

विशाखपाट्टणम इस्पात संयंत्र
VISAKHAPATNAM STEEL PLANT

संविदा की समन्य शर्तों
इनमें निर्माण अनुरक्षण कार्यों के लिए निविदा का फार्म,
निविदाकार के लिए अनुदेश, निविदा मांगना और करार की अन्तर्नियमावली शामिल है।

GENERAL CONDITIONS OF CONTRACT
INCLUDING FORM OF TENDER, INVITATION TO TENDER AND
ARTICLES OF AGREEMENT
FOR
CONSTRUCTION WORKS / MAINTENANCE WORKS

विशाखपाट्टणम इस्पात संयंत्र
(राष्ट्रीय इस्पात निगम लिमिटेड)
'ए' ब्लॉक, परियोजना कार्यालय (प्रोजेक्ट ऑफिस)
विशाखपाट्टणम – 530 032 (आन्ध्र प्रदेश)
VISAKHAPATNAM STEEL PLANT
(RASHTRIYA ISPAT NIGAM LIMITED)
'A' BLOCK, PROJECT OFFICE
VISAKHAPATNAM - 530 031 (ANDHRA PRADESH)

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वीशाखपट्टणम इस्पात निगम लिमिटेड
परियोजनाएं प्रभाग, परियोजना कार्यालय (प्रोजेक्ट आफिस)
ए ब्लॉक, विशाखपट्टणम - 530032
(आन्ध्र प्रदेश)



VISAKHAPATNAM STEEL PLANT
(RASHTRIYA ISPAT NIGAM LIMITED)
Projects, Division, Project Office, 'A' Block
VISAKHAPATNAM-530 031
(ANDHRA PRADESH)

निर्माण कार्य का नाम _____
NAME OF WORK _____

संविदा की सामान्य शर्तें इस में निर्माण कार्यों अनुरक्षण के लिये निविदा दक फार्म , निविदाकार के लिए
अनुदेश, निविदा मांगना और करार के अनुच्छेद शामिल हैं ।

General Conditions of Contract
Including Form of tender, Invitation to Tender and Articles of Agreement
For
Construction Works / Maintenance Works

यह निविदा दस्तावेज निम्नलिखित को जारी किया गया :

This Tender Document is issued to

निविदा कर्ता का नाम :

Name of tenderer : _____

निविदा कर्ता दक पता :

Address of Tenderer _____

जारी कर्ता :

Issued By Visakhapatnam Steel Plant

कृपया नोट करें : इस पुस्तक के अंग्रेजी रूपांतर और हिन्दी के बीच अंतर पाये जाने पर अंग्रेजी रूपांतर ही मान्य समझा जायेगा ।

NOTE : If any discrepancy exists between the English version and the Hindi version of this book, the English version shall prevail.

FORM OF TENDER

TO

VISAKHPPATNAM STEEL PLANT
(Rashtriya Ispat Nigam Limited)
Projects Division,
Project Office, 'A' Block,
VISAKHPPATNAM -530 031 (A.P.)

Re : Visakhapatnam Steel Plant-Tender for* _____

Spec. No: _____

Tender Notice No: VSP _____

Sirs,

With reference to the tender invited by Visakhapatnam Steel Plant, I / We have examined the instructions to the Tenderer, Invitation to Tender, Articles of Agreement, General Conditions of Contract, Specification, Preamble to Bill of Quantities, Bill of Quantities and the Drawings for the above work. I/We hereby offer to construct, complete and maintain the whole of the said works in conformity with the said Instructions to the Tenderer, Invitation to Tender, Articles of Agreement, General Conditions of Contract, Special Conditions of Contract, Specification, Preamble to Bill of Quantities, Bill of Quantities and the Drawings for the sum of Rs. at the respective rates mentioned in the Bill of Quantities.

I/We undertake to complete and deliver the whole of the works comprised in the Contract within _____ from the tenth day of issue of order / Fax order/Telegraphic order.

I/We have deposited as earnest money a sum of Rs. _____ which amount is not to bear any interest and I/We do hereby agree that this sum shall be forfeited by me/us if I/ We revoke/withdraw/ cancel my/ our tender if I/We vary any terms in our tender during the validity period of the tender without your written consent and/or if in the event of Visakhapatnam Steel Plant accepting my/our tender and I/We fail to deposit the required security money, execute the agreement and/or start the work within reasonable time (to be determined by the Engineer) after written acceptance of my/our tender.

I/We hereby agree that unless and until the formal agreement is prepared and executed in accordance with the Articles of Agreement, this tender together with your written Fax Order or Detailed Order or whichever is earlier shall constitute a binding contract between us.

I/We hereby understand that you are not bound to accept the lowest or any tender you may receive.

Yours Faithfully

Name of Partners of the Firm Signature _____

1..... Address _____

2..... _____

3..... Date _____

*Name of the work as given in the Tender Notice

INSTRUCTIONS TO THE TENDERER

1. Tenders in the prescribed form should be submitted in sealed envelope superscribed on the cover (i) NAME OF THE WORK and (ii) THE DUE DATE OF OPENING. Sealed tenders sent by the post should be addressed to the DGM(C)/Contracts, Project Office A-Block, Room No.20, Visakhapatnam Steel Plant, Visakhapatnam-530 031 clearly superscribed on the cover detailed as above.
2. Tenderers should completely fill in the form of Appendix-I and Appendix-II enclosed in the General Conditions of Contract as per clauses 14 & 15 of Invitation to Tender.
3. The tenderer should give the total tendered value at the appropriate place in the Bill of Quantities i.e., summary of the tendered amounts.
4. If the tender receiving date happens to be VSP's closed holiday or an extra-ordinary holiday the tender will be received up to 2.30 P.M on the following working day and the same shall be opened immediately thereafter.
5. **EARNEST MONEY DEPOSIT**
- 5.1 **SMALL SCALE INDUSTRIES:**

Small Scale Industries who are registered with Industries Department, Government of Andhra Pradesh or the National Small Industries Corporation Ltd(NSIC) are exempted from submission of Earnest Money Deposit and shall submit a copy of the permanent registration of their Small Scale Industries along with their tender. It may please be noted that only those Small Scale Industries who are registered for the particular trade/ item for which this tender is relevant, will be exempted from submission of Earnest Money Deposit. Parties with their provisional/Temporary Registration and not registered (Permanent) for the particular trade/item for which tenders being in would not be eligible for exemption.
- 5.2 The Public Sector Enterprises or State/Central Govt. Undertakings are also exempted from submission of Earnest Money Deposit and they shall submit a letter requesting for exemption from submission of EMD along with the offer.
- 5.3 The instrument of Earnest Money Deposit and the tender shall be kept in two separate covers superscribing the Name of the Work, Tender Notice No., Due date and time of opening, name of the Tenderer and the document kept inside each cover. These covers stapled/tied together shall be submitted by the tenderer.
- 5.4 While opening the tender, the cover containing the EMD document shall be opened first and if the EMD is found in order, then only the cover containing the tenders shall be opened.
- 5.5 Tenders received without EMD / with short EMD or in case of SSI without appropriate registration certificate(refer para 5.1 of instructions to the tenderers) will not be opened and the same shall be returned "Un opened" to the tenderer.
6. **INSTRUCTIONS REGARDING BANK GUARANTEE :**
- 6.1 Bank Guarantee for EMD shall be submitted in a closed envelope sealed by the Bank. The sealed envelope shall be submitted by the tenderer along with the quotation. The Bank Guarantee for the EMD shall be valid up to one month beyond the validity of the offer submitted.
- 6.2 Extensions of Bank Guarantee for EMD shall be sent in a sealed cover by the executing Bank directly by Registered post to the Officers of Visakhapatnam Steel Plant. Extensions of Bank Guarantees submitted by the tenderer directly will not be admitted.
- 6.3 All bank Guarantees for Initial Security Deposit, Mobilisation Advance and other payments and Extensions of Bank Guarantees shall be sent in a sealed envelope directly by the Bank through Registered post to the Officers of Visakhapatnam Steel Plant.

- 6.4 Bank Guarantees/Extensions of Bank Guarantees submitted by the Contractors directly will not be admitted.
- 6.5 Bank Guarantee for the Security Deposit should be valid for the complete period of contract including the period of maintenance.
7. The Non-Judicial stamp paper for the Bank Guarantee should be purchased in the name of executing bank only.
8. The successful tenderer shall submit the following documents for conclusion of the formal agreement immediately after placement of order:
 - 8.1 The duplicate copy of letter of intent duly signed on all pages by the contractor in token of acknowledgment.
 - 8.2 Initial Security Deposit in any of the forms stipulated in para-4 of 'Invitation to Tender/ Performance Guarantee Bond (where applicable) in lieu of Security Deposit in the approved proforma.
 - 8.3 Non-Judicial Stamp Paper value Rs.100/- purchased in Andhra Pradesh for the form of agreement.
 - 8.4 Copy of Registration with PF authorities.
 - 8.5 Copy of Labour Licence from Dy. Commissioner of Labour Govt of A.P., Visakhapatnam, wherever applicable.
 - 8.6 Permanent Account Number allotted by Income Tax Department and copy of latest Income Tax Clearance Certificate.
 - 8.7 Copy of Registered Partnership Deed or an Affidavit of Sole Proprietorship.
 - 8.8 Copy of valid Power of Attorney authorising the individual to sign the agreement.
 - 8.9 Copy of Registration under APGST Act.
 - 8.10 Confirmation of labour management.

These documents shall be submitted not later than 15 days from the date of issue of the detailed letter intent / detailed order.
9. Tenders will be opened in the presence of such tenderers or their representatives who choose to be present.
10. RASHTRIYA ISPAT NIGAM LIMITED reserves the right to issue/refuse tender document and to accept/reject any or all tenders either in part or in full or to spilt-up and award the work to more than one agency without assigning any reasons thereof and without any liability to RASHTRIYA ISPAT NIGAM LIMITED.

VISAKHAPATNAM STEEL PLANT

Invitation to Tender

1. Sealed tender in envelop marked 'Original' should be addressed and sent to DGM (Contracts)-I/c, Visakhapatnam Steel Plant, Project Office, 'A Block, Visakhapatnam - 530031, Andhra Pradesh and superscribed Tender for *

(Specification No. _____) and sent so as to reach not later than specified time and date. i.e. not later than 2.30 PM on _____

2. Tenders received after specified time and date will be treated late and are liable to be ignored summarily,
3. Tenders will be opened after specified time and date in the office of D.G.M. (C)/(Contracts) at Visakhapatnam Steel Plant, Project Office, 'A Block, Visakhapatnam-530 031, in the presence of the tenderers or their representatives should they choose to be present.
4. The tenderer is required to deposit a lumpsum amount of Rs. _____ as earnest money in any of the following forms and attach official receipt thereof, failing which the tender shall not be considered. No interest shall be allowed on the earnest money deposit.

(a) Deposit receipts, Pay Orders, Demand Drafts and Guarantee Bonds from any Scheduled Bank in India, Payable at Visakhapatnam.

Notes 1. Fixed deposit receipt will not be accepted for earnest money and the deposit receipts referred to above cover only receipts at call or receipts for the deposits of earnest money to the credit of Rashtriya Ispat Nigam Ltd., Visakhapatnam Steel Plant.

- 2.(a) Earnest money in the form of cheque will not be accepted.
- (b) Deposit receipts etc., are to be drawn in favour of 'Rashtriya Ispat Nigam Ltd., Visakhapatnam Steel Plant', Visakhapatnam.
- (c) If the Earnest Money Deposit is submitted in the form of Bank Guarantee, the same should be valid for period up to one month beyond the validity of the offer submitted.

The Earnest money will be returned to the unsuccessful tenderer within a reasonable time without any interest. The Earnest money deposited by the successful tenderer will be retained towards Security Deposit for the due fulfilment of the contract but shall be forfeited if the Contractor fails to deposit the required security money and/or execute the agreement and/or start the work within reasonable time (as determined by the Engineer) after written acceptance of his tender.

5. **Security Deposit:** Upon acceptance of the tender, the successful tenderer shall within fifteen days of the written acceptance of his tender, deposit with the Employer a sum sufficient, with the amount of earnest money deposited by him prior to the submission of his tender, to make the Security Deposit to the extent of 2% (two) percent of the value of the works at the accepted rates. Such sum shall be deposited by the contractor in any of the forms stipulated in Clause -4 above. The Security Deposit together with the retention of the percentage named in the Appendix to the General Conditions of Contract shall not exceed the "Limit of Retention Money" named therein (under Clause No: 13.1) and shall be returned without any interest as per the relevant clauses of GCC after the completion of the work and after completion of period of maintenance.

* mention name of the work as given in the Tender Notice

If the security Deposit is submitted in the form of Bank Guarantee, the same should be valid for the period of contract including the period of maintenance.

6.
 - (i) The tendered rates and amounts shall be written in ink and in English both in figures and in words in the appropriate columns in the Bill of Quantities. In case of any discrepancy between the rate and amount, the rate will govern. In the event of a discrepancy between the rate quoted in figures and the rate quoted in words by a tenderer, the rate quoted in words will govern.
 - (ii) All alterations or erasures shall be duly initialled with date by the tenderer.
7. If a tenderer seeks to clarify his quotations or rates, this should only be done in a separate covering letter. Other Clarifications may also be considered. The covering letter enclosing the tender should be submitted in triplicate and if the contents of the covering letter are to be considered as part of the quotations, this shall be specifically mentioned by the tenderer in his covering letter.
8. The tenderer shall submit along with his tender the following:
 - (a) Photo-stat copy of Registration Certificate, If any, from Central or State Government, P.W.D., M.E.S., Railways, or any Public Sector undertakings.
 - (b) Certificate from any Scheduled Bank to prove his financial ability to undertake the Work
 - (c) Proof of technical and organisational competence to execute the work.
 - (d) Income Tax Clearance Certificate.
 - (e) Details of registration under P.F. Act for their or his employees.
 - (f) Details of jobs undertaken during the past five years with necessary proof.
 - (g) Details or Registration under APGST/CST.
9. Full information shall also be given by the tenderer in respect of the following:
 - a) If individuals: 1) his full name, address and place of business, 2) his financial status, 3) his previous experience.
 - b) In case of Partnership firms: 1) the name of all partners and their addresses, 2) the financial status of the firm and its partners, 3) previous experience of the firm and its partners.
 - c) In case of Companies: 1) date and place of registration: include date of commencement certificate in case of Public Companies. Certified copies of Memorandum and Articles of Association are also to be furnished, 2) Nature of business carried out by the company and the provisions of its Memorandum relating thereto, 3) Names and particulars, including addresses of all the Directors, 4) previous experience, 5) its authorised Subscribed and paid up Capital.
10. All rates and prices in the tender shall cover sales tax and other taxes, octroi and other duties.
11. Tender submitted by Tenderer shall remain valid for acceptance for a minimum period of three months from the date of opening of the Tender/Final price bid. In case of tenderer revoking/withdrawing/cancelling his tender, varying any term in regard thereof during the validity period of the tender with out the written consent of Employer, the tender submitted shall be liable for rejection and the tenderer shall forfeit the Earnest Money

paid by him along with the tender and liable for any other action deemed fit as per the discretion of Employer.

12. Rashtriya Ispat Nigam Limited, Visakhapatnam Steel Plant reserves the right to reject any or all the tenders, the right to accept tender other than the lowest tender or the right to accept any tender wholly or in part, or to drop the proposal of receiving tenders at any time without assigning any reason thereof without any liability to RINL and without being liable to refund the cost of the tender documents thereupon.
13. With their quotation the tenderer shall sign, all Schedules, Specifications, General Conditions, Special Conditions etc. in token of acceptance thereof. The signatures in the Tender Schedule alone shall also be deemed to be taken as acceptance of all these.
14. Details of works of similar type and magnitude carried out by the tenderer shall be furnished in the proforma in Appendix -
15. Details of construction plants and equipments available with the tenderer for using in this work shall be furnished in proforma shown in Appendix - II
16. The tender documents are not transferable without the written permission of the Employer.

VISKHAPATNAM STEEL PLANT

(RASHTRIYA ISPAT NIGAM LIMITED)

Articles of Agreement

ARTICLES OF AGREEMENT made at this _____ day of _____ 200 between Rashtriya Ispat Nigam Limited, Visakhapatnam Steel Plant, Visakhapatnam having its registered office at Administrative building, Visakhapatnam-530 031 (hereinafter referred to as the Employer which expression shall include its successors and assigns) of the one part and Messrs _____ (here in after referred to as Contractor which expression shall include its successors and assigns) of the other part.

WHEREAS the employer is desirous that certain works should be constructed viz. _____ as envisaged in the Tender Documents and specification No. _____ and has accepted the tender of the contractor for the construction, completion and maintenance of such works. Now this Agreement Witness as follows:

1. In this agreement words expressions shall have the same meanings as are, respectively assigned to them in the General Conditions of Contract hereinafter referred to.
2. The following documents shall be deemed to form and be read and construed as part of this Agreement, viz.
 - a) Duplicate copy of the letter of intent duly acknowledged and signed by the contractor
 - b) Special Conditions of Contract.
 - c) General Conditions of Contract.
 - d) Technical Documents
3. In consideration of the payment to be made by the Employer to the Contractor as hereinafter mentioned, the Contractor here by covenants with the Employer to construct, complete and maintain the works in conformity in all respects with the provisions of the Contract.
4. The Employer hereby covenants to pay the Contractor in consideration of the construction, completion and maintenance of the works the contract price at the time and in the manner described by the Contract.
5. No amendment to this agreement shall be valid or be of any affect unless the same is agreed to in writing by both the parties hereto and specifically stated to be an amendment to this agreement.
6. All disputes arising out of or in any way connected with the agreement shall be deemed to have arisen in Andhra Pradesh and only the Courts in Andhra Pradesh shall have jurisdiction to determine the same.
7. The several parts of this Contract have been read to us and fully understood by us.

As WITNESS our hands this _____ day of _____ 200

Signed by the said in the presence of

Signed by the said in the presence of

Employer

Contractor

**Construction / Maintenance / Expansion
of
Visakhapatnam Steel Plant**

Tenderer must fill in the under noted columns :

S.I No.	Full Particulars of similar work carried out by the Tenderer	Amount of work	Completion time as stated in tenderer date of Commencement	Actual Completion time & date of completion	Name and Full address of authorities for whom work was carried out
1	2	3	4	5	6

A. Work executed in the Name of Tenderer.

B. Work executed by tenderer not in the name of the Tenderer but in a different name or in a different partnership :-

N.B :- A Separate sheet may, if required, be used for giving the details in the proforma mentioned above. The sheet shall be duly signed and stitched to the Tender.

Construction / Maintenance / Expansion

of

Visakhapatnam Steel Plant

Schedule of plant and Constructional/Maintenance Equipment with details of each to be employed by the Tenderer for the Contract.

S.I No.	Description	Details	Approximate date when it will be employed at site	Period of retention at site
1	2	3	4	5

N.B :- A Separate sheet may, if required, be used for giving the details in the proforma mentioned above. The sheet shall be duly signed and stitched to the Tender.

**VISKHAPATNAM STEEL PLANT
(RASHTRIYA ISPAT NIGAM LIMITED)
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VISAKHAPATNAM STEEL PLANT
(RASHTRIYA NIGAM LIMITED)
GENERAL CONDITIONS OF CONTRACT

1. DEFINITIONS & INTERPRETATIONS

- 1.1 Definitions In the contract (as hereinafter defined) the following words and expressions shall have the meanings hereby assigned to them except where the context otherwise requires.
- 1.1.1 "Employer" means Visakhapatnam Steel Plant, Rashtriya Ispat Nigam Limited, Administrative building, Visakhapatnam - 530 031 (A.P) and includes Employer's personnel representative or successors or assigns.
- 1.1.2 "Contractor" means person or persons, firms or company whose tender has been accepted by the Employer and who has entered into contract with the Employer and includes the contractor's heirs; executors, administrators, legal representatives personal representatives, successors and permitted assigns.
- 1.1.3 "Engineer" means an Engineer/Officer In-charge appointed from time to time by the Employer"
- 1.1.4 "Engineer's Representative" means any assistant of the Engineer or any clerk of works or any other employee or agent appointed from time to time by the Employer or the Engineer to perform the duties set forth in clause - 2 hereof.
- 1.1.5 "Works" shall mean and include all works specified or set forth and required in and by the specifications, drawings and schedule here to annexed or to be implied there from or incidental thereto or to be hereafter specified or required in such explanatory instructions and drawings (being in conformity with the original specifications, Drawings and schedules) and also such additional instructions and drawings not in conformity as aforesaid as shall from time to time be supplied by the Employer during the progress of the work hereby contracted for.
- 1.1.6 "Contract" means Invitation to Tender, Instructions to Tenderers, tender with all the enclosures thereto, Articles of Agreement, General Conditions of Contract, Special Conditions of Contract; Specifications, Preamble to Bill of Quantities, priced Bill of Quantities, Schedule of rates and prices (if any,) drawings together with the Fax Order/Letter of Intent/detailed order and other documents specifically indicated herein.
- 1.1.7 'Contract price' means the sum named in the tender subject to such additions there to or deductions there from as may be made under the provisions hereinafter contained.
- 1.1.8 'Constructional Plant' means all appliances or things of whatsoever nature required in or about the execution, completion or maintenance of the works or temporary works (as hereinafter defined) but does not include materials or other things intended to form or forming part of the permanent work.
- 1.1.9 'Temporary works' means all temporary works of every kind required in or about the execution, completion or maintenance of the works.
- 1.1.10 'Drawings' means the drawings, maps, plans and tracings or prints there of annexed to the contract or referred to in the specifications and any modifications of such drawings approved in writing by the Engineer and such other drawings as may from time to time be furnished or approved in writing by the Engineer.
- 1.1.11 'Site' means the land and other places envisaged by the Employer on, under, in or through which the works are to be executed or carried out and any-other lands or places provided by the Employer for the purpose of the contract.
- 1.1.12 'Notice in Writing' or 'written notice' means a notice in written typed or printed characters sent (unless delivered personally or otherwise proved to have been received) by registered post to the last known private or business address or registered office address and shall be deemed to have been received when in the ordinary course of post it would have been delivered.
- 1.1.13 'Virtual completion' means that the work is, in the opinion of the Engineer substantially completed and has satisfactorily passed any final test that may be prescribed in the contract.

- 1.1.14 'Letter of Intent' or 'Detailed Order' means an intimation by a letter to tenderer that the tender has been accepted in accordance with the provisions contained in that letter.
- 1.1.15 'Fax Order/ Telex/ Telegraphic Acceptance' means an intimation by a Fax/ Telex/ Telegram / Cable gram that the tender has been accepted in accordance with provisions contained in the telegram / cable.
- 1.1.16 'Approved' means approved in writing including the subsequent written confirmation of previous verbal approval and 'Approval' means approval in writing including as aforesaid.
- 1.1.17 'Month' means a calendar month according to Gregorian calendar.
- 1.2 **Singular and plural:** Words importing the singular only also include the plural and vice versa where the context requires. Words importing persons include firms and corporations and vice versa where the context requires. Words importing masculine gender include the feminine gender and vice versa where the context so requires.

2. ENGINEER

- 2.1 Duties and powers of Engineer: The Engineer shall have the right of general supervision and direction of the work including authority to stop the work whenever such stoppage may be necessary, to ensure the proper execution of the contract, to reject all work and materials which do not conform to the contract, to direct the application of Contractor's labour and machinery forces to any portion of the work as in his judgement is required to order the labour and machinery forces increased or diminished and to decide questions which arise in the execution of the work unless otherwise provided for in this contract.
- 2.2 The duties of Engineer's representative are to watch and supervise the works and to test and examine any materials to be used or workmanship employed in connection with the works. Any instructions or approval given by the Engineer's Representative to the contractor in connection with the works shall bind the contractor as though it had been given by the Engineer provided always as follows:
- 2.2.1 The Engineer's Representative shall have no authority to relieve the contractor of any of his duties or obligations under the contract nor except as expressly provided hereunder or elsewhere in the contract to order any work involving delay or any extra payment by the Employer or to make any variation or in the works.
- 2.2.2 Failure of the Engineer to disapprove any work or materials shall not prejudice the employer to disapprove such work or materials and to order the pulling down, removal or breaking up thereof at the cost of the contractor.
- The decision, opinion, certificates or valuation of the Engineer in respect of any matter under this Clause shall be final, binding and conclusive.
- 2.2.3 If the contractor shall be dissatisfied by reason of any decision of the Engineer he shall be entitled to refer the matter to the Employer who shall thereupon confirm, reverse or vary such decision.

3. ASSIGNMENT AND SUB - LETTING

- 3.1 **Assignment:** The contractor shall not transfer or assign the Contract or any part thereof or any benefit or interest herein or there under without the written consent of the Employer. In the event of the contractor contravening this condition, the Employer shall be entitled to place the contract elsewhere on the contractor's account and at his risk and the contractor shall be liable for any loss or damage which the Employer may sustain in consequence or arising out of such replacing of contract
- 3.2 **Sub - letting :** The contractor shall not sub - let the whole or any part of the works without the written consent of the Employer and such consent if given shall not establish any contractual relationship between the sub - contractor and the Employer and shall not relieve the contractor of any responsibility, liability or obligation under the contract, and the contractor shall be responsible for the acts, defaults and neglects of any sub-contractor or his agents, servants or workmen as fully as if they were the acts, defaults or neglects of the contractor or his agents, servants or

workmen, provided always the execution of the details of works by petty contract under the direct and personal supervision of the Contractor or his agent shall not be deemed to be sub - letting under this clause.

4. EXTENT AND SCOPE OF CONTRACT

- 4.1 **Extent of contract** : The contract comprises the construction, completion and maintenance of the works and the provision of all facilities including but not limited to water, power, transport and facilities for installation, shifting and handling of labour, materials, constructional plant, tools and tackles, Temporary works and everything whether of a temporary or permanent nature required in and for such construction, completion and maintenance.
- 4.2 The contractor shall carryout and complete the works in every respect in accordance with the contract and in accordance with the directions and to the satisfaction of the Employer/ Engineer. The Employer/ Engineer may in his absolute discretion from time to time issue further drawings and I or written instructions, details, directions and explanations which are hereafter collectively referred to as the Employer's instructions in regard to:
 - 4.2.1 The Variation or modifications of the design, quality or quantity of works or the addition or omission or substitution of any works.
 - 4.2.2 Any discrepancy in the drawings or between the schedule of Quantities and/ or Drawings and I or specifications.
 - 4.2.3 The removal from the site of any materials brought thereon by the Contractor and the substitution of any other materials there of.
 - 4.2.4 The removal and I or re - execution of any work executed by the contractor.
 - 4.2.5 The dismissal from the works of any person employed thereupon.
 - 4.2.6 The opening up for inspection any work covered up.
 - 4.2.7 The amending and making good of any defects Under clause - 10 herein below.
 - 4.2.8 The Inspection and carrying out of tests of materials; plant and finished work on site.
 - 4.2.9 Deducting and recovering any amounts, in respect of defective plant, materials, labour and finished work for which advance payments had been made from any amounts due to the contractor.
- 4.3 The contractor shall forthwith comply with and duly executed any work comprised in such Engineer's instructions, provided always that verbal directions and explanations given to the contractor or his foreman I Representative upon the work by the Engineer shall if involving a variation, be confirmed in writing by the Contractor within seven days and if not dissented by the Engineer in writing within a period of seven days from the date of receipt of such confirmation in writing, such instructions shall be deemed to be the Engineer's instructions within the Scope of the Contract. Rates of items not mentioned in the Priced Bill of Quantities shall be fixed by the Engineer.
- 4.4 If Compliance with the Engineer's instructions as aforesaid involves work and/ or loss beyond that contemplated by the contract then, Unless the same were issued owing to some breach of this contract by the contractor, the Employer shall pay to the Contractor the Price of the said work as an extra to be valued as hereinafter provided in clause 11.
- 4.5 If a work is transferred from the jurisdiction of the Employer to another Company or a project Authority or vice verse, while the Contract is subsistence, the contract shall be binding on the Contractor and the successor Company I Project Authority in the same manner and take effect in all respects as if the Contractor and the Successor Company / Project Authority were parties thereto from the inception and the corresponding officer or the competent authority in the Successor Company/ Project Authority will exercise the same powers and enjoy the same authority as conferred to the Predecessor Company/ Project Authority under the Original Contract/Agreement entered into.
- 4.6 If for any reason the contract is transferred to the Successor Company/ Project Authority, the Contract shall notwithstanding anything contained herein contrary thereto, be binding on the

Contractor and Successor Company / Project Authority of the employer and shall take effect in all respects as if the Contractor and the Successor Company / Project Authority of the Employer had been parties thereto from the date of this Contract.

- 4.7 The Contract shall be governed by the Law for the time being in force in the Republic of India.

5. CONTRACT DOCUMENTS

- 5.1 **Documents mutually explanatory** : The several documents forming the Contract are to be taken as mutually explanatory of one another and in case of ambiguities or discrepancies the same shall be explained and adjusted by the Engineer who shall thereupon issue to the Contractor instructions directing in what manner the work is to be carried out.
- 5.2 **Custody of Drawings** : The drawings shall remain in the sole custody of the Engineer, but five copies thereof shall be furnished to the Contractor free of cost. Contractor shall return to the Engineer, all drawings provided under the contract, at the completion of the contract. Extra copies if available shall be supplied by the Employer at the rates to be fixed by him.
- 5.3 **Additional Drawings** : The Contractor shall give adequate notice in writing to the Engineer of any further drawings or specification that may be required for the execution of the works or otherwise under the Contract.
- 5.4 **One copy of Drawings to be Kept**: One copy of the drawings furnished to the Contractor as aforesaid shall be kept by the Contractor at the Site and the same shall at all reasonable times be available for inspection and use by the Engineer, Engineer's Representative or any other person authorised by the Engineer.
- 5.5 **Further Drawings and Instructions**: The Engineer shall have the right and authority to supply to Contractor from time to time during the progress of the works such further drawings and instructions as shall be necessary for the purpose of the proper and adequate execution and maintenance of the works and the Contractor shall carry out and be bound by the same.
- 5.6 All drawings and specifications and copies thereof furnished by the Employer to the Contractor are deemed to be the property of the Employer. They shall not be used on other works and with the exception of the signed contract set, shall be returned by Contractor to the Employer on completion of the works or termination of the Contract.
- 5.7 At the completion of the contract, the contractor, shall furnish to the Engineer three sets of As-built drawings showing the agreed modifications, alternations or changes made on site, if so directed by the Engineer with no extra cost to the Employer.

6. GENERAL OBLIGATIONS

- 6.1 **Contract Agreement** : The Contractor shall enter into and execute a contract agreement in the prescribed form within the time specified in the Letter of intent and in default thereof the earnest money paid by the contractor shall be forfeited and acceptance of his Tender shall be considered as withdrawn.
- 6.2 **Inspection of Site**: The Contractor shall visit, inspect and examine the site and its surroundings and shall satisfy himself before submitting his tender form as to the nature of the ground and sub-soil (as far as practicable) the form and nature of the site, the conditions, the quantities and nature of the work and materials, facilities necessary for the construction, completion and maintenance of the work and the means of access to the site, the accommodation and other facilities that may be required and in general shall himself obtain all necessary information as to working conditions, risk contingencies and other circumstances which may influence or affect his tender,
- 6.3 **Sufficiency of Tender**: The contractor shall be deemed to have satisfied himself before tendering as to the correctness and sufficiency of his tender for the works and of the rates and prices stated in the priced Bill of quantities and that the schedule of rates and prices (if any) cover all his obligations under the contract and all matters and things necessary for the proper construction, completion and maintenance of the works.

- 6.4 **Works to the satisfaction of Engineer** : The contractor shall execute, complete and maintain the works in strict accordance with the contract to the satisfaction of the Engineer and shall comply with and adhere strictly to the Engineer's instructions and directions on any matter (whether mentioned in the contract or not). Contractor shall take instructions and directions only from the Engineer (Subject. to the Provision referred to in clause 2 hereof).
- 6.5 **Programme to be furnished:** Within One month of acceptance of his Tender the Contractor shall submit to the Engineer for his approval a programme showing the order of procedure and method with the dates and completion times for different units of works which shall be within the frame work of the completion time stated in the tender in which he proposes to carry out the works and shall whenever required by the Engineer furnish for his information particulars in writing of the Contractor's arrangements for the carrying out of the works and of the constructional plant and temporary works which the Contractor intends to supply, use or construct as the case may be. The Submission to and approval by the Engineer of such programme or the furnishing of such particulars shall not relieve the Contractor of any of his duties or responsibilities under this Contract.
- 6.6 **Contractor's superintendence** : The contractor shall give or provide all necessary superintendence during the execution of the works and as long thereafter the Engineer may consider necessary. The Contractor or his Competent and authorised agent or representative approved of in writing by the Engineer (Which approval may at any time be withdrawn) is to be constantly on the works and shall give his whole time to the superintendence of the same. Such authorised agent or representative shall receive on behalf of the Contractor, directions and instructions from the Engineer or Engineer's representative (subject to the Provisions of clause 2 hereof).
- 6.7 **Removal of Workmen** : The contractor shall employed in and about the execution of the works only such persons who are careful, skilled and experienced in their respective trades and the Engineer shall be at liberty to object to and require the Contractor to remove from works any person employed by the Contractor in or about the execution of the works who in the opinion of the Engineer misconducts himself or is incompetent or negligent in the proper performance of his duties and such persons shall not be again employed upon the works in any capacity without the prior permission of the Engineer.
- 6.8 **Setting out:** The Contractor shall be responsible for the true and proper setting out of the works and for the correctness of the positions, levels, dimensions and alignment of all parts of the works and for the provision of all necessary instruments, appliances and labour in connection therewith. If any time during the progress of the works any error shall appear or arise in the position, levels, dimensions and alignment of any part of the works, the Contractor, on being required to do so by the Engineer shall at his own expense rectify such error to the satisfaction of the Engineer unless such error is based on incorrect data supplied in writing by the Engineer in which case the expense of rectifying the same shall be borne by the Employer. The checking of any setting - out of the line Or level by the Engineer shall not in any way relieve the contractor of his responsibility for the correctness thereof and the Contractor shall carefully protect and preserve all bench marks, site rails, pegs and other things used in setting out the works.
- 6.9 **Bore-holes, exploratory excavation** : If at any time during the execution of the works the Engineer shall require the Contractor to make bore - holes or to carry out exploratory excavation such requirement shall be ordered in writing and shall be deemed to be an addition ordered under the provision of Clause -11 hereof, unless a provisional sum in respect of such anticipated work shall have been provided in the bill of Quantities.
- 6.10 **Watching & Lighting:** The contractor shall in connection with the works provide and maintain at his own cost, all lights, guards, fencing and watching when and where necessary or required by the Engineer or by any competent statutory or other authority for the protection of the works or for the safety and Convenience of the public or others.
- 6.11 **Care of works** : From the commencement to the completion of the works, and maintenance thereof, the Contractor shall take full responsibility of the care thereof and of all temporary works and in case any damage, loss or injury shall happen to the works or to any part thereof or any Temporary Works from any cause whatsoever (save and except the excepted risks as defined in sub - clause 6.11.1 of this clause) shall at his own cost repair and make good the same so that at completion the works shall be in good order and conditions and in conformity in every respect with

the requirement of the Contract and the Engineer's instructions. In the event of any damage, loss or injury happening from any of excepted risks the Contractor shall, if and to the extent required by the Engineer and subject always to the Provisions of Clause-i 5 hereof, repair and make good the same as aforesaid at the cost of the Employer. The Contractor shall also be liable for any damage to the works occasioned by him in the course of any operations carried out by him for the purpose of complying with obligations under Clause- 10 hereof.

- 6.11.1 **Excepted Risks** : The "excepted risks" are riot, war, invasion, act of foreign enemies, hostilities (where war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power (in so far, as these are un-insurable) or a cause solely due to use or occupation by the Employer of any portion of the Works in respect of which a Certificate of Completion has been issued or a cause solely due to the design of the works attributable to the Employer (all of which are herein collectively referred to as "the Excepted Risks")
- 6.12 **Insurance** : The Contractor shall maintain and shall require his Sub-Contractors to maintain in full force and effect, from Insurance Companies in India acceptable to Engineer, from the time of execution of this Agreement.
- (a) All such insurances as are required by law for the purpose of the contract at the cost of contractors.
 - (b) All such insurances required in respect of equipment purchased out of advance received from Employer at the cost of Contractor.
 - (c) Any additional insurance required specifically by the Employer/ Engineer at the cost of Employer.
- 6.12.1 Contractor shall ensure that the insurer shall furnish to the Engineer and Employer with evidence of such insurance a copy of the issued policy and any amendments there to and prompt notification of any cancellation or termination thereof. Should Contractor default in paying any premium when due, Engineer or Employer, without prejudice to other remedies set forth in this agreement shall be at liberty to pay such premium and recover the same from Contractor.
- 6.12.2 All such insurance requirements are here by established as the minimum policies and coverages which Contractor must secure and keep in force. Contractor shall at all time be free to obtain additional or increased coverage at Contractor's sole expenses
- 6.12.3 The provisions contained within this Article are not intended and do not impair or in any manner limit the liabilities or obligation assumed by Contractor as may be set forth elsewhere in this Agreement.
- 6.13 **Damages to Persons & Property** : The Contractor shall (except if and so far as the Contract otherwise provides) indemnify and keep indemnified the Employer against all losses and claims for injuries or damages to any person or property whatsoever (include surface or other damages to land or trees or crops being on the site suffered by tenants or occupiers) which may arise out of or in consequence of the construction and maintenance of the works and against all claims, demands proceedings, damages, costs, charges and expenses whatsoever in respect thereof or in relation thereto, provided always that nothing herein contained shall be deemed to render the Contractor liable for or in respect of or to indemnify the Employer against any compensation of damages for or with
- a) The permanent use or occupation of land by the works or any part thereof (save in respect of damages to crops as aforesaid).
 - b) The right of the Employer to construct the works or any part thereof on, over, under, in or through any land.
 - c) Interference whether temporary or permanent resulting any right or light, air, way or other easement or quasi-easement which is the unavoidable result of the construction of the Works in accordance with the Contract.
 - d) Injuries or damages to person or property resulting from any act or neglect done or committed during the currency of the contract by the Employer, his agents, servants-other contractors (not being employed, by the contractor) or for in respect of any claims demands, proceedings, damages, costs, charges and expenses in respect thereof or in relation thereto.

- 6.13.1 **Third Party Insurance** : Before commencing the execution of the works the Contractor (but without limiting his obligations and responsibilities under Clause 6.13 hereof) shall insure against any damage, loss or injury which may occur to any property (including that of the Employer) or to any person (including any employee of the employer) by or arising out of the execution of the works or Temporary works or in the carrying out of the contract otherwise than due to the matters referred to in the Provision of Clause 6.13 hereof.
- 6.13.2 **Minimum amount of third party Insurance** : Such insurance shall be effected with an insurer and in terms, approved by the Employer and for an amount not Less than amount stated in the Appendix and the Contractor shall when ever required to produce the Engineer the valid policy or policies of insurance and the receipts for payment of the current premium.
- 6.14 **Accident or injury to workmen** : The Employer shall not be liable for or in respect of any damages or compensation payable at Law in respect of or in consequence of any accident or injury to any Workman or other person in the employment of the contractor, any sub-contractor save and except an accident or injury resulting from any act or default of the Employer, his agents or servants and the Contractor shall indemnify and keep indemnified the Employer against all such damages and compensation (save and except as aforesaid) and against all claims, demands, proceedings, costs, charges, and expenses whatsoever in respect or in relation thereto.
- 6.14.1 **Workmen's Compensation Act.** : The contractor shall at all times indemnify the Employer against all claims for compensation under the provisions of the Workmen's Compensation Act, 1923 (VIII of 1923) or any other law for the time being in force by or in respect of, any workmen employed by the Contractor in carrying out the contract and against all costs and expenses or penalties incurred by the Employer in connection there with and (without prejudice to any other means of recovery) the Employer shall be entitled to deduct from any money due or to become due to the Contractor (whether under the contract or any other contract) all moneys paid or payable by the Employer by way of compensation aforesaid or for costs or expenses in connection with any claims thereto and the contractor shall abide by the decision of the Employer as to the sum payable by the Contractor under the provision of this clause.
- 6.14.2 The Contractor shall take insurance policy for payment of an exgratia amount of Rs.1,00,000/- (Rupees one lakh only) per head in case of fatal accidents to the contract labour engaged by him in addition to the workmen's compensation insurance policy. As and when a fatal accident takes place, along with the workmen's compensation, the contractor is required to pay the exgratia amount within 30 (thirty) days from the date of accident
- 6.15 **Giving Notice and payment of fees** : The contractor shall give all notices and pay all fees required to be given or paid under any Central or State Statute Ordinance or other Law or any Regulation or bye-law of any local or other duly constituted Authority in relation to the execution of the works or any Temporary works and by the rules and regulation of all public bodies whose property or rights are effected or may be effected in any way by the works or any Temporary works.
- 6.16 **Compliance with Statute, Regulations etc.** : The contractor shall conform in all respects with the provision of any such Stature, Ordinance, or Law as aforesaid and the rules, regulations or bye - laws of any local or other duly constituted authority which may be applicable to the works or to any Temporary works and with such rules and regulations of public bodies as aforesaid and shall keep the Employer indemnified against all penalties and liability of every kind for breach of any such statute, Ordinance, Law, Rule, Regulation or Bye - Law.
- 6.17 **Fossils etc.** : All fossils, coins, articles of value or antiquity and structures and other remains or things of geological or archaeological and other interest discovered on the site shall be (as between the Employer and the contractor) deemed to be the absolute property of the Employer and the contractor shall take all precautions to prevent his workmen or any other person from removing or damaging any such article or thing and shall immediately upon discovery thereof and before removal acquaint the Engineer of such discovery and carry out at the expense of the Employer, the Engineer's order as to the disposal of the same.
- 6.18 **Patent rights & Royalties** : The Contractor shall save harmless and indemnify the Employer from and against all claims and proceedings for or an account of infringement of any patent rights, design, trademark or name or other protected rights in respect of a constructional plant, machine, work or material used for or in connection with the Works or Temporary Works of any of them and

from and against all claims, demands, proceedings, damages, costs, charges and expenses whatsoever, in respect thereof or in relation thereto.

- 6.19 Except where otherwise specified, the Contractor shall pay all tollages and other royalties, rent and other payment (if any) for getting stone, sand, gravel, clay and all other materials to the site required for the works or Temporary Works or any of them.
- 6.20 **Interference with traffic & adjoining properties** : All operations necessary for the execution of the works and for the construction of any Temporary works shall so far as compliance with the requirements of contract permits, be carried on so as not to interfere unnecessarily or improperly with the public convenience or the access to use and occupation of public or private roads and footpaths or to or of properties whether in the possession of the Employer or of any other person and the Contractor shall save harmless and indemnify the employer in respect of all claims, demands, proceedings, damages, costs, charges and expenses whatsoever arising out of or in relation to any such matters.
- 6.21 **Extra - ordinary Traffic** : The Contractor shall use every reasonable means to prevent any of the highways or bridges communicating with or on the routes to the site from being subjected to extra-ordinary traffic within the meaning of the Road Traffic Act by any traffic of the Contractor or any of his sub-contractors and in particular shall select routes and use vehicles and restrict and distribute loads so that any such extra - ordinary traffic as will inevitably arise from the moving of the plant and materials and from and to the site shall be limited as far as reasonably possible and so that no unnecessary damages or injury may be occasioned to such highways and bridges.
- 6.22 **Facilities for other Contractors** : The Contractors shall in accordance with the requirement of the Engineer afford all reasonable facilities for any other contractors employed by the Employer and their workmen and for workmen of the Employer and of any other property authorised authorities or statutory bodies who may be employed in execution on or near the site of any work not included in the Contract or any Contract which the Employer may enter into in Connection with or ancillary to the Works.
- 6.23 **Supply of Plant Materials & Labour**: Except where otherwise specified, the Contractor shall at his own expense supply and provide all the Constructional plant materials both for Temporary and for permanent Works, labour (including the supervision thereof) transport to or from site and in and about the Works and other things of every kind required for the construction, completion and maintenance of the works.
- 6.24 **Delay in obtaining materials by the Employer**: If the Employer has undertaken to supply materials specified in the Special Conditions/specification at rates stated therein or on free issue basis, the contractor shall keep himself in touch with the day-to-day position regarding the supply of materials from the Engineer and adjust the progress of the work so that their labour may not remain idle nor may there be any other Claims due to or arising from delay in obtaining the materials. No claims whatsoever shall be admitted by the Employer on account of delay in supplying materials.
- 6.25 **Clearance of site on Completion** : On the completion of the works the contractor shall clear away and remove from the site all construction Plant, surplus material, rubbish and temporary work of every kind, leave the whole of the site and works clean and in a workmen like conditions to the satisfaction of the Engineer. In the event of the Contractor's failure to comply with this provision, the Engineer shall after giving 7 days notice in writing, get the site cleared as above at the expense and risk of the Contractor and the contractor shall have no claims whatsoever.
- 6.26 **Return of surplus materials** : Notwithstanding anything contained to the contrary any where in this contract wherever any materials for the execution of the contract are procured with the assistance of the Employer either by issue from Employer's stock or purchase made under orders or permits or licences issued by the Employer the Contractor shall use the said materials economically and solely for the purpose of the contract and not dispose them of without the permission of the Employer and if required by the Engineer shall return to the Employer all surplus or unserviceable materials that may be left with the Contractor after the completion of the contract or at its termination for any reason whatsoever on being paid or credited such price as the Engineer shall determine, having due regard to the initial cost and the present condition of the material at the time of such return thereof. The credit to be allowed to the Contractor shall not exceed the amount charged to him excluding the departmental and storage charges etc., if any. In the event of breach of the aforesaid condition the Contractor shall (in addition to making himself

liable for action for contravention of the terms of the licences or permit and I or for criminal breach of trust) be liable to the Employer for all moneys, advantages of profits accrued or which in the usual course would have accrued to the Contractor by reason of such breach.

- 6.27 **Vesting of certain plant** : All constructional plant, temporary works and materials owned by the contractor or by any company in which the contractor has controlling interest shall when brought on the site immediately be deemed to be vested with the Employer till the completion of work.
- 6.28 **Irremovability of certain plant etc.:** No constructional Plant, Temporary Works materials or any part thereof shall be removed from the site without the written consent of the Engineer, which consent shall not be unreasonably withheld where the same is no longer immediately required for the purposes of completion of the Works but, the Employer will permit the Contractor the exclusive use of all such Constructional Plant, Temporary Works and materials in and for the completion of the Works until the occurrence of any event which gives the Employer the right to exclude the Contractor from the Site and proceed with the completion of the Works.
- 6.29 **Liability of loss or injury to plant:** The Employer shall not at any time be liable for the loss or of injury to any of the Constructional Plant, Temporary works or materials which have been deemed to be vested with the Employer under sub-clause 6.27 above same as mentioned in Clause 15 hereof.
- 6.30 **Materials obtained from dismantlement & excavation etc. :** All materials (e.g. stone and other materials) obtained in the work of dismantling, excavation, etc. will be considered Employer's property and issued to the Contractor (if he requires the same for his own use) at rates approved by the Engineer, If these materials are not required by him they Will be disposed off to the best advantage of the Employer.
- 6.31 Explosives shall not be used on the work by the Contractor without the permission in writing of the Engineer and then only in the manner and to the extent to which he has prescribed. Where explosives are used the same shall be stored in a special magazine to be provided by and at the cost of the Contractor who shall be liable for all damages, loss or injury to any person or property and shall be responsible for complying with all the Statutory obligation on these respects.

7. LABOUR

- 7.1 **Labour Rules etc.:** In respect of all labour directly or indirectly employed on the works, the contractor shall comply with all legislations and rules of State and/or Central Government or other local authority governing the protection of health, sanitary arrangements, wages, welfare and safety applicable for labour employed on building and constructions works. The minimum Wages Act 1948, ESI Act 1948, as amended from time to time, Contract Labour (Regulation & Abolition) Act 1970 and other Statutory obligation with regard to fair wages, welfare, amenities and safety measures, maintenance of register etc. will be deemed to be part of the contract. The Contractor shall take out necessary Licence under the Contract Labour (Regulation & Abolition) Act, 1970 within the time limit allowed by the appropriate Government and on his failing to do so, the Contract shall automatically come to an end immediately on the expiry of such time limit and the earnest money/security deposit shall stand forfeited.
- 7.2 **Reporting accidents of labour** : The Contractor shall be responsible for the safety of all employees and I or workmen employed or engaged by him on and in connection with the work and shall report to the Engineer / Employer and other local authorities concerned all cases of serious accidents howsoever caused and wherever occurring on the works and shall make adequate arrangements for rendering immediately all possible aid to the victims of the accidents.
- 7.3 **ESI Act:** The Contractors shall at all times indemnify the Employer against all claims for compensation under the provision of the ESI ACT 1948, as amended from time to time or any other Law for the time being in carrying out the contract and against all cost and expenses insured by the Employer in connection therewith and (without prejudice to and other means of recovery). The Employer shall be entitled to deduct from any money due or to become due to the contractor all moneys paid or payable by the employer by way of compensation aforesaid or for costs or expenses in connection with any claim thereto and the contractor shall abide by the decision of the employer as to the sum payable by the contractor under the provision of this clause.
- 7.4 **Age Limit of Labour** : The age limit for employment of labour shall be in strict accordance with the existing Labour Rules and Regulations.

- 7.5 **Return of Labour:** The Contractor shall submit returns in detail in such form and at such interval as the Engineer may prescribe showing numbers of different labour employed on the works from time to time by the Contractor.
- 7.6 **Observance by sub-contractor :** The Contractor shall also be responsible for the observance of the provisions of clause 7 by sub-contractors employed by him in the execution of the contract.

8. WORK MATERIALS AND PLANT

- 8.1 **Quality of materials & workmanship and tests :** All materials and workmanship shall be of the respective kinds described in the contract and in accordance with the Engineer's instruction from time to time and shall be subject to such tests as the Engineer may direct at the place of manufacture or fabrication or on the site or at all or any of such places. The Contractor shall provide such assistance, instruments, machines, labour and materials as are normally required for examining, measuring and testing any work and the quality, weight or quantity of any material used and shall supply samples of materials before incorporation in the works for testing as may be selected and required by the Engineer.
- 8.2 **Cost of samples :** All samples shall be supplied by the Contractor at his own cost, if the supply thereof is clearly intended or provided for in the Contract.
- 8.3 **Cost of Test:** Except where otherwise stated in the contract, the cost of making any test shall be borne by the contractor if such test is clearly intended or provided for in the contract.
- 8.3.1 **Cost of test not provided for:** If any test is ordered by the Engineer which is either not so intended by or provided for or (in the cases above mentioned) is not so particularised or though so intended or provided for is ordered by the Engineer to be carried out by an independent person at any place other than the site or the place of manufacture or fabrication of the material tested, then the cost of such test shall be borne by the contractor if the test shows the workmanship or materials not to be in accordance with the provisions of the contract or the Engineers instructions; but other wise the cost of such test shall be borne by the Employer.
- 8.4 **Access to Site :** The Engineer and any person authorised by him shall at all times have access to the Works and to the site and to all workshops and places where work is being prepared or when materials manufactured, articles and machinery are being obtained for the Works and the Contractor shall afford every assistance in obtaining the right to such access.
- 8.5 **Examination of Work before covering up:** No works shall be covered up or put out of view without the approval of the Engineer and the Contractor shall afford full opportunity for the Engineer to examine and measure any work which is about to be covered up or put out of view and to examine foundations before permanent work is placed thereon. The contractor shall give due notice to the Engineer whenever any such work of foundations is or are ready or about to be ready for examination and the Engineer, shall without unreasonable delay, unless he consider it unnecessary and advises the Contractor accordingly, attend for the purpose of examining and measuring such work or of examining such foundations.
- 8.5.1 **Uncovering & Making Openings :** The contractor shall uncover any part or parts of the works or make openings in or through the same as the engineer may from time to time direct and shall reinstate and make good such part or parts to the satisfaction of the Engineer. If any such part or parts have been covered up or put out of view after compliance with the requirements of Clause 8.5 and are found to be executed in accordance with the Contract the expenses of uncovering, making openings in or through, reinstating and making good the same shall be borne by the Employer but in any other case all such expenses shall be borne by the Contractor and shall be recoverable from him by the Employer or may be deducted by the Employer from any moneys due or which may become due to the contractor under the contract or any other contract between the contractor and the Employer or Employer's subsidiary units or companies.
- 8.6 **Removal of improper work and materials :** The Engineer shall during the progress of the works have the right to order in writing from time to time
- a) The removal from the site within such time or time as may be specified in the order, of any materials which, in the opinion of the Engineer, are not in accordance with the contract.

- b) The substitution of proper and suitable materials and
- c) The removal and proper re-execution (not withstanding any previous tests thereof or interim payment there for) of any work which in respect of materials of workmanship is not in the opinion of the Engineer in accordance with the contract.

8.7 **Default of contractor in compliance:** In case of default on the part of contractor in carrying out the order/ orders mentioned under clause 8.6 above the Employer shall be entitled to employ and pay other persons to carry out the same and all expenses consequent there on or incidental thereto shall be borne by the contractor and shall be recoverable from him by the Employer for or may be deducted by the Employer under this contract or any other Contract between the Contractor and the Employer under this contract or any other Contract between the Contractor and the Employer or Employer's subsidiary units/ Companies from any money due or which may become due to the contractor.

8.8 **Suspension of work:** The contractor shall on the written order of the Engineer suspend the progress of the works or any part thereof for such time or times and such manner as the Engineer may consider necessary and shall during such suspension properly protect and secure the work so far as is necessary in the opinion of the Engineer. The extra cost (if any) incurred by the contractor in giving effect to the Engineer's instructions under this clause shall be borne and be paid by the Employer unless such suspension is.

- a) other-wise provided for in contract or
- b) necessary for the proper execution of the work or by reason of weather or other force-majeure conditions or by some Default on the part of the contractor or
- c) Necessary for safety of works or any part thereof

provided that the Contractor shall not be entitled to any such extra cost unless he gives notice in writing of his intention to claim to the Engineer within 30 days of the Engineer's order. The Engineer shall settle and determine the extra payment to be made to the contractor in respect of such claims as the Engineer shall consider fair and reasonable.

8.9 **Suspension lasting more than three months:** If the progress of the works or any part thereof is suspended on the written order of the Engineer for more than three months, the contractor may serve a written notice on the Engineer requiring permission within 30 days from the receipt thereof to proceed with the works or that part thereof in regard to which the progress is suspended and if such permission is not granted within that time the contractor by a further written notice so served may (but is not bound to) elect to treat the suspension, where it affects part only of the works as an omission of such part under clause 11 here or where it affects the whole works as an abandonment of the contract by the Employer, without attaching any liability therefore on the Employer.

9. COMMENCEMENT TIME AND DELAYS

9.1 **Commencement of work:** Unless otherwise stated the contractor shall commence the works within ten days after the issue of the Letter of Intent and shall proceed with the same with due expedition and without delay except as may be expressly sanctioned or ordered by the Engineer.

9.2 **Possession of site :** Save in so far as the contract may prescribe the extent of portions of the site of which the contractor is to be given possession from time to time and the order in which such portions shall be made available to him and subject to any requirement in the contract as to the order in which

the work be executed, the Employer will, with the Engineer's written order to commence the works, give to the contractor, possession so much of the site as may be required to enable the contractor to commence and proceed with the construction of the works in accordance with the approved programme referred to in clause 6.5 hereof (if any) and otherwise in accordance with such reasonable proposals of the contractor as he shall by notice in writing to the Engineer make and will, from time to time as the works proceed, give to the contractor possession of such further portion of the site as may be required to enable the Contractor to proceed with the Construction of the works with due despatch in accordance with such approved programme or approved proposals (as the case may be) If there is delay in handing over the possession of the site to the

contractor, in accordance with the terms of this clause, the Engineer shall grant suitable extension of time for the completion of the works.

- 9.2.1 **Way-leaves etc.:** The contractor shall bear all expenses and charges for special or temporary way - leaves required by him in connection with the access to the site. The contractor shall also provide at his own cost any additional accommodation outside the site required by him for the purpose of the work.
- 9.3 **Time of Completion :** Subject to any requirement in the contract as to completion of any portion of the works before completion of the whole, the whole of the works shall be completed within the time stated in the Appendix calculated from the date of the Employer's issue of Letter of intent or such extended time as may be allowed under clause 9.4 hereof.
- 9.4 **Extension of time Completion :** Should the amount of extra or additional work of any kind or other special circumstances of any kind whatsoever which may occur be such as fairly to entitle the contractor to an extension of time for the completion of the work, the Engineer shall determine the amount of such extension, provided that the Engineer is not bound to take into account any extra or additional work or other special circumstances unless the contractor has within 30 days after such work has been commenced or such circumstances have arisen or as soon thereafter as is practicable but not later than 30 days delivered to the Engineer full and detailed particulars of any claim to extension of time to which he may consider himself entitled in order that such claim may be investigated at the time.
- 9.5 **No night or Sunday work :** Subject to any provision contained in the contract none of the permanent work shall, as hereinafter provided be carried on during the night or on Sundays or on holidays without the permission in writing of the Engineer, save when the work is unavoidable or absolutely necessary, for the saving of life or property or for the works in which case the contractor shall immediately advise the Engineer. Provided always that the provision of this clause shall not be applicable in the case of any work which it is customary to carry not be rotary or double shifts and the Employer has been advised in writing about the same by the contractor prior to its commencement.
- 9.6 **Rate of Progress :** The whole of the materials, plant and labour to be provided by the contractor under clause 4 here of and mode, manner and speed of execution and maintenance of the works are to be of a kind and conducted in a manner approved by the Engineer. Should the rate of progress of the works or any part thereof be at any time in the opinion of the Engineer is too slow to ensure the completion of the works by the prescribed time or extended time for completion the Engineer shall so notify the Contractor in writing and the contractor shall thereupon take such steps as he may think necessary to expedite the progress so as to complete the works by the prescribed time or extended time for completion. If the work is not being carried on by day and the Contractor shall request permission to work by night as well as by day then if the engineer shall grant such permission, the contractor shall not be entitled to any additional payment for so doing but if such permission shall be refused and there shall be no equivalent practicable method of expediting the progress of the work the time for completion of the work shall be extended by the Engineer by such period as is solely attributable to such refusal subject, however, to the provisions under clause 9.7 hereof. All works at night shall be carried out without unreasonable noise and disturbance. The Contractor shall indemnify the Employer against any liability for damages on account of noise or other disturbance crated while carrying out the work and from against all claims, demands, proceedings, damages, costs, charges and expenses whatsoever in regard or in relation to such liability.
- 9.7 **Liquidated damages for delay :** If the contractor shall fail to complete the works within the time prescribed by clause 9.3 hereof or the extended time then the contractor shall pay to the Employer the sum stated as liquidated damages in the Appendix for such default and not as a penalty for every week or part of a week which shall elapse between the time prescribed by clause 9.3 hereof or the extended time as the case may be and the date of completion of the works. The Employer may without prejudice to any other method of recovery deduct the amount of such damages form any money's in his hands due or which may become due to the contractor under the contract or any other contract between the Contractor and Employer or Employer's subsidiary units / companies. The payment or deduction of such damages shall not relieve the contractor from his obligation to complete the works or from any other of his obligation and liabilities under the contract.

- 9.7.1 **Reduction of liquidated damages** : If before the completion of the whole of the works any part of the works has been certified by the Engineer as completed pursuant to Clause 9.3 hereof and occupied or used by the Employer the liquidated damages for delay shall for any period delay after such certification be reduced in the proportion which the value of the parts so certified bears to the value of the whole of the works.
- 9.8 **Certificate of completion of works** : As soon as in the opinion of the Engineer the works shall have been virtually completed, Engineer shall on receiving a written undertaking by the Contractor to finish any outstanding work during the period of maintenance, issue a certificate of virtual completion in respect of the works and the period of Maintenance of works shall commence from the date of such certificate provided that the Engineer may give such a certificate with respect to any substantial part of the works which has been both completed to the satisfaction of the Engineer and occupied or used by the Employer and when any such certificate is given in respect of a part of the works such part shall be considered as completed and the period of Maintenance of such part shall commence from date such certificate. Provided always that a certificate of virtual completion given in accordance with the foregoing provisions of any part of the works occupied and used aforesaid shall not be deemed to certify completion of any ground or surface requiring reinstatement unless such certificate shall expressly so state.

10. MAINTENANCE AND DEFECTS

- 10.1 **Definition of period of Maintenance:** In these conditions the expression period of maintenance shall mean the period of maintenance named in the Appendix calculated from the date of completion of the works as certified by the Engineer in accordance with clause 9.8 hereof or in the event of more than one certificate having been issued by the Engineer under the said clause, from the respective dates so certified and in relation to the period of maintenance the expression "the works" shall be construed accordingly.
- 10.2 **Execution of work or repair etc.:** To the extent that the works shall at or as soon as practicable after the expiration of the period of Maintenance, be not delivered up to the Employer in as good as perfect condition (fair wear and tear excepted) to the satisfaction of the Engineer as that in which they were at the commencement of the period of maintenance, the Contractor shall forthwith execute all such work of repair, amendment, reconstruction, rectification and making good of defects, imperfections, shrinkages or other faults as may be required of the contractor in writing by the Engineer during the period of maintenance or within fourteen days after its expiration as a result of an inspection made by or on behalf of the Engineer, prior to its expiration.
- 10.3 **Cost of execution of repair etc.:** All such work shall be carried out by the contractor at his own expenses if the necessity there of is in the opinion of the Engineer due to the use of materials or workmanship not in accordance with the contract or to neglect or failure on the part of the contractor to comply with any obligation expressed or implied on the Contractor's part under the Contract.
- 10.4 **Remedy on Contractor's failure to carry outwork:** if the Contractor shall fail to do any such work as aforesaid required by the Engineer the Employer shall be entitled to carry out such work by his own workmen or by other contractors and if such work which the contractor should have carried out at the contractor's own cost, the Employer shall be entitled to recover from the Contractor the cost thereof or may deduct the same from any moneys due or that may become due to the contractor, under this contract or any other contract between the contractor and the Employer or Employer's subsidiary units / companies.
- 10.5 **Temporary Requirement:** Provided always that if in the course or for the purpose of the execution of the works or any part thereof of any highway or other road or way shall have been broken into, then notwithstanding any thing herein contained, the provisions contained in the following sub-clauses shall apply.
- 10.5.1 If the permanent reinstatement of such highway or other road or way is to be carried out by the appropriate Highway Authority or by some persons other than the contractor (or any sub-contractor to him) the contractor shall at his own cost and independently of any requirement of notice from the Engineer be responsible for the making good of any subsidence or shrinkage or other defect, imperfection or fault in the temporary reinstatement of such highway or other road or way and for the execution of any necessary repair and amendment thereof from whatever cause

the necessity arises until the end of the period of Maintenance in respect of the works beneath such highway or other road or way, or until the Highway Authority or other person as aforesaid shall have taken possession of the site for the purpose of carrying out permanent reinstatement whichever is the earlier and shall indemnify and save harmless the Employer against and from any damage or injury to the Employer or to third parties arising out or in consequence of any neglect or failure of the Contractor to comply with the foregoing obligations or any of them and against and from all claims, demands, proceedings, costs, charges and expenses whatsoever in respect thereof or in relation thereto.

- 10.5.2 Where the Highway Authority or other person as aforesaid shall take possession of the site as aforesaid in section or lengths the responsibility of the contractor under Clause 10.5.1 shall cease in regard to any such sections or length at the time or possession thereof is so taken but shall during the continuance of the said period of Maintenance continue in regard to any length of which possession has not been so taken and the indemnity given by the contractor under the said paragraph shall be constructed and have effect accordingly.

11. ALTERATIONS, ADDITIONS AND OMISSIONS

- 11.1 Variations : The Engineer shall have the right to make any variations of the form, quality or quantity of the works or any part thereof that may in his opinion be necessary and for that purpose of if for any other reason it shall in his opinion be desirable, he shall have power to order the contractor to do and the contractor shall do any of the following :-

- a) increase or decrease the quantity of any work included in the contract.
- b) omit any such work.
- c) change the character or quality or kind of any such work.
- d) change the levels, lines, position and dimensions of any part the works.
- e) execute additional work of any kind necessary for the completion of the works.

and no such variation shall in any way vitiate or invalidate the Contract but the value of (if any) all such variations shall be taken into account in ascertaining the account of the Contract price.

- 11.2 **Orders for variations to be in writing** : No such variation shall be made by the contractor without an order in writing of the Engineer. Provided that no order in writing shall be required for increase or decrease in the quantity of any work where such increase or decrease is not the result of any order given under this Clause, but is the result of the quantities exceeding or being less than those stated in the bill of Quantities.

Provided also that if for any reason the Engineer shall consider it desirable to give any such order, verbally, the contractor shall comply with such order and confirmation by the contractor in writing of such verbal order given by Engineer shall be deemed to be an order in writing subject to Clause 4.3 hereof.

- 11.3 **Valuations of Variations and power of the Engineer to Fix rates:** The Engineer shall determine the amount (if any) to be added to or deducted from the sum named in the tender in respect of any extra or additional work done or work omitted by his order, all such work shall be valued at the rates set out in the contract if in the opinion of the Engineer the same shall be applicable. If in the opinion of the Engineer the contract does not contain any rates applicable to the additional, altered, omitted or substituted items then the rates shall be fixed by the Engineer for such items by deriving the rates from the analogous item, if any, in the agreement. In the absence of analogous items, the rate shall be fixed by the Engineer on the basis of basic rates and norms as available in standard schedules I analysis of rates adopting approved rates documents and the contractor shall submit the analysis on these lines. The cost element on account of provisions of profit including overheads shall not exceed 121/2% of the direct cost.

Provided also that no increase of the contract price and Clause 11.3 shall be made unless the contractor notifies to the Engineer his intention to claim extra payment within one month form the (receipt of the contract variation) date the work relating to the variation is taken up for execution.

- 11.4 **Day work** : Where a particular item of work has not been included in the Bill of Quantities and where an analogous rate can not be computed or a reasonable rate cannot be determined or agreed with the Engineer, then if such item of work shall not be measurable by the Engineer, may if in his opinion it is necessary or desirable, order in writing that any additional or substituted work shall be executed on a day work basis. The contractor shall then be paid for such work under the conditions set out in the day work schedule included in the Bill of Quantities and at the rates and prices affixed thereto by him in his tender.
- 11.4.1 The contractor shall furnish to the Engineer such receipts or other vouchers as may be necessary to prove the amounts paid and before ordering materials, shall submit to the Engineer, quotations for the same for his approval
- 11.4.2 In respect of all work executed on a day work basis the contractor shall during the continuance of such work deliver each day to the Engineer exact list in duplicate of the names, occupation and time of all workmen employed on such work and statement also in duplicate showing the description and quantity of all materials and plant used thereon or therefore (other than plant which is included in the percentage addition in accordance with the Schedule under which payment for day work is made). One copy each of list and statement will if corrector when agreed be signed by the Engineer and returned to the Contractor. At the end of each month the Contractor shall deliver to the Engineer a priced statement of the labour, material and plant (except as aforesaid) used and the Contractor shall not be entitled to any payment unless such lists and statements have been fully and punctually rendered.

12. MEASUREMENTS

- 12.1 **Quantities** : The quantities set out in the Bill of Quantities are the estimated quantities of the work but they are not to be taken as the actual and correct quantities of the works to be executed by the Contractor in fulfilment of his obligation under the Contract. Any fluctuation in the quantity of the work from the estimated quantity as a result of measurement carried out after the actual execution of the work shall not entitle the Contractor to claim any compensation / loss or profit / damages for the shortfall in the estimated quantity of work or excess above the estimated quantity of the work as the case may be, besides the price due to him for the actual quantity or work executed at the rate contained in the Contract.
- 12.2 **Works to be measured** : The Engineer shall except as otherwise stated ascertain and determine by measurement the value of work done in accordance with the Contract. He shall when he requires any part or parts of the works to be measured give notice to the Contractor who shall forthwith attend or send a qualified agent to assist the Engineer in making such measurement and shall furnish all particulars required by him. Should the contractor not attend or neglect or omit to send such agent on the date/s fixed by the Engineer for taking measurement as per notice given to the contractor, the measurement made by the Engineer or approved by him shall be taken to be the correct measurement of the work.
- 12.3 **Methods of Measurement**: Except where any general or detailed description of the work in the Bill of Quantities expressly shows to the contrary, Bill of Quantities shall be deemed to be comprehensive, be completed and measurements shall be made according to the procedure set forth in the Indian Standard Method of Measurement for building work IS:1200 and any subsequent amendment or modification thereof notwithstanding any general or local custom. All dimensions and measurements shall be in metric units.
- 12.4 **Period of final Measurement**: The final measurements and valuations in respect of the Contract shall be completed within the "period of Final Measurement" stated in the Appendix calculated from the date of completion of the works as certified by the Engineer in accordance with Clause 9.8 hereof.

13. CERTIFICATE OF PAYMENT

- 13.1 **Monthly Payments** : The contractor shall submit to the Engineer, at the end of each month an on-account bill showing the estimated contract value of the permanent work executed up to the end of the month (if such value shall justify issue of an interim certificate) accompanied by detailed measurements and a statement of permanent materials at site. The contractor will be paid monthly on the Certificate or the Engineer the amount due to him on account of the estimated value of the permanent work executed up to the end of the previous month together with such amount (if any as the Engineer may consider proper on account of materials for permanent work delivered by the contractor on the site) subject to a retention of the percentage named in the Appendix until the amount retained shall reach the limit of "Retention money" named in the Appendix (hereinafter called the Retention money) provided always that no interim certificates shall be issued for a sum less than named in the Appendix at one time.
- 13.2 **Payment of Retention Money**: One half of the retention money shall become due and shall be paid to the Contractor when the Engineer shall certify in writing that the works have been substantially completed and have satisfactorily passed final test and the other half shall be paid to the contractor thirty days after the expiration of the period of maintenance and based on the no objection certificate from the Engineer. Provided always that it at such time there shall remain to be executed by the Contractor any works ordered during such period pursuant to Clause 10.1 to 10.5.2 hereof, the Employer shall be entitled to withhold payment until the completion of such works so much of the second half of the retention money as shall in the opinion of the Engineer represent the cost of the works so remaining to be executed.
- Provided further that the second half of the retention money shall not be released without the Contractor furnishing the certificate required under Clause 13.6 hereof and that in the event of different maintenance periods having become applicable to different parts of the works pursuant to Clause 9.8 hereof expression expiration of the period of maintenance, shall for the purpose of this sub-clause be deemed to mean the expiration of the latest of such periods.
- Time of payments**: Every effort shall be made by the Employer to release the payment upon each of the Engineer's certificates within the number of days named in the Appendix after such certificate has been delivered to the Employer.
- 13.4 **Correction of Certificates** : The Engineer may by any certificate make any correction or modification to any previous certificate which shall have been issued by him.
- 13.5 **Approval only by Maintenance certificate**: No certificate other than the maintenance Certificate referred to in Clause 13.6 hereof shall be deemed to constitute approval of any work or other matter in respect of which it is issued or shall be taken as an admission of the due performance of the Contract or any part thereof or of the accuracy of any claim or demand made by the Contractor or of additional or varied work having been ordered by the Engineer nor shall any other certificate abridge or prejudice any of the powers of the Engineer.
- 13.6 **Maintenance Certificate**: The Contract shall not be considered as completed until a Maintenance Certificate shall have been signed by the Engineer and delivered to the Employer stating that the works have been completed and Maintained to his satisfaction. The Maintenance Certificate shall be given by the Engineer fourteen days after the expiration of the period of Maintenance or as soon thereafter as any works ordered during such period pursuant to clause 10.1 to 10.5.2 hereof shall have been completed to the satisfaction of the Engineer and full e shall be given to this clause notwithstanding any previous entry on the works or the taking possession. Working or using thereof any part thereof by the Employer.
- 13.7 **Cessation of Employer's Liability** : The Employer shall not be liable to the contractor for any matter or thing arising out of or in connection with the Contract of the execution of the works unless the Contractor shall have made a claim in writing in respect thereof before requesting for issue of the maintenance certificate under this clause,

14. REMEDIES AND POWERS

- 14.1 **Termination of Contract by the Employer**: If the Contractor shall become bankrupt or have a receivers order made against him or shall present his petition in bankruptcy or shall make an arrangement with or assignment in favour of his creditors or shall agree to carry out the contract under a committee of inspection of his creditors or (being a corporation) shall go into liquidation (other than a voluntary liquidation for the purpose of amalgamation or reconstruction) or if the

Contractor shall assign the contract without the consent in writing of the Employer first obtained or shall have an execution levied on his goods or if the Engineer shall certify in writing to the Employer that in his opinion the Contractor:

- a) Has abandoned the Contract or
- b) Without reasonable excuse has failed to commence the works or has suspended the progress of the works for 14 days in a month at a stretch or intermittently after receiving from the Engineer written notice to proceed or,
- c) Has failed to execute the work according to the programme agreed upon or,
- d) Has failed to proceed with the works with due diligence or
- e) Has failed to remove materials from the Site or to pull down and replace work for 14 days after receiving from the Engineer written notice that the said materials or work have been condemned and rejected by the Engineer, or
- f) is not executing the works in accordance with the Contractor is persistently / flagrantly neglecting to carry out his obligations under the Contract or,
- g) Has to the detriment of good workmanship or in defiance of the Engineer's instructions to the contrary sub - let any part of the Contract.

Then the Employer may after giving 7 days notice in writing to the Contractor enter upon the site and the works and expel the Contractor there from without avoiding the Contract or releasing the Contractor from any of his obligations or liabilities under the Contract or affecting the rights and powers conferred on the Employer or the Engineer by Contract and may himself complete the works or may employ any other Contractor to complete the works, and the Employer or such other Contractor may use for such completion all such of the constructional Plant, temporary works and materials which have been deemed to become the property of the Employer under Clause 6.27 hereof on the Site as he or they may think proper and the Employer may at any time sell any of the said Constructional Plant, Temporary Works and unused materials and apply the proceeds of sale in or towards the satisfaction of any sum due or which may become due to him from Contractor under the Contract.

- 14.2 **Valuation at date of termination of Contract** : The Engineer shall as soon as may be practicable after any such entry and expulsion by the Employer fix and determine exparte or by or after reference to the parties or after such investigation or enquiries as he may think it to make or institute and shall certify what amount (if any) had at the time of such entry and expulsion been reasonably earned by or would reasonably accrue to the Contractor in respect of work then actually done by him under the Contract and what was the value of any unused or partially used materials, any Constructional plant and Temporary works which have been deemed to become the property of the Employer under Clause 6.27 hereof at the Site.
- 14.3 **Payment after termination of Contract** : If the Employer shall enter and expel the Contractor under this Clause, he shall not be liable to pay to the Contractor any money on account of the Contract until the expiration of the Period of Maintenance and there after (until the costs of completion and maintenance, damages for delays in completion (if any) and all other expenses incurred by the Employer have been ascertained and the amount thereof certified by the Engineer. The Contractor shall then be entitled to receive only such sum or sums (if any) as the Engineer may certify would have been due to him, upon due completion by him after deducting the said amount. But if such amount shall exceed the sum which would have been payable to the Contractor, the Contractor shall upon demand pay to the Employer the amount of such excess and it shall be deemed a debt due by the Contractor to the Employer and shall be recoverable accordingly.
- 14.4 **Urgent Repairs** : If by reason of any accident or failure of other event occurring to in or in connection with the Works or any part thereof, either during the execution of the works or during the period of maintenance, any remedial or other work or repair shall in the opinion of the Engineer, be urgently necessary for security and the Contractor is unable, unwilling at once to do such work or repair; the Employer may by own or other workmen do such work or repair as the Engineer may consider necessary, if the work or repair so done by the Employer is work which in the opinion of the Engineer the Contractor was liable to do at his own expenses under the Contract, all costs and charges properly incurred by the Employer in so doing shall in demand be

paid by the contractor to the Employer or may be deducted by the Employer from any moneys due or which may become due to the Contractor under this Contract or any other Contract between the Contractor and the Employer or Employer's subsidiary units/Companies. Provided always that the Engineer shall as soon after the occurrence of any such emergency as may be reasonably practicable notify the Contractor thereof in writing.

- 14.5 **Termination of Contract by Contractor** : If the Employer commits any Act of insolvency or if the Employer shall be adjudged an insolvent or shall make an assignment or composition for the benefit of the greater part in number or amount of his creditors or shall have an order made against him or pass an effective resolution for winding up either compulsory or subject to the supervision of the court or voluntarily or if the Official Assignee of the Employer shall repudiate the contractor if the Official Assignee or the Liquidator in any such winding up shall be unable within 14 days after notice to him requiring him to do so to show to the reasonable satisfaction of the Contractor that he is able to carry out and fulfil the Contract and to make all payments due and to become due there under and if the work be stopped for three months or more at a stretch under the order of the Engineer or by an injunction or other order of any court of law for reasons not attributable to the Contractor then and in any of the said cases the Contractor subject to provision contained in Clause 8.9 hereof shall be at liberty to determine the Contract by notice in writing to the Employer through the Engineer and he shall be entitled to recover from the Employer payment for all works executed and for any loss he may sustain upon any plant or materials supplied or purchased or prepared for the purpose of the Contract.

In arriving at the amount of such payment the net rates contained in the Contract shall be followed or where the same may not apply valuation be made in accordance with Clause 11.3 hereof.

Provided always the Employer shall not be liable for payment of any claims or losses arising on account of suspension or stoppage of work under force majeure circumstances beyond the sum payable for the work already executed.

15. WAR CLAUSE

- 15.1 **Works to be continued for 28 days on outbreak of war**: If during the currency of the Contract there shall be an outbreak of war (whether war is declared or not) in which India shall be engaged on a scale involving general mobilisation of the armed forces of the Republic, the Contractor shall for a period of 28 days reckoned from midnight of the date on which the order for general mobilisation is given continue so far as is physically possible to execute the works in accordance with the Contract.
- 15.2 **Effect of completion within 28 days**: If at any time before the expiration of the said period of 28 days the works shall have been completed or completed so far as to be usable, all the provisions of the contract shall continue to have full force and effect save that.
- 15.2.1 The Contractor shall in lieu of fulfilling his obligations under Clause 10.1 to 10.5.2 hereof be entitled at his option to allow against the sum due to him under the provisions hereof the cost (calculated at the prices ruling at the beginning of the said period of 28 days) as certified by the Engineer at the expiration of the period of Maintenance of repair, rectification making good any work for the repair rectification or making good of which the Contractor would have been liable under the said clauses had they continued to be applicable.
- 15.2.2 The Employer shall not be entitled at the expiration of the period of Maintenance to withhold payment under Clause 13.2 hereof the second half of the retention money or any part thereof except such sum as may be allowable by Contractor under the provisions of the last preceding paragraph, which sum may be (without prejudice to any other mode of recovery thereof) deducted by the Employer from such second half.
- 15.3 **Right of Employer to determine**: If the works shall not have been completed as aforesaid the Employer shall be entitled to determine the Contract (with the exception of this clause 16 and 17 hereof) by giving notice in writing to the contractor at any time after the aforesaid period of 28 days has expired and upon such notice being given the Contractor shall (except as above

mentioned) forthwith determine but without prejudice to the claims of either part in respect of any antecedent breach thereof.

- 15.4 **Removal of plant on the determination** : If the Contract shall be determined under the provisions of the last preceding Clause, the contractor shall with all reasonableness, despatch, remove from the site all his constructional plant and shall give facilities to his sub-Contractors to remove similarly all constructional plant belonging to them and in the event of any failure to do so the Employer shall have the power to sell any such Constructional plant and after deducting from any proceeds of sale the costs, charges and expenses of and in connection with such sale shall pay the balance (if any) to the contractor but to the extent that the proceeds of any sale are insufficient to meet all such costs, charges and expenses, the excess shall be a debt due from the contractor to the Employer and shall be deductible or recoverable by the Employer from any moneys due to the Contractor under the contract or any other Contract between the Contractor and the Employer or Employer's Subsidiary Units / Companies.
- 15.5 **Payment on determination** : If the Contractor shall be determined as aforesaid, the Contractor shall be paid by the Employer (in so far as such amounts of items shall not have been already covered by payment on account made to the contractor) for all work executed prior to the date of determination at the rates and prices provided in the Contract and in attention.
- 15.5.1 The amounts payable in respect of any preliminary items so far as the work or service comprised therein has been carried out or performed and a proper portion of any such items as certified by the Engineer, the work or service comprised therein has been partially carried out or performed.
- 15.5.2 The cost of Materials or goods reasonably ordered for the works or temporary works which shall have been delivered to the contractor or of which the contractor is legally liable to accept delivery (such materials or goods becoming the property of the Employer upon such payment being made by him).
- 15.5.3 A sum to be certified by the Engineer being the amount of any expenditure reasonably incurred by the contractor in the expectation of completing the whole of the works in so far as such expenditure shall not have been covered by the payments in this sub - clause before mentioned.
- 15.5.4 Any additional sum payable under the provisions of sub – clause 15.6.1, 15.6.2 hereof.
- 15.5.5 The reasonable cost of removal under clause 15.4 here of
- 15.6 **Provisions to apply from outbreak of war:** Whether the Contract shall be determined under the provisions of Clause 15.3 or not the following provisions shall apply or be deemed to have applied as from the date of the said outbreak or war notwithstanding anything expressed in or implies by the other terms of the Contract viz.
- 15.6.1 The Contractor shall be under no liability whether by way of indemnity or otherwise for in respect of damage to the work or to the property (other than property of the Contractor or property hired by him for the purpose of executing the works) whether of the Employer or of third parties or for in respect of injury, loss of life to persons, which is the consequence whether direct or indirect of war, hostilities (whether war has been declared or not), invasion, Act of India's enemies, civil war, rebellion, revolution, insurrection, military or usurped power.
- 15.6.2 If the works or Temporary works or any materials on the site (whether for the former or the later) shall sustain destruction or any damage by reason of any of the causes mentioned in the last preceding paragraph, the contractor shall nevertheless be entitled to payment for any permanent work (executed by the Contractor) so destroyed or damaged and the Contractor shall be entitled to Permanent work or to the Temporary works so far as may be required by the Engineer or as may be necessary for the completion of the works on a prime cost basis plus such profit as the Engineer may certify to be reasonable.

16. SETTLEMENT OF DISPUTES

16.1.0 ARBITRATION CLAUSE WHERE THE CONTRACT PRICE IS BELOW Rs.5.00 LAKHS

16.1.1 Disputes to be finally determined by the Engineer: The decisions, Opinions, directions, certificates or Valuation of the Engineer with respect to all or any part of the matters under clauses 2.2.2, 4.5, 6.4 to 6.11, 6.25,8,9.2,9.4,9.6, to 9.8,10,11,12,13.6,14.0 & Special Conditions of Contract for the decision of which specific provisions have been made hereof (which matters herein referred to as Excepted matters) shall be final and conclusive and binding on the parties hereto and shall be without appeal.

16.1.2 Sole-Arbitration Clause: Except the matters covered under 16.1.1 above, if at anytime, any question, dispute or difference whatsoever shall arise between the Employer and the Contractor upon, in relation to or in connection with the Contract, either party may forthwith give to the other notice in writing of the existence of such question, dispute or difference and the same shall be referred to the adjudication of an arbitrator to be nominated by the Employer. The award of the arbitrator shall be final and binding on both the parties and the provisions of the Indian Arbitration Act, 1940 and the rules there under and any statutory modification thereof shall be deemed to apply to and be incorporated in this contract.

The further progress of any work under the contract shall unless otherwise directed by the Engineer continue during the Arbitration proceedings and no payment due or payable by the Employer shall be withheld on account of such proceedings it shall not be open to Arbitrator to consider and decide whether or not such work shall continue during the Arbitration proceedings.

The sole-arbitrator shall make a reasoned award.

The venue of Arbitration shall be at Visakhapatnam, Andhra Pradesh, India.

16.2.0 ARBITRATION CLAUSE WHERE THE CONTRACT PRICE IS Rs.5.00 LAKHS OR MORE:

16.2.1 Disputes to be finally determined by the Engineer : The decisions, Opinions, directions, Certificates or Valuation of the Engineer with respect to all or any part of the matters under Clauses 2.2.2, 4.5, 6.4 to 6.11, 6.25, 8,9.2,9.4,9.6, to 9.8, 10, 11, 12, 13.6, 14.0 & special conditions of Contract for the decision of which specific provisions have been made hereof (which matters herein referred to as 'Excepted matters') shall be final and conclusive and binding on the parties hereto and shall be without appeal.

16.2.1 Settlement of Disputes by Arbitration : Except the matters covered under above, all disputes and differences whatsoever arising between the parties out of or relating to the construction, meaning and operation or effect of this contractor the breach thereof shall be settled by Arbitration in accordance with Rules of Arbitration of the Indian Council of Arbitration and the award made in pursuance thereof shall be binding on the parties, provided that withholding of any of the certificate, decision, opinion, direction, valuation etc., by the Engineer for a period of more than six months shall be referable to Arbitration and shall not be barred as Excepted matter.

The further progress of any work under the contract shall unless otherwise directed by the Engineer Continue during the Arbitration proceedings and no payment due or payable by the Employer shall be withheld on account of such proceedings. It shall not be open to Arbitrators to consider and decide whether or not such work shall continue during the Arbitration proceedings.

Provided further that no reference to Arbitration whether the final bill for the work has been passed or not shall be made later than 6 months from the date of satisfactory completion of the work under the contract.

The Arbitration bench shall make a reasoned award.

The venue of Arbitration shall be at Visakhapatnam, Andhra Pradesh, India.

17. NOTICES

17.1 Serving Notices on Contractor: Any notice to be given to the Contractor under the terms of the Contract shall be considered duly served if the same shall have been delivered to, left for or posted by registered post to the Contractor's Principal place of business (or in the event of the Contractor being a Company to or at its Registered office) or at the site.

- 17.2 **Serving Notices on Employer:** Any notice to be given to the Employer under the terms of the contract shall be considered as duly served, if the same shall have been delivered to, left for or posted by Registered post to the Employer's last known address.

CONTRACTOR

EMPLOYER

APPENDIX HEREIN BEFORE REFERRED TO

Clause No.

6.12	Insurance	Same as Contract Price
6.13.2	Third Party insurance	Rs.50,000/- (Rupees fifty thousand only)
9.3	Time for Completion /	_____ months from the tenth day of date of placement of order
9.7	Amount of Liquidated damages	1% (one percent) per week of the value of the work not completed up to a maximum of 5% (five percent) of value of whole work.
10.1	Period of Maintenance	Twelve (12) months.
12.4	Period of measurement	Three (3) months
13.1	Rate of percentage of retention	i) For contracts of value up to and including Rs.100 lakhs 75 % of the value on - account bills. ii) For contracts of value above Rs.100 lakhs 7.5% of the first Rs.100 lakhs plus 5% of the balance value of on - account bills exceeding the first Rs.100 lakhs.
13.2	Limit of retention money (including the initial security deposit)	i) For Contracts of value of upto and including Rs.100 lakhs 7.5% of contract value. ii) For contracts of value above Rs.100 lakhs Rs.7.5 lakhs plus 5% of the contract value exceeding Rs.100 lakhs. iii) The accumulated retention money in multiples of Rs.1.00 lakh each could be released against Bank Guarantee in VSP's approved proforma, if the contractor so desires. vi) Bank Guarantee for the full value covering the security deposit and retention money in VSP's approved proforma will be accepted, if the contractor so desires and no deduction towards retention money will be made from the Running Account Bills except for variations in the Contract values.
13.3	Minimum amount of interim certificate	_____
13.4	Time within which payment to be made after certificate	One (1) month in respect of on account bills and 6 (six) months in respect of final bill.

(TO BE EXECUTED ON A STAMP PAPER OF VALUE NOT LESS THAN
Rs. 100.00 BOUGHT IN THE NAME OF THE EXECUTING BANK)

FORM OF GUARANTEE BOND

1. Name and address of the Bank: _____
(Full Postal Add. & PIN code to be given) _____
2. Guarantee No. _____ Date _____
3. Limit of Liability _____ Expiry Date _____
4. Tender Notice No.* _____ Date** _____
5. Name of the work as given in the tender **

To

Rashtriya Ispat Nigam Ltd.,
Visakhapatnam Steel Plant,
VISAKHAPATNAM (A. P)

Sub: Earnest Money Deposit

In consideration of M/s Rashtriya Ispat Nigam Limited, Visakhapatnam Steel Plant having its Registered office at Administrative building, Visakhapatnam-530 031 (hereinafter called the company) which expression shall unless repugnant to the subject or context includes his successors and assigns having agreed to exempt M/s _____ (here in after called "the Contractor/ Supplier") from demand under the terms and conditions of the tender No (*) dt..... issued by the company for the work (**) _____ (hereinafter called the said 'Document') from deposit of Earnest Money for the due fulfilment of the Contractor/ Supplier of terms and conditions contained in the said document on production of a bank Guarantee for Rs. _____ (Rupees _____ only).

1. We, the _____ Bank (hereinafter referred to as 'the said Bank') a Company under the Companies Act, 1956 and having our Registered Office at do hereby under take and agree to indemnify and keep indemnified the Company to the extent of Rs. _____ (Rupees _____ only) against any loss or damage, costs, Charges and expenses caused to or suffered by or that may be caused or suffered by the Company by reasons of any breach or breaches by the Contractor/ Supplier of any of the terms and conditions contained in the said documents and unconditionally pay the amount claimed by the company on demand and without demur to the extent aforesaid

Note: Instructions to the Bank not to be reproduced in stamp paper.

1. The following are to be filled up in the Blank space indicated thus

(*) Tender No. of the tender.

(**) Name of the works as given in the Tender Notice.

2. All pages of bank guarantee shall have the rubber stamp and signature of the officer of the bank
3. All corrections shall be attested by Rubber Stamp and Stamp of the Officer of bank.
4. The expiry date of BG shall be one month beyond the validity of the offer submitted by the Tenderer.

2. We, the _____ Bank further agree that if the contractor I supplier commits any breach of the terms and conditions of the said documents in respect of which the Contractor I Supplier has been exempted from depositing the Earnest Money be cause of the guarantee furnished by the bank to the Company and the Company and the Company has become entitled to forfeit the Earnest Money or any part thereof, the Bank hereby unconditionally and irrevocably agrees and undertakes to pay to the Company on demand and without demur the amount of the Earnest Money required to be furnished by the Contractor I Supplier under the conditions of the said documents in respect of which the breach is committed to the extent of Rs. _____ (Rupees _____ only).

3. We, _____ Bank further agree that the company shall be the sole judge of and as to whether the Contractor / Supplier has committed any breach or breaches of any of the terms and conditions of the said documents and extent of loss, damage, costs charges and expenses caused to or suffered by or that may be caused to or suffered by the Company on account thereof to the extent of the Earnest Money required to be deposited by the Contractor / Supplier in respect of the said document and the decision of the company that the contractor / supplier has committed such breach and as to the amount or amounts of loss, damage, costs, charges and expenses caused to or suffered by or that may be caused to or suffered by the Company shall be final and binding on us.

4. We, the said Bank further agree that the guarantee herein contain shall remain in full force and effect until it is released by the Company provided always this guarantee shall in no event remain in force after the _____ day of _____ Without prejudice to the claims of the company arisen and demanded from or otherwise notify to us in writing on or before the said date which will be enforceable against us notwithstanding that the same are enforced after the said date.

5. The Company shall have the fullest liberty without affecting in any way the liability of the Bank under this guarantee or indemnity, from time to time to vary any of the terms and conditions of the said contract / supply or to extend time of performance by the Contractor / Supplier or to postpone for any time and from time to time any of the powers exercisable by it against the Contractor/ Supplier and either to enforce or forbear from enforcing any of the terms and conditions governing the said documents or securities available to the Company and the said Bank shall not be released from its liabilities under these presents by any exercise of the company of the liberty with reference to the matters aforesaid or by reason of time being given to the Contractor/ Supplier or any other forbearance act or omission on the part of the Company or any indulgence by the Company to the contractor/ supplier or of any other matter or thing whatsoever which under the law relating to sureties would but for these provisions have the effect or so releasing the Bank from its liability.

6. It shall not be necessary for the company to proceed against the contractor/supplier before proceeding against the Bank and the guarantee herein contained shall be enforced against the Bank notwithstanding any security which the company may have obtained or obtain from the contractor/supplier shall at the time when proceeding are taken against the Bank hereunder be outstanding or unrealised.

7. We, the said Bank lastly undertake not to revoke this guarantee during its currency except with the previous consent of the company in writing and agree that any change in the constitution of the company or the Contractor / Supplier or the Bank shall not discharge our liability hereunder.

8. All claims arising out of this Bank Guarantee may be filed with us in writing within six months of the expiry of the validity period of the Bank Guarantee

Place: _____

Date _____

VISAKHAPATNAM STEEL PLANT

CONTRACTS SECTION - PROJECTS DIVISION

SPECIAL CONDITIONS OF CONTRACT

FOR

ELECTRICAL WORKS

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CONTRACT SECTION - PROJECTS DIVISION

SPECIAL CONDITIONS OF CONTRACT

FOR ELECTRICAL WORKS

1.0 General:

- 1.1 The Special conditions of the contract shall be read in conjunction with the Invitation to Tender, General conditions of the contract, Specifications, preamble to bill of quantities, bill of quantities, drawings and/or other documents detailing the work.
- 1.2 In case of any conflict of meaning between the "Special conditions of contract" and "General conditions of contract" and other documents, the documents shall prevail as given below :
 - 1) Special conditions shall prevail over General conditions.
 - 2) Specifications shall prevail over contract drawings.
 - 3) The items in the Bill/Schedule of quantities shall prevail over the specifications and drawings for payment purposes only.
 - 4) Between two issues of same document, the document revised or reissued as of the later date shall prevail.
 - 5) All specifications, contract drawings and other documents shall be interpreted in conformity with the General conditions of contract as supplemented and/or modified by the Special conditions.

2.0 COVERAGE OF CONTRACT / SCOPE OF WORK:

- 2.1 The Scope of Work: The scope of work shall be as per drawings, specifications enclosed and instructions to be furnished by the Employer/Engineer.
- 2.2 Contract awarded for the work is a complete one for labour materials and workmanship including all enabling works and provisions and use of all construction equipments, tools and tackles, consumable etc. The Contractor's attention is invited to the *relevant* articles of the preamble Jo Bill of Quantities and specifications. The contractor has to make his own arrangements for all the materials required for the due performance of the work.

3.0 TIME FOR COMPLETION/PERIOD OF CONTRACT :

- 3.1 The completion/contract period for the entire work shall be ____ (.....) months from the date of issue of Letter of Intent or Fax Letter of Intent.

A detailed construction schedule is to be prepared and submitted by the contractor within an agreed time after award of the work for approval of the Engineer. This construction schedule will indicate completion of units divided in phases. Time is the essence of the contract. The contractor shall complete the work in phases as per the approved construction schedule as stated above. In the event of non-completion of work as indicated in the schedule, action as deemed fit by the Engineer shall be taken in terms of contract.

- 3.2 The work covered under the contract is to be executed in a well coordinated and in a sequential manner so *as* to give fronts for the work *to* other agencies *in* the area. With this objective, the contractor will have to execute the work as per the time schedule set by the Engineer and the Contractor shall make all necessary arrangements including planning for executing the work in all 3 shifts as per the requirement to keep up the time schedules and to maintain commissioning schedules for different shops/units of the contract work. In some cases, the work may have to be carried out intermittently. No extra payment shall be entertained on this account by the Employer.
- 3.3 The contractor shall draw up a detailed monthly and annual construction programme/schedule in consultation with the Engineer prior to *commencement of work*. The *contractor* shall follow the programme diligently as finally approved by the Engineer and shall be binding on the contractor.
- 4.0 TEMPORARY ROADS :
- The contractor shall make his own arrangements to construct suitable approach roads to the work site as required and maintain them at his cost.
- 5.0 LIGHTING IN AND AROUND THE WORK SPOTS :
- The contractor if necessary shall make his own arrangement in arranging the required Lighting in and around the work spots, for the purpose of construction activities including movement of persons & inspection by Engineers and his authorised representatives.
- 6.0 CONSTRUCTION MACHINERY :
- 6.1 The contractor shall make his own arrangements for all constructional plant, equipment, tools etc., for all the works including Testing and commissioning covered in the contract. He shall indicate in Appendix-(I) the type and number of different equipment in good working conditions, with their capacities etc. which he will use for the works to ensure the completion of the work in the specified time.
- 6.2 All constructional plant and equipment once brought by the contractor to the site are not to be removed from there without the written permission of the Engineer. Also, the contractor shall promptly arrange spare parts, consumables, fuel, lubricants etc. for the equipment on the site as and when necessary at his own cost.
- 6.3 If in the opinion of the Engineer, the tools, tackles, plant and equipment etc., brought to site or arranged by the contractor, are not sufficient or/are inadequate, the Engineer shall have the right *to* direct the contractor and the contractor shall comply with the directions, and arrange to bring such additional tools, tackles, plant and equipment, instruments etc., to the site and employ the same for the work at his own cost.
- 6.4 Subject to availability, the Employer may provide some of the heavy equipment on hire basis to the contractor as per terms and conditions given in Appendix-III. However, it shall be understood that the Employer is neither bound to provide with such equipment nor liable for any delays/losses for not providing or delay in providing such equipment.

- 6.5 The Employer hires out to the contractor the available equipment on the basis that the contractor shall be responsible for the safe custody of the equipment hired out to him during the period of hire and the contractor shall make good any loss *or* damages to the equipment caused due to negligence, inadequate watch and ward etc.
- 6.6 Hire charges for the equipment shall be levied on composite hourly basis for the period of actual hours on use including the marching within the zone at rates stated in the enclosed list giving the hire charges for the various equipment. For the equipment where hire charges are stipulated on shift/day basis, the recovery of hire charges shall be on shift/day basis only. Part of the shift/day shall be considered as full shift/day. Such chargeable period shall not include the period in hours for which the work was shut down by the Engineer for repairs/maintenance and/or for want of Operator and/or parking time beyond normal duty hours.

A joint record shall be maintained indicating the period for which equipment is requisitioned and actual use on the work, the levy of hire charges shall be based on such joint records. The rate of recovery will be at a composite per hour rate/day/shift rate.

7.0 WATER SUPPLY :

The contractor shall have to make arrangements at his own cost from the existing wells if any or by drilling boreholes at suitable locations, with the approval of the Engineer. The quality of such water shall be got approved from the Engineer for use for construction purpose.

8.0 ELECTRICITY:

At present there is no power supply at the site of work and the contractor shall make his own arrangements for the power required to progress on the work as per schedule. If at later time power can be made available, the same shall be at charges fixed by the Engineer on conditions stipulated by him.

- 8.1 The contractor shall ensure that the electrical equipment employed by him are such that the aggregate power factor does not fall below 0.85 at the Employer's terminal point and install power factor improving equipments wherever necessary to maintain the power factor not below 0.85 at his own cost.

9.0 LAND

9.1 Area for yards, offices etc.

The employer will at his discretion and for the duration of the contract make available land, free of charge, within and/or near the employer's works site for the contractor to put up the stores, site fabrication yard, office etc., as required for the execution of the contract. Any clearing and leveling of ground, services, roads etc. as required shall be done by the contractor at his own cost conforming to the various stipulations of the employer. The area required for the above purpose shall be indicated by the contractor in the Appendix-I herein attached for the conditions of the employer.

9.2 Accommodation for labour and supervisory staff:

The contractor shall make his own arrangements for the accommodation of his labour and supervisory personnel for which no land shall be provided by the employer.

9.3 On completion of works and/or on termination of contract, field office, construction stores, fabrication yard and any other temporary works shall be dismantled and removed from the site by the contractor and the site and works shall be left clear and clean of all obstruction. In the event of contractor's failure to do so, the employer reserves the right to clear the site in the manner as he may deem necessary and the cost and expenses for all such clearances incurred by the employer shall be recovered from the contractor's bills or from any money due to the contractor from the employer without prejudice to any other measures the employer is empowered to take under the contract, The employer also reserves the right to take over any or all such temporary structures put up by the contractor on completion of the works at the mutually agreed terms.

10.0 SAFETY AND GUARDING OF WORKS ;

10.1 The contractor shall abide by the safety regulations of the Employer, or as required by the Engineer, in respect of all labour engaged for the performance of the works and shall provide all the facilities in connection therewith. The contractor shall be responsible for following the provisions of all labour laws and rules made thereunder and other statutory requirements. The contractor shall ensure that necessary safety appliances are being used by his employees and workers working at site, particularly those engaged in erection work, without which the employees and workers shall not be permitted to be engaged on the work.

10.2 The contractor shall be responsible for the safety of his men and employees. The contractor shall be responsible for making all safety arrangements in the execution of work and shall employ trained workmen conversant with safety regulations. The contractor shall use only tested equipment and tools and shall periodically conduct tests according to standard procedures laid and such certificates shall be readily available for inspection at the site of work. He shall replace any tools, if so asked by the Engineer. The contractor shall be responsible for following all safety regulations and report all accidents to the prescribed statutory authorities and the Engineer. The Employer reserves the right to issue directions regarding safety and such directions shall be immediately implemented by the contractor. The contractor shall be responsible for obtaining work permit for execution of work in the vicinity of operational area at no extra cost.

10.3 The contractor shall promptly submit reports of accidents and state the measures taken by him to prevent their recurrence and also keep the employer indemnified of all claims arising out of such accidents.

10.4 The contractor shall at all times provide sufficient fencing, Notice Boards, lights, watchmen to protect and warn the public and guard the works and provide all facilities and observe all the rules mentioned in the General conditions of contract.

11.0 TESTING AND COMMISSIONING FACILITIES ;

At present there are no testing and commissioning facilities available with the Employer for testing and commissioning the installation. The contractor has to make his own arrangements for the same at his cost to the satisfaction of the engineer.

12.0 CONTRACTOR'S OBLIGATION & SUPERVISION :

12.1 Except where it is expressly provided that the cost will be borne by the employer, the various obligations of the contractor under the contract shall be at the cost of the contractor.

12.2 The contractor shall keep competent and qualified Engineers constantly on the work who will be responsible for carrying out the work to the satisfaction of the Engineer-in-charge. Any directions or instructions given to him/them in writing shall be held to have been given to the contractor.

13.0 AUTHORISED AGENT :

13.1 *The* contractor shall have a duly authorised agent at site from the commencement to the completion of the work. Such agent shall be authorised to act on behalf of the contractor, to accept notices under the contract and to agree to extras, omissions and varied items of works and rates for the same. Such agent shall maintain on his staff, qualified engineers and such other personnel as may be required for efficient execution of the works. Any notice under the contract shall be deemed to have been served on the contractor if served upon such agent or sent by registered letter to his address at site. Such agent shall not be changed (unless required by the Engineer) and shall not leave the site during the duration of the contract unless the consent of the engineer shall have been previously obtained.

13.2 The contractor shall send a duly authorised competent representative to meet the Employer at his office at Visakhapatnam or at any other place within the country in connection with his works whenever called upon to do so by the Employer or Engineer at his own cost and any instructions, directions or explanations given by the Employer or by the Engineer to such representatives shall be deemed to have been given to the contractor.

14.0 COOPERATION WITH OTHER CONTRACTORS AND EMPLOYER'S OPERATION DEPARTMENT:

The contractor shall plan and execute his work in phased manner as directed by the Engineer from time to time and shall fully cooperate with other agencies working at site simultaneously as well as with the employer's operation department so as not to obstruct or retard the work simultaneously being executed by other agencies and the plant operation in any way. The decision of the Engineer on any point of dispute between the various contractors shall be final and binding on all the parties concerned.

15.0 SITE ORDER BOOK :

15.1 A site order book shall be kept at the site of work under the custody of the contractor. Any special order and instructions to be issued to the contractor will be recorded in this book by the Engineer or his representative. Each page of the book will be numbered and initialled by the Engineer or his representative. The book shall always be kept at the site of work. The contractor shall sign all orders in token of his having seen and noted the same. The order book will be property of the Employer.

16.0 MAINTENANCE OF WORK :

- 16.1 On completion, units will be taken over by the Employer as per the commissioning sequence by listing out the defects to be attended/rectified as brought out by the inspection committee within a time limit agreed by the engineer. The taking over will be certified by the Engineer. The maintenance period will be counted from the date of such taking over. The maintenance period will be a period of twelve/six/three months. The installations can be taken over unit-wise/area wise at the discretion of the Engineer. In such cases, the maintenance period shall be 12 (Twelve y6(six)/3 (three) months from the date of such taking over for that unit/area.
- 16.2 If the Engineer shall require the contractor to carry out any rectifications under the terms of the contract after the works are completed, the contractor shall ensure to attend to same at his own cost and within the time stipulated by the Engineer.
- 16.3 The Contractor shall indemnify the Employer against any loss or liability that may be incurred by him on account of any failure on the part of the Contractor for timely rectification of the defects pointed out within the maintenance period.

17.0 SPEED CONTROL OF CONTRACTOR'S VEHICLES:

- 17.1 It will be entirely the responsibility of the Contractor to ensure that his vehicles are not driven with so high speed, or in so reckless or rash manners as to cause an accident or prove to be a potential threat to the safety of the traffic. Where speed limits have been fixed, they will be strictly adhered to by the Contractor's drivers who will also adhere to slow and safe driving inside the plant and township area.
- 17.2 Similarly, if a driver or any staff of the Contractor is caught in theft case or in an unauthorised movement of materials or in any activity which is punishable under law or not authorised by the plant, the Contractor will bear the full responsibility for the loss and the consequences which may result to the plant due to such illegal/unauthorised acts. In case of accident or injury or damage caused by the Contractor's vehicle or staff to any person or property the financial responsibility to compensate will be borne solely by the Contractor, and this amount may at the decision of the competent authority of Visakhapatnam Steel Plant be recovered from the bills or deposit of the Contractor.
- 17.3 Suitable safety precautions must be taken by the Contractor for his vehicular traffic at all level crossings/road inside the plant township area. Contractor would be using these roads on their own risk and responsibility without any liability on the part of the Employer.

18.0 COMPLIANCE WITH STATUTORY RULES & REGULATIONS :

- 18.1 The Contractor shall ensure the implementation of all the relevant provisions of the various labour laws and shall be deemed to be the principal employer for the purpose. Accordingly, they will get themselves registered with the concerned statutory authority as provided under the Act and shall be directly responsible to the authorities there under for compliance with the provisions thereof.
- 18.2 No child who has not completed 14 years shall be employed or permitted to work in any works of Visakhapatnam Steel Plant and child who has completed 14th year or a young person below the age of 18 years shall not be employed unless a certificate of fitness has been obtained from the authorised Medical Practitioner. For such persons the

working hours shall not exceed four and half hours and the period of work shall not be between 10.00 PM to 6.00 AM.

18.3 The tenderer should be registered under APGST Act and should produce documentary evidence to this effect before the work is awarded.

18.4 Factories Act: The Contractor shall follow provisions of Indian Factories Act and all rules made thereunder from time to time as applicable, and shall indemnify the Engineer against all claims of compensations under the provisions of the Act in respect of any workmen, employed by the Contractor in carrying out the works and against all costs and expenses or penalties that may be incurred by the Employer in connection therewith.

18.5 Employees Provident Fund Act:

The contractor shall ensure strict compliance of provisions of the employees provident fund Act 1952 and the scheme framed thereunder in so far as they are applicable to their establishments and agencies engaged by them. The contractor is also required to indemnify the Employer against any loss or claims or penalties or damages whatsoever resulting out of noncompliance on the part of the contractor with the provisions of the aforesaid Act and the Schemes framed thereunder.

18-6 Electrical License For Installation Work :

The installation work shall be carried out only by an electrical contractor holding a valid license issued by the Government of Andhra Pradesh for carrying out installation work of the voltage class involved, under the direct supervision of a person holding a certificate of competency for the same voltage classes, issued or recognised by the State Government. The tenderer shall furnish with his tender the particulars of the license held by him for executing the electrical works.

19.0 RESTRICTION OF VISITORS :

The contractor shall not allow any visitors on the works except with the approval of the Employer.

20.0 SECURITY REGULATIONS :

20.1 The contractor shall abide by all the security regulations of the Employer in force and promulgated from time to time and other statutory requirements.

20.2 As and when introduced by the Employer, the contractor shall arrange to obtain from the Employer the required gate pass for entry to the Employer's Steel Plant site and other protected areas for each one of his workmen and staff as per the Employer's prescribed procedure and format. Each gate pass shall contain the photograph of the person concerned if required. In the event of loss and/or damage to the gate passes the contractor shall pay to the Employer the prescribed penalty before a new gate pass can be issued. The contract shall be governed by the following provisions for enforcing safe custody and proper use of gate passes.

20.3 All representatives and workers of the contractor shall possess the admit pass issued from the security department on the recommendation of the concerned officer/ Engineer. Security department and the concerned officer/Engineer shall have the right to refuse the admit passes to any worker or representatives of the contractor without assigning any reason.

- 20.4 Permission to enter the Visakhapatnam Steel Plant site to any representative or the worker of the contractor may be suspended or withdrawn at any time by the Security department or the concerned officer/engineer without assigning any reason.
- 20.5 The contractor shall ensure that any gate pass issued to their workers or representatives by the Employer is not misused by unauthorized persons for entry into plant area or in specified areas inside the plant.
- 20.6 It shall amount to breach of rules and regulations regarding entry into the prohibited area by the contractor in case admit passes issued on their demand are found to be misused by any unauthorised persons. The contractor and their defaulting employees shall be liable for legal action against them for breach of rules regarding entry into the plant area.
- 20.7 Final payment would be made to the contractor only after all the passes issued by the security department are surrendered for cancellation for which no demand certificate should be obtained. In case of passes lost/not surrendered for any reason an amount of Rs. 25/- (Rupees twenty five only) for photo passes and Rs. 15/- (Rupees fifteen only) for wage card pass will have to be paid as penalty before final payments are cleared by Employer.
- 20.8 Entry into construction areas fenced out and segregated from operating units shall be regulated by a separate procedure to be laid by the Employer from time to time.

The contractor shall register all equipment and all other materials, tools etc., that may be taken inside the "protected area" in order to facilitate the issue of exit gate permits for materials and equipment to be taken out after the completion of work.

21.0 LABOUR RETURNS:

Periodical statements of labour employed by the Contractor shall be submitted in the pro-forma prescribed by the Engineer. The statement shall indicate the details of Displaced Persons, S.C, S.T. engaged. Displaced Persons shall be given preference in employment in the work.

22.0 RECRUITMENT OF LABOUR :

- 22.1 While recruiting the labour and supervisory staff for his works, the contractor has to notify the vacancies to the concerned Employment Exchange and recruit the staff in accordance with the rules and regulations in force. The Contractor shall also engage Displaced Persons as far as possible.

23.0 PROGRESS REPORTS :

The contractor shall submit to the Engineer in the form required by him and at the appointed time, information regarding the progress of work, being carried out by him. The contractor shall also give the necessary statistical information as may be required by the Employer from time to time in such form at such time as may be decided upon by the Employer. The contractor will also furnish reports and returns as provided by law and required by the Employer.

24.0 MATERIAL RECONCILIATION :

The Contractor is required to submit material reconciliation statement in respect of the materials issued by VSP to the contractor and erected by the contractor as well as in respect of the materials supplied and or erected by the contractor.

25.0 EXECUTION OF WORKS TO THE SATISFACTION OF THE ENGINEER :

The contractor shall execute the work to the satisfaction of the Engineer strictly in accordance with the time schedule. Any addition, alteration or modifications in the time schedule or specifications given in writing by the Engineer will be binding on the contractor. If at any time the Employer finds that any particular work or part of the work/works is/are not progressing properly according to the approved detailed programme, the Employer shall have the right to take over the particular work/works for execution by himself or through any other agency at the risk and cost of the contractor provided such delays are due to the lapses on the part of the contractor.

26.0 WITHHOLDING OF PAYMENT FOR NON SUBMISSION OF "AS BUILT DRAWINGS" ETC :

The "As built" drawings, final drawings and material reconciliation statements are required to be submitted by the contractor before the issue of preliminary acceptance certificate. Failing this, the Engineer at his discretion can withhold the amount to the extent of 25% of the amount payable at the PAT stage. The amount thus withheld will be released only after the "As built" drawings, Final drawings and material reconciliation statements are submitted by the contractor correctly and certified by the Engineer.

27.0 ISSUE OF MATERIALS BY VSP :

27.1 Issue of Cement:

Cement will be issued free of cost at VSP stores as per VSP norms for the works. Excesscement consumed shall be recovered at the rate of Rs per MT.

Empty cement bags need not be returned by the contractor. The tendered rates shall take into account the realisable values.

27.2 Steel will not be issued for the works.

27.3 Issue of Ceiling Fans :

27.3.1 The required number of ceiling fans for the entire work shall be supplied free of cost by the Employer at its store. The contractor shall take delivery of the fans and transport the same to the site for installation. The transportation will include for all handling of materials.

27.3.2 The Employer at his discretion may handover equipment to the contractor either from his own stores/office.

27.3.3 The contractor shall carefully inspect all the fans to completeness and concealed damage and report any shortage or damages to the Engineer for examination and take his advice on any remedial measures to be taken by the contractor.

27.3.4 The contractor shall provide proper handling equipment.

27.3.5 The contractor shall provide adequate storage sheds for the fans. All auxiliary and loose parts shall be systematically classified for ready identification and location when needed. As far as possible materials shall be stored in the order required for installation.

27.3.6 The contractor shall maintain at all times an up to date card index of the receipts and issue of materials and equipments and be accountable for it till handing over of the whole installation and left over materials to the Employer after completion of the works.

27.3.7 Suitable insurance should be taken by the contractor to cover the equipment against theft, fire, pilferage, damage etc.

27.3.8 The Contractor shall indemnify VSP for the value of materials issued free of cost to him against theft, fire, pilferage, damage etc.

27.3.9 Installation accessories necessary for installation of the ceiling fans but not supplied by VSP shall be in the scope of supply by the Contractor. The cost of such installation accessories shall be included in the cost of installation of the ceiling fans.

27.3.10 Further the installation price of ceiling fans shall be inclusive of all necessary transportation, handling, custody etc. of the fans in addition to those mentioned in the preamble to the bill of quantities.

27.4 STORAGE AND HANDLING OF EQUIPMENT/MATERIALS ISSUED BY VSP :

27.4.1 The Contractor shall take delivery of all equipments tools and drawings etc. from Employer's site stores or office or Visakhapatnam Steel Plant Railway siding and transport the same to the site for installation. The transportation will include for all handling of materials.

27.4.2 The Employer at his discretion may handover equipment to the contractor either from his own stores/office or directly from the carrier.

27.4.3 The Contractor shall carefully inspect all materials and equipments to completeness and concealed damages and report any shortage or damages to the Engineer for examination and advise on any remedial measures to be taken by the contractor.

27.4.4 The contractor shall provide proper handling equipment.

The contractor shall provide adequate storage sheds which are wind and water tight for the storage of equipment. Cables shall be protected during storage from mechanical damage and free absorption of moisture at unprotected ends. All auxiliary and loose parts shall be systematically classified for ready identification and location when needed. As far as possible materials shall be stored in the order required for installation

27.4.6 The contractor shall maintain at all times an up to date card index of the receipts and issue of materials and equipments and be accountable for it till handing over of the whole installation and left over materials to the employer after completion of the works.

27.4.6 The prices for installation of various items issued by VSP shall be inclusive of necessary transportation, handling, storage and safe custody.

27.4.6 The contractor has to return the unused materials or excess materials to VSP stores.

27.4.7 The Contractor has to indemnify VSP for the value of material issued free of cost to him against theft, fire pilferage, damage etc.

27.4.8 The materials not returned or unaccounted shall be recovered at 150% of market rates prevailing on the date of material accounting, submission of final accounting, reconciliation statement as certified by the Engineer.

27.5 MATERIALS FOR ENABLING WORKS :

Subject to its availability, employer may issue cement and steel materials for the enabling works of the contractor. Such issue will be restricted to the bare minimum. The contractor has to deposit cash/demand draft towards the cost of these materials at the following rates before drawing these materials from the employer. Engineer's decision regarding the issue of materials for enabling works is final.

- i) Cement :
- ii) Reinforcement steel :
- iii) Structural Steel :

28.0 SCHEDULE / BILL OF QUANTITIES :

The contractor shall execute the work (supply & erection) as per the instructions of the Engineer /Working drawings issued to the contractor. The probable quantities of the several items of work are furnished in the Bill of Quantities and it must be understood that the contract is not a lumpsum contract, that neither the probable quantities nor the value of the individual items, nor the aggregate value of the entire work shall be binding on the employer and that the employer does not in any way assure the contractor or guarantee that the work should correspond thereto. The Employer reserves the right to omit, vary or add to the items of work

"The contractor shall arrange to collect the drawings from the Zone/D&E Department of VSP. The item wise quantities shall be worked out by the contractor as per working drawings issued and shall be submitted within an agreed time to VSP for approval. The quantities thus approved shall be binding. The unit rates quoted shall be applicable up to +30% (plus thirty percent) of the *item-wise quantities thus worked out*. The rates beyond these quantities shall be mutually agreed to between the contractor & Employer and for this the contractor shall submit all necessary documents like vouchers, delivery challans etc. as may be required by the Engineer. Any surplus quantities left after installation shall be taken back by the contractor at the same rates at which the materials are supplied.

29.0 PRICES:

29.1 The prices shall be all inclusive.

29.2 TAXES & DUTIES:

The rates quoted shall be inclusive of all taxes and duties. However, Works Contracts tax shall not be reimbursable,

29.3 The Prices shall be firm and all inclusive except for the variations as per the price variation clauses, if specifically provided in VSP's tender document as "Annexure to Special conditions of contract".

Whenever a lumpsum / lot price for an item is stipulated in the award, the break up of the units and quantities of subassemblies/accessories/Auxiliaries/other items of such lumpsum/ lot item shall be considered only as indicative and the Contractor shall perform all works as envisaged in this agreement for that item including the specifications and contract drawings and the Contractor shall be paid only the amount of such lumpsum/lot price in consideration thereof. Any variation in quantities of sub-assemblies etc., referred above shall not alter the total value of the lumpsum/lot item unless otherwise agreed.

30.0 TERMS OF PAYMENT: (Please refer Clause No of detailed order at Pg No:....)

A)SUPPLY:

- i) 85% of Supply price shall be released after the materials are received by VSP after inspection and acceptance. Indemnity Bond/Bailment Bond in VSP's approved pro-forma is required to be submitted
- ii) Further 10% of Supply price shall be released -i Preliminary acceptance.
- iii) Further 5% of Supply price shall be released on Final acceptance.

B)INSTALLATION:

- i) 85% of Installation price shall be released after installation of individual items.
- ii) Further 5% of Installation price shall be released on preliminary acceptance.
- iii) Further 10% of installation price shall be released after final acceptance.

All the above payments are subject to usual deductions as per the General conditions of contract. Contractor should take necessary insurance for the materials received at site against which payments are made. Such insurance policies shall be tripartite, VSP being the beneficiary. All other insurances as per General conditions of contract also shall be taken. The cost of insurance shall be borne by the contractor. The responsibility for insurance etc. shall remain with the contractor till the installation is taken over by VSP.

C) SPARES :

100% payment shall be released after inspection & acceptance. Spares shall be suitable for the equipment supplied in the main work and shall be supplied before completion of the main work.

31.0 BILLING :

- 31.1 The Employer has introduced computerised bill payment system. If required by the Employer, the contractor has to submit the computerised bills in the prescribed format for this purpose at contractor's own cost. The contractor shall also arrange for Data Entry to meet the requirement of Employer's computer system at Contractor's cost. The contractor shall extend all necessary co-operation to the Employer for the successful implementation of computerised bill payment.

32.0 Nature of Contract:

- 32.1 The contract shall be on divisible basis. The property of the materials shall pass on to VSP when the materials are received by VSP after inspection and acceptance.
- 32.2 The contractor will remain responsible for the quality and workmanship of the materials and the materials shall suit the purpose for which they are intended. The contractor shall continue to remain responsible for the safe custody of the materials supplied till the same are installed and handed over to VSR The contractor shall keep the employer indemnified in full against any loss or damage to the materials.
- 32.3 a) 'C' Form will be issued for the materials brought to site as per the working drawings. The tenderer shall furnish, along with offer, a list of items for which 'C' form is required.
- b) 'C' Form will not be issued.

33.0 INSPECTION :

- 33.1 Inspection of materials may be carried out either at manufacturer's works or before despatch or after the arrival of materials at site. The decision of VSP regarding place of inspection is final and binding. The inspection may be carried out by VSP/or their authorised representative/ or their principal consultants. The Contractor has to co-ordinate all their activities regarding approval of drawings, inspection, despatch of materials, erection, testing and commissioning with the Consultants under intimation to and after clearance from VSP.
- 33.2 Inspection procedure shall be finalised with the successful tenderer and the agency has to furnish necessary details to the consultants/D&E of VSP for finalisation of the procedure immediately after award of work.

34.0 MILESTONES :

- 34.1 Various Milestones as indicated in the Annexure are required to be achieved during execution of work. Non-achievement of Milestone within the specified time shall attract penalties as indicated against each activity of works. The penalties shall be non-refundable and not in any way connected with liquidated damages which shall be imposed as per terms of contract. These penalties shall also be an "Excepted Matter as defined under Clause-16.0 of General conditions of contract Milestone(s). The contractor shall not have any claim on account of such changes/ postponement of Milestones.
- 34.4 Contractor to note that Three (3) successive failures of fulfilling Milestones may entail cancellation of contract and getting the work done at his Risk and Cost. This is also an Excepted matter as per Clause No. 16.0 of General conditions of contract.

35.0 DEDUCTION OF INCOME TAX AT SOURCE :

Recovery at source towards income tax calculated at the rate prescribed from time to time under the Income Tax Act 1961 and other relevant sections of Income Tax Act shall be made from the bills of the contractor and the amount so recovered shall be deposited with the Income Tax Department. Necessary Certificate to this effect will be issued to the contractor in the prescribed pro-forma.

36.0 PROCEDURE FOR ISSUE OF 'C FORMS :

36.1 In respect of the materials for which C-forms are to be issued by VSP, the contracting agency is required to follow the following procedure :

36.1.1 For supply of items manufactured or traded by the contracting agency :

a) The consignee shall always be Rashtriya Ispat Nigam Limited, Visakhapatnam Steel Plant and the Despatch Advice/Railway Receipts/Lorry Receipts (DA/RFVLR) shall be in favour of RINL-VSP and invoices raised for supplies shall contain the reference of DA/RR/LR. The document shall be despatched to the Engineer-in-charge mentioning the designation and the zone concerned.

b) The contracting agency shall hand over LR/RR to the Engineer and get the LR/RR endorsed in his favour by the Engineer-in-charge for collection of the material from the carrier as RINL's agent.

c) The contracting agency is required to maintain a register of documents as per the formats given in the Annexure-I regarding the details of DA/LR/RR as per the format given in Annexure-I. Copies of this register of documents shall be furnished to the Engineer-in-charge for his certification.

The contracting agency, after collection of the material from the carrier shall confirm the same in a report as per the format given in Annexure-II. The contracting agency shall also execute a bailment agreement as per the pro-forma given in Annexure-III

The bailment agreement should be for each consignment and not for the total supply value.

e) While raising the bills for supply of material complete details of the invoices, DA/LR/ RR, bailment agreement in original, copies of inspection reports and other documents as required under contract are to be forwarded duly countersigned by the Engineer.

36.1.2 For supplies of items bought directly by the contracting agency from their suppliers :

a) In these cases, the consignee shall be the contracting agency themselves and all documents like DA/LR/RR shall be in his name.

b) The contracting agency is to endorse the documents in RINL/VSP'S favour before the goods/materials are taken delivery from the carrier.

c) Subsequent to the endorsement as above, the procedure as regards documentation/ endorsement, billing etc. is to be followed as explained at 36.1.1 (b) to (e).

36.2 In respect of the materials for which no 'C-form' need be issued by VSR the procedure as at 36.1.2 shall be followed.

37.0 Any sum of money due and payable to the contractor under this contract may be appropriated and/or withheld by the Employer and set off against any claim of the Engineer for payment of a sum of money arising out of or under any other contract or transaction with the contractor by the employer or by the Government.

- 38.0 The contractor has to comply with all statutory requirements in respect of labour employed during the period of the contract. The contractor has to obtain licence from Dy. Commissioner of Labour, Govt. of A.R, Visakhapatnam and should maintain the documents/registers prescribed under the contract labour (R&A) Act, 1970 and follow the Rules made there under and as amended from time to time.
- 39.0 Wages paid to the workmen by the contractor should not be less than the rates notified by Commissioner of Labour, Andhra Pradesh, Hyderabad published in the Andhra Pradesh Gazette from time to time with regard to the minimum wages applicable to the respective category of workmen. Wages to the workmen should be paid on or before the 7th of the subsequent month. If 7th falls on a holiday or weekly off day, the payment should be made one day prior to that. Payment of PF for the month both the employer's (in this case Contractor) and employee's (in this case workmen employed by the Contractor) contribution should be deposited in the bank in the permanent PF Code numbers and challan obtained before the 15th of the subsequent month and forwarded to the "Engineer".

In case of failure of the Contractor to comply with any of the above, the following action will be taken by VSP.

	LAPSE	ACTION BY VSP
1.	Payment of wages at rates less than those notified under the minimum wages notification	Recovery of the differential amount between actual wages to be paid under the minimum wages notification of the Government and the actual wages paid plus 5% (five percent) of the minimum wages required to be paid as per the notification.
2.	Non payment of wages by due date	Actual wages due plus 2% (two percent) of the wages for each day from due date.
3.	Non payment of PF by due date.	Recovery of the PF amount (both the employees workmen employed by the Contractor) and employer's (Contractors) contribution plus 10% (ten percent) of the amount due. However, if the contractor remits the PF contributions subsequent to the due date and produces copies of challans and the Engineer certified the fact along with the bill for the corresponding period. 10% (ten percent) of the delayed PF amount will be recovered.

ESCALATION

The following clause relating to variation in wages. No other claim on account of any other variation either statutory or otherwise shall be applicable

PRICE VARIATION DUE TO CHANGE IN LABOUR WAGES FOR INSTALLATION VALUE ONLY:

Price variation due to change in Labour Wages shall be applicable as per formula given below :

$$V = 0.75 \times W \times (X - X_0) / X_0$$

Where;

V = Escalation or De-escalation payable or deductible.

W = Gross value of installation done on the basis of Contract Rates for the period for which variation is applicable.

X = Average of revised minimum rates of wages of the skilled, semiskilled and un-skilled workers applicable for the area of site of work as per minimum rates of wages as notified by Commissioner of Labour, Andhra Pradesh, Hyderabad, published in Andhra Pradesh Gazette for the period under consideration.

X₀ = Average of minimum rates of wages of the skilled, semi-skilled and un-skilled workers on the base date (i.e., date of opening of price bid) applicable for the area of site of work as per minimum rates of wages as notified by Commissioner of Labour, Andhra Pradesh, Hyderabad, published in Andhra Pradesh Gazette.

CLARIFICATION :

In case of revision of wages with effect from any date in a month say November 2000, the work done with effect from the first day of subsequent month (i.e.. 1 st December 2000) only will qualify for price variation as per the above formula.