

SPECIAL CONDITIONS OF TENDERS

1.	Eligibility Criterion, Purchase Restrictions & Price/Purchase Preference
1.1	Wherever necessary as per policy of procurement, bulk purchase will be made only from those firms who have been approved by RDSO/ICF/RCF/CLW/DLW/ CORE 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 alongwith their offers. The status of the firm will be reckoned as on the date of tender opening and not thereafter. But, in case of downgrading/removal/ suspension/banning etc. after opening of tender such changes shall be taken into account while considering the offers.
1.2	(i) Ordering on Part-II approved sources with competitive price ranking shall normally be limited upto 15% of net procurable quantity. Further ordering on a Part-II approved source with competitive price ranking can be considered beyond 15% in case that source has successfully executed a larger quantity order in the same Railway unit or other Railway units/PUs in the preceding 3 years. Successful executions will be signified by both quantitative and qualitative performance. Upper limit of quantity to be ordered on such a source will not exceed 25% of the net procurable quantity in a given procurement case with another 5% on new source in deserving cases and with strict compliance of extant procedure on such educational ordering. That is to say, the ordering quantity on a Part-II source can be up to 15% or the highest quantity of a past order, successfully executed in the preceding 3 years in the same Railway unit or other Railway Units/PUs, whichever is higher, subject to maximum of 25% of the net procurable quantity in the given procurement case.
	(ii) It is also likely that there may be some cases where more than one Part-II source are within the zone of consideration on the basis of competitive price ranking with satisfactory past performance on that Railway or other Railway units/PU's in the preceeding three years. In such cases each Part-II source can be considered for ordering in the same manner as indicated above in Para 1.2 (i). The aggregate quantity to be ordered on all Part-II approved vendors taken together, however, will not exceed 25% of the net procurable quantity, in a given procurement case.

	<p>(iii) The Part-II / Developmental sources who are borne on the list of approved vendor list circulated/issued by authorized nodal agencies like RDSO/ICF/RCF/CLW/DLW/CORE 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 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.</p>
1.3	<p>If the tendering firm(s) is not approved by RDSO/ICF/RCF/CLW/DLW/CORE as mentioned above, as Part I or Part II, then they must submit their credential 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 RDSO/ICF/RCF/CLW/DLW/CORE. The ordering on such new sources shall be restricted to 5% and this could be within or outside the procurement quantity. Failure to furnish requisite credentials as mentioned above will make their offer liable to be ignored.</p>
1.4	<p>For other items, this Railway reserves the right to consider approved/proven sources for ordering entire quantity or bulk quantity and rest for trial order on merit and depending upon the item under procurement.</p>
1.5	<p>The Purchaser reserves the option to give a purchase preference / price preference to the offers from eligible Micro & Small Enterprises (MSEs) over those from other firms, in accordance with the policies of the Govt. from time-to time. The price preference / purchase preference above cannot however be taken for granted and every endeavor need be made by them to bring down the cost and achieve competitiveness.</p>

1.5.1	<p>In pursuance of the Public Procurement Policy on MSE, the following facilities will be available to eligible MSE's registered with any of the agencies, mentioned below:</p> <ul style="list-style-type: none"> (a) District Industries Centres. (b) Khadi & Village Industries Commission. (c) Khadi & Village Industries Board. (d) Coir Board. (e) National Small Industries corporation. (f) Directorate of Handicraft & Handloom. (g) Any other body specified by the Ministry of MSME. <p>(i) Tender sets shall be provided free of cost to MSEs, registered with the above agencies for the item tendered.</p> <p>(ii) MSEs registered with the above agencies for the item tendered, will be exempted from payment of Earnest Money.</p> <p>(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.</p>
1.5.2	<p>MSEs who are interested in availing themselves of these benefits will enclose with their offer the proof of their being a MSE registered with any of the agencies mentioned above in para 1.5.1.</p>
1.5.3	<p>The MSEs must also indicate the terminal validity date of their registration.</p>
1.5.4	<p>Offers failing to comply (1.5.2) & (1.5.3) above, will not be liable for consideration of benefits extended to MSEs.</p>
2.	<p>CARTEL FORMATION</p>
2.1	<p>Wherever all or most of the approved firms quote equal rates and cartel formation is suspected, Railways reserves the right to place order on one or more firms with exclusion of the rest without assigning any reasons thereof.</p>
2.2	<p>Offers for less than 50% of the tendered quantity, will be considered unresponsive and liable to be rejected in case cartel formation is suspected.</p>
2.3	<p>Firms, who quote in cartel, are warned that their names are likely to be deleted from the list of approved sources.</p>

2.4	RDSO approved firms should furnish the requisite information as per Annexure I attached with the Special conditions of tender.
3.	EXCISE DUTY
	<p>Wherever Excise Duty is to be charged extra or included in the rates, tenderer's should clearly indicate the percentage of ED to be charged extra or included in the rates. If the percentage being charged extra or included in the rates is at concessional rates of ED, the reasons for the same should be clarified without any ambiguity. In the absence of clear indication regarding rate of ED being charged by the tenderer/s the valuation of tender will be based on full rates of ED applicable/chargeable for the item.</p> <p>Variation in ED on turnover account is not admissible. Only Statutory Variation other than above would be permitted. Misclassification of goods if advised by the tenderer/s results in a different rate of ED it will be at the risk and cost of the tenderer/s Statutory Variation in the ED as claimed at the time of tendering would be payable subject to documentary evidence and after necessary modification to Purchase Order issued by the Purchaser to the Contract.</p>
4	SALES TAX/ VAT/ TURNOVER TAX
4.1	Tenderers must clearly indicate the exact amount/percentage of Central Sales Tax/VAT claimed by them as applicable in the state of the seller. They should also invariably mention the Schedule no., Section no. and item no. of the Schedule/Section for the tendered item, duly supported by copy/copies of the relevant schedule and Notification /Circular for the tendered item of the supplier's state.
4.2	The rate/amount of Sales tax even when included in the rate quoted by a Tenderer must be spelt out separately. Where the rate/amount of Sales tax/VAT included in the rate is Nil, this should be specifically stated in the offer.
4.3	If, any ambiguity is left by the Tenderer in the matter of clearly indicating the chargeable S.T./VAT, the purchaser shall evaluate the offers by taking into account the highest rate of S.T/VAT quoted by the tenderer or as known to the purchaser as applicable in the state of the purchaser whichever is maximum for determining the inter-se ranking of the offers. The purchaser's decision in this regard will be final and no claim regarding applicability of S.T/VAT in the state of the seller or other wise will be entertained after opening of the Tender. The purchasers will, however, still reserve the right not to pay any S.T/VAT not specifically claimed/indicated clearly or unambiguously by the Tenderers.

4.4	Tenderer should confirm whether material offered for sale fall in the category of Goods of special importance (declared goods) as incorporated in section 14 of CST Act, 1956.
4.5	While quoting the rates, 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 quantum of such credit per unit of item quoted for.
4.6	Tenderer should also confirm if any concessional rate are applicable for the tendered item to be supplied to Central Govt. Deptt./ Railways for the items to be used in Rolling Stock etc. and mention the form/certificate if any required to be furnished by Purchaser to avail of the concessional rate.
4.7	<p>The tenderer/supplier shall also ensure that the tendered PO item is not covered subsequently by any concessional rate due to change in Govt. Policy etc. and furnish the following certificate to the bill paying authority without which, the CST/VAT will not be paid:-</p> <p>“It is certified that this PO item is not covered by any concessional item at the time of tendering or subsequently till date due to any Govt. notification to the best of our knowledge and the rate of CST/VAT has been claimed as applicable as on date of dispatch/delivery. In the event of the rate at which the claim is made is found to be higher side, railway may recover the difference from our pending bills/future bills, under intimation without seeking any consent for the same.”</p>
4.8	<p>Statutory Variation:The Tenderer should clearly & invariably mention in the Remarks Col. if Statutory Variation is applicable or not. If no remark is made in the remarks column regarding Statutory Variation, it will be deemed that Statutory Variation is not applicable to the contract and any increase in Statutory Variation will not be allowed however, decrease in Statutory Variation will be available to the purchaser.</p>
5.	DELIVERY TERMS/DELIVERY PERIOD
	<p>Firms are expected to quote free at consignee’s premises meaning freight charges are to be borne by them. In case firm wishes to claim freight charges, freight element (by Road or Rail) must be indicated separately for each consignee failing which their offer will be considered as inclusive of freight and no reference in this matter will be entertained.</p>

6.	<p>Material should be dispatched preferably by Road Transport/personnel courier Service, (wherever feasible). Offers of firms, quoting movement of material by Rail in wagon as small at Goods Tariff Rates are liable to be ignored.</p> <p>Offers of dispatches by passenger Train through parcel way Bill (i.e. P.W.B.) may be agreed to provided tenderers ensure that materials to reach the end consignee through direct trains within 10 days from the date of Booking.</p> <p>However, tenderers to note that in case of booking by Railway Transport through passenger Train i.e. 90%, 95%, 98%, payment against proof of dispatch and Inspection certificate is not acceptable and payment shall only be made on receipt and acceptance of material i.e. against R.O.</p> <p>Only in case of material booked by Road or by personnel courier service, 95% Advance payment may be agreed against Receipted Challan signed by Gazetted officer and Inspection Certificate by RITES/RDSO/DOI.</p>
7.	<p>Attention of prospective suppliers is being drawn to IRS condition no 2101 of Conditions of contract:- In respect of Road delivery, where the Municipal/ Local authority do not accept octroi duty exemption certificate the octroi duty should be borne by the seller.</p>
8.	<p>Delivery quoted must conform to the specified delivery in the Tender Schedule and should not be vague like “as per your requirement” or indefinite like “ 2 to 12 months”. It should clearly mention starting time, quarterly rate of supply and finishing time. OFFERS WITH DELIVERIES NOT AS PER THIS CLAUSE ARE LIKELY TO BE IGNORED.</p>
9.	<p>DISCREPANT RATE</p>
	<p>In case the Tenderer quotes discrepant or mismatching basic rate, excise duty, sales tax or freight in their offer at different places like in the Railway’s printed format of schedule of requirement and on their own letter-head, it may be noted by the tenderers that such offers will be considered as invalid and not considered. However if it is decided to consider such offer in exceptional circumstances at the discretion of Rly. Administration, only the highest discrepant rate quoted by the tenderer will be considered while evaluating the offers. However, if such tenderer is still lowest, and is considered for placement of purchase order, the P.O. will be placed at the lowest discrepant rate quoted by the tenderer. Hence the tenderers must ensure submission of offers free from such discrepancies.</p>
10.	<p>PAST PERFORMANCE</p>

	Tenderers must furnish details of past performance of the last 3 years along with copies of purchase orders and RO and also full details of Central Railway registration particulars and technical leaflets, literature etc failing which their such claim will be ignored. Omission or suppression of poor past performance would be viewed seriously.
11.	DOWNLOADING OF TENDER DOCUMENTS
11.1	Tenderers are advised to download tender documents well in advance and submit the tender before the stipulated time. It is the responsibility of the Tenderer to check any correction or any modifications published subsequently in Website and the same shall be taken into account while submitting the tender. Tenderer shall download corrigendum (if any), print out, sign and attach it with the main tender document. Tender document not accompanied by published corrigendum/s is liable to be rejected. The Railway will not be responsible for any postal delays/delay in downloading of tender document from the internet.
11.2	If any change/addition/deletion is made by the Tenderer/Contractor in the downloaded document and the same is detected at any stage even after the award of the tender, full earnest money deposit will be forfeited and the contract will be terminated at his/their risk and cost. The tenderer is also liable to be banned from doing business with Railways and/or prosecuted.
11.3	The cost of tender document as indicated in the tender schedule will have to be deposited by the tenderer in the form of bank draft payable in favour of Chief Cashier, Central Railway, Mumbai CST, along with the tender document. This should be enclosed as a separate Demand Draft. A single demand draft for the cost of tender form and Earnest Money Deposit will not be accepted. Tenders not accompanied with the demand draft towards the cost of the tender document will be summarily rejected. <u>Please mention tender No., due date and firms name on the back side of the demand draft.</u>
11.4	In case of Vendors registered with NSIC and those entitled for free tender document, offers of such firms can be considered provided the firms submit their offer in the downloaded tender format along with a copy of valid NSIC registration certificate for the tendered item. In case the submitted NSIC registration certificate is found to be not valid for supply of free tender document, the offer will be treated as “without Tender Documents” and is liable to be summarily rejected.

11.5	TENDERERS SHOULD NOT RETURN THE TENDER BOOKLET ALONGWITH THEIR OFFER irrespective of clauses asking to do so. However, the enclosed Agreement Form, performance statements, schedule of requirement and Tender Schedule should be returned duly filled and signed. Besides this, a photocopy of proof of having purchased the tender documents must be also enclosed. FAILURE TO COMPLY WITH THIS CLAUSE IS LIKELY TO LEAD TO OFFER BEING IGNORED.
12.	LIQUIDATED DAMAGES
12.1	Railways will recover from the supplier, as agreed, Liquidated Damages and not by way of penalty, a sum equivalent to 2% (Two Percent) of the price of any stores (including elements of taxes, duties, freight, etc) which the supplier has failed to deliver within the period fixed for delivery in the delayed supplies 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) value of the delayed supplies.
12.2	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.
13.	EFT/NEFT Payment
	All the bill payments will be made only through Electronic Fund Transfer (EFT)/NEFT and Vendors are required to register for this scheme. The tenderers should comply the following: - i) Tenderer to give consent in a mandate form for receipt of payment through EFT/NEFT in the format appended below. ii) Tenderer to provide the details of Bank A/c in line with RBI guidelines for the same.
14.	INSPECTION CLAUSE
14.1	For P.O. value above Rs 1,00,000/-, pre-inspection by RITES/RDSO/DQA/The Coal Controller/CFRI-Dhanbad is mandatory otherwise tender is liable to be passed over. Exception to this will be decided on the merit of the case.

14.2	In case value of purchase order is below Rs 1 lakh, mandatory pre-inspection of materials will be done by the consignee not below the rank of Sr.Scale. Where it is not possible for a senior Scale Officer to inspect the materials at firms premises before despatch, inspection will be undertaken by an official not less than a Section Engineer for authorizing despatch of materials from firm's premises to consignee where they will be inspected by an officer not below the rank of Sr.Scale for acceptance and release of payment.
14.3	In specific cases of purchase orders valuing less than Rs 1 lakh, where the inspection involves technical expertise or a special facility that is ordinarily not available, pre-inspection will be done by RDSO/RITES.
15.	MANUFACTURING DETAILS
	All manufactured spares must carry initials of manufactures and month/year of manufacture in embossed or in other form at a location and as per details specified in drawing / specification.
16.	OPTION CLAUSE
16.1	OPTION CLAUSE (As per IRS condition No.3800): The Purchaser reserves the right to increase and/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 a suitable extension in delivery period for the tenders valued above Rs 75 lakhs.
16.2	The Purchaser reserves the right to vary the ordered quantity by (+) 30% at any time,till final delivery date of the contract, <u>by giving reasonable notice</u> , even though the quantity ordered initially has been supplied in full before the last date of Delivery Period.
16.3	The Purchaser reserves the right for quantity variations in the extended delivery period in case delivery period is extended in the contract with (+) 30% Option Clause either for the full ordered quantity or a part quantity which remained unsupplied on the date of expiry of the original delivery period.
16.4	Consequent to decrease in prices subsequent to the placement of contract, the purchaser reserves the right to provide a reasonable opportunity to the contractor to unconditionally agree to accept such lower rates for the quantity unsupplied on the date of reduction/decrease of prices or the (-) 30% quantity whichever is less.
17.	Earnest Money Deposit (EMD) and Security Deposit (SD)

17.a	Earnest Money Deposit	<p>(i) The Earnest Money Deposit (EMD) shall be taken from all tenderers against advertised tenders subject to following exemptions:</p> <ul style="list-style-type: none"> a. Vendors registered with NSIC upto the monetary limit of their registration for the items tendered. b. Vendors registered with Railways upto 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. One of the Railways has referred the matter regarding exemptions from depositing earnest money deposits by the tenderers in global tenders. The matter has been examined in Board's office and it has been decided that for procurement of goods including safety items but excluding M&P, the exemptions from depositing earnest money by the tenderers as applicable in the advertised tenders shall also be applicable in global tenders. <p>(ii) The tenderer will have to deposit EMD amount in advertised tenders,@ 2% of the estimated tender value subject to an upper limit of:</p> <ul style="list-style-type: none"> a. Rs .5 lakh for tenders valuing up to Rs. 10 crores and b. Rs. 10 lakh for tenders valuing above Rs. 10 crores.
17.b	Security Deposit	The following condition on SD may be read in supersession of para 0501 of IRS conditions of contract on the subject 0500

		<p>Security Deposit.</p> <p>(i) <u>Safety Items:</u> For procurement of Safety items above Rs 10 lakhs, Security Deposit shall be taken in Single Tender, Limited Tender, Special Limited Tender, Advertised tenders and Global tenders from all vendors including those registered with NSIC for the items ordered.</p> <p>(ii) For procurement of Safety items upto Rs 10 lakhs existing rules on Security Deposit (SD) shall apply.</p> <p>(iii) <u>Other than Safety Items:</u> For procurement of items other than Safety items, SD shall be taken from all firms subject to following exemptions:-</p> <p>a. Vendors registered with NSIC upto the monetary limit of their registration for the items ordered.</p> <p>b. Vendors registered with Railways upto 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.</p> <p>(iv) The usual security deposit will be taken in case the contracts are placed on unregistered/unapproved firms or for items for which a particular firm is not registered/approved.</p> <p>(v) The amount of SD to be taken, wherever applicable, will be 10% of the total value of contract subject to upper ceiling of Rs.10 lakhs for contracts valuing upto Rs.10 crores & Rs. 20 lakhs for contract valuing above Rs.10 crores.</p>
17.c	Validity of EMD	EMD should remain valid for a period of 45 days beyond the final bid validity period.
17.d	Validity of SD	Security deposit should remain valid for a minium period of 60 days beyond the date of completion of all contractual obligations of supplier.
18	I.S. SPECIFICATION	

	<p>ISI products will be preferred over material confirming to I.S.Specification</p> <p>i) Tenderers offering stores with ISI Marking must indicate the following:</p> <ol style="list-style-type: none"> a. Details of ISI License held by them with its validity period. b. Must enclose Xerox copy of ISI License with their offer. c. Must enclose a list of Stores for which they are authorized to put ISI Mark. <p>ii) Tenderers must confirm clearly in their offer whether the offered stores will be ISI marked or not and should be accompanied by photo copy of valid ISI License showing stores specification number failing which such offers will be liable to be ignored.</p> <p>iii) DGS&D/NSIC Registration certificate copies showing items registered, validity and M/L should be enclosed by tenderers holding registration, failing which their such claim will be ignored.</p>
19.	MANUFACTURER'S AUTHORISATION- M&P
	<p>Only manufacturer should quote else traders must submit tender specific authorization from their OEM with clear stipulation that after sale service will be supported by them.</p> <p>Firms offering imported materials against local Tenders (non-Global Tenders) should give satisfactory documentary proof regarding available infrastructure to provide after-sales service and warrantee obligations. Offer of such firm is liable to be passed over in case such infrastructure is not found to be satisfactory.</p>
20.	<p>In case the purchase orders are placed on traders/agents for the items, which are peculiar to the railways such as parts& fittings of Rolling stock etc, traders/agents should indicate the source of supply and inspection to be carried out at their manufacturer's premises rather than trader/agents premises, to ensure genuineness of quality of the material.</p>
21.	OFFER BY FAX
21.1	<p>Offers received through FAX will be considered in case of procurement of items through Proprietary Article Certificate and Single Tender only subject to the firm submitting post confirmation copy on their letter head duly signed by the authorized person within ten (10) working days from the date of opening of the tender.</p>
21.2	<p>For Bulletin, Limited and Advertised/Open tender offers received through FAX and found in the tender box at the time of opening of Tenders and complete in all respects and duly signed by the authorized signatory should be treated as in time offer subject to the firm/firms submitting post confirmation copy duly signed by the authorized person as per the tender conditions within ten (10) working days from the date of opening and in case of offers received from foreign firms against Global Tenders, the confirmation copy should be submitted within twenty-one (21) days.</p>

21.3	All other offers received by FAX not covered in Para 21.1 and 21.2 above shall be treated as invalid. The offers received by FAX as covered in Para 21.2 above shall be deemed as unresponsive in case the confirmation copy is not received within the time stipulated in Para 21.2 above.
21.4	No purchase order shall be issued against the FAX offers without receipt of the confirmation copy of the same.
21.5	It shall be the sole responsibility of the tenderers to ensure that the offers submitted by FAX are dropped in appropriate tender box in sealed cover/covers and within the prescribed time and date. The Railways shall not be responsible in any way for any delay in dropping the FAX offers in the appropriate tender box.
22.	An Indian Agent who participates in the tender on behalf of foreign supplier can represent only one supplier and cannot represent more than one suppliers in a particular tender.
23.	INTER-SE POSITION OF TENDERERS- CRITERION FOR EVALUATION
	In case of tenders for multi items or single item with multi consignees, the criterion for evaluation of tenders deciding interse position of the tenderers will be item wise and / or consignee wise and not on total value as a whole, unless otherwise specified in the tender, which may please be noted.
23.1	The all inclusive unit rate will be the criteria for evaluation interse ranking, which will be arrived by rounding off system after two decimal points.
24	RISK PURCHASE The condition on Risk purchase Para 0502 and Para 0702 of IRS conditions of contract is modified as given below.
24.1	Risk purchase clause action is deleted for all orders for Safety items as levy of 10% Security Deposit is compulsory in all such orders (except in case of vendors registered with NSIC upto the monetary limit of their registration for the items ordered). Whenever such contracts are rescinded, Security Deposit shall be forfeited. Such failures shall be recorded and will be considered by Railways on merit in future cases.
24.2	In respect of orders for materials other than Safety items, where 10% Security Deposit has been taken from firms, Risk purchase clause is deleted and in case of default by such firms, the Security Deposit shall be forfeited.
24.3	In such cases as covered under (1) and (2) above, the quantities unsupplied shall be procured independently without risk and cost of the original firm/supplier.
24.4	Adverse performance of such firms shall be recorded and shall be intimated to the approving authority and also shall be taken into account in future tender cases on merit.

24.5	Such cases which are not covered under Para (1) and (2) above, Risk Purchase provisions shall continue for them as per existing guidelines.								
25.	Splitting of Quantity:								
25.1	If after due processing of the tender, it is discovered that the quantity to be ordered is far more than what L-1 alone is capable of supplying and there was no prior decision to split the quantities, then the quantity being finally ordered should be distributed among the other bidders in a manner that is fair, transparent and equitable.								
25.2	<p>Inclusion of pre-decided split ordering in each tender case will be done with the approval of the competent authority who approves the invitation of tender. The cases of predecided split ordering shall be dealt with as per the following guidelines:-</p> <p>i) 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 with specific reference to Past performance, Capacity, Delivery requirements in the tender, Quantity under procurement, Vital/Critical nature of the items will be the right of the purchaser.</p> <p>ii) Whenever such distribution/splitting of the 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:</p> <table border="1" data-bbox="300 1227 1394 1686"> <thead> <tr> <th>Price differential between L1 and L2</th> <th>Quantity distribution ratio between L1 and L2</th> </tr> </thead> <tbody> <tr> <td>Upto 3%</td> <td>60:40</td> </tr> <tr> <td>More than 3% and upto 5%</td> <td>65:35</td> </tr> <tr> <td>More than 5%</td> <td>At least 65% on the L1 tenderer . For the quantity to be ordered on the L2 tenderer, TC/TAA should decide keeping in view conditions laid down in paras 25.2 (iv) and (v) below.</td> </tr> </tbody> </table>	Price differential between L1 and L2	Quantity distribution ratio between L1 and L2	Upto 3%	60:40	More than 3% and upto 5%	65:35	More than 5%	At least 65% on the L1 tenderer . For the quantity to be ordered on the L2 tenderer, TC/TAA should decide keeping in view conditions laid down in paras 25.2 (iv) and (v) below.
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25.2	<p>iii) 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 model as indicated at Para 25.2(ii) above:-</p> <p>For example:-</p> <table border="1" data-bbox="331 510 1364 1003"> <thead> <tr> <th colspan="5">In case of three firms:-</th> </tr> <tr> <th>(a)</th> <th>Firm ranking</th> <th>L1</th> <th>L2</th> <th>L3</th> </tr> </thead> <tbody> <tr> <td>(b)</td> <td>Rate obtained in Rs.</td> <td>100</td> <td>104</td> <td>108</td> </tr> <tr> <td>(c)</td> <td>Rate differential in % between L1 & L2 and L2 & L3</td> <td colspan="2">4%</td> <td>3.85%</td> </tr> <tr> <td>(f)</td> <td>Quantity allocation.</td> <td>65%</td> <td>65% of 35</td> <td>35% of 35</td> </tr> <tr> <td>(g)</td> <td>Quantity allocation for three firms.</td> <td>65 %</td> <td>22.75 %</td> <td>12.25 %</td> </tr> </tbody> </table>	In case of three firms:-					(a)	Firm ranking	L1	L2	L3	(b)	Rate obtained in Rs.	100	104	108	(c)	Rate differential in % between L1 & L2 and L2 & L3	4%		3.85%	(f)	Quantity allocation.	65%	65% of 35	35% of 35	(g)	Quantity allocation for three firms.	65 %	22.75 %	12.25 %
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(a)	Firm ranking	L1	L2	L3																											
(b)	Rate obtained in Rs.	100	104	108																											
(c)	Rate differential in % between L1 & L2 and L2 & L3	4%		3.85%																											
(f)	Quantity allocation.	65%	65% of 35	35% of 35																											
(g)	Quantity allocation for three firms.	65 %	22.75 %	12.25 %																											
25.2	<p>iv) The rate of the highest eligible tenderer within the zone of consideration has to be, per-se, reasonable to the Purchaser.</p> <p>(v) 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 tenderers and in a fair and transparent manner with due conformity to the Principle of natural Justice and Equity.</p>																														
25.2	<p>(vi) 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.</p>																														
25.3	<p>Ordering on Part-II approved vendors, as per extant directives of Board, shall not construe splitting of the procurable quantity.</p>																														
<p>NOTE: For applicability of predecided split ordering as mentioned in Para 25.2 please refer the note given in the tender schedule in this regard.</p>																															

26.0	FALL CLAUSE
26.1	“ The price charged for the stores supplied under the contract by the contractor shall in no event exceed the lowest price at which the contractor sells the stores or offer to sell stores of identical description to any persons/organizations including the purchaser or any Department of Central Government or any Railway Office or any Railway undertaking, as the case may be, during currency of the contract. The lower price will be applicable to supplies made after the date of coming into force of such reduction or sale or offer to sell at a reduced rate.”
26.2	If at any time during the said period the contractor reduces the sale price, sells or offers to sell such stores to any persons, organizations including the purchaser of any Department of Central Government or any Railway Office or any Railway undertaking, as the case may be, at a lower price lower than the price chargeable under the contract, they shall forthwith notify such reduction or sale or offer of sale to the purchaser and the price payable under the contract for the stores supplied after the date of coming into force of such reduction or sale or offer of sale, shall stand correspondingly reduced.”
26.3	<p>The Contractor shall furnish the following certificate to the concerned Accounts Officer along with each bill for payment of supplies made against the contract.</p> <p>“I/We certify that there has been no reduction in sale price of the stores of description identical to the stores supplied to the Government under the contract herein and such stores have not been offered /sold by me/us to any person/organization including the purchaser or any Department of Central Government or any Railway Office or any Railway Undertaking as the case may be, up to the date of bill, at a price lower than the price charged to the Government under the contract.”</p>
NOTE:	The Fall Clause as mentioned in Para 26.1 to 26.3 above, shall be applicable only in those cases where the same is shown as applicable.