

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

No.2014/Infra./12/2

Rail Bhavan, New Delhi  
Dated:15.10.2015

To,

1. General Managers,  
All Zonal Railways.
2. General Manager (Const.)/NFR.
3. General Manager (CORE)/Allahabad.

Sub.: Model EPC Contract Document

With a view to expedite the delivery of infrastructure projects in Railways, the matter of executing railway projects on EPC mode has been in consideration in the Railway Board.

SWR and CORE have already initiated the process by taking up one pilot project through EPC mode, with the approval of Board (ME & FC) and (ML & FC) respectively.

The bidding process for EPC mode is divided in two stages as under:

- (1) Request for Qualification (RFQ): This is meant for pre-qualifying and shortlisting of eligible bidders for stage two of the process.
- (2) Request for Proposal (RFP): This process is aimed at obtaining financial offers from pre-qualified bidders after the RFQ stage.


The standard bidding documents will contain RFQ, RFP and EPC Agreement for the bidding process as explained above. The model documents for RFQ, RFP and EPC Agreement, duly approved by the Board (ML, ME & FC), are available on IR website [www.indianrailways.gov.in/railwayboard](http://www.indianrailways.gov.in/railwayboard) (Infrastructure directorate) for guidance and further necessary action please.

The decision to invite a tender through EPC mode may be taken by the Zonal Railways under advice to the concerned directorate, i.e. Works / RE etc. for the purpose of budget allotment.

While customizing the Model Agreement for specific project and inviting tender for EPC mode, certain precautions enclosed at Annexure-I, need to be taken to ensure success of EPC mode.

This issues with the concurrence of Finance Directorate of Railway Board.

Encl.: Annexure-I (01 page)

  
(Sanjeev Kumar)  
15.10.15  
Director(PPP)/Civil

No.2015/Infra./12/11

New Delhi, dated: 15.10.2015


Copy forwarded for information to:


- (i) CAO (Con.)/All Zonal Railways
- (ii) FA&CAO (Con.)/ All Zonal Railways

  
15.10.15  
(Tripuresh Dwivedi)  
Director Finance(PPP)  
For Financial Commissioner/Railways

**Precautions to be taken while customizing the EPC Agreement, tendering and execution of project:**

1. The scope of the project needs to be stated holistically and realistically in Schedule 'B' and 'C' as the same will be the deciding factor for total project cost and subsequent variations leading to change of scope as per Article 13 of EPC Agreement, which is restricted to 10% of the bid price. Effective consultation with concerned departments will be therefore essential.
2. For the purpose of price adjustment as per Clause 17.8 of the agreement, the relative percentages of various components of individual activities to be prescribed in the table of Clause 17.8.4(e), (h) and (k) need to be determined carefully and diligently on the basis of past experience and also considering special features of the said project.
3. The contract price weightage for various activities to be prescribed in Schedule 'G' should be determined realistically on the basis of detailed estimate of the project prepared with proper due diligence.
4. The agreement provides for damages for delays on account of Authority, i.e. Railways @ 0.2% of the performance security for each day of delay as per Clause 10.2.5 & 10.2.6. It is, therefore, essential to sensitise concerned railway officers and staff about time-bound decisions/processing of case related to EPC Contract and establish an effective Management Control System to ensure timely clearances. Accountability needs to be fixed in each case of delay. Attention is also drawn to Clause 10.2.7(c) where in certain timeline has been stipulated to be observed by railways officials, while reviewing the drawings submitted by the contractor. These are sacrosanct and must be observed without any exception.
5. Full Budget should be committed over the period of execution of said project in advance.
6. Tender should be invited only when 90% of the land is available and no major impediment is anticipated in acquiring the remaining land. LOA should be issued only when land acquisition is complete and essential clearances have been obtained so as to minimize damage on this account and ensure timely completion of the project.
7. Conceptual yard plans, preliminary drawings for stations & other service buildings as well as residential buildings should be ready for all the stations before inviting the tender.
8. The reasonability of bid price quoted should be established w.r.t. available completion price of the comparable projects or by rate analysis.
9. Project specific bidding document should be prepared in consultation with concerned department, wherever required with the help of consultant, and associate finance with personal concurrence of respective FA&CAO/FA&CAO(C).
10. In case of RE projects, provision of traffic blocks should be jointly agreed by the concerned DRM and CPM/RE through an MOU/ Joint Note.
11. Clear Do's and Don'ts should be notified while issuing RFQ/RFP to avoid inadvertent mistakes by applicants/bidders.
12. Any major discrepancy in this document having financial implications noticed at any stage should immediately be brought to the notice of Board for rectification.

  
(Sanjeev Kumar)  
15.10.15  
Director (PPP)/Civil  
Railway Board

  
(Tripuresh Dwivedi)  
Director Finance (PPP)  
Railway Board