The Director General, RDSO, Lucknow
The General Managers, all Production Units,
The General Manager, CORE, Allahabad,
CAO/DMW, Patiala and COFMOW, New Delhi.

Sub: Commercial terms & conditions in technical specification of items.

It has come to the notice of Board that in some cases of procurement, certain commercial conditions were provided in the technical specification which were in conflict with the commercial conditions of tender documents. This is likely to confuse the bidders and also to create problems in enforcing contract conditions. In addition, this would also make assessment & evaluation of offers difficult. Therefore to avoid such situations, following instructions are issued in this regard for technical specification & tender documents:

(i) Technical Specification:

(a) Normally, technical specifications should not contain any commercial conditions. If such a situation becomes inescapable, then the same may be addressed by making specific “Special Commercial Conditions” duly stating that these “Special Commercial Conditions” would override the corresponding clause in the IRS conditions of contract, general tender conditions and Bid Document. These conditions should be shown under a separate heading “Special Commercial Conditions”.

(b) Such “Special Commercial Conditions” should be framed in consultation with associate finance not below SAG level and should be drafted in an unambiguous manner with full clarity and keeping a level playing field for the prospective bidders.

(ii) Tender Documents:

(a) These “Special Commercial Conditions” as detailed in (i) above should be made part of special conditions of tender documents.

(b) Tender documents should also state that any commercial condition not contained in Special Conditions of Tender, General Tender Condition & IRS condition of Contract shall not form part of tender documents.

This issues with the concurrence of Finance directorate of Ministry of Railways.
1. Sr. EDI, RDSS, Lucknow
2. FA&CAO, All Production Units.
3. FA&CAO, CD&MCW, New Delhi
4. FA&CAO, CORE, Allahabad

No. 78/RS(G)/777/1

New Delhi, dated: 30-03-2009

Copy to:

1. The COSs, All Production Units
2. The COS, CD&MCW, New Delhi
3. The COS, CORE, Allahabad
4. Executive Director (Stores), RDSS, Munir Nagar, Lucknow

Copy to:- Sr. PPSs / PPS / PS to

(i) CRB, FC, ME, ML, MM, NS, MT, SECY, DG (RHS), DG (RPF)
(ii) All AMs and Advisors of Railway Board.
(iii) All Executive Directors of Railway Board.
(iv) All Directors of Electrical, Engineering, Finance, Mechanical, Stores, Signal & Telecom Dte. &

All Branches of Electrical, Engineering, Finance, Mechanical, Stores, Signal & Telecom Dte.