+*

PAKISTAN RAILWAYS

CONTRACT AGREEMENT NO. 556-W/210/SME/TM

REQUEST FOR PROPOSAL (RFP) FOR MAINTENANCE AND OPERATION OF TRACK TAMPING MACHINES OF 30-SERIES, MATERIAL LORRIES, KIROW CRANES, LIGHT WEIGHT TAMPING MACHINES AND SLEEPER EXCHANGE MACHINES

OPEN COMPETITIVE BIDDING
(Procurement as per PPRA Rules)

Aug, 2026

Contents

Contents 2
SECTION 1 3
GENERAL INFORMATION 3
1.1 INTRODUCTION 3
1.2 ABOUT PAKISTAN RAILWAYS 3
1.3 DESCRIPTION OF PROJECT 3
SECTION 2 4
INSTRUCTIONS TO CONTRACTOR 4
2.1 DEFINITIONS 4
2.2 LANGUAGE OF THE PROPOSAL AND OTHER DOCUMENTS 5
2.3 COMMUNICATION DURING THE RFP PERIOD 5
2.4 BID SECURITY, TECHNICAL & FINANCIAL PROPOSAL 5
2.5 VALIDITY PERIOD 6
2.6 AMENDMENTS OF THE RFP 6
2.7 INTEGRITY PACT 6
2.8 OPENING & EVALUATION SEQUENCE OF PROPOSALS 6
2.9 MANDATORY REQUIREMENTS 7
2.10 EVALUATION OF THE PROPOSAL 7
2.11 PERFORMANCE SECURITY 10
2.12 SIGNING OF CONTRACT AGREEMENT 10
2.13 LAW AND JURISDICTION 11
2.14 INTERPRETATION 11
2.15 SUBLETTING OF SERVICES 11
2.16 INSURANCE 11
2.17 PENALTY / LIQUIDATED DAMAGES 11
2.18 FORCE MAJEURE 12
2.19 DISPUTE RESOLUTION 12
2.20 TERMINATION 12
2.21 BLACKLISTING / DEBARMENT 13
2.22 ANTI-COLLUSION AND CONFLICT OF INTEREST 13
2.23 RIGHT TO ACCEPT/REJECT PROPOSALS 13
SECTION 3 13
3.1 GENERAL REQUIREMENTS 13
3.2 CURRENCY PERIOD 14
3.3 SCOPE 14
3.4 PAYMENT 16
3.5 PERFORMANCE / AVAILABILITY BENCHMARK (KPI) 17

SECTION 1

GENERAL INFORMATION

1.1 INTRODUCTION

The objectives of this Request for Proposal (RFP) are to outsource, through open competitive bidding, the Operation & Maintenance of 03 Nos. Track Tamping Machines of 30-Series, 14 Nos. Material Lorries, 07 Nos. Kirow Cranes, 02 Nos. Light Weight Tamping Machines and 02 Nos. Sleeper Exchange Machines of Pakistan Railways, to a competent Contractor for reliable, safe and optimal utilization of the "Machines". This RFP is opened to all eligible firms/companies meeting the eligibility criteria/mandatory requirements set out in Clause 2.9, regardless of whether such firm is the local agent/authorized dealer of the Original Equipment Manufacturer (OEM).

1.2 ABOUT PAKISTAN RAILWAYS

Pakistan Railways is a Federal Government Department under the Ministry of Railways. The Secretary for Ministry of Railways is the ex-officio Chairman of the Railway Board. Pakistan Railways comprises three functional units i.e., Operations Unit, Manufacturing & Services Unit and Welfare & Special Initiatives Unit. Chief Executive Officer/Sr. General Manager (BS-22) is the overall in-charge of these units. The Operational Unit is directly headed by the Chief Executive Officer/Senior General Manager whereas the other two units are headed by the General Managers concerned. The Chief Executive Officer/Sr. General Manager is assisted by three Additional General Managers (BS-21) i.e., Additional General Manager/Infrastructure for Infrastructure Business Unit, Additional General Manager/Mechanical for Rolling Stock and Additional General Manager/Traffic for Train Operations. Pakistan Railways Headquarters Office is located in Lahore.

1.3 DESCRIPTION OF PROJECT

a. Background & Justification

Chief Executive Officer/Senior General Manager, Pakistan Railways is pleased to accord Administrative Approval for open competitive bidding for the Operation & Maintenance of 03 Nos. Track Tamping Machines of 30-Series, 14 Nos. Material Lorries, 07 Nos. Kirow cranes, 02 Nos. Light Weight Tamping Machines and 02 Nos. Sleeper Exchange machines, for reliable & optimal utilization of the "Machines", as the required expertise, trained manpower and specialized spare parts support to maintain & operate the "Machines" is not fully available within Pakistan Railways. In order to secure the most competitive and transparent commercial terms, ensure best value for money and widen the field of competition, this contract is being outsourced through an open Request for Proposal in accordance with the Public Procurement Regulatory Authority (PPRA) Rules, and is not restricted to the OEM's local agent/authorized service provider.

b. **Objectives**

The objectives are to ensure smooth, uninterrupted, safe and effective utilization of these track related machines over the Pakistan Railways network through adoption of professional, OEM-standard operation & maintenance practices, while securing the best possible commercial terms for the "Client" through open and transparent competition.

SECTION 2

INSTRUCTIONS TO CONTRACTOR

2.1 DEFINITIONS

a. **"Client"** means Pakistan Railways.

b. **"Contractor"** means the successful bidder to whom the Contract Agreement for the "Services" is awarded pursuant to this RFP.

c. **"Party"** means either Pakistan Railways or the "Contractor".

d. **"Parties"** means both Pakistan Railways and the "Contractor".

e. **"OEM"** means the original manufacturer of the "Machines", or its successor-in-interest.

f. **"Machine"/"Machines"** means track related machines as mentioned above, more particularly described in Clause 3.3 and Appendix-A.

g. **"Services"** means the services of operation & maintenance of the "Machines" as per scope contained in Schedule of Requirements/Terms of Reference (Section 3).

h. **"Monthly Service Charges"** means the agreed monthly service charges for the "Services", to be paid to the "Contractor" by the "Client" as per the accepted Financial Proposal.

i. **"Contract Agreement"** means the agreement to be executed between the "Client" and the "Contractor" for the "Services".

j. **"Bid Security"** means the earnest money furnished by a bidder with its proposal as security for maintaining the validity and integrity of its offer.

k. **"Performance Security"** means the guarantee furnished by the "Contractor" after award of contract, as security for due performance of the "Contract Agreement".

l. **"PPRA Rules"** means the Public Procurement Rules, framed under the Public Procurement Regulatory Authority Ordinance, 2002, as amended from time to time.

2.2 LANGUAGE OF THE PROPOSAL AND OTHER DOCUMENTS

The proposal prepared by the "Contractor" and all correspondence and documents relating to the proposal exchanged by the "Contractor" and "Client" shall be written in the English language.

2.3 COMMUNICATION DURING THE RFP PERIOD

"Contractor"/prospective bidders requiring any clarification may contact "Client" through E-mail or by post at the following address:

Office of Deputy Chief Engineer / Track
Pakistan Railways, Headquarters Office, Lahore.
Phone #: 042-99201744
E-mail: iftikharyousaf136@gmail.com

"Client" shall reply to any such clarification within 07 working days from the receipt of the query, and where the clarification is of general applicability, the same shall be circulated to all prospective bidders who have obtained/purchased the bidding documents, to ensure a level playing field for all participants.

2.4 BID SECURITY, TECHNICAL & FINANCIAL PROPOSAL

a. Bidders shall submit their proposal strictly under the Single Stage – Two Envelope procedure prescribed under Rule 36(b) of the PPRA Rules, comprising a separate "Technical Proposal" (Envelope-I) and a separate "Financial Proposal" (Envelope-II, as per Appendix-A), both sealed in a single outer envelope, to be received as per tender requirements.

b. The bidder can submit offers for one or more types of machines as mentioned in Appendix-A

c. The Technical Proposal shall contain all eligibility documents (Clause 2.9), company profile, experience certificates, staff details (Appendix-B), equipment/tooling holding, and an undertaking of compliance with the Scope of Services (Section 3), but shall NOT contain any price/cost information.

d. Each bidder shall furnish a Bid Security (earnest money) equivalent to 2% of the estimated contract value, for the full Currency Period, of the type(s) of machines for which it submits an offer under Appendix-A, in the form of a Call Deposit Receipt (CDR)/Pay Order/Bank Guarantee from a scheduled bank in Pakistan, in favour of Pakistan Railways, valid for the Validity Period specified in Clause 2.5 plus twenty-eight (28) days.

e. Bid Security of unsuccessful bidders shall be released within thirty (30) days of announcement of the evaluation results/award of contract. Bid Security of the successful bidder shall be released upon submission of Performance Security under Clause 2.11 and signing of the Contract Agreement.

f. Bid Security shall be forfeited if a bidder withdraws its proposal during the Validity Period, or if the successful bidder fails to furnish Performance Security or sign the Contract Agreement within the stipulated time.

2.5 VALIDITY PERIOD

The offer of the bidder shall remain valid for 90 calendar days after the deadline date mentioned in tender. Any bidder submitting a proposal with a shorter validity period shall be declared non-responsive.

2.6 AMENDMENTS OF THE RFP

At any time prior to the deadline date for submission of proposal, "Client" may, for any reason, whether on its own initiative or in response to a clarification requested by a prospective bidder, modify the RFP by amendment. Any such amendment shall be communicated in writing to all prospective bidders who have obtained/purchased the bidding documents, and shall also be uploaded on the PPRA website and "Client's" website, with reasonable extension in the submission deadline where necessary to allow bidders to take the amendment into account.

2.7 INTEGRITY PACT

Every bidder quoting an offer exceeding the threshold prescribed under the applicable law/PPRA regulations shall sign an Integrity Pact, in the form at Appendix-D, undertaking that no bribe, commission, gratification or kickback has been or shall be paid to any official of the "Client" in connection with this procurement, non-compliance of which shall render the bid liable to rejection and the Contract Agreement, if already signed, liable to termination, in addition to other remedies available to the "Client" under the law.

2.8 OPENING & EVALUATION SEQUENCE OF PROPOSALS

a. The outer envelopes shall be opened in the presence of bidders' representatives who choose to attend, on the date and time of submission deadline, and only the Technical Proposals (Envelope-I) shall be opened at that stage; Financial Proposals (Envelope-II) shall remain sealed and be retained in the custody of the "Client".

b. Technical Proposals shall first be evaluated strictly in accordance with the criteria in Clause 2.10. Only bidders who are declared technically responsive/qualified shall have their Financial Proposals opened, on a date to be communicated in advance to all technically qualified bidders.

c. Financial Proposals of technically non-responsive bidders shall be returned unopened.

2.9 MANDATORY REQUIREMENTS

This is an OPEN Request for Proposal. Any firm/company, whether or not it is the OEM's local agent or authorized dealer, may participate in this RFP subject to meeting all of the following minimum eligibility criteria:

a. The bidder must be a legally registered entity in Pakistan, holding a valid National Tax Number (NTN) and Sales Tax Registration Number, and registered with the Securities & Exchange Commission of Pakistan (SECP)/Registrar of Firms, as applicable.

b. The bidder must have a minimum of three (3) years' demonstrable experience in the operation, maintenance, overhaul, warranty maintenance, or supply and commissioning with technical support, of heavy rail-mounted track machinery/plant of a similar nature and capacity to the "Machines", supported by satisfactory performance certificates/work orders from previous clients.

c. The Bidder must submit authorization letter from OEM.

d. The bidder shall submit a certificate confirming its authorized access to genuine OEM spare parts for the “Machines” and the bidder shall also arrange technical assistance from the OEM whenever required.

e. The bidder must not be blacklisted or debarred by Pakistan Railways, any other Federal/Provincial Government department, or any Public Sector Entity, at the time of submission of proposal or at any time during the currency of the Contract Agreement.

f. The bidder must submit an average annual turnover, for the last three (3) financial years, of not less than the amount to be specified in the tender notice, duly supported by audited accounts/bank statements.

g. The bidder must submit an affidavit/undertaking confirming that no conflict of interest exists between the bidder and any employee, officer or official of the "Client" involved in this procurement.

Bids not meeting the above eligibility criteria shall be declared non-responsive and shall not be considered for further evaluation.

2.10 EVALUATION OF THE PROPOSAL

"Client" may, at its discretion, ask a bidder for any clarification to assist in the examination and evaluation of the technical or financial proposal to conclude the reasonableness of the offer; such requests and responses shall be in writing at the address in Clause 2.4, and shall not be used to alter the substance of the proposal or the price.

Technical Proposals shall be evaluated on a 100-point scale, and only bidders scoring a minimum of 65 marks shall be considered technically qualified, based on the following illustrative criteria (to be finalized and disclosed in the tender notice/bidding documents):

Sr.	Evaluation Criteria	Max. Marks
1	Relevant experience of operation/maintenance of heavy track machinery or of a similar nature heavy machine (per Clause 2.9-b)	30
2	Qualification, training and experience of key technical staff proposed (per Appendix-B)	25
3	Access to genuine OEM-approved spare parts / technical back-up arrangement	20
4	Financial standing / average annual turnover (last 3 years)	15
5	Past performance record with Pakistan Railways or other public sector clients (if any)	10
	Total	**100**

2.10.1 DETAILED MARKING CRITERIA FOR TECHNICAL EVALUATION

The Max. Marks assigned to each Evaluation Criteria in Clause 2.10 above shall be further distributed and awarded to bidders as per the following detailed, tiered marking criteria:

(i) Relevant Experience of Operation/Maintenance of Heavy Track Machinery (Max: 30 Marks)

Sr.	Description	Max. Marks
1	Number of contracts for operation, maintenance, overhaul, or supply and commissioning with warranty/maintenance support, of similar heavy rail-mounted track machinery, satisfactorily completed/ongoing in the last 10 years, evaluated as follows: a) Less than 1 contract = 0 b) 1 contract = 10 c) 2 contracts = 15 d) 3 or more contracts = 20	20
2	Cumulative duration of contracts held by the bidder as at item 1 above, including warranty and maintenance-support periods under supply contracts, evaluated as follows: a) Less than 1 year = 0 b) 1 to less than 2 years = 5 c) 2 to less than 3 years = 8 d) 3 years or more = 10	10
	Total Marks	**30**

(ii) Qualification, Training & Experience of Key Technical Staff Proposed (Max: 25 Marks)

Sr.	Description	Max. Marks
1	One Mechanical Engineer or Technologist (B.Tech Mechanical, DAE Mechanical or equivalent) with minimum 5 years' experience in operation/maintenance of heavy machinery	8
2	One OEM/ or renowned Factory-trained Machine Operator with minimum 3 years relevant experience	7
3	One Foreman/Chargeman (heavy machinery maintenance) with minimum 5 years relevant experience	6
4	Support technical staff (fitters/mechanics), minimum 2 Nos., with relevant experience	4
	Total Marks	**25**

(iii) Access to Genuine OEM-Approved Spare Parts / Technical Back-up Arrangement (Max: 20 Marks)

Sr.	Description	Max. Marks
1	Valid authorization/back-to-back technical support arrangement with the OEM for supply of genuine spare parts. Must submit Purchase invoices and shipping documents of past orders	10
2	Documented local spare-parts stock/warehouse facility in Pakistan	5
3	Documented access to OEM/factory-trained service engineers for technical back-up support	5
	Total Marks	**20**

(iv) Financial Standing / Average Annual Turnover (Last 3 Years) (Max: 15 Marks)

Sr.	Description	Max. Marks
1	Average annual turnover for the last three (3) financial years, evaluated as follows: a) Less than Rs.10 Million = 0 b) Rs.10 Million to less than Rs.20 Million = 5 c) Rs.20 Million to less than Rs.30 Million = 8 d) Rs.30 Million or more = 10	10
2	Current bank balance/liquidity of the bidder, evaluated as follows: a) Less than Rs.10 Million = 0 b) Rs.10 Million to less than Rs.25 Million = 3	5

	c) Rs.25 Million or more = 5	
	Total Marks	**15**

(v) Past Performance Record with Pakistan Railways or Other Public Sector Clients (Max: 10 Marks)

Sr.	Description	Max. Marks
1	No satisfactory performance certificate from any previous client = 0	0
2	Satisfactory performance certificate from 1 client = 5	5
3	Satisfactory performance certificates from 2 or more clients = 10	10
	Total Marks	**10**

Note: Completion/Performance Certificate from the respective Department/Client must be attached as evidence for each claim above; in the absence of documentary evidence, the relevant claim shall be treated as Nil for marking purposes.

Amongst the technically qualified bidders, the Contract shall be awarded to the bidder quoting the "Lowest Evaluated Financial Proposal" for the "Services", in accordance with Rule 38 of the PPRA Rules.

2.11 PERFORMANCE SECURITY

The successful bidder shall, within 15 days of issuance of the Letter of Acceptance/Intent, furnish a Performance Security equivalent to 10% of the total contract value (for the first year of the Currency Period), in the form of an unconditional and irrevocable Bank Guarantee from a scheduled bank in Pakistan, in favour of Pakistan Railways, valid for the Currency Period plus ninety (90) days. The Performance Security shall be renewed by the "Contractor" for each subsequent year of the Currency Period and shall be forfeited, in whole or in part, in the event of breach of the Contract Agreement by the "Contractor", without prejudice to any other remedy available to the "Client".

2.12 SIGNING OF CONTRACT AGREEMENT

Upon conclusion of the proposal of the successful bidder as reasonable and lowest evaluated, "Client" shall communicate the acceptance of offer to the bidder at the address provided in its proposal, and the bidder shall sign the "Contract Agreement" and furnish Performance Security

within 30 days from the date of acceptance of offer by the "Client", failing which the Bid Security shall be forfeited and the "Client" may award the Contract to the next lowest evaluated bidder or re-tender the "Services".

2.13 LAW AND JURISDICTION

The "Contract Agreement" to be executed between "Client" and "Contractor" shall be governed by the laws of the Islamic Republic of Pakistan for the time being in force. The courts of Pakistan shall have exclusive jurisdiction concerning all matters in connection with or arising from the "Contract Agreement".

2.14 INTERPRETATION

All provisions and appendices of this RFP shall be read and interpreted together, not in isolation.

2.15 SUBLETTING OF SERVICES

Subletting or assignment, in whole or in part, of the "Services" under the "Contract Agreement" shall not be allowed without the prior written consent of the "Client"; any unauthorized subletting shall render the Contract Agreement liable to termination and forfeiture of Performance Security.

2.16 INSURANCE

a. The "Contractor" shall, at its own cost, maintain valid comprehensive insurance cover for its deployed staff, including but not limited to workmen's compensation/group life & health insurance, for the entire currency of the "Contract Agreement", and shall provide evidence of such insurance to the "Client" upon request.

b. The "Contractor" shall be liable for any loss or damage to the "Machines" caused by its proven negligence, willful default, or failure to follow OEM-prescribed operating/maintenance procedures, as established by joint inquiry, and shall bear the cost of repair/replacement in such cases, over and above the "Monthly Service Charges", subject to a maximum aggregate liability of the annual "Monthly Service Charges" for the type of machines concerned; defects recorded in the joint condition survey of each "Machine" carried out at handover, fair wear and tear, and consequential loss shall be excluded.

c. Third-party liability arising from the acts or omissions of the "Contractor's" staff during performance of "Services" shall be the sole responsibility of the "Contractor".

2.17 PENALTY / LIQUIDATED DAMAGES

a. Subject to Clause 3.4 (Payment), if the "Machine" remains idle/unavailable for "Services" for reasons attributable to the "Contractor" (including but not limited to non-availability of trained staff, lapse in scheduled maintenance, or delay in attending to breakdowns) beyond the grace period of 48 hours from intimation, a penalty of 0.1% of the applicable Monthly Service

Charges per day of delay shall be imposed, subject to a maximum of 10% of the Monthly Service Charges for that month, without prejudice to the "Client's" right to invoke Clause 3.4(c) and other remedies.

b. Recurrent idleness of the "Machine" for reasons attributable to the "Contractor" for more than three (3) months, cumulatively or consecutively, within any twelve (12) month period, shall constitute a material breach entitling the "Client" to terminate the Contract Agreement under Clause 2.20 and forfeit the Performance Security. Periods of idleness attributable to the "Client", to non-supply of Client-inventory parts, to periods frozen under Clause 3.3, or to Force Majeure under Clause 2.18 shall not count towards this threshold.

2.18 FORCE MAJEURE

The "Client" and "Contractor" shall not be liable for failure to perform their obligations under the "Contract Agreement" due, directly or indirectly, to causes beyond reasonable control, including acts of God, acts (including failure to act) of Government Authority (de jure or de facto), war (declared or undeclared), riots, strikes, fires, floods, sabotage, nuclear incidents, earthquakes, storms or epidemics.

2.19 DISPUTE RESOLUTION

In case of any dispute, the following procedure shall be adopted:

a. In the first attempt, there shall be an effort to settle the dispute amicably through discussion between representatives of both "Parties". The representative of Pakistan Railways shall be the Chief Engineer / Open-Line or his nominated officer.

b. In case of disagreement, the matter shall be referred to the Additional General Manager/Infrastructure, who shall decide the matter after hearing the stance of the "Contractor".

c. If the "Contractor" does not agree with the decision of the Additional General Manager/Infrastructure, the dispute shall be finally settled as per the provisions of the Arbitration Act, 1940 (Act No. X of 1940), and rules made thereunder and any statutory modifications thereto. The place of arbitration shall be Lahore, Pakistan.

2.20 TERMINATION

This "Contract Agreement" can be terminated/suspended by either "Party" in case of Force Majeure, or failure in performance of obligations, or any other account, by mutual consent of both parties on three months' advance notice. Additionally, "Client" may terminate the "Contract Agreement" forthwith, without notice, on grounds of fraud or corrupt/collusive practice established after hearing, or sub-letting in violation of Clause 2.15. Termination for material breach under Clause 2.17(b) shall be on thirty (30) days' written notice specifying the breach, during which the "Contractor" may remedy it, without prejudice to forfeiture of Performance Security and recovery of any loss caused to the "Client".

2.21 BLACKLISTING / DEBARMENT

In the event of the "Contractor's" persistent and deliberate failure to perform the "Services" in accordance with the terms and conditions of this "Contract Agreement", the "Client" shall have the right, after affording the "Contractor" an opportunity of hearing, to terminate the "Contract Agreement" and debar the "Contractor" from participating in or being awarded any future operation and maintenance contracts by the "Client".

2.22 ANTI-COLLUSION AND CONFLICT OF INTEREST

The bidder shall not engage in any collusive, fraudulent, coercive or corrupt practice, nor collude with other bidders, in relation to this RFP or the resulting "Contract Agreement". Any such practice, if established, shall render the bid/Contract Agreement liable to rejection/termination, forfeiture of Bid/Performance Security, and debarment under Clause 2.21, without prejudice to any other legal action available to the "Client".

2.23 RIGHT TO ACCEPT/REJECT PROPOSALS

The "Client" reserves the right to accept or reject any or all proposals, or to annul the RFP process at any time prior to the signing of the "Contract Agreement", without assigning any reason and without incurring any liability to the affected bidder(s), in accordance with Rule 33 of the PPRA Rules.

SECTION 3

SCHEDULE OF REQUIREMENTS / TERMS OF REFERENCE

3.1 GENERAL REQUIREMENTS

a. "Contractor" shall employ sufficient qualified technical, operational & maintenance staff for provision of "Services". "Contractor" shall provide details of the staff to be employed along with their job description as per **Appendix-B.**

b. No support staff shall be provided by the "Client" for operation and maintenance of the "Machines". Contractor will be responsible for all kind of operation and maintenance of machines including shifting of "Machines" under its own crew; fuel for operation and shifting shall be supplied by the "Client", and path/traffic clearance for shifting shall be arranged by the "Client", any idleness arising from non-allotment of path being treated under Clause 3.4(c).

c. Workshop facilities/stabling sheds, wherever available with the "Client" at the base station of the "Machine", shall be made available for carrying out necessary repairs & maintenance; where not available, the "Contractor" shall make its own arrangements at its own cost.

d. The first point of contact from the "Client" shall be the Senior Mechanical Engineer / Track Machines, or any other officer/official nominated by the Chief Engineer / Open-Line.

e. The staff of the "Contractor" shall be allowed to avail rest of 06 calendar days in a month, to be arranged by the "Contractor" through adequate staff strength/rotation so that continuity of "Services" is not affected.

f. The "Contract Agreement" can be amended at any time during the currency period, with mutual consent, on the request of either "Party".

g. "Contractor" shall ensure strict compliance with all applicable labour laws, including minimum wage, EOBI and Social Security contributions, for its deployed staff, and shall indemnify the "Client" against any claim arising from non-compliance.

h. The contractor must demonstrate access to genuine OEM-approved/OEM-equivalent spare parts and consumables for the "Machines", either through: (i) a valid authorization/back-to-back technical support arrangement with the "OEM", or (ii) its own documented technical capability and established supply chain acceptable to the "Client", to be verified at the sole discretion of the "Client".

i. The contractor must have qualified technical staff or demonstrable access to OEM/factory-trained (or equivalently competent) for operation and maintenance of the relevant machine category, as per Appendix-B.

3.2 CURRENCY PERIOD

a. The Currency of the "Contract Agreement" shall be for 01 year effective from the date of signing by both the "Parties".

b. The agreement may be extended for a further period of up to 02 years, subject to satisfactory performance of the "Contractor" and mutual consent of both Parties.

3.3 SCOPE

The "Contractor" shall be fully responsible for the safe and proper operation and upkeep of each Track machine, and shall make each "Machine" available for working at all times during the currency of the "Contract Agreement", in accordance with OEM-prescribed operating and maintenance schedules, including but not limited to the following:

a. Safe and reliable operation of each "Machine" as per described utility of each track related machines strictly as per OEM operating manuals and Pakistan Railways track standards/permanent way instructions.

b. Ensuring regular inspections and periodical maintenance schedules as prescribed by the "OEM" at specified intervals, in a thoroughly responsible and professional manner, including hydraulic system, tamping systems, diesel engine maintenance and gear systems etc.

c. All routine/scheduled maintenance including replacement of consumable & wearing parts shall be covered in the agreed "Monthly Service Charges". Incidental repairs caused by accidents or other happenings and major overhauling shall be excluded from the scope of "Monthly Service Charges".

d. All lubricants including oils, greases, engine coolant and all types of filters shall be replaced by the "Contractor" according to replacement intervals specified in periodical maintenance schedules by the "OEM". Cost of lubricants and filters shall be included in "Monthly Service Charges"; no separate payment shall be made.

e. All other consumable & wearing parts, excluding lubricants and filters, shall be provided by the "Client". The "Contractor" shall submit requirements of parts/material well in advance to the office of Senior Mechanical Engineer / Track Machines, who shall supply the same from "Client's" inventory to the required location of working of the "Machine" through railway logistics.

f. If any part/material is not available in "Client's" inventory, "Client" may request "Contractor" to arrange the same; "Contractor" shall submit a quotation for administrative approval of Chief Engineer / Open-Line, and shall claim the cost along with the monthly bill with delivery challan and invoices, subject to "Client's" discretion to procure such parts either directly from "OEM" or through any authorized/approved supplier, without restriction to a single local agent.

g. Replacement of consumable & wearing parts shall be done promptly; "Contractor" is bound to submit written demands at least fifteen (15) days in advance of the scheduled replacement, and the "Client" shall supply demanded parts from inventory within thirty (30) days of receipt of demand. Idleness arising from demands not submitted within this period shall not be payable and shall be covered within agreed "Monthly Service Charges"; idleness arising after the "Client's" supply period has expired shall be treated under Clause 3.4(c).

h. "Contractor" shall arrange OEM service engineer(s) as and when necessary for repair & maintenance of the "Machine"; entire expenses including travel, boarding & lodging shall be on account of "Contractor".

i. If the "Machine" is turned IDLE due to any incidental repair, not covered in the scope of scheduled maintenance, for want of special repairs (for which detailed assessment of Service Engineer of "OEM" is required), due to damages from any accident or any other similar happening, the "Contract Agreement" will be **FROZEN** from the date of accident or any other similar happening and no "Monthly Service Charges" shall be paid to the "Contractor". Proceedings for such repairs shall be initiated immediately; "Contractor" shall provide a detailed estimate of such repairs including requirement of parts and services for repair & fitment for approval from the "Client".

Details of Machines and quantities are mentioned as per Appendix -A, if any machine found ineffective, no monthly charges will be paid to contractor of that specific machine

j. If a machine is already ineffective at the time of contract as per Appendix-A, no monthly service charges of that respective "Machine" will be paid. "Client" may ask the "Contractor" for repairs of these machines for which "Client" will pay spare parts charges and maintenance charges to the "Contractor", the "Contractor" will claim monthly service charges only once these "Machines" became operative.

k. The "Contractor" shall ensure availability of trained and qualified operators and shall maintain daily working/log records (kilometrage tamped, downtime, faults attended etc) for verification by the "Client".

3.4 PAYMENT

a. "Contractor" shall submit the bill of "Monthly Service Charges" during the 1st week of the next month, or at a later date, to the office of Senior Mechanical Engineer / Track Machines, who shall process the bill for audit and payment through Accounts Officer/X, Pakistan Railways, Headquarters Office, under the relevant Revenue Head of Account(A-13101 & A-13103) for repair & maintenance of track machines, or any other relevant head of PSDP funds with the approval of Chief Engineer / Open-Line.

b. During the period of deployment of "Machines" on PSDP funded projects, the payment of "Monthly Service Charges" to the "Contractor" shall be made by the respective Project Director in accordance with the provision in PC-1

c. If the "Machine" does not work for a full month or months due to reasons on part of "Client", or due to need of special repairs which may take considerable time for arrangement of parts, then "Client" shall pay 30% of the "Monthly Service Charges" to the "Contractor" for such period; however, any such period shall be a full month or months.

d. If the "Machine" does not work for a full month or months on part of "Contractor", due to lapse in routine/scheduled maintenance or non-availability of staff, excluding incidental damages and repairs, "Client" shall not pay "Monthly Service Charges" to the "Contractor" for such month(s); if the "Machine" does not work for 15 consecutive calendar days in a month due to the aforementioned reasons, then "Client" shall pay 50% of the "Monthly Service Charges" for that month. if the "Machine" does not work for 21 consecutive calendar days in a month due to the aforementioned reasons, then "Client" shall pay 25% of the "Monthly Service Charges" for that month.

e. "Contractor" shall separately charge for incidental repair of damages from any accident or other happening not covered in the scope of routine/scheduled maintenance as per the maintenance instructions of the "OEM"; "Contractor" shall conduct inspection for assessment of such repairs and provide a detailed estimate, including requirement of parts, for approval of the "Client", which shall be communicated in a timely manner so that "Services" are not affected on this account.

f. "Contractor" shall be allowed a 10% annual increase in "Monthly Service Charges" after completion of the 1st year of the "Contract Agreement" on the initially agreed "Monthly Service Charges", and 10% on the last paid "Monthly Service Charges" for each subsequent year during the currency of the "Contract Agreement"; an Addendum Slip shall be issued for such increase.

g. Payment to "Contractor" shall be made within 30 days from the submission of an audited bill. Any delay in payment shall not attract any Interest or Surcharge against "Client".

h. Deductions on account of penalty under Clause 2.17, applicable taxes, and any other amount due from the "Contractor" to the "Client" under the "Contract Agreement" shall be adjusted against the monthly bill.

3.5 PERFORMANCE / AVAILABILITY BENCHMARK (KPI)

The "Contractor" shall maintain a minimum monthly Machine Availability of 90% (calculated as the number of calendar days the "Machine" is fit and available for "Services" divided by the total days in the month), excluding periods covered under Clause 3.4(c) and planned OEM-schedule overhauls intimated in advance. Consistent shortfall against this benchmark shall be treated as a performance issue under Clause 2.17(b) and considered in any decision on extension under Clause 3.2(b).

Appendix-A

FORM OF PRICED BILL OF QUANTITIES (FINANCIAL PROPOSAL – ENVELOPE-II)

Amount in PKR

Description/Type of Machines	Quantity	Cost Per Machine (PKR/Month)	Total Cost (PKR/Month)
Operation & Maintenance of Track Tamping Machine of 30-Series	03		
Operation & Maintenance of Material Lorries	14		
Operation & Maintenance of Kirow Cranes	07		
Operation & Maintenance of Light weight Tamping Machines	02		
Operation & Maintenance of Sleeper Exchange Machines	02		
Total (05 Types of Machines)	**28**		

Note:

I. This Cost must be completely filled in without any ambiguity.

II. Cost should be inclusive of all taxes, overheads and any other cost required to execute the "Services" as per the Schedule of Requirements/Terms of Reference.

III. Any tax imposed by the Government after the submission date of RFP shall be paid separately to the "Contractor", in addition to the accepted Financial Proposal.

IV. BOQ will be sealed & signed.

V. The bidder can submit offers for one or more types of machines

VI. The Financial Proposal (Envelope-II) shall be sealed and signed and submitted separately from the Technical Proposal (Envelope-I), as per Clause 2.4.

Authorized Signature of Contractor with Stamp

Appendix-B

DETAILS OF STAFF TO BE EMPLOYED BY CONTRACTOR FOR EXECUTION OF SERVICES PER MACHINE OF EACH TYPE OF MACHINE

Name	Qualification	Designation	Area of Expertise	Responsibility

Appendix-C

FORMAT OF BID SECURITY / PERFORMANCE SECURITY (BANK GUARANTEE)

(To be issued on the letterhead of a scheduled bank operating in Pakistan)

WHEREAS [Name of Bidder/Contractor] (hereinafter called "the Contractor") has submitted its proposal dated [date] / entered into Contract Agreement dated [date] with Pakistan Railways (hereinafter called "the Client") for the [Description of Services];

AND WHEREAS it has been stipulated that the Contractor shall furnish a Bank Guarantee to the Client for the sum specified therein as security for [Bid Security / Performance Security] under the terms of the RFP/Contract Agreement;

NOW THEREFORE we, [Name of Bank], hereby unconditionally and irrevocably guarantee to pay the Client, on first written demand without any condition or proof, any sum(s) not exceeding in aggregate PKR [Amount] upon receipt of a written demand from the Client stating that the Contractor is in breach of its obligations under the RFP/Contract Agreement.

This Guarantee shall remain valid and in force up to [Date] and shall be extended on the request of the Client if the underlying obligations have not been fully discharged.

Signature & Seal of the Bank

Date & Place

Appendix-D

INTEGRITY PACT

Contract No._____ Dated:_____

Contract Value:_____

Contract Title:_____

[Name of Contractor] hereby declares that it has not obtained or induced the procurement of the above contract with Pakistan Railways ("the Client") through any corrupt business practice.

Without limiting the generality of the foregoing, [Name of Contractor] represents and warrants that it has fully declared the brokerage, commission, fees etc. paid or payable to anyone, and has not given or agreed to give any gift, commission, gratification, bribe, finder's fee or kickback, whether described as consultation fee or otherwise, with the object of obtaining or inducing the procurement of a contract, right, interest, privilege or other obligation or benefit in whatsoever form from the Client, except that which has been expressly declared pursuant hereto.

[Name of Contractor] certifies that it has made and will make full disclosure of all agreements and arrangements with all persons in respect of, or related to, the transaction with the Client, and has not taken any action or shall not take any action to circumvent the above declaration, representation or warranty.

[Name of Contractor] accepts full responsibility and strict liability for making any false declaration, not making full disclosure, misrepresenting facts or taking any action likely to defeat the purpose of this declaration, representation and warranty. It agrees that any contract resulting from its proposal shall stand void at the option of the Client, and further agrees that if it is found by the Client, upon reasonable grounds, to have made a false declaration, the Client shall have the right to debar [Name of Contractor] under Clause 2.21 of the RFP/Contract Agreement.

Signature of Authorized Representative with Company Stamp

Date & Place