GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
(RAILWAY BOARD)

No. 2013/ RS(I)/ 874/ 13/ 1746 Rail Bhavan, Dated : 15.07.2013.

M/s Timken India Ltd.,
Shrachi Tower,
686, Anandpur, Kasba,
1st Floor, Block C & D,
EM By Pass, RB Connector Junction,
Kolkata - 700107.

Dear Sirs,

Sub : Contract No. 2013/RS(I)/874/13/1746 dated 07.2013 for manufacture and supply of Cartridge Tapered Roller Bearings (CTRB).

Ref : (i) Tender No. 2012/ RS(I)/ 874/ 1(TC) opened on 14.08.2012.
(ii) Your offer No. AR/ CTRB-R22/ 2012 dated 14.08.2012.
(iii) Your letter No. NIL dated 31.05.2013.

In consideration of your offer under reference (ii) above, the President of India, acting through Executive Director, Railway Stores (S), Ministry of Railways (Railway Board), hereafter called the "Government" is pleased to place an order on you for manufacture and supply of Cartridge Taper Roller Bearings complete with Components with Narrow Jaw Adapters and mounting charges (Standard Bearing) for wagon stock, suitable for fitment on cast steel bogies for 20.3 T / 22.9 T Axle Load application as per details given hereunder:

2.0 PARTICULARS OF ORDER :

RSP Item No.	DESCRIPTION	SPECIFICATION	QUANTITY (IN SETS)	RATE PER UNIT (₹)
RSP No. 868/13-14.	**PL No. - 38037350** AAR approved Cartridge Taper Roller Bearing Class E (6" X 11") complete for use on freight stock of Indian Railways.	Indian Railways STR No. AB/RB-39-2002 (REV.3) of December 2006 with Amendment No.1 of Jan.2008, & Amendment No.2 of Nov.2008 or latest Amendment, if any.	76,811 nos.	10,443/-

Total Contract Value : ₹ 94,61,08,174 /- (Rupees Ninety four crores, sixty one lakhs, eight thousand, one hundred and seventy four only) including Excise Duty @ 12.36%, VAT @ 5% on total cost except labour charge for mounting and service charge @ 12.36% on mounting charge.

2.1 PRICE BREAK UP

The price of one set of CTRB consists of following:-

S.No.	Description	Price (in ₹)
1.	AAR approved Cartridge Taper Roller Bearing complete class 'E' (6"x11") consisting of Cup, Cones, Rollers, Retainers, Spacer, Wear Rings, Grease Seals and Grease.	9,008/-
2.	Side Frame Key, Bolt, Washer & Nut with split Pin, Axle End Cap, Axle End Cap Screws & Locking Plate.	265/-
3.	Backing Ring.	315/-
4.	Narrow Jaw Adapter.	800/-
5.	Labour charges for Mounting.	55/-
	TOTAL	10,443/-

2.2 Railways reserve the right to obtain CTRBs without Adapters & without Accessories within overall contract quantity.

3.0 Prices are firm and on F.O.R. Jamshedpur basis. No price variation is applicable.

4.0 Prices are exclusive of Excise Duty @ 12% + Cess 3% and Sales Tax/VAT @ 5%. Excise Duty & Sales Tax/VAT will be applicable on the above price excluding mounting charge and will be reimbursed against documentary evidence, as may be legally applicable at the time of dispatch. Further CENVAT benefits available, if any, are to be passed on to the purchaser. For interstate supplies, CST @ VAT of seller's state will be applicable. Similarly for intra-state supplies VAT net of input tax credit will be applicable.

4.1. Service Tax on mounting charge will be payable extra on actual subject to documentary evidence. The present rate of Service Tax is 12% + Cess @ 3%, net of input tax credit.

5.0 OCTROI DUTY: No octroi duty is payable. Consignee Railways will issue only duty exemption certificate wherever required.

6.0 CENVAT: The price mentioned above is net and inclusive of CENVAT and other set off as is currently applicable. You will have to pass on such additional duties as set offs to the purchaser 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 CENVAT SCHEME by way of reduction in price.

7.0 TERMS AND CONDITIONS: The contract shall be governed by Indian Railway Standard Conditions of the Contract in so far as these are not inconsistent with the conditions given in the contract.

7.1 PLACE OF DELIVERY : F.O.R. - JAMSHEDPUR.

7.2 PLACE OF MANUFACTURE : JAMSHEDPUR, JHARKHAND.

7.3 PAYING AUTHORITY :FA & CAO (RBC), Eastern Railway, Kolkata.

7.4 The above order is also subject to the following:

(i) You will get your drawings & Quality Assurance Plan (QAP) approved by RDSO before commencement of supply against this contract.

(ii) All references, clarifications, amplifications regarding technical matters pertaining to specifications, drawings, design etc. as required by Director General, RDSO, Manak Nagar, Lucknow may be furnished to them.

(iii) The payments for supplies will be made only after receipt of the complete sets and not in parts.

(iv) In terms of the STR, initial greasing must be done. All conditions of STR should be accepted unconditionally and complied with.

(v) You will have to comply with the clause 6.2 of STR in toto.

(vi) **MAINTENANCE MANUALS & MECHANICAL TRACING:** You will have to submit one set of "as made drawings" to RDSO, notwithstanding past supplies, as per clause 8 of STR. Maintenance manuals are also to be supplied strictly as per clause 9.1 of STR.

(vii) **FORCE MAJEURE CLAUSE:** In the event of any unforeseen event either at purchaser's end or at supplier's end, directly interfering with the supply of stores, arising during the currency of the contract, such as war, insurrection, restraint imposed by the Government act of legislature or other authority, explosion, accident, strike, riot, lockout or other disorganization of labour, acts of public enemy, act of Government sabotage, either party shall within a week from the commencement thereof notify the same in writing to the other party with reasonable evidence thereof. If the force majeure conditions mentioned above be in force for a period of 60 days or more at any time, the purchaser shall have the option to terminate the contract on expiry of 60 days of commencement of such force majeure conditions by giving 14 days notice to the contractor in writing. In case of such termination, no damages shall be claimed by either party against the other save and except those which had accrued under any other clause of this agreement prior to such termination.

8.0 OPTION CLAUSE: The purchaser reserves the right to increase or decrease the ordered quantity upto 30% of the ordered quantity during the currency of the contract on the same price and terms and conditions with suitable extensions in delivery period.

9.0 **DELIVERY:** Delivery to start within one month and to be completed within 12 months of placement of order at a rate to be specified by CMM(BI), Eastern Railway.

Kolkata, on behalf of the purchaser. In case of road dispatches, date of receipt of material by the consignee will be treated as date of delivery.

10.0 MODE OF DELIVERY: Material to be dispatched by Road/Rail. Rail freight charges or actual, whichever is lower, to be reimbursed against documentary evidence.

11.0 INSPECTION: Inspection by Director General, RDSO/Lucknow or his authorized representative as per Clause 6 of STR.

11.1 The cost of test at Government Test House or other institution will be to contractor's account.

11.2 On the original copy of the Inspection Certificate the word "COPY FOR PAYMENT" and on all other copies "NOT FOR PAYMENT" should be printed.

11.3 The procured Side Frame Key & Narrow Jaw Adapters should be either from RDSO approved sources or you may obtain prior clearance of RDSO for taking these items from other sources.

12.0 MOUNTING: Director Wagon (I&L), RDSO, Manak Nagar, Lucknow or his nominee or CME's of all Indian Railway or their authorized representative will issue mounting certificate.

12.1 **REJECTION DURING MOUNTING:** Adequate packing of bearings should be provided to withstand the vagaries of transit and storage. All bearing rejected during mounting should be replaced by you free of cost.

13.0 SERVICE ENGINEER: The Contractor shall make available at their own cost, competent mechanical personnel for mounting the Roller Bearings and Technical Services.

14.0 TERMS OF PAYMENT : In case of Rail transport, 98% payment (excluding mounting charges) to be made against proof of dispatch (R.R./PWB) and inspection certificate and balance 2% after receipt & acceptance of material in good condition by the consignee. In case of road dispatches, 98% payment would be released (excluding mounting charges) against proof of inspection & receipted challan certified by a Gazetted Officer of consignee and balance 2% after acceptance.

14.1 In case of delivery to wagon manufacturers, 100% payment will be made against Receipt Note issued by an authorized officer of the consignee certifying that the material has been received and accepted in good condition.

14.2 Mounting charges @ ₹ 55 (being part and parcel of unit price) per CTRB with service tax @12.36% will be paid after the CARTRIDGE TAPERED ROLLER BEARING have been satisfactorily mounted on the wheel-sets, the claim for which should be supported by a certificate from the Inspector that the "Cartridge Tapered Roller Bearings have satisfactorily been mounted".

14.3 In case of failure on the part of supplier to arrange supplies as per the delivery schedule/installments fixed in advance, save force majeure conditions or delays attributable to Purchaser, the purchaser reserves the right to levy Liquidated Damages which shall be levied as under: -

Liquidated damages and not by way of penalty, a sum of equivalent to 2% (two percent) 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 ten percent of value of the delayed supplies.

Upper limit for recovery of Liquidated Damages in Supply Contracts will be 10% (ten percent) of value of delayed supplies irrespective of delays, unless otherwise provided, specifically in the contract.

15.0 SECURITY: The contractor shall deposit as **security** a sum equal to 10% of the total value of the contract subject to ceiling of ₹ 20,00,000/- (Rupees twenty lakhs only) in case this is done through a Nationalized Bank Guarantee Bond, it should be in a format approved by the paying authority and a Photostat copy thereof should be sent to this office.

16.0 GURANTEE / WARRANTY: The bearings complete and their components (in case supplied individually) shall be guaranteed for satisfactory performance for a period of 48 months after supply or 36 months after putting into service whichever is later. The guarantee shall cover design, material and workmanship. The contractor at his own expense shall replace the defective lot of CTRBs and components supplied against this contract.

17.0 PAYMENT & MAINTANCE OF ACCOUNTS: Paying Authority indicated in para 7.3 will maintain accounts and arrange all the payments in terms of clause 2300 and 2302 of the Indian Railway Standard Conditions of the contract.

18.0 PACKING: The Cartridge Bearings shall be suitably packed to protect them against ingress of dust, dirt and moisture. The supplier will be responsible for proper packing methods and should ensure that these packing methods are adequate for handling at Indian Ports and Inland Rail/Road Transport.

19.0 The Contract is issued by order and in the name of the President of India.

20.0 Copies of the dispatch particulars of all the consignment along with copies of inspection certificate should be sent to this office.

21.0 Monthly Progress Report of supplies should be submitted, indicating supplies made during the month, cumulative, supplies upto the month quantities outstanding. This Progress Report should reach this office by 7th of every month.

22.0 No technical & commercial deviations are acceptable.

23.0 Other terms & conditions will be as per tender document and IRS conditions of contract.

24.0 Please convey your unconditional acceptance addressed to the President of India within 15 days from the date of issue of this Contract through "Executive Director, Railway Stores(S), Ministry of Railways (Railway Board), Rail Bhavan, New Delhi", endorsing a copy of the same to the Paying & Inspecting Authorities as well as Chief Material Manager (BI), Eastern Railway, Kolkata.

Yours faithfully,

(R.L. Bharadwaj)
Director, Railway Stores (W)
Railway Board
For and on behalf of the President of India

No. 2013/RS(I)/874/13/1746 Dated: 15.07.2013

Copy to:

1. **FA& CAO (RBC), Eastern Railway, Kolkata**. Payment may be arranged only on receipt of unqualified acceptance from the firm and against submission of bills supported by the original Inspection Certificate inscribed with the words "COPY FOR PAYMANT" from RDSO and on proof of delivery/ receipt. Debits of payments made for supplies made for wagon manufacturing activity should be raised to RSP number indicated in column 1 of Para 2.0. Debits of payments made for supplies against maintenance activity should be raised to respective Zonal Railways.

2. Dy. CA&G (Railways), Room No.224, Rail Bhavan, New Delhi.

3. **Director of Audit**, Eastern Railway, Kolkata.

4. A/Cs.IV(BO), RS(B), RS(T), F(S)I & RS(PF&EC) Branches of Board's office.

for Financial Commissioner/Railways

No. 2013/RS(I)/874/13/1746 Dated : 15.07.2013

Copy to:-

1. CMM(BI), Eastern Railway, 3, Koilaghat Street, Kolkata-700001 (with 2 spare copies).

2. **Director General (I&L)**, RDSO, Manak Nagar, Lucknow-226011.

3. **Director Standard Wagon**, RDSO, Manak Nagar, Lucknow-221160.

4. **Director (I&L)**, RDSO, 3, Koilaghat Street, Kolkata-700001. Inspection may be undertaken only after receipt of unqualified acceptance from the firm and to inscribe the words "COPY FOR PAYMENT" on the original copy of inspection certificate and on all others "COPY NOT FOR PAYMENT".

Yours faithfully,

(R.L. Bharadwaj)
Director, Railway Stores (W)
Railway Board