

TENDER CONDITIONS
FOR
OPEN /ADVERTISED/MANUAL
TENDER

INSTRUCTIONS TO TENDERERS

- 1.0 On behalf of the President of India, the Controller of Stores, Southern Railway, New Joint Office, Ayanavaram, Chennai 600-023 (hereinafter referred to as the Purchaser), invites tender for the supply as set forth in the **Notice Inviting Tender** and "Item details" page attached with each tender. **The instructions given are applicable for all manual tenders invited from Office of Deputy Chief Materials Manager/ Construction / Egmore/ Chennai and Office of the Deputy chief Materials Manager / Podanur Units also.**
- 1.1 The tenderers are requested to carefully go through these Instructions and all the conditions mentioned in para 1.3 & 1.4 appended with the tender Documents. By submitting the quotation, they undertake to abide by all types of conditions at para 1.4. The tenderers signature on the Tender form will be considered as their confirmation that they have read and accepted all the conditions laid down in the documents as well as tender schedule (including additional special conditions attached to Tender) unless specific deviation is quoted.
- 1.2 Offers received before due date and time (IST) of tender opening in the Tender Box available in the Office of the Controller of Stores, Perambur will only be considered.
- 1.3 The contract, if placed, **shall be governed** by (i) IRS Conditions of Contract (ii) Instructions to tenderers (iii) Special conditions (iv) Additional Special Conditions applicable to a particular tender.
- 1.4 Tender document essentially consists of following : –
- i. Rate schedule
 - ii. IRS conditions of contract as uploaded in www.ireps.gov.in portal.
 - iii. Instructions to Tenderers
 - iv. Special Conditions of Contract
- 1.5 **Tender documents can be obtained in any of the following ways :-**
- a) **The documents can be purchased from the Office of Controller of Stores , Perambur (duly complying the details in para 3.3).**
 - b) **Tender documents can be downloaded from website www.sr.indianrailways.gov.in. (duly complying the details in para 3.2)**

- 2.0 **Cost of Tender document** : The Tenderers must pay tender cost as shown below with offer.

S.No	Tender Value	Tender Document Cost (in Rs.)
1	Above Rs.10 lakh and upto Rs.30 lakh each	500
2	Above Rs.30 Lakh and upto Rs.2 crore each	1,500
3	Above Rs.2 crore and upto 25 crore each	2,500
4	Above Rs.25 crore and upto 50 crore each	5,000
5	Rs.50 crore and above	10,000

3.0 **PROCEDURE FOR PAYMENT OF TENDER COST and EMD :**

The Procedure for Submission of Cost of Tender Documents and Earnest Money is given below

- 3.1 If a Tenderer falls under exempted category, they will have to submit the copy of requisite documentary evidence in support of their claim. For NSIC & Micro and Small Enterprises (MSEs) registered firms, the exemption from tender cost is item specific. Therefore, firms should attach with their offer, xerox copy of relevant pages of the current and terminal date of their validity of the MSEs/NSIC certificate for registration together with front page indicating validity of registration, the classification list showing the tenderer's registration with MSEs/NSIC for the tendered item.

3.2 Offers with downloaded documents have to accompany tender cost or full set of valid NSIC/MSE certificate for the tendered item. Also EMD (unless exempted) is required is to be submitted along with the offer. Tender Number, Tender type and Opening Date may be indicated on the reverse of the instruments submitted towards cost of tender and EMD.

3.3 If the tender document are to be purchased, the same can be purchased at COS Office/Perambur, by paying tender cost as per rule. In that case, the Cash Receipt may be attached along with the offer. Also, NSIC/MSE registered firm can obtain tender form free of cost by producing the valid NSIC/MSE certificate at COS/Perambur. In that case also, copy of NSIC/MSE certificate is to be enclosed along with the offer again. In case of purchased tender documents DD/Instruments for EMD (unless exempted) is to be enclosed along with this offer. Tender Number, Tender type and Opening date may be indicated on the reverse of the instruments submitted towards cost of tender and EMD.

3.4 In case of non submission of tender cost where applicable, the requisite tender cost will be deducted from first / outstanding bill of the successful bidder.

3.5 Government Departments such as Ordinance Factories can submit tender free of charge.

4.0 QUOTATION OF RATES :

(a) The tenderers should quote strictly in accordance with the columns/fields provided in rate tender viz. separately basic price, unconditional discounts, packing charges, Excise Duty and Sales Tax (with surcharge thereon, if any) and Freight charges up to destination applicable per each unit. ED and ST are not payable on freight charges and forwarding charges, packing and forwarding charges, if quoted as one lumpsum amount. Price quoted should invariably be for delivery to the consignee / FOR Station of despatch and inclusive of all charges. **Any other charges** should be quoted in absolute value e.g. insurance charges, forwarding charges, exit tax / entry tax.

4.1 **Quotation in Foreign Currency : The tenderer to quote in INR, unless otherwise specified Only.**

5.0 **Statement of Deviations :** The tenderer should quote deviation to item description in the deviation page

1. Technical deviations from tendered specification should be clearly stated in deviation statement.
2. The deviations if any from IRS conditions of contracts & special conditions of tender should also be clearly stated in the deviation statement of e-tender / offer.
3. The offers with technical deviations and IRS/Special Tender Conditions are liable to be ignored / rejected.
4. If the tenderer does not quote any deviation, it will be construed that the tenderer has quoted for the tendered description and accepted all the conditions.

6.0 **Earnest Money Deposit (EMD) :** EMD is taken to prove earnestness of the offer on the part of tenderers

6.1 All tenderers are required to pay EMD against advertised e-tenders subject to following exemptions:

- a. Vendors registered with NSIC up to the monetary limit of their registration for the items tendered.
- b. Vendors registered with the Railways up to the monetary limit of their registration for the items tendered / trade groups of the items tendered.
- c. Vendors on approved list of RDSO/PUs/CORE/Railways etc for those specific items for which they are on approved list.
- d. Manufacturers and their accredited agents.
- e. Other Railways, Govt. Departments.

6.2 The EMD is also waived for PSU's for the group of items that are manufactured by them, PSU's owned by Ministry of Railways, PSU's that are registered with Production Units of Railways,

Zonal Railways, CORE/ALD, RDSO or with NSIC.

6.3 The amount of EMD to be furnished in advertised tenders, wherever applicable, is 2% of the estimated tender value subject to an upper limit of :

- a) Rs 5 lakhs for tenders valuing up to Rs 10 crs and
- b) Rs 10 lakhs for tenders valuing above Rs 10 crs.

6.4 The upper limit on amount of EMD can be enhanced suitably for tender cases valuing beyond Rs 50 crs which will be clearly specified in tender document as additional special condition to particular tender.

6.5 Validity of EMD: EMD should remain valid for a period of 45 days beyond the final bid validity period, which should also be extended whenever bid validity is extended. No interest will be allowed on EMD.

6.6 Return of EMD:

i) The EMD of unsuccessful bidders will be returned to them li) EMD will be refunded to the successful tenderers on receipt of Security money or retained in the case of the successful Tenderer for adjustment towards the Security Deposit, as required to be deposited by the successful Tenderer for due fulfillment of the contract.

6.7 Forfeiture of EMD : When a suppliers undertake to keep the offers valid for a certain period but either withdraw the offer or revise the same within validity, the purchaser gets a right to forfeit the EMD.

6.8 The firm claiming exemption from EMD should clearly indicate valid reasons for such claim duly attaching scanned copies of relevant documents with their e-offers. The tenderers request for adjustment of EMD relating to their earlier tenders will not be considered. They will have to deposit EMD afresh.

7.0 Security Deposit (SD): / Performance Guarantee SD is taken towards Security for due fulfillment of the contract by the supplier.

7.1 Safety items : For procurement of safety items valuing above Rs.10 lakhs, Security Deposit shall be taken in all cases. As such, , firms should submit security deposit in all such cases.

7.2 Other than safety items : Security Deposit (SD) shall be taken from all firms for contracts for items other than safety items placed against advertised tenders and Global tenders subject to following exemptions :-

- i) Vendor registered with NSIC up to the monetary limit of their registration for the items ordered.
- ii)Vendors registered with Railways up to the monetary limit of their registration for the items ordered/ trade groups for items ordered.
- iii) Vendors on approved list of RDSO/PUs/CORE/Railways etc. for those specific items for which they are on approved list.
- iv) Other Railways, Govt. Departments.

7.3 The usual SD will however be taken in case the contracts are placed on unregistered / unapproved firms or for items for which a particular firm is not approved. The firms claiming exemption from SD should clearly indicate valid reasons for such claim duly attaching scanned copies of the current registration / approval / valid certificate / documents etc. The tenderers request for adjustment of SD relating to their earlier tenders / contracts will not be considered. They will have to deposit SD afresh.

7.4 The amount of SD to be furnished is 10% of the total value of contract subject to upper ceiling of Rs 10 lakhs for contracts valuing up to Rs 10 Crs and Rs 20 lakhs for contracts valuing above Rs 10 crs.

7.5 The upper limit on amount of SD can be enhanced suitably for contracts valuing beyond Rs 50 crs which will be clearly specified in contract as additional special condition.

7.6 Validity of SD: Security Deposit should remain valid for a minimum period of 60 days beyond the date of completion of all contractual obligations of supplier. The validity of SD should be extended,

wherever delivery period of the contract is extended. No interest will be allowed on SD.

7.7 Return of Security Deposit: The SD will be refunded to the supplier, after execution of the contract, in all respects, against the submission of Completion certificate and No Claim Certificate.

7.8 Forfeiture of SD : The tenderers may specifically note Para 0502, 0503 & 0504 of IRS conditions of contract in regard to forfeiture of SD

7.8.1 In the event of any breach on the part of the Contractor of the terms of the contract, or of the Contractor causing loss to the Railway Administration through fraud, negligence, or any other action (direct or contributory) of failing to pay on demand to the Railway Administration any moneys which he shall be liable to pay under or by virtue of these conditions or by-law, the President shall be at liberty either to confiscate the Security Deposit or to appropriate to the payment of such moneys, either the whole of Security Deposit or so much there of as may be necessary to satisfy its claims and the Contractor shall pay forth with to the Railway Administration, such sum or sums, of money as may be required to replace the amount so appropriated by the Railway Administration. If the Security Deposit shall be insufficient to pay the whole of such moneys due by the Contractor it shall be lawful for the Railway Administration to recover any such balance by deducting the same from any moneys then due or to become due by the Railway Administration to the Contractor under or by virtue of the contract or otherwise by instituting legal proceedings against the Contractor.

7.8.2 No interest shall be payable on security deposit. The purchaser shall be entitled to deduct from the said deposit any loss or damage which the purchaser may be put to by reason of any act or default committed by the contractor and to call upon the Contractor to maintain the deposit as its original limit by making further deposits. In the event of the contractor failing to make and to maintain a security deposit in the manner aforesaid, the purchaser shall be entitled to cancel the acceptance of Tender.

7.8.3 The Security deposit will be refunded to the contractor on due fulfillment and satisfactory completion of the contract within a reasonable time and on submission of a Clearance Certificate by the Contractor to the effect that the Contractor has received all dues arising out of this contract and that he has no claim whatsoever on the President, against the contract.

8.0 Acceptable Form of Earnest Money Deposit (EMD) / Security Deposit (SD) :

8.1 The EMD / SD in supply contracts should be in any one of these forms viz., Deposit receipt, Pay Orders, Demand Drafts, Guarantee Bonds issued by nationalized or Scheduled Commercial Banks, Bonds of Indian Railway Finance Corporation and KRCL Bonds.

8.2 The payment of Security Deposit and Earnest Money in the form of Pay Order / Demand Draft should be made in favour of FA&CAO / Sr.DFM payable at the respective places i.e Chennai, Trichirapalli, Madurai, Trivandrum, Palghat and Salem.

8.3 In addition to above mentioned forms of payment, Security deposit may be paid in the form of Government Securities at 5% below the market value and a deposit in the Post Office Saving Banks also.

9.0 Performance Guarantee : As and when required, for Machinery and Plant items and for items requiring specified performance, the tenderer will be asked to give a Performance Guarantee (in the form of a Bank Guarantee as per **Annexure –I**) to cover the performance of the item to be supplied. No separate consent will be asked from the tenderers for the same.

10.0 Bank Guarantee: In case, Bank Guarantee is submitted by suppliers / contractors, the same should be in the proper prescribed format for Bank Guarantee (BGs) as per **Annexure-II. The Bank Guarantees (BGs) to be submitted by suppliers/contractors should be sent directly to the controller of Stores / Southern Railway by the issuing bank under registered post (AD).**

11.0 STATUTORY LEVIES

11.1 Excise Duty :

(a) (i) If Excise Duty is being charged extra, then tenderers should clearly indicate exact rate of Excise Duty with surcharge thereon as applicable. If concessional excise duty is applicable at the time of quoting and tenderers quote that actual excise duty at the time of supply should be paid,

- then quotations will be evaluated on the basis of maximum Excise Duty applicable as per Excise Tariff for that class of goods.
- (ii) In no case any claim for increase in Excise duty due to increase in sales turn over during the currency of the contract will be admissible.
 - (iii) If Tenderers misclassify the goods under relevant Excise Tariff Rules, Railway will not pay increased Excise Duty due to misclassification.
 - (iv) Excise duty will be paid (reimbursed) subject to production of documentary evidence.
 - (v) Even if Excise Duty & Sales Tax is quoted as included in price quoted, tenderers should still indicate the quantum (%) of Excise Duty separately – so as to admit Statutory claim, for any statutory variation. In case ED is shown as “Inclusive” then the offer shall be taken as inclusive of ED assuming that the tenderer has included highest prevailing rate of ED in their offer.
 - (vi) If ED is not claimed in the offer and nothing is mentioned about Excise Duty, then no ED will be payable and no statutory variation will be allowed.
- (b) MODVAT / CENVAT: Tenderers should furnish clear MODVAT/CENVAT declarations stating that they have taken into account all the MODVAT/CENVAT benefits, while quoting against the tenders as per Annex.7. The purchaser will not increase VAT/CST due to misclassification / non-availing of concessional rate of tax.
 - (c) In **determining** the cost of an excisable product covered by the MODVAT scheme under Section 4(1) (b) of the Act, read with Rule 6 of the valuation rules, the Excise Duty paid on raw material also covered under MODAVAT Scheme is not to be included, i.e. Excise Duty paid on raw material, if modvatted, is not to be included in determining the cost of production of excisable product.

11.2 Central Sales Tax / VAT :

(a) **CST/VAT:** Pursuant to notification dated 29.03.07 issued by Ministry of Finance, Department of Revenue regarding taxation law (Amendment) Act 2007 w.e.f. 01.04.07, the rate of CST on inter state sale to Government Departments shall be the rate of VAT applicable in the state of the selling dealer. The facility of inter state purchases by Government Departments against Form-D stands withdrawn. The concessional tax regime so far available to the Government Departments has been withdrawn w.e.f 01.04.07. Government Departments will have to pay CST @ normal VAT rates prevalent in the seller's state for purchase involving inter-state movement of goods. However, goods of special importance (called declared goods) as incorporated in Section 14 of the CST Act will continue to suffer / enjoy concessional rate of tax since State Governments cannot impose tax at higher rates than envisaged in CST Act. Iron and Steel items as listed in Section 14 of CST Act 1956, for instance will suffer CST @ 4% only.

(b) The tenderers therefore, before quoting must carefully check the VAT / Sales Tax schedules and amendments thereto of the relevant State to ensure that correct tax as applicable is paid to them. Several States VAT Acts provide for 4 % tax on Rail Wagons, Engines, Coaches and parts thereof. The tenderers should take Care to avail the same correctly.

(c) While quoting the rates, tenderer should pass on (by way of reduction in prices) the set off / input tax credit that would become available on them by switching over to the system of VAT from the existing system of sales tax, duty stating the quantum of such credit per unit of the item quoted for.

(d) The tenderer while quoting for tenders should give the following declaration :-

“We agree to pass on such additional set off / input tax credit as may become available in future in respect of all the inputs used in the manufacture of the final product on the date of supply under the VAT scheme by way of reduction in price and advise the purchaser accordingly”.

(e) The suppliers while claiming the payment will furnish the following certificate to the paying authority ; “We hereby declare that additional set offs/input tax credit to the tune of Rs...has accrued and accordingly the same is being passed on to purchaser and to that effect the payable amount may be adjusted.

(f) Even for contracts where CST is payable, this input tax credit may become admissible to the supplies where the supplier happens to be located in the state in which VAT has been

implemented. Accordingly, the certificate under para (e) above should be furnished in all such existing contracts where CST is payable.

(g) The states in which VAT is not yet introduced, the existing system of sales tax shall continue.

(h) Where the firm quote all inclusive price without mentioning any specific Rate of Taxes (present or future), no Statutory Variation Clause would be applicable..

(i) If ST/VAT is not claimed in the offer and nothing is mentioned about ST, then no ST will be payable and no statutory variation will be allowed.

11.3 GOODS AND SERVICE TAX:

- a) For the tenders due to open before roll out of GST:
All the bidders/tenderers while quoting the rates should clearly indicate the rate of applicable duties and taxes included in the prices quoted by them. Any variation in tax structure/rate due to introduction of GST, shall be dealt with under Statutory Variation Clause.
- b) For the tenders opening after roll out of GST:
All the bidders/tenderers should ensure that they are GST compliant and their quoted tax structure /rates are as per GST Law.
- c) Bidders shall take registration under GST Act and Rules. They shall invariably quote their GSTIN registration details without fail in their offer.
- d) In case the successful tenderer is not liable to be registered under CGST/IGST/UTGST/SGST Act. The Railway shall deduct the applicable GST from his/their bills under reverse charge mechanism (RCM) and deposit the same to the concerned tax authority.

12.0 PAYMENT TERMS :

- 12.1 Payment for the stores or each consignment thereof will be made to the contractor on submission of bill accompanied by the prescribed documents mentioned in the contract.
- 12.2 Tenderers should note that normal payment terms of Railways is 100% payment after Receipt and acceptance of the material at consignee's end, irrespective of stipulation of pre-inspection by any agency.
- 12.3 Under exceptional circumstances for proven and approved suppliers with a good track record supply, 95% advance payment on proof of Receipt of the consignment ie. Receipted Challan signed by a Gazetted Officer and Inspection Certificate issued by the nominated inspection Agency as specified in the contract and balance 5% after receipt and acceptance of stores may be considered. No Advance Payment will be permitted against proof of dispatch.
- 12.4 For dispatch of material by road, it is the delivery challan of the supplier duly certified by the consignee Gazetted Officer towards receipt of material at consignee's end will constitute the proof of dispatch for the purpose of payment. For rail dispatch, clear and unqualified RR / PWB will be considered as the proof of dispatch.
- 12.5 For purchase orders valuing up to Rs 5 lakhs, no advance payment will be made and only 100% payment will be made against receipt and acceptance of the material by consignee i.e., against Receipt Note.
- 12.6 In exceptional cases, 98 % and 2% payment can also be considered within the framework of extant rules and procedures, specially for running contracts.
- 12.7 **For Machinery & Plant items:** 80% payment will be allowed after receipt of the machine in good and acceptable condition at consignee's end against inspection certificate and the supplier's challan certified by the consignee Gazetted Officer. Balance 20% payment will

be made on successful installation, commissioning and testing of the machine and also furnishing of a Bank Guarantee towards warranty obligations of the contractor for 10 % of the value of the machinery or plant.

- 12.8** All tenderers are advised to indicate their Banker's name and account number in their offers. This information is needed for the purpose of cheque for payment against the contract, being issued with indication of bank account No. etc. to safeguard against misappropriation of cheque. Such information can be submitted separately in a letter.

13.0 Procedure for Bill Submission by Vendors

- a) Stock Items :** i) Where contract provides for 90%, 95% and 98% advance payment the supplier should submit the Bill directly to FA&CAO/S&W office together with Inspection certificate, certified receipted / delivery challan with supporting documents such as Price Index for PVC Bills, fall clause declaration etc.
- ii) In the case of contracts with 100% payment clause for supplies of Stores , bills in the Railway Form (form No. S.2817) accompanied by the Receipt Note duly certified by the consignee are to be submitted to the Financial Adviser and Chief Accounts Officer, Stores, Ayanavaram, Madras – 600 023 direct for payment and the Supplier's bills will not be passed for payment unless they are accompanied by the Receipt Note duly certified by the Consignee as stated above.
- b) Non-Stock items (direct delivery) :** For Non-Stock orders (issued for direct delivery to the Indentors), bill should be submitted by the Supplier in the Railway format in duplicate to the consignee Officer mentioned in the order, who will forward the same to Accounts Department with certification for satisfactory completion of PO or otherwise.

14.0 Procedure for Payment of Suppliers Bills :

- 14.1 Payment through NEFT:** Southern Railway has introduced payments through NEFT system for quick money transfer to the tenderers account.

i) Tenderer to give consent in a mandate form as given below for receipt of payment only through NEFT.

ii) Tenderer to provide the details of Bank A/C in line with RBI guidelines for the same. These details will include Bank Name, branch Name & address, Account type, Full Bank A/c Number and IFSC Code as appearing on MICR cheque issued by bank.

iii) Tenderer to attach certificate from their bank certifying the correctness of all above mentioned information (As mentioned in para (ii) above). The original cancelled cheque duly certified by the bank should be enclosed by the supplier

iv) Firms to attach scanned copy of their mandate form along with their offers if not already executed and send original to FA&CAO/W&S/SR. Purchase orders will not be issued without this mandate forms.

- 14.2 Touch Screen for finding Bill Status of Stock Items :** With a view to provide correct and accurate information relating to the bills submitted by the suppliers, an Online Touch Screen facility has been provided in the Stores Accounts Office / New Joint Office, Ayanavaram , Chennai. This facility can be used by the suppliers or their representatives to find out the current status of their bills.

- 14.3 Website for finding Supplier Bill Status :** Suppliers of Southern Railway who have opted for NEFT mode of payment are given a facility to view their payment details on Internet under Southern Railway website www.southernrailway.gov.in under the link http://southernrailway.gov.in/sr/supplier_bills_stores.jsp. Suppliers intending to use this facility will have to register in the website and obtain a unique user-id and password through e-mail for accessing their bill status and payment details.

- 14.4 IVR System for finding Supplier Bill Status :** An Interactive Voice Response System for suppliers bill queries, which is telephone based enquiry facility is available in English, Hindi or Tamil at the telephone numbers **044-26742822, 044-26742823** during the working hours on all working days. Suppliers

intending to use this facility can get the details with the touch of a telephone call and obtain their current status of their bill.

14.5 Format for NEFT mandate Form :

1.	Supplier Name : (as per Account)	
2.	Supplier Address:	
3.	Supplier's email ID	
4.	Bank's Name	
5.	Bank's Branch Name	
6	Branch Address :	
7	Type of Account (SB/CA/CC etc.)	
8	Supplier Account No (as appearing on the Cheque book in full)	
9	IFSCCODE (11 Digits) For NEFT	

15.0 PAN Number: Tenderers to indicate the I/Tax PAN details and enclose a Photocopy of the same.

16.0 Drawings and Specifications:

16.1 Drawings and Specifications if any as indicated in the Tender Schedule can be had on payment from RDSO/ Lucknow, DLW/Varanasi, ICF/Chennai, CLW/Chittaranjan, CME, CEE and CSTE /S.Rly etc. who has issued the drawing. This has to be arranged by the Tenderer, before, quoting against the tender.

16.2 Counter offer, if any, should be indicated with full details i.e. the Drawing No. &/or specifications No. etc., and xerox copies of such Drawings / specifications should be attached with tender, failing which the offer may not be considered. The counter offers are liable to be rejected if there are other offers to specifications tendered for or even otherwise.

16.3 Test certificates of the manufacturers should be furnished along with the supply for such stores for which tests are prescribed in specifications.

17.0 Sample Clause (where samples are called for indeterminate parameters of specification)

17.1 The tenderer should ensure that adequate numbers of sealed samples of same quality as required in the tender schedule, where called for, are received in the office of COS before the Tender opening date and time, failing which offers will be rejected summarily.

17.2 Each sample should have a card affixed to it giving particulars of

- (a) Firms name and address
- (b) Tender Number
- (c) Date & Time of Opening of Tender
- (d) Item No. of schedule against which tender sample submitted, and
- (e) Any other description, if necessary written on it

17.3 Samples should not be sent unless specifically called for in the tender schedule.

18.0 Validity of offers: The tenderers are requested to keep the validity of their offers open for a minimum period of 90 days or as stipulated in the tender. However the administration reserves the right to consider offers with lesser validity period , in case the said firm(s) is / are willing to extend, if so required, validity of their offers for 90 days or as stipulated in the tender.

Offer(s) of tenderer(s) not willing to extend the validity as stated above will be rejected and such tenderer(s) will not have any claim for consideration of their offer(s).

19.0 Octroi exemption certificate: The purchaser will not bear any octroi charges. If required Southern will issue octroi exemption certificate only. In the event of OEC not being honoured by the concerned Municipal Authority, and octroi charges become payable, the supplier will have to bear the Octroi charges as per IRS conditions of Contract.