV, R.K.Puram, New Delhi
10. Chairman, Railway Rates Tribunal, Chennai.
11. Director, Iron & Steel, 3, Koila Ghat Street, Kolkata.
12. Executive Director (Stores), RDSO, Manak Nagar, Lucknow.
13. Chief Commissioner, Railway Safety, Lucknow.
14. ED(QA)/RITES, RITES Bhavan, Sector-29, Gurgaon, Haryana.
15. CPM, CRIS, Chanakya Puri, New Delhi.
16. GM(Procurement System), CRIS, Chanakya Puri, New Delhi.

Santosh Mittal
(Santosh Mittal)
Dy. Dir. Rly. Stores(G)-I
Railway Board

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KONKAN RAILWAY CORPORATION LIMITED

MATERIALS MANAGEMENT DEPARTMENT

1 Railway Board Letter No.99/RS(G)/709/4 dt.12.02.2016 Inspection charges : Inspection policy

The charges to be levied for re-inspection was last circulated vide Railway Board letter dated 23.2.2001. In light of the general inflation and in order to discourage vendors with poor quality record, the following re-inspection charges will be paid by the supplier to the inspecting agency.

A(i) Failure to offer material for inspection

Current	New
50% of inspection charges upto max of RS. 5000	(a) before the visit of inspecting engineer (IE): 50% of inspection charges upto max of Rs. 11000 (b) after visit of IE: twice the charge payable in 'a' above.

A (ii) Material has to be re-inspected due to rejection of material at firm's premises

Current	New
50% of inspection charge + actual test charges	100% inspection charge + actual test charge.

A (iii) Material has to be re-inspected due to non-dispatch

Current	New
50% of inspection charge + actual test charges.	100% inspection charge + actual test charge.

A (iv) Wherever testing is required to be done by the inspecting agency (e.g. RITES) outside the manufacturer's premises (as per IRS Condition of Contract 1303 & 1304) all testing will be done by inspecting agency (e.g. RITES) either in its own lab / labs approved by it or in NABL accredited lab.

Further, parts and fittings of rolling stock except raw material, which have been found rejected during inspection and which could not be rectified, are required to be defaced by the inspecting authority to avoid recycling of such rejected material and to avoid ultimate failures of assets. All such rejected materials of rolling stock should be mechanically defaced to prevent sale to Railways again.

Provisions A(i) to A(iv) and Para 2 will be a part of tender document.

This is available in link -

<http://www.indianrailways.gov.in/railwayboard/uploads/directorate/stores/downloads/circular/2016/Inspection%20charges%20policy0001.pdf>



KONKAN RAILWAY CORPORATION LIMITED

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2 **Railway Board Letter No.2001/RS(G)/779/7 Pt.1 dt.29.06.2017** **Ordering on approved sources / Vendor approval**

With reference to Board's above letters, few of Railway units have sought some clarifications mainly with regard to:

Following General condition may be added in the tenders:

"Whenever tender is floated with purchase restriction from sources approved by nominated authorities and there exists a suspected cartel situation by approved sources or the rates available from approved source/sources are adjudged unreasonably high, despite fair efforts as permissible, the purchaser reserves the right to place orders on firms outside the approved vendors list, without any restrictions".

This is available in link -

http://www.indianrailways.gov.in/railwayboard/uploads/directorate/stores/downloads/circular/2017/Ordering_approved_sources_Vendor_approval_290617.pdf

3 **Railway Board Letter No.99/RS(G)/709/4 dt.20.10.2016** **Policy of Inspection : Revision of Inspection charges**

The current inspection charges payable to RITES for the inspection done by it is @ 0.45% of the P O value. It was fixed vide Railway Board letter's No. 77/RS(G)/379/2 dt.04.06.1976.

The same has been reviewed by Railway Board. The revised inspection charges payable to RITES will be @ 0.90% of the value of PO or part thereof (whenever part quantity is inspected.)

The revised inspection charges will be effective for all the inspections whose inspection certificate date is after the issue of this letter.

This is available in link -

<http://www.indianrailways.gov.in/railwayboard/uploads/directorate/stores/downloads/circular/2016/Policy%20of%20inspenction.pdf>

4 **Railway Board Letter No.99/RS(G)/709/1 dt.18.11.2016** **Ordering on approved / registered sources**

Railway Board vide their letters referred above, have clarified various aspects related to ordering on approved sources, wherever the sources are approved in Part-I and Part-II categories.



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Issue of maintaining Part-I and Part-II categorization among the approved / registered sources has been considered by Railway Board and it has been decided to do away with such categorization.

Consequent upon the above decision:

Part-I and Part-II categories of vendors, wherever so approved/registered, will stand merged as "Approved Vendors" with immediate effect. Fresh vendor directories shall be issued accordingly by the nominated agencies. Similarly, fresh approval/registration of vendors, henceforth, will only be done as approved vendors and any sub-categorization among the approved/registered vendors by approving/registering agencies will cease to exist. Any other instructions of Railway Board, where Part-I and Part-II categorization exist for procurement from approved /registered vendors exist, will stand modified accordingly.

This is available in link -

http://www.indianrailways.gov.in/railwayboard/uploads/directorate/stores/downloads/circular/RS%20G/Ordering_181116_pdf.pdf

5 Railway Board Letter No.2001/RS(G)/779/7 dt.07.12.2016 Vendor Approval / Registration for Safety and Vital Items.

RDSO has been registering / approving vendors for various safety / vital items. The issue of decentralization of this function has been deliberated by Board in the light of final recommendations of the "One Man (Sreedharan) Committee report". Based on the decision of Hon'ble MR there-upon, it has now been decided that henceforth, vendor assessment and approval for various safety/vital items hereto done by RDSO will be done by following agencies -

DLW, DMW, CLW,, ICF, RCF, RDSO

This is available in link -

http://www.indianrailways.gov.in/railwayboard/uploads/directorate/stores/downloads/circular/2016/Vendor_Appr_Safety_01032017.pdf

6 Railway Board Letter No.2011/RS(G)/779/9 dt.01.02.2017

Value addition criterion for Preference to domestically manufactured telecom products in Government procurement with respect to Telecom Products notified under the Preferential Market Access (PMA) policy dated 5th October 2012.

This is available in link -

http://www.indianrailways.gov.in/railwayboard/uploads/directorate/stores/downloads/circular/2017/Value_Addition_Criterion_010217.pdf



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7 Railway Board Letter No.2010/RS(G)/363/1 dt.04.07.2017
Relaxation of Norms for Startups and Micro & Small Enterprises in Public Procurement on Prior Experience - Prior Turnover criteria.

MSME's Policy Circular No.1(2)(1)/2016-MA dt.10.03.2016

- (1) The Government of India has notified Public Procurement Policy for Micro and Small Enterprises (MSEs) Order 2012 with effect from 1st April 2012 and 20% procurement from Micro & Small Enterprises of the total procurement by Central Ministries/Departments/CPSUs has become mandatory with effect from 1st April 2015.
- (2) The Government of India has announced 'Startup India' initiative for creating a conducive environment for Startups in India.
- (3) The Startups are normally Micro and Small Enterprises which may not have a track record. These will have technically capability to deliver the goods and services as per prescribed technical & quality specifications, and may not be able to meet the qualification criterion relating to prior experience-prior turnover.
- (4) In exercise of Para 16 of Public Procurement Policy for Micro and Small Enterprises Order 2012, it is clarified that all Central Ministries/Departments/Central Public Sector Undertakings may relax condition of prior turnover and prior experiences with respect to Micro and Small Enterprises in all Public procurements subject to meeting of quality and technical specifications.

This is available in link_____

http://www.indianrailways.gov.in/railwayboard/uploads/directorate/stores/downloads/circular/RS%20G/Relaxation_Norms_Startup210717.pdf

8 Railway Board Letter No.2008/RS(G)/777/1 dt.06.07.2017
Compliance with the GST Act, 2017 – Special Tender Conditions

"In case the successful tenderer is not liable to be registered under CGST/IGST/UTGST/SGST Act, the Railway shall deduct the applicable GST from his/their bills under reverse charge mechanism (RCM) and deposit the same to the concerned tax authority."

This is available in link -

http://www.indianrailways.gov.in/railwayboard/uploads/directorate/stores/downloads/circular/2017/Compliance_GST_11072014.pdf



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9 Railway Board Letter No.95/RS(G)/796/1 dt.31.07.2017
Cost of the Tender documents.

In view of enabling provision incorporated under para 161(iv) of GFR 2017, it has been decided that, henceforth, the cost of tender document is dispensed with for tender documents downloaded by bidders.

This is available in link -

http://www.indianrailways.gov.in/railwayboard/uploads/directorate/mec_engg/downloads/Trac tion/2017/Cost_Tender_Document_310717.pdf

10 Railway Board Letter No.2015/RS(G)/779/5 dt.03.08.2017
Public Procurement (Preference to Make in India), order 2017

In pursuant to Rule 153 (iii) of the General Financial Rules 2017, Ministry of Commerce and Industry, Department of Industrial Policy and Promotion has issued Public Procurement (Preference to Make in India), order 2017. This order is in pursuance to the policy of the Government of India to promote manufacturing and production of goods and services in India with a view to enhancing income and employment.

The preference to make in India will be applicable as per Railway Board Letter No. as above dated 03.08.2017 which can be seen in link. These orders are applicable to all Ministries /departments / CPSUs etc. Copy of subject order issued by Ministry of Commerce and Industry, Department of Industrial Policy and Promotion is enclosed as Annexure – A for guidance and compliance.

Annexure – A is available in link.

http://www.indianrailways.gov.in/railwayboard/uploads/directorate/stores/downloads/circular/2017/Public_Procurement_030817.pdf

11 Railway Board Letter No.87/RS(G)/779/9 dt.08.08.2017
Change of base year of WPI and its effect on PVC in Railway Contracts

In order to align contract conditions with available WPI indices, following parameter will be adopted:

- I. Upto March, 2017, indices with base 2004-05 shall be used to operate PVC clause. This being part of contract and being feasible to execute shall not be tinkered with, to ensure sanctity of a valid and workable contract.
- II. From April, 2017, onwards PVC available in contract is rendered unworkable because of non-availability of WPI indices with base as 2004-05. In such cases following method shall be used:



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The contract price shall be updated upto March, 2017, using PVC as contained in contract. This updated price shall then be taken as the base price with base indices of March 2017 of 2011-12 base year. The price can further be updated using the new PVC formula as per new indices available in 2011-12 base series. This shall require amendment in contract.

This is available in link -

http://www.indianrailways.gov.in/railwayboard/uploads/directorate/stores/downloads/circular/2017/Change_Base_Year_080817.pdf

12 Railway Board Letter No.2008/RS(G)/777/1 dt.05.09.2017 Evaluation of offers under GST Regime.

Purchaser shall incorporate HSN number in the tender document. However, it shall be the responsibility of the bidders to quote correct HSN number and corresponding GST rate.

- i The offers shall be evaluated based on the GST rate as quoted by each bidder and same will be used for determining the inter se ranking. While submitting the offer, it shall be the responsibility of the bidder to ensure that they quote correct GST rate and HSN number
- ii Purchaser shall not be responsible for any misclassification of HSN number or incorrect GST rate if quoted by the bidder.
- iii Wherever the successful bidder invoices the goods at GST rate or HSN number which is different from that incorporated in the purchase order, payment shall be made as per GST rate which is lower of the GST rate incorporated in the purchase order or billed.
- iv Vendor is informed that she / he would be required to adjust her / his basic price to the extent required by higher tax billed as per invoice to match the all inclusive price as mentioned in the purchase order.
- v Any amendment to GST rate or HSN number in the contract shall be as per the contractual conditions and statutory amendments in the quoted GST rate and HSN number, under SVC.

This is available in link -

http://www.indianrailways.gov.in/railwayboard/uploads/directorate/stores/downloads/circular/2017/GST_Regime_050917.pdf



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13 Railway Board Letter No.2000/RS(G)/379/2 dt.06.09.2017
Pre-inspection of material by RITES/RDSO – minimum value of Stores

Board has decided to enhance the minimum value limit of the purchase order to be pre-inspected by third party i.e. M/s. RITES/RDSO from Rs. 1.5 lakh to Rs. 5.0 lakhs. All other aspects of inspection will remain unchanged.

This is available in link -

http://www.indianrailways.gov.in/railwayboard/uploads/directorate/stores/downloads/circular/2017/Pre-inspection_060917.pdf

14 Railway Board Letter No.F.5/4/2018-PPD dt.28.02.2018 with MSME, New Delhi's letter dt.06.04.2018 and

Railway Board Letter No.2016/PL/56/1 dt.19.03.2018

Sub: Registration of Udyog Aadhar Memorandum (UAM) by Ministry of Micro Small and Medium Enterprises (MSME) vendors on Central Public Procurement Portal (CPPP).

Available as under -

GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
(RAILWAY BOARD)

No.2016/PL/56/1

New Delhi, dated 19.03.2018

Chairman & Managing Director / Managing Director
Container Corporation of India Limited, New Delhi
Ircon International Limited, New Delhi
Dedicated Freight Corridor Corporation of India Limited, New Delhi
RITES Limited, Gurgaon
Rail Vikas Nigam Limited, New Delhi
Indian Railway Finance Corporation, New Delhi
Konkan Railway Corporation Limited, Mumbai
Indian Railway Catering & Tourism Corporation Limited, New Delhi
RailTel Corporation of India Limited, Gurgaon
Mumbai Railway Vikas Corporation Limited, Mumbai
Kolkata Metro Rail Corporation Limited, Kolkata
Braithwaite & Co. Limited, Kolkata
Burn Standard & Co. Limited, Kolkata
Bharat Wagon & Engineering Limited, Patna

Sub: Registration of Udyog Aadhar Memorandum (UAM) by Ministry of Micro, Small and Medium Enterprises (MSME) vendors on Central Public Procurement Portal (CPPP).

Please find enclosed herewith O.M. No.F.5/4/2018-PPD dated 28th February, 2018 from Public Procurement Division, Department of Expenditure, Ministry of Finance on the above subject for your information and necessary action


(A.P. Singh)

Executive Director (PSU)
Railway Board
Telefax: 011-23386091

D.A. – as above.

Copy to :

AM (Stores)

COS

विकास आयुक्त का कार्यालय
(सूक्ष्म, लघु और मध्यम उद्यम)
सूक्ष्म लघु और मध्यम उद्यम मंत्रालय
(भारत सरकार)

निर्माण भवन, सातवीं मंजिल, मौलाना आज़ाद रोड,
नई दिल्ली-110 108



OFFICE OF THE DEVELOPMENT COMMISSIONER
(MICRO, SMALL & MEDIUM ENTERPRISES)
MINISTRY OF MICRO, SMALL & MEDIUM ENTERPRISES
GOVERNMENT OF INDIA
Nirman Bhawan, 7th Floor, Maulana Azad Road,
New Delhi - 110 108

Ph: EPABX - 23063800, 23063802, 23063803 FAX - (91-11) 23062315, 23061728, 23061068, e-mail - development@msme.gov.in

F.No. 21(17)/2016-MA

April, 2018

All
MSME Development Institute/CPSEs

Sub:- Registration of Udyog Aadhar Memorandum (UAM) by Ministry of Micro, Small and Medium Enterprises (MSME) vendor on Central Public Procurement Portal (CPPP)-reg.

Please find enclosed herewith letter no-F.5/4/2018-PPD dated 28.02.2018 on the subject cited above.

In this context for effective implementation and monitoring of procurements being made from MSE vendors it is proposed that declaration of UAM number by the vendors on CPPP is mandatory from 01.04.2018, and it is requested to all procuring entities to ensure that their tender documents contain a condition regarding declaration of UAM number by MSE bidders on CPPP, failing which such bidders will not be able to enjoy the benefits as per PP Policy for MSMEs order, 2012.

Encl-As above

Yours faithfully


(Rakesh Kumar Choudhary)
Dy. Director (MA)

Copy to:

SENET Division for uploading the same on official website.

This Letter has been entered in
e-office vide No. 126957
dt. 12/3/18

No.F. 5/4/2018-PPD
Government of India
Ministry of Finance
Department of Expenditure
Public Procurement Division

516, Lok Nayak Bhavan, Khan Market,
New Delhi Dated the 28th February, 2018.

OFFICE MEMORANDUM

Subject. Registration of Udyog Aadhar Memorandum (UAM) by Ministry of Micro, Small and Medium Enterprises (MSME) vendors on Central Public Procurement Portal (CPPP).

CPPP already has a provision of capturing UAM number issued by MSME by the vendors in order to identify themselves as MSME vendor. During the meeting held on 25.01.2018, also attended by the representative of MoMSME and National Informatics Centre (NIC), it was noted that already around 3.5 lakh vendors have registered their UAM number on CPPP. NIC, who are managing CPPP, has also informed that they are likely to link databases of CPPP with UAM by 28.02.2018 in order to facilitate online validation of UAM numbers submitted by vendors on CPPP.

2. Once this process is complete, it will be possible to monitor procurements being made from MSE vendors on real time basis without calling any further reports from individual procuring entities, who are calling bids using CPPP. Hence, it is proposed that declaration of UAM number by the vendors on CPPP may be made mandatory from 01.04.2018. The bidders who fail to submit UAM number shall not be able to avail the benefits available to MSEs as contained in Public Procurement Policy for MSEs Order, 2012 issued by MSME.

3. During the meeting referred above, it has been decided that for effective implementation of the proposed system, ALL procuring entities should be requested to suitably modify their tender conditions. Hence, all Ministries/ Departments are therefore requested to direct all procuring entities (CPSEs/ Departments/ Autonomous Bodies/ Statutory Bodies) to ensure that their tender documents contain a condition regarding declaration of UAM number by MSE bidders on CPPP, failing which such bidders will not be able to enjoy the benefits as per Public Procurement Policy for MSEs Order, 2012 for tenders invited electronically through CPPP.

Kan Reddy
(K. Narayana Reddy)

Under Secretary to the Govt. Of India
Tel No 24621305
Email : kn.reddy@nic.in

To

Secretaries to all Central Government Ministries/ Departments

Office of the Development Commissioner (MSME)
This letter has been entered in
e-office vide No. 339595 Dated 14/3/18
skil
Initial of the
Officer / Official (CRU)