

SOUTH CENTRAL RAILWAY



Office of the
Chief Administrative Officer (Construction) South
Central Railway Secunderabad-500 071

No.W.CON.496/AB/5395/WC.3

Dated: 16 /12/2010.

M/s.The India Thermit Corporation Ltd.,
84/22, Fazal Ganj,
Kanpur – 208 012.

Sirs,

Sub: Guntakal Division- Renigunta –Guntakal section – Proposed permanent Diversion of Double line Tracks due to submergence of existing double line tracks from KM: 327 to 338 between Muddanur and Kondapuram stations in connection with construction of Gandikota Reservoir with FRL stations (+) 211.85 m under GNSS project- Fusion welding of rail joints by Alumino Thermit SKV process for conversion of SWP/Free rails into LWR/CWR, Points and crossings, SEJ's and glued joints from Ch;0.00 to Ch:12261 m between Muddanur and Kondapuram stations including Mangapatnam station yard on permanent diversion at new location and other construction works spread over in the S.C. Railway under the jurisdiction of Chief Engineer/ Construction–IV /Secunderabad.
Tender Notice No.27/CAO/C/SC/10, dated 26-08- 2010 (Item No.6) .
Tenders Opened on 11.10.10.

Ref: 1.Your Original offer submitted on 11.10.2010.
2.Your negotiated offer submitted on 02.12.10

Your negotiated offer submitted on 02.12.10 for the above work at a total value of **Rs.2,68,84,990/- (Rupees Two crores sixty eight lakhs eighty four thousand nine hundred and ninety only) with counter conditions** as stated in the Annexure has been accepted by the competent authority as mentioned below:

SL. No	Schedules	Base value Rs	Accepted Rates	Amount Rs.
1	Schedule'A'	Rs.2,44,40,900.00	(+) 10%	Rs.2,68,84,990.00
	TOTAL	Rs.2,44,40,900.00	-	Rs.2,68,84,990.00

(Totaling to (Rupees Two crores sixty eight lakhs eighty four thousand nine hundred and ninety only))

2. The Special conditions offered by you and acceptance/Non-acceptance of the Railways are furnished in enclosed **Annexure-I (9 Pages)**. All other terms and conditions of Original /Negotiated offer stands good

3. Please note that all the works included in this contract shall be completed within the period of 12 (Twelve) months inclusive of the intervening monsoon period from the date of issue of this acceptance letter as per the **TIME FRAME/ MILE STONES chart stipulated in the tender document, which is agreed/signed by you.** Further, you are expected to adhere to the progress of work as per the above mentioned **TIME FRAME/ MILE STONES chart (copy enclosed as Annexure -II).** “In case you fail in achieving the first 2 mile-stones, the contract would be liable for termination under clause 62 of the General Conditions of Contract.”

4. Please also note that an amount of **Rs. 13,44,250/-** (i.e., 5 % of contract value) is payable towards **Performance Guarantee** for the due and faithful fulfillment of the work within 15 days from the date of issue of this letter. This guarantee shall be initially valid upto the stipulated date of completion plus 60 days beyond that. In case, the time for completion of work gets extended the contractor shall get the validity of Performance Guarantee extended to cover such extended time for completion of work plus 60 days. The above said Performance Guarantee shall be furnished either in cash **or** Irrevocable Bank Guarantee (Copy of Bank Guarantee proforma is enclosed) **or** Government Securities including State Loan Bonds at 5 percent below the market value **or** Deposit receipts, pay orders, demand drafts and Guarantee Bonds. (these forms of Performance Guarantee could be either of the State Bank of India or any of the Nationalized Banks) **or** Guarantee Bonds executed or Deposits receipts tendered by all Scheduled Banks **or** a Deposit in the Post Office Savings Bank **or** a deposit in the National Savings Certificates **or** Twelve years National Defence Certificates. **or** Ten years Defence Deposits **or** National Defence Bonds **or** Unit Trust Certificates at 5% below market value or at the face value whichever is less

The Performance Guarantee shall be released only after physical completion of work based on the ‘Completion Certificate’ issued by the competent authority.

5.. If you are interested to furnish the Performance Guarantee as called for in para No.3 above in cash the same shall be lodged with the chief cashier/SCRly/sec;bad and money receipt issued by him on this account should be forwarded to this office, so that arrangements will be made for execution of necessary agreement.

6.. In addition to the above, an amount of **Rs. 13,44,250/-** is also payable towards full security deposit for the due and faithful fulfillment of the work. The EMD of **Rs. 2,72,210/-** furnished along with your offer in the form of TDR. A/c.No.67131509318 dt.7.10.10, issued by State Bank of Travancore, Nadri Bazar, 113/116, Swaroop Nagar – Kanpur -208002, is adjusted towards part security deposit and the balance Security Deposit amount of **Rs. 10,72,040/-** will be recovered from your running bills at the rate of 10 % till the balance S.D amount is fully recovered. As there is no maintenance period for the work, the security deposit shall be released after satisfactory completion of work.

7. Please note that no interest will be payable on the Security Deposit/Performance Guarantee. But the Govt. Securities detailed above will be payable with interest accrued thereon, if they carry any interest.

ACP OF 27/CAO/C/210, DT:26.08.2010 (ITEM-6) Fusion welding of Rail Joints

8. It may please be noted that until a formal agreement is executed, this acceptance letter shall constitute a binding contract between you and the Railway subject to modification as may be mutually agreed to. The agreement for this work should be executed within 7(Seven) days from the date of receipt of notice from this office that such documents are ready, failing which action will be taken in terms of Clause 12 of the regulations of tenders and Contracts without prejudice to any further right or remedies.

9. The Special conditions offered by you and acceptance/Non-acceptance of the Railways are furnished in enclosed **Annexure-II (9 Pages)**. All other terms and conditions of Original /Negotiated offer stands good.

Please acknowledge the receipt.

Encl: As above.

Yours faithfully,



(S.A.QAYYUM)

**Deputy Chief Engineer/C/Genl-I/SC
for & behalf of President of India.**

Copy to: 1. **FA & CAO/C/SC** for inf.

2. **DY.CE/C/BZA** for inf. & necessary action.

3. Labour Enforcement Officer/Central/Hyderabad for information.

4. Chief Cashier/SCR/Sec-bad for information. He is requested to advise the remittance particulars of the above Performance Guarantee amount of the contract.

5. File No.W.CON.148/AB/ /W.C.3.

for Chief Admin. Officer/Con/SC

ANNEXURE –I

Annexure to the Acceptance Letter No. W.CON.496/AB/5395/WC.3
Dated: /12/2010 (Acceptance/Non-Acceptance of Special Conditions quoted by the Agency)

Spl. Condition No.	Special condition of M/s. The India Thermit Corporation Ltd., Kanpur	Railway's remarks	Modification during negotiation by the firm on 02-12-2010	Railway's acceptance
2.	<p>Regarding Earnest Money:- Enclosed please find a FDR No.67131509318 dated 07-10-2010 for Rs.272210/- (Rupees Two lakhs seventy two thousand two hundred and ten only) of State Bank of Travancore issued in favour of FA & CAO/Con., South Central Railway, Vijayawada. A/c The India Thermit Corporation Ltd., Kanpur valid for one year towards Earnest Money.</p>	<p>Available with tender offer. On award of work, the same will be adjusted towards Part Security Deposit.</p>	<p>Agreed by the agency.</p>	<p>ACCEPTED as per Para No.6 of the Letter of Acceptance.</p>
3.	<p>Regarding performance Guarantee and Security Deposit:- We wish to inform you that we shall submit the performance guarantee amounting to 5% of the contract value in the form of irrevocable Bank Guarantee issued by Standard Chartered Bank, New Delhi, a schedule bank on the list of Reserve Bank of India on the format provided by the Railway Board vide their letter No.Track/21/2007/0113/7/8/BG dated 15-02-2008 addressed to all the General Manager (Engg.) with a copy to all FA&CAOs of all Indian Railways (Open Line and Construction), valid for the completion period and not up to the maintenance period as we do not maintain the track. Copy of the format is enclosed for your ready reference. Kindly advise the authority in whose favour the PG is required to be issued to enable us to submit the same.</p>	<p>Acceptable. However the validity of BG to be submitted towards performance guarantee shall be initially valid upto the stipulated date of completion plus 60 days beyond that as per tender Clause No.10(b) of Form-A.</p> <p>The PG shall be released after physical completion of work based on "Completion Certificate" issued by the competent authority as per tender Clause No.10©.</p>	<p>Agreed by the agency.</p>	<p>Submission, validity and release of Performance Guarantee accepted as per Para No.4 of Letter of Acceptance.</p>

ACP OF 27/CAO/C/210, DT:26.08.2010 (ITEM-6) Fusion welding of Rail Joints

	<p>We further wish to advise you that bank guarantee against performance guarantee is required only for satisfactory completion of work, the question of validity of this BG up to the maintenance period does not arise. This B.G. is required till the work is completed and is to be released immediately after completion of work.</p>			
4.	<p>Please also note that out of 10% security deposit, we are submitting the FDR for 2% towards earnest money, 5% towards performance guarantee and balance 3% will be deducted from our on account payment which shall be released after completion of work.</p>	<p>Balance security deposit will be recovered from the agency's running bills at 10%. As there is no maintenance of work, release of security deposit after satisfactory completion of work can be considered.</p>	<p>Agreed by the agency.</p>	<p>ACCEPTED as per Para No.6 of the Letter of Acceptance.</p>
5.	<p>Please note that as the purchaser does not agree for release of any payment before vetting/ execution of agreement and agreement is prepared only after the receipt and verification of performance Bank Guarantee by the concerned bank, which itself takes more than 2-3 months and in some cases even more time, the despatches of portion, therefore, will be made only after execution of agreement. The DOC also please be reckoned accordingly i.e. from the date of execution of agreement instead of date of acceptance of the tender.</p>	<p>Cannot be agreed. Agreement can be executed within a reasonable time, provided the agency submits the Performance Guarantee as per Proforma acceptable to Railways. After that payment can be arranged based on execution of work. Date of completion will be reckoned from the date of issue of acceptance letter.</p>	<p>Agreed by the agency.</p>	<p>Not Accepted. Agreement can be executed within a reasonable time, subject to early submission of the Performance Guarantee as per Proforma (Copy enclosed) acceptable to Railways. After that payment can be arranged based on execution of work. Date of completion will be reckoned from the date of issue of acceptance letter.</p>
6.	<p>Railway will ensure that our final bill is prepared and payment is made to us within 45 days time after the completion of work so that FDR against Earnest Money, PG and Security (deducted from our on account bills) are released within the above period otherwise Railway will pay us interest @ 15% p.a. on the final bill amount for the</p>	<p>Railways can ensure payment of final bill within 45 days time after satisfactory completion of work in all respects subject to returning Railway material, if any. Payment of interest at 15% for the delay on final bill amount, PG and SD</p>	<p>Agreed by the agency.</p>	<p>Railways will ensure payment of final bill within 45 days time after satisfactory completion of work in all respects subject to returning of Railway material, if any. Payment of interest @15% for the delay on final bill amount, PG and SD</p>

ACP OF 27/CAO/C/210, DT:26.08.2010 (ITEM-6) Fusion welding of Rail Joints

	delayed period as well as @ 7% p.a. on FDR pledged with them @ 1% p.a. on PG & @ 15% on security deposit.	can not be agreed to.		is not agreed.
7. a)	<p>Regarding special conditions and specification of contract of the tender we would like to submit as under:- <u>Special Condition No.2, 5 & 9 :-</u> RDSO is approving only one category i.e. welder, hence we will provide approved welder only.</p> <p>Further, it is brought to your kind notice that as per Director General/Track letter No.CT/AT/Welding/Sub-committee dated 18-03-2002 Para 20” MARKING OF ADDENDUM & CORRIGENDUM SLIP NO.5 OF FEBRUARY 2002, “Details of marking should be painted at approximately 300mm from the joint on web of the rail with white paint on black background is to be done instead of aluminium strip, which may please be noted. _</p>	<p>RDSO certified welder to be provided at site. However one more Senior RDSO certified welder may be kept as supervisor.</p> <p>Marking of weld details by painting system may be accepted.</p> <p>Similar condition was accepted vide LA No.SW/Con/509/C/091/ Welding dated 02-09-2010 hence recommended for acceptance.</p>	Counter conditions stands good.	<p>RDSO certified welder to be provided at site. However one more Senior RDSO certified welder to be kept as supervisor.</p> <p>Marking of weld details by painting system accepted subject to detailing as per Clause No.9.1 of Special Conditions of Contract.</p>
b)	<p><u>Special Condition No.3.0 (Regarding variation in quantities):-</u> Looking to today’s ground realities and the ever-increasing prices we are unable to accept any enhancement in the quantity whether 25% or above 25%. Any enhancement in quantity will be subject to mutually accepted rate.</p> <p>However, we accept Railways clause to the extent that they may decrease the contracted quantity by upto 25%.</p>	<p>Quantity upto 25% has to be executed at the accepted rates and terms and conditions of the original agreement rates for beyond the quantity of 25% of the provision will be fixed by mutual negotiation.</p> <p>Noted.</p>	Counter conditions stands good.	<p>Quantity upto 25% has to be executed at the accepted rates and terms and conditions of the original agreement rates for beyond the quantity of 25% of the provision will be fixed by mutual negotiation.</p> <p>Noted.</p>
c)	<p><u>Special Condition No.6.0 (Regarding Minimum progress to be achieved):-</u></p> <p>The minimum progress to be achieved depends on various factors like availability of sufficient traffic block and traffic conditions, weather conditions and other</p>	<p>In terms of Clause 6 of specifications contractor has to carryout work of 24 joints per day. Railway shall arrange sufficient line blocks if required.</p>	Counter condition stands good.	<p>In terms of Clause 6 of Special Conditions of Contract, 24 joints per day are to be executed. Railway shall arrange sufficient line blocks if required.</p>

ACP OF 27/CAO/C/210, DT:26.08.2010 (ITEM-6) Fusion welding of Rail Joints

	arrangements which are to be made by the Railway are made in time. We will try our best to give maximum progress as possible.			
d)	<p><u>Special Condition No.8 and Note No.4 (a) & (c) of the schedule :-</u> Additional rate of Rs 250.00 (Rs Two hundred fifty only) per cut of the rail in track and Rs 200.00 (Rs Two hundred only) over and above quoted rate in the schedule will be paid for the rail cut done on cess by abrasive rail saw instead of Rs 45.00 (Rs forty five only) per rail cut in track and Rs 25.00 (Rs Twenty five only) per cut as mentioned in the note of the schedule.</p> <p>Further, Please note that Railway shall remove all kinks & twists in the rails particulars with in 2 meters from either ends.</p>	<p>Not acceptable. Railway's conditions stands good.</p> <p>Contractor has to remove all kinks & twists of rails.</p>	<p>We will use only rail cutting machine for schedule items & Note No.4 (a) & 4(c).</p>	<p>Accepted for use of Rail cutting machine and additional rates as per Note No.4 (a) & (c) of the Schedule are valid.</p> <p>All kinks & twists of rails have to be removed as per Railway tender condition.</p>
e)	<p><u>Special Condition No.10.3 and note No.3 (b) of the schedule on page No.43 (Regarding Inspection) :-</u> We accept the penalty given by the Railway Board vide their letter No. Track/21/2002/0110/A.T/Policy dated 11.08.2005 which may please be noted and accepted. _</p>	<p>As per latest PCE Circular No.Track/21/2002/0110/A.T/Policy dt. 27-01-2009, the conditions proposed by the tenderer are not acceptable and hence the Railway conditions stands good.</p>	<p>Counter conditions stands good.</p>	<p>Since the penalty clause has been revised by Railway Board vide letter No.Track/21/2002/0110/A.T/Policy dated 27-01-2009 which is mandatory, the counter condition is not accepted and the Penalty will be levied as per the Railway condition .</p>
f)	<p><u>Special Condition No.10.6 (Renewal of faulty joints):-</u> The total amount of security available with the railways will be 10% (I.e., 2% EMD, 3% cash security deducted from our bills and 5% PG). Out of the said 10% security, 1% amount will be retained for the guarantee period and remaining 9% will be released immediately on completion of work.</p>	<p>Acceptable on completion of final bill SD may be released for an amount of 9%.</p>	<p>Counter conditions stands good.</p>	<p>Accepted on completion of final bill. SD will be released for an amount of 9%.</p>

ACP OF 27/CAO/C/210, DT:26.08.2010 (ITEM-6) Fusion welding of Rail Joints

g)	<p><u>Special Condition No.11.0 (Regarding Accommodation):-</u> Please note that Thermit portions needs a safe storage free from moisture etc., hence we will request you to kindly provide storage accommodation nearest to the Railway station free of cost so that the positions are kept safely in Railway's stores. This condition is being accepted in all the other tenders on your Railway and we will request you to kindly accept the same. Further, suitable accommodation for contractor supervisory staff shall also be arranged as the site of wok at the near by station by the Railway free of cost.</p>	<p>Not agreed since the construction organization is not having any accommodation at Railway premises. Hence contractor has to arrange safe storage for storing of welding materials including portions.</p>	<p>Storage for storing of welding materials shall be given by Railway.</p>	<p>Efforts will be made by Railway. However contractor has to make arrangement for safe storage, for storing of welding materials including portions in case of non availability of Railways structure in the vicinity of the work.</p>
h)	<p><u>Special Condition No.25.1 & 25.2 (Regarding USFD Testing and Guarantee Period):-</u> Railway will ensure that joints welded by us are tested ultrasonically by the Railway at their cost within 30 days and our payments will be released immediately and in case any joint found defective, the same will be replaced by us free of cost provided the USFD testing is done latest within three months of welding. In case any joints fractures during the guarantee period of two years or extended period of three years, the same will be replaced by us free of cost. The USFD testing will be finally done within 30 days and thereafter, the joints welded by us will be covered under the guarantee clause i.e. if any joint fractures (not the joint found ultrasonically defective) will be replaced by us free of cost. In case any such fractured joint is not replaced by us, three times cost of the one joint paid to us will be recovered from our bills.</p>	<p>Railway will arrange to test the joints within 30 days time.</p> <p>Acceptable.</p>	<p>Noted</p> <p>----</p>	<p>Railway will arrange to test the joints within 30 days time.</p> <p>Accepted.</p>

ACP OF 27/CAO/C/210, DT:26.08.2010 (ITEM-6) Fusion welding of Rail Joints

i)	<p><u>Special Condition No. 26.1 & 26.2 and Note No.5 (a) of the schedule on page no. 44 (Regarding payment to the contractor):-</u> The payment terms as mentioned in this para are not acceptable to us, as it is very cumbersome to arrange 95% bill and again 5% as it will take a lot of time of our field staff for billing/payment of the same, we shall therefore, request Railway to ensure USFD testing with their men and machinery within 30 days of the welding and therefore 100% payment please be released to us which may please be agreed.</p>	<p>Railway will arrange testing with Railways machine and men and testing will be completed within 30 days. To be negotiated.</p>	<p>100% payment may be paid in every on account bill.</p>	<p>Accepted, subject to completion of testing.</p>
j)	<p><u>Special Condition No.26.4 and note No.5 (b) of the schedule on page No.44 :-</u> Please note that the rates quoted by us are for welding of rail joints to be executed by our approved welder only and railway should not use our portions by their department, team. However, in case due to some urgency railway uses our portion by their departmental team, the payment for such portion will be made to us @ 80% (Eighty percent) of cost of one joint instead of 40% as mentioned against these conditions.</p>	<p>Railway's condition stands good.</p>	<p>Please note that the rates quoted by us are for welding of rail joints to be executed by our approved welder only and Railway should not use our portions by their departmental team. However, in case due to some urgency Railway uses our portion by departmental team, the payment for such portion will be made to us @ 60% (Sixty Percent) of the cost of one joint.</p>	<p>Accepted and the payment for portions taken by Railway will be made at 60% of cost of one joint.</p>
k)	<p><u>Special Condition No.28.1 to 28.3 (Regarding Aluminium clause):-</u> Please note that we have quoted our rates on the base price of C.G.Aluminium including excide per tonne on the price of Rs.142176.70 (Rupees one lakh forty two thousand one hundred and seventy six and paise seventy only) fixed by the manufacturers. This increase/decrease will be applicable for the joints for which portions are tested from the date on which price of C.G.Aluminium is</p>	<p>The base price of aluminium of 1,42,176.70 Ps. PMT as quoted by you and variation of the price of aluminium on this price is allowed provided the quoted rate is based on controlled rate (including excise but excluding sales tax of commercial grade aluminium (CG) prevailing on the date of opening of tender.</p>	<p>Accepted.</p>	<p>The base price of aluminium of 1,42,176.70 Ps. PMT as quoted by you and variation of the price of aluminium on this price is allowed provided the quoted rate is based on controlled rate (including excise but excluding sales tax of commercial grade aluminium (CG) prevailing on the date of opening of tender.</p>

ACP OF 27/CAO/C/210, DT:26.08.2010 (ITEM-6) Fusion welding of Rail Joints

	<p>increased/decreased. The aluminium rate prevailing on the date of testing recorded in RDSO's test certificate will be the basis for effecting increase/decrease in the rate of joints welded with those portions and 100% escalation amount shall be payable against despatch documents of the portions. In support of proof, we will produce Aluminium manufacturer's certificate. Further, please note that we are getting supply of Aluminium Ingots from M/s. NALCO (A Government of India Undertaking) and as such we will produce the Aluminium certificate regarding the price of Aluminium issued by M/s.NALCO.</p>	<p>For this purpose a certificate to be produced from aluminium manufacturers or MMTC or NALCO certificate to the satisfaction of Railways and hence a Railway condition stands good.</p>		<p>For this purpose a certificate to be produced from aluminium manufacturers or MMTC or NALCO certificate to the satisfaction of Railways and hence a Railway condition stands good.</p>
1)	<p><u>Special Condition No.29 (Price variation due to Government levies:-</u> It may be noted that all the applicable taxes, if any, are included in our offered rates. However, please note that rate of Excise Duty at present is 10.30% which is included in our offered rates. Any increase in the rate of Excise duty will be on Railway's account.</p>	<p>Railway's condition stands good with regard to increase / decrease of excise duty after the date of opening of tender.</p>	<p>Counter conditions stands good.</p>	<p>Accepted. Any increase or decrease of excise duty after the date of opening of tender will be on railway's account.</p>
m)	<p><u>Special Condition No.32.0:-</u> The railway will supply free of cost 2 metres rail length at our work for every 300 joints ordered on us. The rails supplied shall have similar metallurgical properties as required for rails to be welded. The rails so supplied shall be consumed in testing and no rail pieces shall be left to be returned to railway.</p>	<p>As per Clause No.32 of tender conditions, Railway will supply 2.00M length rail free of cost for every 250 portions. If testing is done in the Railway premises broken rail pieces can be retained there only.</p>	<p>Counter conditions stands good.</p>	<p>Accepted for rails taken to RDSO/ Lucknow for testing.</p>
8	<p>Our offer is subject to following conditions being accepted by the Railway:-</p>			
(i)	<p>Please note that we are paying sales tax/VAT at the time of dispatch of each consignment and as such no further tax should be recovered from our bills by the Railways as it will amount to double deduction of tax. Copies of Sales Tax/VAT</p>	<p>Similar condition was accepted in vide LA No.SW/CON/509/C/091/Welding dt.02-09-10. Hence recommenedded for acceptance subject to production of docu-</p>	<p>Counter conditions stands good.</p>	<p>Not accepted, as VAT will be deducted for executed work in A.P.</p>

ACP OF 27/CAO/C/210, DT:26.08.2010 (ITEM-6) Fusion welding of Rail Joints

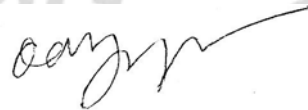
	challans will be enclosed with each bill.	mentary evidence by contractor regarding payment of VAT/Sales Tax. To be negotiated.		
(ii)	Railway have also to provide required ROAD PERMIT for dispatch of materials sent for execution of Sale/Works contract.	Not acceptable. However, tenderer may produce LOA to obtain road permit for dispatch of portion.	Counter conditions stands good.	Not accepted. If necessary letters will be issued by Railway.
(iii)	During welding with our materials some used packing materials etc. become surplus. Our Site In-charge is fully authorized to collect the surplus material like used polythene bags, used packing cases, used cotton bags, used and unused equipment, used and unused rail files and scrap metal (chipping metal).	Acceptable. Similar condition was accepted in vide LA No.SW/CON/ 509/C/ 091/ Welding dated 02-09-2010. Hence recommended for acceptance.	Accepted.	Accepted.
(iv)	Railway will provide wooden blocks and wedges for cess welding at their own cost. Railway shall also arrange placing of rails on wooden block in case welding is desired to be done out side the track on cess or in depot.	Not acceptable. Railways Special condition 20.0 stands good.	Counter conditions stands good.	Railway will arrange wooden blocks, wedges as per availability. Placing of rails to be done by agency only.
(v)	<u>Regarding Employment of Civil/Graduate Engineers/Diploma holders by contractors for Railway work:-</u> We would like to bring to your kind notice that according to special conditions of contract the firm has to provide approved welder at site duly approved by the RDSO and accordingly we will provide the welder. We will not employ additional Civil/Graduate Engineers/Diploma holders as we have already employed sufficient engineers etc. in our workshop, we will ensure RDSO approved welder for this work at every moment during the execution of work.	Not acceptable as per Clause No.10 at Page No.38 of tender conditions, the contractor should engage a qualified Engineer / retired P.way Inspector conversant with P.way work to supervise at his cost.	Counter conditions stands good.	Accepted, since most of the welding works are to be carried out under non-traffic conditions.
(vi)	Arrangements will be made by the Railway to transport free of cost the contractor's materials, tools and plant required for the work by material lorry between	Not acceptable. The contractor has to make his own arrangements as per Note 5(g) under	With drawn.	Noted.

ACP OF 27/CAO/C/210, DT:26.08.2010 (ITEM-6) Fusion welding of Rail Joints

	the nearest railway station and the site of work, as and when necessary.	Schedule item.		
(vii)	Railway will provide free of cost the facility of push trolley from the nearest Railway station to the site work for carrying our supervisory staff.	Not acceptable. The contractor has to make his own arrangements as per Note 5(g) under Schedule item.	With drawn.	Noted.
9	The Railway will issue two first class card passes to the contractor available from our works to the site of work to cover the contract period. The Railway will also provide one first class cheque pass once a month during the contract from contractor's works to site of work.	Not acceptable. As per Clause 16 no passes will be issued by the Railway to the contractor or his staff as reiterated in Railway Board policy letter dated 27-03-2008 and 19-09-2008.	With drawn.	Noted.
10	<u>Regarding Service Tax:-</u> Please note that the Service Tax has not been included in our rates quoted to you and the amount of tax, which will be paid by us as service tax, will have to be reimbursed by the Railways to us on production of proof of payment.	As per clause No. 34.0 & 34.1 of tender conditions the offer inclusive of all taxes. However, the similar condition was accepted in vide LA No.SW/CON/509/ C/ 091/ Welding dated 02-09-2010 with a condition that service tax will payable only such tax is levied by Central/State Govt. and documentary evidence is produced by the contractor. To be negotiated.	Counter conditions stands good.	Right now there is no service tax hence accepted.
11	Please note that as and when GST is imposed by the Central Government any additional amount paid by us due to introduction of GST will be reimbursed by the Railways.	At present there is no GST levied by Govt., however if taxes are levied in future, recommendations of GCC for new taxes are applicable.	Counter conditions stands good.	At present there is no GST levied by Govt., however if taxes are levied in future, recommendations of GCC for new taxes are applicable.
12(a)	<u>Note No.2 and 5 (d) of the Schedule on Page No.42 & 44:-</u> Pulling of rails and removal of Kinks & twist etc., as and when required will be arranged by Railway separately at their cost.	Not acceptable. Railway's condition stands good.	Counter conditions stands good.	Not accepted. Railway's condition stands good.

ACP OF 27/CAO/C/210, DT:26.08.2010 (ITEM-6) Fusion welding of Rail Joints

(b)	Note No.4(ii) of the Schedule on Page No.44:- Please note that we will provide one welding party with one set of mobile phone to our site staff. The Railway may provide mobile phone to their staff.	Welding parties as required at different locations to be provided with communication facilities.	Agreed for Railway's remarks.	Welding parties as required at different locations to be provided with communication facilities by the Agency.
(c)	Note No.5(e) of the Schedule on page No.44:- After welding the released fish plates and fish bolts and cut rails etc. shall be handed over to the railway's representative at site of work every day and not to HC/ST/CON store depot at Vijayawada.	Not acceptable. Railway's condition stands good.	Counter conditions stands good.	Accepted, subject to handing over of released materials at site of work or places in the vicinity.
13	The rates quoted by us in the schedule are inclusive of transportation charges of therrmit portion from our unit. This amount includes loading of portions by us. Please note that portions shall be supplied by any one of our units approved by RDSO for manufacture of portions.	Recommended for acceptance of supply of portion from any of the 4 units of ITC approved by RDSO for manufacturing of portions.	Accepted for Railway's remarks.	Accepted for supply of portions from any of the units of ITC approved by RDSO for manufacturing of portions.
14	We are pleased to inform you that our quality system has been certified to conform to the requirement of ISO:9001-2000 for manufacture of Thermit portions, prefabricated moulds, crucible chares etc.,	Noted.	Noted.	Noted.
15	ITCC is abolished w.e.f. 1 st January, 2003. Our PAN is AA ACT7462Q. A photo copy of the circular No.2/2004 dated 10-02-2004 is enclosed herewith for your ready reference.	Noted.	Noted.	Noted.

**(S.A.QAYYUM)****Deputy Chief Engineer/C/Genl-I/SC
for & behalf of President of India.**

TIME FRAME/ MILE STONES CHART

Guntakal Division- Renigunta –Guntakal section – Proposed permanent Diversion of Double line Tracks due to submergence of existing double line tracks from KM: 327 to 338 between Muddanur and Kondapuram stations in connection with construction of Gandikota Reservoir with FRL stations (+) 211.85 m under GNSS project- Fusion welding of rail joints by Alumino Thermit SKV process for conversion of SWP/Free rails into LWR/CWR, Points and crossings, SEJ's and glued joints from Ch:0.00 to Ch:12261 m between Muddanur and Kondapuram stations including Mangapatnam station yard on permanent diversion at new location and other construction works spread over in the S.C. Railway under the jurisdiction of Chief Engineer/ Construction-IV /Secunderabad.

Tender Notice No.27/CAO/C/SC/10, dated 26-08- 2010 (Item No.6) .

Tenders Opened on 11.10.10.

Tenderer shall adhere to the following time frame.

Sl.No.	Name of the event (Mile Stone)	Schedule
1)	GNSS project – Permanent diversion of double line tracks between Muddanur and Kondapuram stations (4800 joints)	D1+210 days
2)	Pro. Improvements to Nallamada drain between Bapatla and Appikatla stations – Permanent diversion of double line tracks (500 joints)	D1+ 90 days
3)	Pro. Crossing station at Nudurupadu (300 joints)	D1+180 days
4)	Pro. Crossing station at Potlapadu and Satyavalli (600 joints)	D1+300 days
5)	Pro. Crossing station at Cheekateegalapalem (300 Joints)	D1+180 days
6)	Provision of 18 coaches pit line in Machilipatnam yard (100 joints)	D1+60 days
7)	Modifications to Vijayawada yard (1000 joints)	D1+300 days
8)	Pro. VTPS siding line between Rayanapadu-Kondapalli stations (1040 joints)	D1+360 days

D1 stands for the date on which Railway has given the site/drawings as relevant.



(S.A.QAYYUM)
Deputy Chief Engineer/C/Genl-I/SC
for & behalf of President of India.