



दक्षिण रेलवे  
SOUTHERN RAILWAY

No. VO/PC/S&T/2020/09/00099/MAS

PCSTE /S.Riy.

प्रधान कार्यालय,  
Head Quarters Office,  
सतर्कता शाखा/Vigilance Branch  
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7th Floor, CN Office Complex,  
एगमोर, चेन्नै-600 008.  
Egmore, Chennai-600 008.

Date: 17.03.2021

//CONFIDENTIAL//

Sub: AMC/ARC tender contract in S&T works – System Improvement – Reg

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During investigation of a recent vigilance check, it has been found that two site engineers have been nominated by OEM to attend failures. In case of no response from site engineers contact number of the team manager is also displayed. During the detailed investigation of the case, it was informed by the concerned staff that he had obtained these contact numbers personally and displayed for his own convenience. However, there is no such provision in the contract. That is, there is no stipulation in the contract regarding whom the Railway's site engineers to contact in case of no response from contractor/OEM's site engineers and hence he shall have to struggle to reach the higher officials of the contractor/OEM. It is viewed that this may adversely affect the Railways in the event of any major/critical failure or break-down of S&T equipment.

Hence, following system improvement is suggested for implementation, please:

In all future tenders, following special conditions may be incorporated:

(1) Provision of Escalation Matrix:

(a) In case of AMC/ARC tenders:

Once the contract is awarded, contractor shall immediately provide, in form of an escalation matrix as given below, a list of contact officials along with their phone/mobile numbers, names and their designation in their company, which shall be updated to Railway in case of any charge.

Table-1: Escalation Matrix of Contact Officials of the Agency/Company

| Level   | Level Type                                    | Name   | Designation | Contact No. |
|---------|---|--|-------------|-------------|
| Level-1 | Site/ Field level official or engineer        | (a)  |             |             |
|         |   | (b)  |             |             |
| Level-2 | Area/ Zonal/ Controller/ Client Manager level | (a) Name of official dealing with Technical matters pertaining to this contract      |             |             |
|         |   | (b) Name of official dealing with administrative matters pertaining to this contract |             |             |
| Level-3 | Manager/ Controller/ Head                     | Name of official dealing with any or all matters pertaining to this contract         |             |             |

Date: 17.03.2021

**(b) In case of Tenders of S&T Works Contract in which one or more items are supplied with a guarantee/ warranty period:**

After the award of the contract, as and when the contractor supplies any item which shall be covered under warranty for a period of one year or more, he shall also immediately provide, in form of an escalation matrix as given above vide Table-1, a list of contact officials of the OEM or the Person responsible to deal with such warranty matters with Railway, along with their phone/ mobile numbers, names and their designation in their company, which shall be updated to Railway in case of any charge.

**(c) In case of Tenders of S&T Works Contract in which one or more items are supplied and are covered with the AMC in the same contract:**


Regardless of whether AMC agreement shall be effected through same contract or shall be signed separately, and regardless of whether AMC agreement shall be signed with the same executive unit or other unit or divisions, after the award of the contract, as and when the equipment/ system, which shall be covered under the AMC, is commissioned, contractor shall immediately provide, in form of an escalation matrix as given above vide Table-1, a list of contact officials of the OEM or the Person responsible to deal with such AMC matters with Railway, along with their phone/ mobile numbers, names and their designation in their company, which shall be updated to Railway in case of any charge.

**(2) Provision of Penalty:**


In case of no response from any of the official of contractor/ OEM as mentioned in escalator matrix, provision of suitable penalty may also be incorporated in the tender/ contractor.

The action taken in this regard may kindly be advised to this office.

This has the approval of SDGM & CVO/MAS.

  
17/03/2021

(Prem Chandra Harijan)  
Dy. CVO/S&T/MS  
For SDGM& CVO/S.Rly.

प्रेषित दि. 18/03/21  
DESPATCHED ON  
सतर्कता शाखा / चेन्नै  
VIGILANCE BRANCH // CHENNAI  
हस्ताक्षर  
Signature 



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9/4/2021



दक्षिण रेलवे / Southern Railway

Headquarters Office,  
Signal & Telecom Branch,  
Park Town, Chennai- 600 003.

No.SG.CST/Vig/21(B)

Dated: 05-04-2021

Dy.CVO/S&T/MS

Sub: AMC/ARC tender contract in S&T works –  
System improvement - Reg

Ref: CVO/MAS letter no. VO/PC/S&T/2020/09/00099/MAS  
dt.17.03.2021

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The system improvement suggested under item no. 1(a) of the letter cited above has been considered for implementation in all AMC/ARC tenders and the same has been advised to all Divisions and executing units (copy enclosed).

The system improvement suggested under item nos. 1(b) and 1(c) of the letter cited above pertains to warranty of items supplied under works contract. As per the contract conditions, the warranty period is one year from the date of issue of completion certificate for that work. All the defects during the warranty period are advised to the contractor and the security deposit is released after completion of all the warranty obligations. Moreover, since the warranty of a product is to be complied by the firm and not by individual employee of the company unlike AMC/ARC contract obligations, as per the procedure in vogue. In-addition to the above, all equipment defects are advised to the firm and also to RDSO (for RDSO approved items) by the Division and executing units.

Hence, the system improvements suggested vide item no. 1(b) and 1(c) is not considered for implementation.

As far as item no.2 is concerned, since provision of penalty already exists in AMC/ARC contracts, separate penalty as suggested under item no. 2 of the letter under reference is not considered for implementation.

This issues with the approval of PCSTE.

Encl.: As above

CVE/S&T  
forw

09/04/2021

*(Signature)*  
05/04/2021  
(D.RAJENDRAN)  
Dy.CSTE/P&D/HQ  
For PCSTE.