

SOUTH CENTRAL RAILWAY



Headquarters Office,
Electrical Branch,
Rail Nilayam,
Secunderabad.

No.E.207/6/P/HQ

Date: 19.03.2020

CVO/S&T/SC

Sub: System improvement on claiming under warrantee failure & inclusion of penalty clause on procurement of electrical item/fittings.

Ref: CVO/S&T/SC's Lr.No.G.265/Elec. Sys. Imp/2019, Dt.11.06.2019

With reference to above referred letter, the following compliances are furnished in view of system improvement.

- i. System of regular monthly meeting started with M/s, EESL at HQ Level against division executed contracts (Copies of MOMs are enclosed).
- ii. As per IRS conditions of supply contract clause No.3200, supplier has to guarantee the goods/stores/articles would continue to conform to the description and quality as aforesaid, for a period of 30 months after their delivery or 24 months from the date of placement in service whichever shall be sooner. However, a letter is issued to PCMM/SCR to include special conditions store contracts vide this office letter No. Lr.No.E.207/6/P/HQ, Dt.18.03.2020(Copy enclosed).
- iii. Policy letter for special clauses to be included in works contract agreement issued vide this office letter No. Lr.No.E.207/6/P/HQ dt.18.03.2020. (Copy enclosed).
- iv. LED specification of HQ will be revised as per guidelines issued vide item no.iii above.
- v. Released fittings are to be disposed through store dept. by execution of DS-8 as per rules & practice in vogue. However, RB vide letter No.2006 /Elect(G)/150/5, Dt.20.08.2019 has advised that 'Disposal of released material shall be dealt as per procedure mentioned in CHAPTER XXIV of IR Code for Stores Department Vol.-II' (Copy enclosed).
- vi. The credit value for released items should be included in all future estimates/works contracts. Same Credit value/amount of the released items shall be credited to respective works contracts agreement. This shall be decided by respective tender schedule approving authority not less than JAG or Sr.Scale (Independent in-charge) whatever the case may be.

Signature valid

Digitally signed by RAGHENDRA SHARMA
RAGHENDRA SHARMA
Dy. Chief Electrical Engineer
Reason: Approved

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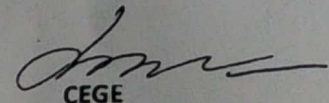
Date: 18.03.2020

Sr.DEE/M/SC, HYB, NED, GTL, BZA, GNT
Dy.CEE/WS/LGD, DEE/CRS/TPTY, ADEE/RYPG/GTPL

Sub: Inclusion of special conditions in store & works contracts for procurement of Electrical Items.
Ref: CVO/S&T/SC's Lr.No.G.265/Elec. Sys. Imp/2019, Dt.11.06.2019

Following guidelines are to be adopted for items procured/supplied under warranty through works / store contract in view of system improvement in warranty claims.

- A) Contract agreements and Stores contract should have following conditions.
- Applicable warranty period in months or years as per IRS condition or OEM or specification whichever applicable.
 - Penalty Clause: To be provided /incorporated in contract as per extant instruction in vogue for failure & warranty/guarantee obligations.
 - Non-erasable screen-printing/etching of agreement/PO No., DOI and warranty period shall be done on items/material supplied to claim warranty.
 - Inspection of material not covered under RITES shall be done by nominated field Engineer and certificate of inspection is to be issued in specified format as circulated vide PCEE's Lr.No.E.207/6/P/HQ dt.17.04.2019.
- B) Procedure for claiming warranty replacement of defective items.
- One major depot preferably in Hqrs area in each Division shall be nominated as nodal depot for collecting warranty replacements position of defective /failure material from section over the division and put up to Sr.DEEs.
 - Whenever material is drawn from store/supplied through contract by consignee/SSE, the details of collected material along with copy of agreement/PO shall be submitted to nodal depot for maintaining records of warranty period.
 - All failures of items covered under warranty shall be reported to nominated Nodal depot for raising the complaint for its replacement. The replacement/repair of item shall be done at respective user places, duly advising to nodal depot.
 - After completion of warranty and while releasing SD, Sr.DEE should ensure penalty for non compliance of warranty.
- C) Disposal of released material shall be dealt as per procedure mentioned in chapter XXIV of IR Code for stores department Vol-II, which was already advised by RB vide letter No.2006 /Elect(G)/ 150/5, Dt.20.08.2019.
- D) The credit value for released Items should be included in all future estimates/works contracts. Same Credit value/amount of the released Items shall be credited to respective works contracts agreement. This shall be decided by respective tender schedule approving authority not less than JAG or Sr.Scale (Independent in-charge) whatever the case may be.


CEGE

for Pr. Chief Electrical Engineer

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Handwritten:
17/6/2020
CVO/S&T



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No.E.207/6/P/HQ

Date: 18.03.2020

PCMM/SC

Sub: Inclusion of special conditions in store contracts for procurement of Electrical Items.

Ref: CVO/S&T/SC's Lr.No.G.265/Elec. Sys. Imp/2019, Dt.11.06.2019

Following conditions are advised to adopt for items procured/supplied under warranty in view of system improvement for stores contracts.

- a. Applicable warranty period in months or years as per IRS condition or OEM or specification.
- b. 10% of contract/PO value shall be collected as SD towards warranty period.
- c. Penalty Clause: If any bad performance due to failure and warranty replacements reported during the warranty period by the Divisions, the entire SD amount shall be forfeited irrespective of the quantity.
- d. Non-erasable screen-printing/etching of agreement/PO No., DOI and warranty period shall be done on items/material supplied to claim warranty.
- e. Inspection of material not covered under RITES shall be done by nominated field Engineer and certificate of inspection is to be issued in specified format as circulated vide PCEE's Lr.No.E.207/6/P/HQ dt.17.04.2019.

Therefore, henceforth for all future procurement through store shall include above conditions.

CEGE

for Pr. Chief Electrical Engineer

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