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GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
RAILWAY BOARD

No. 2019/Track-III/MC/5

New Delhi, dated 18.02.2020

M/s Linsinger Maschinenbau GmbH,
Dr. Linsinger Straße 23-24,
4662 Steyrermühl,
Austria

Through:

Mr. Ankit Nagory,
Director of Diversified Engineering Corporation Private Limited,
Suite No. 100, 7/197, Swaroop Nagar,
Kanpur, (UP) 208 002

LETTER OF ACCEPTANCE

Sub: E Global Tender No. TM-1905 for procurement of 01 No. Rail Milling Machines (RMM) opened on 06.09.2019.

Ref: (i) Your E-offer submitted against the subject tender vide Bid Id: 10206028 dated 30.08.2019
(ii) Railway Board's letter of even No. Dated 13.01.2020
(iii) Your Post negotiations letter dated 21.01.2020

In reference to your E-Offer at (i) and Negotiated offer at (iii) above, the Competent Authority has accepted the same for manufacture and supply of 01 No. Rail Milling Machine (RMM) as per the following scope of work, prices and terms and conditions:

Price Details:

SOR Item No.	Description of the Item	Quantity	Unit Price
Item No.1	Design, manufacture, supply, testing & commissioning of Rail Milling Machine (RMM) & Training of IR Personnel	01 No.	Basis CFR Mumbai/ Nhava Sheva. Euro 1,41,07,200/- (Breakup: FOB Euro 1,40,32,200 Hamburg Port + Transit Freight Euro 75,000 plus Custom Duty, IGST etc. applicable at the time of supply within the actual delivery period of the contract
Item No.2	Labour: Service Cost of Operation & Comprehensive Maintenance of Rail Milling Machine (RMM) during warranty period of 24 months after commissioning of the machine. (Per Machine Unit)	01 No.	₹ 4,20,00,000/- plus applicable GST at the time of actual supply

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Item No.3	Material: Lump Sum Cost of all required spares & consumables, including Cutting heads and cutting tools etc. except water/fuel/lubricants; for Operation & Maintenance of RMM during warranty period of 24 months (Per Machine Unit) taking 960 hrs of actual milling time per RMM in 24 months.	01 Set	Basis: CFR Mumbai/ Nhava Sheva.
Item No. 4	Labour: Service Cost of Post warranty Operation & Maintenance of Rail Milling Machine (RMM) for 24 months.(Per Machine Unit)	01 No.	₹ 5,00,00,000 plus applicable GST at the time of actual supply

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 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 24 months, or last unconditionally extended delivery period shall be on Railways' account. Only such variation shall be admissible which takes after 06.09.2019 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	Payment will be made as per Cl. 12.0 of SCC.
6	Agency Commission	Agency Commission to be paid to Mr. Ankit Nagori, Director of Diversified Engineering Corporation Private Limited, Kanpur @ 2% of FOB price of SOR Item No. 1 & 3 as per Clause 3.0 of ITT.

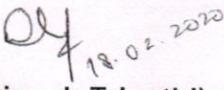
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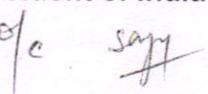
7	Training	As per Clause 20.0 of ITT and Clause 22.0 of Technical Specifications.
8	Inspection	As per tender Clause 22.0 of GCC to be read with Clause 18.0 of Technical Specifications.
9	Delivery period.	01 No. RMM along with the set of spares (Item No. 1 & 3) shall be delivered within 24 months from the date of placement of order i.e. Date of issue of this Letter of Acceptance.
10	Liquidated Damages	Liquidated Damages (LD) shall be levied @ ½ % of the price of the stores 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.
11	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.
12	Performance Guarantee Bond	Performance Guarantee Bond shall be submitted as per Tender Clause 21.0 of GCC.
13	Warranty	As per Clause 9.0 of SCC to be read with Clause 23 of Technical Specifications.
14	Warranty Guarantee Bond	The contractor shall submit Warranty Guarantee Bond as per Tender Clause 9.10 & 9.11 of SCC.
15	Commissioning	As per Clause 11.0 of SCC.
16	Acceptance Test	As per Clause 21.0 of Technical Specifications.
17	All other Terms & Conditions	As per Tender document, response to tender document & clarifications to your offer.

As per Clause 21 of GCC, you are required to submit a Performance Bank Guarantee of value EURO 1,484,419/- (Euro One Million Four Hundred Eighty Four Thousand Four Hundred Nineteen only), being 10% of the value of the contract with validity of 30 months (DP of 24 months + 6 months) within 30 days of issue of this Letter of Acceptance.

You may acknowledge receipt of this Letter of Acceptance. The issuance of this Letter of Acceptance shall be deemed to have concluded the Contract. Detailed Contract will follow on your submission of Performance Bank Guarantee in terms of the subject tender conditions.

Yours faithfully,


 (Dinesh Tripathi)
 Director Track (Machines)
 Railway Board
 For and on behalf of the President of India


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