भारत सरकार
रेल मंत्रालय
(रेलवे बोर्ड)
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No. RS(S)/51/2012/7701/8/11900 नई दिल्ली, दिनांक: 23 .10.2012

Dy. General Manager (Mktg – FP)/Railways,
M/s Steel Authority of India Limited,
Ispat Bhawan,
40, Jawaharlal Nehru Road,
KOLKATA-700 071.

Dear Sirs,

Sub: Contract No. RS(S)/51/2012/7701/8/11900 dated 23 .10.2012 for supply of Special Steel Plates.

With reference to your offer and other references detailed in Clause 6 below, this is to advise you that the President of India is pleased to accept your offer to the extent of quantities, specifications and prices shown in Clause 9. This Contract is issued on the terms and conditions detailed hereunder:

2. Contract No.	RS(S)/51/2012/7701/8/11900 dated 23 .10.2012
3. Purchaser	Executive Director, Railway Stores (S), Railway Board, on behalf of President of India.
4.Name & Address of the supplier	Dy.General Manager (Mktg – FP)/Railways, M/s Steel Authority of India Ltd. Ispat Bhawan, 40, Jawahar Lal Nehru Marg, KOLKATA-700001.
5. Purchaser's Reference	Ministry of Railways, (Railway Board)'s Tender No. IS-178/2012 opened on 20.07.2012
6. Contractor Offer and other References	(i) Offer No. SAIL/CD/IS-178/2012 dated 20.07.2012 (ii) Letter No. SAIL/CD/IS-178/2012 dt. 05.09.2012
7. Inspecting Authority	Chief Metallurgist, Bhilai Plant of SAIL.
8. Paying Authority.	FA& CAO (RBC), Eastern Railway, Kolkata will maintain the Account and arrange all payments against the contract.

S.N	T SN	Size (mm)	Specifications	Qty(in MTs)	All inclusive rate in (RS/MT), including ED @ 12.36%, VAT @ 5%, Road Freight @ ₹ 3,655/- PMT & local levy @ 0.1% of invoice value
1.	4	12 x 1250 x 8500	IS: 2062:2011, E 450 BR with Cu, (having impact test at room temperature)	1,327	52,668.49
2.	5	12 x 1500 x 6000		559	52,668.49
3.	7	12 x 2100 x 9000		88	55,030.41
4.	8	16 x 2500 x 12000		460	55,030.41
5.	9	16 x 2550 x 8500		1,098	55,030.41
6.	10	16 x 2550 x 9350		629	55,030.41
7.	11	16 x 2550 x 10000		205	55,030.41
8.	12	16 x 2700 x 9500		184	55,030.41
9.	13	16 x 2700 x 12225		343	55,030.41
10.	14	20 x 2200 x 8450		348	55,030.41
11.	15	20 x 2200 x 9300		276	55,030.41
12.	16	25 x SW x SL	IS: 2062:2011, E 250 C	211	46,173.21
		Total		5,728	

Note: 1. The rates mentioned above are inclusive of Excise duty @ 12%, Cess on ED @ 3%, Central Sales Tax/VAT @ 5%, Freight charges @ ₹ 3,655/- Per MT and local levy @ 0.1% of invoice value for dispatches from Bhilai Plant. However, these will be reimbursed against documentary evidence. For Inter State Supplies, CST @ VAT of Seller's State will be applicable. Similarly for Intra State Supplies VAT net of input tax credit will be applicable. Any statutory variation within the original contractual delivery period will be reimbursed by the Railways.

2. Alternate sizes for Tender S. No. 5, 7 & 16 are 12 X 2500 X 9000, 12 x 2500 x 9000 and 25 x 2500 x 8000 respectively.

9.1. The contract prices are inclusive of cost of all tests, packing etc.

9.2. The contract prices are firm and are not subject to any variation on any account whatsoever.

9.3. The Contract prices are FOR destination.

10. The Purchaser reserves the right to increase/decrease the total quantity ordered by not more than 30% on the same price, terms and conditions during the currency of the contract and the contractor shall be bound to supply the quantity so ordered according to the revised delivery schedule advised by the purchaser, fixed on the basis of contracted delivery schedule.

10.1 **Total quantity:** 5,728 MTs (Five thousand seven hundred and twenty eight MTs).

10.2 Total value: ₹ 30,88,90,738/- (₹ Thirty crores eighty eight lakhs ninety thousand seven hundred and thirty eight only).

10.3 Supply tolerance: Supply tolerance of Plus/Minus 5% or 5 MT (item-wise), whichever is higher, will be allowed.

11. Excise duty: Excise duty as applicable at the time of dispatch of material and paid by the Seller is reimbursable from the purchaser to the seller. The current prevailing rate of Excise Duty is 12% + 3% Cess on Excise duty. Excise duty on freight will be reimbursed on documentary evidence. The Purchaser will not be responsible for payment of excise duty by the seller under misapprehension of law. The liability of the Purchaser to reimburse excise duty and Surcharge thereof, if any, is limited to such sum as may be found legally due and payable in respect of contracted goods after adjustment of CENVAT benefits. The claim for excise duty on each bill should be supported by the following certificates:

(i) "The rate of Excise Duty is -------% ad valorem. The excise duty at present legally leviable in this case is ₹----------i.e.----------% on ₹---------being the unit value of the stores as assessed by the Controller of Excise---------area."
(ii) "Certified that the excise duty charged on this bill is not more than what is legally leviable and payable under the provision of the relevant Act or Rules made thereunder."
(iii) "Certified that the amount of ₹---------claimed as excise duty in this bill is in accordance with the provisions of the Rules in all respects and that the same has been actually paid to the Excise Authorities in respect of the stores covered by the Bill."
(iv) "Certified that excise duty has not been paid on the element of freight from the place of removal to the place of delivery.

12. Sales Tax: Sales Tax, if legally leviable calculated at the rates ruling at the time of supply, as applicable to sales made to Central Govt. Departments (at concessional rates, wherever admissible) subject to statutory variation, will be to the account of the Purchaser. Steel Sheets being declared as item of special importance in interstate trade in terms of provisions of Section 14 of the CST Act, 1956 will attract sales tax @ 5% in terms of Section 15 of the Act wherever supply involves Interstate movement. For intra state movement local VAT/Sales tax rate will apply. In case of intra state supplies, the prevailing rate of VAT net of input tax credit will be applicable. CST/VAT wherever applicable on freight is also allowed.

The Purchaser will not, however, be responsible for the payment of sales tax made by the contractor under misapprehension of Law. Declaration as per proforma given below should be recorded on the Bills while claiming payments.

"Certified that the sales tax as claimed in this bill is legally payable by us and has been paid/will be paid by us to the Sales Tax authorities. Our C.S.T/VAT Registration No. is ----------Our State S.T./VAT Registration No. is----------"

Note: In case of Invoice-cum-Challan of M/s SAIL, which is a Tax-cum-Excise Invoice and contains their registration no. of Excise and Sales Tax, separate certificate is not required, in case, information as desired vide clauses 11 & 12 are available in the said Invoice-cum-Challan.

13 CENVAT:

13.1 The prices are inclusive of CENVAT benefits. The contractor will pass on to the Purchaser such additional duties as set-offs as may become available in future in respect of all the inputs used in the manufacture of the final product on the date of the supply under the CENVAT scheme by way of reduction of prices and advice the Purchaser accordingly. The bill for payment should be accompanied by the following certificate to be furnished by the contractor:-

"We certify that no additional duty set off on the goods supplied by us have accrued under the CENVAT scheme in force on the date of supply after we submitted our quotation and submitted the present bills."

13.2 The following certificates shall also be furnished by the contractor to the Paying Authority:-

(i) Quarterly Certificate from the Suppliers/Mills Director/Manager/Accountant against each contract to the effect that no refund of excise duty already reimbursed to the contractor by the Paying Authority, against contract No.---------dated---------- has been obtained by them during the quarter ending----------.

(ii) Suppliers/Mill's statutory auditor's certificate once a year as to whether any refunds have been obtained by the contractor or not in the preceding financial year after the annual audit of his accounts, also indicating the details of such refund, if any, this certificate should contain a reference to all Rate/Running Contracts held by the contractor and as many copies should be furnished as the number of contracts to which it relates.

14. Place of Manufacturing: The material is to be manufactured in your works at, Bhilai, Chhatisgarh.

15. Octroi Duty: Octroi Duty exemption certificate will be given by the respective consignees to the Seller in respect of the material dispatched by road to enable the Seller getting exemption from payment of Octroi Duty or to seek reimbursement of the same paid, from the concerned municipal authorities. In case the concerned municipal authorities do not accept the said exemption certificate, the Octroi Duty shall be borne by the Purchaser. The Railways will reimburse any statutory variation as applicable.

16. Inspection:- The material shall be inspected in terms of clause 1300 of the IRS Conditions of Contract, by the Inspecting Authority mentioned in para 7 above.

Note: (i) Test Certificate as prescribed in the specification such as Chemical Analysis, Tensile Test, Bend Test etc., are to be furnished along with the supplies.
(ii) On the original copy of the Inspection certificate the words "copy for payment" and on all other copies Not for payment" shall be printed.

17. Consignee & Dispatch Instructions:

17.1 The consignee shall be Chief Works Manager, GOC Workshop, Southern Railway, Trichy.

17.2 **Mode of transport & freight Charges**: Material will be transported by Road/Rail directly to the consignee. In case of dispatches by road, freight will be reimbursed against documentary evidence @ ₹ 3,655/- Per MT including Service Tax thereon, if any. In case of Rail dispatch directly to the consignee, freight with Service Tax thereon, if any, will be reimbursed at actuals against documentary evidence subject to ceiling of ₹ 3,655/- per MT.

17.3 The stores shall, however, be dispatched to the consignees only after the Inspecting Officer has certified in writing that the stores have been inspected and approved by him. The contractor shall be responsible for all losses etc., in transit as per clause 1501 of the IRS Conditions of Contract and shall alone be entitled and responsible to make claims against the carrier. The supplier shall be responsible till the stores arrive in good condition at consignee's destination.

17.4 The contractor shall furnish by Registered Post to the Executive Director, Railway Stores(S), Railway Board, New Delhi by 10th of every month, a statement showing full particulars of stores dispatched during the preceding month.

17.5 The Purchaser reserves the right to alter the width and length requirements of material as and when the necessity arises.

18. **Transit Insurance**: The Purchaser will not pay separately for transit insurance and the contractor shall be responsible till the stores contracted for, arrive in good condition at destination. However, in the event of any deficiencies in or damage to supplies in transit the contractor shall arrange free replacement, freight paid. The loss/damage if any will be notified by the consignee within 45 days of the receipt of the material.

18.1 Transit risk insurance cover while the material is in transit by road from the works of the contractor to the consignees would also be at the cost of the contractor.

18.2 Local charges other than local levy of 0.1% of invoice value/incidental involved in road movement will be borne by the contractor.

19. **PAYMENT TERMS:**

19.1: For dispatches by Road:

(a) 98% of the value of the invoice will be paid against inspection certificate and receipted documents signed by Gazetted Officer of the consignee.

(b) Balance 2% of the invoice value shall be paid against the Receipt Note issued by the consignee on receipt of consignment in good condition by him.

19.2: For dispatches by Rail:

(a) 98% of the value of the invoice will be paid against inspection certificate and dispatch documents, i.e., unqualified RR.

(b) Balance 2% of the invoice value shall be paid against the Receipt Note issued by the consignee on receipt of consignment in good condition by him.

The Bills shall be accompanied by:-

(i) Original Certificate endorsement on the Lorry consignment Note/Challan made by the Consignee certifying that the material received is in good condition.
(ii) Original Railway Receipt
(iii) Certificate that the certified copy of the Railway Receipt has been dispatched to consignee by Registered Post.
(iv) Certificate that the Invoice has been prepared correctly in accordance with the terms of the Contract.
(v) Original copy of Inspection Certificate issued by the Inspecting Authority.
(vi) The Certificate as prescribed in para 13.1 above:

"We certify that no additional duty set off on the goods supplied by us have accrued under the CENVAT SCHEME in force on the date of supply after we submitted our quotation and submitted the present Bill.

19.2 Declaration as per proforma given below be recorded on the bills while claiming payment:-

"I/We have personally examined and verified and do hereby certify that goods in respect of which payment is being claimed have been actually dispatched under Lorry Challan No/RR No. ----------dated----------and covered by Inspection Certificate No----------dated----------. I/We hold myself/ourselves personally responsible for the correctness of this statement."

19.3 The Paying Authority will release no payment unless it receives the Performance Guarantee Bond as per para 24 below.

20. **DELIVERY PERIOD**: Delivery of material to commence within forty five days after placement of Contract and the minimum rate of supply will be 500 MT per month.

21. **FORCE MAJEURE CLAUSE**: Force majeure means an event beyond the control of the supplier and not involving the supplier's fault or negligence and which is not foreseeable. Such events may include, but are not restricted to acts of the purchaser either in its sovereign or contractual capacity, wars or revolutions, hostility, acts of public enemy, civil commotion, sabotage, fires, floods, explosion, epidemics, quarantine restrictions, strikes, lock outs and freight embargoes. In the event of any force majeure situation arising during the currency of the contract which directly interferes with the supply of stores, the Seller shall within 21 days from commencement thereof, notify the same in writing to the purchaser with reasonable evidence thereof. If the force majeure condition(s) mentioned above be in force for a period exceeding 60 days at any time, either party shall have the option to terminate the contract on expiry of 60 days of commencement of such force majeure without any financial repercussion on either side. In case of such termination, no damages shall be claimed by either party against the other, save and except those,

which have occurred under any other clause of this agreement prior to such termination.

There may be a Force Majeure situation affecting the purchase organization only. In such a situation the purchase organization is to take up with the supplier on similar lines as above for further necessary action.

22. **Packing:** The stores shall be sufficiently and properly packed so as to ensure the stores being free from any loss or damage in transit on arrival at the destination. Packing conditions stipulated in the specifications should be strictly followed.

23. **Marking**: Marking will conform to Clause 13 of the Specification No. IRS: M-44-97. As per RDSO's letter No.MC/STL dated 18.9.2000 and 11.12.2001, all the products should bear distinct mark made by ink printing with indelible ink.

24. **PERFORMANCE GUARNTEE.BOND** The seller shall furnish Performance Guarantee Bond within 15 days of the receipt of the Contract to the Paying Authority in terms of clause 12 of the Instructions to the Tenderers in respect of Tender No.IS-178 of 2012. The original should be deposited with the paying authority and a Photostat copy of the same should be sent to the purchaser. The bond shall be initially valid upto 31.03.2014. The seller shall ensure full compliance of the provisions of clause 12 of the Instructions to Tenderers in respect of tender No.IS-178 of 2012 in this regard.

25. The contract is also governed by the Indian Railways Standard Conditions of Contract, terms of invitation to tender and Instructions to Tenderers in respect of Tender No. IS-178 of 2012 and conditions in the offer form to the extent they do not contradict the terms and conditions contained in the preceding paragraphs.

26. This contract is issued by order and in the name of the President of India.

27. Please acknowledge receipt of this contract. Two copies of the contract duly signed on your behalf by an authorized person with your seal, duly witnessed by two persons, and each and every page initialed should be returned to the undersigned for record within 15 days of receipt of contract.

Yours faithfully,

(राजीव लोचन भारद्वाज)
निदेशक, रेल भण्डार, (वैगन),रेलवे बोर्ड
भारत के राष्ट्रपति की ओर से एवं उनके लिए

No. RS(S)/51/2012/7701/8/11900 नई दिल्ली, दिनांक: 23 .10.2012

Copy to:

(1) FA & CAO (RBC), Eastern Railway, Kolkata - Paying Authority- debits may be raised to Sr. AFA/S&W/GOC, Southern Railway, Ayanavaram, Chennai against allocation 93120004.

(2) ADAI (Railways), Rail Bhavan, New Delhi.

(3) Directors of Audit, All Indian Railways/PUs.

कृते वित्त आयुक्त/रेलवे

No. RS(S)/51/2012/7701/8/11900

नई दिल्ली, दिनांक: 23 .10.2012

Copy to:

(1) Controller of Stores, Southern Railway, Ayanavaram, Chennai – 600023.
(2) Chief Works Manager, GOC Workshop, Southern Railway, Trichy.
(3) Sr. AFA/S&W/GOC, Ayanavaram, Chennai.
(4) DDFS(II), Railway Board.
(5) DME(P)I. Railway Board.

(राजीव लोचन भारद्वाज)
निदेशक, रेल भण्डार, (वैगन)
रेलवे बोर्ड