

RASHTRIYA ISPAT NIGAM LIMITED

VISAKHAPATNAM STEEL PLANT

**LETTER OF SUBMISSION OF TENDER,
INSTRUCTIONS TO THE TENDERER,
ARTICLES OF AGREEMENT,
AND
GENERAL CONDITIONS OF CONTRACT**

FOR

CONSTRUCTION WORKS

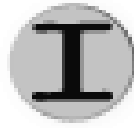
(VSP-NTK-03 - REVISED)

**PROJECTS DIVISION
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A-BLOCK, PROJECT OFFICE
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JANUARY 2008



**RASHTRIYA ISPAT NIGAM LIMITED
VISAKHAPATNAM STEEL PLANT
Projects Division
Project Office A-Block
VISAKHAPATNAM-530 031
Andhra Pradesh-INDIA**

NAME OF WORK

**LETTER OF SUBMISSION OF TENDER,
INSTRUCTIONS TO THE TENDERER,
ARTICLES OF AGREEMENT,
AND
GENERAL CONDITIONS OF CONTRACT**

**FOR
CONSTRUCTION WORKS
(VSP-NTK-03)**

This Tender Document is issued to

Name of Tenderer _____

Address of Tenderer _____

Issued by:

VISAKHAPATNAM STEEL PLANT

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LETTER OF SUBMISSION OF TENDER

(To be submitted by the Tenderer along with his / their Tender)

Ref No.-----

Date:

TO
 General Manager (Project Contracts),
 Visakhapatnam Steel Plant
 Project Office,
 'A' Block, Room No-20,
 VISAKHPATNAM - 530 031
 (A.P.)

Re : Visakhapatnam Steel Plant-Tender for (*Name of the Work*) _____

Tender Specification No. _____

Tender Notice No: _____

Dear Sirs,

With reference to the Tender invited by Visakhapatnam Steel Plant, I / We M/s have examined the Tender document comprising of Instructions to the Tenderer, Articles of Agreement, General Conditions of Contract, Special Conditions of Contract, Tender Specifications including enclosed Drawings, Preamble to Bill of Quantities and Bill of Quantities for the above Work.

I/We hereby offer to Construct, Complete and Maintain during Defect Liability Period the whole of the said Work in conformity with the said Instructions to the Tenderer, Articles of Agreement, General Conditions of Contract, Special Conditions of Contract, Tender Specifications including enclosed Drawings, Preamble to Bill of Quantities and Bill of Quantities for the above Work for the sum of Rs..... (Rupees.....) at the respective rates mentioned in the Bill of Quantities.

I/We undertake to complete and deliver the whole of the Work as per the Contract within the completion period mentioned in the NIT, from the tenth (10th) day of issue of Fax Letter of Acceptance/ Detailed Letter of Acceptance whichever is earlier.

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 and/or execute the agreement and/or start the work after issue of Letter of Acceptance.

I/We hereby agree that unless and until the formal Agreement is prepared and signed in accordance with the Articles of Agreement, this tender together with your written Fax Letter of Acceptance / Detailed Letter of Acceptance shall constitute a binding Contract between us.

I/We hereby agree that you are not bound to accept the lowest or any other tender you may receive and I/We shall not have any right or claim, whatsoever it may be, due to or arising out of non acceptance of My/Our Tender.

I/We agree that this Tender submitted by us shall remain valid for a period of Ninety (90) days from the date of opening Envelope-2 or as may be extended by the Employer.

Yours Faithfully

Dated this _____ day of _____, 2006.

 [Signature]

In the capacity of _____ [position] Duly authorised to sign this

Tender for and on behalf of M/s _____ [name of the

Tenderer) _____ [address of the Tenderer)

e mail ID: _____ Telephone: _____ Fax: _____

**VISAKHAPATNAM STEEL PLANT****INSTRUCTIONS TO THE TENDERER**

- 1.0 Sealed Tenders marked "Original" and super scribed 'Tender for' should be sent to General Manager (Project Contracts), Visakhapatnam Steel Plant, Project Office, A-Block, Room No-20, Visakhapatnam - 530 031, Andhra Pradesh, India so as to reach not later than time 14:30 Hrs (IST) and date.....

Tenders will be opened immediately there after in the above said office, in the presence of the Tenderers or their representatives should they choose to be present.

The Tenderer shall give the total Tendered value at the appropriate place in the Bill of Quantities i.e., summary of the Tendered Price.

2.0 EARNEST MONEY DEPOSIT (EMD)

- 2.1 The Tenderer is required to deposit a lumpsum amount of Rs_____ as Earnest Money Deposit (EMD) in any of the forms mentioned here below, failing which the Tender shall not be considered and the same shall be returned to the Tenderer "Un-opened".

2.2(a) For EMD value upto and including INR 5,00,000/-:

Account payee Demand Draft/Bank Pay Order/Banker's Cheque obtained from any Nationalised or Scheduled Commercial Bank in India drawn in favour of RASHTRIYA ISPAT NIGAM LIMITED, VISAKHAPATNAM STEEL PLANT payable at Visakhapatnam. No other mode of payment will be accepted.

2.2(b) For EMD value from INR 5,00,001/-:

Pay Order, Demand Drafts, Banker's Cheque payable at Visakhapatnam and Bank Guarantee (BG) from any of the Nationalised Banks or Scheduled Commercial Banks in India

The proforma for the BG is attached at Appendix-1 of GCC. The BG shall be valid up to four (4) months from the date of opening of the Tender i.e. Part-1 Technical & Commercial Bid.

- 2.3 The Earnest Money will be refunded to the unsuccessful Tenderers. The Earnest Money deposited by the successful Tenderer will be retained until the Security Deposit for the due fulfilment of the Contract is submitted. The EMD amount shall be forfeited if the Contractor fails to deposit the required Security Deposit and / or sign the agreement and / or commence the Work as per schedule agreed with the Employer.
- 2.4 No interest on the Earnest Money Deposit shall be paid.
- 2.5 Public Sector Enterprises or State/Central Govt. Undertakings are exempted from submission of Earnest Money Deposit (EMD) provided they submit a letter requesting for exemption from submission of EMD along with their offer.
- 2.6 The 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 Security Deposit and shall submit a self-attested copy of the permanent registration of their Small Scale Industries along with their Tender. Such SSI or NSIC shall submit "Performance Guarantee Bond" (at Appendix-2) in lieu of Security Deposit. The 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 and Security Deposit. Such Industries having provisional / temporary registration or/and not

registered for the particular trade/Item for which tender is being invited would not be eligible for such exemption from EMD and Security Deposit Clauses.

3.0 SECURITY DEPOSIT

3.1 On acceptance of the Tender, the Successful Tenderer shall furnish a Security Deposit in any of the forms mentioned in Para 2.2 above, for an amount equivalent to Ten percent (10%) of the total value of the Work awarded, before signing of the agreement within 30 days from the date of issue of LOA. If it is submitted in the form of a Bank Guarantee, the same shall be from any of the Nationalised Banks or Scheduled Banks in Visakhapatnam and enforceable and payable at Visakhapatnam.

The proforma for the BG is attached at Appendix-3 to GCC.

3.1.1 The Public Sector Enterprises or State/Central Govt. Undertakings will not be required to submit Security Deposit, but however they shall submit "Performance Guarantee bond" in lieu of Security Deposit in the formats at Appendix-2 of GCC.

3.2 The Bank Guarantee for Security Deposit shall be for the due and faithful performance of the Contract and shall remain binding notwithstanding such variations, alterations or extensions of time as may be made, given, conceded or agreed to between the Contractor and the Employer.

3.3 The Bank Guarantee for Security Deposit shall remain in full force and effect during the period of the Contract and shall continue to be valid up-to 60 days after the expiry of the Defect Liability Period. The Bank Guarantee shall provide for extension of validity on demand by the Employer. Such extension of validity shall be confirmed by the guarantor bank without any reference to the Contractor. On the performance and completion of the Contract in all respects, the Bank Guarantee shall be returned to the Contractor as stated in Clause 25.2 of GCC.

3.4 Should the extent or the object of the Contract be altered during the execution of the Contract in such a way as to effect an increase or decrease on the Contract Price by more than Ten percent (10%), the amount in the Bank Guarantee shall be increased or decreased correspondingly.

3.5 The Bank Guarantee and any amendment thereto shall be executed on a Non-judicial stamped paper of requisite money value as prescribed by the Statute.

3.6 Instructions Regarding Bank Guarantee:

3.6.1 Bank Guarantee for EMD shall be submitted in a closed envelope as sealed by the Bank. This sealed envelope shall be submitted by the Tenderer along with the offer. The Bank Guarantee for the EMD shall be valid for four (4) months from the date of Opening of Tender i.e. Part-I Technical and Commercial Bid.

3.6.2 a) All Bank Guarantees for Security Deposit, and other payments and extensions of Bank Guarantees shall be sent in a sealed envelope directly by the Bank through Registered Post to the GM (Contracts), Project Office, Visakhapatnam Steel Plant, Visakhapatnam-530031 (AP).

b) Bank Guarantees / Extensions of Bank Guarantees submitted by the Contractors directly will not be admitted.

3.6.3 The Non-judicial stamp paper for the Bank Guarantee should be purchased in the name of executing Bank only.

- 4.0 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 case of any discrepancy between the rates in words and the rates in figures, the rates in words shall prevail. All alterations or erasers shall be initialled by the Tenderer with date.

In case of Percentage Tender, the Tenderer shall quote the total amount in figures and in words (Capital Letters) in the "Quote Sheet" provided in the Tender document. The quoted amount of the Tenderer shall be converted into percentage (with four (4) decimal places without rounding off) above/below/at-par with respect to estimated value of the Work given in the Tender Document. The percentage so derived shall be applicable on the value of the Work executed as per the estimated rates mentioned in the Bill of Quantities (BOQ). The BOQ proforma is enclosed at Appendix-8.

- 5.0 The Tenderer shall submit along with his Tender the following:

- a) Self-attested photostat 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 & organisational competence to execute the work.
- d) Auditor's Report/ Chartered Accountant's report/ Balance Sheet etc.
- e) Self-attested photostat copy of Registration under Employees Provident Fund and Miscellaneous Provisions Act 1952.
- f) Details of jobs undertaken (On-hand and completed) with necessary proof and completion certificate indicating performance in the proforma Appendix-5.
- g) Details of construction Plants and Equipments available with the Tenderer for using in this work shall be furnished in the proforma Appendix-6.
- h) Self-attested photostat copy of registration certificate under the Andhra Pradesh Value Added Tax Act (APVAT), Service Tax, etc. as applicable.
- i) Self-attested Photostat copy of Notarised Power of Attorney by Competent Authority or Board of Director's resolution authorising the individual(s), to negotiate.
- j) Self attested copy of Employees State Insurance (ESI) registration indicating their Code No. In case same is not applicable, the Tenderer shall submit a letter of undertaking stating that ESI registration certificate will be submitted by them before issue of Fax Letter of Acceptance or Detailed Letter of Acceptance whichever is earlier.

- 6.0 Full information shall also be given by the Tenderer in respect of the following:

- a) In case of Individual:
 - 1) The name and his address.
 - 2) The Banker's Solvency Certificate
 - 3) Previous experience with respect to executed Works & corresponding value.
 - 4) Present Works in hand.
 - 5) A Self-attested Copy of Annual Income Tax Returns for the last three (3) years.
 - 6) Phone Nos., Mobile Nos., Email Addresses, Fax Nos., etc.
- b) In case of Partnership firms:
 - 1) The names 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.
 - 4) Present Works in hand.
 - 5) Self-attested Copy of Partnership deed.
 - 6) A Self-attested Copy of latest Annual audited profit & loss statement.



- 7) Self-attested Copy of the registration certificate issued by the Registrar of Firms/
Appropriate Authority.
- 8) Phone Nos., Mobile Nos., Email Addresses, Fax Nos., etc.
- c) In case of Companies:
- 1) Date and place of Registration, including Commencement Certificate in case of Public Limited Companies. Self-attested Copy of the Certificate of Incorporation issued by the Registrar of Companies/ Appropriate Authority. Certified copies of Memorandum and Articles of Association are also to be furnished.
 - 2) Nature of business carried out by the Company including Sl.No. of the relevant provisions of its Memorandum relating thereto.
 - 3) Names and particulars, including addresses of all the Directors.
 - 4) Previous experiences of Company and Directors in similar project as well as work.
 - 5) Present Works in hand.
 - 6) Relevant credentials with Reference list.
 - 6) A Self-attested copy of latest annual report.
 - 7) Phone Nos., Mobile Nos., Email Addresses, Fax Nos., etc.
- d) In case of Consortium
(If specifically permitted in Notice Inviting Tender):
- 1) A copy of the agreement, duly notarised, entered into by the Consortium members.
 - 2) All members shall furnish:
 - a) Nature of business carried out by the members individually including Sl.No. of the relevant provisions of its Memorandum relating thereto.
 - b) Names and particulars, including addresses of all the Directors.
 - c) Previous experiences of the Companies and the Directors in similar project as well as work.
 - d) Relevant credentials with Reference list of the Consortium as well as its individual members.
 - e) A Self-attested copy of latest annual reports.
 - f) Phone Nos., Mobile Nos., Email Addresses, Fax Nos., etc.
- 7.0 The Tender and the prices quoted shall be deemed to remain valid for a period of 90 days from the date of opening of the Tender i.e. Part-1 Technical and Commercial Bid. In case of Tenderer revoking or withdrawing/cancelling his Tender, varying any term in regard thereof during the validity period of the Tender without the written consent of Employer, the Tender submitted shall be liable for rejection and the Employer shall forfeit the Earnest Money paid by the Tenderer.
- 8.0 Employer reserves the right to reject any or all the Tender/s, or to accept any Tender wholly or in part, or drop the proposal of receiving Tenders at any time without assigning any reason thereof and without being liable to refund the cost of the Tender document thereafter and without liability for any loss or damage if any suffered by the Tenderer in submitting his offer and /or conducting discussions etc.
- 9.0 The Tenderers shall sign all pages of Tender Document in token of acceptance thereof. However the signature on the PRICE SCHEDULE alone shall be deemed as acceptance of all the documents enclosed to the Tender.
- 10.0 The successful Tenderer shall submit the following documents for signing of the formal Contract immediately after the Letter of Acceptance (LOA) is issued:
1. Copy of detailed LOA duly signed on all pages as a token of acknowledgement of receipt.
 2. Security Deposit as per Para 3.0 above.
 3. Non-Judicial Stamp Paper of value Rs.100/- purchased in Andhra Pradesh, India for the signing of contract.

4. Self-attested photostat copy of Labour License from the Dy Commissioner of Labour, Govt. of Andhra Pradesh, India.
 5. Permanent Account Number allotted by Income Tax Department.
 6. Self-attested photostat copy of Notarised Power of Attorney by the Competent Authority or Board of Director's resolution authorising the individual(s), to sign the contract.
 7. Self-attested photostat copy of the Registration under APVAT, Service Tax, as applicable.
 8. Self attested copy of Employees State Insurance (ESI) registration indicating their Code No.
- 11.0 The Tender Specification along with drawings, technical details, data, etc., covering the Scope of Work, is to be read in conjunction with the General Conditions of Contract, Special Conditions of Contract, Drawings, General Specifications, Preamble to Bill of Quantities, the Bill of Quantities, etc. enclosed with the Tender document.

12.0 OTHER REQUIREMENTS

- 12.1 The Tenderer shall carefully study the Tender documents before submitting his offer. The Tenderer shall fully satisfy himself on the site conditions, suitability of the constructional Plant and equipment required for carrying out the job and take full responsibility for the safe and efficient construction work with quality materials.

The Tenderer shall visit and inspect the site and shall satisfy himself of the site conditions and shall collect any other information, which he may require before submitting his tender. The Tenderer shall be deemed to have ascertained all special Local and National Standards, Regulations, etc which may affect the preparation of his Tender. Claims and objections due to ignorance of site conditions and particulars mentioned above, data, drawings etc., and / or failure to get the required information shall not be entertained after submission of the Tender.

12.2 Completion and Completeness of Work

The Tenderer shall include in his tender, supply of materials, labour & other Services for execution of the work as per the scheduled completion and for fulfilling contractual requirement of the Work and the Tenderer's aforesaid responsibility shall be construed as included in his quoted PRICE.

In addition, all items of including drawings, services and site work, whether specifically mentioned or not in the Tender Specification but which are necessary for completion of Work under the Contract and for proper, efficient, safe Construction practices, maintaining during DLP of the Work shall be provided or executed by the successful Tenderer without any additional price implication and without any dilution of his liabilities and responsibilities under the Contract.

13.0 LEGAL CAPACITY OF THE TENDERER

- 13.1 The Tenderer shall satisfy the Employer that he is competent and authorised to submit tender and/or to enter into a legally binding Contract with the Employer. To this effect, any individual signing the tender shall submit documentary evidence that his signature on the tender submitted by him, is legally binding upon himself, his firm or company, as the case may be.
- 13.2 A person signing the tender form or any document forming part of the contract on behalf of another shall be deemed to warrant that he has authority to bind such other and if it is discovered at any time that the person so signing had no authority to do so, the Employer may, without prejudice to other legal remedies, terminate the contract and hold the Tenderer and/or the person signing liable for all costs and damages.

13.3 **Consortium (If specifically permitted in Notice Inviting Tender):** Offer submitted by Consortium of two or more agencies as members but not exceeding five, shall comply with the following requirements:

- I) The offer shall include all the information required for a Tender as described in Tender Document including the eligible criteria, for each Consortium member.
- II) The offer shall be signed so as to legally bind all members.
- III) One of the members, for performing the key component of the contract shall be designated as Leader; this authorisation shall be evidenced by submitting with offer a power of attorney signed by legally authorised signatories.
- IV) The Leader shall be authorised to incur liabilities and receive instructions for and on behalf of any & all members of the Consortium, and the entire execution of Contract, including payment, shall be done exclusively with the Leader or with the consent of the Leader.
- V) All members of the Consortium shall be responsible and liable jointly and severally for the execution of the scope of work under Contract in accordance with the terms and conditions of the Contract. However, the leader of the consortium shall be solely responsible for the integration, interface, coordination and completeness of the entire scope of work including establishment of Performance Guarantees under the Contract.
- VI) A copy of the agreement entered into by the Consortium members shall be submitted with the Tender.

In case of Consortium offer, each of its members or combination of members must meet the respective requirements of Technical and Commercial aspects as evaluated for individual Tenderer. Failure to comply with this requirement will result in rejection of the Consortium's offer.

Leader of one Consortium shall not be a member in other Consortium for the same Tender.

14.0 **ARRANGEMENT AND SUBMISSION OF TENDER:**

14.1 The tender shall be submitted in English Language.

14.2 **Submission of Tender:**

The Tender shall be submitted in three (3) envelopes:

14.2.1 **Envelope No.1:** (To be superscribed as Envelope-I with self-address, Name of the Work, Tender Notice Number).

This shall contain:

- a) Cost of Tender Document (in case the Tender is downloaded from the website)
Tender can also be purchased from the Office of GM (Project Contracts)-, Visakhapatnam Steel Plant, Project Office, A-Block, Room No-20, Visakhapatnam - 530 031, Andhra Pradesh, India by paying Tender cost given in the Tender Notice in the form of Account payee Demand Draft/ Bank Pay Order/ Banker's Cheque, as in which case Tender cost need not be enclosed while submitting the Tender.

b) Pre-qualification Documents: Work order and completion certificate for similar single Work and corresponding value, Annual turn over and PF & ESI Registration as detailed in the Tender Notice – **Three (3) Sets**.
All the pages are to be duly signed by the Tenderer.

c) Earnest Money Deposit.

d) Any other documents as per NIT (if any)

14.2.2 **Envelope No.2:** (To be superscribed as Envelope-2 with self address, Name of the work, Tender Notice Number).

This shall contain:

- a) General Conditions of Contract (GCC) for Construction Work.
 - b) Special Conditions of Contract (SCC).
 - c) Addendum, if any for corrections of GCC & SCC.
 - d) Specification and Drawings.
 - e) Technical and Commercial offer, if applicable – Three (3) Sets.
- All the pages are to be duly signed by the Tenderer.

The Tenderer shall note that no price/prices shall be indicated in either Envelope - 1 or Envelope - 2.

14.2.3 **Envelope No.3:** (To be super scribed as Envelop-3 with self-address, Name of the Work & Tender Notice No.).

This shall contain:

- a) Preamble to Bill of Quantities
- b) Price Bid: Quote Sheet & Bill of Quantities

All the pages are to be duly signed by the Tenderer. The Tenderer shall note that no conditions shall be written in this Price Bid.

14.2.4 The above three envelopes shall be sealed in an outer envelope super scribed as follows and submitted before the specified time and date of submission of Tender.

- i) Name of the Work
- ii) Tender Notice No. & Date
- iii) Due date and time of submission of the Tender.

15.0 **OPENING OF TENDER:**

15.1 Tenders will be received in the Office of GM (Project Contracts)-, Project Office, up-to 14.30 hrs (IST) on Envelope-1 containing cost of Tender Document, Pre Qualification Criteria (PQC) documents will be opened immediately thereafter.

If the Tender receiving date happens to be Employer's closed holiday or an extra-ordinary holiday, the Tender will be received up to 14.30 hrs (IST) on the following working day and the same shall be opened immediately thereafter.

15.2 On satisfying the eligibility criteria, adequacy of cost of Tender document and EMD placed in Envelope-1, Envelope-2 shall be opened. The date & time of opening of the Envelope-2 along with name of successful Tenderer in pre-qualification will be subsequently displayed on the notice board of Project Contracts and individual communication to Tenderers will be made by Fax.



- 15.3 On satisfying the requirements of GCC, SCC, Specification & Drawings and Technical and Commercial offer (if applicable) placed in the Envelope-2, Envelope-3 shall be opened. The date & time of opening of the Envelope-3 along with name of successful Tenderers in Envelope-2 will be subsequently displayed on the notice board of Project Contracts and individual communication to Tenderers will be made by Fax.

During evaluation, the Employer will determine whether each Bid is acceptable, complete and conforms to all the terms & conditions and specifications of the Tender Document without deviations, objections, conditions or reservations.

- 15.4 The Tenderer shall be ready to furnish clarifications/ information and attend to discussions, as called for by the Employer, at short notices. While responding for the same, no change in the substances in the Bid or price shall be permitted, unless otherwise asked by the Employer. In case of any unsolicited price offer submitted by the Tenderer at this stage, the same shall not be considered for Tender evaluation. However, in case such Tenderer becomes L-1 (i.e. the Lowest Tenderer) by virtue of his original price bid, then such unsolicited price offer will be opened and if it is advantageous to the Employer, such unsolicited price offer will be considered or otherwise the same shall be ignored.
- 15.5 The Tenderer is at liberty to be present or otherwise authorise a representative to be present at the time of opening of above Envelopes.
- 15.6 Successful Tenderer should be in a position to produce, after opening of the Price Bids, the Original Certificates in support of the attested copies of relevant documents submitted along with Tender document. Failure to produce the original certificates at this stage in support of the attested copies of PF Registration/experiences/qualification/any other documents etc., submitted earlier would result in disqualification and forfeiture of EMD and also liable for debaring from participation in Employer's Tenders.

16.0 **QUERIES/CLARIFICATIONS**

- 16.1 All queries, if any, shall be referred to GM (Project Contracts), Project Office, 'A' block, Visakhapatnam Steel Plant, Visakhapatnam-530031, by the Tenderer.

17.0 **OTHER MISCELLANEOUS INFORMATION**

- 17.1 The successful Tenderer is to submit Bank Account details for e-payment as per enclosed format as per Appendix-7 duly signed and certified by authorised signatory of Bank.

- 17.2 In respect of payment made through Electronic Fund Transfer mechanism or Direct credit to the supplier's/contractor's bank account, the supplier/contractor should intimate discrepancies, if any, within ten (10) days from the date of receipt of intimation letter of payment to them, failing which it shall be presumed that the funds have reached to their bank account and no claims will be entertained after the said ten (10) days.

17.3 **THIS CLAUSE STANDS DELETED.**

- 17.4 If it comes to the notice of the Employer at any stage right from request for enlistment/tender document that any of the certificates/documents submitted by applicants for enlistment or by Tenderers are found to be false/fake/doctored, the party will be debarred from participation in all the Employer's tenders for a period of five (5) years including termination of contract, if awarded EMD/Security Deposit etc. given by them, if any, will be forfeited. The Contractor in such cases shall make good to the Employer any loss or damage resulting from such termination. Contracts in operation anywhere with the Employer will also be terminated with attendant fall outs like forfeiture of EMD/Security



Deposit, if any, and recovery of risk and cost charges etc. Decision of the Employer will be final and binding in this regard.

- 17.5 Failure to sign the agreement and/or commence the Work within the date to be agreed upon after issue of Letter of Acceptance (LOA), the LOA will be terminated and the Contractor/Tenderer will be liable for debarring from participation in the Employer's Tenders for a period of two (2) years, besides forfeiture of EMD as stipulated in Para No.2 of Instructions to the Tenderer and forfeiture of Security Deposit, if any.
- 17.6 The Tenderer shall submit Service Tax and ESI Registration Certificate along with their offer. In case the same is not available with them, they shall submit a letter of undertaking to submit the same before signing of Agreement.
- 17.7 The offers received by the Employer after due date and time will be rejected and returned "UNOPENED".
- 17.8 There shall be no post Tender Price negotiation except negotiation with L-1 (i.e. the Lowest Tenderer)
- 17.9 Tenderer is not permitted to transfer the Tender Document to any other agency for submitting the offers on his behalf. Similarly transfer of offers submitted by one Tenderer to another Tenderer is not permitted.
- 17.10 Should there be any difference between the Contractor and the Consultant on any matter about the implementation of the Contract, the matter shall be referred to the Employer/Engineer, whose decision shall be final and binding on the Contractor and the Consultant.
- 17.11 The Employer's Consultant(s) and their Associates and their Sister Concerns shall not participate in the Tender.



**RASHTRIYA ISPAT NIGAM LIMITED
VISKHAPATNAM STEEL PLANT
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 assignees) of the one part and Messrs _____(here in after referred to as "Contractor" which expression shall include its successors and permitted assigns) of the other part.

WHEREAS the Employer decided that the Work shall be constructed viz. _____ as envisaged in the Tender Specification No. _____ and the Contractor has accepted the Tender for the construction, its completion, maintaining during Defect Liability Period (DLP) of the Work as per the terms of the Tender.

Now it is hereby agreed as follows:

1. In this Contract 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 Contract, viz.
 - a) NIT
 - b) Instructions to Tenderers
 - c) Copy of the Letter of Acceptance (LOA) duly acknowledged and signed by the Contractor
 - d) Special Conditions of Contract.
 - e) General Conditions of Contract.
 - f) Specifications.
 - g) Drawings & Documents.
3. The commencement of the Contract shall be from the date of issue of issue of Fax Letter of Acceptance/Detailed Letter of Acceptance whichever is earlier.
4. In consideration of the payments to be made by the Employer to the Contractor as hereinafter mentioned, the Contractor hereby covenants with the Employer to construct, complete and maintain the Work in all respects and in conformity with the provisions of this Contract.
5. Time is the essence of the Contract.
The Contractor shall ensure that all his Work shall be completed within the agreed completion period as per the Contract.
6. The Employer hereby covenants to pay the Contractor in consideration of the above Work at the time and in the manner described by the Contract.
7. 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.
8. All disputes arising out of or in any way connected with this Agreement shall be deemed to have arisen in Visakhapatnam. Only the Courts in Visakhapatnam shall have jurisdiction to determine the same. However, the disputes, if any, shall be settled by Arbitration mentioned in the General Conditions of Contract.
9. The several parts of this Contract have been read to us and fully understood by us.



IN WITNESS WHEREOF the Employer and the Contractor have caused this Agreement to be duly executed by their duly authorised representatives the day and year first above written.

Signed by the said in the presence of

Signature.....
Name.....
Address.....

Signature...
Name.....
(Employer)

Signed by the said in the presence of

Signature.....
Name.....
Address.....

Signature.....
Name.....
(Contractor)



**RASHTRIYA ISPAT NIGAM LIMITED
VISAKHAPATNAM STEEL PLANT**

GENERAL CONDITIONS OF CONTRACT

1.0 DEFINITIONS AND INTERPRETATIONS

1.1 **Definitions:** In the Contract (as hereinafter defined) the following words and expressions shall have the meaning hereby assigned to them except where in the context otherwise requires.

1.1.1 **"Approved"** means approved in writing including the subsequent written confirmation of previous verbal approval.

"Approval" means approval in writing including as above said.

1.1.2 **"Contract"** means the offer of the successful Tenderer along with all clarifications/confirmations, Tender with all the enclosures namely Instructions to the Tenderer, Articles of Agreement, General Conditions of Contract, Special Conditions of Contract, Specifications and Drawings, Preamble to Bill of quantities, Bill of Quantities including Schedule of Rates, together with the Letter of Acceptance and other documents specifically indicated therein and entered into between the Employer and the Contractor for executing the Work.

1.1.3 **"Contract Price"** means the sum named in the Letter of Acceptance of the Tender subject to such additions thereto or deductions there-from as may be made under the provisions of the Contract.

1.1.4 **"Constructional Plant and Equipment"** means all appliances, things, requirements of what so ever nature for the execution, completion and maintain during Defect Liability Period 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.

1.1.5 **"Contractor"** shall mean the Tenderer whose Tender has been accepted and shall include his/their heirs, executors, administrators, legal representatives, successors/permitted assigns, approved by the Employer.

1.1.6 **"Consultant"** means the Principal Consultant engaged by the Employer for Expansion of Visakhapatnam Steel Plant (VSP) or any other Consultants engaged by the Employer to perform the duties/ functions delegated to them from time to time.

1.1.7 **"Drawings"** means the drawings, maps, plans and tracings or prints thereof annexed to the Contract or referred to in the Specification and any modification 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.

1.1.8 **"Date of Award of Contract"** shall mean the date of issue of Fax Letter of Acceptance/Detailed Letter of Acceptance, whichever is earlier.

1.1.9 **"Employer"** means Rashtriya Ispat Nigam Limited, Visakhapatnam Steel Plant, Visakhapatnam having its Registered Office at Administrative building, Visakhapatnam Steel Plant, Visakhapatnam-530 031, Andhra Pradesh, India and includes Employer's representatives or successors or assigns.

1.1.10 **"Engineer"** means an Engineer appointed by designation from time to time by the Employer.

- 1.1.11 "**Engineer's Representative**" means any assistant of the "Engineer" 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-3 hereof.
- 1.1.12 "**Letter of Acceptance**" means an intimation from the Employer by a letter/Fax/Email to the successful Tenderer that his Tender has been accepted in accordance with the provisions contained therein.
- 1.1.13 "**Month**" means a Calendar month according to the Gregorian Calendar.
- 1.1.14 "**Notice in Writing**" and "**Written notice**" means a notice in written, typed or printed characters sent in person or by Registered Post or by Speed Post or through Courier or by Fax or by Email to the Business or Registered Office address of the Contractor or any other address communicated by the Contractor and shall be deemed to have been received when in the ordinary course of post it would have been delivered.
- 1.1.15 "**Project**" means the project or scheme of the Employer.
- 1.1.16 "**Site**" means the land and other places envisaged by the Employer on, under, in or through which the works and/or services to be performed or to be executed or carried out and any other land or places provided by the Employer for the purpose of execution of the Contract.
- 1.1.17 "**Supervision**" shall mean the successive controls and directions given by the Employer/Engineer or his representative/Consultant in relation to Work.
- 1.1.18 "**Schedule**" and "**Work/Construction Schedule**" shall mean the accepted schedules between the Contractor and the Employer forming a part of the Contract.
- 1.1.19 "**Virtual completion**" means that the work is, in the opinion of the Engineer/Consultant, substantially completed and has satisfactorily passed any final test that may be prescribed in the Contract.
- 1.1.20 "**The Defect Liability Period (DLP)** of twelve (12) months shall commence from the date of issue of "Virtual Completion Certificate" provided that the Engineer/ Consultant may give such a certificate with respect to any substantial part of the Work which has been both completed to the satisfaction of the Engineer/ Consultant and occupied or used by the Employer.
- 1.1.21 "**Tenderer**" shall mean Individual/ Firm/ Company/ Corporation/Partnership/ Consortium submitting a Tender against the Tender Notice and shall include his/its/their heirs, executors, administrators, legal representatives and successors.
- 1.1.22 "**Tender Specification**" shall mean the data, drawings, schedules and other technical details furnished with the Tender Document and subsequent clarifications, if any, furnished by the Employer for the purpose of submitting the offer by the Tenderer.
- 1.1.23 "**Temporary Works**" means all temporary Works of every kind required in or about the execution, completion or maintain during DLP of the Works.
- 1.1.24 "**Tender drawings**" shall mean such drawings, plans, sketches and details as are issued together with Tender Specification for the purpose of submission of Tender and such documents issued before Opening of Tender.
- 1.1.25 "**Tests**" shall include all tests made and material tests in particular without releasing the Contractor of his liability, as may be considered necessary by the Employer/Engineer or his representative/Consultant, in order to ascertain the quality and workmanship of the Work.
- 1.1.26 "**The Inspector**" shall mean any person or agency nominated by or on behalf of the Employer to inspect Supplies, Materials or Work under the Contract.

1.1.27 "**Work**" 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 Specifications, Drawings and Schedules) and also such additional instructions and drawings as shall from time to time be supplied by the Employer during the progress of the Work hereby contracted for.

2.0 INTERPRETATIONS

2.1 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:

- i) "Special Conditions of Contract" shall prevail over provisions of "General Conditions of Contract".
- ii) Provisions in the Bill / Schedule of Quantities including Preamble to Bill of Quantities shall prevail over the provisions of the Specifications, Drawings & Special Conditions of Contract.
- iii) Between two documents on the same issue, the document revised or reissued as of the later date shall prevail.
- iv) 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 of Contract.
- v) In case of any conflict of meaning in the same document or between two documents, the Engineer's decision will be final, binding and conclusive.

2.2 **Singular and plural:** Words importing the singular include the plural and vice versa where the context requires. Words importing persons include firms and corporations also and vice versa where the context requires. Words importing masculine gender include the feminine gender also and vice versa where the context so requires.

2.3 The headings and marginal notes in the General Conditions of Contract are included for ease of reference, and shall neither constitute a part of the Contract nor affect its interpretation.

2.4 The Contract and all correspondences between the Employer and the Contractor shall be in English language.

3.0 ENGINEER:

3.1 Duties and Powers of Engineer:

To ensure proper execution of the Contract, the Engineer shall have the right of:

- (a) supervision and direction of the Work,
- (b) directing or amending the sequence of deliveries of the materials/items,
- (c) directing the application of Contractor's labour and machinery forces to any portion of the Work as required,
- (d) ordering the increase or decrease in/of size of the labour and machinery and to resolve issues which arise in the execution of the Contract,
- (e) rejecting any or all works and materials/items, which do not conform to the Contract,
- (f) stopping the work of execution whenever such stoppage may be necessary.

3.2 Duties of Engineer's representative:

- (a) to inspect the works and materials/items,
- (b) to follow up and monitor proper delivery of the materials/items to site as per the Specifications and Drawings and as per the sequence required,
- (c) to watch and supervise the works and materials/items,

- (d) to inspect and test any materials/items to be used or workmanship employed in connection with the Work.

Any instructions or approvals given by the Engineer's representative to the Contractor in connection with the Contract shall bind the Contractor as though it had been given by the Engineer provided always as follows:

3.2.1 The Engineer's Representative shall have no authority to

- (a) relieve the Contractor of any of his duties or obligations under the Contract except as expressly provided hereunder or elsewhere in the Contract.
- (b) to order
- i) any work involving delay,
 - ii) any extra payment by the Employer,
 - iii) any variation in the works.

3.3 Failure of the Engineer to reject any work, materials/items, workmanship, etc., or to disapprove any work or materials/items shall not prejudice the Employer to reject such work, materials/items, workmanship etc., or to disapprove such work or materials and to order re-doing of such work, replace such materials/items, etc. or to pull down, remove or break up such disapproved work at the cost of the Contractor, provided the Contractor fails to comply with the direction and requirement of the Employer therefor. Under this pretext, extension of time of completion shall not be considered.

The decision, opinion, certificates or valuation of the Employer in respect of any matter under this Clause shall be final, binding and conclusive.

3.4 If the Contractor is dissatisfied by reason of any decision, opinion, direction, certificate or valuation of the Engineer, he shall be entitled to refer the matters (other than "Excepted Matters") to the Employer who shall thereupon confirm, reverse or vary such matters.

4.0 ASSIGNMENT AND SUB - CONTRACTING

4.1 **Assigning:** The Contractor shall not transfer or assign the Contract or any part thereof or any benefit or interest therein 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 else where on the Contractor's account and at his risk and cost, then 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. This shall not relieve the Contractor of any responsibility under this Contract.

4.2 **Sub-contracting:** The Contractor shall not sub-contract the whole or any part of the works without the prior approval of the Employer and such approval 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 sub-contractor's agents, servants or workmen as fully as if they were the acts, defaults or neglects of the Contractor or his agents, servants or workmen. However, the execution of the works by Piece Rate Worker (PRW) contract under the direct and personal supervision of the Contractor or his agent shall not be deemed to be sub-contract under this clause.

5.0 EXTENT AND SCOPE OF CONTRACT

5.1 **Extent of Contract:** The Contract comprises the construction, completion and maintenance during DLP of the Work 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 during DLP of the Work.

- 5.2 The Contractor shall carryout and complete the Work 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/or written instructions, details, directions and explanations which are hereafter collectively referred to as the Employer's instructions in regard to:
- 5.2.1 The Variation or modifications of the design, quality or quantity of works or the addition or omission or substitution of any of the works.
- 5.2.2 Any discrepancy in the drawings or between the schedule of Quantities and/or Drawings and or Specifications.
- 5.2.3 Removal from the site of any material/Item brought thereon by the Contractor and the substitution of any other materials/Items there of.
- 5.2.4 The removal and/or re - execution of any work executed by the Contractor.
- 5.2.5 The dismissal from the Work of any person employed thereupon.
- 5.2.6 The opening up for inspection any work covered up.
- 5.2.7 The amending and making good of any defects
- 5.2.8 The Inspection and carrying out of tests of materials/ Items; and finished works on site.
- 5.2.9 Deducting and recovering any amounts, in respect of defective materials/ Items, labour and finished work for which advance payments had been made from any amounts due to the Contractor.
- 5.3 The Contractor shall forthwith comply with and duly execute any work comprised in such Engineer's instructions, provided always that verbal directions and explanations given to the Contractor or his Representative upon the work by the Engineer shall if involving a variation, be confirmed in writing by the Contractor within seven (7) days and if not dissented by the Engineer in writing within a period of seven (7) 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.
- 5.4 If Compliance with the Engineer's instructions as aforesaid involve works beyond those contemplated by the Contract, then the provisions of Clause No. 21.0 herein after shall be applicable.
- 5.5 If a Work is transferred from the jurisdiction of the Employer to any Successor, while the Contract is in subsistence, the Contract shall be binding on the Contractor and the Successor in the same manner and take effect in all respects as if the Contractor and the Successor were parties there to from the inception and then corresponding office of the competent authority of the Successor will exercise the same powers and enjoy the same authority as conferred to the Employer under the original Contract entered into and the Engineer so appointed shall have the same powers as envisaged in the Contract.
- 5.6 If for any reason the Contract is transferred to the Successor of the Employer as above, the Contract shall, notwithstanding anything contained herein contrary thereto, be binding on the

Contractor and the said Successor and shall take effect in all respects as if the Contractor and the said Successor had been parties thereto from the date of this Contract.

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

5.8 In case of demise or dissolution or bankruptcy or insolvency of the Contractor or if the Contractor causes or suffers any receiver to be appointed of his business or any assets thereof or compound with his creditors, or being a corporation commence to be wound up, not being a member's voluntary winding up for the purpose of amalgamation or reconstruction, or carry on its business under a receiver for the benefits of its creditors or any of them, the Employer shall be at liberty:

- to terminate the Contract forthwith upon coming to know of the happening of any such event as aforesaid by notice in writing to the Contractor or to the receiver or liquidator or to any person in whom the Contract may become vested.

or

- to give such receiver, liquidator or other person the option of carrying out the Contract subject to his providing a guarantee up to an amount to be agreed for the due and faithful performance of the Contract.

6.0 **CONTRACTOR'S REPRESENTATIVE:**

6.1 In order to carry out his responsibilities under the Contract, the Contractor shall employ duly authorised competent engineers/representatives whose names shall previously have been communicated in writing by the Contractor to the Employer/Engineer/Consultant to superintend the Work. The said engineers/representatives shall be authorised to act on behalf of the Contractor, to accept notices under the Contract and to agree to extra and varied items of works and rates for the same. Such engineers / representatives shall maintain in his staff, qualified engineers and such other personnel as may be required for efficient execution of works. The said representatives shall be present at Site during working hours and any written instructions that the Employer / Engineer or his authorised representatives / Consultant may give to the said representatives of the Contractor shall be deemed to have been given to the Contractor. Any notice under the Contract shall be deemed to have been served on the Contractor if served upon such representative or sent by registered letter to his address at site. Such representative shall not be changed (unless required by the Engineer/Consultant) and shall not leave the Site during the duration of the Contract unless the consent of the Engineer/ Consultant shall have been previously obtained.

6.2 The Contractor shall send a duly authorized competent representatives 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/Consultant at his own cost and any instructions, directions or explanations given by the Employer or by the Engineer/Consultant to such representatives shall be deemed to have been given to the Contractor.

6.3 The Contractor shall ensure that each individual of the Contractor's personnel at Site shall co-operate with the Engineer/ Consultant and any other agencies engaged in the Work to avoid difficulties in carrying out the Work. Failure to extend such co-operation or misconduct or incompetence or negligence shall be sufficient cause for removal of such individual by the Contractor forthwith upon request by the Engineer/ Consultant. In such cases, the Contractor shall provide immediately competent personnel to replace such individuals at the Contractor's own cost and such personnel shall not be again employed. In case of disagreement as to the cause of such removal, the decision of the Employer/ Engineer/Consultant shall be final.

6.4 The Contractor's representatives shall be available for such periods as the Employer / Engineer / Consultant may require and they shall work at all reasonable times as may be necessary to complete the Work within the time specified in the Contract.

7.0 GENERAL SUPERVISION BY THE EMPLOYER/ENGINEER/CONSULTANT AND COORDINATION:

7.1 All the Work shall be carried out under the general supervision of and to the satisfaction of the Engineer or his authorised representatives/ Consultant. The Contractor shall be responsible for the correctness of the positions, levels and dimensions of the Work according to the drawings etc. notwithstanding that he may have been assisted by the Engineer or his authorised representatives or Consultant in setting out the same.

7.2 The Contractor shall at all times work in co-ordination with the Engineer and his authorised representatives / Consultant and shall afford opportunities for the Employer's representatives to become familiar with the Erection and other works under the Contract. In respect of observance of local rules, administrative matters, safety matters, co-ordination with other Contractors and similar matters, the Contractor and his personnel shall work under the co-ordination of the Engineer/Consultant.

8.0 CONTRACT DRAWINGS AND DOCUMENTS

8.1 **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 accepted by the Engineer who shall thereupon issue to the Contractor instructions directing in what manner the work is to be carried out.

8.2 **Custody of Drawings:** The drawings shall remain in the sole custody of the Engineer/Consultant. Five (5) copies thereof shall be furnished to the Contractor free of cost. Extra copies if available shall be supplied by the Employer at the rates to be fixed by him. Contractor shall return to the Engineer/Consultant, all drawings provided during the execution of Contract, on the completion of the Contract.

8.3 **Additional Drawings:** The Contractor shall give adequate notice in writing to the Engineer/ Consultant of any further Drawings or Specification that may be required for the execution of the Work or otherwise under the Contract.

8.4 **Drawings to be Kept at Site:** One set 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/Consultant, or any other person authorised by the Engineer.

8.5 **Further Drawings and Instructions:** The Engineer/ Consultant shall have the right and authority to supply to Contractor from time to time during the progress of the Work such further Drawings and instructions as shall be necessary for the purpose of the proper and adequate execution and maintenance of the Work and the Contractor shall carry out and be bound by the same.

8.6 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 Work and with the exception of the signed Contract set, shall be returned by the Contractor to the Employer on completion of the Work or termination of the Contract.

8.7 As Built Drawings:

8.7.1 On completion of the Work and before issuance of "Virtual Completion Certificate", the Contractor shall furnish to the Engineer/Consultant, Five (5) prints each and one CD of all "As Built Drawings" which shall contain the agreed modifications, alterations and/or changes made during execution at Site at no extra cost to the Employer.

9.0 GENERAL OBLIGATIONS

- 9.1 **Contract:** The Contractor shall sign an agreement and/or commence the Work as stipulated in the Letter of Acceptance and in default thereof, the Earnest Money Deposit and/or the Security Deposit amount furnished by the Contractor shall be forfeited and the acceptance of the Tender shall be considered as withdrawn at the cost of the Contractor. Moreover, the Contract will be terminated and the Contractor will be liable for debarring from participation in the Employer's tenders for a period of two (2) years.
- 9.2 If any Contract work including supplies and services perishes or becomes unserviceable due to any cause whatsoever, including missing, shortage, loss or damage and/or various destructions in transit from the Contractor's works to the Erection Site and also during Storage, Construction and Erection, the Contractor shall make replacement at his own cost and in such a way as to avoid disturbances in the general progress of the Construction and Erection of the Work.
- 9.3 **Inspection of Site:** The Contractor shall visit, inspect and examine the Site and its surroundings and shall satisfy himself before submitting the Tender as to the various facilities available at the Site for the receipt, storage and custody of the materials, as to the nature of the ground and sub-soils (as far as it is practicable) the form and nature of the Site, the conditions, the quantities and nature of the work and materials, facilities necessary for transportation, erection, testing and other works 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 the working conditions, risk, contingencies and other circumstances which may influence or affect his Tender. The Tenderer shall note that no claim on this ground will be admissible.
- 9.4 **Sufficiency of Tender:** The Contractor shall be deemed to have satisfied himself before Tendering as to the correctness, completion and sufficiency of his Tender for the Work 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 maintain during DLP of the Work. The Contractor expressly agrees that no extra amount of whatever nature shall be paid to the Contractor on account of incorrectness, incompleteness and insufficiency of the Tender for the Work.
- 9.5 **Works to the satisfaction of Engineer/ Consultant :** The Contractor shall execute, complete and maintain the Work in strict accordance with the Contract to the satisfaction of the Engineer/ Consultant and shall comply with and adhere strictly to the Engineer/ Consultant's instructions and directions on any matter (whether mentioned in the contract or not). Contractor shall take instructions and directions only from the Engineer/ Consultant (Subject to the Provision referred to in Clause No. 3.0 hereof).
- 9.6 **Programme to be furnished:** Within Fifteen (15) days of issue of Fax Letter of Acceptance/Detailed Letter of Acceptance, the Contractor shall submit to the Engineer/ Consultant 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 Work. Whenever required by the Engineer/ Consultant, the Contractor shall furnish the particulars in writing of his arrangements for carrying out of the Work 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/ Consultant of such programme or the furnishing of such particulars shall not relieve the Contractor of any of his duties or responsibilities under this Contract.

- 9.7 **Contractor's superintendence:** The Contractor shall give or provide all necessary superintendence during the execution of the Work and as long thereafter as the Engineer/ Consultant may consider necessary. The Contractor or his Competent and authorised agent or representative, approved in writing by the Engineer/ Consultant (Which approval may at any time be withdrawn), is to be constantly on the Work and shall give his whole time to the superintendence of the same. Such authorised representative shall receive on behalf of the Contractor, directions and instructions from the Engineer / Engineer's representatives / Consultant (subject to the Provisions of Clause No. 3.0 hereof).
- 9.8 **Removal of Workmen :** The Contractor shall employ in the execution of the Work only such persons who are careful, skilled and experienced in their respective trades and the Engineer/ Consultant shall be at liberty to object and require the Contractor to remove from Work any person employed by the Contractor in or about the execution of the Work who in the opinion of the Engineer/ Consultant misconducts himself or is incompetent or negligent in the proper performance of his duties and such persons shall not be again employed upon the Work in any capacity without the prior permission of the Engineer/ Consultant.
- 9.8.1 The Contractor shall employ such persons as are found to be healthy and free from contagious diseases and shall produce, if required by the Employer, certificate of fitness of all his employees working at Site. Whenever in the opinion of the Employer, it is necessary to do so, for the protection of other employees & their families, the Contractor shall arrange to shift such employees suspected to be suffering from contagious diseases to a hospital. The Contractor shall, if required by the Employer, subject all his employees to regular medical check ups and produce satisfactory evidence of their being free from any contagious disease.
- 9.8.1.1 The contractor shall engage workmen of good conduct and clean antecedents.
- 9.8.2 The Contractor shall also be responsible for observance of the above Clause by his Sub-contractors.
- 9.9 **Setting out:** The Contractor shall be responsible for the true and proper setting out of the Work and for the correctness of the positions, levels, dimensions and alignment of all parts of the Work and for the provision of all necessary instruments, appliances and labour in connection therewith. If at any time during the progress of the Work any error shall appear or arise in the position, levels, dimensions and alignment of any part of the Work, the Contractor, on being required to do so by the Engineer/ Consultant shall at his own expenses rectify such error as per the directions of the Engineer/ Consultant unless such error is based on incorrect data supplied in writing by the Engineer/ Consultant in which case the expenses of rectifying the same shall be borne by the Employer. The checking of any setting - out of the line Or level by the Engineer/ Consultant 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 Work.
- 9.10 **Bore-holes, exploratory excavation:** If at any time during the execution of the Work the Engineer/ Consultant 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 No. 21.0 hereof, unless a provisional sum in respect of such anticipated works shall have been provided in the Bill of Quantities.
- 9.11 **Watching and Lighting:**
The Contractor shall in connection with the construction, erection, testing and commissioning (wherever envisaged in the Contract) of the works provide and maintain at his own cost proper fencing, notice boards, lighting, guarding, watchmen to protect and warn the public and watching of all the works at the site and when & where necessary as decided by the Engineer or any competent, statutory or other authority for the protection of the works or for the safety and convenience to the public or others, until the works are taken over by the

Employer. The lighting in and around the work spots shall be so arranged that there is sufficient illumination available in minimum area of 15 Mtrs radius around the workspot.

9.12 **Care of Work:** From the commencement to the completion of the Work and maintenance, the Contractor shall take full responsibility of the care thereof and of all Temporary works. In case any damage, loss or injury shall happen to the Work or to any part thereof or any Temporary works from any cause whatsoever the Contractor shall repair and make good the same at his own cost, so as to complete the Work in conformity in every respect with the requirement of the Contract. However, in the event of any damage, loss or injury happening from any of "Force Majeure" events, the Contractor shall, repair and make good the same as mutually agreed upon. 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.

9.13 **Insurance:** The Contractor shall maintain and shall require his Sub-Contractors to maintain in full force and effect, at the cost of Contractor, all Insurances as follows from Insurance Companies in India acceptable to Engineer, from the time of execution of this Contract :-

- (a) All such Insurances as are required by law for the purpose of the Contract.
- (b) All such Insurances required in respect of equipment purchased out of advance received from Employer.
- (c) The vehicles, mobile equipment, etc., (whether or not those are owned by them) deployed at site by Contractor or his sub-contractor shall be covered under Automobile Liability Insurance at Contractor's cost.
The insurance policy shall be tripartite, Employer being the beneficiary. The insurance cover shall remain in full force up to successful completion of the Work and corresponding issue of Final Certificate by the Engineer. The Contractor shall produce the insurance policy and receipts for the premium at the appropriate time.

The Contractor shall ensure that the insurer shall furnish to the Engineer/Consultant and Employer with evidence of such insurance a copy of the issued policy and any amendments thereto and prompt notification of any cancellation or termination thereof. Should Contractor default in paying any premium when due, Engineer/Consultant or Employer, without prejudice to other remedies set-fourth in this agreement shall be at liberty to pay such premium and recover the same from Contractor.

All such insurance requirements are hereby established as the minimum policies and coverage 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.

The provisions contained within this article are not intended and do not impair or in any manner limit the liabilities or objections assumed by the Contractor as may be set-fourth elsewhere in the Contract.

9.13.1 **Third Party Insurance :** Before commencing the execution of the Works the Contractor (but without limiting his obligations and responsibilities under Clause 9.17 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 9.17 hereof.

9.13.2 **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 Rupees One Lakh (Rs 1,00,000/-) and the Contractor when ever required shall produce to the Engineer/ Consultant the valid policy or policies of insurance and the receipts for payment of the current premium.

9.14 **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.

9.15 The Contractor shall take insurance policy for payment of an ex-gratia amount of Rupees One lakh (Rs.1,00,000/-) only per head in case of fatal accidents to the Contract labour engaged by him in addition to the Employees State Insurance (ESI) and/or Workmen's compensation insurance policy. As and when a fatal accident takes place, along with the Employees State Insurance (ESI) and/or Workmen's compensation, the Contractor is required to pay the ex-gratia amount within seven (7) days from the date of accident. In case of any delay in paying the ex-gratia amount as above, the Employer has the right to pay such amount directly to the family of the deceased and recover the same from the Contractor's running/future bills.

9.16 **PROGRESS REPORTS:**

The Contractor shall submit to the Engineer/Consultant in the prescribed form and at intervals as approved by the Engineer/Consultant, the details of progress of Work executed by him in addition to all other reports and returns to be submitted by the Contractor as per the statutory obligations and / or as per the other conditions of the Contract.

The Contractor shall execute the Work to the satisfaction of the Engineer and strictly adhere to the Time schedules. Any addition, alteration or modifications in the Time schedule or Specifications given in writing by the Engineer will be final, binding and conclusive on the Contractor.

If at any time the Employer finds that any particular work/ works is/are not progressing properly according to the approved detailed programme, the Employer will 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.

9.17 **DAMAGES TO PERSONS & PROPERTY :** The Contractor shall (except and in 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 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.

- 9.18 **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 Work or of any temporary work and by the rules and regulations of all public bodies whose property or rights are affected or may be affected in any way by the Work or any temporary work.
- 9.19 **Compliance with Statute, Regulations etc. :** The Contractor shall conform in all respects with the provisions of all the Statutes, Ordinances, Laws and the Rules, Regulations or Bye-Laws of any local or other duly constituted authority which may be applicable to the Work or to any Temporary work and with Rules and Regulations of Public Bodies and shall keep the Employer indemnified against all penalties and liabilities of every kind for breach of any such Statute, Ordinance, Law, Rule, Regulation or Bye-Law.
- 9.20 **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 Work or Temporary works or any of them and from and against all claims, demands, proceedings, damages, costs, charges and expenses whatsoever, in respect there of or in relation thereto.
- 9.21 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 Work or Temporary works or any of them.
- 9.22 **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 what so ever arising out of or in relation to any such matters.
- 9.23 **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. The Contractor shall maintain safe speed of his Vehicles within the Plant premises.
- 9.24 **Facilities for other contractors :** The Contractors shall in accordance with the requirement of the Engineer/ Consultant 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 properly 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 Work.
- 9.25 **Providing Constructional plant, materials & labour:** Except where otherwise specified, the Contractor shall at his own expense provide all the Constructional plant and equipment, materials, instruments, tools and tackles, etc. both for temporary and for permanent works, labour (including the supervision thereof) transport to or from site and in and about the Work and other things of every kind required for the construction, completion and maintenance during Defect Liability Period (DLP) of the Work.

All constructional plant and equipment, materials, instruments, tools and tackles etc. once brought by the Contractor to the Site are not to be removed from there without the written permission of the Engineer/ Consultant. Also the Contractor shall promptly arrange spare parts, consumables, fuel, chemical & hydraulic fluids, lubricants etc. for his construction equipment at Site as and when necessary at his own cost.

If in the opinion of the Engineer/Consultant plant and equipment, materials, instruments, the tools, tackles etc., brought to Site or arranged by the Contractor, are not sufficient and/or inadequate, the Engineer/Consultant shall have the right to direct the Contractor and the Contractor shall comply with the directions, and arrange to bring such items to the Site and employ the same for the Work at his own cost.

- 9.26 **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/Consultant 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.
- 9.27 **Clearance of site on Completion:** On the completion of the Work, all rubbish, debris, kilns, vats, tanks, temporary structures, construction water pipelines, construction power cables, other materials, etc. of any sort or kind used for the purpose of or connected with its construction are to be removed by the Contractor and all pits and excavations filled up and the Site handed over in a tidy and workmenlike conditions to the satisfaction of the Engineer/Consultant. No final payments in settlement of the accounts for the said work shall be due or shall be made to the Contractor till such Site clearance shall have been effected by him. Such clearance may be made by the Employer at the expense of the Contractor in the event of his failure to comply with this provision within seven (7) days after receiving direction in writing from the Engineer/Consultant to that effect. If it becomes necessary for the Employer to have the Site cleared as indicated above at the expense of the Contractor, the Employer shall under no circumstances be held liable for any losses or damages to such of the Contractor's property as may be found at Site due to such removal there-from. Such removal may be effected by means of public sale of such materials and property or in such way as deemed fit and most convenient to the Employer.
- 9.28 **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/ Consultant 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/ Consultant 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 non-compliance of the aforesaid condition, the Contractor shall be liable to the Employer for all moneys which in the usual course would have accrued to the Contractor by reason of such non-compliance.
- 9.29 **Vesting of Constructional Plant & Equipment:** All constructional Plant & Equipment, temporary works and materials owned by the Contractor or by any company in which the Contractor has controlling interest shall, when brought on to the Site, immediately be deemed to be vested with the Employer till the completion of Work. The Employer shall not at any time be liable for the loss or damage of those items.

- 9.30 **Irremovability of constructional Plant & Equipment, temporary works, etc.:** No constructional Plant & Equipment, temporary works, materials or any part thereof shall be removed from the site without the written consent of the Engineer/ Consultant, which consent shall not be unreasonably withheld where the same is no longer immediately required for the purposes of completion of the Work but, the Employer will permit the Contractor the exclusive use of all such Constructional Plant & Equipment, temporary works and materials in and for the completion of the Work 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 Work.
- 9.31 **Materials obtained from dismantling & 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/ Consultant, If these materials are not required by him they will be disposed off to the best advantage of the Employer.
- 9.32 **Fossils etc. :** All fossils, coins, articles of value of antiquity and structures and other remains or things of Geological or Archaeological interest discovered on the Site of the work shall, as between the Employer and the Contractor, be deemed to be absolute property of the Employer and the Contractor shall take reasonable precautions to prevent his workmen or any other persons from removing or damaging any such article or thing and shall immediately upon discovery thereof and before removal, inform in writing the Employer/Engineer of such discovery and carry out, at the expense of the Employer, the disposal, removal or otherwise of the same.
- 9.33 Explosives shall not be used on the Work by the Contractor except with prior approval in writing of the Engineer/Consultant and in the manner and to the extent to which the Engineer /Consultant has prescribed. All the Explosives shall be procured, transported and stored in a special magazine at his own cost by the Contractor. The Contractor shall be responsible for complying with all the statutory obligations in these respects. The Contractor is liable for any damage, loss and injury to any person or property that may occur as a result of the explosion of the explosives and indemnify the Employer.
- 9.34 **Temporary Requirement:** If in the course or for the purpose of the execution of the Work or any part thereof 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.
- 9.34.1 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), under such situation the Contractor shall, at his own cost and independent of any requirement of notice from the Engineer/Consultant be responsible for the making good any subsidence of 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 either the end of DLP 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.
- 9.34.2 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 9.34.1 shall cease in regard to any such sections or length at the time of possession thereof is so taken, but shall during the continuance of the said DLP 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 All operations necessary for the execution of the Work and for the construction of any temporary work shall, so far as compliance with the requirements of the Contract permits, be carried out 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 foot paths 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.

- 9.34.3 The Contractor shall use every reasonable means to prevent any of the highway and bridges communicating with or on the routes to the Site from being damaged or injured by any traffic of the Contractor or any of his sub-Contractors and in particular shall select routes, choose and use vehicles and restrict and distribute loads so that any such extraordinary traffic as will inevitably arise from the moving of the constructional Plant, Equipment, Machinery and materials/items from and to the Site shall be limited as far as reasonably possible so that no unnecessary damage or injury may be occasioned to such highway and bridges. For any damage caused thereby, the Contractor shall be solely responsible.
- 9.34.4 Where the nature of the work is such as to require the use by the Contractor of water-borne transport, the foregoing provisions of this clause shall be construed as though "highways" included a lock, dock, sea-wall or other structure related to a water way and "vehicles" included craft and shall have effect accordingly.
- 9.34.5 The Contractor must take sufficient care in moving construction Plant and Equipment from one place to another so that they may not cause any damage to the property of the Employer. In the event of his failure to do so, the cost of such damage including eventual loss of working hours in any plant as estimated by the Engineer/Consultant is to be borne by the Contractor.
- 9.35 The use or sale of ardent spirits or other intoxicating beverages upon the Work, or in any of the buildings, boarding houses, encampments, or other tenements owned, occupied by or within the control of the Contractor or any of his employees, is strictly forbidden and shall comply with these conditions.
- 9.36 The Contractor shall not, in the performance of Contract Work, in any manner endanger the safety or unlawfully interfere with the convenience of the public.
- 9.37 **Indemnity**
- 9.37.1** The Contractor assumes responsibility for and shall indemnify and save harmless the Employer, from all liability, claims, costs, expenses, taxes and assessments including penalties, punitive damages, Attorney's fees and Court Cost which are, or may be required with respect to any breach of the Contractor's obligations under the Contract, or for which the Contractor has assumed responsibility under the Contract, including those imposed under any contract, local or national law or laws, or in respect of all salaries, wages or other compensation of all persons employed by the Contractor or his sub-Contractors or suppliers in connection with performance of any work covered by the Contract. The Contractor shall execute and deliver, and shall cause his sub-Contractors and suppliers to execute and deliver, such other further instruments and to comply with all the requirements of such laws and regulations as may be necessary there under to confirm and effectuate the Contract and to protect the Employer.
- 9.37.2 The Employer shall not be in any way held responsible for any accident or damages incurred or claims arising there from during the period of Erection and putting into operation of the Plant under the responsibility of the Contractor.

9.37.3 The Contractor shall be responsible for proper fencing, lighting, guarding and watching of all the works at Site until they are taken over and for the proper provision for a like period of temporary roadways, footways, guards and fences as far as may be rendered necessary by reason of the works for the accommodation and protection of the owners and occupiers of adjacent property, the public and others. No naked light shall be used by the Contractor on the site otherwise than in the open air without the special approval in writing from the Engineer or Consultant.

10.0 LABOUR

10.1 **Labour Rules etc.:** In respect of all labour directly or indirectly employed on the Work, the Contractor shall comply with all legislation and rules of State and/or Central Government or other local authority governing the protection of health, sanitary arrangement, wages, welfare and safety applicable for labour employed on building and construction Works. The Minimum Wages Act, 1948, Employees State Insurance (ESI) Act, 1948, (Workmen's Compensation Act, 1923 to the extent applicable), Contract Labour (Regulation & Abolition) Act 1970 and amendments thereof 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. (including amendments thereof) 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.

10.2 Reporting accidents of labour: The Contractor shall be responsible for the safety of all employees and/or workmen employed or engaged by him on and in connection with the work and shall report to the Employer/ Engineer/ Consultant and other local authorities concerned all cases of serious accidents howsoever caused and wherever occurring on the Work and shall make adequate arrangements for rendering immediately all possible aid to the victims of the accidents.

10.3 The Tenderer should clearly understand and comply with Factories Act, 1948 and relieve the female workers from their work-site within the restricted working hours prescribed there in under Section 66(b).

10.4 **Age Limit of Labour:** The age limit for employment of labour shall be in strict accordance with the existing Labour Rules and Regulations.

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 ensure that fifty percent (50%) of his deployed unskilled workmen at Site shall be taken from the Displaced Persons for which the list shall be made available by the Employer to the Contractor or the same can be taken from Sub-Employment Exchange, Gajuwaka, Visakhapatnam District, Andhra Pradesh, if not available with the Employer.

Contractor shall provide at his cost working aprons to his personnel working at site. The aprons shall be of blue color, cotton with half sleeves, 3 pockets (1 on chest and 2 below) and contractor's name written in capital yellow letters with fluorescent / glow paint on the back and front

10.5 **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, B.C.'s., S.C.'s., S.T.'s. engaged and other classifications viz., skilled, semi-skilled and unskilled.

- 10.6 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 Assistant Commissioner Labour (State), 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.
- 10.7 The Contractor shall ensure the implementation of all the relevant provisions of the various Labour Laws and regulations. Accordingly, he will get him-self registered with the concerned statutory authority as provided under the different Acts and shall be directly responsible to the authorities there-under for compliance with the provisions thereof.
- 10.8 The Contractor shall ensure that the provisions of relevant Statutory Rules and Regulations are implemented by him, his employees and sub-contractors.
- 10.9 **Employees State Insurance (ESI) :**
- 10.9.1 The Contractor agrees to and does hereby accept full and exclusive liability for the compliance with all obligations imposed by Employees State Insurance Act, 1948, and the Contractor further agrees to defend, indemnify and hold Employer harmless from any liability or penalty which may be imposed by the Central, State or local authority by reason of any alleged violation by Contractor, or sub-contractor of the Employees' State Insurance Act, 1948 and also from all claims, suits or proceedings that may be brought against the Employer arising under, growing out of or by reason of the work provided for by the Contract whether brought by employees of the Contractor, by third parties or by Central or State Government authority or any political sub-division thereof.
- 10.9.2 The Contractor agrees to file with the Employees State Insurance Corporation, the Declaration forms and all forms which may be required in respect of the Contractor's or Sub-contractor's employee whose aggregate enumeration is within the specified limit and who are employed in the work provided or those covered by ESI Act under any amendment to the Act from time to time. The Contractor shall deduct and secure the agreement of the Sub-contractor to deduct the employee's contribution as per the first schedule of the Employee's State Insurance Act from wages and affix the employee's contribution cards at wages payment intervals. The Contractor shall remit and secure the agreement of the Sub-contractor to remit to the State Bank of India, Employees State Insurance Corporation Account, the Employee's contribution as required by the Act.
- 10.9.3 The Contractor agrees to maintain all records as required under the Act in respect of employees and payments and the Contractor shall secure the agreement of the Sub-contractor to maintain such records. Any expenses incurred for the contributions, making contribution or maintaining records shall be to the Contractor's or Sub-contractor's account.
- 10.9.4 The Employer shall retain such sum as may be necessary from the total Contract value until the Contractor shall furnish satisfactory proof that all contributions as required by the Employees State Insurance Act, 1948, have been paid.
- 10.9.5 **Workman's Compensation and Employee's Liability Insurance**
- Contractor shall provide Insurance for all the Contractor's employees engaged in the performance of this Contract. If any of the work is sub- Contracted, the Contractor shall ensure that the sub- Contractor provides workmen's compensation and Employer's Liability Insurance for the latter's employees who are not covered under the Contractor's Insurance.
- 10.10 **Employees' Provident Fund and Miscellaneous Provisions Act, 1952:**
- The Contractor shall ensure strict compliance of provisions of the Employees Provident Fund and Miscellaneous Provisions Act 1952 and the schemes framed thereunder in so far as they

are applicable to their establishments and agencies engaged by him. The Contractor is also required to indemnify the Employer against any loss or claims or penalties or damages whatsoever resulting out of non-compliance on the part of the Contractor with the provisions of the aforesaid Act and the schemes framed thereunder.

10.11 Electrical Licence for Installation works:

The installation work shall be carried out only by an electrical Contractor holding a valid licence 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 licence held by him for executing the electrical works.

10.12 Payment of Minimum Wages:

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 Provident Fund (PF) for the month, both the Employer's (in this case Contractor) and Employee's (in this case workmen employed by the Contractor) contributions 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". If it is found that the wages and/or PF of the workers are not paid regularly, the Contract is liable to be terminated and/or the Employer will pay and recover from the Contractor the said dues including penalty as per Law in the following manner:

- | | | |
|----|---|---|
| 1. | Payment of wages at rates less than those notified under the minimum wages notification | An amount equivalent to the differential amount between wages to be paid under the minimum wages notification of the Government applicable for the period less actual wages paid shall be recovered from the bills as certified by the Engineer. |
| 2. | Non-payment of wages | An amount equivalent to wages payable by the Contractor applicable for the relevant period shall be recovered from the bills as certified by the Engineer. |
| 3. | Non-payment of PF | Recovery of the PF amount and an amount equivalent to maximum penalty leviable by Regional Provident Fund Commissioner for the delayed period under the provisions of EPF & MP Act and Rules for delayed remittance of PF contributions (both the Employee's and the Employer's contributions), shall be recovered from the bills of the Contractor as certified by the Engineer. |
| 4. | Delayed payment of PF | An amount equivalent to maximum penalty leviable by Regional Provident Fund Commissioner for the delayed period under the provisions of EPF & MP Act and Rules for delayed remittance of PF contributions (both the Employee's and the Employer's contributions), shall be recovered from the bills of Contractor as certified by the Engineer. |

The aforesaid amount shall be recoverable from the bills by the Engineer 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/Companies.

- 10.13 The following deductions per workman deployed category-wise shall be made from the bills/ amounts due to the Contractor as applicable for the work done and such deducted amounts shall be released as mentioned below:

Sl. No	Component	Recovery amount per labour per every WORKING DAY (in Rs.) (Ro)			To be released when
		UN-SKILLED	SEMI-SKILLED	SKILLED	
01	Notice pay	10.48	13.21	15.95	After the Contractor makes payment to the Workers in the presence of Engineer and CLC representatives. A certificate to this effect is to be enclosed with Pre-final Bill (to be paid with pre-final Bill).
02	Retrenchment compensation	5.24	6.61	7.98	
03	Leave wages with	6.45	8.13	9.82	
Sub-total		22.17	27.95	33.75	
04	Bonus	9.08	9.08	9.08	After the Contractor makes payment to the Workers in the presence of Engineer and CLC representatives. A certificate to this effect is to be enclosed with RA Bill / pre-final bill. (to be paid with RA Bill / Pre-final Bill as and when paid by the Contractor)
Grand total		31.25	37.03	42.83	

Note:

- i) In case of any statutory revision in Minimum Wages payable to Contract Workmen, by the Government of Andhra Pradesh, the above recovery amounts for above components per workman category-wise, are to be revised as per the following formula:

$$\text{Revised recovery amount(R 1)} = \text{Original Recovery amount (Ro)} \times \frac{\text{Revised wage(X)}}{\text{Original wage (Xo)}}$$

Where:

R1 = Revised recovery amount per working day per workman category

Ro= Original recovery amount envisaged in Contract per working day per workman category

X = Revised wage per day per category of workman., i.e. for unskilled , Semiskilled, and Skilled categories of workers as notified by Commissioner of Labour, Government of Andhra Pradesh, Hyderabad, published in the A.P. Gazette for the period under consideration.

Xo = Wage per day per category of workman i.e., for unskilled, Semiskilled, and Skilled categories of workers as notified by Commissioner of Labour, Government of Andhra Pradesh, Hyderabad, published in the A.P. Gazette as on the date of opening of Envelope-1 _____ .

- ii) Wage per day per workman=(Wage per category per workman per month notified by AP Govt. / 26)

- iii) Payment against the above components have to be made to the workmen based on prevailing wages of last month pay.
- iv) The above recovery amounts are inclusive of 10% towards profits & overheads. The actual amount payable to each workman shall be arrived at by deducting 10% (towards profits & overheads) from the above recovery amounts

10.14 Observance by sub-contractor: The Contractor shall also be responsible for the observance of the provisions of Clause No. 10.0 by sub-contractors employed by him in the execution of the Contract.

11.0 CONSTRUCTION WATER:

The Contractor shall at his own expenses, lay and maintain the pipelines for the water required for construction purpose (including drinking water) for the work covered under the Scope of the Contract from the point of supply to his work site with suitable connections, storage reservoir, etc. as may be necessary. The water for above purposes will be supplied free of cost by the Employer from the existing construction water main at one or two points as decided by the Employer on a written request from the Contractor indicating his requirements. The Contractor shall ensure avoidance of misuse or wastage of water, make adequate arrangements for storage and regulate supply and if necessary install supplementary arrangements for supply of water. The Employer will endeavour to maintain a regular supply of water to meet the construction requirements. However, no claim for compensation for any failure or short supply of water will be entertained by the Employer.

The Employer reserves the right to draw water without charge from distribution lines laid by the Contractor, if he requires the same for any of his other works executed directly or through other agencies.

On completion of the Work, the Contractor at his own cost shall remove all the above said pipelines unless their retention is permitted by the Employer before the final settlement dues to the Contractor are released. The Employer reserves the right on completion of the Work to take over any or all the pipelines put up by the Contractor at prices to be mutually agreed upon which in any case will not be more than the actual cost incurred by the Contractor less depreciation at standard rates.

12.0 CONSTRUCTION POWER:

- 12.1 The Contractor shall make his own arrangements from the supply point to lay and maintain further distribution lines and wiring necessary for the work at his own cost and in accordance with latest Indian Electricity Rules. The distribution diagram with loadings and specifications shall be submitted by the Contractor to the Engineer/Consultant for his approval before the system is installed.
- 12.2 The Employer will supply electric power 220/440V, 3 phase/single phase, 50 cycles from the nearest established substation free of cost, for the construction of site works and approved site offices and stores inside the plant areas. Only one outlet will be provided from the point of supply.
- 12.3 The Contractor shall arrange to get all his installations approved by the Electrical Inspector, Andhra Pradesh before power can be supplied by the Employer. The contractor shall intimate in writing as soon as possible his demand for power indicating the phased requirements. The contractor shall ensure that the Electrical equipment employed by him are such that the aggregate Power Factor (P.F.) does not fall below 0.85 at the Employer's terminal point and install P.F. improving equipment whenever and wherever necessary to maintain the P.F. not below 0.85 at his own cost.

12.4 In case power is made available by the Employer for workshops, fabricating units and labour camps the same will be metered and the Contractor shall pay the charges at the rates as decided by the Employer. The Contractor shall also arrange to procure the meter duly tested by recognised Government Laboratory and approved by the Employer and shall install and maintain the same at his own cost.

12.5 Though efforts will be made by the Employer to maintain regular power supply, the Employer shall not be responsible for any failure in power supply and any consequences arising there from. No claim for compensation for any failure or short supply of power will be admissible. The Contractor shall obtain the approval of the Engineer for installation of machinery, construction of buildings and electric power supply connection to them. The Contractor shall be responsible for any defect therein. Any defects pointed out by the Engineer in the distribution system shall be rectified forthwith to the satisfaction of Engineer by the Contractor, failing which the power supply may be cut off by the Employer/Engineer.

13.0 **LAND:**

13.1.1 **Area for yards, offices etc.:**

The Employer may, at his discretion and for the duration of the Contract, make available land, free of charge, within and/or near the Employer's work 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 levelling of ground, services, roads, etc., as required shall be done and maintained by the Contractor at his own cost conforming to various stipulations of the Employer. The area required for the above purpose shall be indicated in a sketch or drawing by the Contractor for the consideration of the Employer.

13.1.2 **Accommodation for labour and supervisory staff:**

The Employer shall, for the duration of the contract, make available land on chargeable basis for labour colonies outside boundary wall on Balacheruvu side or Islampeta side on "as and where" basis. For this allotment of land, the Contractor shall deposit Rs. 2000/- as Security Deposit. In addition, the Contractor need to pay Rs. 6400/- as License Fee per Acre of land per month. However, the Licence Fee is subject to revision.

The Contractors shall arrange following at his own cost for labour colonies :

- i) Land development
- ii) Water supply & construction of toilets with septic tank for their labour force.
- iii) Power supply for labour colony from AP Transco or from their own power source.
- iv) Maintaining good house-keeping, taking precaution for safety, hygiene etc.

With regards to Contractor's supervisory staff, all arrangement related to their accommodation etc shall be arranged by Contractor at his own cost.

Allotment of land will be valid till the validity of contract period after which agency shall handover the land to employer, removing all temporary structures, debris, etc.

The employer shall not have any liability whatsoever due to allotment of area for labour colony.

Agency's Security Deposit for the work and last payment will be released only after the land is handed over.

Agency shall abide by the terms & conditions indicated by Land & Estate Section of Town Administration Department of employer.

13.1.3 On completion of Work 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 at his own cost. 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.

13.2 The Contractor shall not be entitled to any claim in absence of the above facilities namely water, power and land.

14.0 **ENVIRONMENT:**

The Contractor shall take all reasonable steps to protect the environment (both on and off the Site) and to avoid injury, damage and nuisance to people and property resulting from pollution, noise and other results of his operations. The Contractor shall ensure that air emission, surface discharges and effluent from the Site during the Contract period shall not exceed the values indicated in the Employer's requirements, and shall not exceed the values prescribed by law. The Contractor shall conform to the Employer's requirements and shall indemnify the Employer against any liability or damages or claims arising out of his operations.

The Contractor's Site Environmental Plan shall be developed from his Outline Environmental Plan, as per the Employer's requirements.

14.1 The following Environment, Safety and Health points are to be adhered:

- a The Contractor must adhere to all the applicable statutory laws pertaining to Safety, Health and Environment.
- b The Contractor must ensure that there is no wastage of water at the work site. The Contractor must also ensure that all the water tapping points are leak proof.
- c All the motor vehicles of the Contractor used for transporting materials/machinery etc. should have pollution control certificates and the same should be submitted at the time of obtaining gate passes. A copy of the same must be exhibited/pasted on the vehicle also.
- d The Contractor must ensure dust suppression measures in the work areas by sprinkling of water etc. and also ensure that all his workers use dust masks while working in dusty areas.
- e The Contractor must ensure proper house keeping at site by keeping the work areas free from unwanted material and greases, oil to avoid slips & falls.
- f The Contractor must ensure that all the debris generated during the work is transported safely to dump yard such that there is no spillage of debris on the road during transportation (by covering with a plastic sheet/tarpaulin)
- g All the garbage collected from dust bins etc. should be transported in covered vehicles.
- h All the material which may be recycled/reused should be transported to the designated place for reuse/recycling.
- i All the cut jungle growth and trees should be disposed at the dumping yard without open air burning.
- j Heating/melting of bitumen must be done in boilers only. Heating/melting of bitumen in open drums/containers is prohibited.



- k The Contractor must ensure that there is no spillage of oil or paints on the floors/grounds etc.
- l All representatives / supervisors / workers of contractors must take Safety and Environmental Induction Training and comply with the instructions given there in.

15.0 SAFETY AND GUARDING OF WORKS:

- 15.1 Contractor should obtain Safety Clearance Certificate from Project Safety Engineering Department before start of works. Copy of such certificate shall have to be enclosed while processing 1st RA Bill. The Contractor shall ensure the compliance of Clause No. 15.0 by the Sub-contractors, wherever applicable.

The Employer shall not be in any way held responsible for any accident or damages incurred and claims arising there from during the period of execution of Work.

- 15.2 The Contractor shall be responsible for following the provisions of all Safety laws and rules made there-under and other Statutory requirements at his own cost.

Without prejudice to the above, following shall be followed by the Contractor:

- a) The Contractor and his workers must strictly take all Safety precautions. The Contractor shall supply to his workers dependable Safety appliances like hand gloves, safety boots, safety belt, safety helmets, duster cloth, dust mask/nostril filter, tools etc. In addition to this, Contractor shall also provide additional Safety appliances and arrangements as per requirement and follow safe working practices like using Safety nets, fully insulated electrode holders, etc. He shall also ensure that his workmen intelligently use only tested and dependable Safety appliances and periodically conduct tests according to laid down standard procedures and such certificates shall be readily available for inspection at the Site of Work. He shall replace any Safety appliances, if so asked by the Safety Engineering Department (SED)/Engineer.
- b) The Contractor shall take adequate Safety precaution to prevent accidents at site. The contractor shall also ensure that his employees observe the statutory Safety rules and regulations and also those laid down by the Employer from time to time and promptly submit report of accident to the prescribed statutory authority and the Engineer 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.
- c) No Workmen shall be engaged on the work without proper Safety induction and without using required Personal Protective Equipment (PPE). Use of safety helmet and shoe is must excepting in painting works where shoe will not be used.
- d) All the Safety appliances required for safe working as decided by SED / Engineer shall be provided by the Contractor to his workmen.
- e) Clearance/Work Permit to start the job will be obtained by the Contractor in "form A" & "form B" before start of Work. The forms may be obtained from the dept. concerned.
- f) Works at height cannot be started without clearance from Zonal Safety Officer. The workers engaged for work at height shall possess height pass from SED. The names of workmen working at height or in hazardous areas will be written on the body of "form B".
- g) The Contractor shall ensure that the Welders and Gas Cutters wear cotton dress and leather apron. They shall not wear nylon synthetic dress. This is required to avoid any fire accident. This must be followed strictly.



- h) The Employer/Engineer/Consultant reserves the right to issue directions regarding safety and such directions shall immediately be implemented by the Contractor. Contravention of any safety regulation of the Employer in vogue shall result in recovery from Contractor's "On Account Bills" as given below:
- i) Rs. 2,000 for each case of not providing safety appliances and non compliance of safety procedures.
 - ii) Rs. 10,000 for each case of death or permanent disability.
 - iii) Non issue / disqualification of the subsequent Tender document by the Employer for a period of Two (2) years from the date of occurrence of any fatal accident, at the discretion of the Employer.

Repeated violation of safety procedures may lead to suspension of work. Further violation of safety procedures may lead to termination of the Contract and execution of balance work at the risk cost of the Contractor. The recoveries mentioned above are in addition to those which are applicable as per the Standard Safety Rules and Statutory Labour Regulations. Decision of the Engineer on any of the above issues is final and binding on the Contractor and/or his Sub-contractors.

16.0 SECURITY REGULATIONS:

- 16.1 The Contractor shall abide by all the Security regulations of the Employer in force and promulgated from time to time and other statutory requirements.
- 16.2 The Contractor shall arrange to obtain from the Employer the required gate pass for entry and exit to the Employer's Steel Plant site and other protected areas for each one of his engineers/specialists, representatives/ agents, supervisors, workmen and staff as per the Employer's prescribed procedure and format. Each entry and exit gate pass shall contain the photograph of the person concerned. 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 entry and exit gate pass can be issued. The Contract shall be governed by the following provisions for enforcing safe custody and proper use of gate passes:
- 16.3 All engineers/specialists, representatives/agents, supervisors, workmen and staff of the Contractor shall possess the entry and exit gate 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 entry and exit gate passes to any worker or representatives of the Contractor without assigning any reason.
- 16.4 Permission to enter the Visakhapatnam Steel Plant site to any engineers/specialists, representatives/ agents, supervisors, of the Contractor may be suspended or withdrawn at any time by the Security Department or the concerned officer/Engineer without assigning any reason.
- 16.5 The Contractor shall ensure that any entry and exit gate pass issued to their workers or representatives by the Employer is not misused by unauthorised persons for entry into plant area or in specified areas inside the plant.
- 16.6 It shall amount to breach of rules and regulations regarding entry into the prohibited area by the Contractor in case entry and exit 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.
- 16.7 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 each photo pass will have to be paid as penalty before final payments are cleared by Employer.

16.8 Entry into Construction areas fenced out and segregated from Operating Units shall be regulated by a procedure separately to be laid by the Employer from time to time.

16.9 The Contractor shall register all equipment and all other materials, tools etc., that may be taken inside the Plant area in order to facilitate the issue of exit gate permits for such items to be taken out after the completion of Work.

17.0 **WORK MATERIALS AND PLANT**

17.1 **Quality of materials/items & workmanship and tests:** All materials/items and workmanship shall be of the respective kinds described in the Contract and in accordance with the Engineer/ Consultant's direction from time to time and shall be subject to such tests as the Engineer/ Consultant 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/ Consultant.

17.2 **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.

17.3 **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. Concrete cubes, coarse & fine aggregates, Soil, Tarfelt and Paint shall be tested in Employer's Laboratory at free of cost. All other materials shall be tested by the Contractor at approved laboratory at his own cost. The test certificates shall be submitted for necessary approvals.

17.3.1 **Cost of test not provided for:** If any test is directed by the Engineer/ Consultant 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/ Consultant 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 Engineer/ Consultants instructions; but other wise the cost of such test shall be borne by the Employer.

17.4 **Access to Site:** The Engineer/ Consultant and any person authorised by him shall at all times have access to the Work and to the site and to all Workshops and places where work is being prepared or done or executed when materials manufactured, articles and machinery are being obtained for the Work and the Contractor shall afford every assistance in obtaining the right to such access.

17.5 **Examination of Work before covering up:** No works shall be covered up or put out of view without the approval of the Engineer/ Consultant and the Contractor shall afford full opportunity for the Engineer/ Consultant to examine and measure any work which is about to be covered up or put out of view and to examine before permanent Work is placed thereon. The Contractor shall give due notice to the Engineer/ Consultant whenever any such work or part thereof are ready or about to be ready for examination and the Engineer/ Consultant, shall without unreasonable delay, unless he considers it unnecessary and directs the Contractor accordingly, attend for the purpose of examining and measuring such work or of examining such works. Notwithstanding such examination and measurement of the foundation, the Contractor shall however be liable for making good any deficiency in the Work

and/or supply of materials/items, if any detected at a later point of time either during the execution or during the defect liability period.

- 17.5.1 **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/Consultant may from time to time direct and shall reinstate and make good such part or parts to the satisfaction of the Engineer/ Consultant. If any such part or parts have been covered up or put out of view after compliance with the requirements of Clause No. 17.5 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/companies.
- 17.6 **Removal of improper work and materials/items:** The Engineer/ Consultant shall during the progress of the Work have the right to direct in writing from time to time
- a) The removal from the Site within such time or times as may be specified in the order, of any materials/items which, in the opinion of the Engineer/ Consultant, are not in accordance with the Contract.
 - b) The substitution of proper and suitable materials/items and
 - c) The removal and proper re-execution (notwithstanding any previous tests thereof or interim payment there for) of any work within fourteen (14) days of receiving written notice from the Engineer which in respect of materials/items of workmanship is not in the opinion of the Engineer/ Consultant in accordance with the Contract.
- 17.7 **Default of Contractor in compliance:** In case of default on the part of Contractor in carrying out the directions mentioned under Clause No. 17.6 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 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 from any money due or which may become due to the Contractor.
- 17.8 **Suspension of Work:** The Contractor shall on the written direction of the Engineer/ Consultant suspend the progress of the works or any part thereof for such time or times and in such manner as the Engineer/ Consultant 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/ Consultant. The extra cost (if any) incurred by the Contractor in giving effect to the Engineer/ Consultant'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/ Consultant within 30 days of the Engineer/ Consultant's order. The Engineer/ Consultant shall settle and determine the extra payment to be made to the Contractor in respect of such claims as the Engineer/ Consultant shall consider fair and reasonable.

17.9 **Suspension lasting more than three (3) months:** If the progress of the works or any part thereof is suspended on the written order of the Engineer, the Contractor may, within one (1) month after completion of suspension period of three (3) months, serve a written notice on the Engineer requiring permission to proceed with the works or part thereof in regard to which the progress is suspended without any liability thereof on the Employer. If such permission is not granted within fifteen (15) days on receipt of such written notice, the Contractor may serve a second written notice, requesting for mutual discussion about further course of action.

18.0 COMMENCEMENT TIME AND DELAYS

18.1 **Commencement of work at Site:** Unless otherwise stated the Contractor shall commence the Work as mentioned in the Fax Letter of Acceptance / Detailed Letter of Acceptance whichever is earlier and shall proceed with the same with due expedition and without delay except as may be expressly sanctioned or ordered by the Engineer/ Consultant.

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 work to other agencies in the area. With this objective, the Contractor has to execute the work as per the approved time schedule set by the Engineer. In some cases, the work may have to be carried out intermittently. No extra payments will be made on these accounts by the Employer.

The Contractor shall plan and execute his work in phased manner as directed by the Engineer/Consultant from time to time and shall fully co-operate 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 and/or Consultant on any point of dispute between the various Contractors shall be final and binding on all the parties concerned.

18.2 The Contractor shall furnish detailed monthly and quarterly programme/schedule in consultation with the Engineer/Consultant prior to commencement of Work. The Contractor shall follow the programme diligently as approved by the Engineer/Consultant and the approved programme shall be final, binding and conclusive on the Contractor.

18.3 The Contractor shall execute the Work to the satisfaction of the Engineer/Consultant and strictly adhere to the time schedules. Any addition, alteration or modifications in the time schedule or specifications given in writing by the Engineer will be final, binding and conclusive on the Contractor.

18.4 **Possession of Site for Work:** 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 shall be executed, the Employer will, with the Engineers' 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 schedule. The Engineer will, from time to time as the works proceed, give to the Contractor possession of such further portions of the Site as may be required to enable the Contractor to proceed with the Construction of the works with due diligence in accordance with such approved schedule. 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 & certify suitable extension of time for the completion of the works and the Contractor shall not be entitled to any compensation or damages on this account.

18.4.1 **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.

- 18.5 **Time of Completion:** Subject to any requirement in the Contract as to completion of any portion of the Work before completion of the whole, the whole of the Work shall be completed within the time stated in the Fax Letter of Acceptance/Detailed Letter of Acceptance or such extended time as may be allowed under Clause No. 18.5.1 hereunder.
- 18.5.1 **Extension of time for Completion :** Should the quantum of extra or additional work of any kind or other special circumstances of any kind whatsoever which may occur be such as fairly entitle the Contractor to an extension of time for the completion of the Work, the Engineer shall decide the amount of such extension. However the Engineer is not bound to take into account any extra or additional work or other special circumstances, unless the Contractor has within thirty (30) days after such work has been commenced or such circumstances have arisen or as soon thereafter as is practicable but not later than thirty (30) days delivered to the Engineer full and detailed particulars of any claim for extension of time to which he may consider himself entitled in order that such claim may be investigated at that time. In any case the Contractor shall not be entitled to Revision of Price, any compensation or damages on account of such extension of completion period.
- 18.6 **Round the Clock Work:** The Contractor shall be committed to complete the Work within the targeted schedule. Considering the progress of the work and in order to meet the Contract schedule, the Contractor shall carry out the work round the clock if required, duly complying the statutory and Site requirements. However for the purpose of saving of life or property or the Work if it is unavoidable or absolutely necessary to stop the work for an appropriate period, the Contractor shall immediately inform in writing to the Engineer/ Consultant accordingly.
- 18.7 **Rate of Progress:** The whole of the materials, plant and labour to be provided by the Contractor and mode, manner and speed of execution and maintenance of the Work are to be of a kind and conducted in a manner approved by the Engineer/ Consultant. Should the rate of progress of the works or any part thereof be at any time in the opinion of the Engineer/ Consultant is too slow to ensure the completion of the Work by the prescribed time or extended time for completion, the Engineer/ Consultant 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 Work by the prescribed time or extended time for completion. All works shall be carried out without unreasonable disturbance to other Agencies. The Contractor shall indemnify the Employer against any liability for damages on account of such disturbances, if any created while carrying out the works and from against all claims, demands, proceedings, damages, costs, charges and expenses whatsoever in regard or in relation to such liability.
- 18.8 **Possession prior to Completion:** The Employer shall have the right to take possession of or use any completed or partially completed part of the Work. Such possession or use shall, however not be deemed to be an acceptance of any Work in accordance with the Contract.
- 18.9 **Certificate of Completion of Work:** As soon as in the opinion of the Engineer/ Consultant the Work shall have been Virtually completed, Engineer/Consultant shall, on Contractor's delivery of all "As Built Drawings" and on receiving a written undertaking from the Contractor to finish any outstanding works during Defect Liability Period (DLP), issue a "Virtual Completion Certificate" in respect of the Work. The period of DLP of Work shall commence from the date of such certificate.

When a part of the Work is completed, occupied and used by the Employer, the Engineer/Consultant may give "Virtual Completion Certificate" to such part of Work and DLP for said part shall commence from the date of issue of said certificate. Provided always that a "Virtual Completion Certificate" is given in accordance with the foregoing provisions of any part of the works occupied and used, such certificate shall not be deemed as Virtual Completion of the Work.

19.0 LIQUIDATED DAMAGES FOR DELAY

19.1 If the Contractor fails to complete the Work within the "Time of Completion" of the Contract or any extension thereof and/or to fulfil his obligations in time under the Contract or any extension thereof, he shall be liable to pay liquidated damages (not by way of penalty) a sum of zero point five percent (0.5%) of the Contract value per week or part thereof by which the Work has been delayed. The Contractor's liability for the delay in completion of the Work shall not in any case exceed five percent (5%) of the total Contract value. The decision of the Engineer in this regard shall be final and binding on the Contractor. The Employer may without prejudice to any other method of recovery deduct the amount of such damages from 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 Work or from any other of his obligations and liabilities under the Contract.

The recovery of Liquidated Damages shall not relieve the Contractor from his obligations to complete the Work or from any of his obligations and liabilities under the Contract.

19.2 **Reduction of liquidated damages:** If before the completion of the whole of the Work, any part of the works has been certified by the Engineer/ Consultant as completed pursuant to Clause 18.5 hereof and occupied or used by the Employer, the liquidated damages for delay shall after such certification be reduced in the proportion to the value of the parts so certified bears to the value of the Contract.

20.0 LIABILITIES FOR DEFECTS

20.1 **Execution of works or repair etc.:** To the extent that the Work shall at or as soon as practicable after the expiration of DLP, be not delivered in perfect condition (except normal wear and tear) to the satisfaction of the Engineer/ Consultant as that in which they were at the commencement of DLP, the Contractor shall forthwith execute all such works of repair, replacement, modification, rectification and making good of defects, imperfections, shrinkages or other faults as may be required to complete such works within fourteen (14) days of receipt of written direction by the Engineer/ Consultant.

20.2 **Cost of execution of repair works etc.:** All such works shall be carried out by the Contractor at his own cost & expenses if the necessity there of, in the opinion of the Engineer/ Consultant, is due to the use of materials or workmanship not in accordance with the Contract or 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.

20.3 **Remedy on Contractor's failure to carry out work:** If the Contractor shall fail to do any such work as directed by the Engineer/ Consultant, the Employer shall be entitled to carry out such work by his own workmen or by other Agencies and for such work which the Contractor should have carried out at the Contractor's own cost & expenses, the Employer shall be entitled to recover from the Contractor the **total 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.

21.0 ALTERATIONS, ADDITIONS AND OMISSIONS

21.1 **Variations:** The Engineer/ Consultant shall have the right to make any variations of the form, quality or quantity of the Work or any part thereof that may in his opinion be necessary/required for the completeness of the Work and for any other reasons which in his

opinion be desirable/required, he shall have right to order the Contractor to do any of the following:-

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

and no such variation shall in any way vitiate or invalidate the Contract but the value of all such variations shall be taken into account in ascertaining the amount of the Contract Price and adjustment of time for completion, if required.

21.2 **Orders for variations to be in writing:** No such variation shall be made by the Contractor without an order in writing of the Engineer/ Consultant. 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/ Consultant 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/ Consultant shall be deemed to be an order in writing subject to Clause No. 5.3 hereof.

21.3 **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 Contract. 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/analysis of rates adopting approved rates in the 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 ten percent (10%) of the direct cost.

Provided also that no increase of the Contract price and Clause 21.3 shall be made unless the Contractor notifies to the Engineer his intention to claim extra payment within one month from the (receipt of the Contract variation) date the work relating to the variation is taken up for execution. The Contractor shall furnish to the Engineer/ Consultant such receipts or other vouchers as may be necessary in support of execution of particular work/item for fixing rate by the Engineer/ Consultant.

21.4 **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/ Consultant, and such item of work can not be measured, by the Engineer/Consultant, then, if in his opinion it is necessary or desirable, then he shall order in writing that any additional or substituted work shall be executed on a day work basis.

21.4.1 In respect of all work executed on a day work basis, the Contractor shall, during the continuance of such work, deliver on each day to the Engineer/ Consultant exact list, in duplicate of the names, occupation and time of all workmen employed on such work and statement in duplicate showing the description and quantity of all materials and plant used thereon or there for (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 correct or when agreed, be signed by the Engineer/ Consultant and returned to the Contractor. At the end of each month the Contractor shall deliver to the Engineer/ Consultant a priced statement of the labour, material and plant (except as

aforsaid) used and the Contractor shall not be entitled to any payment unless such lists and statements have been fully and punctually rendered. The contractor shall be paid for such works as per prevailing Employer's rates of daily wages for contract labour.

22.0 MEASUREMENTS

22.1 **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 of 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.

22.2 **Works to be measured:** The Engineer/ Consultant shall, except as other wise 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 authorised engineer to assist the Engineer/ Consultant in making such measurement and shall furnish all particulars required by him. Should the Contractor not attend or neglect or omit to send such an authorised engineer on the date/s fixed by the Engineer/ Consultant for taking measurement as per notice given to the Contractor, the measurement certified by the Engineer/ Consultant shall be taken to be the correct measurement of the works.

22.3 **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 complete and measurements shall be made according to the procedure set forth in the Bureau of Indian Standard - Method of Measurement for "Building Work IS:1200" and any subsequent amendment or modification there of notwithstanding any general or local custom. All dimensions and measurements shall be in metric units.

22.4 **Period of final Measurement:** The final measurements and valuations in respect of the Contract shall be completed within three (3) months from the date of completion of the Work as certified by the Engineer/Consultant in accordance with Clause No 18.9 herein above.

23.0 PRICES:

23.1 Prices or the Rates for the Work stipulated in the Contract, shall remain firm and binding during the Contract Period subject to the variations stipulated in the Special Conditions of the Contract.

23.2 The rates/prices to be quoted are intended to provide for all works duly and properly completed in accordance with the General Conditions of Contract and Special Conditions of Contract, Specifications and Drawings together with such alterations and/or additions as may be approved/ordered and without prejudice to the generality thereof, shall include such details which are obviously and fairly intended and which may not have been specifically referred to in these documents and working drawings, but are essential for execution and satisfactory completion of work/performance of equipment shall be deemed to include and cover but not limited to inter-alia, the following:

- 1) Wherever applicable, the Contractor's rates/prices shall include cost of delivery of items/materials FOR Site Basis. Payment against such supplies shall be released only on receipt and acceptance of items/materials at Site.

Items / Materials delivered by the Contractor for which payment was made by the Employer shall remain the property of the Employer whether those are used or not.

- 2) The rates / price quoted by the Tenderer shall be inclusive of all taxes, duties, levies etc. prevailing on the last date of submission of the tender or revision in prices, if any, whichever is later. The Tenderer has to indicate the amount of CENVAT towards Excise Duty & Service Tax and Education Cess and Secondary & Higher Education Cess thereon as well as APVAT for which they shall provide relevant documents as per provision of the respective Acts for enabling the Employer to avail CENVAT (ED & Service Tax and Education Cess and Secondary & Higher Education Cess thereon) and ITC on account of APVAT..

The Tenderer shall note that the evaluation of the Tender shall be made net of CENVAT and Input Tax Credit on account of APVAT.

- 3) The cost of all superintendence of labour, materials, tools, construction plant & equipment, As Built Drawings, mobilising and demobilising equipment, fixtures, transport charges, insurance charges, BG charges, temporary and permanent works, testing, screening, washing, procession and handling of materials, stocking and removal charges of any rejected materials, etc. water and power arrangement and satisfactory maintenance of the same for the full and satisfactory completion of the works intended. The prices should also include complete requirement of all materials, chemicals, lumber, paper, etc. required up to the stage of successful completion of Work.
- 4) All fees, duties, royalties, rent and compensation to owner for surface damage or taxes and impositions payable to local authorities in respect of land and structures, for all materials supplied for the work or other duties or expenses for which the Contractor may become liable or may be put to under any provision of the law for the purpose of or in connection with the execution of the Contract including levies payable on all transactions.
- 5) Cost of all leads if any, unless otherwise specified in the Bill of Quantities.
- 6) Cost of testing of materials, works etc. and cost of conducting various tests during inspection, start-up operations, tests and assistance during testing.
- 23.3 The Contractor shall get himself registered as VAT dealer under the Andhra Pradesh Value Added Tax Act and for all supplies other than bought-out shall be made against VAT invoice to facilitate Input Tax Credit to the Employer. The Tenderer shall note and indicate the details of Input Tax Credit (ITC) on APVAT as per the table below which has also been indicated in Bill of Quantities/Quote sheet.

Table indicating details of Input Tax Credit (ITC) on APVAT.

% of APVAT	APVAT amount indicated in Bill of Quantities	Rate of entitlement of ITC for VSP	Amount of ITC
4%		1.61%	
12.50%		10.11%	
Total amount of ITC included in the Bill of Quantities/ Rates			

- 23.4 The price/rates quoted against construction and erection shall be inclusive of all taxes and duties (if any) and levies etc., including APVAT on Works Contracts. The ED (if any), APVAT and Service Tax and corresponding Education Cess shall be paid to the extent the Contractor submits the required documents to enable the Employer to avail CENVAT credit and / or ITC on account of APVAT credit for the same as per the provisions of Service Tax Act.
- 23.4.1 The applicable Service Tax amount will be released to the Contractor on submission of relevant documents like copy of Registration Certificate from their Jurisdictional Superintendent of Service Tax that they are registered under the Service Tax rules and Cenvatable invoice containing the following details:

- a. Their name, address and the registration number and Service Tax range
- b. The name and address of the person receiving taxable service (RINL)
- c. Description, Classification and the value of taxable service provided
- d. Service Tax and Education Cess and Secondary & Higher Education Cess payable thereon

23.5 General:

- 23.5.1 In case of shortage/missing/damage/ failure of any material identified at any point of time within the period specified by the Contract including defect liability period, the Tenderer shall supply/replace the same without any financial implication to the Employer.-
- 23.5.2 Working in all conditions including in/under water, liquid, mud, foul conditions, etc. and shall also include bailing or pumping out water from the foundations, basement or any other place of construction, collected from rains or any other source whatsoever, de-slugging and allied operation, at any state of work and at any time till completion of work including all suspension period and delays whatsoever, cost of curing including pumping of curing water, wherever necessary.
- 23.5.3 Work at all depths in foundation below the ground level and in superstructure up to all the heights above ground level including all lifts and descents, work involved at any other place of work.
- 23.5.4 All materials and labour required for fencing and protection against risk of accidents and fire and providing necessary planking, strutting, gangway with handrails, gumboots, helmets, safety belts, etc. during the progress of Work.
- 23.5.5 Clearing the site after completion of Work of all debris left out, construction materials, labour colonies, etc., including micro dressing the area in neat and clean shape.
- 23.5.6 Providing painting as specified in the Contract.
- 23.5.7 Any other activity necessary for the completion of Work.
- 23.6 The Tenderer has to consider all taxes and duties & levies etc. applicable on this Contract and accordingly, shall indicate the Excise Duties, taxes, considered on various supplies and services included in his offer. Non inclusion or omission either declared or not declared on the part of the Tenderer in including duties or taxes on any items as may be applicable as on last date of submission of the tender or the revision in prices whichever is later is not to be a reason for reimbursement of the difference in Excise Duty, Taxes etc. at a later date.. For the purpose of reimbursement of variation in duties or taxes, the difference between the duties, taxes etc. as prevailing on the date of supply / rendering of service within the Contractual delivery schedule and those prevailing as on the last date of submission of the tender or the revision in prices whichever is later shall be considered.
- 23.7 All procedures required under statutes, for availing any concessions under relevant tax laws shall be adhered to by the Contractor.
- 23.8 Cenvat Scheme and Input Tax Credit (ITC) on APVAT:**
- 23.8.1 The Tenderer shall specify the amount of Excise Duty (ED) / CVD / SAD / Service Tax including Education Cess and Secondary & Higher Education Cess thereon Value Added Tax (VAT) and any other taxes and duties which are Cenvatable and indicated in the relevant price schedule for which the Tenderer shall furnish the relevant duty paying documents and comply with the procedural requirements for enabling the Employer to avail Cenvat and ITC benefit under the Central Excise Act and the AP Value Added Tax Act respectively.

- 23.8.2 The amounts indicated by the Tenderer vide Clause No. 23.8.1 herein above shall be deducted from their total price for the purpose of Tender evaluation and the amounts so indicated by the Tenderer shall bind the Tenderer unless otherwise specified i.e. the tenderer is under the obligation to make good to the Employer in case actual CENVAT and ITC amount fall short of the amount so indicated vide Clause No.23.8.1 herein above during the execution of the Contract.
- 23.8.3 The Tenderer/Contractor shall submit all necessary documents/ particulars to the Employer for claiming the CENVAT credit and ITC. The Tenderer/Contractor shall also comply with all the procedures, rules, etc. as required for enabling the Employer to avail CENVAT/ITC so indicated by the Tenderer.
- 23.8.4 For the purpose of payment by the Employer, the Contractor shall ensure that necessary duty / tax paying documents shall be furnished for the total amount of Excise duty / CVD / SAD / APVAT / Service Tax including Education Cess and Secondary & Higher Education Cess thereon and ITC specified as included in the tender value. In case the value of the duty / tax paying documents, duly complying with the procedure and conditions stipulated by the Central Excise / Customs / Service Tax / APVAT Authorities, submitted by the Contractor falls short of the amount specified in the tender, the payment will be restricted to such short amount. For this purpose, the total amount of duty / tax on various items forming part of the Contract will be taken as one instead of individual item-wise subject to Clause Nos. 23.8.5 and 23.8.6 herein below.
- 23.8.5 In case the value of duty paying documents duly complied with the procedures and rules stipulated by Central Excise / Service Tax and APVAT authorities is more than the amount specified and incorporated in the Price Schedule, the payment will be restricted to the agreed value i.e., Contract awarded value irrespective of the Employer may avail the CENVAT and ITC basing on the duty paying documents made available. The Contractor shall submit the necessary duty / tax paying documents for all the items of equipment involved in the Contract.
- 23.8.6 However, due to variation in Bill of Quantities whether increase or decrease the taxes and duties shall be adjusted proportionately and the payment shall be considered on actual quantities subject to furnishing all required documents/particulars and complying with procedures/rules etc., as mentioned at Clause No.23.8.3 herein above.

24.0 **DEDUCTION OF TAXES ETC., AT SOURCE:**

- 24.1 Recovery at source towards Income Tax, APVAT on Works Contracts etc., will be made from the bills of the Contractor, at the rates prescribed from time to time in the respective statutes and the amount so recovered shall be deposited with the respective authorities and necessary certificates to this effect will be issued to the Contractor.

The Contractor shall pay all taxes, levies, duties etc. as prescribed from time to time by the State/Central Government directly to the State/Central Government.

In case Contractor claims exemption from deduction of APVAT on works contract at source, no APVAT on works contract shall be deducted at source and Contractor shall furnish FORM-501D from the Assessing Authorities concerned to this effect.

24.2 **SET-OFF:**

Any sum or 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 Employer for payment of a sum or money arising out of or under any other Contract or transaction with the Contractor by the Employer or by the Government (State/ Central) or by any Government Undertaking/statutory Body.

25.0 CERTIFICATE OF PAYMENT

25.1 **Monthly Payments:** The Contractor shall submit to the Engineer/ Consultant, 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 accompanied by detailed agreed measurements together with various documents and certificates as stipulated in Special Conditions of Contract (SCC). Subject to statutory and other deductions, if any, the Contractor will be paid monthly "On Account Payment" on the certification by the Engineer/ Consultant.

25.2 **Return of Security Deposit (SD):** One half of the SD shall become due and shall be paid / released to the Contractor on issue of "Virtual Completion Certificate" by the Engineer for the entire Work. The other half of the SD shall be released to the Contractor sixty (60) days after the expiration of DLP of the entire Work based on the Final Completion Certificate (ref. Clause No. 25.5 herein below) issued by the Engineer/Consultant or subject to execution by the Contractor of any works ordered during such period pursuant to Clause 20.1 to 20.3 hereof.

25.3 **Release of "On Account" Payments:**

The Employer shall release the payment to the Contractor on the fifteenth (15th) day on receipt of Bill / Invoice along with all relevant documents complete in all respects duly certified by Engineer/Consultant in respect of "On Account Bill ". If the fifteenth (15th) day falls on a holiday or off day, the payment shall be made on the next working day. However, no interest shall be paid on any delay in payment of "On Account Bill".

All "On-Account" payments shall be regarded as advance payments to be finally adjusted against the "Final Bill" payment.

In respect of payment made through Electronic Fund Transfer mechanism or Direct credit to the supplier's/contractor's bank account, the supplier/contractor should intimate discrepancies, if any, within Ten (10) days from the date of receipt of intimation letter of payment to them, failing which it shall be presumed that the funds have reached to their bank account and no claims will be entertained after the said Ten (10) days.

25.4 **Correction of Certificates:** The Engineer/ Consultant may by any certificate make any correction or modification to any previous certificate which was issued by him.

25.5 **Final Completion Certificate:** The Contract shall not be considered as completed until a Final Completion Certificate shall have been issued by the Engineer and delivered to the Employer stating that the Work have been completed and maintained in all respects to his satisfaction. The Final Completion Certificate shall be issued by the Engineer within thirty (30) days after the expiration of DLP or as soon thereafter as any works ordered during such period pursuant to Clause 20.1 to 20.3 herein above shall have been completed to the satisfaction of the Engineer/ Consultant whichever is later.

25.6 **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 Work, unless the Contractor shall have made a claim in writing in respect thereof before requesting for issue of the Final Completion Certificate.

26.0 REMEDIES AND POWERS:

26.1 **Termination of Contract by the Employer:** If the Contractor shall become bankrupt or have a receiver's order made against him or shall present his petition in bankruptcy or shall make an arrangement 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 if the works under the Contract have been attached under an order of a court of Law for any default of the Contractor or if the Engineer shall certify in writing to the Employer that in his opinion the Contractor:

- a) has abandoned the Contract, or,
- b) has failed to execute the work with due diligence or expedition, or,
- c) refuses or neglects to comply with any orders given to him in writing by the Engineer in connection with the work, or,
- d) has contravened the provisions of the Contract including timely execution of the Work, or,
- e) has failed to remove the materials/items from the Site or to pull down and replace the work within fourteen (14) days after receiving from the Engineer written notice that the said materials/items or work have been condemned and rejected by the Engineer/Consultant, or,
- f) is not executing the works in accordance with the Contract or is persistently or flagrantly neglecting to carryout his obligations under the Contract, or,
- g) has to the detriment of good workmanship or in defiance of the Engineer's/Consultant's instructions to the contrary sub-contracted or assigned any part of the Contract, or,
- h) has contravened any safety regulation of the Employer in vogue from time to time,

then the Employer, after giving fifteen (15) days notice in writing to the Contractor may terminate the Contract at the risk and cost of the Contractor. After the expiry of the fifteen (15) days, the Engineer/Consultant shall then enter upon the Site and the Work and expel the Contractor therefrom, without releasing the Contractor from any of his obligations or liabilities under the Contract and without affecting the rights and powers conferred on the Employer or the Engineer by the Contract.

- 26.2 The termination of the Contract as stated above may be either for whole or part of the Contract at the Employer's option. In the event of the Employer terminating the Contract in the whole or in part, he may procure, on such terms and in such manner as he deems appropriate, materials similar to those mentioned in the Contract to the extent possible or get the remaining erection, testing and commissioning of the work of the Contract so terminated executed by any other Contractor. The Contractor shall be liable to pay to the Employer any extra amount incurred or to be incurred by the Employer for procurement from alternative sources and for erection, testing and commissioning of the work by other agencies. Such recovery however shall not absolve the Contractor from his obligations under the Contract, to the extent it is not terminated.

The Employer or such other Contractor may use for such completion so much of the constructional plant, temporary works and materials which have been vested with the Employer under Clause No. 9.29 hereof on the site as he or they may think proper and Employer may at any time sell any of the said constructional plant, temporary works and unused materials and apply the proceeds of the sale in or towards the satisfaction of any sum due or which may become due to him from the Contractor under the Contract or from any other Contract between the Employer and the Contractor.

- 26.3 **Valuation at the 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 ex-party or by or after reference to the parties or after such investigation or enquiries as he may think fit 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 No. 9.29 herein above upon the Site.

- 26.4 **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 DLP and thereafter 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 there of 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 from any other Contract between the Contractor and the Employer or Employer's subsidiary units/ Companies.
- 26.5 **Urgent repairs:** If by reason of any accident or failure or 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 the DLP, any remedial or other work or repair shall in the opinion of the Engineer, be urgently necessary 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 expense under the Contract, all costs and charges properly incurred by the Employer in so doing shall on 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.
- 26.6 **Termination of Contact by the 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 of 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 Contract or 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 to show to the reasonable satisfaction of the Contractor that he is able to carry out and fulfill 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 17.9 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 rates contained in the Contract shall be followed and where the same do not apply valuation shall be made in accordance with Clause 21.3 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.

27.0 **FORCE MAJEURE:**

- 27.1 If at any time during the continuance of the Contract, the performance in whole or in part by either party or any obligations under the Contract shall be prevented or delayed by reason of any war, hostilities, act of public enemy, civil commotion, sabotage, fire, floods, explosions,

epidemics, quarantine restrictions and Acts of God (hereinafter referred to as 'Events') and provided notice of the happening of any of the above mentioned Events duly certified by Indian Chamber of Commerce is given by either party to the other within twenty-one (21) days from the date of occurrence thereof, the Employer shall have the right by reason of such Events to terminate the Contract without however, affecting the right to any claim for damages on the Contractor in respect of such non-performance or delay in performance. However, in the event of the Employer having agreed, the works under the Contract shall be resumed after such Events have come to an end/ceases to exist. Should one or both the parties be prevented from fulfilling their contractual obligations by a state of force majeure lasting continuously for a period of at least six (6) months and the Employer not having terminated the Contract by that time, the two parties should consult each other regarding the further implementation of the Contract. If no mutually satisfactory arrangement is arrived at within a period of three (3) months from the expiry of six (6) months referred to above, the Contract shall be deemed to have expired at the end of the three (3) months referred to above. The above mentioned expiry of the Contract will imply that both the parties have obligations to reach an agreement regarding the winding up and financial settlement of the Contract.

27.2 The above mentioned Force Majeure Events shall not include constraints which could prudently be foreseen like shortage of power, non-availability of raw materials, difficulties in making transport arrangements etc.

27.3 The above mentioned Force Majeure Events shall not also include similar events happening in the works of the sub-Contractors / suppliers etc of the Contractor.

28.0 SETTLEMENT OF DISPUTES

28.1 **Disputes to be finally determined by the Engineer:** The decisions, Opinions, directions, orders, certificates or valuation of the Engineer with respect to all or any part of the matters under Clauses 9.5 to 9.9, 9.11, 9.27, 15.2 (h), 17.1, 17.3.1, 17.5, 17.5.1, 17.6 to 17.9, 18.4, 18.5.1, 18.7, 18.9, 19.0, 20.0, 21.0, 22.2, 22.4, 25.5, 26.1, 26.3 to 26.5 & Special Conditions of Contract for the decision of which specific provisions have been made thereof (which matters herein referred to as "Excepted Matters") shall be final and conclusive and binding on the parties hereto and shall be without appeal.

28.2 **Settlement of Disputes by Arbitration:** Except the matters covered under above Clause No. 28.1, all disputes and differences whatsoever arising between the parties out of or relating to the construction, meaning and operation or effect of this contract or the breach thereof shall be settled by Arbitration. Each party shall appoint its arbitrator, the two arbitrators so appointed shall appoint the third arbitrator who shall be the presiding arbitrator. The arbitration shall be governed by the provisions of Arbitration and Conciliation Act 1996 and the statutory modifications to the said Act. The award made in pursuance thereof shall be binding on the parties, provided that withholding of any of the certificate, decision, order, 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.

In case the Contractor is Government of India Undertaking any dispute between the Contractor and the Employer in respect of this Contract shall be settled in accordance with the procedure laid down from time to time by Bureau of Public Enterprises (BPE)/ Government of India.

28.3 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.

28.4 No Interest shall be awarded by the Arbitrator in any Arbitration proceedings.

28.5 The Arbitration bench shall make a reasoned award.

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

29.0 **NOTICES**

29.1 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.

29.2 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-1

(Para 2.2 of Instructions to the Tenderer)

**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 BANK GUARANTEE**

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- 530 031 (AP)

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. (hereinafter 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 documents 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 undertake 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.
2. We, the Bank further agree that if the contractor/Supplier commits any breach of the terms and conditions of the said documents in respect of which the contract or Supplier has been exempted from depositing the Earnest Money because of the guarantee furnished by the Bank to 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/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, the 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 or any of the terms and conditions of the said documents and the 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 contained 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 theday of without prejudice to the claims of the company arisen and demanded from or otherwise notified to us in writing on or before the said date which will be enforceable against us not withstanding 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 document or securities available to the company and the said Bank shall not be released from its liability 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 provision 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 enforceable against the Bank not withstanding any security which the company may have obtained or obtain from the contractor/supplier shall at the time when proceedings 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 of the Bank shall not discharge our liability hereunder.
- 8. We(name of the bank) hereby agree that any claim due and arising under this guarantee shall be enforceable against our bank's branch at Visakhapatnam and they shall honour such demand in any case not later than next working day.

Place: Signature

Date: Name

Note: Instructions to the Bank: Not to be reproduced in the Bond Paper

- 1. The following are to be filled up in the blank space indicated thus:
 (*) Tender No. of the tender (i.e.) No. of the covering letter of the tender of the Contractor.
 (**) Name of the Work as given in the Tender Notice.
- 2. All pages of Bank Guarantees 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.

APPENDIX-2

(Para 3.1.1 of Instructions to the Tenderer)

FORM OF PERFORMANCE GUARANTEE BOND IN LIEU OF SECURITY DEPOSIT

This AGREEMENT is made thisday of2005 between M/s, a company registered under the Companies Act 1956, having its registered office at (hereinafter called "The Contractor" which expression shall unless repugnant to the context or meaning thereof include its successors and assigns) of the first part AND the Rashtriya Ispat Nigam Limited, Visakhapatnam Steel Plant, a company registered under the Companies Act 1956 having its registered office at Administrative Building, Visakhapatnam-530 031 called "The Company" (which expression shall unless repugnant to the context or meaning thereof include its successors and assigns) of the second part.

WHEREAS the Contractor has inter alia agreed with the company to execute the work On a comprehensive basis on the terms and conditions contained in the Contract No..... made between the Company and the Contractor.

AND WHEREAS the Contractor has to furnish a sum of Rs.....(Rupees.....only), as Security for the due performance of the said Agreement.

AND WHEREAS the Company has agreed not to insist on such deposit of Rs.....(Rupees.....only) from the Contractor as security but to accept this Performance Bond for the due performance of the said agreement by the Contractor on the terms & conditions herein contained.

It is now agreed by and between the parties hereto as follows:

1. In consideration of the company agreeing to waive the payment by the Contractor, Security Deposit in accordance with the said agreement on the Contractor furnishing this indemnity, the Contractor hereby undertakes to indemnify the Company and keep the company indemnified from time to time to the extent of Rs.....(Rupees.....only) being value of Security Deposit in accordance with the said agreement against any loss or damage caused to or suffered by the Company by reason of any breach or breaches on the Contractor's part of any of the terms & conditions contained in the said agreement and in the event the Contractor shall make any default or defaults in carrying out any of the works under the said agreement or otherwise in the observance or performance of any of the terms & conditions relating thereto in accordance with the true intent and meaning thereof the Contractor shall forthwith on demand and without demur pay to the company such sum or sums not exceeding in total the said sum of Rs.....(Rupees.....only) as may be claimed by the company as losses, damages, costs, charges or expenses by reason of such default or defaults on the Contractors' part.
2. Notwithstanding anything to the contrary in these presents or in the said agreement the Company's notice as to whether the contractor has made any default or defaults or the amount or amounts to which the Company is entitled by reason thereof will be binding on the Contractor for the purposes of this indemnity and the Contractor shall not be entitled to ask the Company to establish its claim or claims under this Indemnity but will pay the same or demand without any objection provided always the mutual rights under the said agreement shall not in any way be prejudiced by reason of such demand by the Company and payment by the Contractor under this indemnity and the claims under the said agreement shall be settled in accordance with the said agreement without prejudice to the Company's rights to demand immediately under this indemnity and the Contractor's liability to pay the same, but



any amount so paid by the Contractor being taken into consideration the settlement as per the said agreement.

- 3. This Indemnity shall continue and hold good until it is released by the Company in writing on the Contractor's application after the expiry of relative guarantee period of the said agreement and after the Contractor has discharged all his obligations under the said agreement and submitted a No Demand Certificate from the Engineer under the said agreement.
- 4. The company will have the fullest liberty from time to time to enforce or forbear to enforce any of the terms & conditions of the said agreement and the Contractor shall not be released from his liability under this indemnity by the exercise of the Company's liberty with reference to the matters aforesaid or by reason of any time being given to the Contractor or any forbearance, act or omission on the Company's part or any indulgence by the Company to the Contractor or by any variations or modifications of the said agreement or any other act, matter or thing whatsoever on the Company's part.
- 5. This indemnity and the powers and provisions herein contained are in addition to and not by way of limitation or substitution for any other guarantee, indemnities hereto before given to the Company by the Contractor and this indemnity does not revoke or limit such indemnities or Guarantee.

IN WITNESS WHEREOF the parties hereto have executed these presents the day the year first herein above written.

Signed by Shri.....
on behalf of the Contractor.

In the presence of

- 1.
- 2.

Signed by Shri
(Name and Designation)

For and on behalf of RASHTRIYA ISPAT
NIGAM LIMITED

In the presence of

- 1.
- 2.

APPENDIX-3

(Para 3.0 to Instructions to the Tenderer)

BANK GUARANTEE FROM A SCHEDULED COMMERCIAL BANK

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

To
M/s Rashtriya Ispat Nigam Limited
Visakhapatnam Steel Plant
VISAKHAPATNAM - 530 031

1. Name and Address of the Bank :
2. Bank Guarantee No. :
3. Date of Issue/with effect:
4. Date of Expiry :
5. Claim Period :
6. Limit of Liability :
7. Ref. Letter of Acceptance and Date :
8. For (Name of work) :

SUBJECT: SECURITY DEPOSIT

In consideration of Rashtriya Ispat Nigam Limited, Visakhapatnam Steel Plant, A Government Company incorporated under the Companies Act, 1956 having its registered Office at Administrative Building, Visakhapatnam - 530 031 (hereinafter called the Company) having agreed to accept the Security Deposit of Rs.....(Rupees.....) (Only). M/s

_____ (hereinafter called the Contractor) under the terms and conditions of the Letter of Acceptance No: _____ dated _____ for (Name of the work) _____

_____ on a comprehensive basis and as per your Letter of Acceptance dated _____ (hereinafter referred to as "the said Contract" which expression shall in case of execution of any formal agreement between you and the Contractor shall and include the said agreement) covered under the said agreement as a Guarantee for the security of materials under the custody of the Contractor in terms of the said tender as also for the due fulfilment of all the terms and conditions contained in the said agreement on furnishing of a Bank Guarantee for Rs.....(Rupees.....) (Only).

We, _____ (Name of the Bank) (hereinafter referred as the said Bank) hereby covenant and agree with you as under:

1. We undertake to indemnify you and keep you indemnified from any loss or damage from time to time to the extent of Rs.....(Rupees.....) (Only) caused to or suffered by you or that may be caused to or suffered by you by reason of any breach or breaches on the part of the Contractor of any of the terms and conditions contained in the said agreement and in the event the Contractor shall make any defaults in carrying out any of the works under the said agreement or otherwise in the observance and performance of any of the terms and conditions relating thereto, we shall forthwith without any protest or demur pay to you such sum or sums not exceeding in total the said sum of Rs.....(Rupees.....) (Only) as may be claimed by you as your losses and/or damages, costs, charges, or expenses by reason of such default/defaults on the part of the contractor.

2. Notwithstanding anything to the contrary, your notice as to whether the Contractor has made any such default or defaults and the amount or amounts to which you are entitled by reason thereof will be binding on us and we shall not be entitled to ask you to establish your claim under this Guarantee but will pay the same on demand without any objection.
3. The Company shall have the fullest liberty to claim payment of the amount or amounts from time to time under this Guarantee, subject to a ceiling limit of Rs.....(Rupees..... (Only) as referred to above and this Guarantee shall not become invalid or infructuous because of the partial demand made by the Company upon us for payment under the circumstances stipulated hereinabove and this guarantee shall hold good in favour of the Company to the extent of the balance amount covered under this Guarantee.
4. This Guarantee shall continue and hold good until it is released by you on the application by the Contractor after expiry of the relative Guarantee period of the said contract and after the Contractor had discharged all its obligations under the said contract and produced a certificate of the due completion of the work under the said contract and submitted a No Demand Certificate.

Should it be necessary to extend this guarantee beyond the said date on account of any extension of time being granted by you to the contractor in respect of completion of the works in the said contract or otherwise we undertake to extend the period of this Guarantee and confirm you in writing, the extension of time, on your request till such time as may be required.

5. You will have the fullest liberty without our consent and without affecting this guarantee from time to time to vary any of the terms and conditions of the said agreement or extend time of performance of the Contractor or to postpone for any time or from to time any of your rights or powers against the Contractor and either to enforce or forebear to enforce any of the terms and conditions of the said contract and we shall not be released from our liability under this Guarantee by the exercise of your liberty with reference to matters aforesaid or by reason of any time being given to the Contractor or any other forbearance, act or omission on your part, or any indulgence by you to the Contractor or by any variation or modification of the said contract/or any other act, matter or thing whatsoever which under law relating to sureties would but for the provisions hereto have the effect of so releasing us from our liability herein PROVIDED ALWAYS NOTHING herein contained will enlarge our liability beyond the limit of Rs.....(Rupees..... (Only) as aforesaid or extended the period of the Guarantee beyond the said day of _____ unless expressly agreed to by us in writing.
6. This Guarantee shall not in any way be affected by your taking or varying or giving up any securities from the Contractor or any other person, firm or company on its behalf or by the winding up, dissolution, insolvency, re-construction or death as the case may be of the Contractor.
7. In order to give full effect to the guarantee herein contained you shall be entitled to act as if we were your principal debtors in respect of all your claims against the Contractor hereby guaranteed by us as aforesaid and we hereby expressly waive all our rights of suretyship and other rights, if any, which are in any way inconsistent with the above or any other provisions of this guarantee.
8. Subject to the maximum limit of our liability as aforesaid this Guarantee will cover all your claim or claims against the Contractor from time to time arising out of or in relation to the said contract and in respect of which your demand or notice in writing is received by us.



- 9. This Guarantee and the powers and provisions herein contained are in addition to and not by way of limitation of or substitution of any other guarantee or guarantees thereto given to you by us (whether jointly with other or alone) and now existing uncanceled and that this guarantee is not intended to and shall not revoke or limit such guarantee or guarantees.
- 10. This guarantee shall not be affected by any change in the constitution of the Contractor or us nor shall it be affected by any change in your constitution or by any amalgamation or absorption or reconstruction thereof or therewith but will ensure for and be available to and enforceable by the absorbing or amalgamated, reconstructed company or concerned.
- 11. This guarantee during its currency shall not be revocable by us except with your previous consent in writing.
- 12. It shall not be necessary for you to proceed against the contractor before proceeding against us and the guarantee herein contained shall be enforceable against us, notwithstanding any security which you may have obtained or obtain from contractor at any time or when proceedings are taken against us hereunder be outstanding or un-realised.
- 13. We(mention the name of the bank) hereby agree that any claim due and arising under this guarantee shall be enforceable against our Bank's Branch (mentioning the name & address of the branch) at Visakhapatnam and they shall honour such demand immediately in any case not later than next working day.

DATED THE _____ DAY OF _____ TWO THOUSAND



VOID

APPENDIX-4
(Para 3.1.1 of Instructions to the Tenderer)

INDEMNITY BOND IN LIEU OF BANK GUARANTEE FOR ADVANCE

THIS APPENDIX STANDS DELETED

**APPENDIX-5**

(Para 5 (f) Instructions to the Tenderer)

DETAILS OF JOBS UNDERTAKEN (ON-HAND AND COMPLETED)

Sl No.	Full Particulars of similar work carried out by the Tenderer	Amount of work	Completion time as stated in tender	Actual completion time and year of execution	Name & complete postal address of authorities for whom work was carried out with Telephone no., Mobile No., Email and Fax. No. if any
--------	--	----------------	-------------------------------------	--	---

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 or as subcontractor to a principal Contractor.

-
- NB:1. 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.
2. Completion Certificate to be enclosed

**APPENDIX-6**

(Para 5 (g) of Instructions to the Tenderer)

Schedule of Constructional plant and Equipment required for Construction, Execution. Completion and Maintenance works with details of each to be employed by the Tenderer for the contract.

Sl. No	Description	Details	Approximate date when it will be employed at site	Period of retention at site
--------	-------------	---------	---	-----------------------------

NB: 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.

**APPENDIX-7**

(Ref. Para17.1 of Instructions to the Tenderer)

FORMAT FOR e-PAYMENT

BANK ACCOUNT DATA FOR e-PAYMENT

- | | | | |
|----|--------------------|---|---|
| 1. | Option | : | EFT/Direct Credit |
| 2. | Name & type of A/c | : | (30 characters, alpha Numeric, Space permitted) |
| 3. | Account Number | : | (15 characters, Alpha Numeric) |
| 4. | Account type | : | (Numeric codes shown below) |
| | 10 Savings Bank | | SB |
| | 11 Current Account | | CA |
| | 13 Cash Credit | | CC |
| | 14 Loan Account | | LA |
| 5. | Bank Name | : | 3-Digit MICR Code: |
| 6. | Branch Name | : | 3-Digit MICR Code: |
| 7. | City | : | 3-Digit MICR Code: |

Signature of the Tenderer

Name:

Desgn:

Seal:

CERTIFICATE

Certified that the above particulars are matching with our records in respect of the above firm.

Sd/-.....
 Authorised signatory of the Bank
 Bank Seal

Note: Details of EFT/Direct Credit are at overleaf.

DETAILS OF EFT/DIRECT CREDIT**EFT System:**

Under this system Banks offer their customers money transfer service from account of any bank branch to any other Bank Branch. The EFT system presently covers all the branches of about 77 banks located at 15 centres indicated below, where clearing houses are managed by RBI ie.,

- 1) New Delhi 2) Chandigarh 3) Kanpur 4) Jaipur 5) Ahmedabad
6) Mumbai 7) Nagpur 8) Hyderabad 9) Bangalore 10) Chennai 11) Trivendrum
12) Kolkata 13) Bhubaneswar 14) Guwahati 15) Patna.

Direct Credit:

Contractors opting for this system may open Bank Accounts with any one of the following banks:

- | | | | |
|----|-------------------------|---|-----------------------------|
| a) | State Bank of India | - | Steel Plant Branch |
| b) | Canara Bank | - | Steel Plant Branch |
| c) | Bank of Baroda | - | Steel Plant Branch |
| d) | State Bank of Hyderabad | - | Steel Plant Township Branch |
| e) | Andhra Bank | - | Steel Plant Township Branch |
| f) | UCO Bank | - | Steel Plant Township Branch |
| g) | IDBI | - | Visakhapatnam Branch |

Bill of Quantities

Item No.	Description	Unit	Quantity	Rate including all taxes and duties (v)	Total Price	CENVAT for ED included in the Total Price	APVAT amount included in the Total Price
(i)	(ii)	(iii)	(iv)	(v)	(vi)=(iv)*(v)	(vii)	(viii)
1							
2							
3							
4							
	Total						

Total Contract Price (in words).....

Summary:

Rs.

- a) Total Price as per BOQ
- b) CENVAT for ED included in total price
- c) CENVAT for Service Tax included in total price
- d) ITC on APVAT (refer table below) included in contract price
- e) Total price net of CENVAT and ITC on APVAT [a- (b+c+d)]
(to be considered for Tender evaluation)

Table indicating details of Input Tax Credit (ITC) on APVAT.

% of APVAT	APVAT amount indicated in the BOQ	Rate of entitlement of ITC for VSP	Amount of ITC
4%		1.61%	
12.50%		10.11%	
Total amount of ITC : [Ref. (c) above]			

.....
Signature of the Contractor

Note:-

- In case of Percentage Tender, Tenderer shall fill up the Column .No.(vii) for CENVAT amount included in the total price and the Column .No.(viii) for APVAT amount included in the total price.
- Tenderer shall indicate the amounts against items a,b,c,d of the Summary and fill up the "Amount of ITC" against 4% and 12.5% in the Table given below the Summary.