

**GOVERNMENT OF INDIA/Bharat Sarkar
MINISTRY OF RAILWAYS/Rail Mantralaya
(RAILWAY BOARD)**

No. RS(S)/51/2023/7701/02/11966

New Delhi, Dated: 07.12.2023

Assistant General Manager (Sales)/RCG,
Steel Authority of India Ltd.
Ispat Bhawan,
40, Jawaharlal Nehru Road,
Kolkata- 700 071.

Dear Sir,

Sub: Tender No. 2023IS207 opened on 27.06.2023 for supply of Mild Steel Structural items.

Ref: i) Your e-offer against the subject tender.

With reference to your offer and other references detailed in Clause 5 below, this is to advise you that the President of India is pleased to accept your offer for placing a Running Contract to the extent of quantities, specifications and prices shown in Clause 8. This Running Contract is issued on the terms and conditions detailed here under:

2. Purchaser	Executive Director, Railway Stores (S), Railway Board, on behalf of President of India.
3. Name & Address of the supplier	M/s Steel Authority of India Limited, Central Marketing Organization, Ispat Bhawan, 40, Jawaharlal Nehru Road, Kolkata-700 071.
4. Purchaser's Reference	(i) Ministry of Railways, Railway Board's e- Tender No. 2023IS207 opened on 27.06.2023. (ii) Advance acceptance cum counter offer letter No. RS(S)/2023/747/1 dated: 16.10.2023. (iii) LoA letter No. RS(s)/51/2023/7701/02/11966 dt.03.11.2023.
5. Contractor Offer and other References	(i) Your e-Offer. (ii) Letter No. SAIL/CD/RBC/2023-24 Dt.04.09.23 (iii) Your acceptance dated. 19.10.2023.
6. Inspecting Authority	Material will be accepted against the Mill Test certificate of the respective plants of M/s SAIL, in case of rolling by SAIL plant. In case of rolling by the authorised conversion agent of M/s SAIL, inspection will be done by M/s RITES of the region. At the time of inspection, RITES authorities will also check the BIS licence of the conversion agent for rolling the particular item and make suitable endorsement in the Inspection Certificate.
7. Paying Authority	Principal Financial Adviser (RBC), Eastern Railway, Kolkata will maintain the account and arrange all payments against the contract.

8. Particulars of Order:

MILD STEEL STRUCTURAL					
S.NO.	ITEM	SIZE	SPECN.	Qty (in MT)	Basic Rates (Rs./MT)
1	ISA01	50x50x6	IS:2062:2011 E 250 A Cu	3443	62500
2	ISA02	65X65X6/8/10	IS:2062:2011 E 250 A Cu	1558	61500
3	ISA03	75X75X6/8/10	IS:2062:2011 E 250 A Cu	1477	61500
4	ISA04	75X75X6/8/10	IS:2062:2011 E 250 B0	803	59500
5	ISA05	90x90x8/10/12	IS:2062:2011 E 250 A Cu	264	62000
6	ISA06	100X100X8/10/12	IS:2062:2011 E 250 A Cu	437	65500
7	ISA07	100X100X8/10/12	IS:2062:2011 E 250 B0	1257	63500
8	ISA08	130x130x10/12	IS:2062:2011 E 250 B0	594	63500
9	ISA09	150X150X10/12/16	IS:2062:2011 E 250 A Cu	412	65500
10	ISA10	200X200X12/16/20	IS:2062:2011 E 250 B0	401	68500
11	ISMC01	75X40	IS:2062:2011 E 250 A Cu	222	65000
12	ISMC02	100X50	IS:2062:2011 E 250 A Cu	7079	61500
13	ISMC03	125X65	IS:2062:2011 E 250 A Cu	509	62500
14	ISMC04	150X75	IS:2062:2011 E 250 A Cu	1715	62500
15	ISMC05	150X75	IS:2062:2011 E 250 B0	245	60500
16	ISMC06	200x75	IS:2062:2011 E 250 A Cu	615	61000
17	ISMC07	250x82	IS:2062:2011 E 250 A Cu	1957	61500




18	ISMC08	300X90	IS:2062:2011 E 250 B0	430	63500
19	ISMC09	400x100	IS:2062:2011 E 250 A Cu	272	64500
20	ISMC10	400x100	IS:2062:2011 E 250 B0	1497	62500
Total				25187	

- 8.1 The above order is subject to the following terms and conditions:
- 8.2 The contract prices are inclusive of cost of all tests, packing etc.
- 8.3 The contract prices are subject to Price Variation Clause as per Annexure 'A' enclosed, with base month as May, 2023.
- 8.4 The contract prices are FOR station of dispatch Bhilai, Rourkela, Bokaro, Durgapur & Burnpur premises / conversion Agent / Wet Leasing Agent premises.
- 8.5 The validity of the running contract is 24 months from the date of issue of the contract and can be extended further with mutual consent between the parties.
- 8.6 Director, Railway Stores (Iron & Steel)/Kolkata will place supply orders against this Running Contract till the last date of validity of the Contract.
- 8.7 Supply orders against the running contract will be placed by DRS(I&S), Railway Board, Kolkata till the last date of the validity of the contract and all such supply orders will have to be honoured by the contractor.
9. Total quantity: 25,187 MTs (Twenty Five Thousand One Hundred Eighty Seven).
10. Total Value: Rs. 156,64,96,000/- (Rupees One Hundred Fifty Six Crore Sixty Four Lakh Ninety Six Thousand only) excluding GST.
11. **Liquidated Damages:** The purchaser reserves the right to recover from the Contractor, Liquidated Damages and not by way of penalty, a sum equivalent to 1/2% (half 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 per week or part of the week, 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.
- 11.1 However, considering that while placing supply orders in multiple tranches against Running Contract, sometimes minimum tonnage required for rolling in a particular section may not be ordered at a time resulting in delay in taking up rolling of that item without any fault on the part of the supplier, DRS (I&S),




Railway Board, Kolkata is authorized to re-fix the delivery period in such cases within the overall validity of the RGC. Such situations may also come in play if the quantity ordered is less than a lorry load or to cater to urgent requirement of any particular consignee, when priority of earlier placed Supply Order is shifted downwards.

12. **Delivery period:** Supplies to commence within 75 days of placement of order and minimum monthly rate of supply will be 300 MT as per supply orders placed by DRS (I&S), Railway Board, Kolkata. Delivery period will be reckoned from the date of Supply Order or amendment to Supply Order, whichever is later. Minimum release order quantity for a particular item for supply to a single consignee should be 25 MT.
- 12.1 DRS (I&S), Railway Board, Kolkata is authorised to decide the priorities for the supplies.
- 12.2 Delivery Period for each Supply Order [SO] will be reckoned from the date of Receipt of SO or from the date of Amendment to SO, whichever is later. This is as per the presently operating contract. Clause 7.3 [GTC]: Commencement of Delivery Period shall be reckoned from the date of Receipt of SO or from the date of Amendment to SO, whichever is later.
- 12.3 Considering that while placing Supply Orders in multiple tranches against these Running Contracts, sometimes minimum tonnage required for rolling a particular section may not be ordered at a time resulting in delay in taking up rolling of that item without any fault on the part of supplier, DRS (I & S), Railway Board, Kolkata may be authorized to re-fix the delivery period in such cases within the overall validity of these RGC. Such situation may also come into play if the quantity ordered is less than a lorry load or to cater to urgent requirement of any particular consignee, priority of earlier placed Supply Order is shifted downwards.
- 12.4 Re-fixation of delivery period without LD be done in case of issue of amendments to Supply Orders w.r.t. to non-feasibility of specification, quantity, TDC etc. by Director RS/I &S, Railway Board, Kolkata.
13. **Option Clause:** The Purchaser may at any time during the currency of the Running Contract increase the total ordered quantity of the contract by not more than 30% of the total ordered quantity at the same price, terms and conditions as stipulated in the contract and the contractor shall be bound to supply the quantity so ordered according to revised delivery schedule advised by the Purchaser fixed on the basis of contracted delivery schedule.

Depending upon the actual requirement of Zonal Railways and Production Units during the validity of these Running Contracts, there may be NIL/less requirement for some particular item(s) and in such cases supply orders may not be placed for such items for entire ordered quantity.
14. **GST:** GST will be reimbursed by the purchaser as per actual. The current prevailing rate of GST is 18%. Invoice cum challan of SAIL bearing GSTIN would be treated as declaration in support of payment of GST.



- 14.1 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.
- 14.2 The firm will submit following certificate with the bills for payment. "We hereby declare that additional set offs/input tax credit 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."
15. **Payment terms:** In case of dispatch by road 100% payment against submission of Receipt Note and acceptance of material by consignee. In case of dispatch by Rail, payment terms would be 100% against proof of dispatch against Railway Receipt & inspection certificate, and Bank Guarantee for 2% value of average monthly supply. The firm will have to submit Indemnity Bond for 100% of contract value in case of qualified Railway Receipt.
- 15.1 Payments against this contract will be made by the Paying Authority on submission of Bills by the Contractor as follows:
- Original Railway Receipt.
 - Certificate that certified copy of the Railway Receipt has been dispatched to consignees by Registered Post.
 - Certificate that the Invoice has been correctly prepared in accordance with the terms of the contract.
 - Original copy of Inspection certificate issued by the Inspecting Authority.
 - Certificate as per para 14.2 above.

Note: Documents at (1) & (2) above will be applicable only for rail dispatches.

- 15.2 No payment will be released by the Paying Authority unless it received the Performance Guarantee Bond as per Para 26 below.
16. **Payment through ECS/ EFT:**
- 16.1 The details of the bank account are as follows:
- Account No.00000030271562025.
 - IFSC Code: SBIN0009998
 - Bank Name: State Bank of India
 - Branch name & Address: SBI, Corporate Accounts Group Branch, JLN Marg, Kolkata – 600071.
17. Standard Force Majeure Clause will be applicable.
18. **Mode of transport:** Material will be transported by Rail, in case rake load formation is feasible. However, considering the non-availability of piecemeal wagons, suppliers may be authorised by DRS(I&S), Railway Board, Kolkata to dispatch the material by road and claim road freight as per the contract.



19. **Freight Charges:**

19.1 Actual freight charges may be reimbursed to the supplier in case of **transportation by rail** as requested by M/s SAIL.

19.2 In case of dispatches by **Road transport**,

- (i) the actual Road freight or freight charges calculated as per the following rate schedule, whichever is lower, may be reimbursed. The freight charges are exclusive of all local taxes and duties on freight.

S.No.	Slab	Rates
1	0-300	5.0
2	301-600	4.5
3	601-1000	4.0
4	1001 km and above	4.0

Actual freight charges may be reimbursed to the supplier in case of transportation by rail as requested by M/s SAIL.

- a) In case of dispatches by Road transport:-
- The actual Road freight or freight charges calculated as per above, whichever is lower, may be reimbursed. The freight charges are exclusive of all local taxes and duties on freight.
 - For calculation of distance between two destinations shortest rail distance for movement of rail traffic (freight) between them will be taken.
 - Date of receipt of material at the consignee end will be treated as the date of delivery.
 - GST on above freight.
 - To reimburse on actuals, GST, any other tax declared by Govt. of India/State Govt./Local bodies, at the rates applicable on the date of dispatch, irrespective of whether the supplies were made within the delivery period or during the extended delivery period.
 - The applicable minimum freight charges for 75 km is allowed.
- b) In case of dispatch by rail, date of RR will be treated as the delivery.
- c) In case material is supplied through any of SAIL's stockyard from where it will be supplied to the consignee, following shall be payable by the purchaser: -
- Freight from plant to stockyard by Rail or Road
 - GST on above freight.
 - Road freight from SAIL's stockyard to consignee premises, as per para (a) above.
 - GST on road freight from stockyard to consignee.
 - To reimburse on actuals, GST, any other tax declared by Govt. of India/State Govt./Local bodies, at the rates applicable on the date of dispatch, irrespective of whether the supplies were made within the delivery period or during the extended delivery period.



- d) In case material is supplied through any of SAIL's conversion agent from where it will be supplied to the consignee, following shall be payable by the purchaser: -
- i) Rail Freight from plant to conversion agent (in case of movement by road, lower of rail/road freight shall be paid by purchaser).
 - ii) GST on above freight.
 - iii) Road freight from SAIL's conversion agent to consignee premises, as per para (a) above.
 - iv) GST on road freight from conversion agent to consignee.
 - v) To reimburse on actuals, GST, any other tax declared by Govt. of India/State Govt./Local bodies, at the rates applicable on the date of dispatch, irrespective of whether the supplies were made within the delivery period or during the extended delivery period.

19.3 In case of **dispatch by rail**, date of RR will be treated as the delivery.

19.4 Since the freight is payable as per the rates in different slabs stipulated in the contract, the freight payments may be allowed accordingly without insisting proof of payment to transporters.

20. Inspection Authority: Materials will be accepted against the Mill Test Certificate of the respective plants of M/s SAIL, in case of rolling by SAIL's plant.

20.1 In case of rolling by the authorized conversion agent of M/s SAIL, inspection will be done by TPI agency. At the time of inspection, TPI agency authorities will also check the BIS license of the conversion agent for rolling the particular item and make suitable endorsement in the inspection certificate.

20.2 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.

21. The Purchaser reserves the right to alter consignee particulars, width and length requirements of material as and when the necessity arises.

22. Supply Tolerance: +/-5% or 5MT, whichever is higher tolerance in quantities (item-wise) may be allowed against each supplies.

23. Paying Authority: Paying Authority will be PFA (RBC), Eastern Railway, Kolkata.

24. Contract will be governed by IRS conditions of contract.

25. Supply Orders will be released as per requirements of the Railways and supply order can be placed any time during the validity of the contracts.



26. **PERFORMANCE GUARANTEE BOND:** The firm was required to deposit Rs. 1,00,00,000 (Rs. One Crore only) as Security Deposit for this contract. The firm has furnished a Bank Guarantee No. 230127IBGP01586 dated 30.11.2023 valid upto 31.05.2026, issued by IDBI Bank Ltd., Trade Finance Department, 8th Floor, NBCC Building, Tower-2, Office Complex, East Kidwai Nagar, New Delhi - 110023 in favour of M/s SAIL to the paying authority for Rs. 1,00,00,000 (Rs. One Crore only). As and when an amendment is issued to the contract, the firm shall, within 15 (Fifteen) days of the receipt of such an amendment furnish to the Paying Authority an amendment to the Bank Guarantee rendering the same valid for the contract.
27. All other conditions: All other terms and conditions would be as per the Bid Document and Corrigendum issued after floating of this tender, so far as the same are not in conflict with whatever has been stated above.
28. This contract is issued by order and in the name of the President of India.
29. Please acknowledge receipt of this contract. Two copies of the contract duly signed on your behalf by an authorised person with your seal, duly witnessed by two persons, on each and every page should be returned to the undersigned for record within 15 days of receipt of contract. Copies of the same should be given to Dir(I&S), Railway Board, Kolkata and the Paying Authority.

Yours faithfully,




(Vipul Kanaujia)
Director Railway Stores(W)
Railway Board.

For and on behalf of the President of India.
New Delhi, Dated:07.12.2023

No. RS(S)/51/2023/7701/02/11966

Copy to:

1. PFA (RBC), Eastern Railway, Kolkata - Paying Authority.
2. PFA, All India Railways/PUs.
3. ADAI (Railways), Rail Bhavan, New Delhi.
4. Directors of Audit, All Indian Railways/PUs.



For Member Finance/Railways.
New Delhi, Dated:07.12.2023

No. No. RS(S)/51/2023/7701/02/11966

Copy to:

1. Director, RS (I&S), Railway Board, 3, Koilaghat Street, Kolkata- 700001.
2. PCMMs, All Indian Railways/PUs
3. DDF (S)-II, Railway Board.



(Vipul Kanaujia)
Director Railway Stores(W)
Railway Board.

For and on behalf of the President of India.

PRICE VARIATION CLAUSE-BASE MONTH :(ONE MONTH PRIOR TO OPENING OF THE TENDER)

$$P_1 = P_0 \times [W_1 / W_0]$$

Where,

P_1 = Escalated/De-escalated Price

P_0 = Base Price

W_1 = The index No. of wholesale prices in respect of items "Angle Channels, Sections, Steel (coated/not)" Base 2011-12 compiled by Economic, Adviser to Govt. of India for the calendar month, one month prior to the call for inspection/date of issue of Mill Test Certificate of the material. For instance material offered for inspection in February, 2019, the Index number for the month January 2019 will be applicable.

W_0 = Wholesale price index for "Angle, Channels, Sections, Steel (coated/not)" for the base month.

In case W_1 is greater than W_0 , the difference P_1 minus P_0 shall constitute the amount due to the contractor towards escalation on account of Price Variation. Otherwise, the difference P_0 minus P_1 shall constitute the amount to be recovered from the contractor as de-escalation.



