

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

No. RS(S)/51/2024/7701/02/11968

New Delhi, Date:27.03.2024

**M/s TATA Steel Limited,
Marketing & Sales Division,
TATA Centre,
43, Jawaharlal Nehru Road,
KOLKATA- 700 071.**

Dear Sirs,

**Sub: Contract No. RS(S)/51/2024/7701/02/11968 date: 27.03.2024 for
procurement of Mild/Corten Steel Sheets/Plates/Coils.**

With reference to your offer and other references detailed below, Executive Director, Railway Stores(S), on behalf of President of India is pleased to accept your offer to the extent of quantities, specifications and prices shown in Clause 10. This Running Contract is issued on the terms and conditions detailed hereunder:

2. Contract No.	No. RS(S)/51/2024/7701/02/11968 date:27.03.2024
3. Purchaser	Executive Director, Railway Stores (S), Railway Board, on behalf of President of India.
4. Name & Address of the supplier	M/s TATA Steel Limited, Marketing & Sales Division, TATA Centre, 43, Jawaharlal Nehru Road, <u>KOLKATA- 700 071.</u>
5. Purchaser's Reference	(i) Ministry of Railways, (Railway Board's) Tender No. 2023IS208 opened on 17.07.2023. (ii) Advance Acceptance –Cum- Counter Offer letter No. RS(S)2023/747/2 date 14.02.2024. (iii) Letter of Acceptance letter No. RS(S)/51/2024/7701/02/11968 date: 07.03.2024
6. Contractor offer and other references	(i) e -Offer No. TATA OFFER 2023IS208 dated 15.07.2023. (ii) Your letter no. S/FP-HR/Rly.Tender-2023IS208/2023 date 04.12.2023 (iii) Your acceptance letter no. S/FP-HR/Rly.Board/E-tender/2024-25 date 19.02.2024
7. Place of manufacturing	The material is to be manufactured in your works at Jamshedpur (Tata Nagar), Jharkhand and Kalinganagar & Meramandali, Odisha.
8. Inspecting Authority	Mill's test certificate may be accepted for M/s TATA wherever rolling is done by TATA Plant.
9. Paying Authority	PFA (RBC), Eastern Railway, Kolkata will maintain the account and arrange all payments against the contract.

10. Particulars of Order:

TSN	Thickness Range (mm)	Width Range (mm)	Specification	Quantity (MT)	Basic Rates (Rs./MT)	Total Basic Value (in Rs.)
MS01	0.8 to 2	1250	IS:513:CR1/CR2D	963	64500	62113500
MS02	2 to 4	1250	IS:1079:2009 HR1	5579	57492	320747868
MS03	2 to 4	1250	IS:5986:ISH330S	704	57750	40656000
MS05	5 to 12	1250 to 2000	IS:2062:2011 E 250 BR	22669	57991	1314597979
MS11	13 to 20	1000 to 2000	IS:2062:2011 E 250 BR	782	58050	45395100
MS12	13 to 40	1500 to 3200	IS:2062:2011 E 250 B0	3117	62986	196327362
CR01	1.6-2.0	900-1500	IRSM-41 / IS:11587 WR-Fe-480A conforming to IRSM-41 in all aspects	3074	77100	237005400
CR02	1.6-2.0	9001500 Coil	IRSM-41 / IS:11587 WR-Fe-480A conforming to IRSM-41 in all aspects	314	78250	24570500
CR03	3.15-4	900-1500	IRSM-41 / IS:11587 WR-Fe-480A conforming to IRSM-41 in all aspects	3234	70200	227026800
CR04	3.15-5	900-1250 Coil	IRSM-41 / IS:11587 WR-Fe-480A conforming to IRSM-41 in all aspects	2830	70479	199455570
CR05	5.0-12	900-1500	IRSM-41 / IS:11587 WR-Fe-480A conforming to IRSM-41 in all aspects	9487	70300	666936100
			Total Quantity	52753		

The supplies against the items will be governed by the terms and conditions of the tender to be read along with the deviations as quoted by the firm at the time of subject e-tender along with dimensions as mentioned in the quotation.

11. (i) Total quantity: 52,753 MT (Fifty Two Thousand Seven Hundred Fifty three MT).

(ii) Total Basic Value: Rs. 333,48,32,179/- (Rupees Three Hundred Thirty Three Crore Forty Eight Lakhs Thirty Two Thousand One Hundred Seventy Nine Only) excluding GST.




(iii) **Supply tolerance:** Supply tolerance of +/- (Plus/Minus) 5% or 5MT whichever is higher will be allowed.

12. **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.
13. **GST:** Will be reimbursed by purchaser as per actual. The current prevailing rate of GST is 18%.
- 13.1 The Purchaser will not, however, be responsible for the payment of GST/ or any tax made by the contractor under a misapprehension of Law. The liability of the Purchaser to reimburse Taxes is limited to such sum as may be found legally due and leviable in respect of contracted goods after availing the full credit on all the inputs used in the manufacture of the finished products, irrespective of whether the Seller has in fact availed of the said credit or not.
- 13.2 Upon implementation of GST w.e.f. 01.07.2017, invoices by the firm would require GST details and following procedure should be followed for the same:-
- (i) While preparing the invoices, the supplier shall mention the address of the paying Authority and GSTIN Number of the paying Authority (as per the contract) under the 'Bill to' column and address of the consignee and Railway's GSTIN Number of the State, where consignee is located, under 'Ship to' column.
 - (ii) The invoices shall be submitted by the suppliers to the Governing Paying Authority (as per the contract) and payment to the suppliers shall be released by the same paying Authority.
- 13.3 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."
- 13.4 Purchaser will, however, not pay any Tax or Duty paid by the supplier due to misclassification.
- 13.5 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. **Inspection Authority:** The material shall be inspected in terms of clause 1300 of the IRS Conditions of Contract, by the Inspecting Authority mentioned in Para 8 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.

15. Consignee & Dispatch Instructions:

- 15.1 The consignee particulars along with exact thickness, width and length of the material shall be intimated by Director (I&S), Railway Board, Kolkata.
- 15.2 No deviations in sizes and tolerance shall be permitted, except whatever is permitted by this Contract and relevant specification.

16. 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 are authorized to send the material by Road and Claim Road freight as per clause 17(b) of the Contract. For faster movement, material can be supplied through stockyard route as was done in earlier contracts.

17. Freight Charges:

(a) Actual freight charges may be reimbursed to the supplier in case of transportation by rail.

(b) In case of dispatches by Road transport, the actual Road freight or calculated as per following rate schedule, whichever is lower, may be reimbursed. The following road freight charges are inclusive of all taxes and duties on freight.

Distance Slab	Rate (Rs.)/MT/ km.
Upto 300 Km	5.17
301 to 600 Km.	5.10
601 to 1000 Km.	4.42
1001 Km and above	3.70

1. For calculation of distance between two destinations shortest rail distance for movement of rail traffic (freight) between them will be taken. Minimum charges for 75 km shall be allowed. Taxes & Duties will be paid extra as applicable.

2. In case supply through stockyard is permitted for faster movement, following charges shall be paid by purchaser:-

- i) Rail/Road freight from plant to stockyard/consignee.
- ii) Road freight from stockyard to consignee.
- iii) Applicable taxes and duties.

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 materials are 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 incidental expenses involved in road movement will be borne by the contractor.

19. **Payment Terms:**

(i) **For dispatches by road to Zonal Railways**

- a) 98% of the value of the invoice will be made 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.

Alternatively following payment terms is also acceptable:-

In case of road dispatches, 100% payment would be made on receipt and acceptance of material by consignee that is against receipt note.

(ii) **For dispatches by road to Wagon/Coach manufacturers:**

100% of the value of the invoice will be made against inspection certificate and receipt documents issued by authorized representative of Wagon/Coach manufacturers certifying that the material has been received and accepted in good condition.

(iii) **For dispatches by rail to Zonal Railways:**

- a) 98% of the value of the invoice will be made 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.

(iv) **For dispatches by rail to Wagon/Coach manufacturers:**

- a) 98% of the value of the invoice will be made against inspection certificate and dispatch documents, i.e., unqualified RR.
- b) Balance 2% of the invoice value shall be paid against receipt documents issued by authorized representative of Wagon/Coach manufacturers certifying that the material has been received and accepted in good condition.



- (v) Firms to raise PVC bill separately in the subsequent month of supplies made.

20. Payment through ECS/ EFT:

The details of the bank account are as follows:

- (i) Account No.00142150000142
- (ii) Bank Name: HDFC BANK LTD
- (iii) Branch name & IFSC: Sarat Bose Road, Central Plaza, Kolkata-700020 (HDFC0000014)

21. **Delivery Period:** Validity of the Running Contract will be 24 months from the date of issue of contract and can be extended with mutual consent.

21.1 Supplies to commence within 60 days after placement of order and minimum monthly rate of supply will be 1500-2500 MT.

21.2 Director, Railway Stores (Iron & Steel), Railway Board, Kolkata will place supply orders against this Running Contract. Supply orders can be placed till the last date of validity of contract.

21.3 Delivery period for each supply order will be reckoned from the date of issue of supply order.

21.4 In case of dispatches by Rail, the date of Railway Receipt will be taken as the date of delivery. In case of dispatches by road, date of receipt recorded by the consignee on the lorry consignment note/Challan will be taken as the date of delivery.

21.5 Considering that while placing supply orders in multiple tranches against this Running Contract, sometimes minimum tonnage required for rolling in a particular width/thickness combination 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), Kolkata is authorized to re-fix DP in such cases without any LD within the overall validity of the contract. 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.

21.6 Steel Cell/Kolkata would review the urgency of the requirement regularly and decide the priorities for the supplies.

22. Standard force majeure Clause as per General terms and conditions will only be allowed.

23. **ARBITRATION:** As per Clause 2900 of IRS Conditions of Contract.

24. **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.

25. **Charges for additional quality:** Following additional charges will be payable/deductable for extra qualities, as the case may be.

S.No.	Quality Extra	Charge (Rs. PMT)	Remarks
1.	Copper Charge	2000/-	Addition

26. **The Running Contract is subject to the following terms & conditions:**

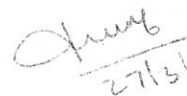
- 26.1 Validity of these Running Contracts will be 24 months from the date of issue of contract and can be extended with mutual consent.
- 26.2 The contract prices are inclusive of cost of all tests, packing etc.
- 26.3 The contract prices are FOR station of dispatch Jamshedpur (Tata Nagar), Jharkhand and Kalinganagar & Meramandali, Odisha..
- 26.4 Director, Railway Stores (Iron & Steel), Railway Board, Kolkata will place supply orders against this Running Contract. Supply orders can be placed till the last date of validity of contract.
- 26.5 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. Issue of Inspection Certificate will be considered sufficient for this purpose. 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.
- 26.6 The contractor shall furnish by Registered Post to the Executive Director, Railway Stores (S), Railway Board, New Delhi and DRS (I&S) Railway Board, Kolkata by 10th of every month, a statement showing full particulars of stores dispatched during the preceding month.
- 26.7 The Purchaser reserves the right to alter consignee particulars, width and length requirements of material as and when the necessity arises.
- 26.8 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.
27. **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 relevant specifications should be strictly followed.

28. **Marking:** The marking on all goods supplied shall comply with the requirements of the Indian Acts relating to the merchandise or any amendment thereof and of the rules made under such Acts and the Seller shall be responsible for the proper and sufficient marking of the goods so as to be in compliance with the requirements of the said Acts. Requirements given in the relevant specifications shall be fully complied with. Attention is also drawn to Clause 1302 of IRS Conditions of contract.
29. **Price Variation Clause:** The contract prices are subject to Price Variation Clause as per Annexure 'A' enclosed, with base month as June, 2023.
30. **Performance Guarantee Bond.** The firm was required to deposit Rs. 01 Crore (Rupees One Crore only) as Security Deposit for this contract. The firm has furnished a Bank Guarantee No.0393NDLG00251824 dated 20.03.2024 valid upto 09.05.2026, issued by ICICI BANK LTD, 38 Hemanta Basu, Sarani Branch, Kolkata-700001 in favour of M/s TATA Steel Ltd. to the paying authority for Rs. 01 Crore (Rupees 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.
31. **All other conditions:** The contract will be governed by Indian Railways Standard Conditions of Contract and terms and conditions of tender document to the extent they do not contradict the terms and conditions contained in the preceding paragraphs.
32. This contract is issued by order and in the name of the President of India.
33. 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, 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 DRS(I&S), Railway Board, Kolkata and the Paying Authority.

Thanking you,

Encl. Annexure A (PVC Formula)

Yours faithfully,


27/3/24

(Vipul Kanaujia)
Director Railway Stores (Wagon)
Railway Board
for and on behalf of the President of India

No. RS(S)/51/2024/7701/02/11968

New Delhi, Date:27.03.2024

Copy to:

- (1) PFA (RBC), Eastern Railway, Kolkata- Paying Authority..
(2) ADAI (Railways), Rail Bhavan, New Delhi.


For Member Finance /Railways.

No. RS(S)/51/2024/7701/02/11968

New Delhi, Date:27.03.2024

Copy to:

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




27/3/24
(Vipul Kanaujia)

Director Railway Stores (Wagon)
Railway Board.

for and on behalf of the President of India.

PRICE VARIATION CLAUSE – BASE MONTH: June, 2023.

1. The increase/decrease in the price of materials quoted/ supplied against this tender would be governed by the following Price Variation formula:

$$P_1 = P_0 \times \frac{MSFP_1}{MSFP_0}$$

Where,

P_1 = Escalated/de-escalated price.

P_0 = Base Price.

$MSFP_1$ = The index number of wholesale prices in respect of items "Mild Steel - Flat Products" Base 2011-12 compiled by Economic Adviser to the Government of India for the calendar month, one month prior to the call for inspection/date of issue of Mill's 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.

$MSFP_0$ = Wholesale Price Index for "Mild Steel – Flat Products" applicable for the Base month.

2. In case P_1 is greater than P_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.

3. The decision of the President of India in regard to wage and material escalation under the clause shall be final and not be subject to legal dispute or arbitration.

