FREIGHT MARKETING
CIRCULAR No. 11 of 2022

भारत सरकार /GOVERNMENT OF INDIA
रेल मंत्रालय /MINISTRY OF RAILWAYS
(रेलवे बोर्ड /RAILWAY BOARD)

No. **2022/TC(FM)/10/04** New Delhi, dated **13.06.2022**

The General Managers,
All Zonal Railways.

Sub: 'Policy' and 'Standard Conditions of Contract' for Commercial Earning and NFR contracts awarded through e-Auction.

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Competent Authority have granted approval for introduction of e-Auction for Commercial Earning and Non Fare Revenue (NFR) contracts. Accordingly, 'Policy guidelines' and 'Standard Conditions of Contract (SCC)' for Commercial Earning and NFR contracts awarded through e-Auction are enclosed herewith. These 'Policy guidelines' and 'SCC' are in supersession of the earlier instructions issued for the pilot project launched in this regard.

2. 'Special Conditions of Contract' for contracts of various categories awarded through e-Auction, shall be issued separately by the concerned Directorates of Railway Board.

3. For any issues related to IREPS 'e-Auction Leasing' Module, the help-line numbers provided under the tab '*Help Desk*' of the portal may be contacted.

This issues with the concurrence of Finance Directorate of Ministry of Railways.

Zonal Railways must ensure strict compliance of the above instructions.

Receipt of this letter may please be acknowledged.

DA: As above.

(Ashutosh Mishra)
Joint Director Freight Marketing

No. **2022/TC(FM)/10/04** New Delhi, dated **13.06.2022**

Copy forwarded to:

1. The Deputy Comptroller & Auditor General of India (Railways) Room No. 224, Rail Bhawan with 36 spares.
2. Principal Financial Advisors, All Indian Railways.

13.06.2022

For Member (Finance)/Railways

FREIGHT MARKETING
CIRCULAR No. 11 of 2022

No. **2022/TC(FM)/10/04** New Delhi, dated **13.06.2022**

Copy forwarded for information and necessary action to:

1. The Principal Chief Operations Managers, All Indian Railways.
2. The Principal Chief Commercial Managers, All Indian Railways.
3. The Chief Passenger Transportation Managers, All Indian Railways.
4. The Chief Commercial Managers (FM), All Indian Railways.
5. Director General, RDSO, Manak Nagar, Lucknow.
6. Director, Indian Railways Institute of Transport Management (IRITM), Manak Nagar,Lucknow.
7. Director General, National Academy of Indian Railways, Vadodara.
8. Managing Director/ Chief Commercial Manager, Konkan Railway Corporation, Belapur Bhawan, Plot No. 6, Sector-11, CBD Belapur, Navi Mumbai-400014.
9. Managing Director, Centre for Railway Information System (CRIS), Chanakyapuri, Near National Rail Museum, New Delhi.
10. Managing Director, DFCCIL , Pragati Maidan, New Delhi.

(Ashutosh Mishra)
Joint Director Freight Marketing

No. **2022/TC(FM)/10/04** New Delhi, dated **13.06.2022**

Copy for kind information to:
1. Chairman & CEO, Member (O&BD), Member (Finance), Member (Infra.), Member (T&RS), DG(RPF), and Secretary Railway Board, New Delhi.

2. AM(Traffic), AM(C), Adv (Infra), Adv. (Vig), AM(M&BD), **EDPM**, **EDTC(G)/NFR**, EDTC(Rates), EDTT(M), EDTT(S), EDTT(F), ED(Plg.) EDT(PPP), EDV(T), EDF(C), ED(BD), DTT(Coord), OSD/Chairman & CEO, OSD/Member (O&BD), Co-Chairman/TMIR, Chairman and Convener/AGE and DTC(R)/ Railway Board, New Delhi.

(Ashutosh Mishra)
Joint Director Freight Marketing

FREIGHT MARKETING CIRCULAR No. 11 of 2022

Policy for Commercial Earning and Non-Fare Revenue (NFR) contracts awarded through e-Auctions

This policy shall be applicable for Commercial Earning contracts, Non-Fare Revenue (NFR) contracts, and other leasing/ earning contracts, finalized through IREPS 'E-Auction leasing' module.

1. Eligibility:

1.1 The minimum annual financial turnover, in 'any one' of the just preceding three financial years, of the entity, for participation in the e-Auction, shall be as below:

Estimated Annual Revenue (for contract period one year or more) *'or'* ***Estimated Total Revenue (for contract period less than one year)*** *– excluding taxes, duties and other charges*	***Minimum Annual Financial Turnover[#] required***
Up to Rs. 40 lacs	Nil
Above Rs. 40 lacs and up to Rs. 1 crore	Rs. 20 lacs
Above Rs. 1 crore	Rs. 50 lacs

[#] During 'any one' of the three preceding Financial Years

1.2 The entity shall be required to upload the Audited Balance Sheets and P&L Account Statements of the last three Financial Years in their profile in IREPS before start of bidding in the auction in which they want to participate. Railways shall verify the Audited Balance Sheet and P&L Account Statement uploaded in the profile in IREPS of the successful contractors anytime after acceptance of the bid or during the currency of contract, and if the information about the Financial Eligibility is found to be false/ misleading, or the documents uploaded by the firm are found to be false/ invalid, then the allotment of lot shall be cancelled or, if the contract has been issued, the same shall be terminated forfeiting the EMD/ Security Deposit without any further notice,.

1.3 If the Audited Balance Sheet and/or P&L Account Statement of all of the three preceding Financial Year(s) are not available, then the documents of the years (out of the three preceding years) for which the same are available shall be uploaded, and the same will be taken into consideration for judging the eligibility of the bidder.

1.4 If the turnover details are not entered by a registered entity in its IREPS profile, the system will not allow the entity to participate in auctions for lots for which the minimum turnover required is greater than zero.

2. Registration of bidders:

2.1 Prospective bidders will be required to get themselves registered in IREPS 'E-Auction leasing' module online. Entities already having IREPS account for other modules (Commercial Tendering module, etc) will be able to enrol themselves for E-Auction leasing module also by editing their account profile. The Registration will be valid for all Zones and PUs of Indian railways, and separate registration for individual Division/ Railway will not be required.

13.06.2022

2.2 One-time non-refundable Registration Fees of Rs 10,000 + GST (as applicable) shall be paid online by the entity before starting participation in Commercial Earning and NFR e-Auctions.

2.3 The entity once registered in IREPS after payment of the onetime Registration Fee will be free to participate in any e-Auction, conducted by any Division/ Railway or other units of Indian railways through E-Auction leasing module of IREPS, for any category or sub-category of any type of asset(s).

2.4 However, in cases of gross irregularities, unethical/ illegal practices, violation of Railway Act 1989, any act of moral turpitude, or actions against Good Industry Practices, Railways may cancel the registration of an entity and ban it from participation in e-Auction for Commercial Earning and NFR contracts. Such cancellation of registration and banning shall be done only as per the provisions stipulated in this Policy.

3. Formalities to be completed by bidders:

3.1 The prospective bidders will be required to get themselves registered online in E-Auction leasing module in IREPS. The bidders will have to open a *Current Account* in State Bank of India (SBI) for online lien marking of EMD during e-Auction. The bidder will have to link his bank account with his IREPS account through the functionality available in IREPS.

4. Identification of assets and preparation of lots:

4.1 Divisions shall identify the assets (such as parcel space in SLRs or Parcel Vans attached to trains, parking lots, pay-&-use toilets, space for commercial publicity, branding of stations, etc) for commercial exploitation through Commercial Earning, NFR, or any other leasing/ earning contract.

4.2 Divisions/ units may also club more than one article of similar nature (e.g., parking lots, hoardings, pay-&-use toilets, etc) in a single asset if it is felt that such clubbing will increase the commercial value of the asset. The clubbing may be done for articles pertaining to one or more stations/ locations/ sections/ clusters etc. Identification of assets and preparation of lots shall require the approval of an officer of Junior Scale level or above. Permanent discontinuation/ deletion of an existing asset would require the approval of an officer of JAG/ Sr.Scale (independent-charge), or above.

4.3 In case of contracts for leasing of parcel space in Parcel Vans, Division may include all the days of week on which the concerned train is operated in a single lot. Alternatively, Division may include only some selected days in the lot, if it is felt that this will fetch better value of the asset.

> For example, for a train running daily, the Division may decide to prepare one or more lot(s) for leasing of parcel space in Parcel Van, as following – (i) single lot for all seven days; or (ii) single lot of only three days, say, Monday, Wednesday, and Friday; or (iii) more than one lots, say, three lots for 3 days, 2 days, and 2 days respectively.

4.4 In cases where SLR(s) of a train is already leased-out for some days of the week, and is available for leasing on the remaining days – Division may prepare lot(s) for the remaining days only. However, in such cases, the duration of new contract shall be co-

13.06.2022

terminus with the existing contract for the same SLR compartment, so that in future a single contract may be done for all the days of the week on which the train is operated.

5. Publishing 'Auction Catalogue' and invitation of bids:

5.1 An officer not below the rank of Junior Administrative Grade, or Senior Scale holding independent charge, shall act as Auction Conducting Officer (ACO) for the e-Auction.

5.2 The ACO shall prepare Auction Catalogue by including lots which are to be offered for e-Auction simultaneously. One Auction Catalogue may consist of lots of dissimilar types also (for example, a combination of parking lots as well as commercial publicity lots). Special Conditions of Contract, if any, shall also be included in the Auction Catalogue.

5.3 Auction catalogues shall be published minimum fifteen (15) days before the start of the auction. Combined monthly Auction Notice, indicating date of auctions and Divisions/ units/ Railways shall also be published in national newspapers for wider publicity.

5.4 The ACO shall ensure that the 'slabs' of estimated annual revenue (for contract period one year or more)/ estimated total revenue (for contracts of less than one year duration) for the lots included in auction catalogues is entered into the system at least seven (07) days before the date of start of the auction (excluding the day of start of auction), so that the eligibility condition is known to all the prospective bidders, failing which the lots for which the estimated revenue is not entered will be withdrawn automatically by the system. No change in the estimated revenue will be permitted during the last seven days (excluding the day of start of auction).

6. Mode of bidding:

6.1 Mode of bidding will be close ended (forward) e-Auction through IREPS. Thirty minutes of cooling off period will be provided after start of auction and no lot will close for bidding during the initial cooling off period. After the initial cooling off period, the lots included in the auction catalogue will be scheduled to close one by one. The scheduled interval between closures of two lots will initially be kept as 10 minutes subject to auto extensions.

6.2 If any bid is received in last 2 minutes of bid closing time (auto extension zone)for any lot, the auction closing time for the lot will be auto extended for 2 minutes (auto extension period). A maximum often (10) auto extensions will be permitted.

6.3 Minimum Increment for submission of next higher bid value shall be 0.2% above the previous highest bid submitted against the lot. However, the bidders will be free to offer any amount above the minimum increment of 0.2 % of previous highest bid.

7. ***Unit rate*** for the purpose of taking bids shall be as below:

i) Leasing of parcel space in Brake-van/ SLR – per trip lump-sum freight, one-way

ii) Leasing of parcel space in Parcel Van – per round trip lump-sum freight, both-ways

iii) Other Commercial Earning & NFR contracts –'Annual' rent/ license fees(for contracts of period one year or more) or 'Total' rent/ license fees (for contracts of period less than one year)

13.06.2022

FREIGHT MARKETING CIRCULAR No. 11 of 2022

8. Duration of contract:

8.1 The duration for Commercial Earning/ NFR contracts shall as following:

i) Contracts for leasing of parcel space – 2 years

ii) Other Commercial Earning & NFR contracts– 3 years

iii) Plastic Bottle Crushing Machines, Cloak Room Management, and AC Waiting Hall Management – 5 years

iv) High Investment contracts (e.g., parking lots with access control and CCTV, high investment advertising contracts, etc, as decided by Division/ Railway) – 5 years

v) Pay-&-use Toilets

a. Normal, for operation and maintenance only – 3 years

b. Under ROMT – 10 years

c. Under BOT – 15 years

vi) Contracts involving seasonal/ short-duration trains (e.g., festival special trains, holiday special trains, etc) – for the duration of operation of the concerned train

vii) For asset categories not mentioned above – as decided by the concerned P/CHOD

8.2 Initially efforts should be made to enter into contract for full duration as prescribed in para 8.1 above. However, if the auction for the prescribed duration fails (on account of no bid or very low bids), the concerned Division/ Railway may also explore contracts for longer duration or seasonal contract (for minimum three months duration), on the basis of feedback from prospective bidders.

Depending on local or lot-specific conditions also, contracts may be entered for duration less than or more than that prescribed in para 8.1 above

Change in the duration of contract shall be done with the approval of ADRM/ DRM for contracts to be finalized by the Division, and of the concerned HOD for contracts to be finalized by Zonal Headquarters office. However, Approval of ADRM/DRM/HOD will not be required if the reduction in duration of contract for a lot for leasing of parcel space is being done in accordance with para 4.4 ibid.

8.3 After finalizing seasonal contracts (as per para 8.2 above), efforts shall be made for auction for longer (prescribed) durations, so that the asset idle time may be minimized.

9. Extension of contract:

9.1 Normally, extension of contracts awarded through e-Auction shall not be permitted. However, in case of expiry of a contract before the finalization of new contract for any asset (due to administrative delays), or in cases where different contracts (with different dates for closure) for leasing of parcel space have been awarded in a single train, temporary extension(s) can be granted with the approval of DRM/ concerned P/CHOD without finance concurrence. The total duration of such extension(s) shall not exceed 3 months, and efforts should be made to ensure that the next contract is finalized before the expiry of such extension(s). Rent/ license fee and other applicable charges of the assets shall be paid by the contractor for the extended period on pro-rata basis.

10. Reserve Price:

10.1 Reserve Price (RP) is the minimum price, <u>below which the award of contract for the asset will be financially undesirable</u>.

13.06.2022

10.2 Reserve Price (RP) shall be fixed by the Auction Conducting Officer (ACO). RP will be kept strictly confidential, and will not be declared/ disclosed to anybody before the auction is closed. The ACO will have to feed the RP in IREPS any time before start of the auction. Lots for which RP has not been fed in the system (IREPS) up to start of the auctions, will be withdrawn from the auction automatically.

10.3 There will be no requirement of Finance Vetting of the RP. The following principles shall be adopted for fixing the RP:

10.3.1 For Leasing of Parcel Space in SLRs: RP shall be fixed by the ACO based on applicable normal tariff rates as per category of train/ service (S-scale, P-scale, R-scale, or R+25%), duly considering the lump-sum leased freight rates for running/ successfully completed leasing contracts in the same train and rates received in previous auctions/ tenders.

10.3.2 For Leasing of Parcel Space in Parcel Vans: RP shall be fixed by the ACO based on 1.5 times the normal tariff in one direction for Parcel Van as per applicable normal tariff rates as per category of train/ service (P-scale, R-scale, or R+25%), duly considering the lump-sum leased freight rate for running/ successfully completed leasing contracts for Parcel Van(s) in the same train and rates received in previous auctions/ tenders.

10.3.3 For other Commercial Earning & NFR contracts: RP shall be fixed by the ACO based on the rent/ license fee of similar category of contracts nearby, survey, location and approach (if applicable), rates received in previous auctions/ tenders, and any other inputs available with the ACO which might affect the rent/ license fees.

10.4 The ultimate purpose of 'maximizing the Railway revenues' and 'avoiding any idling of assets' should be kept in mind while fixing the RP. If the e-Auction for any lot fails due to no response or bids lower than the RP, *at least for two continuous auctions*, the ACO may revise the RP for the subsequent auction – duly taking into account the quantum of bids received in the past auctions and other relevant information affecting the bid price.

11. Earnest Money Deposit (EMD):

11.1 Earnest Money equal to 5% of the annual bid value (for contracts of validity one year or more), or 5% of the total bid value (for contracts of validity less than one year), to be deposited online during the auction by the bidders through lien marking mechanism in IREPS. EMD of the successful bidder will be retained by Railways as Security Deposit. EMD for all other bidders will be released by the system immediately.

12. Security Deposit (SD):

12.1 Amount equivalent to 5% of annual bid value as per accepted rates (for contracts of validity one year or more), or 5% of full bid value for contracts of validity less than one year shall be required to be kept as Security Deposit (SD). EMD of the successful bidder shall be kept as SD.

12.2 Security Deposit will be refunded to the contractor after successful completion of the contract, subject to no pending dues. No interest shall be paid on the Security Deposit.

13.06.2022

13. Escalation of lump-sum leased amount:

13.1 There shall be no escalation in lump-sum leased freight/ rent/ license fees during the contract period for contracts of initial contract period up to 3 years. For contracts of period more than 3 years, 10% compounded annual escalation of lump-sum freight/ rent/ license fees shall be applicable from fourth year onwards.

13.2 Notwithstanding anything contained in para 13.1 above, for pay-&-use toilets under ROMT model (duration 10 years) and under BOT model (duration 15 years), a compounded annual escalation of 5% shall be applicable in the rent/ license fees from fourth year onwards.

14. Submission of bids:

14.1 For contracts other than leasing of parcel space, bids will be received for the annual rent/ license fees value (if contract period is one year or more), or the total rent/ license fees value (if contract period is less than one year), for the full lot offered for auction.

14.2 For the contracts for leasing of parcel space, the bids will be received for 'per one-way trip' lump-sum freight (for Brake-vans) *or* 'per both-ways round trip' lump-sum freight (for Parcel Vans). Bidders will have to submit their bids for all the days for which the Brake-van or Parcel Van is being offered for auction. For Parcel Vans, leasing will be done on return trip basis.

14.3 Bid Sheet, containing complete details of the lot, 'accepted' bid, details of the bidder, etc, will be generated online and will be signed digitally after closure of the auction. Signed Bid Sheet will be delivered online to the successful highest bidders whose bid has been accepted.

14.4 Contracts will have to be signed digitally, by both the Auction Conducting Officer and the bidder, within five days of closure of the auction. If the bidder fails to sign the Contract within five days of receipt of the same, the Auction Conducting Officer may at his discretion cancel the allotment of the lot to the bidder and forfeit the Earnest Money deposited by the bidder against the lot.

15. No Tender Committee:

15.1 There will be no Tender Committee for finalizing the contract in case of bidding through e-Auction. Auctions will be conducted by an officer (Auction Conducting Officer) of department owning the assets not below the rank of JAG (or Senior Scale holding independent charge).

16. Manual auction shall not be permitted under any circumstances.

17. Method of determining highest bid:

17.1 The highest bid will be determined by the system on the basis of highest unit rate offered by the bidder. Contract will be awarded only if the lump-sum unit freight/ rent/ license fee quoted by the bidder is equal to or higher than the Reserve Price.

13.06.2022

 FREIGHT MARKETING CIRCULAR No. 11 of 2022

18. Bids will be auto accepted (auto decision). Contract will be awarded to the highest bidder if its bid rate is above or equal to the reserve price. Contracts will be generated online and will be signed digitally (e-Contracts).

19. Payment of lump-sum freight/ rent/ license fees by the contractor:

19.1 Lump-sum freight/ rent/ license fees, along with GST, GST-cess, etc (as applicable), shall be paid online through IREPS by the contractor. Amount and time period allowed for depositing the lump-sum freight/ rent/ license fees amount by the contractor will be as below:

Type of contract	*Amount to be deposited*	*Time for depositing*	*Grace period with penalty of 0.5% of the delayed amount per day*
Leasing of parcel space	Daily (per trip-day)	At least one day prior to the day of start of train	Maximum 7 days[#]
Contracts other than leasing of parcel space	Quarterly	First installment within 15 days of issue of Contract; Subsequent installments 15 days prior to the start of the quarter	Maximum 7 days

[#] If the contractor (for the contracts for leasing of parcel space) fails to pay the lump-sum freight for 03 continuous days, he will not be permitted to load in the parcel space (till all the pending dues are cleared), and the Railway shall have the right to utilize the parcel space as per its own requirement. The contractor shall, however, be required to deposit the lump-sum freight for all the days, even if the space had been used fully or partially by the Railway on some of the days for which the contractor was not permitted to load on account of non-payment for three continuous days.

19.2 If the contractor fails to pay the full due amount, as specified in para 19.1, even after expiry of grace period, with penalty of 0.5% per day on the delayed amount, the contract shall be terminated and Earnest Money/ Security Deposit shall be forfeited without any further notice.

20. Guidelines for the contracts for leasing of parcel space:

20.1 Parcel Way Bill will not be issued in case of leased parcel traffic. Digital payment receipt certificate, verifiable on IREPS, will be generated for the money paid by the contractor as advance lump-sum freight, and the same shall be visible on Parcel Management System (PMS) also for the perusal of station staff. Contract specific payment details shall also be available on Aapoorti (IREPS) mobile App.

20.2 Leasing of Parcel Vans should be done on round trip basis by the owning railway of the train, on end-to-end basis.

20.2.1 Leasing of Parcel Vans from intermediate station may be done in cases where there is no traffic offering from the originating station, or when adequate room in the train composition permits attaching of extra leased Parcel Vans from an intermediate station. Leasing of Parcel Vans on round trip, with attachment/ detachment at an en-route station can only be permitted with the prior consent and obtaining operational

13.06.2022

clearance (NOC) from the Divisions at both ends. It must be ensured that the train does not suffer any extra detention on account of attachment/ detachment of Parcel Van at en-route station.

20.3 In all cases of leasing of parcel space of the Parcel Van (VP), the Zonal Railway who intends to lease out Parcel Vans must obtain consent and operational clearance (NOC) from the Division at the other end before inviting bids, i.e. before the day of auction.

20.3.1 Operational clearance/NOC should be issued by the concerned Division (the Sr.DOM) within one week (07 calendar days) of receipt of such request.

20.4 For the contracts for leasing of parcel space, names of en-route stations where loading/ unloading of consignments is permitted will be listed in the lot details in Auction Catalogue. Loading will be permitted only at stations where the stoppage time is 5 minutes or more for SLRs as well as Parcel Vans. Bidders will not be required to feed name of any en-route loading/ unloading station during bidding. After the award of contract, the contractor will have to advise the names of en-route stations where he wants to do loading/ unloading (subject to the same was permitted as per lot details in Auction Catalogue) to the officer responsible for execution of the contract. The loading stations may change during the duration of the contract based on the changes in stoppage time of trains.

21. Contract start date:

21.1 Contract start date for each asset shall be declared in the Auction Catalogue, and shall also be specified in the Contract. Minimum fifteen (15) days shall be given for start of the contract from the date of signing of Bid Sheet. The contractor shall be required to start the contract from the contract start date as mentioned in the contract.

22. Delay in Contract execution on contractors account:

22.1 For the contracts related to passenger amenities (such as parking contracts, pay-&-use toilet, passenger lounges, cloak rooms, catering units, etc.), if the contractor fails to start the contract execution from the contract start date even after paying the due rent/ license fees within the permitted time period, the Auction Conducting Officer may terminate the contract with forfeiture of Security Deposit and the rent/ license fees already paid, in view of the inconvenience to rail-users.

22.1.1 For the contracts mentioned in para 22.1 above, the ADRM (for the contracts awarded at Division level) or concerned HOD (for the contracts awarded at Headquarters level)may, on the request of the party, condone the delays in starting the contract execution – duly considering the merits of the case, subject to no arrears in payment. This condonation shall not be for a period more than 30 days.

22.1.2 However, there shall not be any extension/ waival/ deferment in the lump-sum freight/ rent/ license fees payment period beyond the maximum permissible period (with delay as permitted in para 19) on this account. The time period allowed for depositing the lump-sum freight/ rent/ license fees by the contractor shall be as detailed in para19 of this policy and there shall not be any change in the same due to extension of contract execution start date as detailed above.

22.1.3 There shall be no extension of contract end date on grounds of delay in starting the execution of contract.

13.06.2022

23. Waival of licensing fee for stipulated period on Railway account :

23.1 In cases of non-availability of the asset (e.g. non availability of space in SLR or Parcel Van for loading) to be utilized by the contractor, due to unforeseen circumstances or administrative reasons on part of Railways, the lump-sum freight/ rent/ license fees already paid by the contractor will be adjusted against subsequent payments, if it possible to do so. However, if it is not possible to adjust the refundable amount against subsequent payments, the lump-sum freight/ rent/ license fees already paid by the contractor may be refunded.

A functionality will be made available in IREPS application for entering the period, for which the asset could not be made available to the user for reasons attributable to Railways, and the reasons thereof. This will be approved by the competent authority. After the approval has been granted by the competent authority in the IREPS system, the contractor will be allowed by the system to adjust the equivalent amount against any subsequent payment.

23.2 However, in cases of permanent or long term (more than 3 months) non-availability of the assets the lump-sum freight/ rent/ license fees already paid by the contractor may be refunded.

23.3 Adjustment or refund of the amount already paid shall be done, considering merit of the case, with the approval of DRM (for contracts awarded by the Division) or concerned P/CHOD(for the contracts awarded by the Headquarters).

23.4 For short term non-availability of the asset, waival of payment of lump-sum freight/ rent/ license fee for the period of non-availability may also be considered by Railways – on the request by the contractor, with documentary proof – with the approval of DRM/concerned PHOD/CHOD.

24. Force Majeure Clause:

24.1 Conditions beyond control of either parties like war, hostility, acts of public enemy, civil commotion, sabotage, serious loss or damage by fire, explosions, epidemics, strikes, lockouts or acts of God come under the legal concept of Force Majeure (FM). Delays in performance of contractual obligations under influence of FM conditions are condonable by the other party without any right to termination or damages, provided, notice of the happening of any such event is given by the affected party to the other within 30 (thirty) days from the date of occurrence. Contract execution shall be resumed as soon as practicable after such event has come to an end or ceased to exist. However if such event continue for a period exceeding 120 days, either party may at its option terminate the contract by giving notice to the other party.

25. Appeal against punitive action of EMD/SD forfeiture/ termination of contract on any grounds:

25.1 In cases of forfeiture of EMD/SD and/or termination of the contract as per any of the terms & conditions of e-Auction/ contract/ Agreement, or otherwise, the contractor, if desires so, may prefer an appeal to the DRM (for contractors finalized by Division) or

13.06.2022

concerned PHOD/CHOD (for the contracts finalized by the Headquarters) within 30 days of the action of forfeiture/ termination.

25.2 DRM/concerned PHOD/CHOD may take decision on such appeal duly considering the merits of the case as well as the documentary evidences, if any, submitted by the contractor. Decision of DRM/concerned PHOD/CHOD shall be final.

26. Goods and Services Tax (GST):

26.1 Liability of depositing the GST will lie with the contractor under Reverse Charge Mechanism (RCM) for all Commercial Earning, NFR contracts, and other leasing contracts, except for the contracts for leasing of Parcel space, in which Forward Charge Mechanism shall be applicable. However, in case of non-registered firms, forward charge mechanism will be applicable in all cases.

26.2 Rate of GST applicable for the lots will be declared by the auctioning conducting unit in the Auction Catalogue, which shall be liable for change as per the statutory provisions. The contractor will be liable to pay the GST (including the GST Cess) as applicable on the date of payment.

27. Other charges(such as electricity charges, water charges, etc):

27.1 Conditions for the same shall be included by the ACO for such lots while preparing the Auction Catalogue. Such payments, wherever applicable, shall be handled offline (by adopting the same procedure as in the case of contracts not awarded through e-Auction), as being levied and accepted as per the established practice on the Division/ Zonal Railway.

28. Exit Clause:

28.1 *By the contractor:* If it is not feasible for the contractor to continue the contract due to any reason, the contractor may terminate the contract by giving a 30 days' notice to the Railway Administration, after 'completion of six months of the contract period.' The complete Security Deposit will be refunded in such cases. This provision shall not be applicable on the contracts of less than six months duration.

28.1.1 In case contractor surrenders his contract before completion of six months, or the complete duration of the contract, whichever is less; his Security Deposit shall be forfeited. If the contractor does not give the due notice as per para 28.1 above or fails to operate the contract during the notice period, then also the Security Deposit will be forfeited.

28.2 *By Railway Administration:* Railway shall have the right to terminate the contract/ Agreement for any reason whatsoever after serving 30 days' notice to the lease holder.

28.2.1 In case of extreme operational exigency, Railway may terminate the contract/ Agreement with immediate effect, without any financial repercussions on either side, with the approval of DRM/ concerned PHOD/CHOD.

28.2.2 The complete Security Deposit of the contractor shall be refunded in all such cases under para 28.2 and 28.2.1.

28.3 However, notwithstanding anything contained in para 28.2 above, Railway shall also reserve the right to terminate the contract as a punitive measure without any notice, and

13.6.2022

at any time, in case of serious violation of the Agreement by the contractor, or an illegal activity, or any action against Good Industry Practices – along with forfeiture of the Security Deposit.

29. Conducting e-Auctions on Sundays, national holidays, and days of popular local festivals should be avoided as far as possible.

30. Banning of firms:

30.1 *Temporary suspension of the contractors:* To prevent repetition of false declaration regarding annual turnover (financial eligibility) by any contractor in e-Auctions, the contractor shall be suspended temporarily for 90 days upon repetition of such instance of false declaration of annual turnover in e-Auctions on three different days within a year (counted from first instance of false declaration by the contractor). The contractor shall not be allowed to participate in any e-Auctions conducted by Indian Railways through 'E-Auction leasing' module of IREPS during this 90 days period. During the suspension period, however, the contractor will continue to execute the contracts already awarded, provided those contracts were not awarded on the basis of false declaration.

30.1.1 Suspension of the contractor shall be automatically revoked after expiry of period of 90 days.

30.1.2 In addition to the temporary suspension of 90 days, Railways may also process for banning of the contractor/ entity, as per para 30.3-30.5 of this policy.

30.2 A bidder/ contractor shall be debarred if he has been convicted of an offence under the Prevention of Corruption Act, 1988; or The Indian Penal Code or any other law for the time being in force, for causing any loss of life or property or causing a threat to public health as part of execution of any contract.

30.3 A bidder/ contractor debarred under para 30.1.2 or 30.2 above, or any successor of such a bidder/ contractor, shall not be eligible to participate in any bidding (including e-Auctions) process of any Railway unit for a period not exceeding three years commencing from the date of debarment.

30.4 Any bidder/ contractor shall not be debarred, unless such the bidder/ contractor has been given a reasonable opportunity to represent against such debarment.

30.5 Banning/ debarment of contractors, wherever required, shall be done only with the approval of Railway Board and the same shall be effective on pan-India level.

31. In case of any conflict or contradiction with the concerned policy guidelines (issued before the implementation of this policy for e-Auctions),provisions of this policy shall prevail for Commercial Earning and NFR contracts awarded through e-Auction.

32. **Standard Conditions of contract** for e-Auctions through E-Auction Leasing module are attached herewith.

33. Special Conditions of Contract: Special Conditions of contract for lots of different categories shall be prepared by concerned directorate in Railway Board or by the

13.06.2022

concerned Zone/ Division/ ACO based upon existing policy guidelines and lot specific requirements. Such Special Conditions however shall not contradict any of the clauses of this policy. If any clause in the Special Conditions of the Contract contradicts any of the clauses of this policy then the Special Conditions shall be null and void.

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13.06.2022

FREIGHT MARKETING CIRCULAR NO. 11 OF 2022

'Standard Conditions of Contract' for the Contracts awarded through e-Auction

'Standard Conditions of Contract' for Commercial Earning, Non-Fare Revenue (NFR) and other earning/ leasing contracts awarded through e-Auction

Bidding for commercial earning and non-fare revenue (NFR) contracts shall be done through e-Auction (***close-ended forward auction***) on the website of Indian Railways e-Procurement System (IREPS) www.ireps.gov.in. Bidders intending to participate in the e-auction should register themselves, and participate in auctions by submitting their bids on www.ireps.gov.in by the bid closing date and time.

Following 'Standard Conditions of the Contract' shall be applicable:

1. Registration of bidders:

1.1 Prospective bidders will be required to get themselves registered in IREPS 'E-Auction leasing' module online. Firms already having IREPS account for other modules (Commercial Tendering module, etc) will be able to enrol themselves for commercial auction module also by editing their account profile. The Registration will be valid for all Zones and PUs of Indian railways, and separate registration for individual Zone/ Division will not be required.

1.2 One-time non-refundable Registration Fees of Rs 10,000 + GST (as applicable) shall be paid online by the entity before starting participation in commercial e-Auctions.

1.3 The entity once registered in IREPS after payment of the one-time Registration Fee will be free to participate in any e-Auction conducted through E-Auction Leasing module of IREPS, of any Zone or Division of Indian Railways for any category or sub category of any type of asset(s).

1.4 The entity shall be required to upload registered legal document(s) in its profile in IREPS at the time of registration in IREPS or before participation in auction. Railways reserve the right to verify the documents uploaded in IREPS profile of the successful bidders at any time, and if any information provided is found to be false/ misleading, or the documents uploaded by the entity are found to be false/ invalid, then the Railway may take appropriate punitive action against the entity, including but not limited to termination of the awarded/ running contracts along with forfeiture of the Security Deposit, or cancellation of allotted lots with forfeiture of Earnest Money, without any further notice.

2. Minimum Eligibility for the Contracts:

2.1 The minimum annual financial turnover required for participation in the e-Auction shall be stipulated in the Auction Catalogue for the lot(s).

13.06.2022

2.2 The entity shall be required to upload the Audited Balance Sheets and P&L Account Statements of the previous three Financial Years in their profile in IREPS before start of the auction in which they desire to participate. Railways reserve the right to verify the Audited Balance Sheet(s) and P&L Account Statement(s) uploaded in IREPS profile of the successful bidder(s) at any time during the currency of the contract, and if the information about the annual turnover is found to be false/ misleading or the documents uploaded by the firm are found to be false/ invalid, then the Railway may take appropriate punitive action against the entity, including but not limited to termination of the awarded/ running contracts along with forfeiture of the Security Deposit, or cancellation of allotted lots with forfeiture of Earnest Money, without any further notice.

If the Audited Balance Sheet and/or P&L Account Statement of all of the three preceding Financial Year(s) are not available, then the documents of the years (out of the three preceding years) which are available shall be uploaded, and the same will be taken into consideration for judging the eligibility of the bidder. The highest annual turnover entered by the bidder for any of the three Financial Years preceding the current Financial Year will be taken as the turnover for adjudging the eligibility of the bidder. The registered entities will be required to update the financial turnover details at the start of a new Financial Year; however the entities will be free to update their financial turnover at any time.

If the turnover details are not entered by a registered entity for any of the three preceding financial years in its IREPS profile, it will be allowed to participate only in the auction for lots for which the minimum turnover required is Nil (Zero).

3. Publishing the Auction Catalogues:

3.1 The Auction Catalogue containing all the lots proposed to be auctioned off on a given date & time, and the terms & conditions applicable for the Auction Catalogue shall be published minimum fifteen (15) days in advance of the auction start date. Complete details of the lots and assets included in a lot will be included in the auction catalogue. The contractors will be able to check the lot specific financial eligibility on IREPS at least seven days before start of the auction.

3.2 The intending bidders are advised to carefully study the scope and associated conditions mentioned in the Auction Catalogue. Any submission of bids by the bidders shall be deemed to have been done after a careful study and examination of Auction Catalogue with full understanding of the implications thereof. All terms and conditions shall be deemed to have been accepted upon submission of bid by any bidder.

3.3 The intending bidders are advised to physically check the locations and site of the assets being leased by visiting the concerned Railway office during any working hours. Any submission of bids by the bidders in any auction shall be deemed to have done after a careful checking and understanding of locations and sites of the assets to be leased. Representation regarding any difficulty faced by the contractor during

13.06.2022

execution of the contract or any claim on any account for rebate on lump-sum freight/ rent/ license fees shall not be entertained by the Railway Administration.

3.4 In case of any dispute about details of the assets, decision/ interpretation of the Auction conducting Officer shall be final.

4. Mode of bidding:

4.1 Mode of bidding will be close ended forward e-Auction on IREPS portal. The auction will start on the scheduled date and time mentioned in the catalogue. Thirty minutes of cooling off period will be provided after start of auction and no lot included in the auction catalogue shall be closed for bidding during the initial cooling off period. After the end of initial cooling off period, the lots included in the auction catalogue will be closed one by one (as per the pre-decided schedule). The scheduled interval between the closures of two successive lots will initially be as mentioned in the auction catalogue, subject to auto-extensions.

4.2 If any bid is received within the last 02 minutes of bid closing time (auto-extension zone) for any lot, the auction closing time for that specific lot will be auto-extended for 02 minutes (auto-extension period). A maximum of 10 such auto extensions will be permitted for one lot. After the end of 10^{th} auto-extension, the bidding will close irrespective of receipt of bids during the last auto-extension period.

4.3 Minimum Increment for submission of next higher bid value shall be as specified in the Auction Catalogue. Bidders, however, shall be free to submit any bid subject to minimum increment from previous highest bid.

4.4 Highest bid for any lot equal to or more than the Reserve Price for the specific lot will only be considered for the award of contract. Reserve Price for the lot(s) shall not be disclosed and the bidders should offer their best bids considering true commercial earning potential of the assets as per their own assessment.

5. Earnest Money Deposit (EMD):

5.1 Earnest Money of the requisite amount, currently 5% of the annual bid value (for contracts of validity one year or more) or 5% of total bid value (for contracts of validity less than one year), shall be deposited online at the time of bidding. EMD shall be submitted through 'lien-marking' functionality available on IREPS.

5.2 It shall be mandatory for the contractors to have a *Current Account* in State Bank of India (SBI). The Contractor shall have to link his IREPS user account with their SBI account through the online functionality available on IREPS.

5.3 Once the IREPS user account and SBI bank account has been linked, the contractor will be able to lien mark any amount available in his SBI account through an online functionality available in IREPS. The process for linking of account as well as lien marking of money is described in the User Manual for Contractors for 'E-Auction Leasing', available on IREPS website.

13.06.2022

FREIGHT MARKETING CIRCULAR No 11 of 2022

5.4 Submission of a bid by a bidder will automatically result in blocking of lien marked amount equivalent to the requisite Earnest Money for the lot. On submission of a higher bid for the same lot by another bidder, the lien marked amount of *the new bidder will automatically get blocked*, and the blocked amount of the previous highest bidder will be unblocked automatically.

5.5 A bidder can submit any number of bids against one or more lots during any e-Auction, as long as the total blocked amount (considering all the lots where his amount has been blocked) taken together is within the total amount lien marked by the bidder. The bidder will be able to lien mark additional amount at any point of time before or during e-Auctions.

5.6 If one of the bids against a lot is accepted, the amount blocked against the lot will automatically be transferred from the 'successful' bidder's bank account to Railways' account and the balance available in the lien amount of the bidder will get reduced accordingly. If, however, all the bids are rejected, the blocked amount of all the bidders will be unblocked automatically.

5.7 A bidder may unmark the unblocked balance lien marked amount at any point of time through the Mark/ Unmark Lien functionality available on IREPS portal.

5.8 EMD of the successful bidder will be retained by Railways as Security Deposit.

6. Contract will be awarded to the highest bidder who has offered bid rate above or equal to the Reserve Price subject to correctness of annual turnover declaration and fulfilment of all other terms & conditions by the bidder. Award of contract to the highest bidder will be subject to realisation of EMD/ SD amount in Railways account. Railways, however, reserve the right to not to award any contract for some or all the lots without assigning any reason.

7. Bid Sheets with all details of the lot and asset, accepted bid details, etc. will be generated online, and will be signed digitally after closure of the auction. The bid sheet will be delivered to the successful bidder online through his IREPS user account. An SMS/ E-mail shall also be sent simultaneously intimating the successful bidder.

7.1 SMS and E-Mail are additional facilities which are being provided for the sake of convenience of the bidders. However, the onus will be on the bidders to regularly check their IREPS account for new bid sheets issued in their name. No claim shall be entertained by Railways on account of non-delivery or delay in delivery of SMS/ E-mail.

8. The successful bidder shall be required to execute an Agreement with the President of India acting through the Auction Conducting Officer. The Contract Agreement, duly signed by the Auction Conducting Officer will be delivered to the successful bidder online, which can be accessed by the bidder through his IREPS user account. The

13.06.2022

FREIGHT MARKETING CIRCULAR No. 11 of 2022

bidder will have to sign the contract agreement within 05daysfrom date of receipt of the same. Contracts will have to be signed digitally, by both the Auction Conducting Officer and the bidder. If the bidder fails to sign the Contract within 05 days of receipt of the same, the Auction Conducting Officer may at his discretion cancel the allotment of the lot to the bidder and forfeit the Earnest Money deposited by the bidder against the lot.

8.1 If the contractor desires to get the Agreement registered as per law of the land, he shall do so on his own, and shall be solely responsible for the same. All costs, charges and expenses of and incidental to engrossing and completing the Agreement including stamp duty and Registration Charges shall be borne and paid by the contractor. However, this process shall not affect the execution of the contract in any manner whatsoever, and the contractor shall have no claim for deferment, extension or otherwise of the contract and/or the contractual payments.

8.2 Scope of the contract will be as stipulated in the lot details, asset details, instructions to bidders, general conditions of contract, special conditions of contract(if any), and any other condition mentioned in the Auction Catalogue.

9. Security Deposit (SD):

Security deposit equivalent to 5% of annual bid value as per accepted rates (for contracts of validity one year or more), or 5% of total bid value (for contracts of validity less than one year) will be applicable. EMD of the successful bidder will be kept by Railways as Security Deposit.

Security Deposit shall be refunded after successful completion of the contract subject to payment of all dues by the contractor. No interest shall be payable on the Security Deposit.

10. Contract Period:

Duration of contract will be as specified in the Auction Catalogue against each lot. Contract 'start date' and 'end date' shall be as mentioned in the Auction Catalogue, the contractor shall be required to start the contract from the contract start date.Minimum fifteen (15) days shall be given for start of the contract from the date of signing of Bid Sheet.

No extension of contract period shall normally be permitted. Railways may, however, consider need based extension of the contract period with the approval of the Competent Authority, up to a period of maximum three months, in deserving cases duly considering Railway's requirement and contractor's performance in terms of timely payment of lump-sum freight/ rent/ license fee and execution of the contract satisfactorily. Such extension in contract period shall be purely on the discretion of Railways and will not be the contractor's right. However, it will be obligatory on part of the contractor to execute the contract in the extended period up to three months and the contractor's consent will not be required for such extension. Rent/ license fee of the assets shall be paid by the contractor for the extended period on pro-rata basis.

13.06.2022

11. There would be no escalation in lump-sum freight/ rent/ license fee during the contract period for contracts of up to 3 years validity. For contracts of more than 3 years validity, 10% compounded annual escalation of lump-sum freight/ rent/ license fee shall be applicable from the fourth year onwards.

Notwithstanding anything contained in para 11 above, for pay-&-use toilets built on BOT model (contract duration 15 years) as well as on ROMT model (contract duration 10 years), the compounded annual escalation from fourth year onwards shall be 5% only.

12. ***Untoward Incidence:***

The Railway administration shall not be liable to pay any compensation to the passenger/ public for any negligence of the licensee resulting in injuries or death. The licensee shall be bound to pay any claims arising out of such incidence as per Railway rules and shall also abide the decision of the Railway Claims Tribunal under section 124/A of The Railways Act 1989 or any other decision given by court of Law on this matter.

13. Lump-sum freight/ rent/ license fees, along with GST, GST-cess, etc (as applicable), shall be paid online through IREPS by the contractor. Amount and time period allowed for depositing the lump-sum freight/ rent/ license fees amount by the contractor will be as below:

Type of contract	***Amount to be deposited***	***Time for depositing***	***Grace period with penalty of 0.5% of the delayed amount, per day***
Leasing of parcel space	Daily (per trip-day)	At least one day prior to the day of start of train	Maximum 7 days
Contracts other than leasing of parcel space	Quarterly	First installment within 15 days of issue of Contract; Subsequent installments 15 days prior to the start of the quarter	

13.1 In case of contracts for leasing of parcel space if the contractor fails to pay the lump-sum freight for 03 continuous train running days, he will not be permitted to load in the parcel space (till all the pending dues are cleared), and the Railway shall have the right to utilize the parcel space as per its own requirement. The contractor shall, however, be required to deposit the lump-sum freight for all the days, even if the space had been used fully or partially by the Railway on some of the days.

13.2 If the contractor fails to pay the full due amount, as specified in para 19.1, even after expiry of grace period with penalty of 0.5% per day on the delayed amount, the contract will be terminated and Earnest Money/ Security Deposit will be forfeited without any further notice.

13.06.2022

FREIGHT MARKETING CIRCULAR No. 11 of 2022

14. Delay in Contract execution on contractor's account:

14.1 For the contracts related to passenger amenities (such as parking contracts, pay & use toilet, passenger lounges, cloakrooms, catering units, etc.), if the contractor fails to start the contract execution from the contract start date even after paying the due rent/ license fees within the permitted time period, the Railways may terminate the contract with forfeiture of Security Deposit and the rent/ license fees already paid, in view of the inconvenience to rail-users.

14.2 For the contracts mentioned in para 14.1 above, Railways may, on the request of the contractor, condone the delays in starting the contract execution – duly considering the merits of the case, subject to no arrears in payment. This condonation shall not be for a period more than 30 days.

14.2.1 However, there shall not be any extension/ waival/ deferment in the lump-sum freight/ rent/ license fees payment period beyond the maximum permissible period (with delay as permitted in para 13) on this account. The time period allowed for depositing the lump-sum freight/ rent/ license fees by the contractor shall be as detailed in para13 and there shall not be any change in the same due to extension of contract execution start date as detailed above.

14.2.2 There shall be no extension of contract end date on grounds of delay in starting the execution of contract.

15. Waival of licensing fee for stipulated period on Railway account:

15.1 In cases of non-availability of the asset (e.g., non availability of space in SLR or Parcel Van for loading) to be utilized by the contractor, due to unforeseen circumstances or administrative reasons on part of Railways, the lump-sum freight/ rent/ license fees already paid by the contractor will be adjusted against subsequent payments, if it possible to do so. However, if it is not possible to adjust the refundable amount against subsequent payments, the lump-sum freight/ rent/ license fees already paid by the contractor may be refunded

15.2 However, in cases of permanent or long term (more than 3 months) non-availability of the assets the lump-sum freight/ rent/ license fees already paid by the contractor may be refunded on request of the contractor, considering merit of the case.

15.3 For short term non-availability of the asset, deferment of payment of lump-sum freight/ rent/ license fee for the period of non-availability may also be considered by Railways – on the request by the contractor, with documentary proof.

16. Appeal against punitive action of EMD/SD forfeiture/ termination of contract on any grounds:

16.1 In cases of forfeiture of EMD/SD and/or termination of the contract as per any of the terms & conditions of e-Auction/ contract/ Agreement, or otherwise, the contractor, if desires so, may prefer an appeal to the DRM (for contracts finalized by Division) or the concerned PHOD/CHOD (for the contracts finalized by the Zonal Headquarters) within 30 days of the action of forfeiture/ termination.

13.06.2022

FREIGHT MARKETING CIRCULAR No. 11 of 2022

17 Exit clause:

17.1 *By the Contractor:* If it is not feasible for the contractor to continue the contract due to any reason, the contractor can terminate the contract by giving 30 days' notice to the Railway Administration 'subject to completion of six months contractual period.' The complete Security Deposit will be refunded in such cases. This provision shall not be applicable on the contracts of less than six months duration. In case the leaseholder surrenders his contract before completion of six month or complete duration of the contract, whichever is less, the Security Deposit shall be forfeited. Further, if the contractor fails to adhere to the 30 days' notice period, the Security Deposit shall be forfeited.

17.2 *By Railway Administration:* Railway shall have the right to terminate the contract/ Agreement without any financial repercussion on either side for any reason whatsoever after serving one month's notice to the contractor.

Railway shall also reserve the right to terminate the contract, with immediate effect, without any financial repercussions on either side in case of operational exigencies or in cases where the asset, for which the contract was awarded, is not available for commercial exploitation due to some other development or change in site or any other reason. Full EMD or SD and lump-sum freight/ rent/ license fee paid by the contractor, shall be refunded to the contractor without any interest.

17.3 If for any reason the Railways is not able to honour the part of contract and considers it necessary to cancel the whole contract or to reduce the scope of the contract on Railway account, no compensation will be payable for such cancellation or reduction, except refund of the proportionate amount of lump-sum freight/ rent/ license fee paid by the contractor, without any interest. No appeal against this decision will be entertained.

However, Railway shall reserve the right to terminate the contract as a punitive measure without any notice and at any time in case of violation of any of the terms and conditions of the contract or due to any other serious misconduct by the contractor.

18 Termination of the contract:

18.1 Railway shall reserve the right to terminate the contract as a punitive measure without any notice at any time in case of violation of any of the terms and conditions of the contract or due to any other serious misconduct (including but not limited to violation of Railway Act 1989, commissioning of an unlawful act which is not in-line with good industry practices, or an activity of moral turpitude) by the lease holder, forfeiting full EMD/ SD amount.

19 Penalties:

19.1 Penalties for defaulting the terms and conditions of the contract, passenger inconvenience, delay in contract execution, etc – as specified in the special conditions and any other conditions for the lot in auction catalogue – will be applicable and will be

13.06.2022

recovered from the contractor. The quantum of penalty shall not exceed 2% of the annual contract value or full contract value, whichever is lower, for the first irregularity, 5% of the annual contractor full contract value, whichever is lower, value for the second irregularity, and 10% of the annual contract value or full contract value, whichever is lower, for the third or subsequent irregularities. The penalty shall be payable within fifteen (15) days. In case of non-payment of the penalty within the stipulated period, the railway may at its discretion cancel the contract, and forfeit the Security Money.

20 Force Majeure:

20.1 Conditions beyond control of either parties like war, hostility, acts of public enemy, civil commotion, sabotage, serious loss or damage by fire, explosions, epidemics, strikes, lockouts or acts of God come under the legal concept of Force Majeure (FM). Delays in performance of contractual obligations under influence of FM conditions are condonable by the other party without any right to termination or damages, provided, notice of the happening of any such event is given by the affected party to the other within 30 (thirty) days from the date of occurrence. Contract execution shall be resumed as soon as practicable after such event has come to an end or ceased to exist. However, if such event continues for a period exceeding 120 days, either party may at its option terminate the contract by giving notice to the other party.

21 Banning of firms:

21.1 *Temporary suspension of the contractors:* To prevent repetition of false declaration regarding annual turnover (financial eligibility) by any contractor in e-Auctions, the contractor shall be suspended temporarily for 90 days upon repetition of such instance of false declaration of annual turnover in e-Auctions on three different days within a year (counted from first instance of false declaration by the contractor). The contractor shall not be allowed to participate in any e-Auctions through 'E-Auction leasing' module of IREPS during this 90 days' period. During the suspension period, however, the contractor will continue to execute the contracts already awarded, provided those contracts were not awarded on the basis of false declaration.

21.1.1 Suspension of the contractor shall be automatically revoked after expiry of period of 90 days.

21.1.2 In addition to the temporary suspension of 90 days, Railways may also ban the contractor/ entity.

21.2 A bidder/ contractor shall be debarred if he has been convicted of an offence under the Prevention of Corruption Act, 1988; or The Indian Penal Code or any other law for the time being in force, for causing any loss of life or property or causing a threat to public health as part of execution of any contract.

21.3 A bidder/ contractor banned/ debarred under sub-sections 21.1.2 & 21.2 above, or any successor of such a bidder/ contractor, shall not be eligible to participate in any bidding (including e-Auctions) process of any Railway unit for a period not exceeding three years commencing from the date of debarment.

13.06.2022

FREIGHT MARKETING CIRCULAR No. 11 of 2022

21.4 Any bidder/ contractor shall not be debarred, unless such the bidder/ contractor has been given a reasonable opportunity to represent against such debarment.

22 Dispute resolution and arbitration:

22.1 As per the provisions of Indian Railways Standard 'General Conditions of Contract' for Works Contracts – issued by Engineering Department in April 2022.

23. Railway reserves the right to cancel the e-auction and/or reject all the bids at any stage without citing any reason, before the issue of bid-sheet.

24. In case of any conflict between these 'Standard Conditions of Contract' and 'Special Conditions of Contract' (issued by Railway Board/ Zonal Railway/ Division for any specific category of contracts, if any), the provisions of 'Special Conditions of Contract' shall prevail – provided such Special Conditions are as per the provisions of 'policy for Commercial Earning & NFR contracts awarded through e-Auction'.

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13.06.2022