

12

**GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
RAILWAY BOARD**

No. 2020/Track-III/MC/3

New Delhi, dated 18. 06.2020

To, M/s HARSCO RAIL, 2401, Edmund Road, Box 20, W. Columbia, SC 29171-0020, USA Fax No. 803.822.7418	Through: M/s Harsco Track Machines and Services Pvt. Ltd 2nd Floor, Building Alpha, Bengal Intelligent Park, Block EP & GP, Sector V Salt Lake, Kolkata – 700 091
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LETTER OF ACCEPTANCE

Sub: E-Global Tender No. TM-2003 for procurement of 03 Nos. Track Relaying Trains (TRT) opened on 28.05.2020

Ref: 1) Your e-offer Bid ID 11179650 dated 25.05.2020 submitted against subject Global tender and negotiated offer submitted vide letter No. 2020-21/RBTRT/TM2003 dated 08.06.2020

In reference to your E-Offer and thereafter negotiated offer referred above, Competent Authority has accepted your negotiated offer for manufacture and supply of 3 Nos. Track Relaying Trains (TRT) as per the following scope of work, prices and terms and conditions:

2.0 Details of Price and Quantity :

SOR Item No.	Description of the Item	Unit	Unit Price (Per Machine)	Quantity
Item No.1	Design, manufacture, supply, testing & commissioning of Track Relaying Train (TRT) for Indian Railway (BG 1676mm) & Training of IR Personnel	No.	Import Portion: Basis CFR Mumbai/ Nhava Sheva. USD 5,660,000/- (Breakup: FOB USD 5,600,000/- Charleston or Savannah Port + Transit Freight USD 60,000/- plus Custom Duty, IGST etc. applicable at the time of supply within the delivery period of the contract. + Indigenous Portion: ₹ 5,14,05,750/- Ex-Works Hyderabad/ Secunderabad plus applicable GST at the time of actual supply + ₹ 8,00,000/- Transportation charge plus applicable GST at the time of actual supply	03

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Item No.2	Modification of Flat Wagon Required for TRT as per Clause 3.21 of Technical Specification	No.	₹ 6,34,000/- plus applicable GST at the time of actual supply	120
Item No.3	Labour: Service Cost of Operation & Comprehensive Maintenance of TRT during initial warranty period of 24 months after commissioning of the machine.(per TRT Machine unit)	No.	₹ 4,66,00,000/- plus applicable GST at the time of actual supply	03
Item No. 4	Material: Lump Sum Cost of all required spares & consumables except fuel/lubricants ; during warranty period of 24 months (Per TRT Machine Unit), taking average block working of 64 Hours per month per TRT.	No.	₹ 1,82,63,956.00/- Ex-Works plus applicable GST at the time of actual supply.	03
Item No. 5	Labour: Service Cost of Post warranty Operation & Maintenance of TRT for 24 months.(Per TRT Machine Unit)	No.	₹ 4,58,00,000/- plus applicable GST at the time of actual supply	03

Note:

- i. In the event of requirement of additional spares other consumables costing over and above the quoted amount, the same shall be supplied by the contractor free of cost.
- ii. Actual block working hours would be calculated & documented on daily basis in hard copy signed by Purchaser (Zonal Railway) and Supplier representatives.
- iii. Initial batch of spares, costing upto 30% of the total accepted budget for spares **under Item No. 4**, would be supplied with the machines. Balance spares shall be supplied in installments, as per the experience gained in the field / actual requirement. All such spares shall be kept in the custody of consignee Railway. The railway shall issue such spares to the machine as per the operation & maintenance requirement of the machine.

3.0 Terms & Conditions:

All terms and conditions are as per tender. Some of the important conditions are as under:

SN	Item	Tender Condition
1	Price basis and Price Variation:	All the prices mentioned in above shall be firm and no price variation is admissible on any account.
2	Taxes & Duties	All the prices mentioned in above are basic rates and exclusive of all Taxes & Duties. Taxes & Duties, as applicable at the time of actual supply, shall be to the account of the purchaser subject to other tender conditions.
3	Foreign Exchange Variation	Variation in Foreign Exchange Rate shall be to the account of the Purchaser subject to other tender conditions.
4	Statutory Variation Clause	Statutory Variation in taxes and duties, or fresh imposition of taxes and duties by State/Central Governments in respect of the items stipulated in the contract (and not the raw material thereof), within the original delivery period of 22 months, or

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		last unconditionally extended delivery period shall be on Railways' account. Only such variation shall be admissible which takes after 26.05.2020. No claim on account of Statutory Variation in respect of existing tax/duty will be accepted. No claim on account of Statutory Variation shall be admissible on account of misclassification by the supplier/contractor.
5	Payment terms	<p>Payment will be made as per Cl. 12.0 of SCC.</p> <ul style="list-style-type: none"> i. Payment for imported portion of SOR Item No. 1 will be made to M/s Harsco Rail, USA. ii. Payment for Indigenous portion of SOR Item No. 1, and SOR Item Nos. 2, 3 & 5 will be made to M/s Harsco Track Machines and Services Private Limited, Kolkata. iii. Payment for SOR Item No. 4 will be made to M/s Anand Traders, Delhi.
6	Training	As per Cl. 20.0 of ITT to be read with Clause 20.0 of TS.
7	Inspection	As per tender Clause 22.0 of GCC read with Clause 19.0 of TS.
8	Delivery period.	All the 3 TRT Machine shall be delivered within 22 months from the date of placement of order / Acceptance letter.
9	Liquidated Damages	<p>As per tender Clause 19.0 of GCC.</p> <p>In case of delay in the supply, recovery of Liquidated damage (LD) shall be levied @ 1/2% per week or part of the week during which delivery is accepted subject to the upper limit of 10% of the value of the contract, irrespective of the delays.</p>
10	Insurance on import portion	Insurance on imported consignments is covered through the insurance company appointed by railways as per the extant policy and is drawn up to ultimate destination.
11	Performance Guarantee Bond	Performance Guarantee Bond shall be submitted as per Tender Clause 21.0 of GCC.
12	Warranty	24 months from date of commissioning of machine. As per Clause 9.0 of SCC read with Clause 22.0 of Technical Specifications.
13	Warranty Guarantee Bond	The contractor shall submit Warranty Guarantee Bond as per Tender Clause 9.10 & 9.11 of SCC.
14	Commissioning	As per Clause 11.0 of SCC.
15	Acceptance Test	As per Clause 21.0 of Technical Specifications.
16	All other Terms & Conditions including Technical Specifications and O&M conditions for SRGM	As per Tender document, responses to tender document & clarifications submitted by the supplier.

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5.0 As per Clause 21.0 of GCC, you are required to submit a Performance Bank Guarantee of value USD 2,434,904/- (USD Two Million Four Hundred Thirty Four Thousand Nine Hundred Four only), being 10% of the value of the contract with validity of 28 months (DP of 22 months + 6 months) **within 21 days of issue of Letter of Acceptance**.

6.0 You may acknowledge receipt this acceptance letter. The issuance of this acceptance letter shall be deemed to have concluded the contract. Detailed contract will be issued subsequently on submission of Performance Bank Guarantee in terms of the subject tender conditions and your Advance Acceptance Letter.

Yours faithfully,

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18.06.2020
(Dinesh Tripathi)
Director Track (Machines)

Railway Board
For and on behalf of the President of India