



## दक्षिण मध्य रेलवे SOUTH CENTRAL RAILWAY

महाप्रबंधक का कार्यालय General Manager's Office  
सिकंदराबाद Secunderabad-500 025

No. G.203/Policy/Vehicle Hiring/Vol.I

Date:13.08.2020.

### All PHODs, DRMs & CWMs

Sub: Comprehensive Revised guidelines on provision of vehicles  
(Departmental and Hired).

Ref: This office letter Nos.G.203/Policy/Vehicle Hiring/Vol.I  
dt.30.06.2020 and 03.07.2020.

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In supersession to the guidelines issued on the subject earlier vide reference above, the Comprehensive Revised guidelines on provision of vehicles (Departmental and Hired) on this Railway is enclosed for information and necessary action please.

The guidelines are issued with the concurrence of Finance and approval of General Manager.

These revised instructions come into force with immediate effect.

Encl: Comprehensive Revised guidelines (13 pages)

उप महाप्रबंधक (सा) for DGM (G)

C/- AGM - for kind information.

**REVISED GUIDELINES ON PROVISION OF VEHICLES (DEPARTMENTAL AND HIRED)**

*Abbreviation: LMV stands for Light Motor Vehicle (Car); LCV stands for Light Commercial Vehicle ( Pick-up Material vans/Mini-Trucks below 5 Tonnes capacity for transporting men as well as materials); HCV stands for Heavy Commercial Vehicles (Lorries/Flat bodied container road vehicles); Field Unit is defined as a unit under an independent charge of an officer or senior supervisor for a section or maintenance unit or workshop, other than divisional/extra-divisional/headquarters offices.*

1. All Railway owned vehicles (LMV, LCV & HCV) which have completed 15 years of life should be proposed for condemnation to the appropriate condemnation committee. Upon approval for condemnation, the exclusive post(s) of driver/cleaner as well as separate vehicle imprest, if any, should be surrendered, and incumbent(s) to be redeployed as per due procedure within 3 months. No expenditure on diesel/fuel, repair, etc of vehicles over 15 years/extended life, if any, approved by AGM, is permitted after 5 months from the issue of this policy. However, if any unit proposes to retain vehicles beyond 15 years of life, prior approval of AGM has to be obtained with proper financial justification and recommendation of PHOD/DRM for further retention for a period of one year at a time. Similar norms are applicable for all vehicles which will be completing 15years life in future.
2. All the retained departmental Cars, in excess of quota of pooled Vehicle provided for other/general purposes as mentioned separately below (under **Para 3 & 4** *ibid*), should be allotted to eligible officers by designation or eligible departments/divisions before resorting to hiring. In case, hiring of vehicles is provided for in the estimates sanctioned under non-revenue project/works (CAPEX), hiring on that account will be done as per **Para 4.2 & 4.3.1.2** *ibid*. However, in case LMV(Cars) are proposed to be hired for official use, over and above applicable pooled quota, it should be allotted to individual officers, designation wise, as per eligibility. All eligible officers, for whom departmental vehicle is not provided, can hire a car by Designation and no transport allowance will be allowed for such officials. Certification of any officer that his/her own vehicle is used for movement from residence to office and back for claim of transport allowance despite provision of official vehicle (department/hired) for his/her post, will not be acceptable. If the officer opts out of such hired vehicle, either the contract in force should be terminated as per contract condition or this vehicle should be provided to another officer, who is so eligible, as per his/her Designation. However, till such termination of contract/transfer to other officer, the officer in the Designated Post, for which Vehicle is hired, shall use only the hired vehicle, as mentioned herein, since the facility is already hired and shall not claim Transport Allowance during this period.
3. Railway Owned vehicles:
  - 3.1. Railway Owned Heavy Commercial Vehicle (HCV - Trucks/Lorries of 5 Tonne & above): All heavy motor vehicles (high capacity trucks/lorries of 5 Tonne & above) presently running in Division/Workshop/Depot/Shed shall continue for present till completion of 15 years of life /extended life.
  - 3.2. Railway Owned Light Commercial Vehicle (LCV - Pick-up Material Vans/Mini-Trucks below 5 Tonne capacity): Field Unit may retain one pick up Material Van/mini-truck for carriage of men and materials to the work site and back to Depot/Shed/Workshop/Maintenance unit, if justified, with following parameters:
    - 3.2.1. This vehicle shall be under the custody of the senior most official of that area/unit in-charge, against which unit/area it is justified.
    - 3.2.2. If the unit is in possession of more than one vehicle, it shall be transferred to other units with no vehicle or hired vehicle so that fresh/existing hiring by that unit is prevented/terminated, provided that unit, to which it is proposed for transfer has requirement for at least 14 days in a month.

- 3.3. Railway Owned LMV (Cars): This will be provided as per following scale:
- 3.3.1. One Car for each of the eligible officers by allotting the existing railway owned LMV (Car) vehicles, within normal life or extended life (as approved), by Designation. Additional requirement (which is not met from the Railway Owned vehicles) will be hired as per the guidelines under **Para No.4** *ibid*.
  - 3.3.2. For each PHOD/CHOD at Zonal Headquarters office, other than GM's Office, one pooled LMV (Car) available with the Department can be retained as its pooled quota. Such vehicle shall be under the control of Secretariat of the concerned Department.
  - 3.3.3. In case of Divisions, two pooled Non-AC LMV(Cars) available with the Division can be retained and kept at disposal of Divisional Control Office, under control of nominated ADRM, to ensure round the clock availability for official duties.
  - 3.3.4. The departmental vehicles available in Security department in excess of the norms mentioned herein may be retained, provided they are justified, and they were procured as per separate orders of Railway Board, which are still valid. Provision of additional vehicles, if required, will also be governed by specific orders of Railway Board. Notwithstanding what is stated, these guidelines would be applicable if hiring of vehicle is proposed for officers of Security Department, as per eligibility and SOP provisions.
  - 3.3.5. No departmental owned vehicle, in excess of scale mentioned in **Para 3.3.1 to 3.3.3** *ibid*, shall be retained citing special or occasional needs which includes for purposes as detailed in **Para 4.8** *ibid*.
  - 3.3.6. If there are excess vehicles than that allowed as per **Para 3.3.1 to 3.3.3** *ibid*, they shall be transferred to other needy units / departments / Divisions, so that fresh/existing hiring by that unit/departments/ Divisions can be obviated/terminated.
- 3.4. Railway Owned Mini-Van (8 - 12 seater capacity)/Mini-bus (15 - 25 seater capacity): In case of Zonal Level Training Institute, one Railway owned Van (8 - 12 seater capacity)/Mini-bus (15 - 25 seater capacity) can be retained, if available, for for movement of trainees and related purpose.
- 3.5. Over Time Allowance for Railway vehicle drivers shall be brought to zero by booking them in split roster, if required, and pooling the drivers to the extent possible, since their idle/waiting time is much more than active duty/time.
4. Procedure for hiring of vehicles:
- 4.1. *Hire of Heavy Commercial Vehicle (HCV - Trucks/Lorries of 5 Tonne & above capacity):* Subject to de-novo review of need, Workshop/Depot/ Shed/Maintenance Field Unit, which require to hire this type of vehicle, due to condemnation or non-availability of such a vehicle, may hire bare minimum number, which should be administratively approved by PHOD concerned for Workshops & Other Extra Divisional Units and by DRM for Divisional Field Units, whenever service is proposed as a fresh or renewal with concurrence of associate finance. In case, it is economical to hire vehicle on 'per Trip' or 'per KM' basis, instead of continuous (days) basis, hiring should be done on 'per Trip' or 'per KM' basis only.
  - 4.2. *Hire of Light Commercial Vehicle (LCV - Pick-up Material Vans/Mini-Trucks of below 5 Tonne capacity):*
    - 4.2.1. If any of the field unit is in possession of more than one hired/department owned LCV, it shall be transferred to other units of same division/other divisions with no Railway owned LCV or hired LCV, so that fresh hiring by that unit is not obviated.

- 4.2.2. Field Unit can hire one pick up Material Van/mini-trucks for carriage of men and materials to the work site and back to Depot/Shed/Workshop/ Maintenance unit, if otherwise not available, with following parameters subjected to availability of funds and targeted reduction in expenditure, as indicated in **Para 9** *ibid*.
- Full justification exists for hiring of a vehicle for use at least for 14 days in a month. In case, justification is not there for 14 days use, the requirement of two or more units of that area can be clubbed to get 14 days usage in a month and hiring of one LCV done for such clubbed units. DRM(for divisions)/PHOD (for other than divisions) may relax this condition in exceptional circumstances subject to availability of funds and targeted reduction in expenditure, as indicated in **Para 9** *ibid*, in case of hiring on revenue funds.
  - However, if the field unit is headed by Sr scale/JrScale officers, the hiring shall be done as follows (a) Using revenue funds: One Pick up Material Van/Mini truck (b) Using Non-Revenue funds (sanctioned project/works estimates): Either one Non-AC base model LMV(Car) (as per **Para 4.3.1.2**) OR One Pick up Material Van/Mini truck but NOT both vehicles. Similarly hiring of one vehicle (Car/Pick-up Material Van/Mini-truck) from Revenue funds and another vehicle (Car/Pick-up Material Van/Mini-truck) from non-revenue funds is not permitted
  - Below 5 Tonne Carrying Capacity.
  - Cabins for seating of Driver and 4 Passengers with rear material trolley.
- 4.2.3 The vehicle for this purpose has to be selected as per the specifications mentioned at **Para 4.2.2** i.e., Vehicle description in tender shall specify total carrying capacity in tonnes (anything between 0.75 tonnes to below 5 tonnes) and minimum passenger carrying capacity (4nos). Such vehicles may include the following models: TATA Xenon, Yodha/Xenon XT, Mahindra Bolero Camper/ Imperio/Scorpio Getaway, ISUZU D MAX Space Cab etc.
- 4.2.4 In case, it is economical to hire this type of vehicle on ‘per Trip’ or ‘per KM’ basis, instead of continuous (days) basis, hiring should be done on ‘per Trip’ or ‘per KM’ basis only.
- 4.2.5 The estimated cost of hiring shall be the “LOWEST” of all last accepted rates (LAR) of existing contracts for “Similar capacity group” of Pick up Material Van/Mini Truck in the same division, as on the date of finance concurrence. In Construction Field Units/offices, the lowest of LAR of the Division/HQ including Construction Field Unit, which covers the jurisdiction of the construction Field Unit/office to the maximum/majority extent, will be taken as the estimated cost. “Similar capacity group” vehicle is defined as the capacity of vehicle belongs to same Capacity group as follows: Group1- Upto 2Tonne; Group 2-above 2tonne & upto 3tonne; Group 3-Above 3 tonne & upto 4 tonne; Group 4- Above 4 tonne & below 5 tonne capacity. In case of first time hiring of pickup Material Van/Mini Truck of that capacity group in the same division, estimated cost shall be the lowest of LARs of similar capacity group vehicle among adjacent divisions on South Central Railway and nearby location of PSU/ State Govt. Units/ on GeM. If the accepted rate is more than 20% of the estimated cost, in case of Revenue funds, prior approval of PHOD/DRM for fund utilization should be obtained as per **Para 4.5.7(a)** *ibid*, before issue of LOA. In case of hiring under non-revenue funds, if accepted rate is more than 20% of the estimated cost, prior approval of AGM for funds utilization should be obtained as per **Para 4.5.7(b)** *ibid*, before issue of LOA.
- 4.2.6 These vehicles shall be under the custody of the senior most official of that area/unit incharge, against which it is justified.

4.3. Hire of Light Motor Vehicle- LMV (Cars):

4.3.1. One Car for each of the eligible officers will be hired by Designation in the absence of railway owned LMV - Cars (within normal life/extended life) over and above pooled quota vehicle. The category of hired vehicle for eligible officers shall be as follows;

4.3.1.1. Hiring under Revenue funds:

Level of Officers	Category of LMV (Car) \$	Monthly estimated cost (Rs) excl. taxes *
PHOD/CHOD/DRM/ Other Officers in HAG (Functional)	Premium Sedan with AC (of Capital cost upto Rs.11 lakhs Ex-Showroom price <sup>^</sup> at that location as on Tender floating date) <i>Officer can specify the description as "Premium Sedan with AC (of Ex-Showroom price between Rs.9 lakhs/10 lakhs and Rs.11 lakhs) in the proposal/Tender.</i>	40,000
Other Officers in SAG (Functional)/ ADRM (Functional or Non-functional)	Sedan with AC or Hatch Back with AC (of Capital cost upto Rs.8 lakhs Ex-Showroom price <sup>^</sup> at that location as on Tender floating date). <i>Officer can specify description as either Sedan with AC (of Ex-Showroom price between Rs.6 lakhs/7 lakhs and Rs.8 lakhs) or Hatch Back with AC (of Ex-Showroom price between Rs.6 lakhs/ Rs.7 lakhs and Rs.8 lakhs) or both in the proposal/tender.</i>	36,000
Branch Officers (SG/JAG, adhoc JAG,Sr.Scale Officers independent charge)	Non-AC Base Model of Sedan or Non-AC Hatch Back (of Capital cost less than Rs. 6 lakhs Ex-Showroom price <sup>^</sup> at that location as on Tender floating date).	32,000
Other SG/JAG officers of Field Units/ Extra Divisional units/ HQ Officers (with proper justification, administrative approval of PHOD/DRM, finance concurrence and sanction of Competent authority), subjected to total expenditure on vehicle hiring is limited to 80% of last year expenditure as per <b>para 9</b> <i>ibid.</i>	<i>Officer can specify description as "Non-AC base Model of Sedan (of Ex-Showroom price between Rs.5 and Rs.6 lakhs)" or "Non-AC Hatch Back (of Ex-Showroom price between Rs.5 lakhs and Rs.6 lakhs)" or both in the proposal/tender.</i>	32,000

<sup>^</sup> Ex-Showroom price is defined as the Ex-Showroom price of new vehicle as per the official web site of the OEM or authorized dealers of the OEM in the Town/City where hiring is proposed.

\$ Tender description of vehicles to be hired, should be as per the above Category of vehicle only and not specific brands/models. However, tender description can mention lower limit Cap of Ex-Showroom Capital cost in the range of Rs.1 to 2 lakhs with respect to maximum allowed limit in that eligible category subjected to that atleast 2 Brands of those cars are exist in that Ex-showroom price range (Minimum-Maximum) in the market.

\* The final expenditure incurred per month excluding taxes for the above Officers shall be guided as per **Para No.4.5.7(a)** ibid. All the vehicles hired for above Officers shall be done as per designation/post-wise and they will not be eligible for Transport Allowance.

Officers posted at Zonal/Divisional offices, who are not eligible for vehicle as per above table, will use the pooled vehicle (as per quota) for official duty/work.

4.3.1.2. Hiring under Non-Revenue funds (sanctioned project/works estimates)

Level of Officers	Category of LMV(Car) #	Monthly estimated cost (Rs) excl. taxes	Maximum expenditure allowed excl. taxes per month @
PHOD/CHOD/DRM/ Other Officers in HAG (Functional)	AC	40,000	50,000
Other Officers in SAG (Functional)/ADRM (Functional or Non-functional)	AC	36,000	45,000
Branch Officers (SG/JAG, adhoc JAG,Sr.Scale Officers independent charge)	Non-AC	32,000	42,000
Other SG/JAG officers of Field Units/ Extra Divisional units/ HQ Officers (with proper justification, administrative approval of PHOD/DRM, finance concurrence and sanction of Competent authority)		32,000	42,000
Other Sr.Scale, Jr.Scale officers of Field Units/ Extra Divisional units (with proper justification, administrative approval of PHOD/DRM, finance concurrence and sanction of Competent authority)	Non-AC base Model	30,000	39,000

#@ No brand or models should be specified in Vehicle description. Vehicle description in the proposal and tender shall specify only “**CATEGORY** of LMV-car (Non-AC Base model/Non-AC/AC) and any **ONE CLASS OF VEHICLES** (Hatch Back/Sedan/MUV)” as per eligibility and tender to be called as per estimated monthly cost indicated above. The type of vehicle proposed for the individual Officer shall be such that the hiring is possible within the maximum expenditure allowed as mentioned in this table. If the accepted offer is more than the maximum expenditure allowed, then the prior approval of AGM has to be obtained for fund utilization before release of LOA. Case must be put up with full justification for incurring additional expenditure. Tender will be discharged and retendering done if AGM’s approval is not granted. (Ref: **Para 4.5.7(b)** ibid)

All the vehicles hired for above Officers shall be done as per designation/post-wise and they will not be eligible for Transport Allowance.

Officers posted at Zonal/Divisional offices, who are not eligible for vehicle as per above table, will use the pooled vehicle (as per quota) for official duty/work.

4.3.2. For each PHOD/CHOD at Zonal Headquarters office, other than GM’s Office, one pooled Non-AC Car (any Hatch Back/Base Model Sedan type up to Rs.6 lakhs, Ex-Showroom price at that location as on Tender floating date) can be hired only if no under

aged/extended life railway owned vehicle is existing at present/no vehicle has been indented for and subjected to total expenditure on vehicle hiring is limited to 80% of last year expenditure as per **para 9** *ibid.* This pooled vehicle shall be brought under nominated quota of that department such vehicle shall be under the control of Secretariat of the concerned Department. The monthly hiring estimated cost is Rs.32,000/-.

4.3.3. In case of Divisions, in all two pooled Cars (any Hatch back/Base Model Sedan type with Ex.Showroom cost of upto Rs.6 lakhs, at that location as on Tender floating date) per division can be hired in the absence of railway owned vehicles within normal/extended life and subjected to total expenditure on vehicle hiring is limited to 80% of last year expenditure as per **para 9** *ibid.* They shall be kept at disposal of Divisional Control Office, under control of nominated ADRM, to ensure round the clock availability for official duties. The monthly hiring estimated cost is Rs.32,000/-.

4.4. *Hiring of Mini Van (8 - 12 seater capacity) /Mini-bus (15 - 25 seater capacity):*  
In case of Zonal Level Training Institutes, one Min Van (8 - 12 seater capacity) /Mini-bus (15 - 25 seater capacity), for movement of trainees etc., can be hired in the absence of railway owned vehicles within normal/extended life subjected to total expenditure on vehicle hiring is limited to 80% of last year expenditure as per **para 9** *ibid.*. The estimated hiring cost shall be last accepted rate in that unit. In case of first time hiring of Van (8 - 12 seater capacity) /Mini Bus (15 - 25 seater capacity) estimated cost will be the LAR of that location/near by location for that capacity vehicle, by either Railways or PSU or State Govt. Units or accepted offer in GeM for that location, whichever is lower.

4.5. *Proposal & Tender/Contract prerequisites concerning LMV(car), Pickup Material Van/Mini Truck(Upto 5tonne capacity) and Mini-Van (8 - 12 seated capacity) /Mini-bus (15 - 25 seater capacity)*

4.5.1. LMV - Car (Non-pooled – Allotted/Earmarked to a post/officer): Normally, hiring shall be on the basis of 12 hours per day. Number of Kilometres the Car can be hired is 2000 Kms per month with cumulative 24000 Kms per year. The vehicle hired for an officer has to be utilised for commuting from residence to office & back and also for other official duties in his/her jurisdiction Office/Working Unit. In any month, run can be more or less than the scale of 2000 Kms/month but the cumulative distance per year shall not exceed 24000 Kms. Payment will be made on monthly basis as per accepted monthly rate irrespective of actual Kms run in that month. No further variation in Km. is either allowed or to be paid.

4.5.2. Car (pooled – Attached to Zonal HQrs Department/Divisional HQrs): Normally, hiring shall be on the basis of 12 hours per day. Number of Kilometres the vehicle can be hired is 2500 Kms per month with cumulative 30,000 Kms per year. The vehicle hired for the unit has to be utilised for all official duties of that department/divisions/units. In any month, run can be more or less than the scale of 2500 Kms/month but the cumulative distance per year shall not exceed 30000 Kms. Payment will be made on monthly basis as per accepted monthly rate irrespective of actual Kms run in that month. No further variation for extra Km is either allowed or to be paid.

4.5.3. Pickup Material Van/Mini Truck/Van (8 - 12 seater capacity)/Mini Bus (15 - 25 seater): Normally, hiring, shall be on the basis of 12 hours per day. Number of Kilometres the Vehicle can be hired is 2500 Kms per month with cumulative 30,000 Kms per year. The vehicle hired for the Unit/Group of Units of that area has to be utilised for official duties of that department/divisions/units. In case, in any month, run exceeds 2500 Km, the payment for excess Kms will be made only after every 12 months during the original contract period or/and at the end of contract period for extended period, subject to cumulative KMs exceeding at the

rate of 2500 KM per month and only after the official bill certifying authority confirms that the total KMs hired is for official purposes only. The rate per Km for extra KMs will be arrived by the formula  $(1/2) \times (\text{monthly accepted rate}/2500)$ . In other words, the rate for extra KMs is restricted to 1/2 of the regular rate per KM. However, monthly payment will be as per accepted monthly amount even if the utilization is less than @2500 KM per month.

- 4.5.4. For all types of Vehicles (LMV/LCV/Mini-van/Mini Bus), no further variation for extra hours should be permitted and paid. In case, on any day, vehicle was utilized for more than 12 hours on exceptional/ emergency requirement, relaxation to that extent may be provided in subsequent days to the Contractor/firm.
- 4.5.5. While sending vehicle hiring proposal to Finance for concurrence and in the Schedule specification / requirements of Tender, the category of Vehicle as described in **Para 4.2.2/4.3.1.1/4.3.1.2/4.4** (as applicable) only shall be mentioned.
- 4.5.6. All the estimated hiring cost mentioned in these guidelines/policy includes all the charges associated with the vehicle and the wages to be paid to the driver, except the applicable GST and Toll fee.
- 4.5.7. The actual rates shall be decided by following the open tender process (through GeM/Service contract by Railways). Depending on the lowest valid offer, the rate reasonability will be ensured by the tender committee/accepting authority. While accepting increase over the estimated cost, the Tender Committee and accepting authority shall record detailed considered views justifying the increase. Further,
  - (a) In case revenue funds will be used, if the accepted offer value is more than 20% of estimated value, as per **Para 4.3.1.1 ibid** for LMV(Car) / as per **Para 4.2.5 ibid** for Pick up material Van/Mini truck), then prior approval of DRM/PHOD should be taken, for excess utilization of revenue fund before the LOA is issued, subjected to overall budget Cap as mentioned at **Para 9 ibid**. While putting upto DRM/PHOD for approval of excess expenditure, the availability of funds in that unit/office to meet the excess expenditure should be furnished by giving the actual expenditure till date, liabilities committed for other vehicle hiring contracts in force during the balance part of the fiscal etc vis-à-vis Spending Limits/Budget allotted/earmarked for hiring of vehicles to that unit/office along with confirmation that there would be no breach of the 80% budget cap over previous year's actual expenditure on Vehicle Hiring, for the appreciation/satisfaction of the DRM/PHOD. Tender will be discharged and retendering done if DRM's/PHOD's approval is not granted for incurring expenditure. Even in respect of hiring of vehicle, processed as per previous guidelines, where the accepted offer is more than 20% of the estimated price (Face value of tender, excluding GST), the prior approval of DRM/PHOD, for **excess** utilization of funds, has to be obtained by giving necessary details as aforesaid before release of LOA (in case LOA is not yet issued as on 30th June, 2020), subjected to overall budget Cap as mentioned at **Para 9 ibid**. If DRM/PHOD do not approve the excess of more than 20% or if the overall budget cap is not met, fresh tender should be called as per revised guide lines. These conditions are applicable for the tenders floated up to 31st March, 2023.
  - (b) In case funds of sanctioned project/ works estimates (Non-Revenue) are used, if the accepted offer value is more than the "Maximum expenditure allowed", as per **Para 4.3.1.2 ibid** (column 4 of the table for LMV-Car) / as per **Para 4.2.5 ibid** (for Pick up material Van/Mini truck), then the prior approval of AGM for incurring expenditure has to be obtained before release of LOA. Case must be put



up with justification for incurrence of additional expenditure to AGM. Tender will be discharged and retendering done, if AGM's approval is not granted. These conditions are applicable for the tenders floated up to 31st March, 2023.

- 4.5.8. Hiring of LMV-Car can also be done, as per these guidelines, for very short term, in one or more spells, with each spell of 3 months or less but not exceeding 6 months in total, through "Quotations" route in lieu of tender, on account of urgency or other exigencies, such as, when the existing contract is terminated or the contract period is completed, including extensions if any and/or renewal/new contract through fresh tender is under process (viz., Proposal sent for finance concurrence, tender notice under issue, tender called/opened but not yet finalized, tender discharged & re-tender is in process etc), with associate Finance concurrence and sanction of Competent Authority, as per powers under Item No.5(F) to Part A of SOP, 2018, duly adhering to notes there under. However, where quotation route is adopted, the accepted rate should not be more than 20% of the applicable monthly estimated rate (under Para 4.3.1.1), if hiring is from Revenue Funds and not more than the applicable maximum expenditure allowed (under Para 4.3.1.2), in case of hiring from Non-revenue funds. All other guidelines, including the condition as in Para 4.7 *ibid*, would remain valid as applicable for regular tender.
- 4.5.9. Hiring of Non-AC Vehicles for Disaster Management Control in PCOM Office may be limited to 12 hours of night period, duly utilizing the pooled vehicles of all department for day time (12 hours) use of Disaster Management activities.
- 4.5.10 The vehicle may be hired for a maximum period of three (3) years at a time, depending on the necessity.
- 4.6. Hiring of vehicles for those eligible officers who are directly or indirectly involved in the execution of sanctioned non-revenue project/works (CAPEX) estimates may be done against the sanctioned non-revenue project/works (CAPEX) estimates, subject to availability of necessary provision/funds. Similarly, Pick up Material Vans/Trucks (as per Specification of **Para 4.2.2**) can also be hired for Open Line Field units against sanctioned non-revenue project/works (CAPEX) estimates, subject to justification therefore existing in such works/project.
- 4.7. Under no circumstances, two or more vehicles of same type (LCV/LMV/Min-van/Min-bus) shall be hired, both under revenue and sanctioned non-revenue project/works (CAPEX) estimates, for the same official/Field Unit for the same period/time.
- 4.8. The quantum of vehicles for officers (LMV-Car), department/unit (Pooled vehicles, LMV-Cars), HCV, LCV etc to be hired as provided elsewhere in this policy, would be distinct from specific provisions as per SOP or which may be separately sanctioned/approved by Railway Board, for regular hiring of vehicle for crew management & Ambulance service & UTS/PRS installations/maintenance and also hiring of vehicles as per day/trip basis, for each specific event/occasion, on need basis, such as movement during accidents/disasters/emergencies, breakdown maintenance to assets, Ambush/surprise/RPF search/Preventive ticket checks, field inspections and other special requirements of particular occasion/event at DRM/PHOD/GM level etc, provided the vehicles hired on regular basis cannot be used/spared. Except for this relaxation on the number of vehicles, the broad framework of hiring on separate account shall have to adhere to these policy guidelines, as applicable.
- 4.8.1.** In case of regular hiring of vehicles for specific purpose such as Crew Management and Ambulance service and UTS/PRS installations/maintenance etc as given in **Para 4.8** above for continuous period, the compliance of condition in **Para 9** is

applicable i.e. the expenditure within the overall Cap of 80% of actual Revenue expenditure on hiring of vehicles of the department/division/workshop in the previous financial year.

4.8.2 For all other Special event/occasion on need basis as given in **Para 4.8** above , the compliance of condition in **Para 9** will not be applicable.

- 4.9. All the existing Railway owned vehicles (LMV- Car/Pick up Material Van/Mini-van/Mini-bus) shall be allotted/re-allotted / transferred as per **Para 3.2.2 & 3.3.6** *ibid*. Similarly, all existing hired vehicles' contracts shall be reviewed critically as per **Paras 4.2 & 4.3 & 4.4** *ibid*. Existing pooled hired LMV-Cars in excess of department/division quota, should be allotted/re-allotted to eligible officers by designation. If such re-allotment is not possible, the hiring vehicles contracts over and above the eligible number shall be terminated immediately.
- 4.10. Similarly the existing contracts of LMV cars (MUV/Sedans/hatch back) at field units under the control of Sr.Scale & Jr.Scale officers / Sr. Supervisors are also to be short terminated, if they are hired on revenue funds. Instead, if the field unit /Group of field units in that area, has justification for transportation of men and material, for at least 14 days per month or as relaxed by competent authority as per **Para 4.2.2** *ibid*, a Pick up Material Van/Mini Truck as per guidelines in **Para 4.2** *ibid* may be hired by the field unit/Senior most official if hired for a group of units. This exercise shall be completed by PHODs / DRMs / CWMs on or before 30<sup>th</sup> Sept 2020. After this exercise, no department / Divisional Office / field unit shall be holding any excess Railway owned / hired LCV/LMV type vehicles over and above the specified number of non-pooled and pooled vehicles. However, the existing Heavy Commercial Motor Vehicles (Railway Owned/Hired) can continue till 15 years of life or approved extended period/completion of present hiring contract period.
- 4.11. Any relaxation in the above procedure / instructions requires prior concurrence of PFA and personal approval of GM on a case to case basis.
- 4.12 Following conditions may be included as special conditions in the hiring Tender document/Agreement:
- 4.12.1 The vehicle proposed to be offered on hire should be in good condition and not more than 5 years old, on the date of opening of tender, and also it should be registered in the name of Tenderer, or the tenderer should have an MOU (Memorandum of Understanding) on notarized non-judicial stamp paper with the owner of the vehicle for the proposed hiring with Railway (In case of Services procurement through GeM, conditions of GeM regarding the ownership of vehicles by Tenderer shall prevail).The successful Tenderer is required to submit the Vehicle Number, Vehicle Class, Vehicle Model, Type of Fuel used viz., Petrol/Diesel/CNG/LNG/Electric/Hybrid etc. along with supporting documents of the vehicle fulfilling the category, specifications etc as per tender within 15 days after issuing of LOA or date of supply of Vehicle services, whichever is earlier to the satisfaction of the Railway Department. It is not mandatory for the tenderers to submit documents in fulfillment of conditions as per **Para 4.12.1 & 4.12.2** *ibid* along with the tender but the fact of submission within the stipulated period will need to be ensured before commencement of service.
- 4.12.2 It should be stipulated that the vehicle to be supplied should be registered as a Commercial vehicle. It should have "Valid Fitness certificate/commercial licence" (Permit for Commercial Vehicle shall cover all States in S.C. Railway jurisdiction or as considered necessary by the Department/ Division/ Unit calling the tender

from appropriate Regional Road Transport Authority of the concerned State Govt./Union Territory), valid insurance and should meet requirements of pollution standard etc. as per provisions of Motor Vehicle Act. and fulfil any other statutory obligations as applicable including all safety approved accessories/ equipment fitted to the vehicle. Driver should have passed a minimum of 10th standard and should possess a valid driving license, Aadhar Card on his name and employee identification card issued by the Contractor at all times.

- 4.12.3 The vehicle should be mechanically sound and shall be well maintained with neat and clean interiors/exterior. The driver should display good behaviour and be neatly dressed. Smoking and use of cell phone during driving by Driver is prohibited. It is desirable to insist for a uniform for the drivers.
- 4.12.4 The contractor/agency participating in the tender should normally be GST compliant regarding registration, filing of returns etc., and shall be fully responsible for the compliance as per GST Act at all times. If the Contractor falls either “below the turnover threshold for GST” or is a “Composition Taxable Person” under the CGST Act, a self-declaration should be enclosed with his offer duly supported by a certificate of turnover from a Chartered Accountant or enclose Form ‘REG-06’ showing as “Composition” under Type of Registration and no GST is applicable for contracts with such persons/firms. GST for vehicle rental/hire services falls under SAC code 9966, as per which, the present applicable rate is 5% (2.5% CGST+2.5% SGST) for Vehicle designed to carry only passengers where cost of fuel is included in the rate. However, if the vehicle is used for transport of men and materials, such as in case of HCV/LCV, the applicable GST would be 18% (9% CGST+ 9% SGST) at present with eligibility for Railways to claim Input Tax Credit (ITC). Where the GST rate is 18%, the Contractor should, along with the bills, be advised that it is mandatory to enclose invoices uploaded into GSTR-1, failing which ITC cannot be claimed by Railways. All tenderers should enclose with the tender, either the GST registration certificate (REG-06) or a self-declaration of latest turnover attested by Chartered Accountant, failing which the tender shall be considered in-valid. Any further changes in GST regulations, in future, shall be adopted accordingly.
- 4.12.5 Contractor shall be responsible for ensuring compliance with the provisions related to Labour Laws (Central/State) as applicable from time to time. The employees of the Contractor shall not be deemed to be employees of the user department/Railway. Hence the compliance of the applicable Acts/Laws will be the sole responsibility of the Contractor.
- 4.12.6 All Hired vehicles should be equipped with prescribed emergency medical kit and a fire extinguisher as per statutory provisions.
- 4.12.7 In the event of any breakdown, servicing and repairs of vehicles, the Contractor at his own cost shall make alternate arrangements by providing similar or higher class of commercial vehicle(s) for which contract is entered into. The substitute vehicle offered shall not be older than the vehicle under breakdown at any point of time during the currency of contract. Maintenance works on vehicle should be done during off-duty hours by Contractor.
- 4.12.8 Contractor shall be fully responsible for any repair, accident, loss, damage to the vehicle and driver. If any fine or penalty is imposed by various authorities such as RTA, Traffic Police etc for any violation such as speed, traffic rules violation etc, the same will have to be borne by the Contractor only. Contractor shall provide detailed contingency plan (in the event of mechanical breakdown etc.) for each vehicle supplied for each area of operation.

- 4.12.9 The contractor shall be responsible for providing the vehicles at any point of time in day or night, even at short notice during any urgency/emergency. Hiring for 12 hours in a day can also mean continuous hiring for 12 hours during day or 12 hours during night. Drivers should have live mobile phone connection so that they are contactable whenever required. PVC shall not be applicable for these contracts and this shall be included as special conditions to the tender. No advance payment shall be made and all payments released on completion of stipulated service periodically/monthly as stipulated.
- 4.12.10 A Log Book shall be maintained for all the hired vehicles by the official under whose control the vehicle is placed. The Kms/hrs utilized shall be entered in it on daily basis to ensure proper accountal and payment at the end of every month/specified period. The log book of Non-pooled cars of DRM/CHOD/PHOD/AGM/GM shall be counter signed by nominated official in the secretariat for the vehicles hired for use. For all LMV (Car) attached to other officers (irrespective of level), the officer himself has to countersign in the Log Book, for each day. In case of pooled LMV (Car) vehicle/Pick up Material Van/Mini Truck/Mini-van (8 - 12 seater)/Mini bus (15 – 25 seater), Secretary to PHOD or ADRM or nominated/In-charge Gazetted Officer has to counter sign the log book. No bill shall be admitted for payment without the counter signature with clear designation. The KMs/Hrs. will start from the reporting point and end at the dropping point. No garage KMs/Time will be included.
- 4.12.11 Along with tender, bidders should be advised to enclose the list of ongoing vehicle hire contracts with Railways, Other Central Government Departments, State Government and PSUs in the same city/location/agglomeration with details of Contract Period, rate per month, Vehicle Class , Model and brand, Fuel (Diesel/Petrol/ LPG/CNG/Electric/Hybrid), procurement cost (ex-showroom price) etc. Submission of this statement, even if Nil, shall be mandatory enclosure to the tender failing which the offer will be summarily rejected. This is included so that tender committee may keep this additional data in view while deciding the reasonableness of the offer received or to break the tie.
- 4.12.12 Penalty clause should be incorporated for defaults like non-deployment of vehicle, late reporting, misbehavior (non-reporting/ refusal/ intoxicated condition/ misconduct) of driver, bad condition of vehicle etc. The relevant service level agreement in GeM provides for the following penalty clauses, which may be adopted even for non-GeM hiring:
- i. Misbehavior of driver with users or department staff: 1st instance penalty of Rs.500, 2nd instance penalty of Rs.1000, 3rd instance penalty of Rs.2000. After 3rd instance, Contractor shall replace the driver.
  - ii. Non-deployment, delay in arrival beyond 30 minutes, driver not contactable or not attended to duties: 1<sup>st</sup> instance Contractor shall pay the amount of service charges for vehicle hired by Railway from third party, 2<sup>nd</sup> instance Contractor shall pay double the amount of service charges for vehicle hired by Railway from third party, 3<sup>rd</sup> instance Contractor shall pay three times the amount of service charges for vehicle hired by Railway from third party. After 3<sup>rd</sup> instance, the contract may be terminated or continued by imposing the same penalty as imposed for 3<sup>rd</sup> instance.
  - iii. Breakdown of vehicle mid-way or non working of AC (if applicable): 1<sup>st</sup> instance Contractor shall pay the amount of service charges for vehicle hired by Railway from third party, 2<sup>nd</sup> instance Contractor shall pay double the amount of service charges for vehicle hired by Railway from third party, 3<sup>rd</sup> instance Contractor shall pay three times the amount of service charges for vehicle hired

by Railway from third party. After 3<sup>rd</sup> instance, the contract may be terminated or continued by imposing the same penalty as imposed for 3<sup>rd</sup> instance.

- iv. Penalty will be enforced by the officer/official who is authorized to countersign the Log Book.

4.12.13 The vehicle contracts should be treated as Service Contracts and GCC for services would be applicable. Eligibility criteria need not be stipulated for the tenders upto Rs.50 lakhs. (as already approved by GM in terms of Railway Board's letter no.2018/Trans/01/Policy dated 12.12.2018 and issued as amendment to existing guidelines for hiring of vehicles vide DGM(G)'s letter no.G.203/Policy/Vehicle Hiring/Vol.I dated 25.03.2019). GCC for Services 2018 (updated from time to time) will be applicable, for other terms and conditions, which are not specifically mentioned in these guidelines. This will be valid only if tender is called and agreement is entered into outside GeM.

4.12.14 All contracts, even if finalised outside GeM (due to GeM not offering the service as per the scope of policy stated in these guidelines, failure of GeM Tender etc.), shall provide a clause making it mandatory for the firm to be registered in GeM within six months from LOA date, so that it will help in finalisation of more contracts through GeM in due course of time. Bill of 6<sup>th</sup> month will be passed only after registration in GeM for this type of service. This condition is applicable only once GeM provides the required service as mentioned in **Para 8** *ibid*.

4.13 It shall be stipulated in the tender/agreement that the vehicle contract can be short closed with three months notice, if the post of the officer is surrendered or the officer opts for drawal of transport allowance or any other administrative reason (except unsatisfactory service, which will be as per **Para 4.13.2** below). In this regard, the following conditions shall be included in the tender:

4.13.1 The Railway has liberty to terminate the contract with any or all of the service providers normally with three months notice without assigning any reason. However, in case service provider wants to terminate his services, he will have to serve 4 months advance written notice.

4.13.2 The contract for the vehicles hired can also be short-closed with a shorter notice of 15 days on account of unsatisfactory services at the discretion of the Nodal Officer in charge of hiring of vehicles. The unsatisfactory service shall mean and include the non-compliance of any of the obligations by the service provider, as given in this agreement and/or under the penalty clauses of the agreement.

4.13.3 In case of any dispute of any kind, the Contractor/Agency shall abide by the decision of the controlling authority or Nodal Officer in charge of hiring of the vehicle as the case may be.

4.14 Proposals for extension of currency of existing contract beyond the original period of currency can be permitted up to a maximum of 25% of the original contract period, in exceptional cases, with the Associate Finance concurrence and sanction of PHOD/CHOD/DRM/CWM in one or more spells.

5 The requirement of vehicles for more than one Department can be clubbed with mutual understanding and one tender may be invited by the nominated department for the purpose of getting competitive rates and quality vehicles from reputed transport agencies as was done by newer Divisions and some Departments in HQ.

6 Necessary Tender Schedules and Agreements in connection with hiring of vehicles shall be normally based on the above Guidelines. Any other finer details/conditions regarding execution of hiring arrangement may be decided by the Department concerned (PHOD)/Division concerned (DRM) before calling the tender.

- 7 As per extant orders of GoI/Railway Board, it is mandatory to procure common use Goods and Services available on GeM through GeM only. Vehicle hiring is one of the services enlisted in GeM. If service of hiring within this policy requirements/scope is offered in GeM, it shall be mandatory to get this service through GeM only.
- 8 Stores department shall prevail upon appropriate GeM authorities and make effort through Railway Board so that GeM can elicit offer of service of hiring of vehicle within our service scope / requirement and estimated cost as per four sets of categories (a) **4.3.1.1, 4.3.1.2, 4.5.1 & 4.5.4 ibid viz., LMV-Car (non-pooled)** (b) **4.3.2, 4.3.3, 4.5.2 & 4.5.4 ibid viz., LMV-Car (pooled)** (c) **4.4, 4.5.3 & 4.5.4 ibid viz., Mini-van/Mini-bus** and (d) **4.2.2, 4.2.5, 4.5.3 & 4.5.4 ibid viz., Pick-up Material Van/Mini-Truck.**
- 9 Hiring should be resorted to only when it is absolutely required, and normally, in lieu of condemned vehicle duly redeploying/surrendering the post of Driver and surrender of Petrol/HSD Oil imprest. It will be the responsibility of the user Department to ensure surrender of post of the driver and imprest of petrol/diesel immediately after hiring of the vehicle. The expenditure chargeable to revenue in the current financial year on account of hiring of vehicles as per these guidelines shall be capped at 80% of the actual revenue expenditure on hiring of vehicles in the previous financial year of the Division/Workshop/HQ Department. Necessary procedural check, to ensure this overarching ceiling on revenue expenditure on hire of vehicles is adhered to, shall be devised at associate Finance and DRM/PHOD level. As an immediate measure, existing vehicle hiring contracts are to be reviewed based on this policy as well as critical need/justification, and reduce the likely expenditure burden to limit to 80% of last years, duly terminating a few contracts. This fiscal austerity measure will also be applicable for Financial Years 2021-22 and 2022-23 i.e., similar exercise is also to be done for these two years to reduce the expenditure by 20% w.r.t previous financial year expenditure. Fulfillment of this measure will be watched, during renewal of the proposals, at Administrative approval & Finance concurrence stages.
- 10 Regular hiring of a LMV(Car) for Officers, Pick up Material vans /Mini truck & HCVs for field units, be it for the first time or subsequent occasions shall require administrative approval of DRM/PHOD, the concurrence of associate finance and the sanction of competent authority as provided in the extant Schedule of Powers. DRM/PHOD/CHOD can accord administrative approval & sanction for hiring of vehicle for their own official use within the existing policy guidelines. While approaching for administrative approval of DRM/PHOD and finance concurrence, the details of all types of department owned vehicles and all types of hired vehicles with their allotted posts/officers and pooled vehicles (Departmental/Hired) attached to their department along with a compliance certificate on **Paras 1 & 2 & 9** ibid and all the relevant sub-paras under **Para 3 & 4** ibid, shall be furnished in the justification.
11. Any other relevant instructions/orders of Railway Board shall also be applicable. In case of any conflict between these guidelines and specific orders/instructions of Railway Board, the latter shall prevail.
- 12 The above revised guidelines/policy will come into effect from the date of issue of this policy (unless otherwise specified within the precinct of these guidelines) and will be applicable for all the vehicle proposals which are being sent to finance for concurrence or cases where action on finance concurrence is pending or tender is yet to be floated.

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